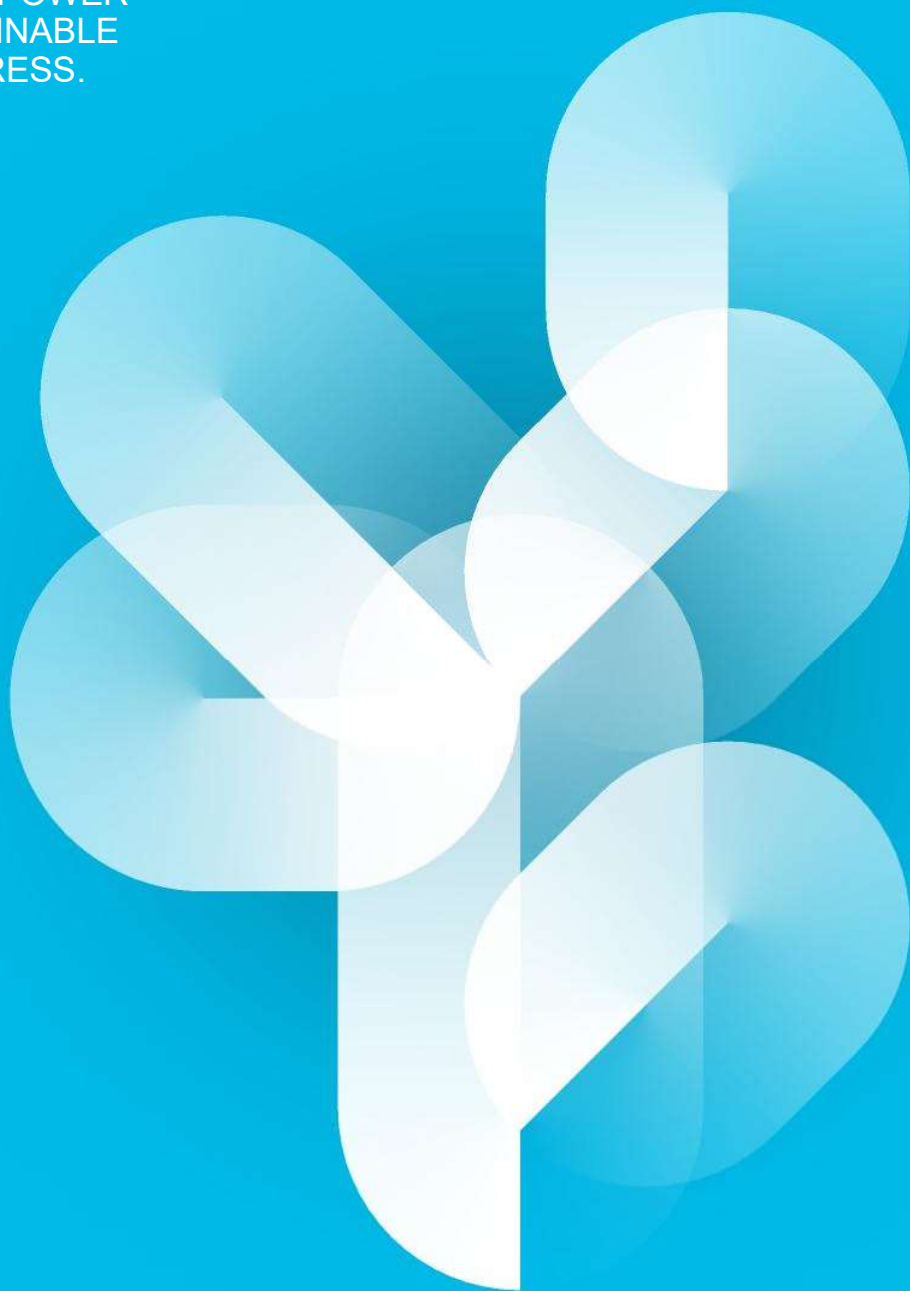


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**Report on proposal for the re-election
of D. Alberto de Paoli as a Proprietary
Director of the Company**

endesa

Report drawn up by the Board of Directors of Endesa, S.A. for the purposes set forth in Article 529 (10) of the Capital Corporations Law, as related to the proposal for reappointment of Director Alberto de Paoli as Shareholder-Appointed Director of the Company

This English-language version has been translated from the original issued in Spanish by the entity itself and under its sole responsibility, and is not considered official or regulated financial information.

