



euskaltel

# General Meeting of Shareholders

**2020**

Call to meeting



**ERRONKA GARBIA**  
EVENTO AMBIENTALMENTE SOSTENIBLE

**EUSKALTEL, S.A.**  
**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**Place, date and time of the meeting**

The Board of Directors of Euskaltel, S.A. (“Euskaltel” or the “Company”) has resolved to call the **Annual General Meeting of Shareholders** to be held at the registered office (located in Derio, Biscay, at Parque Tecnológico-Teknologi Elkartegia, Edificio 809), on **2 June 2020 at 12:00 on first call**, or if the required quorum is not met, then on second call, the next day, 3 June 2020, at the same place and time. Shareholder registration desks will be open as from **10:30**. Although two calls are provided for, it is expected that the required quorum will be met on first call, for which reason **the Annual General Meeting of Shareholders will in all likelihood be held on 2 June 2020**, unless the shareholders are advised otherwise on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)) and in the daily press.

In the current context as at the date of the call to the General Meeting of Shareholders, due to growing restrictions on movement arising from the outbreak of coronavirus (Covid-19), regulated by Royal Decree 463/2020 of 14 March, declaring a state of emergency in order to manage the health crisis caused by Covid-19, the Board of Directors reserves the right to hold the Annual General Meeting of Shareholders behind closed doors, advising the shareholders thereof on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)) and in the daily press, and in any case guaranteeing the shareholders’ right to participation and voting.

Furthermore, in accordance with article 41.1.c) of Royal Decree-Law 8/2020 (the Royal Decree-Law) of 17 March, on urgent additional measures to deal with the economic and social impact of Covid-19, it is recommended that shareholders and/or their representatives do not attend in person. The Company shall therefore make available to shareholders the resources needed to guarantee remote attendance and voting via electronic means.

All of this, without prejudice to any amendments that may be made to the Bylaws and the Regulations of the General Meeting of Shareholders, considering that, as of the date of the Annual General Meeting of Shareholders, these means are not expressly contemplated therein; however, the Royal Decree-Law expressly provides for the possibility of holding the General Meeting of Shareholders via the electronic means mentioned herein.

These means, in accordance with the instructions published on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)), will ensure the exercise of the information, attendance and voting rights of shareholders and the equal treatment of all those in the same position.

## Agenda

### Items relating to the annual accounts, company management and the statutory auditor

1. Examination and approval of the individual annual accounts of Euskaltel and the consolidated annual accounts of Euskaltel and subsidiaries for the financial year ended 31 December 2019.
2. Examination and approval of the individual management report of Euskaltel and the consolidated management report of Euskaltel and subsidiaries for the financial year ended 31 December 2019.
3. Examination and approval of the Consolidated Statement of Non-Financial Information of Euskaltel and subsidiaries for the financial year ended 31 December 2019.
4. Examination and approval of company management and of the activities of Euskaltel's Board of Directors during the financial year ended 31 December 2019.
5. Re-election of KPMG Auditores, S.L. as auditor of the individual annual accounts of Euskaltel and as auditor of the annual accounts of the consolidated group made up of Euskaltel and subsidiaries for the 2020 financial year.

### Items relating to the amendment of the Bylaws and the Regulations of the General Meeting of Shareholders

6. Amendment of the Bylaws and the Regulations of the General Meeting of Shareholders
  - 6.1. Amendment of articles 28, 31 and 38 of the Bylaws of EUSKALTEL, S.A. relating to the text of the call to the General Meeting of Shareholders, the place for holding the meeting and absentee voting and amendment of the internal Regulations of the General Meeting of Shareholders.
  - 6.2. Amendment of article 62.3 of the Bylaws ("Remuneration of Non-Executive Directors if appointed Chair of the Board of Directors").
  - 6.3. Amendment of article 65 *bis* of the Bylaws ("Strategy Committee").
  - 6.4. Amendment of articles 45,62, 63, 64, 65 and new article 65 *ter* of the Bylaws, separation of the Appointments and Remuneration Committee into two Committees, the Appointments Committee and the Remuneration Committee.

### Items relating to the composition of the Board of Directors

7. Setting of the number of members of Euskaltel's Board of Directors at eleven (11) directors.
8. Re-election of Kartera 1, S.L. as Proprietary Director represented by Ms Alicia Vivanco González for the bylaw-mandated 4-year term.

9. Ratification of the interim appointment (co-option) and election of Mr Xabier Iturbe as External Director.

Items relating to shareholder remuneration and director remuneration

10. Approval of the proposed application of results of Euskaltel and distribution of dividends for the financial year ended 31 December 2019.
11. Approval of the annual maximum overall amount of remuneration of the Board of Directors.
12. Approval of the application of the Special Plan 2020-2022.
13. Approval of the Director Remuneration Policy for financial years 2019, 2020 and 2021.

