



**RED**  
**ELÉCTRICA**  
CORPORACIÓN

## **Board of Directors**

19 February 2019

General Meeting of Shareholders: Report  
and proposal to ratify and appoint Ms  
María Teresa Costa Campi as proprietary  
director



## 1. Background and justification

On 25 September 2018, and further to the favourable report regarding the proposal to appoint Ms María Teresa Costa Campi, as proprietary director, to represent the Spanish State's Industrial Holding Company (Sociedad Estatal de Participaciones Industriales, SEPI), made by the Appointments and Remuneration Committee on the same day, pursuant to the provisions of Articles 529 decies of the Spanish Companies' Act (Ley de Sociedades de Capital, LSC), 24 of the company's Articles of Association and 21 of the Regulations of the Board of Directors, the Board of Directors of the company approved, among others, the following resolution:

*"Pursuant to the provisions of Articles 244 and 529 decies of the Spanish Companies' Act (Ley de Sociedades de Capital, LSC), 20, 21 and 24 of the company's Articles of Association and 7, 18, 21, 22 and 23 of the Board of Directors Regulations, and in light of the proposal made by the Spanish State's Industrial Holding Company (SEPI) to appoint Ms María Teresa Costa Campi, as proprietary director of Red Eléctrica Corporación, S.A. to represent SEPI, until the time the first Annual General Meeting of Shareholders is held, in order to cover the vacancy existing on the Board of Directors as a result of the resignation of Mr Santiago Lanzuela Marina from the position of proprietary director representing the Spanish State's Industrial Holding Company (SEPI), for which he was appointed for a term of four years by resolution of the Annual General Meeting of Shareholders held on 15 April 2015, a resignation which has been accepted by the Board of Directors at this meeting."*

Pursuant to the provisions of Article 529 decies, section 4, of the LSC and Articles 18, 21 and 23 of the Board of Directors Regulations, proposals to appoint proprietary directors, even by the "co-optation" procedure, must be approved by the Board of Directors and directors appointed by co-optation will perform the duties of their position until the date of the first Annual General Meeting of Shareholders, at which time they may be ratified or other directors appointed.

Since, at the meeting to be held on 19 February 2019, the Board of Directors is expected to call the Annual General Meeting of Shareholders of the company corresponding to financial year 2018, and considering that Ms Costa Campi's mandate as director ends on the date of such General Meeting of Shareholders, to be held on 21 and 22 March 2019 (on first and second call, respectively), the Board of Directors needs to submit to the next Annual General Meeting of Shareholders the proposal to ratify and appoint Ms Costa Campi as a proprietary director, after analysing the relevant legal and other circumstances and conditions as provided in the company's corporate rules, and in view of the report of the Appointments and Remuneration Committee.

In this regard, it should be noted that the Appointments and Remuneration Committee, at its meeting held on 14 February 2019, reported favourably to the Board of Directors on the proposal to ratify and appoint Ms María Teresa Costa Campi as proprietary director of Red Eléctrica Corporación, S.A., representing the Spanish State's Industrial Holding Company (SEPI), to be presented at the next Annual General Meeting of Shareholders.

Therefore, in order to comply with the provisions of section 6 of Article 529 decies of the LSC, the Board of Directors has drafted this report and proposal to ratify and appoint Ms María Teresa Costa Campi as member of the Board of Directors of the company, with the status of proprietary director and representing the Spanish State's Industrial Holding Company (SEPI), to be presented at the next Annual General Meeting of Shareholders.



The procedure and requirements for appointing proprietary directors of the company are established in Articles 529 decies to 529 duodecies and 529 quidecies of the Spanish Companies Act (LSC), in Article 24 of the company's Articles of Association and in Articles 7, 18, 21, 22 and 23 of the Board of Directors Regulations. The evaluation criteria, conditions and circumstances to be considered when appointing proprietary directors are set out in such corporate legislation.

## 2. Corporate profile

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In order to draft this report, the Board of Directors has followed the procedure established in corporate legislation for appointing proprietary directors of the company and analysed the corporate criteria and the new matrix of individual competences of the Board of Directors, which reflects the competences, experience, knowledge, professionalism, suitability, impartiality, qualities and abilities established by the Corporate Governance Policy for members of the Board of Directors, approved by the Appointments and Remuneration Committee and by the Board of Directors; in order to facilitate supervision of the balance, diversity and overall and individual quality of the Board of Directors at all times and define the profile and requirements at this time considered appropriate for holding the position of director of the company, in this case as a proprietary director.

The Board of Directors has considered the favourable report issued by the Appointments and Remuneration Committee, at its meeting held on 14 February 2019, at which it evaluated the circumstances, qualifications and professional profile of the current proprietary director, Ms Costa Campi, before approving this report and approving the relevant proposal to ratify and appoint said proprietary director, representing the Spanish State's Industrial Holding Company (SEPI), to be presented at the Annual General Meeting of Shareholders.

