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# Diversity Report

2020<sup>1</sup>

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*For a renewed future,  
a renewable present*



1. Unless another date is expressly indicated in this report, all data provided must be understood as referring to information available as at 31 December 2020.



**RED**  
**ELÉCTRICA**  
CORPORACIÓN

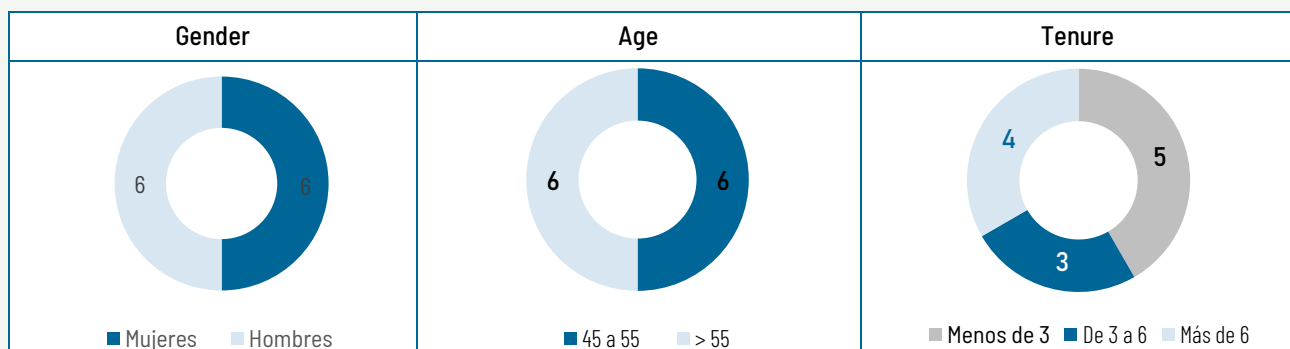
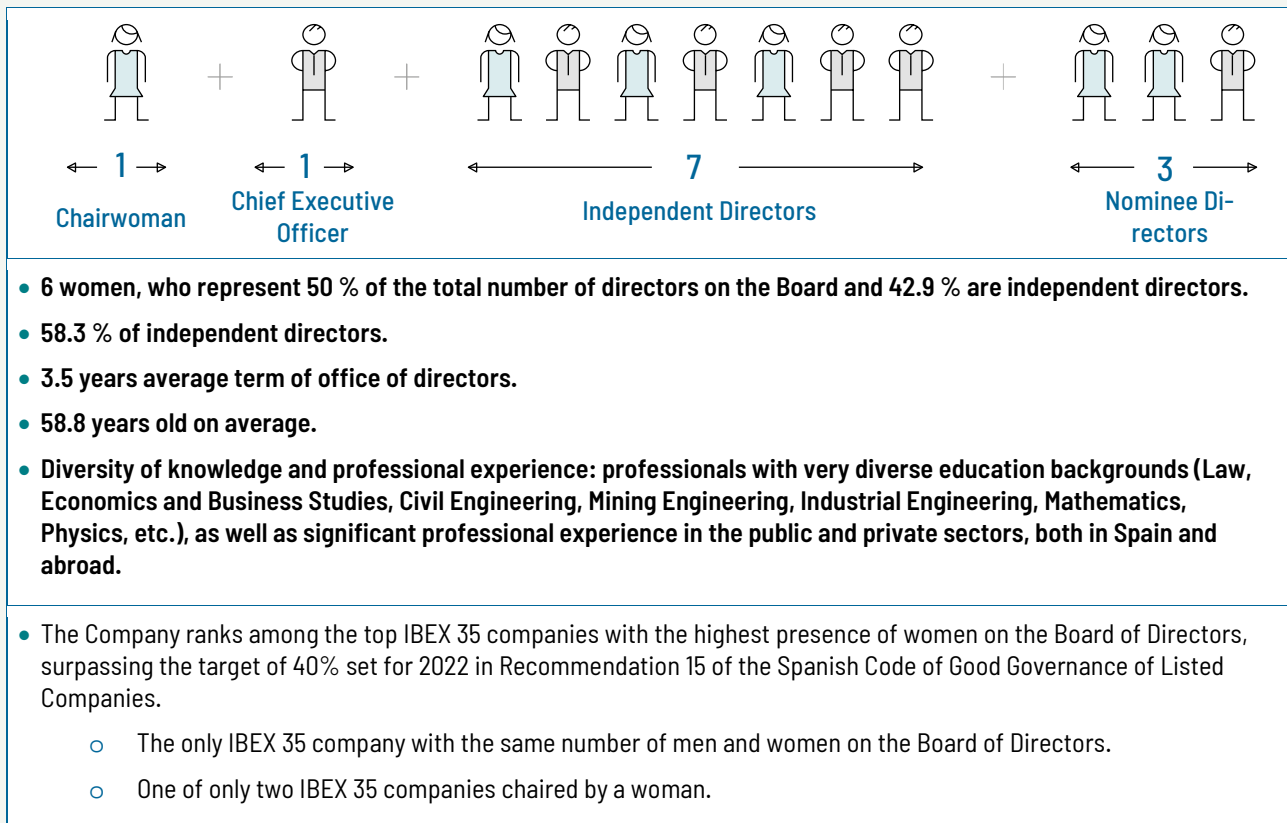
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## At a glance: key diversity performance indicators of the Red Eléctrica Group in 2020

Red Eléctrica has a robust, transparent and forward-looking corporate governance system which, through the adoption of best practices and international recommendations, constitutes an essential strategic element to ensure the good governance of the Company.

### DIVERSITY IN THE COMPOSITION OF THE BOARD OF DIRECTORS

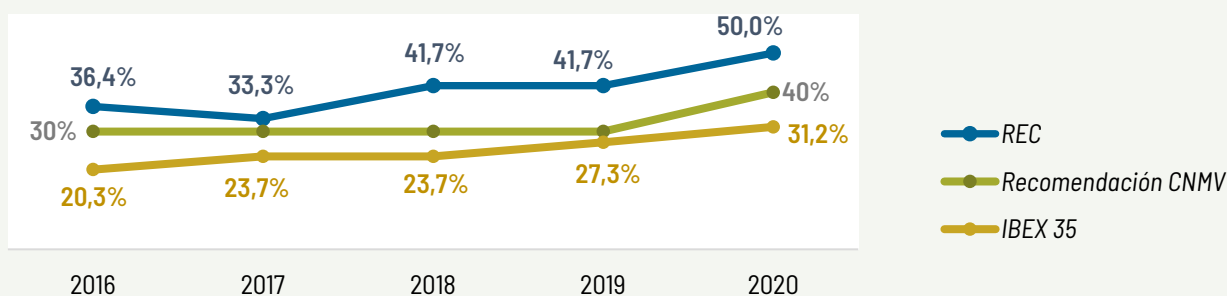


## BOARD COMMITTEES IN FIGURES

APPOINTMENTS AND REMUNERATION COMMITTEE (3 members)		AUDIT COMMITTEE (4 members)		SUSTAINABILITY COMMITTEE (3 members)	
Chair	Independent chairwoman	Chair	Independent chairwoman	Chair	Independent chairman
Independent directors	66.7 % (2)	Independent directors	75 % (3)	Independent directors	66.7 % (2)
Nominee directors	33.3 % (1)	Nominee directors	25 % (1)	Nominee directors	33.3 % (1)
Gender (% women)	66.7 % (2)*	Gender (% women)	50 % (2)	Gender (% women)	33.3 % (1)

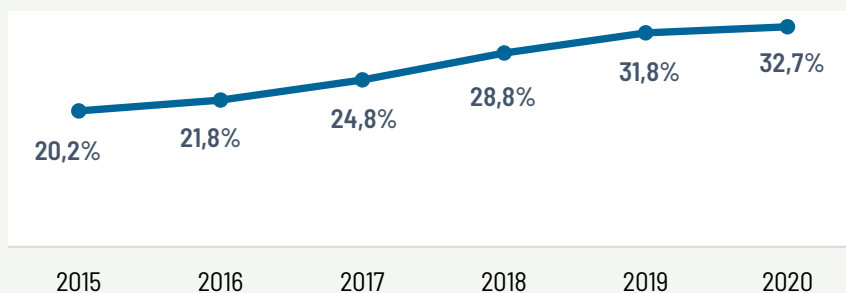
\*Note: As a result of the resignation tendered on 22 December 2020 by Antonio Gómez Expósito from the position of nominee director, representing SEPI, the Appointments and Remuneration Committee, as at 31 December 2020, had two independent female directors in its composition, and there was also a vacancy for an external nominee director on this Committee.

## WOMEN ON THE BOARD: REC VS IBEX 35 (%)



Note: IBEX 35 data source: 9<sup>th</sup> Report on Women in the IBEX. 'Women on the Boards of Listed Companies' Report. ATREVIA-IESE, March 2021.

## WOMEN IN THE WORKFORCE IN MANAGERIAL POSITIONS 2015-2020 (%)



## BREAKDOWN OF THE WORKFORCE BY GENDER, AGE AND PROFESSIONAL GROUP (%)

	2018						2019						2020					
	Under 30		Between 30 to 50		Over 50		Under 30		Between 30 to 50		Over 50		Under 30		Between 30 to 50		Over 50	
	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W
Management Team	0.0	0.0	60.0	40.0	81.5	18.5	0.0	0.0	64.4	35.6	78.3	21.7	0.0	0.0	62.5	37.5	72.8	27.1
Technical Specialists/Experts*	63.6	36.4	78.0	22.0	87.5	12.5	56.3	43.7	77.6	22.4	87.7	12.3	55.3	44.6	76.8	23.1	85.7	14.2
Administrative/Support Personnel	0.0	0.0	7.1	92.9	30.0	70.0	0.0	0.0	10.9	89.1	27.9	72.1	33.3	66.7	15.1	84.9	28.7	71.4
<b>Total (%)</b>	<b>63.6</b>	<b>36.4</b>	<b>75.1</b>	<b>24.9</b>	<b>78.4</b>	<b>21.6</b>	<b>56.3</b>	<b>43.7</b>	<b>73.8</b>	<b>26.2</b>	<b>78.3</b>	<b>21.7</b>	<b>53.6</b>	<b>46.4</b>	<b>73.4</b>	<b>26.5</b>	<b>76.7</b>	<b>23.3</b>

Note. Scope of the data: REE + REC + REINCAN + REI + REINTEL in 2018; and the Red Eléctrica Group as of 2019.

\*Includes personnel with a master's degree, bachelor's degree and/or specialised technical certification

## BREAKDOWN OF THE WORKFORCE BY AGE AND GENDER GROUPS (No.)

	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Under 30	35	20	55	67	52	119	60	52	112
30 to 50	793	263	1,056	978	347	1,325	961	347	1,308
Over 50	478	132	610	479	133	612	484	147	631
<b>Total</b>	<b>1,306</b>	<b>415</b>	<b>1,721</b>	<b>1,524</b>	<b>532</b>	<b>2,056</b>	<b>1,505</b>	<b>546</b>	<b>2,051</b>

Note. Scope of the data: REE + REC + REINCAN + REINTEL in 2018; and the Red Eléctrica Group (includes HISPASAT) as of 2019.

## 1. Good governance and legal background. External regulatory framework

Diversity is a broad concept that has acquired great importance in the business world in recent years. In the corporate sphere, diversity refers to the presence within an organisation of employees of different age, gender or sexual orientation, nationality, religion, ethnicity, culture, status or those with special needs.

The management of diversity within the company as a strategic element is undergoing continuous evolution and attempts to respond to the global vision that applies to the entire company, to the way of envisaging the business, to how the company positions itself in relation to its stakeholders and to society as a whole.

Diversity as a model to be integrated into the identity of companies and diversity inclusion policies become an added value in terms of innovation, growth and competitiveness, and can enable companies to achieve sustainable growth.

For its part, raising the importance of diversity as an issue to be considered by boards of directors has become increasingly relevant. Companies are looking for good diversity management as a tool for attracting talent in order to become organisations that reflect the interests of all stakeholders.

Gender balance, as an integral part of the concept of diversity, has become a political issue in many countries and their governments have established recommendations or mandatory quotas on the minimum level of presence of women on the governance bodies of companies with the aim of incorporating women into the same. Good corporate governance allows a company to ensure its survival and create value in a sustainable way for its shareholders, adequately considering the interests of all stakeholders, and diversity undoubtedly contributes to this end.

The European Commission's legislative initiatives have been inspired by the gender parity targets set in 2000 for the committees and expert groups set up within them: the under-represented gender was to account for at least 30% of the members by 2015 and was to reach a level of 40% by 2020.

In 2012, the draft Directive of the European Union on the share of women on company boards was approved. Said project set a share of 40% women (external directors) on boards of directors of Europe's listed companies provided they were not small or medium-sized (less than 250 employees or turnover of less than 50 million euros). The text clarified that women would not be promoted without further ado, but when faced with male and female candidates of equal merit then the woman would be appointed to the position. This objective should have been achieved by 2020. The draft directive proposed by the European Commission has, since 20 November 2013, had the support of the significant majority of the European Parliament which approved the project after its first reading. This confirmed the strong consensus that exists in major European institutions to incorporate qualified women on the boards of directors and the general support for the approach of the European Commission

In 2016, the European Commissioner for Justice, Consumers and Gender Equality presented the Strategic Commitment for Gender Equality 2016-2019. This plan was made up of more than thirty actions aimed at promoting equality between men and women in the European Union. Among the most noteworthy actions were the support for the adoption of the 2012 Directive proposal on improving gender balance among non-executive board directors of companies listed on the stock exchanges, the close supervision of its transposition and application, and the support for other specific initiatives to improve the balance between men and women in decision making.