Items relating to the express authorisations and delegations that are requested

14. Authorisation of the Board of Directors, pursuant to the provisions of section 297.1.b) of the Corporate Enterprises Act, such that, within a maximum term of five years, and if it so deems appropriate, it may increase the share capital by up to one-half of the current share capital, on one or more occasions and at the time and in the amount it deems appropriate, with the power to exclude pre-emptive rights, up to a limit of 10% of capital at the time of the delegation pursuant to article 13 of the Bylaws. Delegation of powers to the Board of Directors, with express power of substitution, including, among others, the power to amend article 6 of the Bylaws governing share capital.
15. Renewal of the authorisation given to the Board of Directors by the shareholders acting at the General Meeting of Shareholders held on 27 June 2016, with express powers of substitution, for a period of 5 years, to issue simple debentures or bonds, notes and other fixed income securities of a similar nature, not convertible into new shares of the Company or exchangeable for outstanding shares of the Company, as well as preferred shares, with a maximum limit of 600 million euros, in accordance with the Resolution adopted at the Annual General Meeting of Shareholders of Euskaltel, S.A. on 1 June 2018. Authorisation for the Company to be able to guarantee the new issues of securities by the subsidiaries up to the foregoing limit.

Item relating to general matters

16. Delegation of powers to formalise and implement all resolutions adopted by the shareholders at the General Meeting, for conversion thereof into a public instrument, and for the interpretation, correction and supplementation thereof, further elaboration thereon, and registration thereof, and to carry out the mandatory filing of accounts.

Item of a consultative nature

17. Consultative vote regarding the Annual Director Remuneration Report for the financial year ended 31 December 2019.

## Supplement to the call to meeting and submission of proposed resolutions

Pursuant to the provisions of the Corporate Enterprises Act (*Ley de Sociedades de Capital*), shareholders representing at least three per cent of the share capital may: (i) request the publication of a supplement to the call to the Meeting, including one or more items on the agenda, provided that such new items are accompanied by a rationale or, if appropriate, by a duly substantiated proposed resolution; and (ii) submit well-founded proposed resolutions on matters already included or that must be included in the agenda.

Such rights must be exercised by duly authenticated notice addressed to the Office of the General Secretary of the Company, which must be received at the registered office of Euskaltel (Parque Tecnológico-Teknologi Elkartegia, Edificio 809, C.P. 48160, Derio, Biscay) within five days of the publication of this call to meeting.

## Participation: attendance, proxy representation and absentee voting

All holders of voting shares who have caused such shares to be registered in their name in the corresponding book-entry register at least five days in advance of the date on which the Annual General Meeting of Shareholders is to be held may attend and participate in the Annual General Meeting of Shareholders, with the rights to be heard and to vote.

All shareholders having the right to attend may be represented at the Annual General Meeting of Shareholders by another person, even though not a shareholder, by complying with the requirements and formalities established by Law, the Bylaws and the other internal rules of the Company to the extent applicable.

Shareholders having the right to attend may grant a proxy or cast an absentee vote on the proposals relating to items included in the agenda of the call to meeting, which they may do in writing by delivering a duly completed attendance, proxy and absentee voting card to the registered office of the Company, by sending it to the Company by post (Parque Tecnológico-Teknologi Elkartegia, Edificio 809, C.P. 48160, Derio, Biscay) or by electronic communication as provided for on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)). The use of this service requires a digital user certificate issued in accordance with the provisions of Law 59/2003 of 19 December on Electronic Signatures and validated by the Spanish Public Certification Authority (*Autoridad Pública de Certificación Española*) (CERES) within the Royal Spanish Mint (*Fábrica Nacional de Moneda y Timbre*).

The Company will make available to shareholders on its website ([www.euskaltel.com](http://www.euskaltel.com)) the forms or models that can be used to grant a proxy and vote by post or remote electronic communication.

To be valid, proxies granted and votes cast by any means of remote communication (postal or electronic) must be received by the Company before 24:00 on the day immediately prior to the day set for the holding of the General Meeting of Shareholders upon first call.

