

RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL

EUR 5,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

GUARANTEED BY

RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA

(incorporated with limited liability under the laws of the Kingdom of Spain)

and

RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL

(incorporated with limited liability under the laws of the Kingdom of Spain)

DEED OF GUARANTEE

THIS DEED OF GUARANTEE is made on 13 June 2022

BY

- (1) **RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA**; and
- (2) **RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL** (each a "**Guarantor**" and together the "**Guarantors**")

IN FAVOUR OF

- (3) **THE NOTEHOLDERS** (as defined in the Base Prospectus described below); and
- (4) **THE ACCOUNTHOLDERS** (as defined in the Deed of Covenant described below) and **THE BOOK-ENTRY ACCOUNTHOLDERS** (as defined in the Book-Entry Deed of Covenant described below) (together with the Noteholders, the "**Beneficiaries**").

WHEREAS

- (A) Red Eléctrica Financiaciones, Sociedad Anónima Unipersonal (the "**Issuer**") and the Guarantors have a Euro Medium Term Note Programme (the "**Programme**") for the issuance of notes in bearer form, or alternatively in uncertificated, dematerialized book-entry form (*anotaciones en cuenta*) (the "**Notes**"), in connection with which they have entered into an amended and restated dealer agreement dated 13 June 2022 (the "**Dealer Agreement**"), an amended and restated fiscal agency agreement dated 13 June 2022, which includes provisions in respect of the Notes (the "**Agency Agreement**") and the Issuer has executed a deed of covenant in respect of the Bearer Notes dated 13 June 2022 (the "**Deed of Covenant**") and a deed of covenant in respect of the Book-entry Notes dated 13 June 2022 (the "**Book-entry Deed of Covenant**" and, together with the Deed of Covenant, the "**Deeds of Covenant**").
- (B) The Issuer has made applications to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") for Notes issued under the Programme to be admitted to listing on the official list and to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and may apply for Notes issued under the Programme to be admitted to trading on the Spanish AIAF Fixed Income Securities Market (*AIAF, Mercado de Renta Fija*) ("**AIAF**"). Notes may also be issued on the basis that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.
- (C) In connection with the Programme, the Issuer and the Guarantors have prepared a base prospectus dated 13 June 2022 (the "**Base Prospectus**") which has been approved by the CSSF as a base prospectus issued in compliance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**").

- (D) Notes issued under the Programme may be issued either (1) pursuant to the Base Prospectus describing the Programme and Final Terms describing the final terms of the particular Tranche of Notes or (2) pursuant to a prospectus (the "**Drawdown Prospectus**") relating to a particular Tranche of Notes which may be constituted either (a) by a single document or (b) by a registration document, a securities note and, if applicable, a summary.
- (E) Each of the Guarantors has agreed to guarantee the payment of all sums expressed to be payable from time to time by the Issuer to Noteholders in respect of the Notes and to Accountholders and Book-Entry Accountholders in respect of the Deed of Covenant and Book-Entry Deed of Covenant, respectively.

NOW THIS DEED OF GUARANTEE WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

All terms and expressions which have defined meanings in the Base Prospectus, the Dealer Agreement, the Agency Agreement or the Deeds of Covenant shall have the same meanings in this Deed of Guarantee except where the context requires otherwise or unless otherwise stated.

1.2 Clauses

Any reference in this Deed of Guarantee to a Clause is, unless otherwise stated, to a Clause hereof.

1.3 Other agreements

All references in this Deed of Guarantee to an agreement, instrument or other document (including the Base Prospectus, the Dealer Agreement, the Agency Agreement and the Deeds of Covenant) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, restated, extended, replaced or novated from time to time. In addition, in the context of any particular Tranche of Notes, each reference in this Deed of Guarantee to the Base Prospectus shall be construed as a reference to the Base Prospectus as supplemented and/or amended by the relevant Final Terms.

1.4 Legislation

Any reference in this Deed of Guarantee to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

1.5 Headings

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed of Guarantee.

1.6 **Benefit of the Deed of Guarantee**

Any Notes issued under the Programme on or after the date of this Deed of Guarantee shall have the benefit of this Deed of Guarantee but shall not have the benefit of any subsequent guarantee relating to the Programme (unless expressly so provided in any such subsequent guarantee).