However, in the absence of an approved European directive, each EU member state decides its policy in this area, although it must be aligned with the objectives of the European Strategy, as the achievement of the international commitments made by the EU in the 2030 Agenda depends on this.

In Spain, articles 9 and 14 of the Spanish Constitution establish the right to equality and vest the obligation by the public authorities to promote conditions which ensure the effective implementation and adoption of this right, thus guaranteeing equal opportunities to all individuals and within the groups in which they are included. These articles were the foundations of Organic Law 3/2007, of 22 March, for the effective equality between men and women, known as the Equality Act (*Ley de Igualdad*), which focused its attention towards the incorporation of women into the administrative bodies of business corporations in order to obtain a balanced presence amongst men and women in such governance bodies.

For its part, Law 31/2014, of 3 December, amending the Spanish Capital Companies Act (*Ley de Sociedades de Capital*, hereinafter 'LSC') in order to enhance corporate governance, laid down as a mandatory right something which until then had only been a mere recommendation. In this regard, said Law introduced the obligation that the Board of Directors shall endeavour to ensure that the procedures for selecting its members foster diversity of gender, experience and knowledge, and are free from any implicit bias entailing any kind of discrimination and, in particular, that such procedures favour the selection of female board members.

In addition, the LSC laid down that one of the functions of the Appointments and Remuneration Committee was that of establishing a target regarding the representation of the underrepresented gender on the Board of Directors and develop guidelines on how to achieve said target.

Regarding diversity aspects, noteworthy in 2017 were, on the one hand, the Spanish National Securities Market Commission's Technical Guide 3/2017, of 27 June 2017, on Audit Committees at Public-interest Entities which seeks to promote the diversity of knowledge and professional experience of the board directors that make up the Audit Committee. In addition, Royal Decree-Law 18/2017, of 24 November, which amended, among others, the 'LSC' regarding the disclosure of non-financial and diversity information.

Said Royal Decree-Law amended, among other things, sub-section 6 of Article 540.4 c) of the 'LSC' that required listed public limited companies to include, within the Annual Corporate Governance Report, a description of the diversity policy applied regarding the Board of Directors, considering diversity in a broad sense. The content of sub-article 6 of article 540.4 c) of the 'LSC' was again amended by Law 11/2018, of 28 November, which amends the Commercial Code, the combined text of the Spanish Capital Companies Act approved by Royal Decree-Law 1/2010, of 2 July, and Audit Law 22/2015, of 20 July, as regards non-financial information and diversity. This latest amendment establishes that annual corporate governance reports shall include a description of the diversity policy applied in relation to the Board of Directors, the Management Team and to the specialised committees that are set up within it, with regard to issues such as age, gender, disability or the training and professional experience of its members; including their objectives, the measures adopted, the way in which they have been applied and, in particular, the procedures implemented to seek to include on the board of directors a number of women that allows a balanced presence of women and men to be achieved and the results in the period of presentation of the reports, as well as the measures that, if appropriate, the Appointments and Remuneration Committee had agreed on regarding these matters.

Moreover, companies must report whether information was provided to shareholders on the criteria and diversity goals sought in the election and renewal of the members of the board, of the management team and of the special committees set up within them. If a policy of this type is not applied, a clear and motivated explanation should be offered.

In 2019, noteworthy was the approval of the CNMV's Technical Guide on Appointments and Remuneration Committees 1/2019, published on 20 February 2019, that incorporates aspects related to diversity in the composition of such committees. In particular, it is established that the composition of the appointments and remuneration committee must be diverse, taking into account the principle of proportionality, with regard to gender, professional experience, competences, personal capacities and sectorial knowledge and, in the case of entities with a relevant level of business abroad, in terms of international experience or geographical origin.

**Lastly, the corporate governance regulatory framework applicable to business corporations in Spain is completed with the Spanish Code of Good Governance of Listed Companies (Código de Buen Gobierno de las Sociedades Cotizadas, hereinafter 'CBGSC') approved by Resolution of the Board of the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores, hereinafter 'CNMV') on 18 February 2015 and updated in June 2020. Initially, the CBGSC reflected the concern of society for improving talent management in the boards of directors of listed companies, and in the business world in general; therefore, prior to its update in June 2020, Recommendation 14 of the CBGSC set out the following:**

"The board of directors shall approve a selection policy for board members that:

- a) is specific and verifiable;
- b) ensures that appointment or re-election proposals are based on a prior analysis of the needs of the board of directors, and
- c) favours the diversity of knowledge, experience and gender.

The result of the prior analysis of the needs of the board of directors shall be set out in the appointments committee's explanatory report, to be published when convening the general shareholders' meeting to whom it will submit the appointment, ratification or re-election of each director.

The selection policy for board members shall pursue the target of having at least 30% of total seats on the board of directors occupied by female directors by 2020.

The appointments committee shall annually verify compliance with the selection policy for board members and set out its findings in the annual corporate governance report."

Recommendation 14 reduced by ten percentage points the threshold established in the Equality Act and extended the deadline for compliance to five years.



As indicated above, following the update of the CBGSC in June 2020 by the CNMV, certain recommendations of the Code have been modified. Among others, Recommendations 14 and 15 have been revised, which state the following:

### *Recommendation 14 of the CBGSC*

The board of directors shall approve a policy aimed at favouring an appropriate composition of the board of directors and that:

- d) is specific and verifiable;
- e) ensures that appointment or re-election proposals are based on a prior analysis of the professional skills required by the board of directors; and
- f) favours diversity of knowledge, experience, age and gender.

For these purposes, in order to favour gender diversity, measures should be put in place that encourage the company to have a significant number of women in senior management positions.

The result of the prior analysis of the skills required by the board of directors shall be set out in the appointments committee's explanatory report, to be published when convening the general shareholders' meeting to whom it will submit the appointment, ratification or re-election of each director.

The appointments committee shall annually verify compliance with said policy and set out its findings in the annual corporate governance report.

### *Recommendation 15 of the CBGSC*

Nominee and independent directors shall constitute an ample majority of board of directors' positions while the number of executive directors shall be the minimum necessary, bearing in mind the complexity of the corporate group and the percentage of the company's share capital held by the executive directors.

The number of female directors shall account for at least 40% of the members of the board of directors by the end of 2022 and thereafter, and not be less than 30% prior to that date.

As can be seen, due to the CNMV's findings that the number of female executive directors is especially low, which is directly related to the scarce presence of women in senior management roles, the new Recommendation 14 indicates that in order to favour gender diversity, measures should be put in place that encourage the company to have a significant number of women in senior management positions. Additionally, Recommendation 15 establishes that the number of female directors shall account for at least 40% of the members of the board of directors by the end of 2022 and thereafter, and not be less than 30% prior to that date.

Considering the foregoing, it is expected that, with the adoption of such legal measures and recommendations, the business world will continue becoming more aware that increasing diversity on the boards of directors and within the companies, in a comprehensive manner, will strengthen talent management in the organisation and the functioning of such bodies. This will undoubtedly lead to more pluralistic decision making based on a diverse and broad vision founded on the strategies and objectives pursued by each business group in benefit of the company, its shareholders and society at large.



## 2. Internal regulatory framework

With regard to the internal regulatory framework, the [Code of Conduct and Ethics of the Red Eléctrica Group](#), approved in May 2020, formalises the commitment of the Red Eléctrica Group (hereinafter, also the 'Group' or the 'RE Group') to ethics and the commitments assumed with the business environment and with the various stakeholder groups affected by the activities of the Group. The Code serves as an ethical guide to identify and facilitate the commitment to ethical values and to the principles and guidelines of business conduct that shall govern the professional activity within the organisation

In this regard, the aforementioned Code Conduct and Ethics reflects the Group's commitment to promoting and respecting diversity, considering it essential to promote a quality working environment based on respect, diversity and equality. This commitment is integrated into the corporate culture and internal regulations in a strategic and cross-cutting manner.

### *Code Conduct and Ethics: promoting and respecting diversity*

As established in the Code Conduct and Ethics, the Red Eléctrica Group globally understands diversity as: *'inclusion, non-discrimination and the total elimination of barriers and stereotypes suffered by certain groups in society due to, among others, gender, ethnic origin, age, sexual orientation, ideology, religion, marital status, disability or situation of vulnerability'*.

In accordance with the Comprehensive Diversity Plan (hereinafter, also 'CDP') of the Red Eléctrica Group, which will be addressed later in this document, respect for diversity in its broadest sense is a priority for the Group and encompasses gender, experience, knowledge, age, length of service, etc., as a way to achieve an appropriate balance in its administrative and management bodies, as well as in the organisation as a whole.

The organisation carries out different initiatives aimed at guaranteeing an environment free of discrimination, social, labour and personal development, addressing stereotypes and breaking down cultural barriers.

Similarly, the Board of Directors of Red Eléctrica Corporación, S.A. (hereinafter, also the 'Company'), several years ago voluntarily undertook the commitment to comply with the recommendations laid down regarding diversity, pursuant to the provisions of article 18.4 I) of the Regulations of the Board of Directors. Said article established the obligation of the Appointments and Remuneration Committee to prepare an annual report on diversity that shall be submitted to the Board for approval. The first Diversity Report was drafted in 2008 and each year it is voluntarily published in both Spanish and English on the corporate website.

Article 22 of the [Regulations of the Board of Directors](#) establishes that the Board of Directors, within the scope of its powers, shall ensure that the candidates nominated are persons of good standing, competence and experience who ensure diversity on the Board in its broadest sense, considering among other aspects: gender, experience, training, knowledge and personal characteristics. Furthermore, the Board shall safeguard that the procedures for selection of its members are free from implicit biases that may entail any kind of discrimination.

In this context, it is important to highlight the important role of the Appointments and Remuneration Committee in promoting diversity on the Board of Directors, since, as laid down in article 24 of the By-laws and in article 18 of the Regulations of the Board of Directors, this Committee is responsible for establishing a representation objective for the underrepresented gender on the Board of Directors. It is also responsible for evaluating the competencies, skills, knowledge and experience, as well as other diversity criteria, that are required on the Board, submitting to the Board the proposals for the appointment of independent directors and reporting on proposed appointments of the other board members, among other duties. On the other hand, Article 15 of the Regulations of the Board establishes that the process for the appointment of the members of the Audit Committee shall take into account their knowledge and experience in accounting, auditing or risk management.

Similarly, the role of the Sustainability Committee should also be highlighted, since, as established in article 18 TER of the Regulations of the Board of Directors, the essential duties and responsibilities of this Committee include, among others, monitoring compliance with the 2030 Sustainability Commitment in relation to the Group's practices and policies; overseeing the content of and compliance with the Group's policy on sustainability, as well as the sustainability aspects of other corporate policies with a relevant impact in this area. These duties and responsibilities are carried out ensuring that they are geared towards compliance with the Sustainable Development Goals approved by the United Nations and the implementation of the 2030 Agenda, including the main guidelines on issues that are particularly relevant from the standpoint of sustainability, and especially in relation to talent, diversity and equality. In addition, the Sustainability Committee is responsible for overseeing

the sustainability aspects contained in the corporate governance rules, collaborating in this regard with the Appointments and Remuneration Committee by submitting reports when appropriate within the scope of its responsibilities; or supervising the sustainability aspects contemplated in the people management policies, also in collaboration with the Appointments and Remuneration Committee, if applicable, by holding joint sessions.

### *Article 22 of the Regulations of the Board of Directors*

The Board of Directors, within the scope of its powers, will ensure that the candidates nominated are persons of good standing, competence and experience who ensure diversity on the Board in its broadest sense, considering among other aspects, gender, experience, training, knowledge and personal characteristics. Furthermore, the Board shall safeguard that the procedures for selection of its members are free from implicit biases that may entail any kind of discrimination.

To appoint external directors, the Board of Directors must follow the candidate appointment and assessment policy approved by it and may use external advisors when it deems it necessary. This policy should be based on objective merits and criteria, should be concrete and verifiable and should ensure that the proposals for appointment or re-election are based on a prior analysis of the needs of the Board of Directors.

The result of the prior analysis of the needs of the board of directors shall be set out in the appointments and remuneration committee's explanatory report, to be published when convening the general shareholders' meeting to whom it will submit the appointment, ratification or re-election of each director.

The present report reflects the Company's commitment to diversity, for that reason, for years, measures have been analysed and adopted to achieve a balance of skills and competencies both within the Board of Directors and throughout the entire organisation.

Furthermore, the Board of Directors has also taken on the commitment to guarantee the principles of equal opportunities and non-discrimination, established in Organic Law 3/2007, of 22 March, for effective equality of women and men, in the companies of the Red Eléctrica Group and within the Board of Directors of Company.

On the other hand, it should also be noted that the [Corporate Governance Policy of the Red Eléctrica Group](#), approved by the Board of Directors of the Company on 25 November 2014 and last updated on 24 November 2020, establishes, as its principles, to ensure the existence of appropriate procedures for the selection of directors, that guarantee a reasonable balance and comprehensive diversity within the Board of Directors in order to adequately perform the tasks entrusted to it, as well as to consolidate the commitment to diversity in a broad sense, not only in terms of gender but also in terms of experience, knowledge, age, nationality or tenure, among other aspects, in the composition of the Board of Directors and its Committees.

Similarly, 'Comprehensive Diversity in the Board of Directors' is an intrinsic aspect that is observed as a best practice and which is embedded within said Corporate Governance policy.

