



**RED**  
**ELÉCTRICA**  
CORPORACIÓN

*Grupo Red Eléctrica*

## **Board of Directors**

25 May 2021

General Shareholders' Meeting:  
Report on the proposal for the  
appointment of Mr. Marcos Vaquer  
Caballería as independent director



## 1. Antecedentes y justificación

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At the next Ordinary General Shareholders' Meeting of the Company, scheduled for June 28 and 29, 2021, at first and second call, respectively, the term of office of the independent director Ms. M<sup>a</sup> José García Beato will expire.

Due to the vacancy that will occur in the Board of Directors, the Appointments and Remuneration Committee, within the framework of the responsibilities entrusted to it in the Board of Directors Regulations, has carried out the necessary analysis process to fill the aforementioned vacancy of independent director.

The procedure and requirements for the appointment of independent directors of the Company are regulated in Articles 529 decies to 529 duodecies and 529 quindecies of the Spanish Companies Act (LSC), in Article 20 of the Company's Bylaws and in Articles 7, 18, 21, 22 and 23 of the Regulations of the Board of Directors. These rules establish the evaluation criteria, requirements and circumstances to be considered for the appointment of independent directors.

Furthermore, in accordance with the provisions of Articles 529 decies, 529 undecies and 529 quindecies of the LSC, Article 20 of the Bylaws and Articles 21 and 23 of the Regulations of the Board of Directors, proposals for the appointment of independent directors shall be submitted to the Board of Directors by the Appointments and Remuneration Committee for submission to the decision of the General Shareholders' Meeting, and they shall hold office for a term of four years.

Likewise, by virtue of the provisions of the aforementioned article 529 decies of the LSC, the Board of Directors must accompany the proposal for the appointment of independent directors with a report justifying the competence, experience and merits of the proposed candidate, which report is the subject of this document.

## 2. Corporate profile of director and review of the suitability of the candidacy

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To issue this report by the Board and to formulate the proposal by the Appointments and Remuneration Committee, the procedure established in the corporate rules for appointing directors of the Company has been followed and the corporate criteria has been analyzed, that define the profile and requirements that are considered appropriate to hold the position of director, and the matrix of individual competencies of the Board of Directors, which reflects the skills, experience, knowledge, professionalism, suitability, independence of judgment, qualities and abilities that, in accordance with the Corporate Governance Policy (last updated by the Board of Directors at the meeting held on 24 November 2020), the members of the Board of Directors must have. All this facilitates the supervision of the balance, diversity and overall and individual quality of the Board of Directors at all times and the definition of the profile and requirements that are considered appropriate, at this time, to hold the position of director of the Company, in this case, as an independent director.

The application of the matrix of individual competencies of the directors, which comprises a total of twenty-eight categories reflecting the experience and knowledge of the members of the Board -in areas such as the electricity sector, the energy sector, infrastructure, regulation, telecommunications, institutional relations, legal knowledge and experience, the financial sector and capital markets, strategy and business development, boards of directors of public and private entities, sustainability, risk management and compliance, digital transformation, experience in teaching institutions of excellence, as well as in senior management and management of organizations, diversity of gender, nationality, age or seniority as a director, among other competencies- allows the Appointments and Remuneration Committee, before making a proposal for the appointment of an independent director, to analyze the integral diversity in the composition of the Board of Directors to ensure that at any given time the Board has the most appropriate knowledge and experience, as a collegiate body, to successfully address the upcoming challenges and move forward efficiently and proactively in fulfilling the strategies and objectives of the Company and the Red Eléctrica Group.



In order to draft this report by the Board of Directors as well as to formulate the proposal by the Appointments and Remuneration Committee the support of an independent international external advisor has been provided (Russel Reynolds), specialized in director selection processes, who carried out an analysis of the candidate's adaptation to the competency matrix approved by the Board, evaluating the candidate's skills and experience.

As a final result of the process, the Appointments and Remuneration Committee, in its meeting held on 25 May 2021, has selected Mr. Marcos Vaquer Caballería as candidate to occupy the position of independent director of the Company. The following is a summary of the circumstances and reasons that have led the Committee to formulate the mentioned proposal for the appointment of such candidate as an independent director of the Company, proposal on which the Board of Directors issues the following mandatory report.

### 3. Analysis and evaluation of the selected candidate's professional profile

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With respect to his professional profile, which the Committee and the Board has analyzed in detail (and which will be published on the corporate website [www.ree.es](http://www.ree.es), in the section containing the documentation for the call of the Ordinary General Shareholders' Meeting), it should be noted that Mr. Vaquer Caballería has held important responsibilities, both in the academic field and, in particular, in the regulatory field and the infrastructure sector, and in relation to public administrations, highlighting, among others, his extensive knowledge and experience in the legal field, complemented by his economic training.

