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REPORT ON THE PROPOSAL FOR RATIFICATION OF THE
APPOINTMENT BY CO-OPTATION AND RE-ELECTION OF MR. ANTONIO
CAMMISECRA AS A PROPRIETARY DIRECTOR OF THE COMPANY

endesa

Report prepared by the Board of Directors of Endesa, S.A., for the purposes provided in Article 529 *decies* of the Corporate Enterprises Act, in relation to the proposed ratification of the appointment by co-optation and re-election of Mr. Antonio Cammisecra as a proprietary director of the Company

1. Purpose of the Report

In accordance with Article 529 *decies* of the Corporate Enterprises Act, the Board of Directors of Endesa, S.A. ("**Endesa**" or the "**Company**") formulates this supporting Report, which accompanies the proposal for ratification of the appointment by co-optation and the re-election, item number thirteen on the Agenda, of Mr. Antonio Cammisecra, as a proprietary Director of the Company.

This Report evaluates the competence, experience and merits of the proposed candidate, and will be attached to the minutes of the General Shareholders' Meeting and/or of the Board meeting.

Article 529 decies of the Corporate Enterprises Act:

The members of the Board of Directors of a listed company shall be appointed by the General Shareholders' Meeting or, in the event of an early vacancy, by the Board itself by co-option.

If the vacancy occurs after the general meeting has been called but before it is held, the board of directors may appoint a director until the next general meeting is held.

The proposal for the appointment or re-election of members of the board of directors corresponds to the appointments and remuneration committee in the case of independent directors, and to the board itself in other cases.

The proposal for appointment or re-election must be accompanied in any case by a supporting report from the Board evaluating the competence, experience and merits of the proposed candidate, which will be attached to the minutes of the general meeting or to those of the board meeting.

The proposal for appointment or re-election of any non-independent director must also be preceded by a report from the appointments and remuneration committee.

2. Introduction

On 27 September 2019, Mr. Antonio Cammisecra was appointed by co-optation as a proprietary Director, at the proposal of the controlling shareholder Enel, S.p.A., and following a report from the Appointments and Remuneration Committee, to replace the Proprietary Director Mr. Enrico Viale, who presented his resignation, in view of his new professional obligations in the Enel Group as Head of North America.

3. Justification of the proposal

The Board of Directors submits this ratification of appointment and re-election of Mr. Cammisecra to the General Shareholders' Meeting, at the proposal of the Appointments and Remuneration Committee after performing an analysis of the current composition of the Board and its needs, an assessment of the conditions that the directors must meet to qualify for office and the dedication required to perform their duties properly, all in accordance with Endesa's Corporate Governance Policy and Policy for the Selection of Candidates as Director.

In particular, the Board of Directors endorses the conclusions and arguments of the Report of the Appointments and Remuneration Committee and, in this regard, has evaluated the advisability of appointing Mr. Cammisecra by co-optation and of re-electing him as a proprietary Director based on said Report:

- **Size of the Board:** Currently, the structure, as regards the number of members of Endesa's Board of Directors, complies with all the recommendations of the code of good governance for listed companies (the "CGG") and with the standards of best international practices.

Endesa's Board of Directors, at the date of this report, is made up of 10 members. It should be noted that on 15 January 2020, the Director Ms. Helena Revoredo submitted her resignation for personal reasons and given the proximity of the Ordinary General Shareholders' Meeting, 5 May 2020, the Appointments and Remuneration Committee decided to wait until then to fill the vacancy and to include the selection process to fill this vacancy together with the existing selection process to comply with the objective of the Policy for the selection of candidates for Directors of Endesa whereby in 2020 the number of female directors should represent at least 30% of the total number of Board members.

In accordance with the foregoing paragraph, the Board of Directors has proposed to the General Shareholders' Meeting that it increase the number of Board members to thirteen. In this regard, it proposes the ratification of the appointment of Mr. Cammisecra, as well as the appointment of Ms. Pilar González de Frutos, Ms. Eugenia Bieto and Ms. Alicia Koplowitz y Romero de Juseu.

The Board will be of an appropriate size to achieve effective and participatory operation and will conform to recommendation 13 of the CGG, which advises a number of members between five and fifteen.

We would point out that it will also be within the parameters of the Ibex 35 companies, whose average number of directors is 13.1.

For all these reasons, we consider the proposal to the General Shareholders' Meeting to increase the number of members of the Board to thirteen appropriate.

- **Board Structure:** Proprietary and independent directors, in accordance with recommendation 15 of the CGG, constitute the majority of the Board of Directors and the number of executive directors is the minimum necessary.

Below, we indicate the structure of the Board of Directors as it will be if the proposals for appointment and re-election that will be submitted to the Ordinary General Shareholders' Meeting of 5 May 2020 are approved:

		2020	
		number	%
	Total Directors	13	100%
Class of Directors	Proprietary*	4	30.77%
	Independent	8	61.54%
	Executive	1	7.69%
Gender Diversity	Women	4	30.77%

*Representatives of Enel, S.p.A.