### *Corporate Governance Policy: Comprehensive diversity in the Board of Directors*

The Company applies the principle of promoting diversity, in its broadest sense, not only in terms of gender but also bearing in mind the experience, knowledge, age, nationality or length of service in the post of the board directors, among other aspects, in the composition of the Board of Directors and its Committees as an essential factor to enable it to achieve its objectives with a plural and balanced vision.

The commitment of both the Appointments and Remuneration Committee and the Board of Directors regarding diversity in the composition of the Board of Directors is made evident, in a truly transparent manner, in the proposals and reports for the appointment of board members that the Company publishes on its website, both in Spanish and English, and that are to be submitted to the General Shareholders' Meeting. Such proposals and reports provide the Appointments and Remuneration Committee and the Board of Directors with the criteria that define the profile and requirements that are considered appropriate to carry out the duties and responsibilities of the position of board director, defining the qualities, competences and experience that the suitable director should meet to hold a board seat based on the Skills and Competency Matrix approved by the Board of Directors and which is updated annually.

But, obviously, the commitment to diversity cannot be limited only to the composition of the Council and its Committees. As will be explained later in this report, the Company has undertaken a continuous improvement commitment in this area that is applicable to the entire organisation of the Red Eléctrica Group.

In 2019, noteworthy in this field is the signing of the General Protocol on the Balanced Participation of Women on Boards and the General Protocol on the Balanced Participation of Women in Pre-Managerial & Directorship positions and Steering Committees, both within the framework of the 'More women, Better companies' initiative, both signed with the Ministry of the Presidency, Parliamentary Relations and Equality. This, once again, shows the commitment of the Company's Board of Directors and of the organization, in matters of diversity, through the establishment of ambitious goals to continue advancing in this field.

For all the aforementioned reasons, the present report details, in a unified way, the measures adopted by the Company and the Red Eléctrica Group in 2020 and early 2021 to try to reach a balanced representation of women and men and a greater level of diversity regarding expertise and know-how both on the Board and within the Red Eléctrica Group as whole.

### 3. Evolution of diversity on the Boards of Directors of IBEX 35 companies

One of the priority objectives in the regulatory framework for corporate governance is to improve the presence of women on the boards of directors. The CBGSC recommends that the number of female directors shall account for at least 40% of the members of the board of directors by the end of 2022 and thereafter, and not be less than 30% prior to that date (Recommendation 15).

Regardless of the fact that the trend in recent years has reflected an increase in the presence of women on boards of directors, especially in IBEX 35 companies, which for yet another year, have registered an increase in the number of women on their boards and today all IBEX 35 companies have female board members, the CBGSC also recommends that boards of directors approve a policy aimed at favouring an appropriate board composition and, in particular, one that favours diversity of knowledge, experience, age and gender. To this end, and with the aim of favouring gender diversity, measures should be put in place that encourage the company to have a significant number of women in senior management positions.

**In this regard, the procedure for selecting and appointing directors has been bolstered, improving diversity in its broadest sense, not only in terms of gender but also in terms of experience, knowledge, age, nationality or tenure, among other aspects, in the composition of the board of directors and its committees of IBEX 35 companies.**

**In terms of gender diversity, in 2020, 139 positions on the IBEX 35 boards were held by women, which means 15 more positions than in 2019 and an increase of 3.9 percentage points in the presence of women in this selective index to 31.2% of the 446 positions on the governing bodies of the country's 35 leading companies, as detailed in the following section of this chapter.**

#### 3.1. Latest information published by the CNMV<sup>1</sup>

The CNMV's Annual Report on Corporate Governance of companies issuing securities admitted to trading on regulated markets includes, among other matters, the importance of the presence of women on boards of directors. This section contains the main conclusions derived from the aforementioned report, as well as from the publication, also by the CNMV, entitled 'Presence of women on the boards of directors and in the senior management of listed companies', both documents referring to 2019.

In terms of gender diversity, in 2019, the presence of women on the boards of IBEX 35 companies stands at 27.5% (23.1% in 2018 and an increase of 10.8 percentage points since 2014).

The following table shows the evolution for the period 2014-2019 of the number of seats held by women on boards of directors and the number of companies with female representation.

**Presence of women on the Boards of Directors of IBEX 35 companies in 2019**

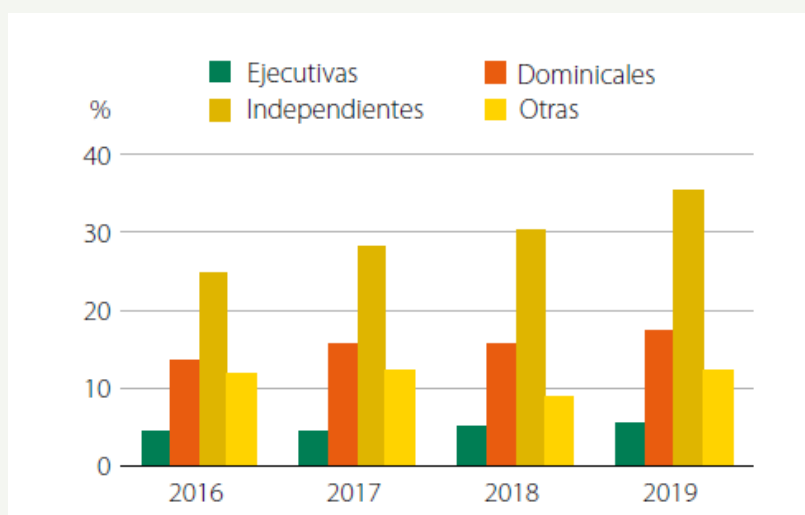
Year	Number of female board members		Number of IBEX companies with women on the Board	
	Number of women	% of total	Number of companies with women on the board	% of total
2019	123	27.5	34	100
2018	100	23.1	33	100
2017	103	22.8	35	100
2016	90	19.7	34	97.1
2015	90	19.6	34	97.1
2014	78	16.7	32	91.4

In relation to the previous table, it should be noted that for yet another year, in 2019 the majority of the women on IBEX 35 Boards are independent members. The data highlights that, in the renewal process of corporate boards, women are being

<sup>1</sup> Source: Latest publication of the 'Presence of women on the Boards of Directors and in senior management positions of listed companies' report prepared by the CNMV in 2019 and the latest 'Annual Corporate Governance Report on issuers of securities admitted to trading on regulated markets' published by the CNMV.

taken into consideration more often when incorporating members that have the necessary skills and professional profile required. The independent director category is the most dynamic and the one in which a greater focus should be placed on diversity, strategic vision, or knowledge about a company's sector.

### Female board members by category of director in 2019 (%)



The following table shows the evolution of female board directors of IBEX 35 companies by category, and the percentage evolution of female presence with respect to the total number of directors in each category:

### Evolution of women on boards of directors of IBEX 35 companies by category (2018 & 2019)

Year	Executive	% of total Executive Directors	Nominee	% of total Nominee Directors	Independent	% of total Independent Directors	'Other external' Directors	% of total 'Other external' Directors
2019	4	5.80%	19	17.27%	96	41.20%	4	11.43%
2018	4	5.41%	25	20.83%	77	34.07%	4	10%

In 2019, there was an increase in female representation in the category of Independent board members, representing 41.20% (34.07% in 2018). The percentage of 'Other external' female directors also increased, albeit slightly, to 11.43% (10% in 2018) and the percentage of female Executive directors increased to 5.80% (5.41% in 2018). On the other hand, a decrease was observed in the category of female Nominee directors, representing 17.27% of the total number of Nominee directors (20.83% in 2018).

In relation to the length of service (tenure) of the members of the Boards of Directors of IBEX 35 companies in 2019 has been, on average, 6.8 years, which is a slight increase compared to the previous year which was 7 years. Executive board members have continued to accumulate the highest average tenure (9.8 years), followed by nominee directors (6.9 years). On the other hand, independent directors have been those whose tenure, on average, has been lower (4.4 years).

The following table shows the average tenure by director category on Boards of Directors of IBEX 35 companies:

### Tenure, in years, of members of the Boards of IBEX 35 companies in 2019

Year	Average	Executive	Nominee	Independent
2019	6.8	9.8	6.9	4.4
2018	7	9.7	7.3	4.6
2017	6.7	9.8	7.2	4.5
2016	6.9	10.1	6.9	4.9
2015	7	9.3	7.4	5.3

It is worth noting that the average tenure is the same as it was four years ago, despite the fact that in the case of independent board directors there has been a decrease from 5.3 years in 2015 to 4.4 years in 2019. Slightly more than half of this decrease is offset by an increase in the average tenure of executive directors which has gone from 9.3 years in 2015 to 9.8 years in 2019.

Lastly, the average age of directors of IBEX 35 companies was 60.3 years old in 2019. Among all listed companies, only eighteen executive directors are under 45 years of age. The study of the age of directors was introduced as an innovative aspect in 2018. However, the CNMV does not disclose the date of birth of directors in company reports.

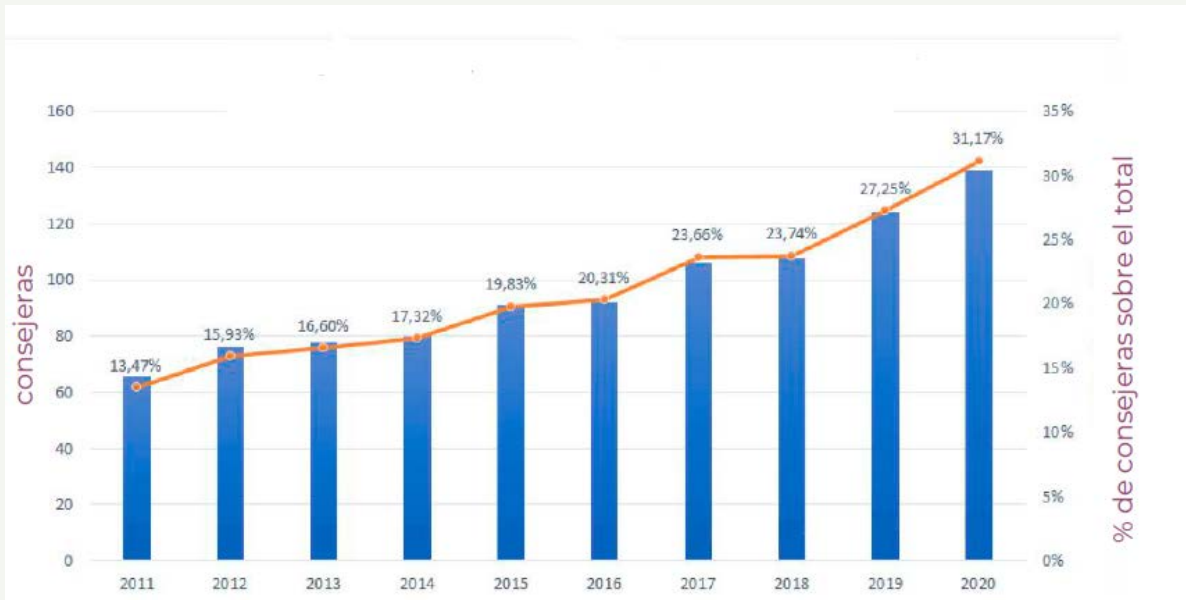
## 3.2. Information as at 31 December 2020<sup>2</sup>

This section contains the main conclusions of the publications made at year-end 2020, analysing the evolution of the presence of women on boards of directors in accordance with the recommendations of the CBGSC.

In terms of gender diversity, the percentage of women on the boards of directors of IBEX 35 companies has increased to 31.2%; 139 of the 446 seats on the boards of IBEX 35 companies are held by women, thus reaching the target of 30% of female board directors as recommended by the CNMV.

<sup>2</sup> Source: 9th Edition of the Report 'Women on the Boards of listed companies' jointly drafted by ATREVIA and the IESE Business School, published in March 2021.

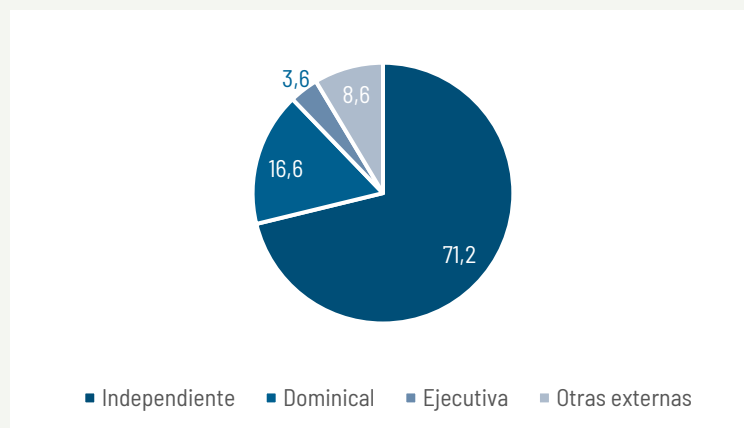
### Women on the Boards of IBEX 35 companies



The incorporation of fifteen female board directors in 2020 in different companies has meant an increase of almost 4 percentage points, raising it to 31.7% in 2020 (27.25% in 2019).

