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**ISSUER IDENTIFICATION DATA**

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Date of the end of the financial year  
of reference:

[ 31/12/2019 ]

Tax ID:

[ A-28023430 ]

Registered Name:

[ ENDESA, S.A. ]

Registered office:

[ RIBERA DEL LOIRA, 60 MADRID ]

## A. REMUNERATIONS POLICY OF THE COMPANY FOR THE PRESENT YEAR

**A.1.** Explain the current remuneration policy for directors applicable in the current financial year. Insofar as it is relevant, certain information may be included by reference to the remuneration policy approved by the general shareholders' meeting, provided that the inclusion is clear, specific and concrete.

The specific determinations for the current financial year must be described, both for the directors' remuneration due to their status and for the performance of executive functions which the board would have carried out in accordance with the provisions of the contracts signed with the executive directors and with the remuneration policy approved by the general shareholders' meeting.

In any case, at least the following aspects must be reported:

- Description of the procedures and organs of the company involved in determining and approving the remuneration policy and its conditions.
- Indicate and, where appropriate, explain whether comparable companies have been taken into account to establish the company's remuneration policy.
- Information on whether an external advisor has participated and, where appropriate, their identity.

The Remuneration Policy for Endesa Directors applicable in the 2020 financial year was approved at the last Ordinary General Shareholders' Meeting on 12 April 2019, for the 2019, 2020 and 2021 financial years. However, some of the changes occurring in the Company since the approval of said Policy, such as the termination of the contract of the former Chairman Mr. Prado on 12 April 2019, the appointment of a non-executive and independent Chairman, Mr Sánchez-Calero, the modification of the contractual framework of the Chief Executive Officer and other changes of a technical nature, now require its modification. The Board of Directors will therefore raise the Endesa Directors Remuneration Policy 2020-2022 at the next Ordinary General Shareholders' Meeting to be held on 27 April 2020.

Procedure to determine the Remuneration Policy for the 2020 financial year:

In determining the 2020-2022 Remuneration Policy that will be submitted for approval at the next General Shareholders' Meeting, applicable to the year 2020, the Appointments and Remunerations Committee has intervened with the internal support of those responsible for the areas of People and Organisation, Financial Economic, Sustainability and the Secretary of the Committee, with the external advice of Deloitte, which has made a comparative analysis in the companies of the sector. In accordance with current legislation, the Committee has proposed the Endesa Directors Remuneration Policy 2020-2022 to the Board of Directors for submission to the Ordinary General Shareholders' Meeting. - Additionally, within the framework established by the 2019-2021 Endesa Directors Remuneration Policy, section 3.3, it would be possible to revise (taking into account the information on the evolution of the salary market, the growth forecast every year and/or the corresponding studies and market analysis) and, where appropriate, modify the following, with the approval of the Board of Directors on the proposal of the Appointments and Remunerations Committee: The annual fixed remuneration and the target of the variable remuneration of the executive directors, when the circumstances established in section 3.3 of the Endesa Directors Remuneration Policy occur. These modifications would be subject to publication in the Annual Report on Directors' remuneration and subsequent approval by the Board.

Changes have been made in this Report with respect to the annual fixed and target variable remuneration of the CEO; however additionally there have also been modifications in relation to the time of receipt of the Compensation or guaranteed compensation and the receipt of their long-term savings system rights. To date, both items were planned for the age of 65 (2020), and with the change they have been postponed to the time of resignation as CEO of Endesa for any reason. That is why all the changes to Mr. Bogas's contractual framework will be submitted to the Board for approval through the 2020-2022 Remunerations Policy.

- The items of remuneration of the Directors, as such, always lie within the maximum amount set by the General Shareholders' Meeting and in accordance with section 4 of the Endesa Directors Remuneration Policy. Although no modification is foreseeable at the date of this Report, it should be noted that the Board of Directors could make modifications in the year 2020, considering the functions and responsibilities attributed to each Director, their membership of Committees and other objective circumstances that it should consider relevant, all at the proposal of the Appointments and Remunerations Committee.

Lastly, it should be noted that the Board of Directors, with internal advice from the Company, prepares and publishes this Annual Report on the Remuneration of Directors, which includes those that they receive or should receive as such and, where appropriate, for the performance of their executive functions. The Appointments and Remunerations Committee verifies the information on the remuneration of the Directors and Senior Managers contained, among others, in the aforementioned Remuneration Report, with the collaboration of the Endesa General Internal Auditing Directorate.

- Relative importance of the items of variable remuneration with respect to the fixed (remuneration mix) and which criteria and objectives have been taken into account in its determination and to guarantee an adequate balance between the fixed and variable components of the remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and adjust it to the company's long-term objectives, values and interests, which will include, where appropriate, a reference to measures envisaged to ensure that the remuneration policy addresses the long-term results of the company, the measures taken in relation to those categories of personnel whose professional activities have a material impact on the entity's risk profile and measures provided to avoid conflicts of interest.

Also, indicate whether the company has established a period of accrual or consolidation of certain items of variable remuneration in cash, shares or other financial instruments, a period of deferral in the payment of amounts or delivery of financial instruments already accrued and consolidated, or whether a clause has been agreed for the reduction of the deferred remuneration or which forces the director to return the remuneration received when it has been based on data whose inaccuracy was subsequently manifestly demonstrated.

The remuneration of non-executive Directors is specified in a fixed monthly allowance and an attendance allowance, without items of variable remuneration. This is why the concept of "remuneration mix" only refers to the CEO. The remuneration structure for the CEO for 2020 guarantees an adequate mix between fixed remuneration, short-term variable remuneration and long-term variable remuneration.

The total remuneration for the CEO may vary between a minimum, represented by fixed remuneration, and a maximum, which can be attained by exceeding targets.

CEO remuneration mix:

In a scenario of 100% target goal achievement, the weight of the fixed remuneration would represent 47%, the short-term variable remuneration 28% and the long-term variable remuneration 25%, all of the total remuneration (fixed, ordinary variable and long-term variable). In a scenario of maximum goal achievement (up to 120% of the short-term variable and 180% of the long-term variable), the weight of the fixed remuneration would represent 38%, the short-term variable remuneration 26% and the long-term variable remuneration 36%, all of the total remuneration (fixed, ordinary variable and long-term variable).

-The ordinary or short-term variable remuneration for 2020 financial year uses five measurement parameters based on quantitative financial, results, efficiency, business and occupational safety indicators. The specific objectives determined for each of these parameters are designed considering the 2020-2022 Endesa Strategic Plan and, in this sense, it is guaranteed that the Company's results and objectives will be met in the long term.

Short-term variable remuneration based on the Company's results shall be paid out once the General Shareholders' Meeting has approved the annual financial statements and, if the external audit report contains any qualifications, the results shall be reduced accordingly.

-The long-term variable remuneration for the 2020 financial year uses three measurement parameters based on quantitative results, returns for shareholders and the environment. The specific objectives determined for each of these parameters are designed considering the 2020-2022 Endesa Strategic Plan and especially follow the long term or sustainability, from the point of view of the Company's own objectives, environmental, and shareholder profitability.

In the long-term remuneration, since 2014, the plans have provided for deferred payment and require the Director to be active when payment is made; these payments are made in two instalments: 30%, if applicable, in the year after the plan ends, and the remaining 70%, if applicable, in the second year after the termination of the plan. Additionally, from the next "2020-2022 Strategic Incentive" shares will be included as part of the payment, to adapt the payment of CEOs to the best corporate governance practices.

-It is the responsibility of the Board of Directors at the proposal of the Appointments and Remunerations Committee to determine each objective, its weight and measure at the beginning of each year and the evaluation of its fulfilment once completed. In this task of evaluating the fulfilment of the short and long term objectives, the Appointments and Remunerations Committee will perform its function of verifying the remuneration information of the Directors with the support of the General Internal Auditing Directorate, which will make an analysis and will conclude on the fulfilment of the short and long term objectives of the CEOs and will ensure the absence of conflicts of interest in determining said objectives.

It should also be noted that the Appointments and Remunerations Committee consists of six members, five of whom are independent Directors, one being the Chairman of this Committee (however, as of the date of this report, there is a vacancy due to the departure of Ms. Revoredo) and at the same time, all of them shall be members of the Auditing and Compliance Committee. The crossed presence in these two Committees favours the consideration of the risks associated with the remuneration in the deliberations of the said Committees and in their proposal to the Board, in both determining and evaluating the annual and multi-annual incentives.

- As regards short and long-term variable remuneration, a malus clause will be implemented, authorising the Company to withhold payments of any accrued and outstanding variable remuneration, as well as a claw back clause requiring Directors to return any variable remuneration received when following payment of the incentive it is found that the data used for such calculation or payment was erroneous.

The Appointments and Remunerations Committee, with the help of Endesa's internal audit department, has verified that there have been no circumstances that make malus and claw-back clauses applicable to CEOs in the last five years.

- Amount and nature of the fixed components that the directors are expected to accrue in the year in their capacity as such.

Directors shall be entitled to the following remuneration based on their condition as such: a monthly fixed salary and per diems for attendance at each meeting of the governing bodies of the Company and its committees.

The following accruals are planned for the 2020:

- "Fixed monthly allocation" at the date of issuance of this Report: the amount applied for this concept has been maintained since January 2013, and is €15,600 gross. This item also includes €1,000 gross per month for the positions of Chairman of the Auditing and Compliance Committee and the Appointments and Remunerations Committee, and €2,100 gross per month for the Coordinating Director (approved at the session of the Board of 25 January 2016 in response to the greater dedication and responsibility of these posts with the functions introduced by Law 31/2014 of 3 December 2014, which modifies the Capital Companies Act to improve corporate governance and the code of good governance of listed companies).

Additionally, in April 2019 the Ordinary General Shareholders' Meeting approved a fixed monthly amount of €50,000 gross in the Remuneration Policy (instead of the fixed monthly allocation of €15,600 gross planned for the other members), for the post of non-executive Chairman of the Board of Directors.

- "Per diems for attendance": as of the date of issuance of this Report, the amount approved by the Board of 21 January 2013 is maintained, which is €1,500 gross.

The estimation of the remuneration of the Directors in their capacity as such, for the year 2020, will range between €187,000 and €225,000 gross/Director, as fixed allocation, and approximately €57,000 gross/director as per diems for attendance.

In the case of the non-executive Chairman of the Board, they will receive €600,000 gross in fixed allocation and approximately €19,000 in per diems for their attendance at the Board of Directors (to date the Chairman is not a member of any of the Board Committees).

The Directors Mr. Bogas, Mr. Starace, Mr. De Paoli, Mr. Viale and Mr. Cammisecra have renounced any payment as Directors in their capacity as such.

The Remuneration Policy 2020-2022 that will be proposed at the Ordinary General Shareholders' Meeting 2020, will include the increase from €3-4 million of the maximum annual amount of the remuneration to be paid to all the directors in their capacity as such. This modification does not imply any increase in the remuneration of the Directors in their capacity as such, and responds to the increase in the number of members of the Board of Directors, which is expected to increase from eleven to thirteen.

- Amount and nature of the fixed components that will be accrued in the year for the performance of executive directors' senior management functions.

For the year 2020, as a fixed remuneration for the performance of senior management duties, the CEO, Mr. José Damián Bogas Gálvez, will have his fixed remuneration increased by €220,000, subject to the approval of the next General Shareholders' Meeting, so it would amount to €960,000.

