

The Group held its General Shareholders' Meeting today

Red Eléctrica is committed to taking the 'green route' to economic recovery after the crisis caused by the pandemic

- The Chairwoman of the Group, Beatriz Corredor, has made an appeal to place the energy transition at the centre of economic recovery plans as "no growth is possible without sustainable development".
- Red Eléctrica undertakes the commitment to promote the new energy model through a significant investment and technological effort, which is already foreseen and included in its 2018-2022 Strategic Plan.
- During the COVID-19 crisis, the Company has set up a contingency plan to guarantee the security of the electricity supply and telecommunications.
- In 2019, the Company has moved forward with its 2018-2022 Strategic Plan, with an investment of €1.870 billion, which is three times the figure for 2018.
- This year, the Group celebrates its 35th anniversary as a global operator of strategic infrastructures and is firmly committed to being at the centre of the global transformation.
- The General Shareholders' Meeting, held today with a quorum of 61.68%, has seen all its proposals approved by practically unanimous decision.
- Among the main agreements, the Meeting ratified the appointment of Beatriz Corredor as board member in the category of 'other external' directors, as well as that of Roberto García Merino as executive director with 98.48% and 98.98% of votes in favour, respectively.

Madrid, 14 May 2020

The Red Eléctrica Group is committed to a green route out of the economic crisis caused by the coronavirus pandemic in Spain. For the Company, this new economic model must be focused on boosting the energy transition and that must be articulated on five vectors: the decarbonisation of the economy, the integration of renewable energy, the promotion of energy efficiency, the protection of the natural environment and the commitment to a fair and inclusive transition.

The Chairwoman of the Group, Beatriz Corredor, pointed out that "this model does not retract resources, but is a powerful tool for job creation, because no growth is possible without sustainable development". Ms. Corredor made these statements during the Company's General Shareholders' Meeting, held today in Madrid. This is the first Shareholders' Meeting for both the Chairwoman, Beatriz Corredor, and the CEO, Roberto García Merino, and the first time in the Company's history that it is held via remote communication means.

During her speech, the Chairwoman detailed that Red Eléctrica will play a leading role in this new model due to its status as operator and transmission agent of the Spanish electricity system. Ms. Corredor reiterated that the Group's 2018-2022 Strategic Plan includes an ongoing investment and technological effort. Specifically, it will allocate €3,221 million - 53% of said Plan - to make the energy transition possible through the development of a robust, smart and interconnected transmission grid; the optimisation of the operation of the electricity system,

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which has become ever more complex; the continued efforts to make progress in the application of demand-side management measures; the incorporation of energy storage systems and electric mobility; the promotion of innovation and the development of new services for coordination between the agents. The Chairwoman also stressed that, new investments in the transmission grid, implementing new functions and responsibilities by Red Eléctrica de España and increasing coordination between all agents involved will be necessary, in order to face the challenges posed by this new scenario.

Ms. Corredor stressed that this commitment by the Company reinforces the roadmap marked by the European Green Deal proposed by the European Commission and the Integrated National Energy and Climate Plan presented by the Spanish Government.

Action plan against COVID-19

The Shareholders' Meeting also focused on the crisis caused by the coronavirus in Spain. Ms. Corredor transmitted her condolences to all those affected by the pandemic, mainly to all the families that have lost a loved one, with a special mention for the former Chairman of the Company, Mr. José Folgado, and the former Board member, Mr. Santiago Lanzuela, who also recently passed away.

Both the Chairwoman and the Chief Executive Officer deep-dived into the actions carried out by Red Eléctrica during this period and detailed the contingency plan that the Company has implemented, whose maximum priority has been to preserve the health of the employees and to guarantee the electricity supply and connectivity via the telecommunications networks at all times. Both are essential services offered by the Company and which to date have continued running in normal operating mode.

Among other measures, in March Red Eléctrica set up a third control centre to further bolster the redundancy of the system and implemented teleworking for most of its staff. Ms. Corredor gave thanks to the Group's employees, "as they are the soul of Red Eléctrica and once again have demonstrated their great commitment and professionalism".

Furthermore, during this time the Company has joined numerous solidarity initiatives to help vulnerable groups and those at risk of exclusion who are already suffering the effects of this emergency situation. It has also promoted actions that use technological innovation to reactivate the productive fabric of Spain.