2. **GUARANTEE AND INDEMNITY**

2.1 **Guarantee**

Each of the Guarantors hereby unconditionally and irrevocably guarantees:

2.1.1 *The Notes:* to each Noteholder the due and punctual payment of all sums from time to time payable by the Issuer in respect of the relevant Note, Receipt or Coupon, as and when the same become due and payable, whether at maturity, upon early redemption, upon acceleration or otherwise, according to the terms the Notes, Receipts and Coupons. In case of the failure of the Issuer to pay any such sum as and when the same shall become due and payable, each of the Guarantors hereby agrees to cause such payment to be made as and when the same becomes due and payable, whether at maturity, upon early redemption, upon acceleration or otherwise, as if such payment were made by the Issuer; and

2.1.2 *The Direct Rights:* to each Accountholder and Book-Entry Accountholder the due and punctual payment of all sums from time to time payable by the Issuer to such Accountholder and Book-Entry Accountholder in respect of the Direct Rights as and when the same become due and payable and accordingly undertakes to pay to such Accountholder and Book-Entry Accountholder, forthwith upon the demand of such Accountholder and Book-Entry Accountholder and in the manner and currency prescribed by the Conditions for payments by the Issuer in respect of the Notes, any and every sum or sums which the Issuer is at any time liable to pay to such Accountholder and Book-Entry Accountholder in respect of the Notes and which the Issuer has failed to pay.

2.2 **Indemnity**

Each of the Guarantors agrees, as an independent primary obligation, that it shall pay to each Beneficiary on demand sums sufficient to indemnify such Beneficiary against any duly documented liability sustained by such Beneficiary by reason of the non-payment as and when the same shall become due and payable of any sum expressed to be payable by the Issuer under this Deed of Guarantee in respect of the Notes, whether by reason of any of the obligations of the Issuer or the Notes being or becoming void, voidable or unenforceable for any reason, whether or not known to such Beneficiaries or for any other reason whatsoever.

This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give rise to a separate and independent cause of action.

2.3 Unconditional payment

If the Issuer defaults in the payment of any sum payable by the Issuer in respect of the Notes, Receipts or Coupons as and when the same shall become due and payable, the Guarantors shall forthwith unconditionally pay or procure to be paid to or to the order of the relevant Beneficiary, as the case may be, in the Contractual Currency in London in same day, freely transferable funds the amount in respect of which such default has been made; provided that every payment of such amount made by the Guarantors to the Fiscal Agent in the manner provided in the Agency Agreement shall be deemed to cure *pro tanto* such default by the Issuer and shall be deemed for the purposes of this Clause 2 to have been paid to or for the account of the relevant Beneficiary, as the case may be, except to the extent that there is failure in the subsequent payment of such amount to the Noteholders in accordance with the Conditions, and everything so paid by the Guarantors in accordance with the Agency Agreement shall have the same effect as if it had been paid thereunder by the Issuer.

2.4 Unconditional obligation

Each of the Guarantors agrees that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of this Deed of Guarantee or any Note, Receipt or Coupon, or any change in or amendment hereto or thereto, the absence of any action to enforce the same, any waiver or consent by any Noteholder with respect to any provision of this Deed of Guarantee or the Notes, the obtaining of any judgment against the Issuer or any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defence of a guarantor.

2.5 Subrogation of Guarantors' rights

The Guarantors shall be subrogated to all rights of the Noteholders against the Issuer in respect of any amounts paid by such Guarantors pursuant hereto; provided that the Guarantors shall not without the consent of the Noteholders be entitled to enforce, or to receive any payments arising out of or based upon or prove in any insolvency or winding up of the Issuer in respect of, such right of subrogation until such time as the principal of and interest on all outstanding Notes, Receipts and Coupons and all other amounts due under this Deed of Guarantee and the Notes, Receipts and Coupons have been paid in full. Furthermore, until such time as aforesaid the Guarantors shall not take any security or counter indemnity from the Issuer in respect of the Guarantors' obligations under this Clause 2.

2.6 No implied waivers

If any payment received by the Noteholders or the Fiscal Agent pursuant to the provisions of this Deed of Guarantee or the Conditions shall, on the subsequent bankruptcy, insolvency, corporate reorganisation or other similar event affecting the Issuer, be avoided, reduced, invalidated or set aside under any laws relating to bankruptcy, insolvency, corporate reorganisation or other similar events provided this is permitted under the applicable Spanish laws, such payment shall not be considered as discharging or diminishing the liability of any of the Guarantors whether as guarantor, principal debtor or indemnifier and the guarantee and indemnity contained in this Clause 2 shall continue to apply as if such payment had at all times remained owing by

the Issuer and the Guarantors shall indemnify and keep indemnified the Noteholders on the terms of the guarantee and indemnity contained in this Clause 2.

2.7 Suspense account

Any amount received or recovered by the Fiscal Agent or Paying Agent from the Guarantors in respect of any sum payable by the Issuer under this Deed of Guarantee or the Notes, Receipts or Coupons may be placed in a suspense account and kept there for so long as the Fiscal Agent or Paying Agent thinks fit.