- Amount and nature of any item of remuneration in kind that will be accrued in the year, including, but not limited to, insurance premiums for the director.

In 2020 the items of remuneration in kind of the CEO of the year 2019, described in section B.14, are maintained and the amounts of 2019, which should be considered a mere estimate of the accrual in 2020, have been maintained: life insurance amounting to €42,000; collective health care policy with a subsidy of 100% of the cost of the payment of the holder and dependent relatives for an amount of €12,900, respectively; as well as other remuneration in kind, which include electricity supply at the employee rate or the assignment of a company car under a renting system for €40,200. Additionally, the CEO accrues an amount of €4,900 for the granting of loans and guarantees.

- Amount and nature of the variable components, distinguishing between those established in the short and long term. Financial and non-financial parameters, the latter including those of social, environmental and climate change, selected to determine the variable remuneration in the current year, explanation of the extent to which such parameters are related to the performance of both the director and the entity and its risk profile, and the methodology, time frame and techniques planned to determine the degree of fulfilment of the parameters used in designing the variable remuneration at the end of the year.

Indicate the range in monetary terms of the different variable components according to the degree of compliance with the established objectives and parameters, and whether there is any maximum monetary amount in absolute terms.

In the 2020 financial year, as in previous years, the CEO has been assigned a variable remuneration in the short and long term. The objectives are linked to variables that are related to their performance and to financial and non-financial factors. In general, they are objectives predetermined, quantifiable and aligned with the Company's strategy, and measurable, which promote the sustainability and profitability of the company in the long term.

Short-term variable remuneration:

The management of short-term variable remuneration in Endesa is based on the recognition of each person's contribution to the fulfilment of Endesa's Strategic Plan, based on the allocation of objectives. The methodology for assigning the objectives is related to the performance of both the CEO, the entity and its risk profile, as these objectives are linked to the annual budgets and company strategy. The objectives set to determine the variable remuneration of executive directors are directly related to the annual objectives of the strategic plan and creation of value for the company, while contributing to the safety of people working in and for the company. The CEO contributes to the continuous monitoring of the indicators and proposes the corrective actions that enable their fulfilment, maintaining a controlled risk profile adapted to the environment.

Each target has been weighted based on its relative importance. Achievement levels are established for each target based on their level of demand, including a minimum performance threshold below which no right to incentive payment shall arise, a target level set at 100% and a maximum level, up to 120%, for exceeding objectives.

Objectives approved by the Board of Directors for Executive Directors in the 2020 financial year:

- Economic Objective: Endesa Net Ordinary Result (Result of the Parent Company in the Financial Year) - weight 25
- Economic Objective: Endesa Fixed Costs - weight 20
- Financial Objective: FFO Endesa: Cash flow before dividends, extraordinary operations and net investments - weight 15
- Business Objective: linked to the energy transition and decarbonisation of the economy and digitalisation - weight 20
- Safety Objective: linked to the number of occupational accidents and the combined frequency index - weight 20

For the 2020 financial year, the target value of the short-term variable remuneration for the CEO is €567,000, the maximum value can reach 120%, which would represent an amount of €680,000.

Variable remuneration based on the Company's results shall be paid out once the General Shareholders' Meeting 2021 has approved the annual financial statements and, if the external audit report contains any qualifications, the results shall be reduced accordingly. Additionally, and prior to the Board's approval of the results of the short-term objectives, the Appointments and Remunerations Committee, with the collaboration of the Internal Auditing Department, will verify compliance with the objectives and the correct application of the parameters

The variable remuneration established for Executive Directors will be covered by clauses enabling the deferment of payments until effective attainment of targets can be verified, and are also subject to claw back arrangements.

Long-term variable remuneration:

Endesa's long-term variable remuneration has been articulated until the year 2019 through the so-called Loyalty Plan and since 2020, the Plan that will be renamed "Strategic Incentive" has been partially redesigned. Its main purpose will be to reward contributions to the sustainable fulfilment of the Strategic Plan of people in positions of greater responsibility, and as the main change, to adapt the remuneration of executive directors to the best corporate governance practices, shares have been included as part of the payment of the "Strategic incentive" The Loyalty or Strategic Incentive Plan is structured through successive three-year programmes, starting every year. The incentive provides for deferred payment and requires that the Director be active at the time payment is made; these payments are made in two instalments: 30%, if applicable, in the year after the plan ends, and the remaining 70%, if applicable, after two years from termination of the plan.

The Board of Directors shall, at the proposal of the Appointments and Remunerations Committee, be in charge of establishing objectives and determining if said objectives have been met. A threshold level beyond which the target is considered met and two performance levels for targets that have been overachieved is established for each target - performance beyond the first level equals 150% and performance beyond the second level constitutes maximum achievement of 180%. Therefore, variable remuneration levels for each of the Programmes will range from 0%-180% of the incentive base (target --- equals 100% achievement).

The objectives of long-term variable remuneration are aligned with the creation of shareholder value; they use the reference to Endesa's share price, the TSR (Total Shareholders Return of Endesa), ROACE (Return On Average Capital Employed) and other indicators, especially those related to the environment.

At the end of the 2020 financial year, the 2018-2020 Programme for the Chief Executive Officer may be accrued. However, in accordance with the Remuneration Policy of the Directors of Endesa, the plans provide for a deferral of the payment and the need for the manager to be active at the time. It is then when the remuneration will be considered to have been consolidated in order to determine an unconditional right. Likewise, and as it continues in force, we also detail the 2019-2021 Programme; and finally, the 2020-2022 Plan is reported, which will be proposed at the next Ordinary General Shareholders' Meeting 2020 for approval.

Three objectives are set for the 2018-2020 programme: Total Shareholders Return, Return On Average Capital Employed and reduction of CO2 emissions. It is referenced to the 2018-2020 triennium and takes the BIP 2018-2022 as a reference.

-50% "Total Shareholders Return" (TSR): average value of the Endesa TSR with respect to the average value of the TSR Euro-Stoxx Utilities Index, chosen as a Comparable Group, in the accrual period.

The TSR objective will be measured according to the achievement scale given below with linear interpolation between the thresholds. In the event of below-minimum achievement, no payment will accrue. The achievement thresholds and scales are attached as an annex in Table 4 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2018-2020.

In order to assess the level of achievement of the objective, the average TSR of Endesa and the index will be calculated as the average value of the TSR in the one-month period that precedes the start (1.12.2017-31.12.2017) and at the end (1.12.2020-31.12.2020) of the accrual period.

If Endesa's TSR is negative during the relevant three-year reference period, the amount receivable will be reduced (based a regressive curve) by an amount equal to Endesa's negative TSR percentage multiplied by a constant value of 1.5. Table 5 includes an annex - SIMULATION OF APPLICATION OF TSR REGRESSIVE CURVE OF THE PROGRAMME 2018-2020.

-40% "Return On Average Capital Employed" (ROACE) of Endesa accumulated in the accrual period. Endesa's cumulative ROACE target, represented by the ratio between Ordinary Operations Result (ordinary EBIT) and the average Net Capital Invested (NCI) in accumulation during the accrual period. The achievement thresholds and scales are attached as an annex in Table 4 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2018-2020.

-10% "Reduction of CO2 emissions" (CO2): reduction of the specific CO2 emissions (gCO2 / kWh) of Endesa in 2020. This indicator measures Endesa's CO2 emissions in Spain and Portugal in 2020, understood as the ratio between absolute CO2 emissions due to Endesa electricity generation and Endesa's net total production for that year. The achievement scale by linear interpolation between the thresholds is attached as an annex in Table 4 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2018-2020.

Endesa's ability to reduce its CO2 emissions is directly conditioned by the thermal gap of the peninsula electricity system in Spain, due to existing legal obligations to guarantee the electricity supply. In this sense, the objective has been defined for a specific thermal gap in 2020, as foreseen in the Strategic Plan 2018-2020. If the thermal gap varies, the objective of reducing CO2 emissions will be adjusted according to a formula that takes as reference the possible scenarios in which said thermal gap can be moved, thus allowing accurate assessment of the specific performance of the company in reducing CO2 emissions as part of the decarbonisation process to which it has committed.

A threshold level beyond which the target is considered met up to 50% and two performance levels for targets that have been overachieved is established for each target - performance beyond the first level equals 150% and performance beyond the second level constitutes maximum achievement of 180%.

For the 2018-2020 programme, the target value for the CEO is €518,000; the maximum value can reach 180%, which would represent a maximum amount of €932,000

For the 2019-2021 programme, the scheme of targets is that of the previous programme, although referenced to the 2019-2021 triennium and taking the BIP 2019-2023 as a reference.

For the 2019-2021 programme, the target value for the Chairman is €568,000 and for the CEO of €518,000, respectively; in both cases the maximum value can reach 180%, which would represent a maximum amount of €1,023,000 and €932,000, respectively. With respect to the Chairman, see section D.

-For the 2020-2022 programme, the scheme of targets is that of the previous programme, although referenced to the 2020-2022 triennium and taking the BIP 2020-2024 as a reference.

For the 2020-2022 programme, the Plan that will be renamed "Strategic Incentive" has been partially redesigned; the scheme of targets has the same objective structure as the 2019-2021 programme, taking the BIP 2020-2022 as a reference, and includes the following changes regarding the previous plans:

- a) Establishment of payment in shares for 50% of the base incentive value.
- b) For each of the targets, an entry level has been established above which the target would be considered to be 100% fulfilled. The value of 50% is therefore eliminated as a minimum compliance value, thus increasing the demand for compliance with the commitments that have been acquired through the Strategic Plan

c) Elimination of the use of a regressive curve to reduce any premium, if the Endesa TSR registers a negative performance. A tool for adjusting the result in fulfilment that adapts it to situations of negative performance is eliminated. The evolution of the stock market value in absolute terms is considered.

**Goals:**

-50% "Total Shareholders Return": evolution of Endesa's average TSR compared to the average TSR of the Euro-Stoxx Utilities Index (Peer Group). This indicator measures the total return of a share as the sum of its parts:  
(i) Capital gains: change in the value of the share between the beginning and the end of the reference period and  
(ii) Reinvested dividends: impact of all dividends paid in the period and reinvested in shares at the date of discount of each dividend.  
The TSR objective will be measured according to the achievement scale indicated below with linear interpolation between the thresholds. In the event of below-minimum achievement, no payment will accrue. The achievement thresholds and scales are attached as an annex in Table 4 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2020-2022.

-40% "Return On Average Capital Employed" (ROACE) of Endesa accumulated in the period 2020-2022. Endesa's cumulative ROACE target represented by the ratio between cumulative Ordinary Profit from Operations (ordinary EBIT) and average Net Capital Invested (NCI) in the 2020-2022 period. The achievement thresholds and scales are attached as an annex in Table 6 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2020-2022.

-10% Reduction of CO2 emissions: reduction of specific CO2 emissions (gCO2 / kWh) "by Endesa in 2022. This indicator measures Endesa's CO2 emissions in Spain and Portugal in 2022, understood as the ratio between absolute CO2 emissions due to Endesa electricity generation and Endesa's net total production for that year. The achievement scale by linear interpolation between the thresholds is attached as an annex in Table 7 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2020-2022.

