

# Diversity Report

2021<sup>1</sup>

*Committed to Smart Energy*



1. Unless another date is expressly indicated in this report, all data provided must be understood as referring to information available at 31 December 2021.



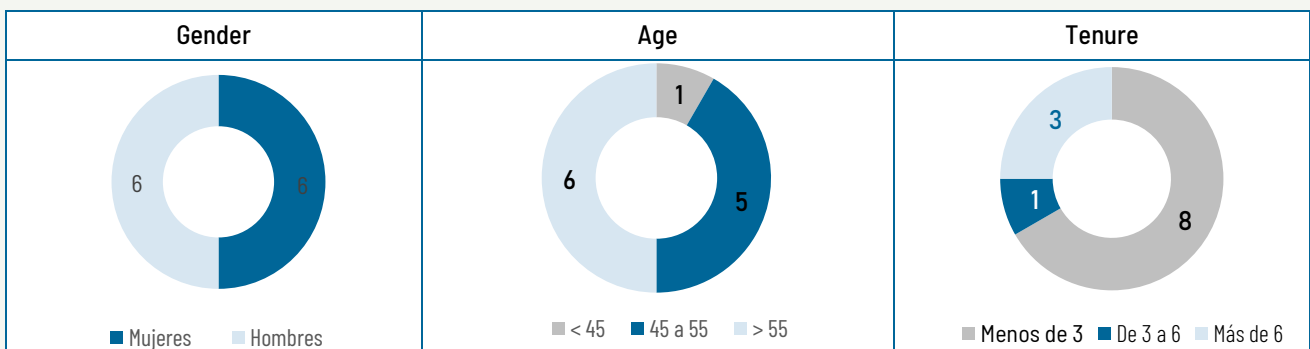
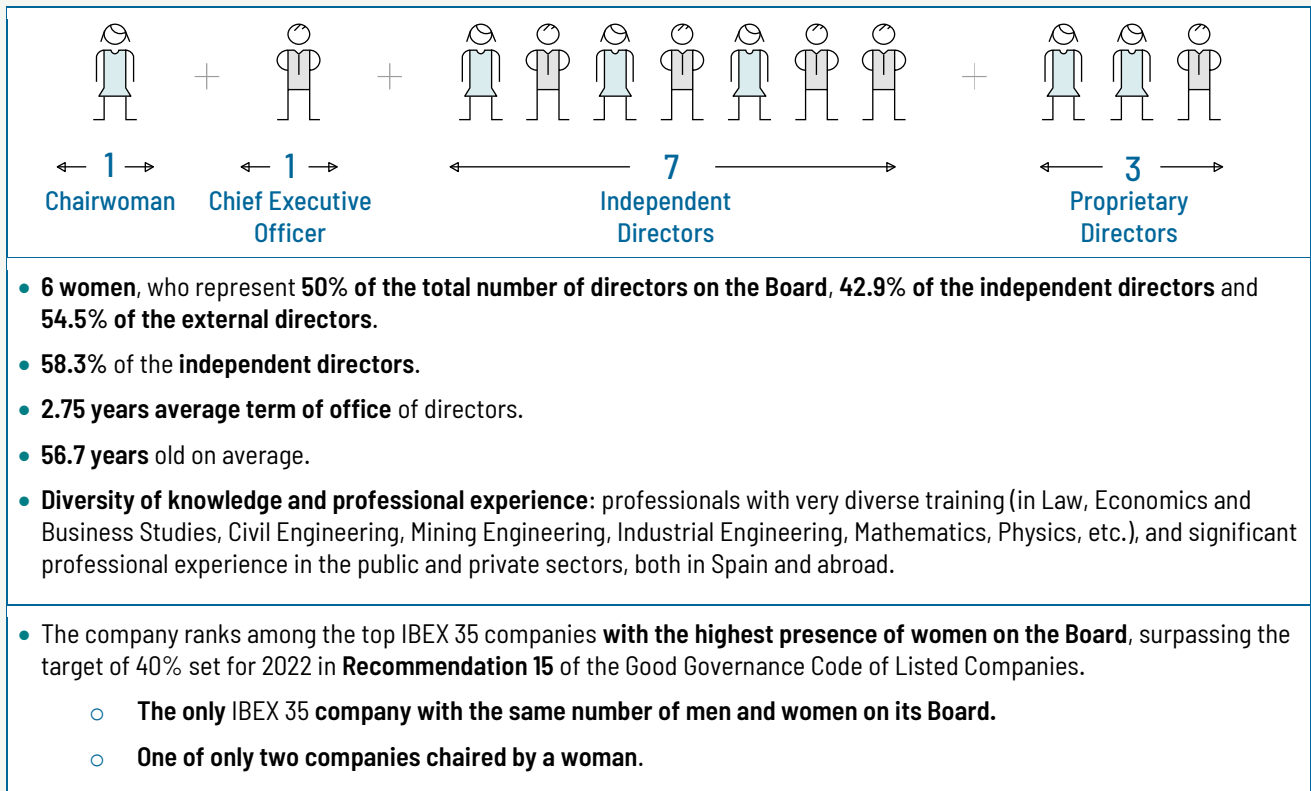
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## At a glance: key diversity performance indicators of the Red Eléctrica Group in 2021

Red Eléctrica has a robust, transparent and forward-looking sustainability and 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



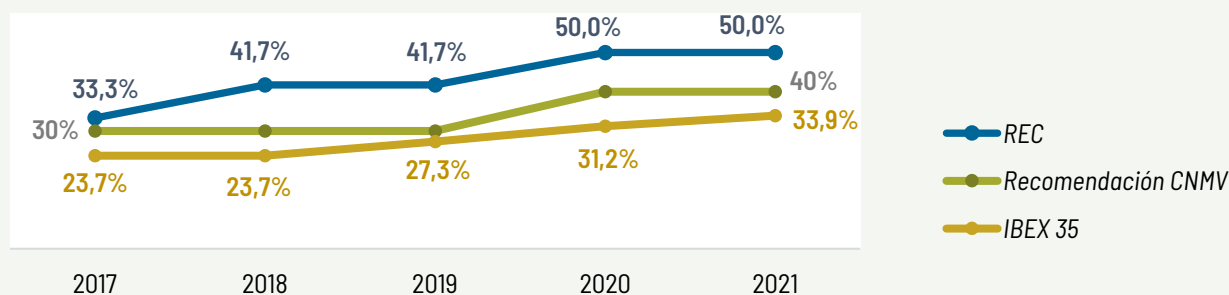
## BOARD COMMITTEES IN FIGURES

APPOINTMENTS AND REMUNERATION COMMITTEE (3 members)		AUDIT COMMITTEE (4 members)		SUSTAINABILITY COMMITTEE (3 members)	
Chair	Independent director	Chair	Independent director	Chair	Independent director
Independent directors	66.7% (2)	Independent directors	75% (3)	Independent directors	66.7% (2)
Proprietary Directors directors	33.3 % (1)	Proprietary Directors directors	25 % (1)	Proprietary Directors directors	33.3 % (1)
Gender (% women)	33.3% (1)*	Gender (% women)	25% (1)	Gender (% women)	100 % (3)

\*Note: Until 1 July 2021, the percentage of women on the Appointments and Remuneration Committee was 66.7% (2 women). At a meeting held on 2 July 2021, the Board appointed the independent director Marcos Vaquer Caballeria to this Committee to fill the vacancy caused by the end of María José García Beato's term as a member of the Company's Board.

\*\*Note: Until 29 October 2021, the percentage of women on the Audit Committee was 50% (2 women). At its meeting held on 30 November 2021, the Board appointed independent director José Juan Ruiz Gómez to this Committee (who left the Sustainability Committee) to replace Carmen Gómez de Barreda Tous de Monsalve.

## WOMEN ON THE BOARD: REC VS IBEX 35 (%)<sup>1</sup>

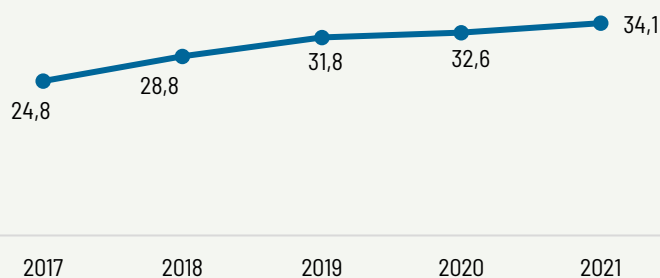


## WOMEN EXECUTIVE COMMITTEE, STEERING COMMITTEE AND SENIOR MANAGEMENT

- As for **Executive Committee** and the **Steering Committee**, it should be noted that the **percentage of women** are both currently at **50%**.
- As regards **senior management**, it should be noted that it is also fully equal, with a **50%** female presence, which means that the Company has a **significant number of female senior managers**, in accordance with **Recommendation 14** of the Good Governance Code of Listed Companies.

<sup>1</sup> Note: source for IBEX 35 data: '10<sup>th</sup> Report on Women in the IBEX-35'. ATREVIA-IESE, March 2022.