Mr. Marcos Vaquer Caballería was born in Palma de Mallorca on 15 September 1967. He holds a degree in Law from the Universidad Pontificia de Comillas (ICADE), a degree in Economics and Business Administration from the Universidad Pontificia de Comillas (ICADE) and a PhD in Law from the Universidad Carlos III de Madrid (UC3M). He is currently Professor of Administrative Law at Universidad Carlos III de Madrid, where he is also Secretary General and Director of the Master of Advanced Studies in Public Law. He is also a member of the Spanish Association of Administrative Law Professors (since 2012), among other relevant academic positions.

Of his professional career within the framework of his very broad experience in the academic field, it is worth mentioning that he has been, among others, Director of the Inter-University Institute for Cultural Communication (UNED-UC3M-UIMP) (2012-2015); Deputy Director to the Vice-Rector for Coordination and Secretary General of the University Carlos III of Madrid (2004); Director of Teaching and Research Staff, Deputy to the Vice-Rector for Faculty and Departments (UC3M) (2003-2004) and Secretary of the Faculty of Social and Legal Sciences (UC3M) (2000-2003).

He has also been linked to the Universidad Carlos III de Madrid, where he has been, among others, Counsel to the Legal Department of the UC3M (since 1997); Professor of Administrative Law at the Department of State Public Law (2001-2011); Acting Professor of Administrative Law at the Department of State Public Law (1999-2001); and Associate Professor of Administrative Law at the Department of Public Law and Philosophy of Law (1994-1997).

The candidate has also held, years ago, responsibilities in the public sector, which ended in 2012; having been, among others, Undersecretary of Housing, Ministry of Housing and President of the Public Business Entity of Land (SEPES) (2008-2010); Member of the Governing Council of the Infrastructure and Equipment Management of the Defense (GIED) and Member of the Superior Council of Real Estate Property (2006-2008); General Director of Urban Planning and Land Policy of the Ministry of Housing, Member of the Governing Council of the State Security Infrastructure and Equipment Manager (GIESE), Member of the Coordinating Board of Administrative Buildings and Alternate Member of the Higher Council of Statistics (2004-2008).

Furthermore, he also has experience as Board Member, as evidenced by the positions he has held as Vice-Chairman of the Board of Directors of the Entidad Pública Empresarial de Suelo, attached to the Ministry of Public Works (SEPES) (2004-2008), Member of the Board of Directors of the Entidad Pública Empresarial de Suelo (SEPES) (2010-2012), and as Member of the Board of Directors of BILBAO Ría 2000, S.A. (2004-2010).



On the other hand, the candidate, who has been a member of the Madrid Bar Association since 1992, also practiced law in Altair Asesores, S.L., a law firm specialized in public law and international technical assistance (1991-1994); as well as in Arthur Andersen, Asesores Legales y Tributarios, S.R.L.

Also, it is worth mentioning his international experience, as a member of the Bureau of the Housing and Land Management Committee of the United Nations Economic Commission for Europe, UNECE (2006-2008) and visiting or guest Professor at the Universities of Pavia and Sassari (Italy), Paris Ouest (France), Externado (Colombia) and Católica de Valparaíso (Chile); having also participated in various international technical assistance missions in European Union projects in Ecuador (2014) and Paraguay (1998, 1995).

He has also given courses and lectures at many Spanish and international universities and centers, as well as at New York University (NYU), the Université de Paris Ouest (Nanterre), the Università degli Studi di Pavia and Sassari, the Universidad del Externado de Colombia, the Pontificia Universidad Católica de Valparaíso and the Universidad Alberto Hurtado de Chile, among others.

It is also worth mentioning the candidate's participation in editorial boards. In this field, among other positions, since 2020 he has been a member of the Editorial Board of the *Anuario del Buen Gobierno y de la Calidad de la Regulación* edited by the Fundación Democracia y Gobierno Local; since 2018 he has been a member of the Scientific Committee of the *Revista General de Derecho de los Sectores Regulados* of Iustel; since 2017 he has been a member of the Scientific Board of the *Revista de Estudios de la Administración Local y Autonómica*; since 2015 he has been Deputy Director of *Práctica Urbanística. Revista de urbanismo* de la editorial La Ley (Wolters Kluwer group); and since 2002 he has been a Member of the editorial team of the *Revista General de Derecho Administrativo* of Iustel.

Likewise, since 2016 he has been President (by delegation of the Rector) of the academic council of the Tirant-UC3M Chair of Ibero-American Legal Studies; Member of the Management Committee of the InterUniversity Institute for Cultural Communication, UNED-UC3M (since 2002); member of the scientific committee of the Andrés Bello Chair of Cultural Rights, constituted by the Andrés Bello Agreement and the National Universities of Distance Education (UNED) and Carlos III of Madrid (since 1998); member of the Instituto Pascual Madoz del Territorio, Urbanismo y Medio Ambiente of the UC3M and professor of its Master in Sustainable Urbanism and Urban Policies; as well as Director of the Instituto Interuniversitario para la Comunicación Cultural (UC3M-UNED) and professor of its Master of Research in Cultural Law.