Endesa's ability to reduce its CO2 emissions is directly conditioned by the thermal gap of the peninsula electricity system in Spain, due to existing legal obligations to guarantee the electricity supply. In this sense, the objective has been defined for a thermal gap of 31 TWh in 2022, as foreseen in the BIP 2020-2022. If the thermal gap varies, the objective of reducing CO2 emissions will be adjusted according to a formula that takes as reference the possible scenarios in which said thermal gap can be moved, thus being able to accurately assess the specific performance of the company in reducing CO2 emissions as part of the decarbonisation process to which it has committed. A threshold level beyond which the target is considered met up, and two performance levels for targets that have been overachieved is established for each target - performance beyond the first level equals 150% and performance beyond the second level constitutes maximum achievement of 180%.

For the 2020-2022 programme, the target value for the CEO is €518,000; the maximum value can reach 180%, which would represent a maximum amount of €932,000.

-Expost control of the variable remuneration: as regards short and long-term variable remuneration, a malus clause will be implemented, authorising the Company to withhold payments of any accrued and outstanding variable remuneration, as well as a claw back clause requiring directors to return any variable remuneration received when following payment of the incentive it is found that the data used for such calculation or payment was clearly erroneous. The Appointments and Remunerations Committee may submit a motion to the Board of Directors not to pay or to demand reimbursement of variable components of remuneration if it is shown that payment was based on data which later proved to be incorrect.

- Main characteristics of long-term savings systems. Among other information, the contingencies covered by the system will be indicated: whether it is a defined contribution or service, the annual contribution to be made to the defined contribution systems, the service to which the beneficiaries are entitled in the case of defined systems, the conditions of consolidation of the economic rights for the directors and their compatibility with any type of payment or severance payment for termination or early dismissal, or derived from the termination of the contractual relationship, in the terms provided, between the Company and the director.

It should be indicated whether the accrual or consolidation of any of the long-term savings plans is linked to the achievement of certain objectives or parameters related to the director's short and long term performance.

Non-Executive Directors do not participate in any long-term savings system.

Mr Bogas is a beneficiary of a Supplemental Social Welfare System to cover the contingencies of retirement, disability and death.

**-Retirement:**

This system is implemented through contributions to the "Endesa Group Employees' Pension Plan" in which the executive is a participant depending on which company they were hired by and when, as well as through additional contributions to an insurance policy or similar instrument for such purpose.

For 2020, in accordance with the change in Mr Bogas's contractual framework, the Company maintains its commitment to make defined contributions, consisting of a lifelong annual income when dismissed from his position as CEO for any reason, in the estimated amount of Euros 867 per annum, less the amount of the public social security pension and the pension plan allowance, and which shall be payable to the surviving spouse in the event of death after retirement, in an amount equal to 45% of that which was being received, less the amount of the applicable widow's pension under the social security system.

The estimated annual amount of the commitment defined in the preceding paragraph, will be effective on the date of termination of his term as Director, in the 2022 financial year, or, in the event of renewal of Mr. Bogas' mandate, on the date when he resigns as CEO of the Company for any reason, in which case, the amount would be re-estimated.

The rights of the beneficiary accrue thereto at the time of the contribution.

This system is different from the remuneration conditions mentioned in the following section and compatible with it.

**-Death:**

Regarding the coverage for death, Endesa has signed a life and accident insurance policy which guarantees certain capital and/or income depending on the contingency in question.

Coverage of death and of retirement are exclusive benefits, i.e. in the event of death prior to effective retirement, their beneficiaries shall receive the benefits specified for such contingencies, without incurring any right to receive retirement benefits.

-Long-term savings plans are not linked to the achievement of objectives or parameters related to the director's short and long term performance.

- Any type of payment or severance payment for termination or early dismissal or arising from the termination of the contractual relationship in the terms provided between the company and the director, whether the termination is at the will of the company or the director, as well as any type of agreements, such as exclusivity, no post-contractual concurrence and permanence or loyalty that entitle the director to any kind of payment.

#### Conditions of the CEO

The contract signed with the Chief Executive Officer does not provide for severance payment for dismissal from office.

Notwithstanding the foregoing (and based on the new contractual framework for Mr. Bogas, approved by the Board of Directors in early 2020, which modifies the time at which the right to "guaranteed compensation" can occur), prior to reaching 65 years of age and now postponed at the time of his resignation as Chief Executive Officer for any reason), when the Chief Executive Officer resigns, his previous relationship will be automatically terminated, that is, his Senior manager contract, suspended since his appointment as CEO, in which case, due to the termination of his senior management relationship, Mr. Bogas will be entitled to receive a net amount of €6,527,000, this amount 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 amount will be updated upwards according to the CPI of the previous year.

This remuneration is incompatible with any other indemnity payment that may arise from termination of their employment as Director. This net amount of €6,527,000 includes the two-year post-contractual non-competition agreement included in the CEO's senior management contract.

This remuneration or guaranteed compensation is compatible with the defined benefit saving scheme for the CEO.

The termination in the event of death or retirement recognises the right of the CEO or its assignees to the guaranteed compensation.

- Indicate the conditions that must be respected by the contracts of those who exercise senior management functions as executive directors. Among others, the duration, limits on amounts of severance payment, permanence clauses, notice periods, as well as payment as a replacement for the aforementioned notice period, and any other clauses relating to recruitment premiums will be informed, as well as severance payment or protection for early termination of the contractual relationship between the company and the executive director. Include, among others, the agreements of non-competition, exclusivity, permanence or loyalty and non-post-contractual competition, unless they have been explained in the previous section.

Executive Director contracts are indefinite. They generally include confidentiality, document return, termination and non-competition clauses in the following terms:

1.- Confidentiality: they are obliged and commit to maintaining strict confidentiality of all data and information on Endesa available to the Director by virtue of their position in the Company and further undertakes to neither use nor take advantage of said information whether for themselves or on behalf of third parties.

2.- Return of documents: upon termination of their employment, the Director shall return to the Company all books, documents, materials and other assets related to their activity which may currently be under their authority, possession, or control.

3.- Termination: In the case of the CEO, the termination of the contract requires a minimum of one month's notice.

The contract signed with the Chief Executive Officer does not provide for compensation for dismissal from office.

Notwithstanding the foregoing (and based on the new contractual framework for Mr. Bogas, approved by the Board of Directors in early 2020, which modifies the time at which the right to "guaranteed compensation" can occur), prior to reaching 65 years of age and now postponed at the time of his resignation as Chief Executive Officer for any reason), when the Chief Executive Officer resigns, his previous relationship will be automatically terminated, that is, his contract of Senior manager, suspended since his appointment as CEO, in which case, by the termination of his senior management relationship Mr. Bogas will be entitled to receive a net amount of €6,527,000, this amount 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 amount will be updated upwards according to the CPI of the previous year.

This remuneration is incompatible with any other indemnity payment that may arise from termination of his/her employment as Director. This net amount of €6,527,000 includes the two-year post-contractual non-competition agreement included in the CEO's senior management contract.

This remuneration or guaranteed compensation is compatible with the defined benefit saving scheme for the CEO.

The termination in the event of death or retirement recognises the right of the CEO or its assignees to the guaranteed compensation.

4.- Settlement of wages: the severance payments described in section 3 above are without prejudice to the settlement of wages accrued by the Executive Director over the period of their directorship, the respect of any pension-related entitlements, including the contribution for the year of the termination, as well as the maintenance for a reasonable period of time in the Board of Directors' opinion of the remuneration in kind received as of the termination of the employment relationship.

5.- Post-contractual non-competition agreement. Specifically, in the case of termination of the relationship of the CEO, the conditions set forth in their contract include a clause of post-contractual non-competition for a period of two years, with a remuneration included in the severance payment for senior management contractual termination referred to above.

- The nature and estimated amount of any other supplementary remuneration that will be accrued by the directors in the current year for services rendered other than those inherent to their position.

Not applicable.

- Other remuneration items such as those derived, as the case may be, from the concession by the company of forwards, credits and guarantees and other remuneration to the director.

Endesa has established a loan system for the purchase of habitual housing or for other needs. Also, executive directors and, in general, Senior Managers can benefit from both types of loans whose maximum capitals amount to an annual gross estimated annual remuneration or half-year salary, respectively.

At the date of this Report, the CEO has an interest-free loan, included in section A.1 point 6 as remuneration in kind. The loan conditions are described in section B.13.

Additionally, the Chief Executive Officer, based on the agreements prior to his status as Executive Director, has acquired rights, as severance payment, constituted by guarantee, all described in section A.1 point 8.

- The nature and estimated amount of any other supplementary remuneration not included in the preceding sections, whether paid by the entity or another entity of the group, which will be accrued by the directors in the current year.

Not applicable.

**A.2.** Explain any relevant change in the remuneration policy applicable in the current financial year, derived from:

- A new policy or a modification of the policy already approved by the Board.
- Relevant changes in the specific determinations established by the board for the current financial year of the remuneration policy in force with respect to those applied in the previous year.
- Proposals that the board of directors would have agreed to present to the general shareholders' meeting to which this annual report will be submitted and which are proposed for the current year.

On the date of approval of this Report, the Board of Directors has agreed to propose some changes in the Policy to the next Ordinary General Shareholders' Meeting, which will be held on 27 April 2020, which, though not considered relevant, are reported in this section for the purpose of complying with the principle of transparency set forth in the Company's own Policy.

The Remuneration Policy for Endesa Directors applicable in the 2020 financial year was approved at the last Ordinary General Shareholders' Meeting on 12 April 2019, for the 2019, 2020 and 2021 financial years. However, some of the changes occurring in the Company since the approval of said Policy, such as the termination of the contract of the ex-Chairman Mr Prado on 12 April 2019, the appointment of a non-executive and independent Chairman, Mr Sánchez-Calero, the modification of the contractual framework of the Chief Executive Officer and other changes of a technical nature, now require its modification. The Board of Directors will therefore submit the 2020-2022 Endesa Directors Remuneration Policy at the next Ordinary General Shareholders' Meeting for approval.

The changes that have been made to the 2020-2022 Remuneration Policy and that will apply during the 2020 financial year, should this be decided at the next Ordinary General Shareholders' Meeting, are:

- Modification of the contractual framework of Mr. Bogas in relation to the time he will receive his severance payment or guaranteed compensation and his rights to a long-term savings system, both provided for at the age of 65 (2020) and which, with the modification, have been postponed at the time of his resignation as CEO of Endesa, for any reason, accepting retirement.

Additionally, since 12 April 2019, the Executive Chairman was replaced by a non-executive and independent Chairman, so the CEO was constituted for all purposes as the first executive of the Company, increasing his responsibility, and in this sense, with the help of the external consultant Deloitte, a comparative analysis has been carried out with the companies in the sector in relation to Mr. Bogas' remuneration, which has concluded that his remuneration is below the average of comparable companies by size and sector.

For all these reasons, the Board will propose, in the 2020-2022 Remuneration Policy to the Ordinary General Shareholders' Meeting 2020, the increase in Mr. Bogas's fixed remuneration by €170,000 and the increase in the target of his short term remuneration of €450,000 to €567,000.