## EVOLUTION IN THE PERCENTAGE OF WOMEN MANAGERS ON THE WORKFORCE 2017-21 (%)



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

	2019						2020						2021					
	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	64.4	35.6	78.3	21.7	0.0	0.0	62.5	37.5	72.9	27.1	0.0	0.0	58.8	41.2	73.4	26.6
Technical Specialists/Experts*	56.3	43.7	77.6	22.4	87.7	12.3	55.3	44.7	76.9	23.2	85.7	14.3	55.6	44.4	76.5	23.5	84.1	15.9
Administrative/Support Personnel	0.0	0.0	10.9	89.1	27.9	72.1	33.3	66.7	0.2	84.9	28.6	71.4	70.0	30.0	20.5	79.5	27.5	72.5
<b>Total (%)</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>73.5</b>	<b>26.5</b>	<b>76.7</b>	<b>23.3</b>	<b>57.0</b>	<b>43.0</b>	<b>73.6</b>	<b>26.4</b>	<b>75.2</b>	<b>24.8</b>

Note: Scope of data: Red Eléctrica Group since 2019.

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

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Under 30	67	52	119	60	52	112	57	43	100
Between 30 to 50	978	347	1,325	961	347	1,308	989	355	1,344
Over 50	479	133	612	484	147	631	506	167	673
<b>Total</b>	<b>1,524</b>	<b>532</b>	<b>2,056</b>	<b>1,505</b>	<b>546</b>	<b>2,051</b>	<b>1,552</b>	<b>565</b>	<b>2,117</b>

Note: Scope of the data: Red Eléctrica Group in Spain since 2019 (including HISPASAT).

## 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 development.

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

**Gender balance**, as an integral part of the broad 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. This project set a share of 40% women (external directors) on boards of Europe's listed companies provided they were not small or medium-sized (less than 250 employees or turnover of less than EUR 50 million). 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 Boards 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 Engagement 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 adopting the 2012 Directive proposal on improving gender balance among non-executive 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 own 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 **Constitution** establish the **right to equality and vest the obligation by the public authorities to promote conditions that 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 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 Corporate Enterprises Act** [*Ley de Sociedades de Capital*], to enhance corporate governance, laid down as a mandatory right something that until then had only been a mere recommendation. That Act introduced the obligation that **the Board must 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 those procedures favour the selection of female directors**.

In addition, the Corporate Enterprises Act laid down that one of the functions of the Appointments and Remuneration Committee was that of establishing a **target regarding the representation of the under-represented gender on the Board** and develop guidelines on how to achieve that 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 of Public-Interest Entities, which seeks to promote the diversity of knowledge and professional experience of the Board that make up the Audit Committee. There was also **Royal Decree Law 18/2017**, of 24 November, **which amended**, among others, the **Corporate Enterprises Act regarding the disclosure of non-financial and diversity information**.

That Royal Decree Law amended, among other things, section 540(4)(c)(6) Corporate Enterprises Act that required listed public limited companies to include, within their Annual Corporate Governance Report, a **description of the diversity policy applied regarding the Board, considering diversity in a broad sense**. Section 540(4)(c)(6) Corporate Enterprises Act was again amended by Law 11/2018, of 28 November, which amended the Spanish Commercial Code [*Código de Comercio*], the consolidated text of the Corporate Enterprises Act approved by Royal Decree Law 1/2010, of 2 July, and the Spanish Audit Act [*Ley de Auditoría de Cuentas*], as regards non-financial information and diversity. This latest amendment establishes that annual corporate governance reports will include a description of the diversity policy applied in relation to the Board, the Management Team and to the specialised committees that are set up within it, as regards **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 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, and 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 Board members, 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 those 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, as regards gender, professional experience, competences, personal capacities and sectoral 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*] approved by Resolution of the Board of the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores, "CNMV") on 18 February 2015 and updated in June 2020. Initially, the Code of Good Governance of Listed Companies reflected the concern of society for improving talent management in the Boards of listed companies, and in the business world in general; therefore, prior to its update in June 2020, Recommendation 14 of the Code of Good Governance of Listed Companies set out the following:

'The board must 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.
- c) favours the diversity of knowledge, experience and gender.

The result of the prior analysis of the needs of the Board will be set out in the appointments committee's explanatory report, to be published when convening the General Meeting to whom it will submit the appointment, ratification or re-election of each director.

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

The appointments committee will annually verify compliance with the selection policy for Board members and set out its findings in the annual corporate governance report.'

That Recommendation 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 **Code of Good Governance of Listed Companies**, the **CNMV** modified certain recommendations of the Code in June 2020. Among others, Recommendations 14 and 15 have been revised, which state the following:

### *Recommendation 14 of the Code of Good Governance of Listed Companies*

The board will approve a **policy aimed at favouring an appropriate composition of the Board** and that:

- a) is **specific** and **verifiable**;
- b) ensures that **appointment or re-election proposals are based on a prior analysis of the professional skills** required by the Board; and
- c) **favours diversity of knowledge, experience, age and gender**.

For these purposes, 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 will be set out in the **appointments committee's explanatory report, to be published when convening the General Meeting** to whom it will submit the appointment, ratification or re-election of each director.

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

### *Recommendation 15 of the Code of Good Governance of Listed Companies*

Proprietary Directors and independent directors must constitute an ample majority of board positions, while the number of executive directors must 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 must account for at least 40% of Board members by the end of 2022 and thereafter, and not be less than 30% prior to that date**.

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 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 must account for at least 40% of Board members 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 to become more aware that increasing diversity** on the Boards and within 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

As regards 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 (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 will govern the professional activity within the organisation.

The above 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 of Conduct and Ethics: promoting and respecting diversity*

As established in the Code of Conduct and Ethics, the Red Eléctrica Group generally 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 ("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, and 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, several years ago, the **Board for Red Eléctrica Corporación, S.A.** (the "Company") voluntarily undertook the commitment to comply with the **recommendations laid down regarding diversity**, pursuant to Article 18.4 I) of the Board Regulations. That Article established the obligation of the Appointments and Remuneration Committee to prepare an **annual report on diversity** that will 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 [Board Regulations](#) establishes that the Board, 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 will 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, since, as laid down in Article 24 of the Articles of Association and in Article 18 of the Board Regulations, this Committee is **responsible for establishing a representation objective for the under-represented gender on the Board. It is also responsible for evaluating the competencies, skills, knowledge and experience, and 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 Board Regulations establishes that the process for the appointment of the members of the Audit Committee on the whole, and especially its chair, must take into account their knowledge and experience in accounting, auditing and financial and non-financial risk management. That Article also stipulates that, as a whole, the members of the Committee must have the relevant technical knowledge in relation to the sectors of activity to which the Group companies belong.

Similarly, the role of the **Sustainability Committee** should also be highlighted, since, as established in Article 24 bis and Article 18 TER of the Board Regulations, 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, and 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, 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 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 Board Regulations

The Board, 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, age, experience, training, knowledge and personal characteristics**. Furthermore, **the Board will 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 must follow the Board diversity and candidate appointment and assessment policy approved by it and may use external advisors when it considers 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 skills** the Board needs.

The **result of the prior analysis** of the skills required by the Board will be set out in the **appointments and remuneration committee's explanatory report**, to be **published when convening the General 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 and throughout the entire organisation.

Furthermore, the Board 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 Company.

On the other hand, it should also be noted that **Red Eléctrica Group's Corporate Governance Policy**, approved by the Board 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** to adequately perform the tasks entrusted to it, and 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 and its Committees**.

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

### Corporate Governance Policy: Comprehensive diversity in the Board

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, among other aspects, in the composition of the Board 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 regarding diversity in the composition of the Board 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 Meeting**. Such proposals and reports provide the Appointments and Remuneration Committee and the Board 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 and that 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 and of the organisation, in matters of diversity, through the establishment of ambitious goals** to continue advancing in this field.

For all the above reasons, the **present report** details, in a unified way, the **measures adopted by the Company and the Red Eléctrica Group in 2021 and early 2022** 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 companies of 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 Boards. The Code of Good Governance of Listed Companies recommends that the number of female directors should account for at least 40% of Board members 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, especially in IBEX 35 companies, which for yet another year, have registered an increase in the number of women on their boards, the Code of Good Governance of Listed Companies also recommends that boards 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.

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 and its committees of IBEX 35 companies.

In terms of gender diversity, in 2021, 149 positions on the IBEX 35 boards were held by women, which means 10 more positions than in 2020 and an increase of 2.7 percentage points in the presence of women in this selective index to 33.9% of the 439 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>2</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. This section contains the main conclusions derived from the above report, and from the publication, also by the CNMV, entitled "Presence of women on Boards and in the senior management of listed companies", with both documents referring to 2020.

In terms of **gender** diversity, in 2020, the presence of women on IBEX 35 companies' Boards stands at **31.3%** (27.5% in 2019 and an increase of 11.6 percentage points since 2016).

The following table shows the evolution for the period 2016-20 of the number of seats held by women on Boards and the number of companies with female representation.