2.8 Public document, deed, etc.

Each of the Guarantors hereby undertakes not to raise to a public document or a deed or instrument witnessed by a Public Notary (*escritura pública, póliza o efecto intervenido por Notario Público*) any Relevant Indebtedness of the Guarantors or any guarantee or indemnity in respect of any indebtedness of any other person (except for such indebtedness, guarantee or indemnity which is mandatorily required by Spanish law to be so raised or is Relevant Indebtedness, or a guarantee or indemnity in respect of indebtedness, of the Guarantors owed to the European Investment Bank and except for any security interest over the shares of a Subsidiary granted by the Issuer and/or the Guarantors) unless not later than one day prior thereto the obligations of the Guarantors hereunder are also so raised to a public document or a deed or instrument witnessed by a Public Notary at the expense of the Guarantors.

3. COMPLIANCE WITH THE CONDITIONS

Each of the Guarantors covenants in favour of each Beneficiary that it will duly perform and comply with the obligations expressed to be undertaken by it in the Conditions.

4. PRESERVATION OF RIGHTS

4.1 Principal obligor

The obligations of each of the Guarantors hereunder shall be deemed to be undertaken as principal obligor and not merely as surety.

4.2 Continuing obligations

The obligations of each of the Guarantors herein contained shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the Issuer's obligations under or in respect of any Note or the Deeds of Covenant and shall continue in full force and effect for so long as the Programme remains in effect and thereafter until all sums due from the Issuer in respect of the Notes and under the Deeds of Covenant have been paid, and all other actual or contingent obligations of the Issuer thereunder or in respect thereof have been satisfied, in full and the Guarantees shall not be discharged by anything other than a complete performance of the obligations contained in this Deed of Guarantee and the Notes, Receipts and Coupons.

4.3 **Obligations not discharged**

Neither the obligations of the Guarantors herein contained nor the rights, powers and remedies conferred upon the Beneficiaries by this Deed of Guarantee or by law shall be discharged, impaired or otherwise affected by:

- 4.3.1 *Winding up*: the winding up, dissolution, administration, re-organisation or moratorium of the Issuer or any change in its status, function, control or ownership;
- 4.3.2 *Illegality*: any of the obligations of the Issuer under or in respect of any Note or the Deeds of Covenant being or becoming illegal, invalid, unenforceable or ineffective in any respect (provided that payment by the Guarantors in such circumstance is not also illegal, invalid, unenforceable or ineffective);
- 4.3.3 *Indulgence*: time or other indulgence (including for the avoidance of doubt, any composition) being granted or agreed to be granted to the Issuer in respect of any of its obligations under or in respect of any Note or the Deeds of Covenant;
- 4.3.4 *Amendment*: any amendment, novation, supplement, extension, (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement, waiver or release of, any obligation of the Issuer under or in respect of any Note or the Deeds of Covenant or any security or other guarantee or indemnity in respect thereof including without limitation any change in the purposes for which the proceeds of the issue of any Note are to be applied and any extension of or any increase of the obligations of the Issuer in respect of any Note or the addition of any new obligations for the Issuer under the Deeds of Covenant; or
- 4.3.5 *Analogous events*: any other act, event or omission which, but for this sub-clause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantors herein or any of the rights, powers or remedies conferred upon the Beneficiaries or any of them by this Deed of Guarantee or by law.

4.4 **Settlement conditional**

Any settlement or discharge between either of the Guarantors and the Beneficiaries or any of them shall be conditional upon no payment to the Beneficiaries or any of them by the Issuer or any other person on the Issuer's behalf being avoided or reduced by virtue of any laws relating to bankruptcy, insolvency, liquidation or similar laws of general application for the time being in force and, in the event of any such payment being so avoided or reduced, the Beneficiaries shall be entitled to recover the amount by which such payment is so avoided or reduced from the Guarantors subsequently as if such settlement or discharge had not occurred.

4.5 **Exercise of Rights**

No Beneficiary shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:

- 4.5.1 *Demand:* to make any demand of the Issuer, save for the presentation of the relevant Note;
- 4.5.2 *Take action:* to take any action or obtain judgment in any court against the Issuer; or
- 4.5.3 *Claim or proof:* to make or file any claim or proof in a winding up or dissolution of the Issuer,

and (save as aforesaid) each of the Guarantors hereby expressly waives presentment, demand, protest and notice of dishonour in respect of any Note.

4.6 **Deferral of Guarantors' rights**

Each of the Guarantors agrees that, so long as any sums are or may be owed by the Issuer in respect of any Note or under the Deeds of Covenant or the Issuer is under any other actual or contingent obligation thereunder or in respect thereof, the Guarantors will not exercise any rights which the Guarantors may at any time have by reason of the performance by the Guarantors of their obligations hereunder:

- 4.6.1 *Indemnity:* to be indemnified by the Issuer;
- 4.6.2 *Contribution:* to claim any contribution from any other guarantor of the Issuer's obligations under or in respect of any Note or the Deeds of Covenant; or
- 4.6.3 *Subrogation:* to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Beneficiary against the Issuer in respect of amounts paid by the Guarantors under this Deed of Guarantee or any security enjoyed in connection with any Note or the Deeds of Covenant by any Beneficiary.