- In the long-term variable remuneration in order to adapt the remuneration of executive directors to the best practices of corporate governance, the delivery of shares has been included as part of the payment of the "Strategic Incentive".
- Additionally, and in response to the foreseeable increase in the number of members of the Board of Directors at the next Ordinary General Shareholders' Meeting, in the new Remunerations Policy 2020-2022, it has been proposed to increase the maximum amount of annual remuneration of all the directors of the Company as such from €3-4 million. In any case, it should be noted that this increase in the maximum amount does not imply an increase in the individual remuneration of the members of the Board as such.

**A.3.** Identify the direct link to the document that contains the company's current remuneration policy, which must be available on the company's website.

<https://www.endesa.com/content/dam/enel-es/home/inversores/gobiernocorporativo/juntagenerales/documentos/junta-general-ordinaria-2019/06-politica-remuneraciones.pdf>

**A.4.** Explain, taking into account the data provided in section B.4, as the vote of the shareholders in the general shareholders' meeting to which the vote was submitted was taken on an advisory basis, the annual remuneration report for the previous year.

Since 2017, Endesa has voted in its General Shareholders' Meetings on the Annual Report on the remuneration of Directors on a binding basis. In any case, the data obtained at the Meeting in 2019 show 94.91% of the number of votes in favour. Each year Endesa tries to advance and align with the best practices of Corporate Governance. At the next Ordinary General Shareholders' Meeting some modifications to the Remuneration Policy will be presented, among others, in relation to the long-term variable remuneration and in order to adapt the remuneration of executive directors to the best practices of corporate governance, the delivery of shares has been included as part of the payment of the "Strategic Incentive".

## **B. GLOBAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE CLOSED FINANCIAL YEAR**

**B.1.** Explain the process that has been followed to implement the remuneration policy and to determine the individual remunerations that are reflected in section C of this report. This information will include the role played by the remunerations committee, the decisions taken by the board of directors and, where appropriate, the identity and role of external advisers whose services have been used in the process of applying the remuneration policy in the closed financial year.

The remuneration of the Directors during the year 2019 was governed by the strict application of the "Endesa Directors Remunerations Policy 2019-2021". For both the Executive Directors and the Directors in their capacity as such, the following were applied:

- the amounts of annual fixed remuneration and the variable remuneration target values, defined for each of the executive directors in the Policy.

In relation to the short and long-term variable remuneration of executive directors, the Board of Directors, at the proposal of the Appointments and Remunerations Committee, at the beginning of the 2019 financial year approved the financial and non-financial objectives of the variable remuneration, the weight of each one of the objectives, as well as the parameters or measures or thresholds of fulfilment; at the end of the year, the verification of the degree of fulfilment of the objectives, in order to determine the amount of variable remuneration in the short and long term. For these purposes, in its supervisory function the Appointments and Remunerations Committee has had the collaboration of the General Internal Auditing Directorate of Endesa.

However, for the purpose of explaining the short and long-term variable remuneration of the Executive Chairman Mr. Prado, who left office on 12 April 2019, see section B.7 and B.10.

- the amounts defined in the Policy for the Monthly Fixed Assignment for the positions of Non-Executive Chairman of the Board, Chairmen of the Committees and Coordinating Director and for the per diems for attendance of the Directors as such.

The Appointments and Remunerations Committee and the Board of Directors did not consider the revision of these items, amounts and values in the 2019 financial year, within the framework of action for their modification provided for in the Policy.

Lastly, it should be noted that the Board of Directors, with internal advice from the Company has prepared this Report on the Remuneration of Directors, which includes those that they receive or should receive as such and, where appropriate, for the performance of their executive functions. The Appointments and Remunerations Committee has verified the data in this Report, with the collaboration of the General Internal Auditing Directorate of Endesa.

**B.2.** Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and adjusting it to the company's long-term objectives, values and interests, including a reference to the measures that have been taken to guarantee that the accrued remuneration has taken into account the long-term results of the company and achieved an adequate balance between the fixed and variable components of the remuneration, which measures have been taken in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the entity, and what measures have been taken to avoid conflicts of interest, if any.

The remuneration policy applicable to the Board of Directors is based on the principles of balance, effective dedication of the Board and alignment with the long-term strategies and interests of Endesa and its shareholders.

- The remuneration of non-executive Directors is specified in a fixed monthly allowance and an attendance allowance, without items of variable remuneration. This is why the concept of "remuneration mix" only refers to the executive Directors.

The remuneration of the Directors in their capacity as such, is intended to adequately remunerate these Directors in accordance with the principles of equity, dedication and responsibility, without compromising their independence of opinion, and also in accordance with the economic situation of the Company and the market standards with comparable companies.

In this regard, the maximum annual remuneration to be paid to the Directors in the form of per diems for attendance, fixed monthly remuneration, for membership on the Board of Directors, for overseeing the Board of Directors, its Committees and for performing the duties of Coordinating Director, will total 3 million euros (equal to the amount approved by the Annual General Shareholders' Meeting held on 27 April 2015).

- The remuneration structure for the CEO for 2019 guaranteed an adequate mix between fixed remuneration, ordinary variable remuneration and long-term variable remuneration. Specifically: CEO remuneration mix: The weight of fixed remuneration represented 34.6%, short-term variable remuneration 25.3% and long-term variable remuneration 40.1%. In other words, the variable remuneration of the CEO in the year 2019 represented approximately 65% of his total remuneration in cash.
- The ordinary or short-term variable remuneration for the 2019 financial year used five measurement parameters based on quantitative financial, results, efficiency, turnover and occupational safety indicators. The specific objectives determined for each of these parameters were designed considering the 2019-2021 Endesa Strategic Plan and, in this sense, guaranteed that the Company's results and objectives will be met in the long term.
- The long-term variable remuneration for 2019 financial year used two measurement parameters based on quantitative results and returns for shareholders. The specific objectives determined for each of these parameters were designed considering the Endesa 2017-2019 Strategic Plan and especially followed the long term or sustainability, from the point of view of the Company's own objectives and shareholder profitability.
- It is the responsibility of the Board of Directors at the proposal of the Appointments and Remunerations Committee to determine each objective, its weight and measure at the beginning of each year and the evaluation of its level of compliance once completed. In this task of evaluating the fulfilment of the short and long term objectives, the Appointments and Remunerations Committee will perform its function of verifying the remuneration information of the Directors with the support of the General Internal Auditing Directorate and an external advisor Deloitte, which will make an analysis and will conclude on the fulfilment of the short and long term objectives of the CEOs and will ensure the absence of conflicts of interest in determining said objectives.

It should also be noted that the Appointments and Remunerations Committee consists of six members, five of whom are independent Directors, one being the Chairman of this Committee (at the time of this report there is a vacancy due to the resignation of Ms. Revoredo) and at the same time, all of them shall be members of the Auditing and Compliance Committee. The crossed presence in these two Committees favours the consideration of the risks associated with the remuneration in the deliberations of the said Committees and in their proposal to the Board, in both determining and evaluating the annual and multi-annual incentives.

- As regards short and long-term variable remuneration, a malus clause will be implemented, authorising the Company to withhold payments of any accrued and outstanding variable remuneration, as well as a claw back clause requiring Directors to return any variable remuneration received when following payment of the incentive it is found that the data used for such calculation or payment was erroneous.

The variable remuneration for the year 2019, taking into account that they are related to the results of the Company, will be paid, if applicable, once the annual accounts for the year 2019 have been approved by the General Shareholders' Meeting that will be held on 27 April 2020.

The Appointments and Remunerations Committee may submit a motion to the Board of Directors to demand reimbursement of variable components of remuneration if it is shown that payment was based on data which later proved to be incorrect.

The long-term remuneration accrued in the year 2019 (2017-2019 Loyalty Plan), is expected to defer payment. Specifically, in 2020, 30% of the incentive will be paid, and the remaining 70% in 2021. For the purpose of payment, it will be necessary for the Executive Director to be active.

**B.3.** Explain how the remuneration accrued in the year meets the provisions of the current remuneration policy.

Also report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the entity in the short and long term, explaining, where appropriate, how the variations in the company's performance have influenced the variation in the remuneration of the directors, including those accrued whose payment has been deferred, and how they contribute to the company's short and long-term results.

The remuneration accrued in the year 2019 complies with the provisions of the Endesa Directors Remuneration Policy 2019-2021, as shown in this section B and specifically, in sections B.1, B.5, B.6 and B.7.

**B.4.** Report of the result of the consultative vote of the general shareholders' meeting on the annual report on remunerations of the previous year, indicating the number of negative votes cast, if any

	Number	% of total
Votes cast	907,893,654	85.75

	Number	% of those cast
Negative votes	39,490,864	4.34
Votes in favour	861,715,981	94.91
Abstentions	6,686,809	0.73

**Observations**

**B.5.** Explain how the fixed components accrued during the year were determined by the directors as such, and how they varied with respect to the previous year.

- Directors shall be entitled to the following remuneration based on their condition as such: a monthly fixed salary and per diems for attendance for each meeting of the governing bodies of the Company and its committees.

. The concept and amount of the "Fixed monthly allowance" in the 2019 financial year coincides with the 2018 financial year, there are no variations, except for the amount of the fixed allocation of the new position of Chairman of the Board of Directors as non-executive and independent, which was introduced for the first time in the 2019-2021 Remuneration Policy.

Directors shall receive the following for their seat on the Board of Directors:

? The Members of the Board of Directors received a fixed gross monthly allowance of €15,642.56. That is to say, €187,700 gross per year.

? The Non-executive Chairman of the Board of Directors received a monthly fixed remuneration of €50,000 (gross) (rather than the monthly fixed remuneration of €15,642.56 gross provided for other members). That is to say, €431,670 gross in the period 12 April 2019 to 31 December 2019.

? In addition, Chairmen of Committees received a monthly fixed remuneration of €1,000 gross (in addition to their monthly fixed remuneration as members). That is to say, they received €12,000 gross per year.

? Also additionally, the Coordinator Director received receive a monthly fixed remuneration of €2,083 gross (in addition to the monthly fixed remuneration as a member). That is to say, €25,000 gross per year.

. The concept and amount of "Per diems for attendance" in the 2019 financial year coincides with the 2018 financial year, with the only variations in the number of sessions and attendance of each of the Directors. In the 2019 financial year, a total of 186 per diems were accrued. The amount for attending each session of the Board of Directors, Auditing and Compliance Committee and Appointments and Remunerations Committee amounts to 1.5 thousand euros gross.

- The Directors Mr. Bogas, Mr. Starace, Mr. De Paoli, Mr. Viale and Mr. Cammiserca renounced any payment as Directors in their capacity as such.

- The Appointments and Remunerations Committee has verified this information, with the collaboration of the General Internal Auditing Directorate of Endesa.

**B.6.** Explain how the salaries accrued during the financial year were determined by each of the executive directors in the performance of management functions, and how they varied with respect to the previous year.

The fixed remuneration of the Chairman, Mr. Borja Prado Eulate, in the period from 1 January to 12 April 2019, was maintained proportionally in the same terms as in 2018 (€1,132,000), with an amount of €320,480

With respect to the annual fixed remuneration of the CEO, Mr. José Damián Bogas Gálvez, the amount approved by the Board of Directors in February 2017, €740,000, was maintained in 2019.

**B.7.** Explain the nature and main characteristics of the variable components of the remuneration systems accrued in the financial year.