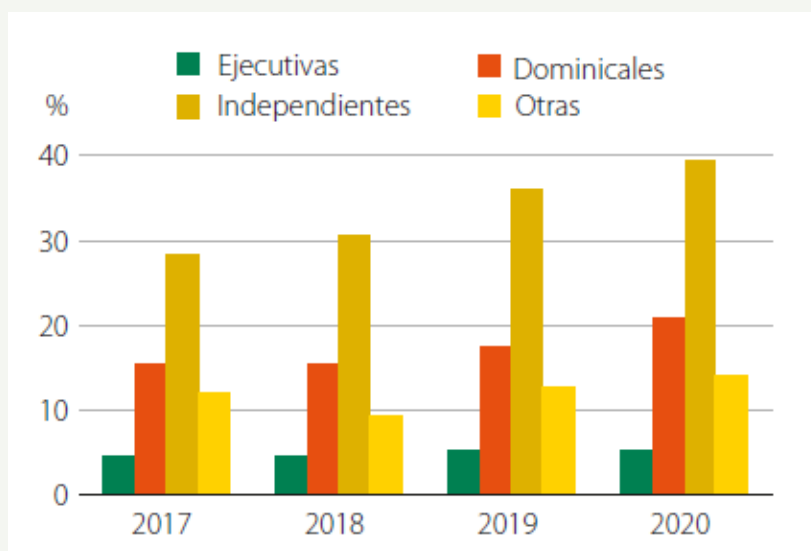
Presence of women on the Boards for IBEX 35 companies in 2020

Year	Number of female directors		Number of IBEX companies with women on the Board
	Number of women	% of total	Number of companies with women on the Board
2020	136	31.3	34
2019	123	27.5	34
2018	100	23.1	33
2017	103	22.8	35
2016	90	19.7	34

<sup>2</sup> Source: Latest publication of the "Presence of women on Boards and in the senior management of listed companies" report prepared and updated by the CNMV on 20 December 2021, and the latest "Annual Corporate Governance Report on issuers of securities admitted to trading on regulated markets" published by the CNMV. 2020, published by the CNMV.

In relation to the previous table, it should be noted that for yet another year, in 2020 the majority of the women on Boards were independent directors. The data highlights that, in the renewal process of corporate boards, women are being 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 directors by category of director in 2020 (%)



The following table shows the evolution of female directors for 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 IBEX 35 companies' boards by category (2018-20)

Year	Executive	% of total Executive Directors	Proprietary Directors	% of total Proprietary Directors	Independent	% of total Independent Directors	"Other external" Directors	% of total "Other external" Directors
2020	4	6.06%	23	23.47%	105	43.93%	4	12.50%
2019	4	5.80%	19	17.30%	96	41.20%	4	11.43%
2018	4	5.41%	25	20.83%	77	34.07%	4	10%

The increase in female representation in senior and independent directors in IBEX 35 companies in 2020 was noteworthy. In absolute terms, the largest increase occurred in the category of independent directors, from 96 in 2019 to 105 in 2020, representing 43.93% of the total number of independent directors. The presence of proprietary directors also progressively increased to 23.47% (17.27% in 2019).

The **average** length of service of the IBEX 35 companies' Board members in 2020 was **6.7** years, which represents a continuation of the slight decrease initiated the previous year, taking as a reference the average of 7 years reached in 2018. Among all categories of directors, executive directors continue to accumulate the longest average length of service (10.9 years), followed by proprietary directors (7.1 years). On the other hand, independent directors are those who, on average, remain on the Board for the shortest time (4.4 years), maintaining continuity with respect to previous years.

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

### Tenure, in years, of Board members of IBEX 35 companies in 2020

Year	Number of years			
	Average	Executive	Proprietary	Independent
2020	6.7	10.9	7.1	4.4
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

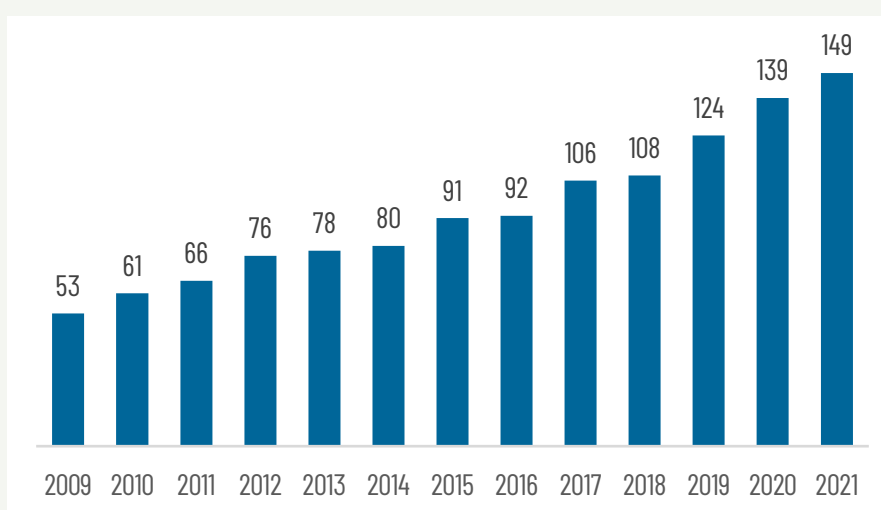
Lastly, the **average age** of IBEX 35 companies' directors was **61.6** years old in 2020. Among all listed companies, 5.1% of directors were under 45 years old (6.1% in 2019) and 18.7% were 70 years old or older (18.1% in 2019).

## 3.2. Information at 31 December 2021<sup>3</sup>

This section contains the main conclusions of the publications made at year-end 2021, analysing the evolution of the presence of women on Boards following the recommendations of the Code of Good Governance of Listed Companies.

In terms of **gender** diversity, the percentage of women on IBEX 35 companies' Boards has increased to **33.9%**; **149** of the 439 seats on the IBEX 35 companies' Boards are held by women, thus reaching the target of 30% of female directors as recommended by the CNMV.

### Evolution of IBEX 35 directors

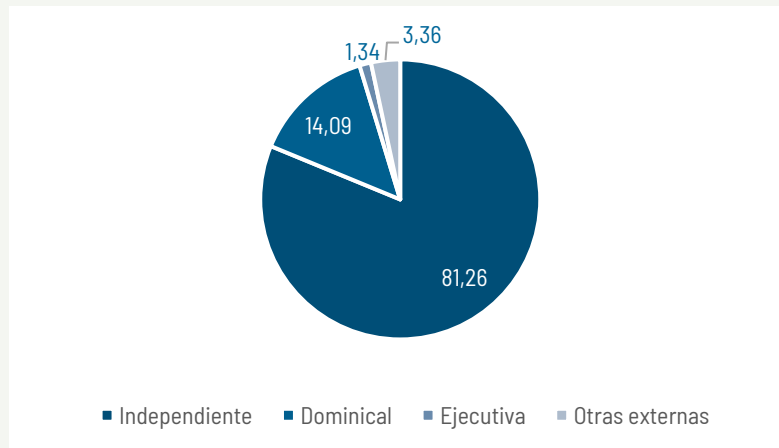


<sup>3</sup> Source: "10<sup>th</sup> Report on Women in the IBEX-35". ATREVIA-IESE, March 2022.

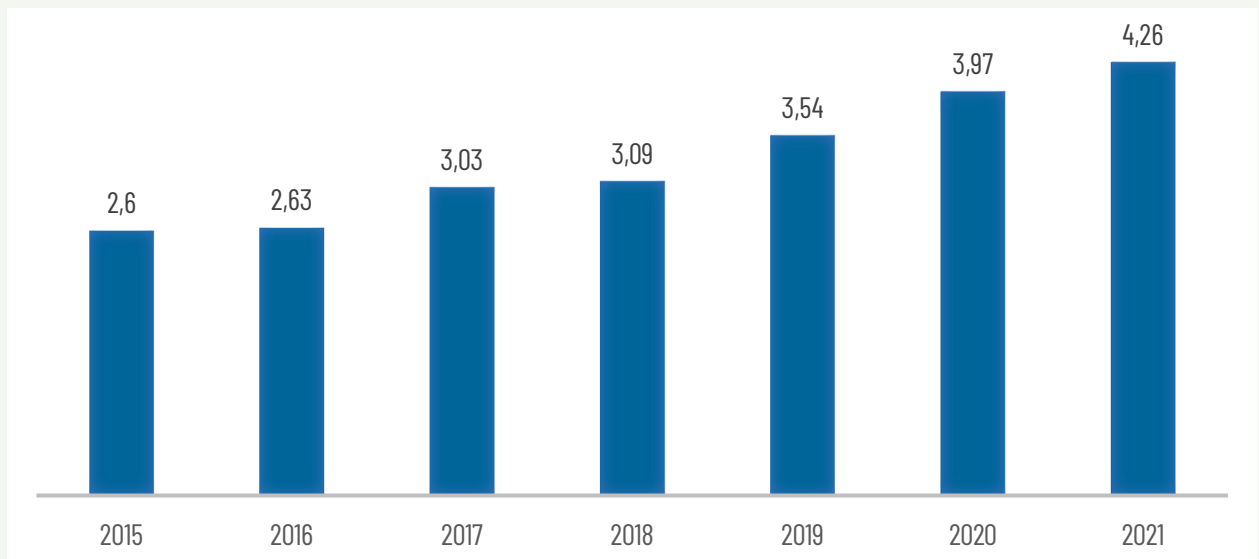
The incorporation of ten female directors in 2021 in different companies meant an increase of almost **3 percentage points** (2.7), raising it to **33.9%** in 2021 (31.2% in 2020).

The following chart shows the presence of female directors by category on the IBEX 35 companies' Boards, with **81.26%** being **independent** directors and **14.09%** being **proprietary** directors. The presence of **female executive directors** stands at **1.34%**, while "**Other external**" directors account for **3.36%**.