In the event of discrepancy, the Spanish-language version prevails.

1. Purpose

In accordance with Article 529 (10) of the Capital Corporations Law (*Ley de Sociedades de Capital* - LSC), the Endesa, S.A. Board of Directors ("**Endesa**" or the "**Company**") has drafted this Explanatory Report to be submitted with the proposal for reappointment of Mr. Alberto de Paoli as Shareholder-Appointed Director of the Company to the General Shareholders' Meeting 2023, for approval.

This Report will assess the skills, experience and merits of the proposed candidate and will be attached to the minutes for the General Meeting and/or Board Meeting.

Article 529 (10) LSC:

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 unexpected vacancy, by co-optation by the Board itself.

The appointments and compensation committee shall be responsible for the proposal for appointment or reappointment of the members of the board of directors, in the case of independent directors, and in all other cases, responsibility shall lie with the Board itself.

The proposal for appointment or reappointment shall in any case be accompanied by a justifying report of the board of directors assessing the skills, experience and merits of the proposed candidate. This report shall be attached to the meeting minutes for the general meeting or for the board itself.

The proposal for appointment or reappointment of any non-independent director shall also be preceded by a report from the appointments and compensation committee.

2. Introduction

The term of the Shareholder-Appointed Director, Mr. De Paoli, initially appointed by co-optation on 4 November 2014, and ratified for four years at the General Shareholders' Meeting of 27 April 2015, and reappointed for another four years at the General Shareholders' Meeting held on 12 April 2019, is set to expire during the current fiscal year 2023. This proposal for reappointment as Shareholder-Appointed Director is made in accordance with the Capital Corporations Law, which provides that directors may be reappointed to office one or more times for terms of equal or less duration, and with Article 11 of Endesa's Board of Directors Regulations, which provides that directors shall hold office for a term of four years, after which time they may be reappointed for terms of equal duration.

3. Justification of the Proposal

The Board of Directors hereby submits this proposal for reappointment to the General Shareholders' Meeting, at the proposal of the controlling shareholder of Endesa, Enel, S.p.A., following a report from the Appointments and Compensation Committee, having analyzed the current composition and needs of the Board and having assessed the

conditions and dedication required of directors to properly perform their duties, all in compliance with Endesa's Corporate Governance Policy and Candidate Director Selection and Diversity Policy.

In particular, the Board of Directors has confirmed the conclusions and arguments of the Appointments and Compensation Committee Report and, in such regard, has concluded that reappointment of Mr. De Paoli as a Shareholder-Appointed Director is appropriate, for the following reasons:

- **Board Size:** The current structure of Endesa's Board of Directors, in terms of number of members, complies with all recommendations under the corporate governance code for listed companies (the "**CBG**") and with best international practices. The Company considers that maintaining the current number of directors would be in its best interests.

Endesa's Board of Directors is comprised of 12 members. This number ensures the efficient and interactive operation thereof and complies with Recommendation 13 of the CBG, which recommends a minimum membership of five and a maximum of fifteen.

It should also be noted that this number falls within the customary practice of Ibex 35 companies, which have an average of 12.4 directors. The most common size is 12 members; each such size is maintained by ten companies.¹

The number of members on Endesa's Board is thus in light of the above considered appropriate at this time.

- **Board Structure:** In accordance with Recommendation 15 of the CBG, shareholder-appointed and independent directors constitute a broad majority of the Board of Directors and the number of executive directors would still be limited to the minimum necessary.

The percentage of shareholder-appointed directors in relation to the total number of non-executive directors, in accordance with Recommendation 16 of the CBG, does not exceed the proportion between the share capital of the Company represented by said directors and the remaining share capital.

