---------------------------------------------------------------------------------------------------------- Endesa 2012

This is ENDESA’s 12th Annual Sustainability Report, outlining our commitment to sustainable development and reporting progress made in 2012 to all our stakeholders.

2012 was the last year of ENDESA’s 2008-2012 Sustainability Plan (PES), which reflects the Company’s strategy in the area of sustainable development. The plan was completed successfully in its fifth year, with more than 98% of the objectives met.

ENDESA’s commitment to sustainable development begins with our senior management and extends to every part of the Company and all employees. The Sustainability Plan contains a total of 67 monitoring indicators, of which 52 form part of the Sustainability Scorecard reported to senior management every six months; all of the Company’s employees are involved in implementing these actions.

The 2008-2012 Sustainability Plan was the natural successor to the 2003-2007 Strategic Plan for the Environment and Sustainable Development, the definitive implementing tool for our Sustainability Policy and a response to the seven commitments to sustainable development made by the Company to our customers, shareholders, employees and the communities in which we operate. This policy also detailed our commitments to ethical behavior and transparency, technological innovation, energy efficiency and respect for the environment

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For the third consecutive year, this report has been prepared in accordance with version G3.1 of the Global Reporting Initiative (GRI) and has been verified by an independent external body.

The report is complemented by the specific GRI Electric Utilities Sector Supplement and the principles of AA1000 APS (2008) and the Global Compact. In ENDESA’s sustainability management model, the concept of Sustainability forms part of the principles of the Global Compact and is an integral part of the Company’s management strategy, from the definition of its mission, vision and values to the individual objectives set for senior managers and other employees whose salaries are determined to some degree by achieving management objectives.

Having published 12 Sustainability Reports, ENDESA remains committed to transparent reporting of progress on sustainability to all of its stakeholders.

The Company believes that responsible conduct, accountability and sustainability management are all key to legitimating our actions in the communities where we operate. Therefore, we are now working on our next Sustainability Plan, which will include our definitive strategic business and sustainability planning.

---------------------------------------------------------------------------------------------------------- Endesa 2013

The 2013 Sustainability Report, designed to inform stakeholders on the Company’s sustainability performance in 2013, forms part of ENDESA’s commitment to sustainable development and transparency. The commitment to sustainable development begins with senior management and extends to every part of the Company and all employees. The 2008-2012 Sustainability Plan carried out over the past few years was renewed and extended in 2013 for its natural inclusion in the Enel Group Sustainability Plan. The 2008-2012 Sustainability Plan carried out over the past few years was renewed and extended in 2013 for its natural inclusion in the Enel Group Sustainability Plan.

The Sustainability Plan reflects ENDESA's firm commitment to economic and social development through investment in productive activities geared towards ensuring environmentally-sustainable energy for the fulfilment of its mission and the long-term development of its businesses. The Sustainability Plan contains a total of 71 monitoring indicators, of which 50 form part of the Sustainability Scorecard reported to senior management every six months.

The 2013 Sustainability Report has been prepared in accordance with version G3.1 of the Global Reporting Initiative (GRI) and has been verified by an independent external body. The report is complemented by the specific GRI Electric Utilities Sector Supplement and the principles of AA1000 APS (2008) and the Global Compact.

In ENDESA's sustainability management model, the concept of sustainability forms part of the principles of the Global Compact and is an integral part of the Company's management strategy, from the definition of its mission, vision and values to the individual objectives set for senior managers and other employees whose salaries are determined to some degree by achieving management objectives.

ENDESA's commitment to transparency is underscored by the publication of 13 Sustainability Reports. The Company believes that responsible conduct, accountability and sustainability management are all essential to give legitimacy to our actions in the communities where we operate.

In 2013, ENDESA publicly renewed its commitment to the implementation, disclosure and promotion of the United Nations Global Compact (UNGC). Since adhering to the UNGC in 2012, the Company has endeavoured to embrace the ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption in its operations and strategy. We are actively committed to this international initiative through our memberships to national and regional networks by adhering to various existing global initiatives under the UNGC framework. The information contained in the Sustainability Report describes the actions carried out by the Company to ensure that it upholds the ten principles in its businesses and promotes and disseminates them among its stakeholders.

ENDESA has an ongoing commitment to respect and protect human rights. This commitment is reflected in the Company's mission, vision and values, evidenced in its adherence to the UNGC. In 2013, within the scope of an initiative adopted throughout the Enel Group, ENDESA's Board of Directors approved the Company's Human Rights Policy. This policy was presented to and approved by the boards of directors of the various subsidiaries. ENDESA's Human Rights Policy sets out the Company's commitment and responsibilities in relation to human rights in general, and those applicable to the business activities and corporate operations carried out by company employees in particular.

Approval of the policy marks a step forward in ENDESA's longstanding commitment to principles of sustainable development. Year after year, this commitment poses new challenges

that the Company is willing to tackle decisively and transparently.