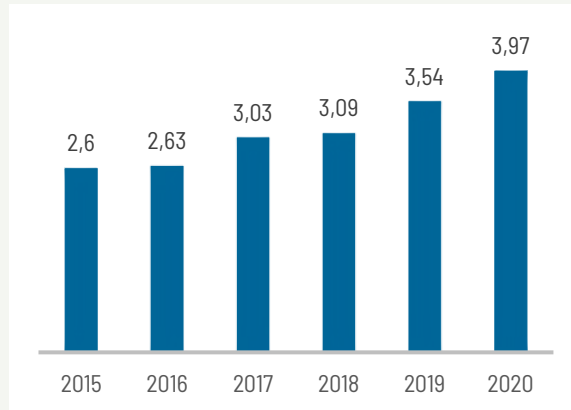
The following chart shows the presence of female board directors by category on the boards of directors of IBEX 35 companies, with 71.2% being independent directors and 16.6% being nominee directors. The presence of female executive directors stands at 3.6%, while 'Other external' directors account for 8.6%.

### Female board members on the Boards of IBEX 35 companies by category (%)



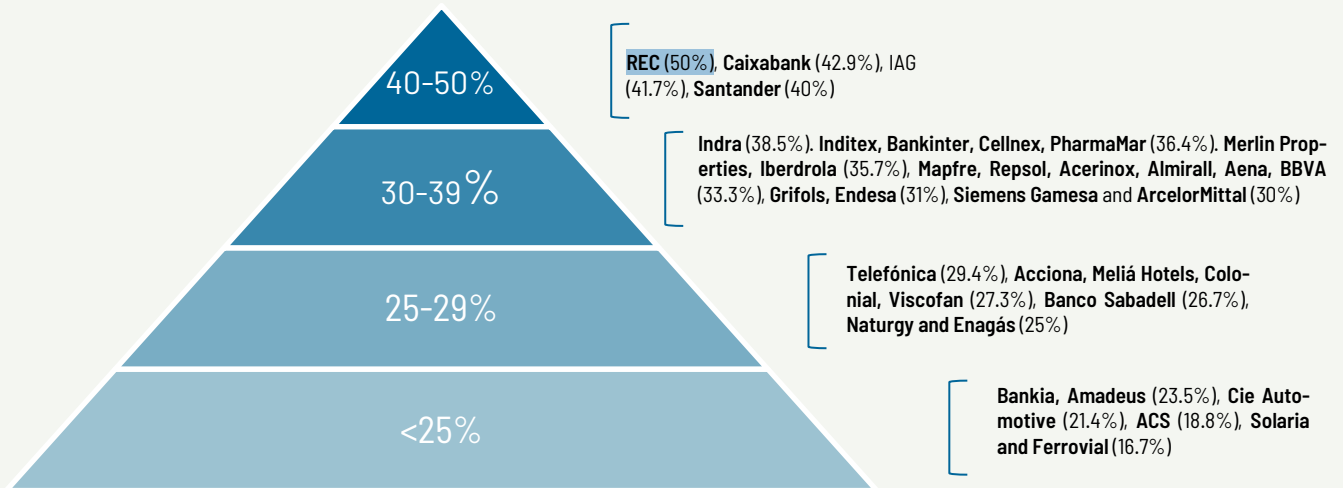


### Average percentage of women on the boards of directors of IBEX 35 companies



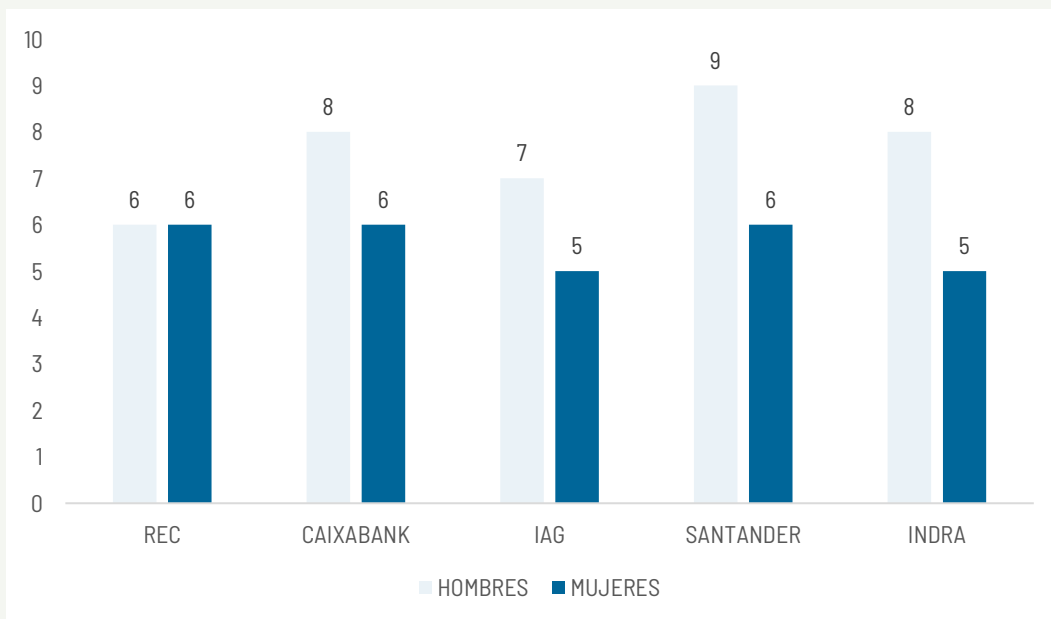
In addition, three IBEX 35 companies (Caixabank, IAG and Red Eléctrica Corporación) already exceed the new 40% gender parity target set for 2022 approved by the CNMV's Code of Good Governance (Recommendation 15).

The following comparative diagram reflects the commitment of IBEX 35 companies to achieve the gender parity recommendation:



The report published by ATREVIA and IESE, which analyses the presence of women on boards of directors, highlights Red Eléctrica Corporación, S.A. as the first IBEX 35 company whose board has achieved a 50/50 balance, and one of only two IBEX 35 companies chaired by a woman.

The following chart shows the five most gender-equal boards of IBEX 35 companies as at 31 December 2020.



However, the presence of women on boards does not translate into an increase in the number of women with executive functions, which remains at five. Similarly, as indicated above, only two women chair IBEX 35 companies, the Chairwoman of Santander and the Chairwoman of Red Eléctrica Corporación.

Ms. Beatriz Corredor Sierra was appointed director, within the "other external" category, and Chairwoman of the Board of Directors of Red Eléctrica Corporación, S.A., by co-option, at the meeting of the Board of Directors held on 25 February 2020, and subsequently, her appointment ratified by the company's Annual General Shareholders' Meeting held on 14 May 2020. With this appointment, Red Eléctrica Corporación, S.A. reached gender parity on the Board, which has since been made up of six men and six women.

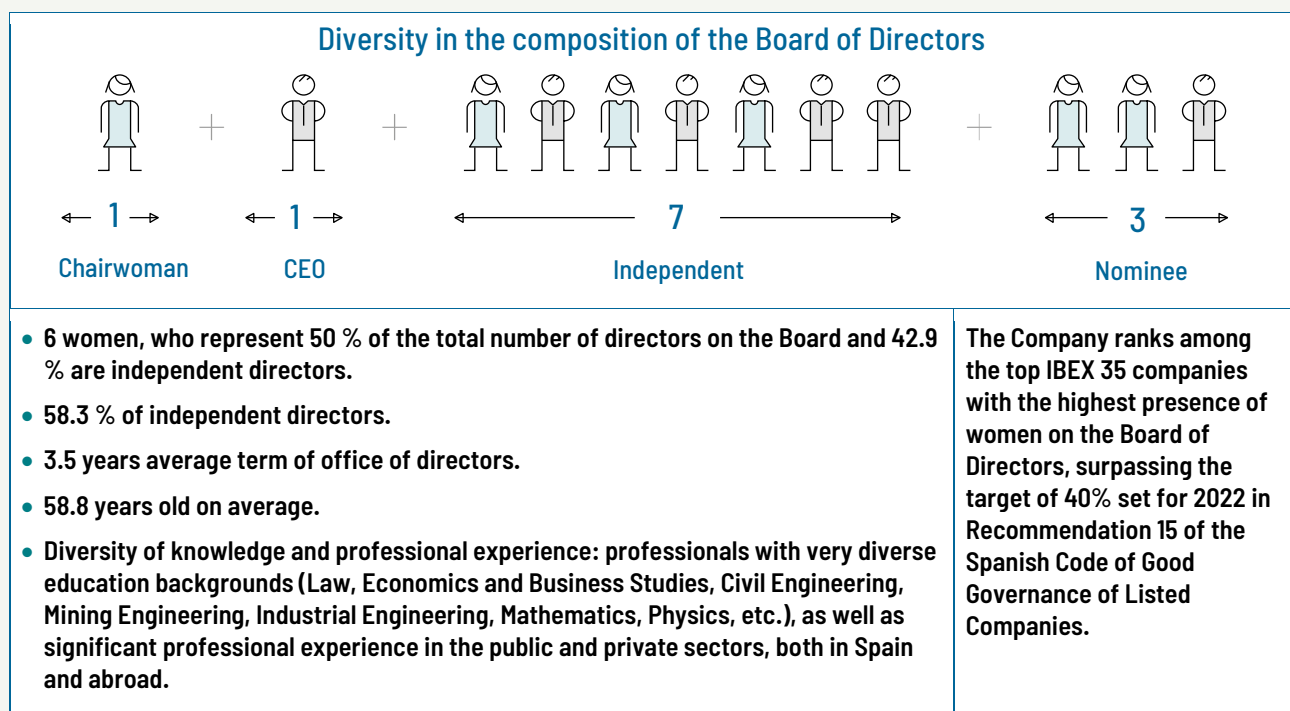
On the other hand, the figure of Lead Independent Director is gaining prominence in terms of the presence of women in this position, with the ceiling standing at five independent female directors with coordination functions performing a fundamental role in the governing bodies. In this regard, Red Eléctrica Corporación, S.A. stands out as one of the five IBEX 35 companies in which the position of Lead Independent Director is held by a woman, in this case, Carmen Gómez de Barreda Tous de Monsalve.

Lastly, looking at the classification by sector of activity, the Financial Services and Energy sectors are noteworthy as those with the highest presence of women on boards of directors, followed by the Telecommunications Technology sector.

## 4. Diversity on the Board of Directors of Red Eléctrica Corporación, S.A.

The Company has a robust, transparent and cutting-edge corporate governance system that, through the adoption of best practices and international recommendations, constitutes an essential strategic element to ensure the good governance and sustainability of the Company.

Red Eléctrica Corporación, S.A. is the only IBEX 35 company with an equal number of men and women on the Board of Directors, as well as being one of only two IBEX 35 companies chaired by a woman.



### 4.1. Information as at the close of 2020

Regarding gender diversity, as at 31 December 2020, the Board of Directors of Red Eléctrica Corporación, S.A., was comprised of 12 members (1 non-executive chairperson, 1 executive director, 3 nominee and 7 independent directors), of which 6 are women (the non-executive chairwoman, 2 nominee directors and 3 independent directors), which represents 50% of the total of the Board, 42.9% of the independent directors and 54.4% of the external directors.

50% of the directors on the Board are women, surpassing the 40% target regarding women on boards by 2022 set in Recommendation 15 of the Spanish Code of Good Governance of Listed Companies.

<b>Chairwoman</b>		
● Beatriz Corredor Sierra		
<b>Chief Executive Officer</b> ● Roberto García Merino	<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>● Carmen Gómez de Barreda Tous de Monsalve (CIC)</li> <li>● María José García Beato</li> <li>● Socorro Fernández Larrea</li> <li>● Antonio Gómez Ciria</li> <li>● Alberto Francisco Carbajo Josa</li> <li>● Arsenio Fernández de Mesa y Díaz del Río</li> <li>● Juan José Ruíz Gómez</li> </ul>
<ul style="list-style-type: none"> <li>● Mercedes Real Rodrigálvarez</li> <li>● María Teresa Costa Campi</li> <li>● Ricardo García Herrera</li> </ul>		
<ul style="list-style-type: none"> <li>● <i>Executive Director (1)</i></li> <li>● <i>External Nominee Directors (3)</i></li> <li>● <i>External Independent Directors (7)</i></li> <li>● <i>Director 'Other External' (1)</i></li> </ul>		

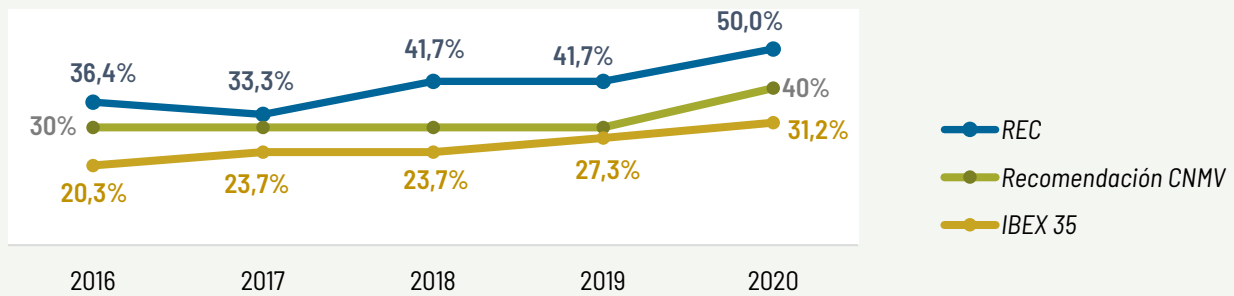
Taking into account the information available as at the date of this report, the Board of Directors of Red Eléctrica Corporación, S.A. remains at the forefront of the IBEX 35, being the first company of the IBEX 35 to reach gender parity on its Board (50% women) and one of the only two IBEX 35 companies chaired by a woman.

