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Grupo Red Eléctrica

Appointments and Remuneration Committee

4 May 2022

Ordinary General Meeting of
Shareholders: Proposal to re-elect Mr.
Antonio Gómez Ciria as independent
director



1. Background and reasoning

On 9 May 2014 the Ordinary General Meeting passed a series of resolutions, including:

"To appoint Mr. Antonio Gómez Ciria as independent director of Red Eléctrica Corporación, S.A., for the four-year term stipulated in the corporate bylaws, in replacement of the independent director Mr Rui Manuel Janes Cartaxo, pursuant to the report and proposal made by the Corporate Responsibility and Governance Committee".

Subsequently, on 22 March 2018, the Company's General Meeting passed a series of resolutions, including:

"To re-elect Mr. Antonio Gómez Ciria as an independent director of Red Eléctrica Corporación, S.A. for the four-year term stipulated by the Articles of Association, in accordance with Article 529 decies of the LSC".

Accordingly, Mr Gómez Ciria's term as independent director will end at the next Ordinary General Meeting scheduled for 6 June 2022 at the first call to meeting and 7 June 2022 at the second call to meeting.

To fulfil its duties connected with the forthcoming vacancy of independent director on the Board assigned to the Appointments and Remuneration Committee under the Board Regulations and the Corporate Enterprises Act, the Committee has carried out the requisite evaluation for filling the vacancy.

On completing its evaluation, the Committee has considered it appropriate to submit its proposal to re-elect Mr Gómez Ciria as independent director to the Board for onward submission to the Ordinary General Meeting for the reasons supporting that proposal set out here.

The procedure and requirements for appointing the independent directors are laid down in sections 529 decies to 529 duodecies and 529 quindecies Corporate Enterprises Act, in Article 20 of the Articles of Association, and in Articles 7, 18, 21, 22, and 23 of the Board Regulations. These rules set the evaluation criteria, requirements, and circumstances to be taken into account when appointing independent directors.

Furthermore, in accordance with sections 529 decies, 529 undecies, and 529 quindecies Corporate Enterprises Act, Article 20 of the Articles of Association, and Articles 21 and 23 of the Board Regulations, proposals for re-electing independent directors are to be submitted to the Board by the Appointments and Remuneration Committee for onward submission to the General Meeting for decision. The term of office will be four years.

2. Director's corporate profile

The Appointments and Remuneration Committee has issued this proposal in accordance with the procedure laid down in the corporate rules for appointing the directors and has evaluated the profile and requirements considered essential to hold the position of director in line with corporate criteria and the skills, experience, knowledge, professional conduct, suitability, independent thinking, attributes, and abilities relating to the duties incumbent on the Board that Board members need to have in accordance with the Corporate Governance Policy (last updated by the Board at its meeting held on 24 November 2020). Its purpose is to help manage the balance, diversity, and overall and individual quality of the Board at all times and to set out the profile and requirements currently considered appropriate to hold the position of director, here as an independent director.

The Appointments and Remuneration Committee also has a set of Board functions updated by the Board in November 2021, listing three general areas the Board should address. These are the experience and knowledge of Board members as they relate to the Group's strategic priorities, the functions connected with the duties of the Board, and, lastly, diversity. Considering this skillset individually when proposing independent directors for appointment or re-election is an effective tool that the Appointments and Remuneration Committee can use in pursuing the objective of maintaining a Board of Directors that is diverse in its composition, to ensure that the Board, as a collective body, can draw on the most appropriate knowledge and experience at all times.



In keeping with the above principle of diversity included in the Corporate Governance Policy approved by the Board and published on the corporate website, the Committee and the Board seek to promote diversity in the Board's composition in the broadest sense, namely, diversity of knowledge, experience, age, gender, etc., serving as a key feature enabling the Board, on the basis of a balanced and diversified membership, to fulfil its mission and perform its duties with a view to successfully tackling future challenges and moving efficiently and proactively forward towards accomplishing the strategies and objectives of the Company and the Red Eléctrica Group.

At this meeting the Committee is setting out the reasons grounded in Mr Gómez Ciria's corporate profile that support its proposal to re-elect Mr Gómez Ciria as independent director of the Company. Further support is provided by his outstanding track record as an independent director of the Company as his second term now draws to an end.

3. Track record in the Company, professional profile, and re-evaluation of his qualifications

As previously mentioned, the director joined the Company's Board eight years ago by resolution of the Ordinary General Meeting held on 9 May 2014. Accordingly, his second term as director is now ending, and therefore if he is finally re-elected as a director by the General Meeting, he will be starting his third term as director.

The director has held the following positions on the Committees of the Company's Board:

- Member of the Audit Committee (since 23 December 2014, a position he continues to hold at this time).
- Chair of the Audit Committee (from 28 November 2017 to 24 November 2020, and from 30 November 2021, a position he continues to hold at this time).

It should further be noted that he has also been a Board member of Hispasat, S.A., another company in the Red Eléctrica Group, since 29 September 2020. There he has served as a member of the Audit Committee and the Appointments and Remuneration Committee since 21 October 2021 and continues to hold those positions at this time.

The Committee has re-evaluated his professional history in detail (published on the corporate website and available using the following link: [Mr Antonio Gómez Ciria](#)). Mr Gómez Ciria has broad experience as a Board member of public companies and insurance sector companies and in serving in key senior management positions in businesses in the infrastructure industry. A brief summary of his professional career is set out below.