4.7 **Pari passu**

This Guarantee of the Notes constitutes direct, general, unsubordinated and (subject to the provisions of Condition 5 of the Terms and Conditions of the Notes (*Negative Pledge*), unsecured obligations of the Guarantors which (unless they qualify as subordinated credits (*créditos subordinados*) under Article 281 of the Insolvency Law) in the event of insolvency (*concurso*) of the Guarantors, will at all times rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantors, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application, and in particular, save for such payment obligations that are preferred by law under Articles 242, 243, 270 and 280 of Law 22/2003 (*Ley Concursal*) dated 9 July 2003.

5. **DEPOSIT OF DEED OF GUARANTEE**

This Deed of Guarantee shall be deposited with and held by the Fiscal Agent for so long as the Programme remains in effect and thereafter until all the obligations of the Issuer under or in respect of the Notes (including, without limitation, its obligations under the Deeds of Covenant) have been discharged in full. Each of the Guarantors hereby acknowledges the right of every Beneficiary to the production of this Deed of Guarantee.

6. **STAMP DUTIES**

The Guarantors shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of this Deed of Guarantee, and shall indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

7. **BENEFIT OF DEED OF GUARANTEE**

7.1 **Deed poll**

This Deed of Guarantee shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.

7.2 **Benefit**

This Deed of Guarantee shall ensure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Guarantee against the Guarantors.

7.3 **Assignment**

The Guarantors shall not be entitled to assign or transfer all or any of their rights, benefits and obligations hereunder. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.

8. **PARTIAL INVALIDITY**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

9. **NOTICES**

9.1 **Address for notices**

All notices, demands and other communications to the Guarantors hereunder shall be made in writing (by letter, email or fax) and shall be sent to the Guarantors at:

Red Eléctrica Corporación, Sociedad Anónima

Paseo del Conde de los Gaitanes, 177
28109 Alcobendas (Madrid)
Spain

Red Eléctrica de España, Sociedad Anónima Unipersonal

Paseo del Conde de los Gaitanes, 177
28109 Alcobendas (Madrid)
Spain

Fax: +34 91 650 4542

Fax: +34 91 650 9808

Attention: Tomás Gallego

Attention: Tomás Gallego

or to such other address or fax number or for the attention of such other person or department as each of the Guarantors has notified to the relevant Noteholders in the manner prescribed for the giving of notices in connection with the relevant Notes.

9.2 **Effectiveness**

Every notice, demand or other communication sent in accordance with Clause 9.1 (*Notices – Address for notices*) shall be effective upon receipt by the Guarantors; *provided that* any such notice, demand or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Guarantors.

10. **CURRENCY INDEMNITY**

If any sum due from the Guarantors under this Deed of Guarantee or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under this Deed of Guarantee or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Guarantors, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to this Deed of Guarantee, the Guarantors shall indemnify each Beneficiary on demand against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Beneficiary may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give rise to a separate and independent cause of action.

11. **LAW AND JURISDICTION**

11.1 **Governing law**

This Deed of Guarantee and any non-contractual obligations arising out of or in connection with it are governed by English law, save for Clause 4.7 (*Preservation of Rights – Pari passu*), and any non-contractual obligations arising out of or in connection with Clause 4.7 (*Preservation of Rights – Pari passu*), which are governed by Spanish law.

11.2 **English courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with this Deed of Guarantee (including a dispute relating to the existence, validity or termination of this Deed of Guarantee or any non-

contractual obligation arising out of or in connection with this Deed of Guarantee) or the consequences of its nullity.

11.3 **Appropriate forum**

Each of the Guarantors agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

11.4 **Process agent**

Each of the Guarantors agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Law Debenture Corporate Services Limited at Fifth Floor, 100 Wood Street, London EC2V 7EX or, if different, its registered office for the time being or at any address of the Guarantors in Great Britain at which process may be served on it. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Guarantors, the Guarantors shall, on the written demand of any Beneficiary addressed and delivered to the Guarantors appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Beneficiary shall be entitled to appoint such a person by written notice addressed to the Guarantors and delivered to the Guarantors. Nothing in this paragraph shall affect the right of any Beneficiary to serve process in any other manner permitted by law. This Clause applies to Proceedings in England and to Proceedings elsewhere.

12. **MODIFICATION**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to Notes, including the modification of any provision of this Deed of Guarantee. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries.

IN WITNESS whereof this Deed of Guarantee has been executed by each of the Guarantors and is intended to be and is hereby delivered on the date first before written.

EXECUTED as a deed
by **RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA**
acting by **EMILIO CEREZO DIEZ**



EXECUTED as a deed
by **RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL**
acting by **JESÚS ÁLVAREZ COBO**

