



**RED**  
**ELÉCTRICA**  
CORPORACIÓN

## **Board of Directors**

19 February 2019

Procedure for remote proxies,  
voting and information for the  
Annual General Meeting of  
Shareholders for the 2018 financial  
year



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## I. INTRODUCTION

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As in prior years, it is proposed that the Board of Directors approves the following rules on remote voting and proxies and electronic exercise of the right to information, for the Annual General Meeting of Shareholders for the 2018 financial year, a procedure that will be substantially similar to the procedure for the prior year, given that no new technical mechanisms have been discovered that at this time could be offered to the shareholders with appropriate legal guarantees.

## II. PROCEDURE

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### 1. REMOTE PROXIES AND VOTING

#### 1.1. Remote proxies

The remote means of communication valid for granting proxies for the General Meeting of Shareholders are: (i) electronic and (ii) delivery or postal correspondence.

##### 1.1.1. Electronic

Shareholders wishing to use electronic proxies must be in possession of an electronic national identity document or electronic user certificate issued by the Spanish National Mint (Fábrica Nacional de Moneda y Timbre, or "FNMT-RCM"), as provided in Electronic Signature Act 59/2003, in its capacity as Certification Services Provider.

The user certificate will be obtained by the shareholder, without charge to the company, and must be current at the time of granting the proxy.

A shareholder having the corresponding electronic national identity document or user certificate showing its identity, may, by way of the remote proxy, voting and information service available in the section established for that purpose on the website of the company ([www.ree.es](http://www.ree.es)), grant the proxy, by completing the "proxy form" in accordance with the instructions set forth in that form, and any others that may be specified on each of the corresponding screens of the computer application, being required to make use of the electronic signature by using the corresponding electronic national identity document or user certificate.

In order to be valid and effective, the electronic proxy must be granted after **zero (00:00) hours on 6 March 2019** and must be received by the company **before twenty-four (24:00) hours on the day immediately prior to the date set for the holding of the General Meeting of Shareholders on first call**, that is, before **twenty-four (24:00) hours on 20 March 2019**. Proxies received outside the indicated time limits will be taken not to have been granted.

For these purposes the company will implement a system of electronic time stamping, through a third party, based on an objective source of time, to evidence the time of receipt of the electronic proxy and, if applicable, the acceptance or rejection thereof.

The purpose of the establishment of the aforesaid term is to allow the company to verify the shareholder status of the person granting the electronic proxy, and that the number of shares corresponding to the proxy that is granted is correct. For that purpose, the company will compare the information provided by each shareholder with the information provided by Sociedad de Gestión de



los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (IBERCLEAR), in its capacity as the entity responsible for book entry of the shares of the company.

The shareholder granting a proxy electronically is required to notify the appointed representative thereof. When a proxy is granted in favour of any director, the communication will be understood to have been accomplished when the company receives the electronic proxy.

Electronic proxies, in order to be valid and effective, must be accepted by each proxy holder, to which end they must be printed, signed and presented by the proxy holder appointed in each case, before the personnel of the company responsible for registration of shareholders, **up to the time scheduled for the start of the General Meeting of Shareholders, on first or second call, as appropriate**, with the exception of those that are granted in favour of any director, which will be understood to be accepted at the time they are received by the company.

Electronic proxies will only be considered to be valid if they satisfy all of the conditions established in this procedure and are granted and received by the company within the term established for that purpose, once status as a shareholder of the one granting the proxy is verified.

#### ***1.1.2. Delivery or postal correspondence***

Shareholders wishing to use this form of proxy must complete and sign the "proxy" subsection of the attendance, proxy and voting card issued by the corresponding depositaries of their shares, or by the company using the mechanism established for that purpose on its website, in the subsection on remote proxies, voting and information.

The proxies must be accepted by the proxy holder, for which reason, except for those granted in favour of any director, they must be signed by each proxy holder to evidence acceptance. The person to whom the vote is delegated may only exercise it by personally attending the Shareholders' Meeting.

The corresponding card, duly completed and signed, must be sent by postal correspondence to the registered office of the company, or through the shareholder services offices.