2019: a firm stride taken on the 2018-2022 Roadmap

During their speeches, both the Chairwoman and the CEO reflected on the 2019 financial year, in which the Group has made progress in its commitment to the energy transition, has strengthened the telecommunications area, has promoted its internationalisation and has laid down its commitment to technological innovation, in keeping with its 2018-2022 Strategic Plan. In this regard, the Company has made a significant investment effort, reaching €1.87 billion in 2019, which is three times the total for the previous year.

They also highlighted the successful fulfilment of the previous plan (2014-2019), which ended with a higher level of investment than committed, specifically €4,861 million.

In 2019, within the framework of the Company's commitment to the energy transition, Red Eléctrica worked intensely on the objectives established. In this way, it has enabled the integration of more than 6.4 GW of new renewable power capacity. With this increase, green energies closed the year reaching 50% of the total power capacity of the electricity generating facilities in Spain. On the other hand, and thanks to the work carried out by the Control Centre of Renewable Energies (CECRE), last year the Company managed to integrate a 37.5% share of



renewable energy sources into the generation mix with regard to the total energy generated nationwide. This contributed to a reduction in the CO₂ equivalent emissions and helped achieve a rate of nearly 60% of electricity generation using zero-emission technologies.

In addition to all these efforts, in 2019 the Company made progress in transmission grid development. The investment of €396 million enabled it to end the year with 44,372 kilometres of line circuit. Lastly, in 2019, the grid registered an availability rate of 97.94 % on the Spanish peninsula, and 96.87 % and 98.91 % in the Balearic Islands and Canary Islands, respectively.

Among other milestones of the year, Ms. Corredor and Mr. García Merino highlighted that the Group has taken a firm step in 2019 to strengthen the telecommunications area with the acquisition of 89.68% of the share capital of the Spanish satellite operator Hispasat. Another highlight was the Group's entry into the Brazilian market, after reaching an agreement with the Energía Bogotá Group to jointly acquire, in equal shares, 100% of the shareholding of Argo Energía, dedicated to the management of high-voltage transmission grids.

Lastly, the past year also saw the creation of a new company within the Group dedicated to promoting technological innovation in the fields of electricity and telecommunications.

The future of the Company on its 35th anniversary

This year, the Company celebrates its 35th anniversary, having become a global operator of strategic infrastructures with sustainability as an essential lever of its activity. This commitment to sustainability is one of the Company's hallmarks and is based on excellence, innovation, integrity, transparency, care for the natural environment and the generation of shared value with society.

In the words of Ms. Corredor, three decades after it was founded, Red Eléctrica is today a group that is "more diversified, stronger and more solid, larger and more stable, more committed, more valuable for its stakeholders, and more necessary and useful for society". The Group now faces the future aware of the important role companies play as active agents of change. "We are at a time of global transformation in which companies must be attentive to the challenges that arise. And Red Eléctrica's purpose is to be at the centre of such transformation", she stated.

Agreements reached

The General Shareholders' Meeting, held today with an attendance level of 61.68%, has seen all its proposals approved by practically unanimous decision.

Among the main agreements, the Meeting ratified the appointment of Ms. Beatriz Corredor as board member in the category of 'other external' directors, as well as that of Mr. Roberto García Merino as executive director with 98.48% and 98.98% of votes in favour, respectively. Ms. Carmen Gómez de la Barreda was also re-elected as an independent director of the corporation, with 99.02% of the votes in favour.

On the other hand, a dividend of €1.05 per share was also approved which, as the CEO, Roberto García Merino, pointed out, "is in line with the that set out in the 2018-2022 Strategic Plan". In this regard, the CEO stated that the Company maintains its committed to distributing a dividend of at least 1 euro per share in the period 2020-2022. Similarly, and with regard to the expected results for 2020, Mr. García Merino does not expect COVID-19 to have a very significant impact on the Company, which has seen its liquidity strengthened, reaching €3 billion by mid-April.



On average, 96% of the private shareholder structure showed its support and approval regarding the points on the agenda related to the remuneration of the Board of Directors. As in previous years, the State Industrial Holding Company (SEPI) abstained on these points, thereby allowing private shareholders to decide.

The proposals relating to the individual and consolidated annual accounts were approved with 99.9% and 99.9% of votes in favour, respectively, and the proposed payment of the dividend was approved with 99.4% of votes in favour.