### Female directors on the IBEX 35 companies' Boards by category (%)

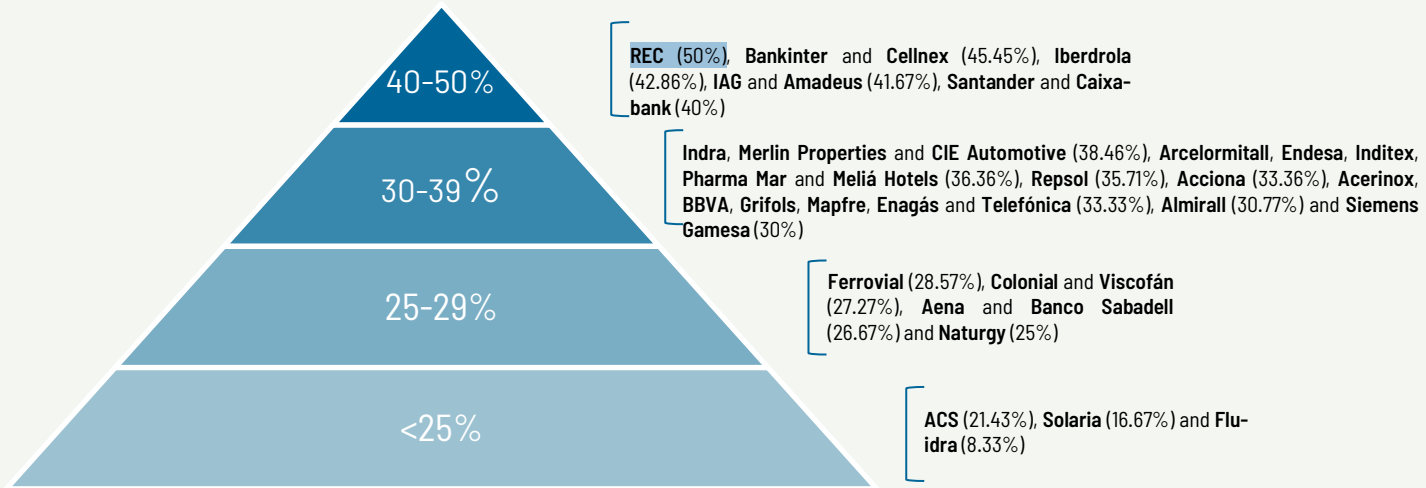


### Average percentage of women on IBEX 35 companies' Boards



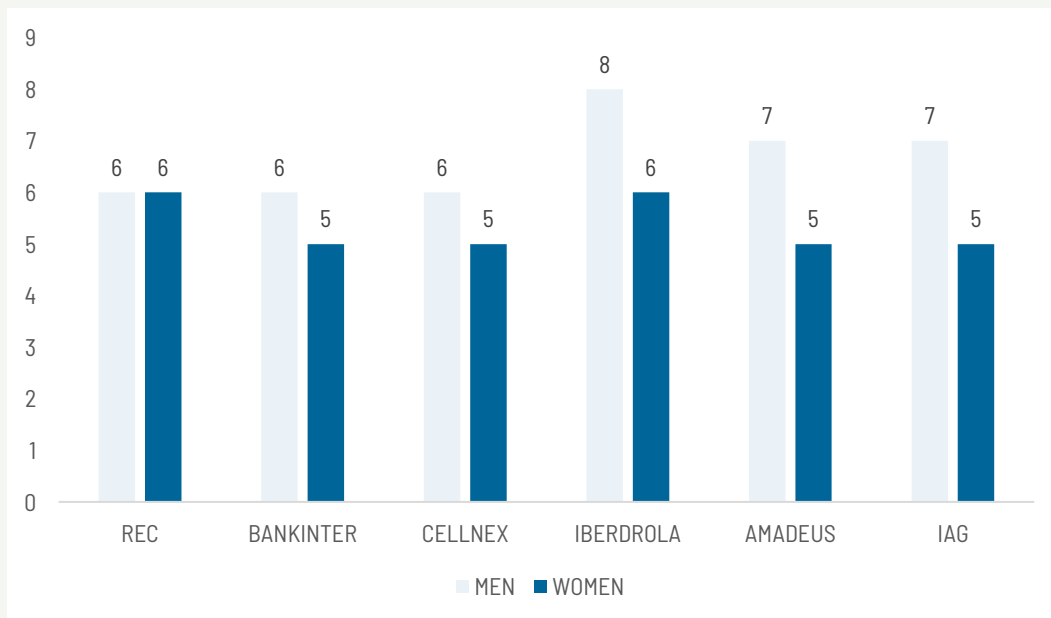
In addition, seven IBEX 35 companies (Bankinter, Cellnex, Iberdrola, IAG, Santander, Caixabank and Red Eléctrica Corporación) already exceed the new 40% gender parity target set for 2022 approved by the CNMV's Code of Good Governance (Recommendation 15).

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, **highlights Red Eléctrica Corporación, S.A. for maintaining its position as the only IBEX 35 company whose board has achieved a 50/50 balance, and one of only two companies chaired by a woman.**

The following chart shows the six most gender-equal boards of IBEX 35 companies at 31 December 2021.



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 Chair of Santander and the Chair of Red Eléctrica Corporación.

Beatriz Corredor Sierra was appointed director, within the 'other external' category, and Chair of Red Eléctrica Corporación, S.A.'s Board by co-option, at the Board meeting held on 25 February 2020, and subsequently, her appointment ratified by the company's Annual General 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.



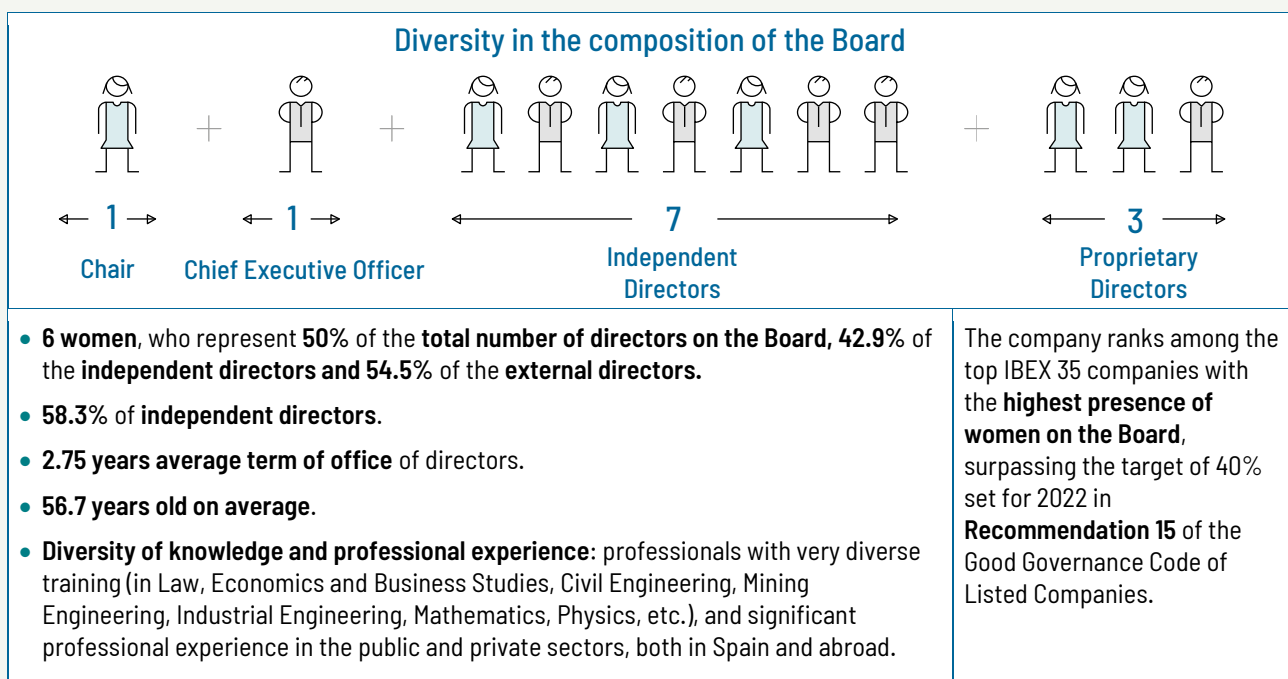
On the other hand, the figure of **Lead Independent Director** is gaining prominence in terms of the presence of women in this position, with the ceiling standing at five independent female directors with coordination functions performing a fundamental role in the governing bodies. Red Eléctrica Corporación, 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.

Finally, the Technology and Telecommunications, Energy and Financial Services sectors stand out as those with the highest female presence on boards.

## 4. Diversity on the Board for 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**, and being **one of only two companies chaired by a woman**.



### 4.1. Information at the close of 2021

Regarding **gender** diversity, at 31 December 2021, Red Eléctrica Corporación, S.A.'s Board comprised 12 members (1 non-executive chair, 1 executive director, 3 nominee and 7 independent directors), of which 6 are women (the non-executive chair, 2 proprietary directors and 3 independent directors), which represents 50% of the total of the Board, 42.9% of the independent directors and 54.5% 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.
- As regards **senior management**, it should be noted that it is also fully equal, with a **50%** female presence, which means that the Company has a **significant number of female senior managers**, in accordance with **Recommendation 14** of the Good Governance Code of Listed Companies.