The number of proprietary directors as a percentage of the total number of non-executive directors, in accordance with recommendation 16 of the CGG, will not be greater than the Company's capital represented by said directors as a percentage of the total capital (the controlling shareholder Enel holds 70.10% of Endesa's share capital).

The internal corporate rules and the Corporate Governance Policy of Endesa as a whole have been configured to ensure the reconciliation of the interests of all shareholders, with particular attention to minority shareholders, and to ensure equal treatment of all shareholders that are in identical conditions and to this end the number of independent Directors is greater than the number of proprietary Directors appointed at the request of the majority shareholder.

With the proposal for the re-election of Mr. Cammisecra and the other three proposals for appointments submitted to the Ordinary General Shareholders' Meeting of 5 May 2020, the proportion of proprietary Directors will represent 30.77% and that of independent Directors 61.54%. The weight of both categories of Directors will guarantee the proper functioning of the administrative body, as established in recommendation 17 of the CGG and international practices and proxy advisers, which normally establish minimum thresholds of between 33% (when the company has a shareholder that controls more than 30% of the share capital) and 50% of independent directors.

For all these reasons, at the moment with the proposed re-election of Mr. Cammisecra, the structure of the Board of Endesa is considered appropriate to the capital structure of the Company and aligned with the best corporate governance practices.

- With this proposal, the Board of Directors of Endesa will have the diversity of skills, knowledge, experience, origins, nationalities, age and gender necessary for the best performance of the functions entrusted to it.
- Endesa is convinced that diversity in all its facets, at all levels of its professional team, is an essential factor for ensuring the Company's competitiveness and a key element of its corporate governance strategy.

With the appointment of Ms. Pilar González de Frutos, Ms. Eugenia Bieto and Ms. Alicia Koplowitz y Romero de Juseu, Endesa attains the objective whereby in 2020 the number of female directors should represent at least 30% of the total number of Board members.

- Mr. Cammisecra is a person of recognised standing, who has the experience and professional knowledge appropriate to the exercise of the role of Director of Endesa. Mr. Cammisecra meets all the requirements established in the Law and in Endesa's corporate regulations for his appointment to be ratified and to be re-elected as a Director.
- Professional profile: Mr. Cammisecra is *Head of the Global Thermal Generation business line in the Enel Group, Executive Director of Enel Green Power and Head of Africa, Asia and Oceania*.
His technical professional profile, with extensive experience in the engineering area, due to his studies and profession, holding positions of high responsibility at Enel, is appropriate to the needs of the Endesa Board of Directors and its Committees. Knowledge and experience in the field of engineering are essential for the development of Endesa's activity as a generator, distributor and supplier of electricity, as is his experience in defining renewable energy strategies.
Mr. Cammisecra's specific qualities respond to the particular business and strategic monitoring needs of the Company, considering the main guidelines of the Group's strategy.
- Degree in Mechanical Engineering from the Federico II University of Naples (1996). Executive MBA Business and Economics, SDA Bocconi, Milan (2004).

In order to complete this information, the curriculum vitae of Mr. Antonio Cammisecra is attached to this report.

4. Conclusion

In view of the foregoing, and in response to the proposal of the controlling shareholder Enel, S.p.A. and the favourable report issued for this purpose by the Appointments and Remuneration Committee, the Board of Directors of Endesa has unanimously concluded that Mr. Antonio Cammisecra has the competence, experience and merits necessary for the ratification of his appointment and his re-election as proprietary Director to be proposed to the Ordinary General Shareholders' Meeting of the Company, for the statutory period of four years.

5. Proposed resolution submitted to the General Shareholders' Meeting

Ratification of the appointment by co-optation and re-election of Mr. Antonio Cammisecra as proprietary Director of the Company.

To ratify the appointment by co-optation of Mr. Antonio Cammisecra as director of the Company, pursuant to the agreement adopted by the Board of Directors in its meeting of 27 September 2019, and to re-elect him, having regard to a report from the Appointments and Remuneration Committee, for the statutory term of four years.

In accordance with article 529 duodecies of the Corporate Enterprises Act, the Director is considered a Proprietary Director.

The report on this proposal together with a brief résumé of Mr. Cammisecra is available to shareholders on the Company's website.

ANTONIO CAMMISECRA

Born in Naples, Italy, in 1970. Degree in Mechanical Engineering from the Federico II University of Naples (1996). Executive MBA Business and Economics, SDA Bocconi, Milan (2004).

Work experience

November 2013 - April 2017: Head of Global Business Development at Enel Green Power.

2012-2013: Head of Operations and Maintenance for Europe at Enel Green Power.

2009-2012: Head of Business Development Italy at Enel Green Power.

2004-2008: Business Development Manager for Latin America, Enel group.

1999-2004: Business Development in the International department of Enel SpA and Enelpower SpA.

1997-1999: Process Re-Engineering Consultant in a manufacturing company and quality and process engineer at 3M Italy S.p.A.

Current occupation

Sole Director of Enel Green Power

Head of Global Power Generation with the Enel Group

Head of Africa, Asia and Oceania, Enel Group

Head of Global Thermal Generation