Also, the proxy card, duly completed and signed, may be presented by a designated proxy holder who physically attends the Shareholders' Meeting, to the personnel responsible for registration of shareholders on the day and at the place of holding the General Meeting of Shareholders, **up to the time scheduled for the start of the Shareholders' Meeting, on first or second call, as appropriate**.

#### **1.1.3. Revocations**

Revocation of a proxy and notice thereof to the company may be accomplished using the same means as indicated above for granting the proxy.

### **1.2 Remote voting**

The shareholders may use the following means of remote voting: (i) electronic and (ii) delivery or postal correspondence.

#### ***1.2.1. Electronic***

Shareholders wishing to use electronic voting must be in possession of an electronic national identity document or electronic user certificate issued by the Spanish National Mint (Fábrica Nacional de



Moneda y Timbre, or "FNMT-RCM"), as provided in Electronic Signature Act 59/2003, in its capacity as Certification Services Provider.

The user certificate will be obtained by the shareholder, without charge to the company, and must be current at the time of casting the vote.

A shareholder having the corresponding electronic national identity document or user certificate showing its identity may, by way of the electronic voting service available in the section established for that purpose on the website of the company ([www.ree.es](http://www.ree.es)), cast its vote directly, by completing the "voting form" in accordance with the instructions set forth in that form, and any others that may be specified on each of the corresponding screens of the computer application, being required to make use of the electronic signature by using the corresponding electronic national identity document or user certificate.

In order to be valid and effective, votes cast electronically must be cast after **zero (00:00) hours on 6 March 2019** and must be received by the company **before twenty-four (24:00) hours on the day immediately prior to the date set for the holding of the General Meeting of Shareholders on first call**, that is, before **twenty-four (24:00) hours on 20 March 2019**. Votes received outside the indicated time limits will be taken not to have been cast.

As in the case of electronic proxies, and for the same purpose, a system of electronic time stamping will be implemented, to evidence the time of receipt of the electronic vote and, if applicable, the acceptance or rejection thereof.

Votes cast electronically will only be considered to be valid if they satisfy the conditions established in this procedure and are received by the company within the term established for that purpose, once the status as a shareholder of the one voting is verified.

### ***1.2.2. Delivery or postal correspondence***

To cast a remote vote by delivery or postal correspondence shareholders must complete and sign the "remote voting" subsection of the hard-copy attendance, proxy and voting card issued either by the corresponding depositaries, or by the company by way of the mechanism established for that purpose on its website ([www.ree.es](http://www.ree.es)), in the subsection on remote proxies, voting and information.

The duly completed and signed card must be delivered or sent to the company, either at its registered office (Paseo del Conde de los Gaitanes, 177, 28.109 Alcobendas, Madrid) or through the shareholder services offices.

In order to be valid and effective, votes cast by postal correspondence must be received by the company **up to the time scheduled for the start of the Shareholders' Meeting, on first or second call, as appropriate to**. Votes received outside the indicated time limits will be taken not to have been cast.

### ***1.2.3 Revocations***

A remote vote cast electronically or by delivery or postal correspondence will be revocable by those means.



### **1.3. Issue of duplicates of the attendance, proxy and voting card**

Shareholders not having the corresponding hard-copy attendance, proxy and voting card, whether to be used to physically attend the Annual General Meeting of Shareholders, or to be in a position to grant a proxy or vote by postal correspondence, may obtain a duplicate thereof by way of the section established for that purpose on the website of the company ([www.ree.es](http://www.ree.es)) in the subsection regarding remote proxies, voting and information.

In order to guarantee the security of the system used and the identity of the shareholder wishing to use this option, the issue of duplicates of cards will require that the shareholder has an electronic national identity document or the corresponding user certificate issued by the Spanish National Mint (FNMT-RCM), on the same terms as set forth in this procedure for the use of electronic proxies and voting.

## **2. ELECTRONIC REQUEST FOR INFORMATION**

Without prejudice to the usual channels of communication and information which the company makes available to its shareholders by way of ordinary email and the shareholder services offices, they may exercise their right of information electronically using the special mechanism established by the company on its website ([www.ree.es](http://www.ree.es)), in the corresponding subsection on remote proxies, voting and information related to the Annual General Meeting of Shareholders.