<b>Chair</b>		
● Beatriz Corredor Sierra		
<b>Chief Executive Officer</b> ● Roberto García Merino	<b>Board</b>	<ul style="list-style-type: none"> <li>● Carmen Gómez de Barreda Tous de Monsalve (CIC)</li> <li>● Socorro Fernández Larrea</li> <li>● Antonio Gómez Ciria</li> <li>● Juan José Ruíz Gómez</li> <li>● Marcos Vaquer Caballería</li> <li>● Elisenda Malaret García</li> <li>● José María Abad Hernández</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>● Executive Director (1)</li> <li>● External Proprietary Directors (3)</li> <li>● External Independent Directors (7)</li> <li>● "Other External" Director (1)</li> </ul>

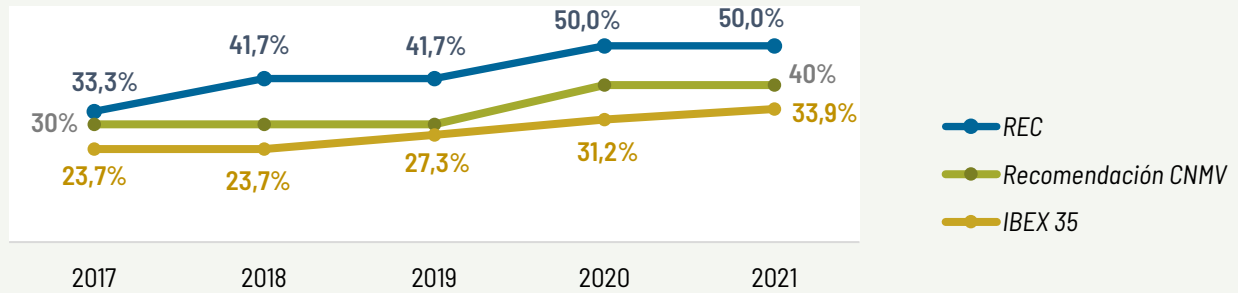
Taking into account the information available at the date of this report, the Board for Red Eléctrica Corporación, S.A. remains at the forefront of the IBEX 35, being the first company of the IBEX to reach gender parity on its Board (50% women) and one of the only two companies chaired by a woman.

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

Year	Female Directors (No.)	Total Directors (No.)	% of total
2021	6	12	50%
2020	6	12	50%
2019	5	12	41.66%
2018	5	12	41.66%
2017	4	12	33.33%
2016 <sup>4</sup>	4	11	36.36%

<sup>4</sup> In 2016 the Board comprised a total of 12 members. However, it should be noted that at 31 December 2016 there was a vacancy on the Board.

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

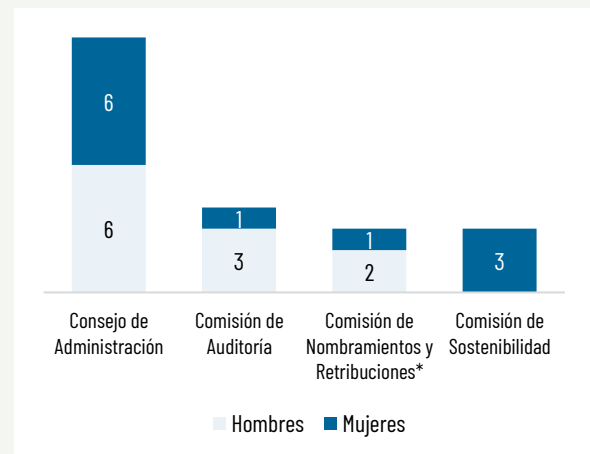


Note: IBEX 35 data source: "10<sup>th</sup> Report on Women in the IBEX". ATREVIA-IESE, March 2022.

On the other hand, following the last reorganisation of the Committees of the Board approved on 30 November 2021, the Sustainability Committee is chaired by a woman and all of its three members are women, including the Chair, (which corresponds to 100% of its members). The Appointments and Remuneration Committee, meanwhile, has a woman among its members who is also its chair (corresponding to 33.3% of its members). Lastly, the Audit Committee has one woman out of a total of four members (corresponding to 25%).

### Gender

**50%** of the Board members are **women**.

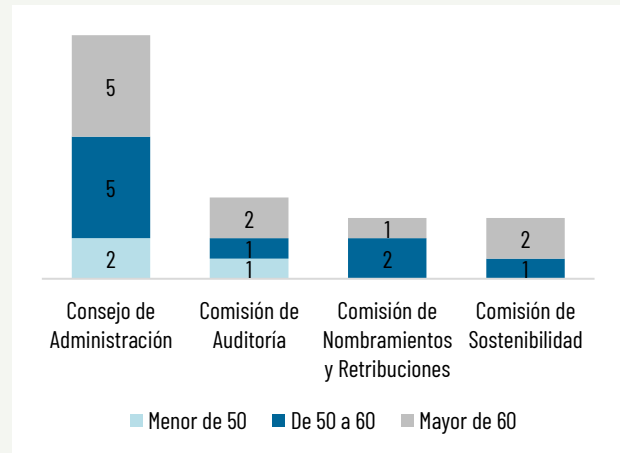


In relation to the above, it should be noted that in 2021 a woman was appointed as Chair of the Sustainability Committee to replace the former Chair, who was a man. Additionally, as already highlighted previously, since 2013, the position of Lead Independent Director of the Company has been held by a woman.

As regards the **average age** of Red Eléctrica Corporación, S.A.'s Board members, at 31 December 2021, it has fallen notably to **56.7 years of age** (the youngest being 39 years old and the oldest 70) compared to 58.8 years of age at the end of 2020, being lower than the average age of the IBEX 35 companies' directors, which at 31 December 2020 stood at 61.6.

## Age

The average age of the Board members is **56.7**.



It is also necessary to consider the diversity of **knowledge and professional experience** of the Board members, which the Company provides on the corporate website by publishing the professional profiles of all the Board's 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, Industrial Engineering, Mathematics, Physics, etc.), and significant professional experience in the public and private sectors, both in Spain and abroad.

The Board's skills and competencies matrix first approved in 2018 and permanently updated, is a tool for monitoring and improving the overall balance of the Board. It should be noted that in 2021 the competency matrix was reviewed with the support of an international external adviser.

The application of the matrix of individual skills and competencies of directors, which reflects the competencies, experience, knowledge, professionalism, suitability, independence of criteria, qualities and capacities the Board members must meet, facilitates the supervision of comprehensive diversity in the composition of the Board 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 balance and overall diversity of the Board** 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**.

This 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 director, the Appointments and Remuneration Committee always analyses the diversity of profiles and contributions of the current Board members, 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 considered necessary, among other proposals and suggestions, the opinion of international external advisors (Head-hunters) specialised in the selection process of 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 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 English, which were submitted to the Annual General Meeting held on 29 June 2021, transparently reveal the commitment undertaken by both the Appointments and Remuneration Committee and the Board towards diversity in the composition of the Board. In those proposals and reports the Appointments and Remuneration Committee and the Board drew on the criteria that define the profile and the requisite traits considered appropriate for directors 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 to that General Meeting for approval.

The directors' appointments and the associated reports that were submitted to the shareholders at the 2021 Annual General Meeting may be consulted on the corporate website, via the following link: [Proposals and reports on the appointment of Directors submitted at the 2021 General Meeting](#)

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

The system for selecting, appointing and re-electing Board members is expressly regulated in the Company's Articles of Association and in the Board Regulations. Furthermore, Red Eléctrica Group's Corporate Governance Policy 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 to adequately perform the tasks entrusted to it.

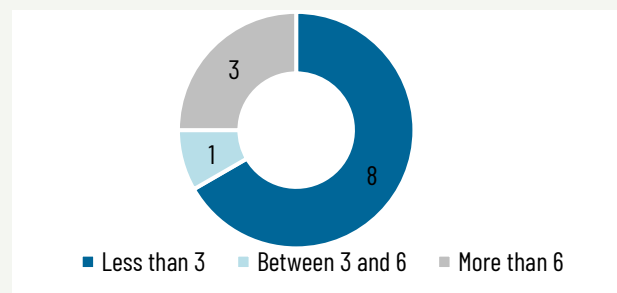
On the other hand, it should be noted that the Company, prior to the approval of the CNMV's Technical Guide 3/2017 on Audit Committees of Public-Interest Entities of 27 June 2017, already complied with the recommendations established therein regarding diversity in the composition of the Audit Committee. 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 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 as regards 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 sectoral knowledge. Appointments and Remuneration Committee members 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 the Company's directors, at 31 December 2021 stood at **2.75 years** compared to 3.5 years at 31 December 2020.

**The average term of office of the Company's directors is 2.75 years.**

### Tenure



## 4.2. Relevant events following the closing of 2021

As regards **gender** diversity, on the date this report is approved, Red Eléctrica Corporación, S.A.'s Board continues to comprise 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 proprietary directors and 3 independent directors), which represents 50% of the total Board members, 42.9% of the independent directors and 54.5% of the external directors.

Year	Female Directors	Total Directors	% of the total
2021 / 2022	6	12	50%

From 31 December 2021 to the date this report was approved, there were no changes in the composition of the Board committees.

As regards the **average age** of the directors of the Company, it was **57 years old** at 29 March 2022.

Lastly, in terms of **tenure**, the average term of office of directors of Red Eléctrica Corporación, S.A., at 29 March 2021 stood at **3.16 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, transformation, innovation and talent management.

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 **2018-22 Comprehensive Diversity Plan (CDP)**; a Plan which seeks to inspire the organisation 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 general and **work-life balance** that facilitate and support full inclusion and the commitment to talent, it develops other important vectors such as the following: **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: **LGTBI, 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 Chair 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 Personnel and Culture 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: Personnel and Culture, the Institutional International Relations and Parliamentary Affairs Department, the Sustainability Department and the Supply (Procurement) Department.

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 personnel management processes, 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 to contribute to building a more diverse and just society.

### *Comprehensive Diversity Plan*

The **2018-22 Comprehensive Diversity Plan (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. ("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 168 companies included in this "Equality in the Workplace" network. In 2020, the Company obtained this seal again, which is renewed every three years. The corresponding follow-up was carried out in 2021.