In addition, the proposed candidate is the author of 7 monographs and more than 80 articles and book chapters, and director or coordinator of 9 collective works on various topics of public law, his main areas of specialization being land and urban law, housing law, social services and services of general economic interest, better regulation and general administrative law. He has also participated in more than a hundred opinions, reports and advising for public and private entities, and in the drafting of preliminary drafts of urban planning legislation for several Autonomous Communities. He has also been an expert witness for the State Attorney's Office of the Kingdom of Spain in more than a dozen international investment arbitrations (ICSID and SCC), and has carried out several international technical assistance missions in Latin America for the European Commission.

Following the summary of his professional career, the Committee and the Board highly values his extensive knowledge and experience in the legal and regulatory field, in the infrastructure sector, and in the field of public administration law. It also highlights his experience as a director on boards of directors and in the management of organizations at the highest level in public administrations. All of the above is especially valued, taking into account the importance of regulated activities within the Red Eléctrica Group and within the framework of the current Energy Transition process.

Likewise, his long career in the academic field, in institutions of excellence, especially in the university field in his positions linked to the Universidad Carlos III de Madrid, stands out in a very relevant way.

The Committee and the Board also highlight the candidate's experience and knowledge in the main lines of research he has developed during his career, closely linked to sustainability and social administrative law (health, culture, housing, social assistance, etc.), as well as with respect to the organization's public law. Undoubtedly, this new



vision will complement the current knowledge and experience within the Board of Directors of the Company, also taking into account the transversal strategy that sustainability has in the framework of the new Strategic Plan 2021-2025 of the Red Eléctrica Group.

On the other hand, the candidate also brings experience and knowledge in the field of senior management and management of public organizations, having assumed, more than 10 years ago, high responsibilities through various positions in infrastructure, urban planning, land and housing.

Finally, the Committee and the Board also highly value the candidate's international academic activity, as well as his extensive participation in editorial boards and in highly prestigious evaluation or advisory committees.

From the professional background analyzed, it can be concluded that Mr. Vaquer Caballería's profile is very suitable to form part of the Board of Directors of Red Eléctrica Corporación, S.A., as an independent director, in view of his professional skills and knowledge, particularly with regard to his experience and knowledge in the legal, regulatory, infrastructure sector and public administration fields, as well as in the field of institutions of academic excellence, together with his previous experience as a director.

#### 4. Category assigned to the director

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At this point, it is necessary to determine the category assigned to the proposed candidate for director, taking into account, in addition, that he will replace the independent director Ms. M<sup>a</sup> José García Beato.

In accordance with the provisions of the Spanish Companies Act (LSC), the Regulations of the Board of Directors and the Corporate Governance Policy, there is no incompatibility for the proposed candidate to occupy the position of independent director on the Company's Board of Directors.

Furthermore, the Committee and the Board consider that the profile of the proposed candidate meets the necessary requirements of impartiality, objectivity and professional prestige of the position, and meets the conditions of recognized solvency, competence and experience required by the Regulations of the Board of Directors for the performance of the position of external director, in this case, as an independent director.

Finally, it should be noted that, although the candidate has stated that he has no incompatibilities, prior to his appointment, as is customary, Mr. Vaquer Caballería must sign a declaration that he is not subject to any legal or regulatory incompatibilities or incompatibilities in accordance with corporate regulations and that he has no conflicts of interest for the performance of his duties as an independent director of the Company.

#### 5. Favorable report on the proposal of appointment

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Consequently, having concluded the corresponding analysis on the competence, experience and merits of the proposed candidate and without prejudice to the necessary formal declaration by Mr. Vaquer Caballería on the non-existence of legal, regulatory and corporate incompatibilities for the exercise of his position as independent director, in accordance with the provisions of Articles 529 decies LSC, 24.2 of the Company Bylaws and 18.1 and 21.2 of the Board of Directors Regulations, the Board of Directors issues favorable report on the following proposal submitted by the Appointments and Remuneration Committee, in its meeting held on 25 May 2021, to the Board of Directors for submission to the Ordinary General Shareholders' Meeting:

*To appoint Mr. Marcos Vaquer Caballería as independent director of Red Eléctrica Corporación, S.A., for the term of four years established in the Bylaws, in substitution of the independent director Ms. M<sup>a</sup> José García Beato, at the proposal of the Appointments and Remuneration Committee, in accordance with the provisions of article 529 decies of the Spanish Companies Act.*