The internal corporate governance rules and Corporate Governance Policy of Endesa have been drawn up to, as a whole, balance the interests of the different shareholding groups, paying particular attention to minority shareholders, as well as to ensure the equal treatment of all shareholders in identical circumstances and, for such purpose, the number of Independent Directors is greater than the number of Shareholder-Appointed Directors appointed by the majority shareholder.

In addition, with the approval of this proposed reappointment, together with the other proposed director reappointments reported on by the Board on this date, which are expected to be submitted to the 2023 Annual General Shareholders' Meeting for approval, the percentage of Shareholder-Appointed Directors will continue to be 33.33% and that of Independent Directors 58.33%, with the latter constituting more than half of the members of the Board of Directors, thus ensuring the independence of the highest governing body, in keeping with the most

¹ Source: Corporate Governance Report of entities issuing securities listed on official secondary markets, published by the Spanish Securities Market Commission in relation to fiscal year 2021.

demanding international good governance practices. The weighting of both categories of Directors ensures the proper functioning of the governing body, conforms in all cases to the best international corporate governance practices and enables the implementation of a model of Board structure that especially protects minority shareholders.

Consequently, at this time, with this and the other proposals submitted to the General Shareholders' Meeting, the structure of Endesa's Board is considered appropriate.

- With this proposal, Endesa's Board of Directors fulfills the requirement on the diversity of skills, knowledge, experiences, background, nationalities, ages and genders to better perform the duties entrusted thereto.
- Mr. De Paoli is a renowned individual with the relevant professional expertise required to perform his duties on Endesa's Board and has shown significant commitment during his years as a Director, having made several positive contributions to the functioning of the Board. Mr. De Paoli meets all applicable requirements under law and as set forth in Endesa's corporate regulations on the reappointment of Directors.
- Mr. De Paoli's professional profile fits the needs of the Board and its Committees, taking into account his extensive professional experience in the economic-financial field, having held positions involving high responsibility, complexity and skill levels in the area of corporate strategy.
- Academically, graduated with honors in Economics from La Sapienza University in Rome.
- At the Enel Group, he has served as Enel Green Power's Chief Financial Officer and Enel's General Manager of Strategy.
- Currently, he is the General Manager of Administration, Finance and Control of Enel.

In order to supplement the above information, a copy of Mr. Alberto De Paoli's CV is attached to this report.

4. Conclusion

As a result of the aforementioned and based on the prior favorable report issued for such purpose by the Appointments and Compensation Committee, Endesa's Board of Directors unanimously concluded that Mr. Alberto De Paoli has the required skills, experience and merits for the purpose of submitting his reappointment as a Shareholder-Appointed Director to the Company's Annual General Shareholders' Meeting, for the statutory period of four years.

5. Proposed resolution for submission to the General Shareholders' Meeting

Reappointment of Mr. Alberto De Paoli as Shareholder-Appointed Director of the Company.

Reappoint Alberto De Paoli as a Director of the Company, following the report of the Appointments and Compensation Committee, for the statutory term of four years.

In accordance with Article 529 (12) of the Capital Corporations Law, the Director is considered a Shareholder-Appointed Director.

The report on this proposal together with a biographical sketch on Mr. De Paoli are available to the shareholders on the Company's website.

ALBERTO DE PAOLI

Born in Pavia (Italy) in 1965. Holds a degree in Economics from La Sapienza University (Rome) (Honors).

Career Path

General Manager of Strategy for ENEL (2012-2014); CFO of Enel Green Power (April 2008 - April 2012). Head of Strategy, M&A and Business Development for Tiscali (March 2006 - March 2008). Formed part of Wind Telecomunicazioni (1997 - February 2006). Executive Advisor to the Chairman (2005 and 2006); Financial Director (2004); Head of Planning and Control (2002 and 2003); Head of Strategic Planning (2000 and 2001); and Start-up Manager and Network Controller (1997 - 1999). He started his professional career at Telecom Italy as the Head of the Area (1993 and 1994) and then worked as Head of Operational Planning and Service Contracts (1995 and 1996).

Current Position(s)

- General Manager of Administration, Finance and Control of ENEL