In particular:

- Identify each of the severance payment plans that determined the different variable remuneration accrued by each of the directors during the financial year, including

information on their scope, approval date, date of implementation, accrual periods and validity, criteria used for performance evaluation and how this affected the determination of the accrued variable amount, as well as the measurement criteria used and the period required to be able to adequately measure all the stipulated conditions and criteria.

In the case of stock option plans or other financial instruments, the general characteristics of each plan will include information on the conditions both for acquiring unconditional ownership of the same (consolidation), and for exercising said options or financial instruments, including the price and term of exercise.

- Each of the directors, and their category (executive directors, external proprietary directors, independent external directors or other external directors), who are beneficiaries of remuneration systems or plans that incorporate variable remuneration.
- Where appropriate, the established accrual or deferred payment periods and/or periods of retention/non-disposal of shares or other financial instruments, if any, will be reported.

Explain the short-term variable components of the remuneration systems:

At Endesa, short-term variable remuneration is managed based on the recognition of the contribution of each person to the Company's results according to the targets assigned and subsequent measurement of the results obtained according to the Company's guidelines.

In February 2019, the Board of Directors, following the Report of the Appointments and Remunerations Committee, approved the coordination of the objectives of the CEO for the year 2019, which were linked to the Company's results and the short-term evolution of the business.

The assessment of these objectives was approved by the Board of Directors at the proposal of the Appointments and Remunerations Committee at the meeting of 24 February 2020. In this regard, the assessment of the 2019 objectives is as follows:

- Economic Objective: Net Result of the Year of the Parent Company (weight 25%). The final result of the year was 5.4% higher than the value expected in the target, so the assessment of the objective reaches the maximum fulfilment of 120%.

- Economic Objective: Opex (weight 20%). The final result of the year was 1.8% lower than the value expected in the target, so the assessment of the objective reaches the maximum fulfilment of 120%.

- Financial Objective: FFO (Cash flow before dividends, net investments and extraordinary operations) (weight 15%). The final result of the year was 12.2% higher than the value expected in the target, so the assessment of the objective reaches the maximum fulfilment of 120%.

- Business objective: Strategic Business Projects (weight 20%). The final result of the year was 15% higher than the value expected in the target, so the assessment of the objective reaches the maximum fulfilment of 120%.

- Security Objective: linked to the work of controlling the preventive level of facilities and activities, as well as the reduction of the accident rate (weight 20%). The action plan contemplated in the objective was met, the combined frequency index (joint accident rate of own and contractor personnel) was lower than the level established as the target for the year, and the number of fatal accidents was lower than the reference maximum established both in Spain and in the Group. Consequently, the percentage achievement is 120%.

The objectives of 2019 being thus assessed, together with the weighting of each one, suppose a weighted global fulfilment of 120% over a maximum attainable level of 120%.

Following the criteria established in the instructions of this Report, in the 2019 financial year, at the end of the accrual period of the short-term variable remuneration, the CEO accrued the amounts indicated in the column "short-term variable severance payment" in the table in section C.1.a) i). The Executive Chairman, Mr. Prado, did not accrue the short-term remuneration for the 2019 financial year due to the termination of his contract on 12 April 2019. This remuneration was approved by the Board at the proposal of the Appointments and Remunerations Committee, although it will be paid once the annual accounts have been approved by the next General Shareholders' Meeting.

Explain the long-term variable components of the remuneration systems:

Long-term variable remuneration at Endesa is set out in the so-called Loyalty Plan whose main goal is to strengthen the commitment of employees holding positions with high responsibility in achieving the Group's strategic objectives.

A threshold level beyond which the target is considered met up to 50% and two performance levels for targets that have been overachieved is established for each target - performance beyond the first level equals 150% and performance beyond the second level constitutes maximum achievement of 180%. Therefore, variable remuneration levels for each of the Programs will range from 0%-180% of the incentive base (target --- equals 100% achievement).

The 2017-2019 Loyalty Plan was approved at the General Shareholders' Meeting on 26 April 2017. At the end of the 2019 financial year, the 2017-2019 Loyalty Plan was accrued for the CEO, with an amount of €373,000. The 2017-2019 Plan does not apply, nor did it apply to the Executive Chairman Mr. Prado, who in accordance with the Remuneration Policy, did not receive any amount corresponding to this Plan in his settlement (he was neither active during the entire accrual period of the Plan, nor will he logically be at the time of payment; the plan aims to defer payment and the need for the manager to be active at the time of payment).

In accordance with the Endesa Directors Remunerations Policy, the plans provide for deferred payment and require that the Director be active at the time payment is made; these payments are made in two instalments: 30%, if applicable, in the year after the plan ends (2020), and the remaining 70%, if applicable, in the second year after termination of the plan (2021). In this sense, the remuneration cannot be considered consolidated in order to determine an unconditional right, as per the instructions of Circular 2/2018 of the National Securities Market Commission. That is why, in relation to the long-term variable remuneration, in the cash severance payment table C.1.a) i) the amount effectively consolidated for the Executive Directors was included in the 2019 financial year, which represents 30% of the 2016-2018 Loyalty Plan and 70% of the 2015-2017 Loyalty Plan, and amounts to €1,023,000 and €857,000 for Executive Chairman (Mr. Prado) and CEO, the

fulfilment of which was detailed in the annual report on the remuneration of the Directors for the 2017 and 2018 financial years, respectively. See Annex Table 8- LOYALTY PLANS CALENDAR.  
For all these reasons, the amounts indicated for the Chairman and CEO in the "long-term variable remuneration" column of table C.1.a).i) reflect an achievement level of 180%.

For the 2017-2019 programme, the target value for the CEO is €518,000 and the maximum value could reach 180%. The 2017-2019 Loyalty Plan defined the following objectives for the CEO:  
- 60% "Total Shareholders Return" (TSR): average value of the Endesa TSR with respect to the average value of the TSR Euro-Stoxx Utilities Index, chosen as a Comparable Group, in the accrual period.  
The TSR objective will be measured on an achievement scale with linear interpolation between the thresholds. In case of achievement below the minimum, no payment will accrue. The achievement thresholds and scales are attached as an annex in Table 1 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2017-2019.  
If Endesa's TSR is negative during the relevant three-year reference period, the amount receivable will be reduced (based a regressive curve) by an amount equal to Endesa's negative TSR percentage multiplied by a constant value of 1.5.  
Table 2 includes an annex - SIMULATION OF APPLICATION OF TSR REGRESSIVE CURVE OF THE PROGRAMME 2017-2019.  
In order to assess the achievement of the objective, the average TSR of Endesa and the Euro-Stoxx Utilities Index will be calculated in the period prior to the start of the plan and at the end of the three years.  
-40% "Return On Average Capital Employed" (ROACE) of Endesa accumulated in the accrual period.  
Endesa's cumulative ROACE target, represented by the ratio between Ordinary Operations Result (ordinary EBIT) and the average Net Capital Invested (NCI) in accumulation during the accrual period will be assessed on a scale of achievement by linear interpolation between the thresholds. The achievement thresholds and scales are attached as an annex in Table 1 MEASURES AND THRESHOLDS OF THE PROGRAMME OBJECTIVES 2017-2019.

According to the defined measurement criteria, the TSR target value is 16% below the defined target, so the degree of compliance is zero, and the Roace target value is 5.5% above the defined target, so the degree of overcompliance is 180%. Therefore, the degree of achievement of the 2017-2019 LTI Plan is equal to 72%.

**B.8.** Indicate whether the return of certain variable components was reduced or claimed when the payment was consolidated and deferred in the first case or, in the second case, consolidated and paid, based on data whose inaccuracy was ultimately clearly demonstrated. Describe the amounts reduced or returned by the application of the reduction or return (claw back) clauses, why they have been executed and the years to which they correspond.

The circumstances described in this section did not occur. In any case, it should be noted that the Appointments and Remunerations Committee, with the help of Endesa's internal audit department, has verified that there have been no circumstances that make malus and claw-back clauses applicable to CEOs in the last five years.

**B.9.** Explain the main characteristics of the long-term savings systems whose equivalent annual amount or cost is shown in the tables in Section C, including retirement and any other survivor benefits, which are partially or totally funded by the company, whether internally or externally, indicating the type of plan, whether it is a defined contribution or benefit, the contingencies it covers, the conditions for consolidation of economic rights in favour of the directors and their compatibility with any type of severance payment for early termination or termination of the contractual relationship between the company and the director.

Non-Executive Directors do not participate in any long-term savings system.

The Executive Directors and Senior Directors are beneficiaries of a Supplemental Social Welfare System to cover the contingencies of retirement, disability and death.

- Retirement:

This system is implemented through contributions to the "Endesa Group Employees' Pension Plan" in which the executive is a participant depending on which company they were hired by and when, as well as through additional contributions to an insurance policy or similar instrument for such purpose.

In the financial year 2019, the contribution to the Chairman's defined contribution saving system amounts to €282,000. In accordance with the Remuneration Policy, the termination of the contracts of the Executive Directors will include the social security contribution corresponding to the year of their termination.

The Chief Executive Officer, based on his seniority and origin in the Endesa Group, has a defined benefit saving system. In the 2019 financial year, the contribution amounts to €363,000.

For the CEO, based on the agreements prior to his condition as Executive Director, the Company maintained its commitment to make defined contributions, consisting of a lifelong retirement income upon effective retirement in the amount of € 817,744.41 per annum, less the amount of the public social security pension, and which shall be payable to the surviving spouse in the event of death after retirement, in an amount equal to 45% of that which was being received, less the amount of the applicable widow's pension under the social security system. This amount represented 85% of the CEO's pensionable salary, defined as the fixed salary from 2012 plus the annual variable target salary for 2012, divided by 1.35% and projected out to retirement at a rate of 2% per annum.

The annual amount of the commitment, as defined in the preceding paragraph, shall be made effective provided the CEO retires before age 65; if the CEO retires before 65, this amount will be reduced in accordance with the applicable actuarial calculations.

The rights of the beneficiary accrue thereto at the time of the contribution.

This system is different from the remuneration conditions mentioned in section A.1 point 8.

-Disability and death:

Regarding the coverage of disability and death, Endesa has signed a life and accident insurance policy which guarantees certain capital and/or income depending on the contingency in question.

Coverage of disability or death and of retirement are exclusive benefits, i.e. in the event of death or disability prior to effective retirement, the director, in the case of disability, or its beneficiaries, in the case of death, shall receive the benefits specified for such events, without incurring any right to receive retirement benefits.

The long-term savings systems are fully funded by the Company and are provided through the company's Pension Plan and/or insurance policies, which are also contracted by the Company.

- Regarding the rights accrued in these savings systems, the Executive Chairman Mr. Prado submits an amount of €3,054,000 at 31/12/2019 and the CEO €12,271,000, as detailed in table C. 1 a) iii. -Disability and death: Regarding the coverage of disability and death, Endesa has signed a life and accident insurance policy which guarantees certain capital and/or income depending on the contingency in question.

Coverage of disability or death and of retirement are exclusive benefits, i.e. in the event of death or disability prior to effective retirement, the director, in the case of disability, or its beneficiaries, in the case of death, shall receive the benefits specified for such events, without incurring any right to receive retirement benefits.

**B.10.** Explain, where appropriate, the severance payment or any other type of payment derived from the early termination, whether at the will of the company or the director, or the termination of the contract, in the terms provided therein, accrued and/or received by the directors during the closed financial year.