### Presence of women on the Board of Directors of Red Eléctrica Corporación, S.A.

Year	Female Directors	Total Directors	% of total
2020	6	12	50%
2019	5	12	41.66%
2018	5	12	41.66%
2017	4	12	33.33%
2016 <sup>3</sup>	4	11	36.36%

<sup>3</sup> In 2016 the Board of Directors was comprised of a total of 12 members. However, it should be noted that as at 31 December 2016 there was a vacancy on the Board.

### Women on the Board: REC vs. IBEX 35

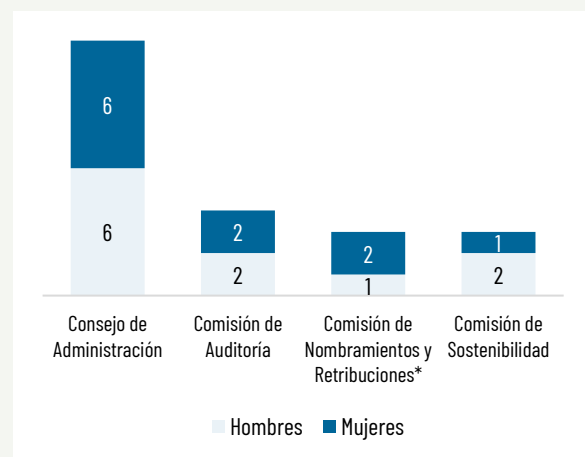


Note: IBEX 35 data source: 9th Report on Women in the IBEX. 'Women on the Boards of Listed Companies' Report. ATREVIA-IESE, March 2021.

On the other hand, following the last restructuring of the Committees of the Board of Directors approved on 24 November 2020, the Audit Committee is chaired by a woman and two of its four members are women, including the Chairperson, (which corresponds to 50% of its members). The Appointments and Remuneration Committee, during 2020, was composed of two women (which corresponds to 66.7%<sup>4</sup> of the total). Lastly, the Sustainability Committee has one woman out of a total of three members (corresponding to 33.3%).

### Gender

50% of the members of the Board are women



\*Note: As a result of the resignation tendered on 22 December 2020 by Antonio Gómez Expósito from the position of nominee director, representing SEPI, the Appointments and Remuneration Committee, as at 31 December 2020, had two independent female directors in its composition, and there was also a vacancy for an external nominee director on this Committee.

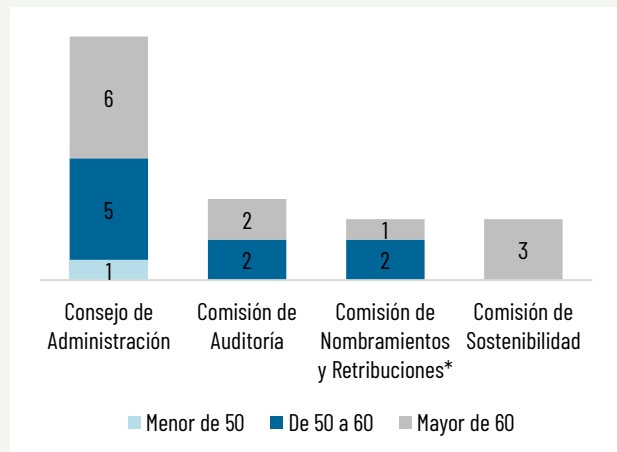
In relation to the above, it should be noted that in 2020 a woman was appointed as Chair of the Audit Committee to replace the former Chair, which was a man. Additionally, as already highlighted previously, since 2013, the position of Lead Independent Director of the Company has been held by a woman.

<sup>4</sup> On 26 January 2021, the Board of Directors resolved to appoint nominee director Ricardo García Herrera as a member of the Appointments and Remuneration Committee for a term of three years to fill the vacancy on said Committee as a result of the resignation of nominee director Antonio Gómez Expósito on 22 December 2020.

With regard to the average age of Board members in Red Eléctrica Corporación, S.A., as at 31 December 2020, it has fallen minimally to 58.8 years of age (the youngest being 47 years old and the oldest 71) compared to 58.9 years of age at the end of 2019, being lower than the average age of the directors of IBEX 35 companies, which at December 31 of 2019 stood at 60.3.

### Age

The average age of the members of the Board is **58.8**



\*Note: On 26 January 2021, the Board of Directors resolved to appoint nominee director Ricardo García Herrera as a member of the Appointments and Remuneration Committee for a term of three years to fill the vacancy on said Committee as a result of the resignation of nominee director Antonio Gómez Expósito on 22 December 2020.

It is also necessary to consider the diversity of knowledge and professional experience of the members of the Board of Directors, which the Company provides on the corporate website by publishing the professional profiles of all Board Directors. Thus, the Board has professionals that have a diversity of knowledge and professional experience: professionals with very diverse education backgrounds (Law, Economics and Business Studies, Civil Engineering, Mining Engineering, Industrial Engineering, Mathematics, Physics, etc.), as well as significant professional experience in the public and private sectors, both in Spain and abroad.

The Board of Directors' skills and competencies matrix first approved in 2018 and permanently updated, is a tool for monitoring and improving the overall quality of the Board of Directors.

The application of the matrix of individual skills and competencies of Board directors, which reflects the competencies, experience, knowledge, professionalism, suitability, independence of criteria, qualities and capacities the members of the Board of Directors must meet, facilitates the supervision of comprehensive diversity in the composition of the Board in order to make the most appropriate and informed decisions at all times.

### The Board's skills and competencies matrix

The Board's skills and competencies matrix is a tool of good governance that facilitates the supervision of the overall and individual balance, diversity and quality of the Board of Directors and is aligned with the strategy of the Red Eléctrica Group at all times, and is in keeping with the most advanced recommendations on corporate governance.

The aforementioned skills and competencies matrix is continuously updated so that it remains current and perfectly aligned with the strategy of the Red Eléctrica Group.

In addition, before issuing its report or formulating a proposal for the appointment of a Board director, the Appointments and Remuneration Committee always analyses the diversity of profiles and contributions of the current members of the Board of Directors, in order to ensure that at all times the Board has the knowledge and experience necessary to successfully address upcoming challenges and efficiently and proactively progress in the fulfilment of the strategies and objectives of the Company and the Red Eléctrica Group.

For the drafting of the corresponding appointment proposal, the Appointments and Remuneration Committee request, when deemed necessary, among other proposals and suggestions, the opinion of international external advisors (Head-hunters) specialised in the selection process of board directors who propose different candidates and issue the corresponding reports in which they assess the competencies and experience of each candidate. These reports are carefully analysed and evaluated by the Appointments and Remuneration Committee so that they can draft the report and/or proposal for the appointment of a Board director, which is subsequently submitted to the Board.

The proposals of directors and the associated reports the Company has posted on its website, both in Spanish and in English, which were submitted to the Annual General Shareholders' Meeting held on 14 May 2020, transparently reveal the commitment undertaken by both the Appointments and Remuneration Committee and the Board of Directors towards diversity in the composition of the Board of Directors. In such proposals and reports the Appointments and Remuneration Committee and the Board of Directors drew on the criteria that define the profile and the requisite traits considered appropriate for directors in order to establish the qualities, competencies and experience that the suitable candidate directors should have, and assessed and applied them in the selection processes for the directors who were submitted for the approval of the aforesaid General Shareholders' Meeting.

The nominations of directors and the associated reports that were submitted to the shareholders at the 2020 Annual General Shareholders' Meeting may be consulted on the corporate website, via the following link: [Proposals and reports on the appointment of Directors submitted at the 2020 General Meeting](#)

### *Selection, appointment and re-election system of Board Directors*

The system for selecting, appointing and re-electing members of the Board of Directors is expressly regulated in the Company Bylaws and in the Regulations of the Board of Directors. Furthermore, the Corporate Governance Policy of the Red Eléctrica Group includes the principle of ensuring the existence of appropriate procedures for the selection of directors, which guarantee a reasonable balance and comprehensive diversity within the Board of Directors in order to adequately perform the tasks entrusted to it.

On the other hand, it should be noted that the Company, prior to the approval of the CNMV's Technical Guide 3/2017 on Audit Committees at Public-interest Entities of 27 June 2017, already complied with the recommendations established therein regarding diversity in the composition of the Audit Committee. This is a result of the fact that its members not only have knowledge and experience in accounting, auditing or both, but also in management, economic, financial and business areas. In addition, as of 2017, and following the appointment of a board member with expertise in corporate security (understood as physical security and cybersecurity), this Committee has greater experience and knowledge in this field and therefore meets the recommendation established in said Technical Guide, as at least one of its members has experience in information technology as a result of the growing importance of the digital transformation of businesses and processes.

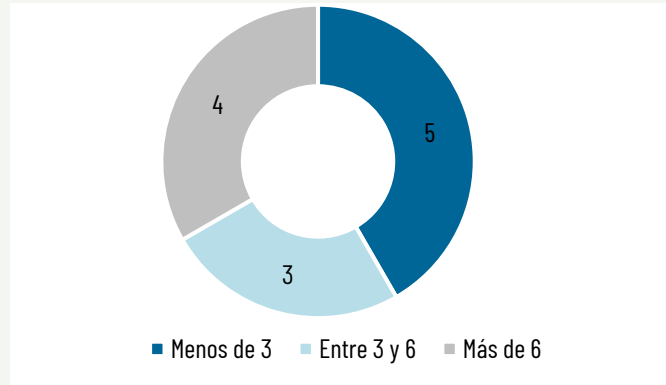
In relation to compliance with the recommendations of the CNMV Technical Guide 1/2019 on Appointments and Remuneration Committees of 20 February 2020, the Company's ongoing commitment to applying the best international corporate governance practices has enabled it to comply with the recommendations of Technical Guide 1/2019 before they are applicable to the Company, in particular with regard to the diversity of the composition of this Committee. The Company is committed to ensuring diversity in the composition of the Committee in terms of gender, professional experience, competence, and sectorial knowledge. The members of the Appointments and Remuneration Committee have proven ability to perform the functions entrusted to that Committee, due to their broad experience, skills and knowledge, including those related to the areas of corporate governance, strategic analysis and evaluation, assessment of any suitability requirements that may be demanded under the rules applicable to the Company, in the performance of senior management functions and in the design of policies and remuneration plans for directors and the management team, among others.

Lastly, in terms of **tenure**, the average term of office of board directors of the Company, as at 31 December 2020 stood at 3.5 years compared to **3.25 years** as at 31 December 2019.



### Tenure

The average term of office of board directors of the Company is **3.5 years**.



## 4.2. Relevant events following the closing of 2020

With regard to gender diversity, as at the date of approval of this report, the Board of Directors of Red Eléctrica Corporación, S.A., continues to be comprised of 12 members (1 non-executive chairperson, 1 executive director, 3 nominee and 7 independent directors), 6 of whom are women (the non-executive chairperson, 2 nominee directors and 3 independent directors), which represents 50% of the total members of the Board, 42.9% of the independent directors and 54.5% of the external directors.

Year	Female Directors	Total Board Directors	% of the total
2020 / 2021	6	12	50%

Regarding the composition of the Committees of the Board of Directors, it should be noted that, on 26 January 2021, the Board of Directors resolved to appoint nominee director Ricardo García Herrera as a member of the Appointments and Remuneration Committee for a term of three years to fill the vacancy on the Committee as a result of the resignation of nominee director Antonio Gómez Expósito on 22 December 2020. Consequently, as of 26 January 2021, the Appointments and Remuneration Committee once again has 3 directors in its composition, 2 of which are women, which corresponds to 66.7% of the total members of said Committee.

After December 31, 2020, there have been no changes regarding the composition of the Audit Committee or the Sustainability Committee.

Similarly, as at the date of this report, as there has been no change in the composition of the members of the Board of Directors compared to December 31, 2020, there are no variations in the average age of the directors of the Company.

Lastly, in terms of **tenure**, the average term of office of board directors of Red Eléctrica Corporación, S.A., as at 31 March 2021 stood at **3.8 years**.

## 5. Diversity in the Red Eléctrica Group

The commitment of the Red Eléctrica Group to diversity and inclusion, concepts integrated into the Group's Code of Conduct and Ethics, and set out in Company's internal policies, is an intrinsic part of its corporate culture and is based on equality, sustainability, adaptation to change, innovation and talent management.

In order to advance in the achievement of the objectives of the '2030 Agenda' which implies the commitment to 'Being a benchmark company in diversity matters: gender parity in the management team and inclusion of groups at risk of social and labour exclusion' and in line with the Company's Strategic Plan, in March 2019 the Executive Committee approved the 2018-2022 Comprehensive Diversity Plan; a Plan which seeks to inspire the organization at all levels and act as a guiding principle regarding the commitment to the diversity of talent, social and labour inclusion and non-discrimination, both within the Company and in the social sphere. The CDP is a tool that contributes to boosting the diversity policies in all the companies of the RE Group.

The following information outlines the CDP structure, divided into vectors, each of them with given courses of action and, these in turn, divided into specific actions that set out annual diversity programmes.

### Structure of the Comprehensive Diversity Plan (CDP)



Supported by two cross-cutting vectors such as diversity and the work-life balance that facilitate and support full inclusion and the commitment to talent, it develops other important vectors such as equality, harassment, gender-based violence and hate crimes, disability, age and other aspects present in society, which differentiate and in turn enrich the organisations, such as LGBTI, Diverse Culture, Rural and other vulnerable groups.