Mr. Antonio Gómez Ciria was born on 25 March 1957. He holds a Master's Degree in Economics and Business Studies awarded by the Complutense University of Madrid, another Master's Degree in Mathematics from that same university, and an Executive M.B.A. from the IESE Business School. He is also a Chartered Accountant certified by AECA (Spanish Accounting and Business Administration Association). He is currently a member of the General Council of the Association of Economists' Advisory Board of Accounting and Financial Information Experts (ECIF), a Board member and Risk Committee of Mapfre, S.A., a Board member of Mapfre España Compañía de Seguros y Reaseguros, S.A., a Board member and Executive Committee member of Mapfre Re Compañía de Reaseguros, S.A., and a Board member of Mapfre Vida, S.A. de Seguros y Reaseguros sobre la Vida Humana.

Before that, he was a Board member and Executive Committee member of Mapfre Global Risks Compañía Internacional de Seguros y Reaseguros, S.A.; General Manager of the Administrative and Information Technology Division and Executive Committee member of the FCC Group; a representative of the FCC Group on the Spanish Ministry of Finance and Public Administration's Foro de Grandes Empresas (Large Companies Forum); General Director of Internal Audit and Executive Committee member of the FCC Group; Director of Internal Audit of the FCC Group; member of the Advisory Board and Executive Committee member of Spain's Institute of Internal Auditors; General Manager of the Technical Division of InverCaixa, an investment management company belonging to the La



Caixa Group; Chair of ICAC, Spain's Accounting and Audit Institute; Board member of Empresa Nacional de Uranio, S.A.; Board member of Empresa Nacional de Autopistas, S.A.; Board member of Tabacalera, S.A.; Director of the Market Inspection Division of Sociedad Rectora de la Bolsa de Valores de Madrid (Madrid Stock Exchange); Deputy Director of Budget Planning and Research of Radio Televisión Española; Director of the Accounting and Audit Department of Banco de Crédito Agrícola; and Auditor/Inspector of the Intervención General del Estado (Spain's National Audit Office).

He was also a member of the Working Group of the CNMV, Spain's National Securities Market Commission, that drew up the "Guidelines for management reporting by listed companies (Guía para la elaboración del informe de gestión de las entidades cotizadas)".

Following this overview of his professional career within and outside the Company, the Committee rates the director's dedication and work in the performance of his duties as independent director of the Company both on the Board and on the Audit Committee (as member and Chair) over the past eight years very highly.

Also noteworthy is his appointment as Board member of Hispasat S.A., the Red Eléctrica Group company responsible for satellite telecommunications activity and one of the strategic pillars of the Red Eléctrica Group. He is also a member of that company's Audit Committee and Appointments and Remuneration Committee.

The Committee also takes note of his extensive experience in the economic and financial fields, securities market, and his background in the field of strategic business management and in managing teams of senior executives. His qualifications as an audit, accounting, and risk management expert referred to above also need to be kept in mind, along with his experience in and knowledge of both the private sector and the Government sector. Lastly, his experience as a board member of other listed companies in the insurance sector is relevant as well.

Mr Gómez Ciria is currently Chair of the Audit Committee, and the Committee particularly values his experience and skills in the areas of accounting, auditing, both financial and non-financial risk management, and more generally in the areas of management, economics, finance, and business, in accordance with the recommendations of the current Code of Good Governance for listed companies and the CNMV's Technical Guidelines 3/2017 on Audit Committees of Public Interest Entities of 27 June 2017.

Having in mind his professional career and his broad experience as a Board member of public companies and insurance sector companies and in key senior management positions in businesses in the infrastructure sector, Mr Gómez Ciria's profile can be seen to furnish him with highly suitable qualifications to continue as an independent director on Red Eléctrica Corporación, S.A.'s Board

4. Director category assignment

The Committee considers that the director's profile is consistent with the position's requirements for impartiality, objectivity, and high professional repute and satisfies the conditions of recognised standing, ability, and experience required by the Board Regulations for continued performance of the position of outside non-executive director of the Company.

Re-election of Mr Gómez Ciria as independent director would therefore benefit minority shareholders, whose interests would continue to be adequately represented on the Board in cooperation with the other independent directors.

The Committee has also taken into account the twelve-year term limit for independent directors stipulated in Article 7 of the Board Regulations and in section 529 duodecies Corporate Enterprises Act. This new proposal for re-election as independent director would be compliant, in that Mr Gómez Ciria would be starting his third and final four-year term as independent director.

No grounds for ineligibility to serve in the assigned category of "independent" director under the Corporate Enterprises Act, the Board Regulations, or the Corporate Governance Policy have been observed.



Finally, before re-election, Mr Gómez Ciria will have to re-issue the regular declaration that he is not barred on any legal or regulatory grounds or pursuant to corporate rules and that he has no conflicts of interest that would prevent him from performing the duties of his position as independent director of the Company.

5. Proposal for re-election

Consequently, in accordance with Article 24.2 of the Articles of Association and Articles 18.1 and 21.2 of the Board Regulations, further to completion of the corresponding evaluation and subject to a new formal declaration by Mr Gómez Ciria that there are no legal, regulatory, or corporate grounds preventing him from performing the duties of independent director as required, the following proposed resolution is submitted to the Board for onward submission to the Ordinary General Meeting:

To re-elect Mr Antonio Gómez Ciria as independent director of Red Eléctrica Corporación, S.A. for the term of four years set in the Articles of Association, on proposal of the Appointments and Remuneration Committee, in accordance with section 529 decies of the Corporate Enterprises Act.