The Board of Directors, in issuing this report, re-evaluated the circumstances and professional career of the current proprietary director, Ms Costa Campi, to be presented at the next Annual General Meeting of Shareholders, and ratifies, for the reasons specified below, the rationale and grounds contained in its report dated 25 September 2018, given that, in light of the short time that has passed, no significant changes have occurred which need to be assessed.

## 3. Professional qualifications and new assessment of her circumstances

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After having considered the *curriculum vitae* of the proprietary director Ms María Teresa Costa Campi again, which is published on the company's website, which can be found here [Ms María Teresa Costa Campi](#), the Board of Directors considers that the proposed director's profile continues to be appropriate to cover the vacancy that will occur on the date of the next General Meeting of Shareholders, and it fulfils the requirements for holding the position of proprietary director set out in the Regulations of the Board of Directors of the company and in the LSC. We include some of the highlights of her *curriculum vitae* below.

Ms María Teresa Costa Campi was born on 31 July 1951 and holds a degree and a PhD in Economics from the University of Barcelona.

She is currently a Professor of Economics, the Director of the Chair of Energy Sustainability and a Coordinator of the Energy Economics Programme and Professional Seminars in the Master of Renewable Energies programme at the University of Barcelona.



Throughout her professional career, she has held various positions of responsibility both in the private sector and at the public administration, as well as in the academic field and in relation to international organisations.

Firstly, her experience on Boards of Directors of companies stands out, having been a member of the Board of Directors of EDP RENOVAVEIS, S.A. (EDPR) and a member of the Audit, Control and Related Parties Committee of said company, a member of the Board of Directors of ABERTIS (2013-May 2018) where her work as a Chairwoman of the CSR Committee and as a member of the Audit Committee, the Appointments and Remuneration Committee and the Advisory Board also stands out. She has also been a member of the Board of Directors of Incasol (2004-2005).

Also notable are her previous responsibilities as head of various public administrations and institutions: Chairwoman of the National Energy Commission (CNE) (2005-2011), Chairwoman of ARIAE (2005-2011), Chairwoman of the Board of MIBEL (2006-2007), Vice-Chairwoman of MEDREG (2010-2011) and Chairwoman of its Scientific Committee (2014-2016), member of CEER (2005-2009), Secretary of Industry and Energy of the Generalitat of Catalonia (2004-2005) and Member of the Cortes Generales VII Legislature.

She has also been the Chairwoman of Empresa de Promoción y Localización Industrial de Cataluña (EPLICSA) (2004-2005) and the Vicechairwoman of CIDEM (2004-2005).

In the academic, research and teaching areas the five six-year periods of research excellence recognised by the National Agency for Quality Assessment and her Scientific Accreditation (ANECA) and membership since 2012 in the Royal Academy of Moral and Political Sciences stand out. In addition, she has published numerous articles in books and academic journals specialised in energy and economics, and has participated in conferences and presentations at congresses in energy, industrial and business sectors.

After analysing and evaluating her professional career, the Board of Directors highlights her experience on the Board of Directors of ABERTIS, and her participation in three Committees of said Board, being Chairwoman of one of them. As a director of ABERTIS, her knowledge and experience in an Ibx 35 listed company is also very relevant.

Her experience and knowledge in economic-financial matters and in the field of institutional relations with the Administrations, at European, state and autonomous levels, is also noteworthy.

In the same way, her experience in the energy sector is very relevant, as she has held important positions related to energy at Public Administrations, both in the central and in the regional area, and her position as Chairwoman of the national energy regulator is especially valued. In this area, Ms Costa's knowledge of energy sustainability as Director of the Chair of Energy Sustainability and Coordinator of the Energy Economy Programme and Professional Seminars in the Master in Renewable Energies programme should also be highlighted, as she is undoubtedly of great interest in view of the strategic responsibilities of the Red Eléctrica Group within the framework of the new energy transition model

Her great experience in teaching institutions of excellence is also valued.

Moreover, it should be noted that, with the appointment of Ms María Teresa Costa Campi as proprietary director, the percentage of women on the company's Board of Directors has increased to 42%.



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#### **4. Category assigned to the director**

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From the information available to the Board of Directors, and in light of both the legislation in force and the Board of Directors Regulations, Ms Costa Campi can be classified as a proprietary director representing the Spanish State's Industrial Holding Company (SEPI), since this is in line with the provisions of both the LSC and the Board of Directors Regulations.

Prior to her appointment, as is customary, Ms Costa Campi will have to renew her declaration stating that she does not fall under any legal, regulatory or corporate incompatibilities with regard to holding the position of proprietary director of the company.

#### **5. Favourable report on the ratification and appointment proposal**

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Consequently, with the corresponding analysis having concluded, and notwithstanding that Ms Costa Campi must re-state her formal declaration regarding the inexistence of incompatibilities with regard to holding the position of proprietary director, the Board of Directors concludes that Ms Costa Campi meets all the necessary conditions to perform the position of proprietary director on the Board of Directors of the company, and thus issues a favourable report on the proposal to ratify and appoint Ms Costa Campi as proprietary director of Red Eléctrica Corporación, S.A., for the term of four years established in the company's Articles of Association, to be presented at the Annual General Meeting of Shareholders.