The CDP governance model consists of the following levels (each detailing the associated responsibilities):

- 1. Institutional level: The Group's Chairperson will promote a culture of diversity and inclusion that will help make the organisation a benchmark in terms of diversity.**
- 2. Strategic level: The Group's Executive Committee will approve the multi-year plans that will define the diversity strategy deployed through specific commitments and objectives.**

3. **Tactical level: The Human Resources Director will approve the annual programmes that include the actions to be carried out each year, promote the engagement of the entire Group in matters of diversity, and monitor their compliance.**
4. **Operational level: the coordination and monitoring of the actions envisaged in each Annual Programme will be carried out through a cross-cutting group in diversity matters made up of, at least, representatives from the following areas: Human Resources, Institutional and Territorial Relations, Sustainability and Supply (Procurement).**

A corporate culture is fostered and promoted within the Group that favours diversity that seeks to eliminate stereotypes and unconscious biases, both within our staff and in the rest of the stakeholder groups. In addition to integrating diversity into the Company's processes, especially those managed by Human Resources, we also aim to engage our collaborators and suppliers by raising their awareness in this field and promoting the Company's mission and approach to diversity. Additionally, we are supported by and have the collaboration of official organisations, academic institutions and other social agents in campaigns, observatories and projects that promote the Company's stance as a benchmark social agent in order to contribute to building a more diverse and just society.

### *Comprehensive Diversity Plan*

The Comprehensive Diversity Plan 2018-2022 (CDP), approved by the Executive Committee in March 2019, aims to inspire and be a benchmark through its commitment to diversity of talent, social and labour inclusion and non-discrimination, both within the company and in the social environment.

## **5.1. Equality**

Red Eléctrica de España, S.A.U. (hereinafter, REE), was the first company in the electricity sector to obtain the 'Equality in the Workplace' seal awarded by the Ministry of Equality in 2010. Since 2010, Red Eléctrica has formed part of the network of companies with this seal of excellence (Red DIE)<sup>5</sup>. There are currently 157 companies included in this 'Equality in the Workplace' network. In 2020, the Company obtained, once again, this seal; this distinction is subject to renewal every three years.

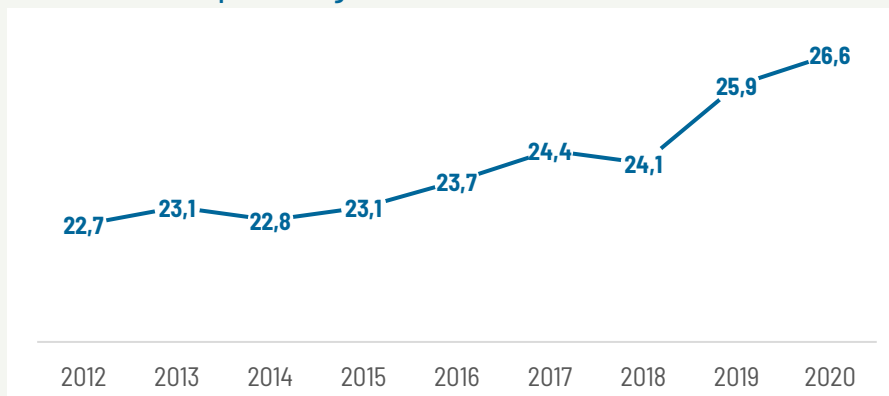
This seal of excellence is a result of the fact that gender equality has been analysed and monitored for more than 10 years. In order to be part of this network, it is necessary to continue advancing towards equality by measuring human resources performance indicators, which are key to this aspect, assessing their evolution, and implementing corrective measures in the event of deviations in the results obtained.

Red Eléctrica has had an Equality Plan with social representation since 2009. This is a generic plan which contemplates the monitoring of areas such as selection, recruitment, promotion, training and the pay gap. Subsequently, a Comprehensive Equality Plan was drawn up, approved in 2013, which addressed different matters, extending the scope of action of the aforementioned plan. This Comprehensive Equality Plan became part of the new Comprehensive Diversity Plan approved in 2019. In 2021, it is foreseen that the Group will draft a new equality plan in accordance with the new legislative requirements.

Noteworthy data regarding the **percentage of women in the workforce**, is that the evolution continues its upward trend in 2020, closing the year at **26.62**.

<sup>5</sup> The 'Equality in the Workplace' seal of excellence is granted by the Ministry of Health, Social Services and Equality and recognises companies and other entities that stand out in the development of policies on Equal Opportunities between men and women in the workplace, through the implementation of equality measures or plans. It is granted by the Ministry annually and goes to those companies that fulfil the required criteria and is valid for three years, although each of the years it is valid, the Institute for Women and Equal Opportunities asks the entities involved for an annual report on activities related to Equal Opportunities between women and men.

### Evolution in the percentage of women on the workforce 2012-2020 (%)



Note. Scope of the data: REE + REC until 2016. REE+REC+REINCAN+REI+REINTEL in 2017 and 2018; and the Red Eléctrica Group as of 2019 (includes HISPASAT).

### Women in the workforce according to age and professional group

The following table provides data broken down by age and professional group regarding the workforce of the all the companies that make up the Red Eléctrica Group over the last three years:

### Breakdown of the workforce by gender, age and professional group (%)

	2018						2019						2020					
	Under 30		Between 30 to 50		Over 50		Under 30		Between 30 to 50		Over 50		Under 30		Between 30 to 50		Over 50	
	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W
Management Team	0.0	0.0	60.0	40.0	81.5	18.5	0.0	0.0	64.4	35.6	78.3	21.7	0.0	0.0	62.5	37.5	72.8	27.1
Technical Specialists/Experts*	63.6	36.4	78.0	22.0	87.5	12.5	56.3	43.7	77.6	22.4	87.7	12.3	55.3	44.6	76.8	23.1	85.7	14.2
Administrative/Support Personnel	0.0	0.0	7.1	92.9	30.0	70.0	0.0	0.0	10.9	89.1	27.9	72.1	33.3	66.7	15.1	84.9	28.7	71.4
<b>Total (%)</b>	<b>63.6</b>	<b>36.4</b>	<b>75.1</b>	<b>24.9</b>	<b>78.4</b>	<b>21.6</b>	<b>56.3</b>	<b>43.7</b>	<b>73.8</b>	<b>26.2</b>	<b>78.3</b>	<b>21.7</b>	<b>53.6</b>	<b>46.4</b>	<b>73.4</b>	<b>26.5</b>	<b>76.7</b>	<b>23.3</b>

Note. Scope of the data: REE + REC + REINCAN + REI + REINTEL in 2018; and the Red Eléctrica Group as of 2019.

\*Includes personnel with a master's degree, bachelor's degree and/or specialised technical certification

- Women are more present in the younger age groups (under 30: **46.4%**; from 30 to 50: **26.5%** and over 50: **23.3%**).
- It is interesting to see how young women are steadily occupying technical positions (**44.6%** for the under thirty age group).
- In older age groups, the percentage of women in technical positions is very low (14.2% for the over 50 age group). However, they occupy the majority of the administrative/support positions, in the age group between 30 and 50 (84.9%) and the group over 50 (71.43).

## A. Employment

The principles of equality and non-discrimination are encompassed within the employment model.

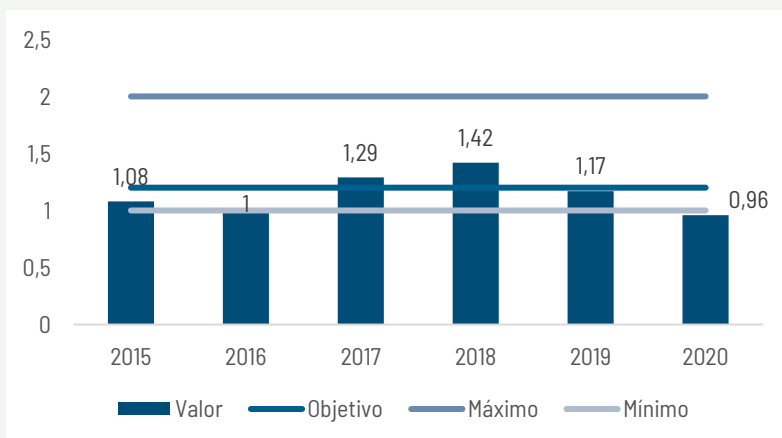
The annual target of the indicator regarding equal opportunities in the selection process has been focused on establishing a positive 20% bias in favour of women in the selection/recruitment process, with the target set at 1.2. In 2020, the value stood at 0.96 (see the chart regarding Selection shown further below), which is a decrease compared to the last two years. This fall is due to the fact that within the index both external and internal selection processes as a consequence of internal movements are taken into account. In 2020, the vast majority of internal employment processes were covered by men, which thereby explains the value of the indicator.

For selection processes, the applications received from candidates are evaluated according to non-discrimination and gender equality criteria, nevertheless it should be noted that the existing gender gap in STEM degrees represents a challenge in achieving gender parity in our selection processes. Nonetheless, in order to alleviate this shortcoming, work is being carried out with the Royal Academy of Engineering to promote STEM degrees among women through the collaboration agreement signed in 2017 and renewed in 2019. Among other actions and as part of the "Women and Engineering" project, the Company is actively participating in a mentoring program for women studying technical or STEM degrees at university.

On the other hand, the Dual FP Project (FP – Advanced Vocational Training) is being carried out, a collaboration agreement with the Regional Government of Castilla y León to implement a professional vocational training programme, which combines the teaching and learning processes provided in a FP training centre with our in-company internship programme. This project can help the incorporation of women into the professional group of technical specialist/experts, in fact, 2 of the 3 women who participated in the edition of this degree course that ended in December 2020 have joined the workforce, which means that 25% of the people hired after this training have been women. Out of a total of 20 trainees (17 men and 3 women), 8 people have been hired, 2 of them women. On 1 March 2021, a new edition of this degree course started in which 2 of the 16 participants are women.

The historical evolution of the equal opportunities indicator in selection is shown below (value 1 represents parity, value 1.20 means a positive bias of 20% in favour of women):

### Evolution of equal opportunities in the selection process 2015-2020



Reference values		
Target	Maximum	Minimum
1.20	2	1

Note. Scope of the data: The Red Eléctrica Group in Spain (excludes HISPASAT)

Calculation of the indicator:

- Variables: a. Total posts covered by women (internal+external)/women interviewed  
b. Total posts covered/total interviewed
- Formula: (a / b)

## B. Equal Pay between men and women

In the Red Eléctrica Group, there is a permanent monitoring scheme regarding salary discrimination by gender, as it is one of the key variables concerning equality between men and women. To this end, the principles that govern the Group's remuneration policy pursues internal equality and external competitiveness regardless of gender.

The table below shows the evolution of the ratio of the base salaries of men and women by professional group over the last 3 years:

### Ratio of base salaries of men compared to women (men/women)<sup>1</sup>

	2018	2019	2020
Management Team	5.5	13.2	5.7
Technical Specialists/Experts*	-5.0	10.6	9.9
Administrative/Support Personnel	0.4	4.8	4.5
<b>Total<sup>2</sup></b>	<b>-0.6</b>	<b>10.9</b>	<b>9.8</b>

(1) Average fixed salary + personal supplementary salary. The Chairperson and CEO are excluded.

(2) Average total salary: in 2020, overtime, allowances and expatriation allowances are included in the calculation of average salaries. The data for 2019 is also recalculated under this same criterion.

\*Includes personnel with a master's degree, bachelor's degree and/or specialised technical certification

Note. Scope of the data: The Red Eléctrica Group in Spain (excludes HISPASAT)

Calculation of the indicator:

Variables: a. average salary for men  
b. average salary for women

Formula: = [(Average salary men / Average salary women) - 1] x 100

The differences that are not very significant between the salaries of men and women in the different professional groups can be explained by aspects such as length of service in the job.

In the latest revision of the methodology for calculating the pay gap, it was decided to take into account all aspects of pay such as, for example, allowances, expatriation allowances and overtime. As these items are mainly applicable to men, the gap is larger. This gap is in gross terms and is known as '*Gender pay gap*' which does not take into account job positions, length of service and other concepts that would contribute to reducing the salary difference, which is known as '*Equal pay*'.

The results of the gender pay gap study in Red Eléctrica are notably better than those provided by Spanish companies as a whole and in other companies within the sector.

### Gender Pay Gap

2019	2020
10.94%	9.84%

### C. Training

The opportunities for equality in training are also analysed through their corresponding indicators. In 2020, the target value of the indicator was 1.0, as the training required by the staff is mainly aimed at the technical requirements of the jobs and therefore must be taken into account. It should be noted that this training mainly affects technical experts from the regional office and operators of the control centres, groups in which the presence of women is very low.

Moreover, in 2020 and partly due to the exceptional situation linked to the pandemic, the majority of training that has taken place was also linked to the *Transformaré* project and the Dual FP Project (FP – Advanced Vocational Training). This training took place in regional offices and therefore meant that a higher number of men took part.