In relation to the Executive Chairman, Mr Borja Prado Eulate, upon the termination of his mandate as Director and the termination of his contract as Executive Chairman in April 2019, the criteria and parameters established in the Remuneration Policy in force in relation to his severance payment, post-contractual agreement of non-competition and settlement of assets were applied.

The termination of the contract occurred in the terms determined in the company's Remuneration Policy, which states that:

? The Executive Chairman has the right to receive severance payment totalling 2.8691 times their global annual remuneration, in the event of termination of their relationship with the Company, provided termination is not due to causes attributable to them. Therefore, this severance payment is applicable both in cases of mutual termination and termination at Endesa's initiative.

? The Executive Chairman's contract includes a post-contractual non-competition clause similar to those in the contracts of Senior Executives, such that following termination they may not carry out any activity in competition with Endesa for a two-year period; as consideration for this, the Executive Chairman is entitled to receive up to .9564 times their annual remuneration.

? Settlement of wages: the severance payments described in the section above are without prejudice to the settlement of wages accrued by the Executive Director over the period of their directorship, the respect of any pension-related entitlements, including the contribution for the year of the termination, as well as the maintenance for a reasonable period of time in the Board of Directors' opinion of the remuneration in kind received as of the termination of the employment relationship.

In accordance with the Annual Report on the remuneration of the Directors of the 2018 financial year, Mr. Prado received a total amount of €3,611,000 in 2018, from which the remuneration received as director in his condition as such must be discounted, which amounts to €207,000, that is, starting with the amount of €3,404,000. However, for the purposes of calculating severance payment and in accordance with the criteria followed by the Appointments and Remunerations Committee, the amount of long-term variable severance payment €904,000 (included in the total €3,404,000) corresponding to the year 2018, was not considered, but the average of the consolidated rights or sums received by the LTIs in 2017 and 2018, which amounted to €852,000, was applied, so the amount for the purpose of calculating the severance payment is €3,351,309. It is for this reason that:

? The amount of the severance payment for the termination of his contract as Company Chairman: €9,615,000 (resulting from multiplying 3,351,309 x 2,8691).

? The amount for severance payment for the pact of non-competition (commitment not to hold a post in companies of similar activity to Endesa for 2 years): €3,205,000 (resulting from multiplying 3,351,309 x 0,9564).

Additionally, this report has included Mr. Prado's severance payment in the period from 1 January 2019 to 12 April 2019, which includes the items of: Salary and social benefits as an executive of the Company; long-term variable remuneration, consolidated rights: 70% of the 2015-2017 Plan and 30% of the 2016-2018 Plan; and fixed allocation and allowances, as a member of the Board of Directors.

**B.11.** Indicate whether there have been significant changes in the contracts of those who perform senior management functions as executive directors and explain them, if applicable. Also, explain the main conditions of the new contracts signed with executive directors during the year, unless they have already been explained in section A.1.

In 2019, the circumstances described in this section did not occur.

**B.12.** Explain any supplementary remuneration accrued to the directors in consideration for services rendered other than those inherent to their position.

In 2019, the circumstances described in this section did not occur.

**B.13.** Explain any remuneration derived from the granting of forwards, credits and guarantees, indicating the interest rate, their essential characteristics and the amounts possibly returned, as well as the obligations assumed on their behalf as collateral.

Endesa has established a loan system for the purchase of habitual housing or for other needs. Also, executive directors and, in general, Senior Managers can benefit from both types of loans whose maximum capitals amount to an annual gross estimated annual remuneration or half-year salary, respectively.

At the date of issuance of this Report, the CEO has a loan amounting to €230,000, with an average interest of 0.323% planned for the year 2019 and an interest-free loan (the interest subsidy is considered remuneration in kind) worth €166,000. As of the date of this Report, he has not started to repay the loans.

**B.14.** Detail the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the different salary components.

In 2019 the items of remuneration in kind of the Executive Chairman Mr. Prado and CEO of 2018 were maintained: life insurance policy amounting to €196,000 and €42,000, respectively; collective health care policy with a subsidy of 100% of the cost of the share of the holder and dependent relatives for the amount of €9,900 and €12,900, respectively; as well as other remuneration in kind, including benefit from the supply of electricity at the employee rate or the

assignment of a company car under a renting system for €81,100 and €40,200, respectively. Additionally, the CEO accrues an amount of €4,900 for the granting of loans and guarantees. The total amount of remuneration for these items for Chairman and CEO is €287,000 and €100,000, respectively, and is included in section C.1.iv.

**B.15.** Explain the remuneration accrued by the director by virtue of the payments made by the listed company to a third entity in which the director provides services, when said payments are intended to remunerate the latter's services in the company.

Not applicable

**B.16.** Explain any other item of remuneration other than the above, regardless of its nature or the entity of the group that pays it, especially when it is considered a related operation or its issuance distorts the true image of the total remuneration accrued by the director.

Not applicable

C. DETAIL OF THE INDIVIDUAL RETRIBUTIONS CORRESPONDING TO EACH OF THE DIRECTORS

Name	Type	Accrual period for 2019 financial year
Mr JUAN SANCHEZ-CALERO GUILARTE	Independent chairman	From 12/04/2019 to 31/12/2019
Mr FRANCESCO STARACE	Proprietary Vice-Chairman	From 01/01/2019 to 31/12/2019
Mr JOSÉ BOGAS GÁLVEZ	CEO	From 01/01/2019 to 31/12/2019
Mr ALBERTO DE PAOLI	Proprietary Member of the Board	From 01/01/2019 to 31/12/2019
Mr MIQUEL ROCAJUNYENT	Independent Director	From 01/01/2019 to 31/12/2019
Mr ALEJANDRO ECHEVARRÍA BUSQUET	Independent Director	From 01/01/2019 to 31/12/2019
Mr IGNACIO GARRALDA RUIZ DE VELASCO	Independent Director	From 01/01/2019 to 31/12/2019
Mr FRANCISCO DE LACERDA	Independent Director	From 01/01/2019 to 31/12/2019
Ms MARIA PATRIZIA GRIECO	Proprietary Member of the Board	From 01/01/2019 to 31/12/2019
Mr ANTONIO CAMMISECRA	Proprietary Member of the Board	From 27/09/2019 to 31/12/2019
Ms HELENA REVOREDO DELVECCHIO	Independent Director	From 01/01/2019 to 31/12/2019
Mr BORJA PRADO EULATE	Executive Chairman	From 01/01/2019 to 12/04/2019
Mr ENRICO VIALE	Proprietary Member of the Board	From 01/01/2019 to 09/09/2019

C.1. Complete the following tables regarding the individualised remuneration of each of the directors (including the remuneration for the exercise of executive functions) accrued during the year.

a) Remuneration of the company that is the object of this report:

i) Remuneration accrued in cash (in thousands of €)

Name	Fixed remuneration	Per Diems	Remuneration for belonging to Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total for 2019 financial year	Total for 2018 financial year
Mr JUAN SANCHEZ-CALERO GUILARTE	432	15							447	
Mr FRANCESCO STARACE										
Mr JOSÉ BOGAS GÁLVEZ				740	540	857			2,137	2,018
Mr ALBERTO DE PAOLI										
Mr MIQUEL ROCAJUNYENT	225	53							278	273
Mr ALEJANDRO ECHEVARRÍA BUSQUET	188	44							232	236
Mr IGNACIO GARRALDA RUIZ DE VELASCO	200	54							254	250
Mr FRANCISCO DE LACERDA	188	54							242	238
Ms MARIA PATRIZIA GRIECO	188	19							207	207
Mr ANTONIO CAMMISECRA										
Ms HELENA REVOREDO DELVECCHIO	188	36							224	222
Mr BORJA PRADO EULATE	53	4		320		1,023	9,615	3,205	14,220	3,078
Mr ENRICO VIALE										

#### Observations

With respect to the long-term variable remuneration, at the end of the 2019 financial year, the 2017-2019 Loyalty Plan was accrued for the CEO, with an amount of €373,000. However, in accordance with the Endesa Directors Remunerations Policy, the plans provide for deferred payment and require that the Director be active at the time payment is made; these payments are made in two instalments: 30%, if applicable, in the year after the plan ends (2020), and the remaining 70%, if applicable, in the second year after termination of the plan (2022). In this sense, the remuneration cannot be considered consolidated in order to determine an unconditional right, as per the instructions of Circular 2/2018 of the National Securities Market Commission (see note 1).

That is why, in relation to the long-term variable remuneration, in the cash severance payment table C.1.a) i) the amount effectively consolidated for the Executive Directors was included in the 2019 financial year, which represents 30% of the 2016-2018 Loyalty Plan and 70% of the 2015-2017 Loyalty Plan, and amounts to €1,023,000 and €857,000 for Executive Chairman Mr. Prado (who left on 12 April 2019) and CEO. See Annex Table 8 LOYALTY PLANS CALENDAR.

In relation to "severance payment" and "Other items" included in the table for former Chairman Mr. Prado, it should be indicated as established in section B.10 that upon the termination of the mandate as Director and termination of his contract as the Executive Chairman in April 2019, the criteria and parameters established in the Remuneration Policy

in force in relation to his severance payment, post-contractual non-competition agreement and asset settlement were applied. In this regard, the amount of severance payment for the termination of his contract as Chairman of the company amounts to €9,615,000 and the amount for severance payment for the non-competition agreement (commitment not to hold a position in companies with a similar activity to Endesa for 2 years) amounts to €3,205,000.

Note 1: For the purposes of this Circular, the director will be understood to have accrued the long-term variable remuneration at the date of the end of the accrual period when the objectives to which the variable remuneration were linked have been fulfilled and therefore, the remuneration has been consolidated. The accrual period is the period of time during which the performance and the achievement of the qualitative and quantitative objectives established for the director are measured in order to determine their unconditional right to receive long-term variable remuneration, regardless of the way or term stipulated for the payment of said remuneration or whether the payment is subject to deferral, withholding or clauses for recovering the remuneration already paid ("claw back").

ii) Table of movements of the remuneration systems based on shares and gross profit of the shares or consolidated financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of 2019 financial year		Financial instruments granted during 2019 financial year		Financial instruments consolidated in the year				Instruments expired and not exercised	Financial instruments at the end of 2019 financial year	
		No. instruments	No. equivalent shares	No. instruments	No. equivalent shares	No. instruments	No. equivalent/consolidated shares	Price of the consolidated shares	Gross profit of the consolidated financial instruments or shares (€ thousand)	No. instruments	No. instruments	No. equivalent shares
Mr JUAN SANCHEZ-CALERO GUILARTE	Plan							0.00				
Mr FRANCESCO STARACE	Plan							0.00				
Mr JOSÉ BOGAS GÁLVEZ	Plan							0.00				
Mr ALBERTO DE PAOLI	Plan							0.00				
Mr MIQUEL ROCA JUNYENT	Plan							0.00				
Mr ALEJANDRO ECHEVARRÍA BUSQUET	Plan							0.00				
Mr IGNACIO GARRALDA RUIZ DE VELASCO	Plan							0.00				
Mr FRANCISCO DE LACERDA	Plan							0.00				
Ms MARIA PATRIZIA GRIECO	Plan							0.00				
Mr ANTONIO CAMMISECRA	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2019 financial year		Financial instruments granted during 2019 financial year		Financial instruments consolidated in the year				Instruments expired and not exercised	Financial instruments at the end of 2019 financial year	
		No. instruments	No. equivalent shares	No. instruments	No. equivalent shares	No. instruments	No. equivalent/consolidated shares	Price of the consolidated shares	Gross profit of the consolidated financial instruments or shares (€ thousand)	No. instruments	No. instruments	No. equivalent shares
Ms HELENA REVOREDO DELVECCHIO	Plan							0.00				
Mr BORJA PRADO EULATE	Plan							0.00				
Mr ENRICO VIALE	Plan							0.00				