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 personnel management 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 that plan. This Comprehensive Equality Plan became part of the new **Comprehensive Diversity Plan** approved in 2019.

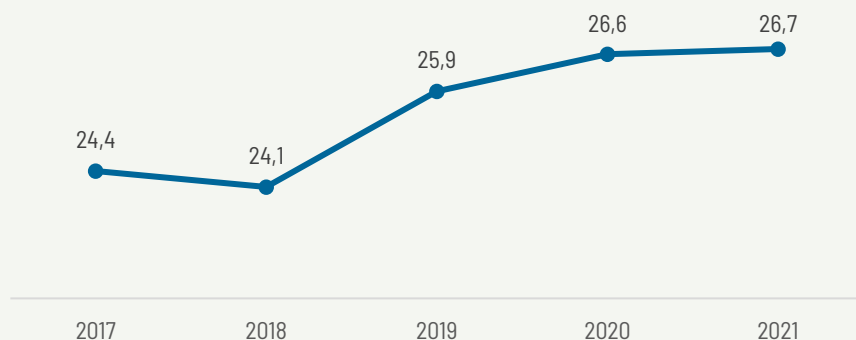
On the other hand, in 2021, the **equality plans were negotiated with the social representatives** in accordance with the current legislative requirements, ensuring that these plans include all the parts and matters addressed by regulations on this subject. The agreements with the social representatives of the companies that are legally obliged to have an equality plan were reached between January and February 2022. These plans include a wide range of measures in relation to the different areas required under current legislation.

It should be noted that **Hispasat** also approved its **1st Equal Opportunities Plan for women and men** in 2021. This first Plan is an excellent opportunity to include all the actions and initiatives implemented by the company to advance in its commitment to non-discrimination and the search for true equality. On this basis, Hispasat's commitment to implementing initiatives in the field of equality has a dual objective for the company: on the one hand, to make it easier for the company's professionals to attend to their family and social life without neglecting their professional responsibilities and without limiting their possibilities for growth and promotion; and on the other hand, to comply with the requirements derived from the existing regulations in Spain in terms of equal treatment and opportunities, also including direct or indirect non-discrimination on the grounds of sex and respect for diversity.

<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.

Noteworthy data regarding the **percentage of women in the workforce**, is that the evolution continues its upward trend in 2021, closing the year at **26.7**.

### Evolution in the percentage of women on the workforce, 2017-21(%)



Note: Scope of the data: REE+REC+REINCAN+REI+REINTEL from 2017 to 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 (%)

	2019						2020						2021					
	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	64.4	35.6	78.3	21.7	0.0	0.0	62.5	37.5	72.9	27.1	0.0	0.0	58.8	41.2	73.4	26.6
Technical Specialists/Experts*	56.3	43.7	77.6	22.4	87.7	12.3	55.3	44.7	76.9	23.2	85.7	14.3	55.6	44.4	76.5	23.5	84.1	15.9
Administrative/Support Personnel	0.0	0.0	10.9	89.1	27.9	72.1	33.3	66.7	0.2	84.9	28.6	71.4	70.0	30.0	20.5	79.5	27.5	72.5
<b>Total (%)</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>73.5</b>	<b>26.5</b>	<b>76.7</b>	<b>23.3</b>	<b>57.0</b>	<b>43.0</b>	<b>73.6</b>	<b>26.4</b>	<b>75.2</b>	<b>24.8</b>

Note: Red Eléctrica Group since 2019

- Women are more present in the younger age groups (under 30: **43%**; from 30 to 50: **26.4%** and over 50: **24.8%**).
- It should be noted that young women hold technical positions (**44.4%** in children under 30), with figures even similar to those of 2020.
- In the older age groups, the percentage of women in technical positions is very low (over 50 years old: 15.9%) and, on the contrary, they hold the majority of positions in support staff, in the age range of 30 to 50 years: 79.5% and over 50: 72.5%.

This evolution demonstrates the actions taken to increase women on the staff.

## 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 2021 the value was 1 thus experiencing a slight improvement over the last year, although the target value has not been reached in its entirety. This result was due to the fact that it takes into account both external selection processes and internal selection processes produced by internal mobilities that have been strongly promoted in the last two years. In 2020 and 2021, the vast majority of internal transfers were requested by men, which explains the value of the indicator.

For the hiring processes, the applications received are assessed according to criteria of non-discrimination and gender equality; however, the current problem of a lack of women in the field of STEM careers must be taken into account. To alleviate this deficiency, actions are being carried out and work is being done with the **Royal Academy of Engineering to promote women in STEM studies**. The collaboration is carried out through an agreement signed in 2017 and renewed in successive years. 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.

In addition, it should be noted that in January 2022 Red Elctrica joined the STEAM Alliance for Female Talent, an initiative launched by the Ministry of Education and Vocational Training to encourage girls' vocations in science and technology.

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

### Evolution of equal opportunities in the selection process, 2016-21



Reference values		
Target	Maximum	Minimum
1.20	2	1

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 governing their remuneration policy aim for internal equity and external competitiveness regardless of gender, noting the possible gaps that may arise to correct them.

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:

### Gross Wage Gap <sup>1</sup>

	2019	2020	2021
Management Team	13.2	5.7	8.2
Technical Specialists/Experts*	10.6	9.9	8.2
Administrative/Support Personnel	4.8	4.5	-5.2
<b>Total</b>	<b>10.94</b>	<b>9.84</b>	<b>6.96</b>

- (1) Average total salary: in 2020, overtime, allowances and expatriation allowances are included when calculating average salaries. The data for 2019 is also recalculated under this same criterion.

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

This gap is in gross terms and is known as "*Gender pay gap*" which does not take into account length of service and other concepts that would contribute to reducing the salary difference, which is known as "*Equal pay*". It should be noted that organisations such as the CNMV ask for the method for calculating the salary gap to meet with the objective of promoting diversity and eliminating gender bias.

Furthermore, in the interests of advancing transparency and complying with market recommendations and best practices, it is worth mentioning that the Red Eléctrica Group includes all forms of employee remuneration for the calculation of its gross wage gap, including per diems, overtime pay and expatriation allowances.

The differences that are not very significant between the salaries of men and women in the different professional groups are explained by aspects such as length of service in the job. As regards the support staff group, the gap in favour of women is noteworthy, as they are in the majority in this group, where the male presence is decreasing.

The Group's active monitoring of gender pay equity led to an improvement in its gross pay gap by almost three percentage points in 2021 compared to the previous year.

### Gender Pay Gap

2019	2020	2021
10.94%	9.84%	6.96%

In 2021, the Company worked on implementing its Remuneration Register, as established in Royal Decree 902/2020, with the aim of ensuring equal pay for equal work and to guarantee transparency. In the coming years the Group will continue to work on and implement actions to make it possible to continue making progress on improving these values.

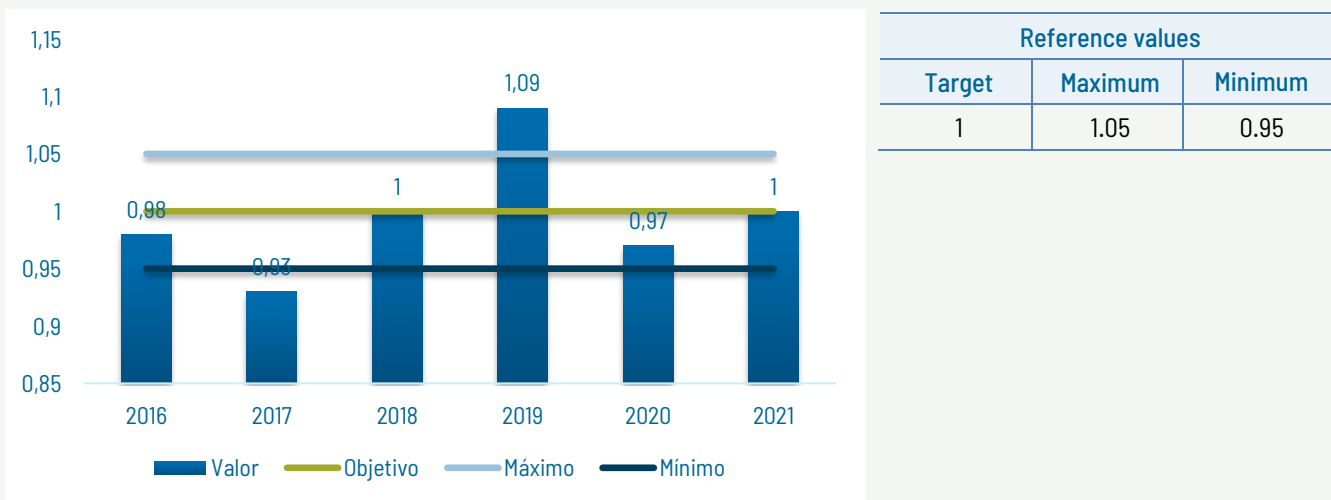
### C. Training

Equality in training is another indicator that shows a commitment to diversity.

In 2021, 100% of the women of Red Eléctrica completed at least one training action included in the "Learning Plan" of each employee; these are training courses that the organisation promotes for the self-development of its employees and that are additional to the training necessary to carry out the duties of certain jobs.

As a result of this involvement, the equal opportunities index in training, once analysed, returned to a value of 1, and this value reflects a slight increase compared to 2020.