#### Evolution of equal opportunities in training 2015-2019



Note. Scope of the data: The Red Eléctrica Group in Spain (excludes HISPASAT)

#### Calculation of the indicator:

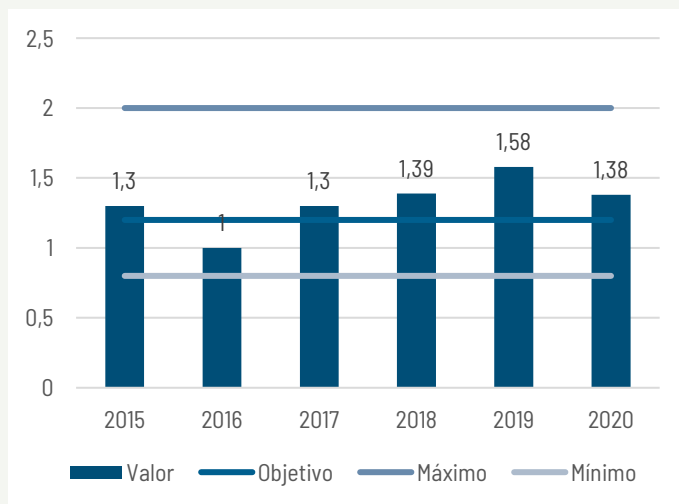
- Variables:
- No. of women who have received training/total women
  - No. of employees who have received training/total number of employees
- Formula:  $(a / b)$



#### D. Internal promotion

As in the case of the employment and training processes, the impact of gender diversity is quantified regarding the internal promotion processes to higher professional job groups and levels, establishing a target of 1.20, which implies a positive bias of 20% in favour of women. The historical evolution of recent years has been the following:

#### Evolution of equal opportunities in internal promotion 2015-2020



Reference values		
Target	Target	Target
1.20	2	0.80

Note. Scope of the data: The Red Eléctrica Group in Spain (excludes HISPASAT)

Calculation of the indicator:

Variables: a. Women promoted / total women  
b. Total employees promoted / total workforce

Formula: (a / b)

The promotions envisaged in the Company are of various types:

- due to a change of professional job group/category (non-management personnel).
- due to a natural evolution in an employee's professional progression (non-management personnel).

The promotion of women to higher professional levels and in particular to managerial positions has been increasing in recent years, decreasing slightly in 2020 and closed the year at 1.38, but remaining above the target value.

**This small change in trend is due to the fact that many of the promotions are changes of professional group/category in the regional offices as a result of the Transformaré project (G3 moved to G2, as a natural evolution of the Protections and Control job positions, and also G2 moved to G1) corresponding to posts mainly occupied by men (note: G1: professional category aligned with expertise and knowledge associated with a Master's degree / G2: Bachelor's degrees /G3: Specialised technical certification).**

In 2020, a new indicator, 'Equal Promotion Opportunities', has been incorporated, which specifically measures appointments to management positions or the progression of managers to senior management positions, which is set at 1.58

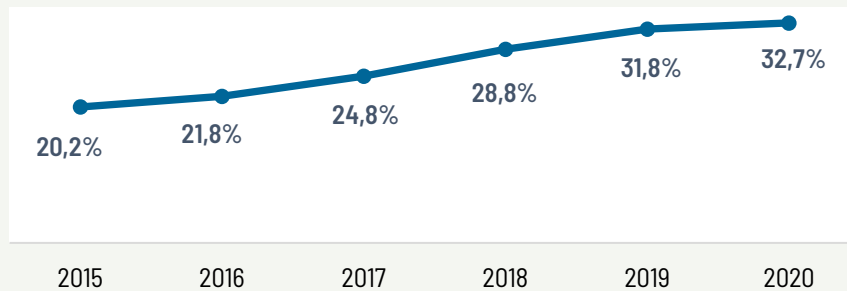
The commitment of the '2030 Agenda' to reach a level of 50% women in the management team leads us to take into account the presence of women in the selection processes for the appointment of managers, and when faced with male and female candidates of equal merit then the woman would be appointed to the position

The internal promotion to the Management Team in 2020 in terms of gender stood at 55%, out of 11 promotions 6 were men and 5 women.

The proportion of women in the management team has been growing in recent years, closing the year with a female representation in the management team of the Red Eléctrica Group of **32.67%** and 36.58% in Red Eléctrica S.A.U. and Red Eléctrica Corporación, S.A., exceeding the 35% target to be reached by 2022 regarding the internal promotion of women to management positions as set out in the Comprehensive Diversity Plan.

As for the Executive Committee, noteworthy is the fact that the percentage of women is currently 50%

### Evolution of women on the workforce in managerial positions 2015-2020



#### E. Professional development

The Red Eléctrica Group provides support resources to help the self-development of the key skills of non-managerial personnel, encompassed within the *Impúlsate* framework. This programme of the Human Resources area places the focus on the employee and entails the execution of a set of measures aimed at the professionals who are considered mature and autonomous people, to actively grow as a professional using their own initiative, based on their interests, thus generating value for the Company. This training focuses on what has been called a 'self-development ecosystem'.

Those employees who voluntarily decide to develop a key skill have complete and integrated access to all the support resources necessary for the autonomous development of each skill, providing support in the drafting and execution of Individual Development Programmes (IDPs) to apply what they have learned to their specific job position and consolidate their skills development.

Participation in this type of self-development scheme shows the interest of people in their personal professional development. The total number of people engaged in an IDP is 196, of which 49 are women, equating to **25%** of the total.

Particularly noteworthy is the design and approval of a programme for the development, support and training of female leadership, aimed specifically at women throughout the Company. The general objectives are:

- **RAISE AWARENESS** and engage the entire organisation, men and women, in the importance of diversity and gender equality.
- **PROMOTE** diversity based on equal opportunities and take advantage of women's own characteristics and their heterogeneity as a lever for personal and organisational growth.
- **FACILITATE** a sustainable cultural transformation that can contribute to eliminating systemic barriers and unconscious biases.
- **EDUCATE, TRAIN and SUPPORT** women to be the protagonists of their own professional careers.
- **IDENTIFY** limiting beliefs and barriers, both of the individual and of the Company or society that hinder the development of female talent.
- **GENERATE** actions for change in the female participants of the Programme.

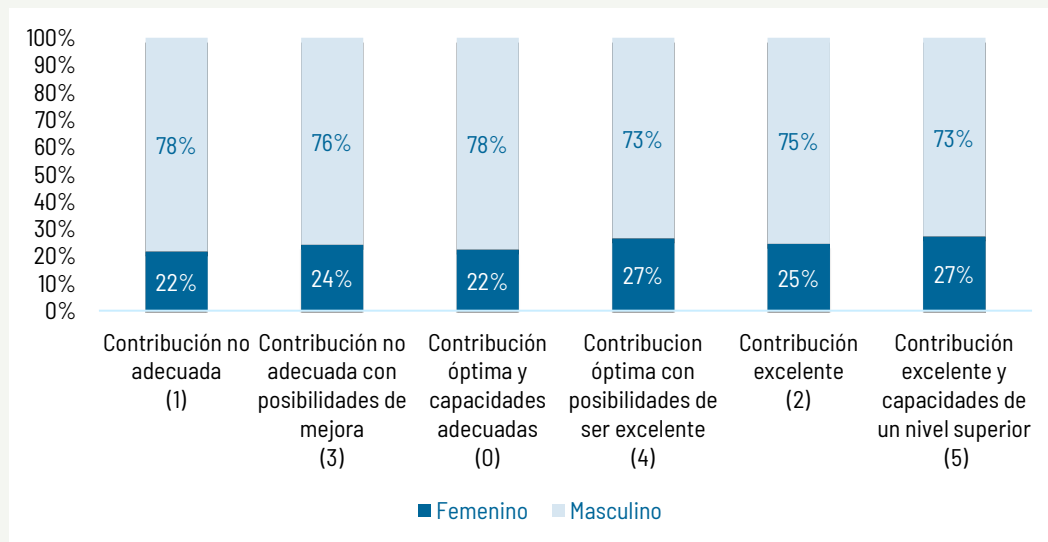
The Programme is scheduled to start in April 2021.

## F. Assessment

Since 2019, the new talent differentiation model has made it possible to identify those people who bring differential value to the organisation, and those who have the skills to increase this value in the future.

According to the data analysed, in the six existing differentiation segments, the representation of women is between 22% and 27%, with a noteworthy presence in the highest valued segment (excellent contribution and superior capabilities).

### Talent differentiation 2019



Note. Scope of the data: The Red Eléctrica Group (excludes HISPASAT)

### Other actions regarding equality in the organisation

As an important action to raise awareness regarding Equality, it is worth highlighting the celebration of the 2<sup>nd</sup> 'WOMEN IN REE' Week which took place from 2 to 6 March 2020 with awareness-raising actions that addressed issues such as the promotion of STEM studies in adolescent women in situations of social vulnerability, aspects of women's health and the equal sharing of responsibilities between men and women. The official opening of the conference was led by Beatriz Corredor who gave a talk on 'The role of women in organisations', and Roberto García Merino closed the week following a conference on 'The equal sharing of responsibilities between men and women given by Alberto Soler, an expert on this subject.

It is also worth highlighting the session dedicated to women in rural environments, which showed the importance of the role of women in contributing to the progress of rural Spain.

In 2021, the Company has also celebrated the 3<sup>rd</sup> 'WOMEN IN REE' Week, from 8 to 11 March, consisting of a series of sessions in which, once again this year, we had the support and participation of the Chairwoman and the CEO of the Red Eléctrica Group, as well as the Board member and Chair of the Appointments and Remuneration Committee, Socorro Fernández Larrea. This 3<sup>rd</sup> 'WOMEN IN REE' Week dealt with the situation of women in times of pandemic and the importance once again of the equal sharing of family responsibilities and of jointly building a better future for everyone.

Participation continued in the **Promociona**<sup>6</sup> programme to empower women in the Company's management team.

As part of the corporate volunteering actions, an activity was carried out in conjunction with the **CREÁTICA** association, with a practical workshop to promote higher education among teenage girls belonging to vulnerable groups, with a special focus on STEM degrees.

As for other actions carried out against gender violence, in line with the agreement signed with the Ministry of Health, Social Services and Equality on 19 June 2012, which is still currently in force, the Company participated in a workshop against gender

<sup>6</sup> Since 2013, the Spanish Confederation of Business Organisations (CEOE) has been promoting, together with the Ministry of Health, Social Services and Equality, and the Women's Institute for Equal Opportunities, the 'PROMOCIONA' PROJECT whose aim is to raise awareness, foster training, professional development, leadership, and the promotion of female directors in order to improve and facilitate their access to decision-making positions in their companies. The *Promociona* projects of 2016 and 2017 both were attended by a female director from Red Eléctrica.

violence launched by the Women's Institute. Additionally, noteworthy is the Company's collaboration on the 8<sup>th</sup> edition of the Report entitled 'Employment to fight gender-based violence' prepared by the Adecco Foundation, in addition to participating as a collaborating company in the 'There is a way out' solidarity race against gender-based violence.

In 2020, the Company took part in the solidarity race against gender-based violence as part of the celebration of the International Day for the Elimination of Violence against Women and collaborated in the development and dissemination of a series of podcasts addressing this issue.

In relation to the commitment to bring diversity policies to stakeholders, in 2020 a course on diversity for our suppliers was launched in conjunction with the United Nations Global Compact, which was extremely well received.

### Equality and Diversity Commitments

- **#CEOPORLADIVERSITY:** To promote the DE&I (Diversity, Equality and Inclusion) strategy, with the CEOE (Spanish Confederation of Employers' Organisations) and the Adecco Foundation.
- **'More women, better businesses' Protocol: to guarantee the presence of women in management positions, management committees and boards of directors. Protocol signed with the Ministry of the Presidency, Relations with the Congress and Equality.**
- Diversity Charter, with the Diversity Foundation.
- Participation in AEMENER: Spanish Association of Women for Energy.
- Contribution to the Woman Forward Foundation.

### External recognitions

Red Eléctrica has continued to carry out actions arising from the commitments undertaken as a result of attaining the 'Equality in the Workplace' seal of excellence (2010). This seal, which is granted for a three-year period, was successfully renewed in 2020.

Noteworthy recognition received in the field of diversity:

- **Seres Award, Solidarity Foodstuff project, promoted together with FADEMUR (Federation of Rural Women's Associations).**
- **In the report on Gender Equality in Europe published by EQUILEAP (an organisation promoting equality in the workplace), Red Eléctrica has entered the 'Top 20', occupying 12<sup>th</sup> place in the gender equality ranking. In the Gender Quality Global Report & Ranking recently published by the same organisation, Red Eléctrica is in the Top 100 companies worldwide, in 53<sup>rd</sup> place.**
- **Included in the TOP30 Companies with best practices in Diversity & Inclusion.**
- The Red Eléctrica Group is included in the 'Bloomberg Gender Equality Index' and outperforms the average of the 380 companies included in the index in the overall assessment, as well as in the level of performance and transparency, highlighting its position regarding equal pay.

As part of the actions that the Red Eléctrica Group is developing in favour of gender equality, the Company has just signed up to the Women's Empowerment Principles promoted by UN Women and the United Nations Global Compact. In doing so, it is committed to a series of measures to empower women within the Group's companies, in the labour market and in the communities in which the Company operates.