Observations

iii) Long-term savings systems

Name	Remuneration for consolidation of rights to savings systems
Mr JUAN SANCHEZ-CALERO GUILARTE	
Mr FRANCESCO STARACE	
Mr JOSÉ BOGAS GÁLVEZ	363
Mr ALBERTO DE PAOLI	
Mr MIQUEL ROCAJUNYENT	
Mr ALEJANDRO ECHEVARRÍA BUSQUET	
Mr IGNACIO GARRALDA RUIZ DE VELASCO	
Mr FRANCISCO DE LACERDA	
Ms MARIA PATRIZIA GRIECO	
Mr ANTONIO CAMMISECRA	
Ms HELENA REVOREDO DELVECCHIO	

Name	Remuneration for consolidation of rights to savings systems
Mr BORJA PRADO EULATE	282
Mr ENRICO VIALE	

Name	Contribution of the financial year by the company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2019	2018	2019	2018	2019	2018	2019	2018
Mr JUAN SANCHEZ-CALERO GUILARTE								
Mr FRANCESCO STARACE								
Mr JOSÉ BOGAS GÁLVEZ	363	345			12,271	11,371		
Mr ALBERTO DE PAOLI								
Mr MIQUEL ROCAJUNYENT								
Mr ALEJANDRO ECHEVARRÍA BUSQUET								
Mr IGNACIO GARRALDA RUIZ DE VELASCO								
Mr FRANCISCO DE LACERDA								
Ms MARIA PATRIZIA GRIECO								
Mr ANTONIO CAMMISECRA								
Ms HELENA REVOREDO DELVECCHIO								
Mr BORJA PRADO EULATE	282	281			3,054	2,671		
Mr ENRICO VIALE								

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## ANNUAL REPORT ON QUOTED JOINT STOCK COMPANY DIRECTOR REMUNERATIONS



iv) Detail of other items

Name	Item	Remuneration amount
Mr JUAN SANCHEZ-CALERO GUILARTE	Item	
Mr FRANCESCO STARACE	Item	
Mr JOSÉ BOGAS GÁLVEZ	Remuneration in kind	100
Mr ALBERTO DE PAOLI	Item	
Mr MIQUEL ROCAJUNYENT	Item	
Mr ALEJANDRO ECHEVARRÍA BUSQUET	Item	
Mr IGNACIO GARRALDA RUIZ DE VELASCO	Item	
Mr FRANCISCO DE LACERDA	Item	
Ms MARIA PATRIZIA GRIECO	Item	
Mr ANTONIO CAMMISECRA	Item	
Ms HELENA REVOREDO DELVECCHIO	Item	
Mr BORJA PRADO EULATE	Remuneration in kind	287
Mr ENRICO VIALE	Item	

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b) Remuneration to the directors of the company for belonging to boards of other group companies:

i) Remuneration accrued in cash (in thousands of €)

Name	Fixed remuneration	Per Diems	Remuneration for belonging to Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total for 2019 financial year	Total for 2018 financial year
Mr JUAN SANCHEZ-CALERO GUILARTE										
Mr FRANCESCO STARACE										
Mr JOSÉ BOGAS GÁLVEZ										
Mr ALBERTO DE PAOLI										
Mr MIQUEL ROCAJUNYENT										
Mr ALEJANDRO ECHEVARRÍA BUSQUET										
Mr IGNACIO GARRALDA RUIZ DE VELASCO										
Mr FRANCISCO DE LACERDA										
Ms MARIA PATRIZIA GRIECO										
Mr ANTONIO CAMMISECRA										
Ms HELENA REVOREDO DELVECCHIO										
Mr BORJA PRADO EULATE										
Mr ENRICO VIALE										

Observations

ii) Table of movements of the remuneration systems based on shares and gross profit of the shares or consolidated financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of 2019 financial year		Financial instruments granted during 2019 financial year		Financial instruments consolidated in the year				Instruments expired and not exercised	Financial instruments at the end of 2019 financial year	
		No. instruments	No. equivalent shares	No. instruments	No. equivalent shares	No. instruments	No. equivalent/consolidated shares	Price of the consolidated shares	Gross profit of the consolidated financial instruments or shares (€ thousand)	No. instruments	No. instruments	No. equivalent shares
Mr JUAN SANCHEZ-CALERO GUILARTE	Plan							0.00				
Mr FRANCESCO STARACE	Plan							0.00				
Mr JOSÉ BOGAS GÁLVEZ	Plan							0.00				
Mr ALBERTO DE PAOLI	Plan							0.00				
Mr MIQUEL ROCA JUNYENT	Plan							0.00				
Mr ALEJANDRO ECHEVARRÍA BUSQUET	Plan							0.00				
Mr IGNACIO GARRALDA RUIZ DE VELASCO	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2019 financial year		Financial instruments granted during 2019 financial year		Financial instruments consolidated in the year				Instruments expired and not exercised	Financial instruments at the end of 2019 financial year	
		No. instruments	No. equivalent shares	No. instruments	No. equivalent shares	No. instruments	No. equivalent/consolidated shares	Price of the consolidated shares	Gross profit of the consolidated financial instruments or shares (€ thousand)	No. instruments	No. instruments	No. equivalent shares
Mr FRANCISCO DE LACERDA	Plan							0.00				
Ms MARIA PATRIZIA GRIECO	Plan							0.00				
Mr ANTONIO CAMMISECRA	Plan							0.00				
Ms HELENA REVOREDO DELVECCHIO	Plan							0.00				
Mr BORJA PRADO EULATE	Plan							0.00				
Mr ENRICO VIALE	Plan							0.00				

Observations

[ ]

iii) Long-term savings systems

Name	Remuneration for consolidation of rights to savings systems
Mr JUAN SANCHEZ-CALERO GUILARTE	
Mr FRANCESCO STARACE	
Mr JOSÉ BOGAS GÁLVEZ	
Mr ALBERTO DE PAOLI	
Mr MIQUEL ROCAJUNYENT	
Mr ALEJANDRO ECHEVARRÍA BUSQUET	
Mr IGNACIO GARRALDA RUIZ DE VELASCO	
Mr FRANCISCO DE LACERDA	
Ms MARIA PATRIZIA GRIECO	
Mr ANTONIO CAMMISECRA	
Ms HELENA REVOREDO DELVECCHIO	
Mr BORJA PRADO EULATE	
Mr ENRICO VIALE	

Name	Contribution of the financial year by the company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2019	2018	2019	2018	2019	2018	2019	2018
Mr JUAN SANCHEZ-CALERO GUILARTE								
Mr FRANCESCO STARACE								
Mr JOSÉ BOGAS GÁLVEZ								
Mr ALBERTO DE PAOLI								
Mr MIQUEL ROCAJUNYENT								

Name	Contribution of the financial year by the company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2019	2018	2019	2018	2019	2018	2019	2018
Mr ALEJANDRO ECHEVARRÍA BUSQUET								
Mr IGNACIO GARRALDA RUIZ DE VELASCO								
Mr FRANCISCO DE LACERDA								
Ms MARIA PATRIZIA GRIECO								
Mr ANTONIO CAMMISECRA								
Ms HELENA REVOREDO DELVECCHIO								
Mr BORJA PRADO EULATE								
Mr ENRICO VIALE								

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iv) Detail of other items

Name	Item	Remuneration amount
Mr JUAN SANCHEZ-CALERO GUILARTE	Item	
Mr FRANCESCO STARACE	Item	
Mr JOSÉ BOGAS GÁLVEZ	Item	
Mr ALBERTO DE PAOLI	Item	
Mr MIQUEL ROCAJUNYENT	Item	
Mr ALEJANDRO ECHEVARRÍA BUSQUET	Item	
Mr IGNACIO GARRALDA RUIZ DE VELASCO	Item	
Mr FRANCISCO DE LACERDA	Item	
Ms MARIA PATRIZIA GRIECO	Item	
Mr ANTONIO CAMMISECRA	Item	
Ms HELENA REVOREDO DELVECCHIO	Item	
Mr BORJA PRADO EULATE	Item	
Mr ENRICO VIALE	Item	

Observations



c) Summary of remuneration (in thousands of €):

The amounts corresponding to all items of remuneration included in this report that have been accrued by the director, in thousands of euros, must be included in the summary.

Name	Remuneration accrued in the Company					Remuneration accrued in group companies				
	Total cash remuneration	Gross profit of the shares or consolidated financial instruments	Remuneration for savings systems	Remuneration for other items	Total 2019 financial year company	Total cash remuneration	Gross profit of the shares or consolidated financial instruments	Remuneration for savings systems	Remuneration for other items	Total 2019 financial year group
Mr JUAN SANCHEZ-CALERO GUILARTE	447				447					
Mr FRANCESCO STARACE										
Mr JOSÉ BOGAS GÁLVEZ	2,137		363	100	2,600					
Mr ALBERTO DE PAOLI										
Mr MIQUEL ROCA JUNYENT	278				278					
Mr ALEJANDRO ECHEVARRÍA BUSQUET	232				232					
Mr IGNACIO GARRALDA RUIZ DE VELASCO	254				254					
Mr FRANCISCO DE LACERDA	242				242					
Ms MARIA PATRIZIA GRIECO	207				207					
Mr ANTONIO CAMMISECRA										
Ms HELENA REVOREDO DELVECCHIO	224				224					
Mr BORJA PRADO EULATE	14,220		282	287	14,789					
Mr ENRICO VIALE										
<b>TOTAL</b>	<b>18,241</b>		<b>645</b>	<b>387</b>	<b>19,273</b>					



## ANNUAL REPORT ON QUOTED JOINT STOCK COMPANY DIRECTOR REMUNERATIONS



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#### D. OTHER INFORMATION OF INTEREST

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If there is any relevant aspect regarding the director remuneration that has not been set out in the rest of the sections of this report, but that is necessary to include for more complete and reasoned information on the structure and remuneration practices of the company in relation to its directors, detail them briefly.

[ Not applicable. ]

This annual remuneration report has been approved by the board of directors of the company, at its session dated:

[ 24/02/2020 ]

Indicate whether there have been directors who have voted against or abstained in relation to the approval of this Report.