#### Evolution of equal opportunities in training, 2016-21



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

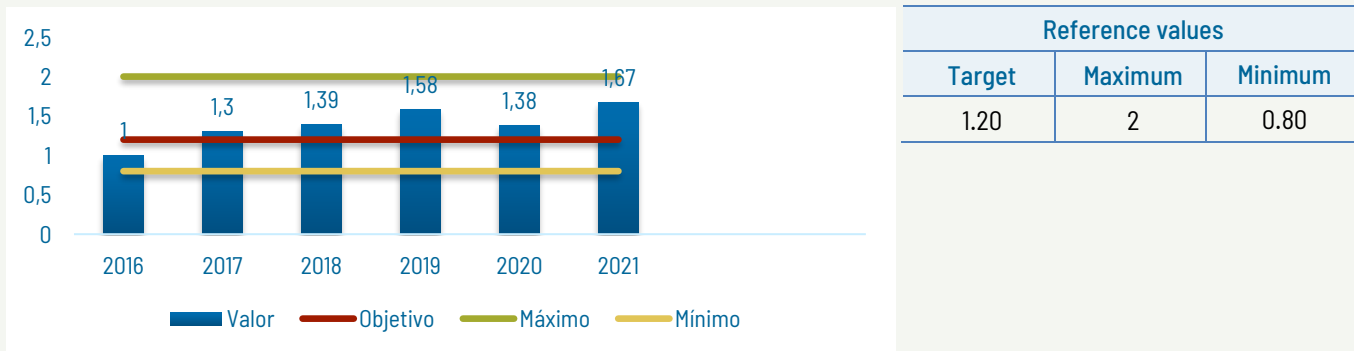
Calculation of the indicator:

- Variables:
- a. No. of women who have received training/total women
  - b. 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, 2016-21



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).
- by promotion to management.

**The promotion of women to higher professional levels and in particular to managerial positions has been increasing in recent years, and it went up again in 2021 to 1.67, above the target of 1.2.** This increase was due to the fact that about half of the promotions, both of managers and of non-executives, were women, which shows the Group's commitment to the principle of equality.

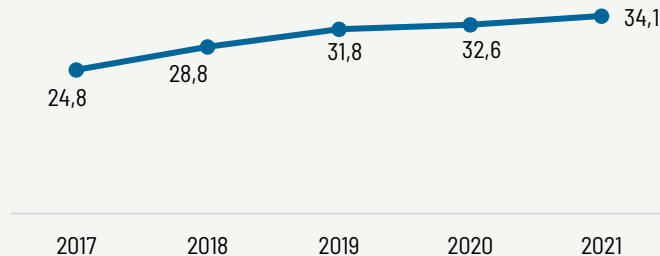
In 2020, a **new indicator, "Equal Promotion Opportunities"**, was also incorporated, which specifically measures appointments to management positions or the progression of managers to senior management positions. In 2021 it was set at 1.75, compared to 1.58 in 2020.

The commitment of the "2030 Agenda" to reach a level of 50% women in the management team thus 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 2021 in terms of gender stood at 45.16%: i.e., out of 31 promotions 14 were women and 17 men.

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 **34.1%** and **37.2%** in Red Eléctrica S.A.U. and Red Eléctrica Corporación, S.A., advancing toward the CDP's target of 35% women managers by 2022.

## Evolution of women on the workforce in managerial positions 2017-21



As for **Executive Committee** and the **Steering Committee**, it should be noted that the **percentage of women** are both currently at **50%**. It should also be noted that **50% of the senior executives were women in 2021**.

### 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 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**".

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 **Individual Development Plan (IDP)** is 341, of which 102 are women, equating to **30%** of the total.

In 2021, the launch of the **Diversity Management and Women's Leadership Programme** was aimed at all the Group's personnel, but especially women. The general objectives of this programme are as follows:

- **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 was launched in June 2021, with two separate modules. The first focuses on awareness-raising, training and self-knowledge, while the second focuses on emotional well-being, communication, development of personal brand and networking for women.

In the second half of 2021, the first module was carried out. The second will take place in 2022.

As regards the first module, mainly on awareness-raising and training, it should be noted that a dissemination action aimed at all the Group's men and women was carried out to raise awareness of the importance of diversity in organisations and thus favour inclusion, thereby reducing unconscious biases. A total of 1,876 employees were invited to this course, 58.4% of whom completed the training.

The second part of this module aimed at ascertaining the opinion of the Group's professionals on development opportunities, identifying possible barriers, biases and beliefs.

The programme will continue to be implemented during 2022, especially in relation to the second module as mentioned above.

## 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 for possible promotions.

According to the data analysed, in the six existing differentiation segments, women are mostly represented in the optimal and excellent contribution segments. Of the total of optimal contributions, 23% are women, and of the total of excellent contributions (those with superior capabilities and potential), 28.7% are women. It is worth noting that 34% of the Group's women have made excellent contributions compared to 29% of men.

**Women are also more represented in the best-valued segment, as these are contributions that reflect higher-level capabilities.**

### *Other actions regarding equality in the organisation*

As an important action to raise awareness of Equality, it is worth highlighting the **3rd "WOMEN AT RED" Week**, which was held from 8 to 11 March 2021, with internal actions during three days aimed at raising awareness of the importance of women in society in general and in organisations in particular. The topics covered were Co-responsibility in times of pandemic, women in the rural environment and Co-creating a new reality through co-responsibility. The official conference was inaugurated by the chair of the Red Eléctrica Group, Beatriz Corredor, and was attended by the director Socorro Fernández Larrea. The week closed with the participation of the CEO, Roberto García Merino.

Very interesting external actions were also carried out, such as the dissemination of testimonies of women of the Group with different profiles and a video from the Chair. The role of women in the entrepreneurship, innovation and technology ecosystem was also addressed.

On the other hand, participation continues on the **Promotional programme**<sup>6</sup>, which aims to improve and facilitate women's access to decision-making positions.

Regarding other actions carried out against **gender-based violence**, in line with the **agreement signed with the current Ministry of Equality on 19 June 2012** (which is still in force today) various actions were carried out in 2021, such as the Company's participation in the **race against gender-based violence**, and on the occasion of the International Day Against Gender-Based Violence, a news Article was disseminated with a short questionnaire about awareness of the subject. The Red Eléctrica Group also publicised the **awareness campaign of the Adecco Foundation** and has collaborated with the 9th 'Report on Gender Violence and Employment', prepared by that company.

In relation to the commitment to bring diversity policies to stakeholders, in 2020, a course on diversity aimed at suppliers was launched in conjunction with the United Nations Global Compact, which has been very well received, with the preparation of a final report that was closed in 2021 with a high degree of satisfaction on the part of the participants.

### *Equality and Diversity Commitments*

- **#CEOPORLADIVERSIDAD:** To promote the DE&I (Diversity, Equality and Inclusion) strategy, with the CEOE (Spanish Confederation of Employers' Organisations) and the Adecco Foundation.

<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 to improve and facilitate their access to decision-making positions in their companies. The Promotional projects of 2016 and 2017 both were attended by a female director from Red Eléctrica.



- **'More women, better businesses' Protocol:** To guarantee the presence of women in management positions, management committees and boards. 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**.
- Accession to the *Women's Empowerment Principles* of the UN Global Compact.
- Inclusion in the European Commission's International Platform for Equality for the Energy Sector.
- Collaboration with Comillas University on the Conciliation and Shared Responsibility Observatory.
- Incorporation of Elewit as a Board member of the new "ASCRI Diversity Club."

### 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. A follow-up report was carried out annually and was assessed positively by the Women's Institute in 2021.

Noteworthy recognition received in the field of diversity:

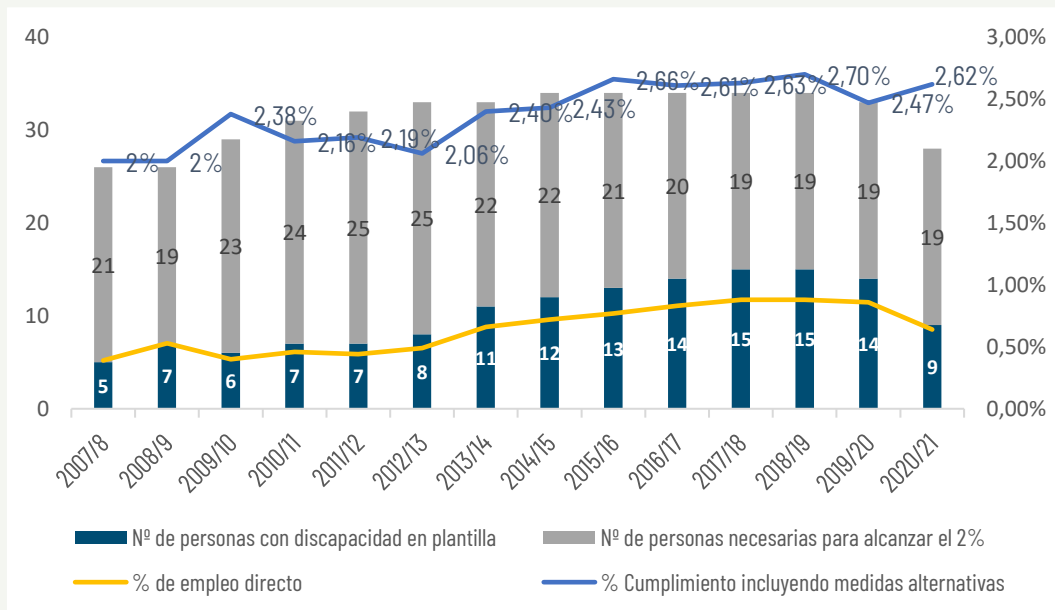
- In the report on Gender Equality in Europe published by **EQUILEAP (an organisation promoting equality in the workplace)**, Red Eléctrica has entered the "Top 20", occupying **12th place in the gender equality ranking**. In the *Gender Quality Global Report & Ranking* recently published by the same organisation, **Red Eléctrica is in the Top 100 companies worldwide, in 53rd place (number 2 Spanish company)**.
- Included in the TOP30 Companies with best practices in Diversity & Inclusion.
- The Red Eléctrica Group has maintained its place in the "Bloomberg Gender Equality Index" with a better score than in 2020, and it continues to outperform the average of the 418 companies included in the index in the overall assessment, and in the level of performance and transparency, highlighting its position regarding equal pay and measures against harassment.