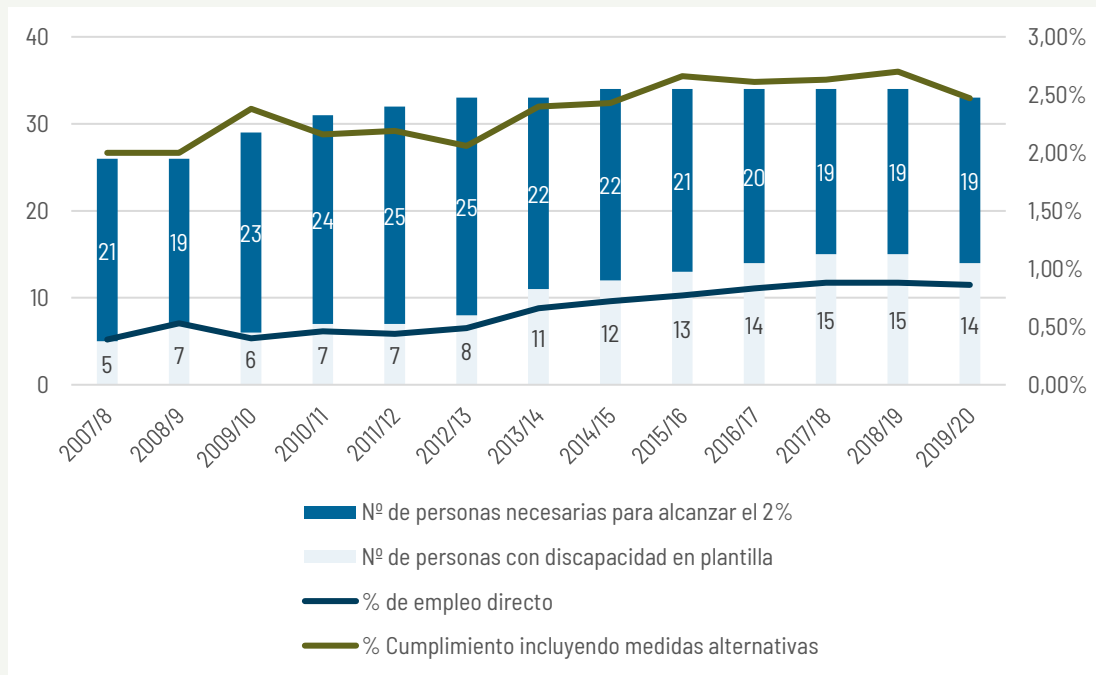
This membership is in addition to other initiatives such as 'More women, better companies', to encourage the balanced participation of men and women on boards of directors, and the Network of companies for a society free from gender-based violence. It also participates in AEMENER (Spanish Association of Women for Energy).

In turn, the Company constantly participates in awareness-raising and training forums on equality and diversity, and in the fight against gender-based violence. In this way, the Red Eléctrica Group continues to contribute to the achievement of Sustainable Development Goal 5: on Gender Equality of the United Nations 2030 Agenda.

## 5.2. Disability

In recent years, as an intrinsic part of the Comprehensive Diversity Plan, the way disability is managed within the Red Eléctrica Group has evolved greatly, demonstrating the Company's increased commitment towards inclusion.

### Compliance with the General Law on the Rights of Persons with Disabilities (LGD) 2008-2020



Note. Scope of the data: Red Eléctrica de España, S.A.U.

As shown in the previous graph, legal compliance, including alternative measures<sup>7</sup>, in 2020 reached a level of 2.70% equivalent employment of persons with disabilities. Although the quota of 2%, as dictated by law, has not been reached through direct employment, a degree of compliance above and beyond the Law was achieved through the application of alternative measures, of which 0.86% corresponds to direct employment and the remaining to the application of alternative measures: acquisition of goods and services offered by Special Employment Centres for an amount of 281,569.74 euros and donations in the amount of 115,000 euros, which is equivalent to hiring 26.41 people with a disability. This data corresponds to Red Eléctrica de España, S.A.U.

With respect to the other companies of the Group to which the General Law on the Rights of Persons with Disabilities (LGD) applies, noteworthy is REINTEL, whose percentage of disabled persons on the workforce is 3.33% (above the legal requirement of 2%).

The Company has a firm commitment to the social and labour integration of people with disabilities. The proactive search for people with disabilities to join the workforce is an ongoing commitment, as one of the objectives of the Comprehensive Diversity Plan is to reach a minimum of 70% compliance with the LGD through direct employment. Nonetheless, due to the technical nature of the professional profiles required, finding and having access to people with disabilities who meet these professional profiles is a bit difficult.

<sup>7</sup> Legally, in order to comply with current legislation (Royal Decree 1/2013 General Law, of 29 November, approving the Revised General Law Consolidated Text on the Rights of Persons with Disabilities and their social inclusion) it is necessary to hire 2% of persons with a disability certificate equal to or greater than 33%. In the event that it is not possible to comply with this target, the Law allows the application of exceptional alternative measures, including, but not limited to, donations to entities dedicated to the integration and contracting of goods and services with special employment centres.

Noteworthy, is the increase in the number of beneficiaries of the 'Plan Familia' (Family Plan) with the Adecco Foundation, currently standing at 25 people; a project whose objective is to support the disabled relatives of Red Eléctrica Group employees. This Plan entails the implementation of support actions, which are adapted to the circumstances of each family, to improve the social and labour inclusion of the disabled relatives of employees.

On the other hand, the new Corporate Volunteering Management Model of the RE Group, approved in 2017, extends the Company's social action, promoting and strengthening collaboration in solidarity activities that respond to the needs, problems and social interests that are defined in the Model's main courses of action.

The new Corporate Volunteering Management Model has a strategic and transformational approach, whereby the actions carried out seek, on the one hand, to develop competencies and channel internal talent with the aim of contributing to corporate volunteering, and on the other hand, to provide innovative solutions to social and environmental issues in the territory. In this regard, the actions carried out in 2020 have undergone a great change as a result of the limitations established during the COVID 19 pandemic, and have responded to the interest of the participating ambassadors and volunteers, and have mainly contributed to improving the quality of life of groups at risk of social exclusion and meeting the specific and real demands of society.

In 2020, and linked to the group of people with disabilities, an initiative called 'Plant a new world from home' was carried out. An environmental and social project consisting of a kit of seeds, sustainable and compostable materials, prepared and explained by people with disabilities, to plant in home environments of the 368 volunteers who participated in this initiative.

The Company reflects its commitment to barrier-free technology, and in this regard, it is interesting to highlight the work carried out regarding accessibility to the corporate website so that people with disabilities can more easily access the site. The corporate website has been developed using accessibility criteria, in accordance with the 'Double-A' level, according to the Web Content Accessibility Guidelines 2.0 of the Web Accessibility Initiative (WAI) of the World Wide Web Consortium.

### 5.3. Age management

The Red Eléctrica Group has continued working on the Age Management Plan that responds to the challenge of the ageing population. This plan represents an important advance in the commitment of the Company to generational diversity, as one more vector of the Comprehensive Diversity Plan.

In 2020, the Company continued to carry out multidisciplinary actions (occupational health and safety, talent and organisation) integrated into the employee life cycle, such as the generational change-over programme, temporary mobility of specific job positions and the analysis and planning of staff requirements according to age.

Similarly, it is worth highlighting the implementation of 'The value of your experience' programme, to promote the transfer of knowledge from expert people, who are close to retirement age, to younger employees.

Some of the actions implemented in previous years, such as conducting fitness assessments and providing personalised recommendations to improve people's adaptation to the workplace, were discontinued in 2020 due to the pandemic.

In 2020, for yet another year, the Company has collaborated with the Generation and Talent Observatory by taking part in the 'Intergenerational Health and Well-being' study, with the academic support of the Universidad Europea.

## Demographic data regarding the workforce

### Total number of employees broken down by age group and gender (%)

	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Under 30 years of age	35	20	55	67	52	119	60	52	112
Between 30 to 50	793	263	1,056	978	347	1,325	961	347	1,308
Over 50	478	132	610	479	133	612	484	147	631
<b>Total</b>	<b>1,306</b>	<b>415</b>	<b>1,721</b>	<b>1,524</b>	<b>532</b>	<b>2,056</b>	<b>1,505</b>	<b>546</b>	<b>2,051</b>

Note. Scope of data: REE+REC+REINCAN+REINTEL in 2018; and the Red Eléctrica Group as of 2019 (includes HISPASAT).

### Evolution of the average age on the workforce 2018-2020

	2018	2019	2020
Average age	46	47.7	45

Note. Scope of data: REE+REC+REINCAN+REINTEL in 2018; and the Red Eléctrica Group as of 2019 (includes HISPASAT).

## 5.4. Managing the Work-life Balance

Work-life balance is integrated within the diversity model as a cross-cutting vector, acting as a facilitator for the rest of the vectors; moreover it is part of the Healthy Workplace Model, understanding health from a comprehensive perspective, in terms of physical, psychological and social well-being, taking into account that the balance between work and personal life is a key element for achieving the well-being of people. All this allows the Company to incorporate measures that facilitate inclusion and non-discrimination.

The following actions carried out in 2020 in the Work-life Balance Vector were noteworthy:

### External communication actions

Participation as a benchmark company in the 'Work-life Balance and the Equal Sharing of Family Responsibilities', led by the Universidad Pontificia de Comillas.

Objective: to share best practices in work-life balance and extend the Company's work-life balance management model to Small and Medium Enterprises.

### Internal actions to improve the evolution of the work-life balance management model

Successfully receiving a favourable report for obtaining the EFR (Family Responsible Company) 'A' level of excellence certificate.

The comprehensive risk management policy is approved by the Board of Directors. This policy identifies the different types of risks that may affect the Group, sets the level of risk considered acceptable and provides guidelines for action to manage and mitigate these risks.

## 5.5. + Diversity

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The new Comprehensive Diversity Plan includes a new vector that includes other aspects related to diversity that until now did not have a specific management process within the Group.

Progress was made in 2020 in some of these aspects, such as in the inclusion of LGTBI groups, setting up internal communication actions to celebrate the international LGTBI day, and contacts have been established with LGTBI associations in order to set up collaboration agreements which are expected to be signed soon.

The associations contacted are FELGTB (State Federation of Lesbians, Gays, Transsexuals and Bisexuals), REDI (Business Network for Diversity and Inclusion) and the Pedro Zerolo Foundation.



## 6. Conclusions

Red Eléctrica Corporación, S.A., as well as the Red Eléctrica Group as a whole, following the recommendations on diversity of the Spanish Code of Good Governance of Listed Companies, continue to consolidate their commitment to the diversity of knowledge, experience and gender, both in the composition of the Board of Directors and its Committees, as well as in management and throughout the organization of the Red Eléctrica Group.

To that end, appropriate procedures are ensured and followed in each candidate selection process in order to guarantee that the criteria that define the profile and the requirements deemed necessary to perform the corresponding functions within the companies of the Group are safeguarded and, in particular, to favour diversity and the incorporation of women into the workforce.

The Red Eléctrica Group's commitment to diversity has its origins in the Code of Conduct and Ethics and has been implemented through the Company's internal policies, such as the Corporate Responsibility Policy which enshrines equal opportunities and non-discrimination as one of the essential principles adopted by the Group. Further to this commitment, the Corporate Governance Policy, which in addition to including the principle of diversity of gender, experience and knowledge in the composition of the Board of Directors and its Committees, also acknowledges the practical application of the diversity commitment in the Company.

With regard to the composition of the Board of Directors, Red Eléctrica Corporación, S.A. maintains and fosters the application of policies and procedures to ensure reasonable balance and comprehensive diversity within the Board of Directors in order to adequately perform the tasks entrusted to it, as well as promotes the commitment to diversity in a broad sense, not only in terms of gender but also in terms of experience, knowledge, age, nationality or tenure in the position of board directors, among other aspects, in the composition of the Board of Directors and its Committees.

With a Board of Directors made up of 50% women, not only has it achieved the target of 30% of the total number of female directors by 2020, but it has already exceeded the new target of 40% presence of women on the Board set for 2022 in the new Recommendation 15 of the Code of Good Governance of Listed Companies, ranking it in 2020 among the top IBEX 35 companies with a greater presence of women on the Board and being the only IBEX 35 company to have achieved gender parity in the composition of the Board of Directors. It is also one of only two IBEX 35 companies chaired by a woman.

With regard to diversity in the Group's workforce, the implementation of the Comprehensive Diversity Plan has been a fundamental lever in its progress. Although the headway made in some of the vectors is not as great as desired due to the characteristics of the Company's activity, conditioned by highly professionalised and specific jobs, steps are being taken that allow progress to be made towards the achievement of the objectives set.

The promotion of gender equality is a cross-cutting axis in Red Eléctrica. Noteworthy is the role of women in the bodies with greater responsibility - with an equal number of women on the Executive Committee - and the continuous tendency to increase both in the management team and in the general presence of women throughout the organisational structure.

For yet another year, the role of diversity has been strengthened as a social agent that Red Eléctrica wishes to implement. The search for supplier involvement or participation in forums in which the organisation's experience in diversity matters has been shared with other companies is proof of this.

The ongoing commitment to equality between men and women; providing an inclusive environment in relation to disability and age in which each generation can contribute their best; and launching actions aimed at other groups such as LGBTI and the promotion of cultural diversity and the rural world, are a clear reflection of the progress being made to break down barriers and stereotypes with the goal of promoting talent and values, and transforming the organisation into a more diverse and innovative company.

Despite the progress made and the external recognition received in this field, the drive to continue promoting diversity is a key objective. To this end, the Company will continue to put in place the necessary resources and mechanisms to further promote the presence of qualified women in the organisation, promote them into positions of responsibility and management, incorporate people with disabilities into the workforce, promoting an inclusive environment and for the interrelation between the different generational age groups within our organizational structure. All with a view to promote the commitment to diversity among our stakeholders and society in general.

In order to oversee compliance with the targets and commitments regarding diversity, the Appointments and Remuneration Committee and the Board of Directors maintain the commitment to conduct an annual monitoring and assessment of the implementation of the comprehensive diversity policies within the Board of Directors and throughout the organisation, in order to ascertain the situation of the Red Eléctrica Group in this area, as well as to assess the progress and improvements made, and to identify the most relevant upcoming actions.

In short, diversity forms part of the corporate culture of the Red Eléctrica Group, based on equality, sustainability, good governance, adaptation to change, innovation and talent management.