



BOARD OF DIRECTORS

25 April 2023

**Explanatory report by the
Board of Directors on the
amendment to the Articles
of Association under
Agenda Item Six**

1 Explanatory report by the Board of Directors on the amendment to the Articles of Association under Agenda Item Six changing the company's name from RED ELÉCTRICA CORPORACIÓN, S.A. to Redeia Corporación, S.A.

1.1 Purpose of the Report

At its meeting of 25 April 2023, the Board of Red Eléctrica Corporación, S.A. (the "**Company**") resolved to submit a proposal to amend article 1 ("Name and legal form") of the Articles of Association to the General Meeting under Agenda Item Six.

This report has been prepared by the Company's Board pursuant to section 286 Spanish Corporate Enterprises Act (the "**Ley de Sociedades de Capital**"). To amend the Articles of Association, that section requires the directors of corporate enterprises to draw up the full text of the proposed amendment and to prepare a written explanatory report.

Under section 287 Corporate Enterprises Act, the notice of meeting for the General Meeting must clearly state the aspects to be amended and the right of all shareholders to examine the full text of the proposed amendment and the explanatory report on the amendment at the registered office and to request those documents be handed over or sent free of charge. Pursuant to section 518 Corporate Enterprises Act, these documents must also be posted continuously on the Company's website from publication of the notice of meeting.

The authority to amend the Articles of Association lies with the General Meeting. Pursuant to articles 14 and 17 of the Company's Articles of Association currently in effect, approval requires a meeting quorum of 50% of the subscribed voting shares at the first call to meeting and 25% of the subscribed voting shares at the second call to meeting and the votes in favour of an absolute majority of the votes of the shareholders present or represented at the General Meeting when more than 50% of the voting shares are present or represented or a two-thirds majority when the meeting is held at the second call to meeting with shareholders representing 25% or more but less than 50% of the subscribed voting shares are present or represented.

1.2 Explanation of the amendment to the Articles of Association

The reason for the proposed amendment is to bring the Company's corporate name into line with the corporate group's new brand reported to shareholders, investors, and other stakeholders at the Ordinary General Meeting held on 7 June 2022. It is therefore appropriate for the name of the group's parent company to include this new brand.

1.3 Proposed amendment

It is proposed to amend current article 1, headed "Name and legal form", to include the new Company name. The proposal is therefore to amend article 1 of the Articles of Association to have the following wording. The changes to the existing wording are printed in boldface:

| Current wording | Proposed new wording |
|---|--|
| <u>Article 1. Name and legal form</u> The Company is named "RED ELÉCTRICA CORPORACIÓN, S.A.", to be governed by these Articles of Association, by the Corporate Enterprises Act, the | <u>Article 1. Name and legal form</u> The Company is named " RED ELÉCTRICA CORPORACIÓN Redeia Corporación , S.A. ", to be governed by these Articles of Association, by the |

| | |
|---|--|
| Commercial Code, the Securities Market Act, and other applicable legislation and regulations. | Corporate Enterprises Act, the Commercial Code, the Securities Market Act, and other applicable legislation and regulations. |
|---|--|

1.4 Approval of the Report

Therefore, pursuant to section 287 Corporate Enterprises Act, the Board proposes amending article 1 of the Articles of Association and has issued this Report explaining that amendment subsequent to the favourable findings by the Appointments and Remuneration Committee.

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Valuing the essentials