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 another vector of its Comprehensive Diversity Plan, the way **disability** is managed within the Red Eléctrica Group has evolved greatly, demonstrating the Company's increased commitment towards inclusion of this community.

## Evolution of compliance with the Spanish Rights of Persons with Disabilities and their Social Inclusion Act (LGD), 2008-21



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 2021 reached a level of **2.62% equivalent employment of persons with disabilities**. Although the 2% level was not reached through direct employment, the legal level was surpassed by applying alternative measures. Of this percentage, 0.64% 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 EUR 309,068.58 and donations in the amount of EUR 115,000, which is equivalent to hiring 27.84 people with a disability. This data corresponds to Red Eléctrica de España, S.A.U.

In 2021, two employees obtained disability certificates: one on the staff of Red Eléctrica de España, S.A.U. and another on the staff of Red Eléctrica Corporación, S.A.

As regards the latter, the percentage of disabled people is 1.28%. Therefore, efforts were initiated in 2021 to obtain a certificate of exception and to apply the corresponding alternative measures.

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%). Hispasat has three people with disabilities in its workforce.

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 General Disabilities Act through direct employment, in spite of having conducted an active search through specialised entities.

Noteworthy, is the increase in the number of beneficiaries of the "**Plan Familia**" (**Family Plan**) with the Adecco Foundation, currently standing at 24 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.

<sup>7</sup>Legally, to comply with current legislation (Royal Decree 1/2013 of 29 November, approving the Revised Text of the Spanish General Rights of Persons with Disabilities and their Social Inclusion Act [*Ley General de Derechos de las personas con discapacidad y su inclusión social*, or "General Disabilities Act"]) 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.

As regards actions to raise awareness among our staff, we would like to highlight our participation in the **12th Carrera de las Capacidades (Abilities Race)** held virtually on 20 June, organised by the Adecco Foundation, which aims to support training and employment projects for people with disabilities who encounter greater difficulties in accessing the labour market. In 2021, we also carried out communication actions on 3 December in relation to International Persons with Disabilities Day, collaborating with the Adecco Foundation's "Save an Unbeliever" campaign.

### 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 2021, the Company continued to carry out multidisciplinary actions (safety and health, talent and organisation) integrated into the employee life cycle.

Thus, the Group's participation in the **Senior White Paper of the EAE business school**, the Work of the Future Centre Institute, EJECON and the International Organisation of Human Capital Managers are of note. The Group collaborated by sharing knowledge management measures for senior staff, the "value of your experience" programme.

In addition, actions were taken to redirect functions and adapt them to current needs in relation to certain positions filled by the elderly.

This year the Company also 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.

Lastly, it should be noted that the training course mentioned above on the Women's Diversity and Leadership Programme included a section on age, and therefore the staff has also been made aware of this issue.

#### Demographic data regarding the workforce

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

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Under 30	67	52	119	60	52	112	57	43	100
Between 30 to 50	978	347	1,325	961	347	1,308	989	355	1,344
Over 50	479	133	612	484	147	631	506	167	673
<b>Total</b>	<b>1,524</b>	<b>532</b>	<b>2,056</b>	<b>1,505</b>	<b>546</b>	<b>2,051</b>	<b>1,552</b>	<b>565</b>	<b>2,117</b>

Note: Scope of the data: Red Eléctrica Group in Spain since 2019 (including HISPASAT).

##### Evolution of the average age on the workforce, 2018-21

Average age	2018	2019	2020	2021
	46	47.7	45	45.6

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

## 5.4. Managing 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.

2021 was marked by the deployment of the objectives set for the year, 75% of which were met, especially the successful renewal of the Family Responsible Company (EFR) certificate. This management model is one of the fundamental pillars of the Healthy Company Model and the Diversity Model and includes more than 70 work/life balance measures and other associated actions.

The vast majority of the measures included in the scope of Red Eléctrica's Comprehensive Work-Life Balance Plan are applicable to all the companies of the Group.

### Areas of work/life balance measures

Leadership and management styles	Quality jobs	Spatial and temporal flexibility
Support for families	Personal and professional development	Equal opportunities

### 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.

## 5.5. + Diversity

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 on some of them in 2021, such as the inclusion of LGTBI groups by implementing internal communication actions, especially including Red Eléctrica joining the **REDI** (Business Network for diversity and inclusion of LGTBI+), which formalises the Group's commitment to this group.

The REDI is the first business-to-business and expert network on diversity and inclusion of LGTBI employees. It was created in June 2015 and was inspired by similar international initiatives. There are currently more than 100 members in Spain, so the Red Eléctrica Group is part of a large business network in which actions and measures are carried out to promote inclusive and LGBT-friendly work environments.

As every 28 June, in 2021 we took part in LGTBI Pride Day; a key date worldwide in support of the right to plurality, to be different and to live in harmony. The Red Eléctrica Group celebrates it every year because we believe that differences are an opportunity to generate value and enrich our environment, building a place where everyone has a voice. In 2021, we disseminated the **activities organised by the REDI for Pride Week**, thus raising awareness among the workforce and encouraging them to participate in the proposed activities.

## Corporate Volunteering

Lastly, the **Group corporate volunteering model** should be noted, which was updated in 2021, as it extended the Company's social actions, promoting and strengthening collaboration in solidarity activities that respond to the social needs, problems and interests defined in its main lines of action.

The corporate volunteering model has a **strategic and transformational approach**, whereby the actions carried out seek, on the one hand, to 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.

The actions carried out in 2021 responded to the interest of the participating volunteers and contributed primarily to improving the quality of life of groups at risk of social exclusion, promoting employability and meeting the specific and real demands of society.

Thus, some of the actions carried out should be highlighted:

- In connection with groups at risk of social exclusion, a campaign was carried out with Aldeas Infantiles to donate complete sets of school supplies.
- A workshop called "Experiment Kit" for children in disadvantaged situations, in which volunteers and their families carried out experiments at home, while at the same time as these children were made aware of the importance of science in their daily lives.

## 6. Conclusions

Red Eléctrica Corporación, S.A., and 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 and its Committees, and in management and throughout the organisation of the Red Eléctrica Group.

To that end, appropriate procedures are ensured and followed in each candidate selection process to guarantee that the criteria that define the profile and the requirements considered 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 and its Committees, also acknowledges the practical application of the diversity commitment in the Company.

As regards the composition of the Board, Red Eléctrica Corporación, S.A. maintains and fosters the application of policies and procedures to ensure reasonable balance and comprehensive diversity within the Board to adequately perform the tasks entrusted to it, and 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 directors, among other aspects, in the composition of the Board and its Committees.

With a Board made up of 50% women, not only has it achieved the target set in 2020 of having 30% of its total number of directors be women, 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 yet again this year 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. It is also one of only two IBEX 35 companies chaired by a woman.

As regards 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.

The data of the Red Eléctrica Group in relation to the percentage of women on Boards and at management level has also been recognised by the inclusion of Red Eléctrica in the IBEX Gender Equality Index, which was launched by Spanish Markets and Exchanges (BME) and aims to provide a clear indicator with transparent criteria that serves to measure the state of gender equality in Spanish companies. Any company included in the Madrid Stock Exchange General Index (IGBM) that has between 25% and 75% women on its board and between 15% and 85% women in senior management is eligible to join the index, whose composition will be reviewed every June.

Of particular relevance in 2021 was the launch of the Diversity Management and Women's Leadership Programme, aimed at all Group employees in Spain--although part of the training was also shared with LATAM--to help raise awareness of the importance of diversity and inclusion in the organisation, and to reduce unconscious biases. Actions have been implemented to help discover, through personal self-knowledge, possible limitations and individual strengths in relation to the development and leadership of women.

For yet another year, the role of diversity has been strengthened as a social agent that Red Eléctrica wishes to implement. The search for engagement of suppliers and the high participation in the diversity course that the Red Eléctrica Group launched together with the United Nations Global Compact is evidence 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 LGBTBI (by joining the REDI) 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.

Even with the progress made and the current regulations on equality plans and pay records, the drive to continue promoting diversity, especially in equality, remains a key objective for the Red Eléctrica Group. 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 organisational structure. This is all with a view to promoting the commitment to diversity among our stakeholders and society in general.

The Red Eléctrica Group's commitment to diversity is also evident in its supervision mechanisms, since compliance with diversity objectives and commitments are analysed and supervised by the Appointments and Remuneration Committee and the Board, with annual monitoring and evaluation of the implementation of diversity policies within the Board, to ascertain the situation of the Red Eléctrica Group in this area and the progress and improvements made, and to identify the most relevant future 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.