[ ] Yes  
[  ] No

**ANEXO I - OTRAS INFORMACIONES**

**TABLA 1- MEDIDAS Y UMBRALES OBJETIVOS PROGRAMA 2017-2019 (Apartado B.7)**

**Total Shareholders Return" (TSR):**

TSR Endesa vs TSR Peer Group	TSR Endesa superior al 115% del TSR Peer Group	TSR Endesa entre el 110% y el 115% del TSR Peer Group	TSR Endesa entre el 100% y el 110% del TSR Peer Group	TSR Endesa entre el 90% y el 100% del TSR Peer Group	TSR Endesa inferior al 90% del TSR Peer Group
Multiplicador*	180%	150%	100%	50%	0%

\*Interpolación lineal entre los umbrales

**Return On Average Capital Employed" (ROACE)**

ROACE acumulado	+5,5%	+3,5%	BIP 2017-2021	-2,9%	Inferior al -2,9%
Multiplicador*	180%	150%	100%	50%	0%

\*Interpolación lineal entre los umbrales

**TABLA 2- TABLA SIMULACIÓN APLICACIÓN CURVA REGRESIVA TSR DEL PROGRAMA 2017-2019 (Apartado B.7)**

En caso de que el valor del TSR de Endesa en el trienio de referencia sea negativo, el premio a percibir por los managers se reducirá (basado en una curva regresiva) en el mismo porcentaje negativo registrado por el valor del TSR de Endesa, multiplicado por el valor constante 1,5. Se incluye a continuación una tabla que muestra una simulación sobre la aplicación de la curva regresiva:

Objetivo alcanzado y nivel de premio correspondiente	Premio en caso de TSR absoluto alcanzado del valor Endesa > 0%	Multiplicador curva regresiva	Premio en caso de TSR absoluto alcanzado del valor Endesa < 0%			
			-5%	-10%	-15%	-20%
<b>TSR Endesa &gt; 115% TSR índice</b>	180%	<b>1,5</b>	167%	153%	140%	126%
<b>TSR Endesa entre 110% y 115%</b>	150%	<b>1,5</b>	139%	128%	116%	105%
<b>TSR Endesa entre 100% y 110%</b>	100%	<b>1,5</b>	93%	85%	78%	70%
<b>TSR Endesa entre 90% y 100%</b>	50%	<b>1,5</b>	46%	43%	39%	35%
<b>TSR Endesa &lt; 90% TRS índice</b>	0%	<b>1,5</b>	0%	0%	0%	0%

**TABLA 3 - MEDIDAS Y UMBRALES OBJETIVOS PROGRAMA 2018-2020 (Apartado A.1 – punto 6)**

**Total Shareholders Return" (TSR):**

TSR Endesa vs TSR Índice	TSR Endesa superior al 115% del TSR índice	TSR Endesa entre el 110% y el 115% del TSR índice	TSR Endesa entre el 100% y el 110% del TSR índice	TSR Endesa entre el 90% y el 100% del TSR índice	TSR Endesa inferior al 90% del TSR índice
<b>Multiplicador*</b>	<b>180%</b>	<b>150%</b>	<b>100%</b>	<b>50%</b>	<b>0%</b>

\*Interpolación lineal entre los umbrales

**Return On Average Capital Employed" (ROACE)**

ROACE acumulado 2018-2020	Mayor o igual +3,1% Target	+1,3% Target	Target	-2,8% Target	Inferior al -2,8% Target
<b>Multiplicador*</b>	<b>180%</b>	<b>150%</b>	<b>100%</b>	<b>50%</b>	<b>0%</b>

\*Interpolación lineal entre los umbrales

**"Reducción de emisiones CO2" (CO2)**

Reducción de emisiones CO <sub>2</sub> (gCO <sub>2</sub> /kWh)	Menor o igual que -5% Target	-3% Target	Target	+3% Target	Mayor que +3% Target
<b>Multiplicador*</b>	<b>180%</b>	<b>150%</b>	<b>100%</b>	<b>50%</b>	<b>0%</b>

\*Interpolación lineal entre los umbrales

**TABLA 4- TABLA SIMULACIÓN APLICACIÓN CURVA REGRESIVA TSR DEL PROGRAMA 2018-2020 (Apartado A.1 – punto 6)**

Objetivo alcanzado y nivel de premio correspondiente	Premio en caso de TSR absoluto alcanzado del valor Endesa > 0%	Multiplicador curva regresiva	Premio en caso de TSR absoluto alcanzado del valor Endesa < 0%			
			-5%	-10%	-15%	-20%
TSR Endesa > 115% TSR índice	180%	1,5	167%	153%	140%	126%
TSR Endesa entre 110% y 115%	150%	1,5	139%	128%	116%	105%
TSR Endesa entre 100% y 110%	100%	1,5	93%	85%	78%	70%
TSR Endesa entre 90% y 100%	50%	1,5	46%	43%	39%	35%
TSR Endesa < 90% TRS índice	0%	1,5	0%	0%	0%	0%

**TABLA 5- MEDIDAS Y UMBRALES OBJETIVOS PROGRAMA 2019-2021 (Apartado A.1 – punto 6)**

**Total Shareholders Return" (TSR):**

TSR Endesa vs TSR Índice	TSR Endesa superior al 115% del TSR índice	TSR Endesa entre el 110% y el 115% del TSR índice	TSR Endesa entre el 100% y el 110% del TSR índice	TSR Endesa entre el 90% y el 100% del TSR índice	TSR Endesa inferior al 90% del TSR índice
<b>Multiplicador*</b>	<b>180%</b>	<b>150%</b>	<b>100%</b>	<b>50%</b>	<b>0%</b>

*\* Interpolación lineal entre los umbrales*

**Return On Average Capital Employed" (ROACE)**

ROACE acumulado 2019-2021	Mayor o igual a +3,0%	+1.5%	Target	-3.0%	Menor que -3,0%
<b>Multiplicador*</b>	<b>180%</b>	<b>150%</b>	<b>100%</b>	<b>50%</b>	<b>0%</b>

*\* Interpolación lineal entre los umbrales*

**"Reducción de emisiones CO2" (CO2)**

Reducción de emisiones CO2 (gCO2/kWh)	Menor o igual que -5% Target	-3% Target	Target	+3% Target	Mayor que +3% Target
<b>Multiplicador*</b>	<b>180%</b>	<b>150%</b>	<b>100%</b>	<b>50%</b>	<b>0%</b>

*\* Interpolación lineal entre los umbrales*

**TABLA 6- SIMULACIÓN APLICACIÓN CURVA REGRESIVA TSR DEL PROGRAMA 2019-2021 (Apartado A.1 – punto 6)**

Objetivo alcanzado y nivel de premio correspondiente	Premio en caso de TSR absoluto alcanzado del valor Endesa > 0%	Multiplicador curva regresiva	Premio en caso de TSR absoluto alcanzado del valor Endesa < 0%			
			-5%	-10%	-15%	-20%
TSR Endesa > 115% TSR índice	180%	1,5	167%	153%	140%	126%
TSR Endesa entre 110% y 115%	150%	1,5	139%	128%	116%	105%
TSR Endesa entre 100% y 110%	100%	1,5	93%	85%	78%	70%
TSR Endesa entre 90% y 100%	50%	1,5	46%	43%	39%	35%
TSR Endesa < 90% TRS índice	0%	1,5	0%	0%	0%	0%

**TABLA 7- MEDIDAS Y UMBRALES OBJETIVOS PROGRAMA 2020-2022 Apartado A.1 – punto 6)**

**Total Shareholders Return" (TSR):**

TSR Endesa vs TSR Índice	TSR Endesa superior al 115% del TSR índice	TSR Endesa entre el 110% y el 115% del TSR índice	TSR Endesa entre el 100% y el 110% del TSR índice	TSR Endesa inferior al 100% del TSR índice	TSR Endesa vs TSR Índice
Multiplicador*	180%	150%	100%	0%	Multiplicador*

\* Interpolación lineal entre los umbrales

**Return On Average Capital Employed" (ROACE)**

ROACE acumulado 2019-2021	Mayor o igual a 50,7%	50,0%	49,3%	Menor que 49,3%	ROACE acumulado 2019-2021
Multiplicador*	180%	150%	100%	0%	Multiplicador*

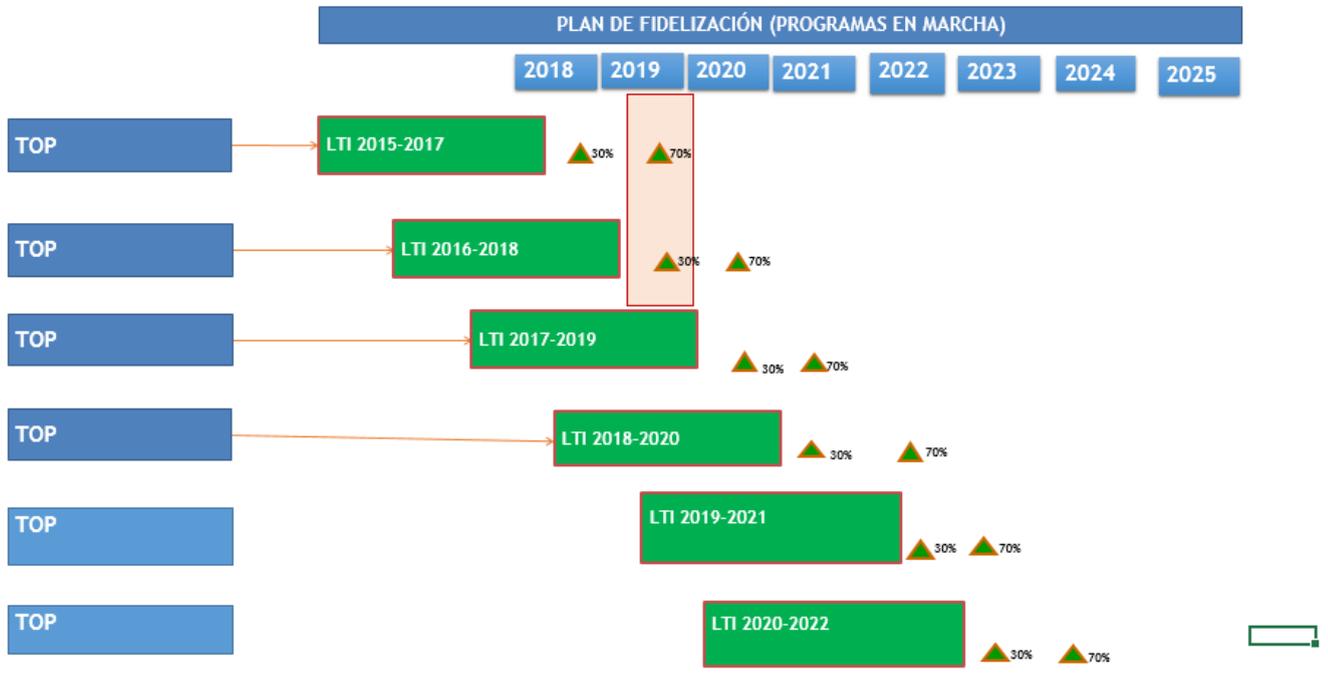
\* Interpolación lineal entre los umbrales

**"Reducción de emisiones CO2" (CO2)**

Reducción de emisiones CO <sub>2</sub> (gCO <sub>2</sub> /kWh)	Menor o igual que 162,9	166,4	171,5	Mayor que 171,5	Reducción de emisiones CO <sub>2</sub> (gCO <sub>2</sub> /kWh)
Multiplicador*	180%	150%	100%	0%	Multiplicador*

\* Interpolación lineal entre los umbrales

**Tabla 8- CALENDARIO PLANES DE FIDELIZACIÓN Apartado B.7 Y C.1.a)i )**



▲ Pagos previstos en las condiciones del Programa 2016-2018; Programa 2017-2019; Programa 2018-2020; Programa 2019-2021. Programa 2020-2022