Shareholders wishing to use this procedure must have an electronic national identity document or the corresponding user certificate issued by the Spanish National Mint (FNMT-RCM), as referred to in the preceding subsections, for the same purpose of guaranteeing the authenticity and identification of each shareholder.

The company may honour the request for information by sending a response to the email address specified by the requesting shareholder, or by delivery or postal correspondence to the address specified thereby.

## **3. RULES OF PRIORITY**

The basic rules of priority as among remote proxies and voting and attendance in person or through a proxy at the General Meeting of Shareholders are as follows:

1. Personal attendance at the General Meeting of Shareholders of a shareholder that has cast a remote vote or its proxy, whether the proxy is granted by hard copy or electronically, will revoke a vote cast using any remote procedure.
2. Notwithstanding the foregoing, when the proxy was granted on a date prior to the casting of the remote vote, and the company is aware of that fact, the former will be of no effect, it being understood that it is revoked in favour of the validly cast remote vote.
3. If any shareholder validly grants remote proxies both by hard copy and electronically, the hard copy proxy will prevail, unless the company is aware of the dates of both proxies, in which case the later in time will prevail.



4. Similarly, if any shareholder casts its vote by electronic correspondence and also by hard copy, the hard copy vote will prevail unless the company is aware of the dates of casting both forms of votes, in which case the later in time will prevail.

5. Duplicates of attendance, proxy and voting cards, issued on request of shareholders, will render any original card or previously issued duplicate invalid and ineffective.

6. Remote proxies and votes will be voided by transfer of the corresponding shares, prior to the holding of the General Meeting of Shareholders, if known to the company.

## **4. OTHER MATTERS**

### **4.1. Legal Persons**

Shareholders that are legal persons must consult with the shareholder services office of the company regarding how to proceed with appropriate guarantees (verification of powers of attorney and acceptance of credentials of the grantees thereof), the remote proxy, voting and information request procedure and the peculiarities thereof.

### **4.2. Responsibility for custody of user certificates and signature creation devices**

Custody of the user certificate, and the signature creation data and signature creation device, will be the exclusive responsibility of the shareholder. The company will not be liable for improper use, custody or conservation of the items listed in the preceding paragraph.

### **4.3. Availability of the service**

The company reserves the right to modify, suspend, cancel or restrict this remote proxy, voting and information request procedure when technical or security reasons prevent assurance of the guarantees indicated herein, and that circumstance is publicised in due form, sufficiently in advance, by any means the company deems to be appropriate.

The company will not be liable for such damages as may be caused to the shareholder by breakdowns, overloaded lines, dropped lines, connection failures or any other equivalent or similar occurrences, beyond the control of the company, that prevent use of the procedure for remote proxies, voting and information requests.

### **4.4. Protection of Personal Data**

The personal data provided will be processed by RED ELÉCTRICA CORPORACIÓN, S.A. (hereinafter, REC), with tax ID number (NIF) A-78003662 and registered office at Paseo Conde de los Gaitanes nº 177, La Moraleja, 28109 Alcobendas (Madrid), for the following purposes:

- To permit proper pursuit of the procedure for remote proxies, voting and requests for information, which includes, amongst other matters, actions to control, verify and validate the remote proxies and votes, the issuance of duplicate cards and the requests for information made electronically by the shareholders in said General Meeting, all in accordance with the request and subject to the remote proxy and voting obligations set out in Legislative Royal Decree 1/2010 of 2 July 2010 approving the Recast Text of the Spanish Companies Act.



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- To perform statistical studies on the composition of the REC shareholder base pursuant to the legitimate interests of the company.

The data will be treated for the time period strictly required for proper pursuit of the purposes specified above.

Shareholders may exercise their rights of access, correction, objection, erasure, portability and limitation of the processing on the terms set out in the applicable laws by e-mailing a request to such effect to [juntaaccionistas@ree.es](mailto:juntaaccionistas@ree.es) or [digame@ree.es](mailto:digame@ree.es) or by filing a claim with the competent control authority (in Spain, the AEPD).