In order to guarantee the safety of shareholders within the context of the health crisis caused by Covid-19, the Board of Directors recommends that shareholders and/or their representatives do not attend in person. Pursuant to article 41.1.c) of the Royal Decree-Law, attendance at the Meeting may be achieved via electronic means allowing a real-time connection with the location where the Meeting is being held ("remote attendance"),

although this is not expressly provided for in the Byelaws or in the Regulations of the General Meeting of Shareholders. The procedures for remotely attending the meeting will be made available on Euskaltel's corporate website, [www.euskaltel.com](http://www.euskaltel.com), at 10:30 hours on 2 June 2020, (at first call) and, if appropriate, at 10:30 hours on 3 June 2020 (at second call).

Once their status as shareholders has been correctly recorded and duly accredited, in accordance with the Company's instructions, shareholders may follow the Meeting live using the application made available to them and cast their vote.

In order to facilitate the participation of all shareholders, the Company will make available the equipment required for the simultaneous interpretation of presentations made in Spanish into Euskera (Basque) and English, as well as for the consecutive interpretation into Spanish of the presentations of shareholders wishing to use the floor in Euskera or English during the Annual General Meeting of Shareholders.

The Company reserves the right to amend, suspend, cancel or restrict the mechanisms for electronic voting and proxy-granting when so advised or required for technical or security reasons. The Company shall not be liable for damage that may be occasioned due to overloads, failures, fallen lines, connection failures or similar events beyond its control that temporarily prevent the use of electronic proxy-granting and voting systems.

#### **Available information and documentation**

Pursuant to the provisions of Sections 272, 287 and 518 of the Corporate Enterprises Act, as from the publication of this call to meeting until the holding of the General Meeting, any shareholder may immediately obtain the following documentation without charge, which has been continuously made available to shareholders at the registered office and through the website of the Company ([www.euskaltel.com](http://www.euskaltel.com)) and a portion of which has also been sent to the National Securities Market Commission:

- This announcement of call to meeting.
- The total number of shares and voting rights on the date of the call to meeting.
- The full text of the proposed resolutions that may be adopted by shareholders at the Annual General Meeting of Shareholders of the Company with respect to each of the items included in the agenda.
- The Annual Financial Report for the 2019 financial year, which includes the individual and consolidated annual accounts, the individual and consolidated management reports (including the Consolidated Statement of Non-Financial Information), and the respective statutory auditor reports and Responsible Company Report for the 2019 financial year. Also, the Assurance Report on the Consolidated Statement of Non-Financial Information.
- The current Byelaws, together with the resulting text of such Byelaws if the amendments proposed to shareholders at the General Meeting are approved, and the explanatory reports of the Board of Directors on the proposed amendments of articles 28, 31 y 38, 62.3, 65 bis y 45, 63, 64 y 65.

- The current Internal Regulations of the General Meeting of Shareholders, as well as the amendments proposed to the shareholders at the General Meeting and the explanatory report of the Board of Directors regarding the proposed Additional Provision.
- The reasoned proposal of the Appointments and Remunerations Committee, together with the required report of the Board of Directors regarding the competency, experience and merits of the directors proposed for re-election, which includes, among other things, the identity, curriculum vitae and classification of each director.
- The Annual Corporate Governance Report for the 2019 financial year.
- The Company's Annual Director Remuneration Report for the 2019 financial year, which is submitted to a separate consultative vote as item 17 on the agenda.
- Report of the directors regarding the proposed renewal of the authorisation given to the Company's Board of Directors for the issue of simple debentures or bonds, notes and other fixed income securities of a similar nature, as well as preferred shares.
- Report of the directors regarding the proposed authorisation to the Board to increase the share capital.
- The annual report of the Audit and Control Committee for the 2019 financial year.
- The annual report of the Appointments and Remunerations Committee for the 2019 financial year.
- The report of the Audit and Control Committee regarding the independence of the statutory auditor.
- The report of the Audit and Control Committee regarding related-party transactions.
- The rules of operation of the Electronic Shareholders' Forum.
- The form or model for the attendance, proxy and absentee voting card.
- Any valid requests for information, clarifications or questions made by the shareholders in the exercise of their right to obtain information, and any answers provided by the directors.
- Any supplement to the call to the General Meeting of Shareholders.

The following have also been made available to the shareholders on the Company's website: (i) instructions regarding the manner in which shareholders can exercise their right to obtain information; (ii) information regarding remote attendance and information on the way to reach and access the place where the General Meeting of Shareholders will be held, unless it is decided to hold the meeting behind closed doors on health grounds, in which case

notification of this circumstance will be found on the Company's website ([www.euskaltel.com](http://www.euskaltel.com)); (iii) information regarding the procedures or systems for viewing the General Meeting of Shareholders; and (iv) instructions for casting or delegating absentee votes through the means provided.

Furthermore, any shareholder may request the delivery or shipping without charge of the documentation that must be submitted for approval at the General Meeting as required by law, and particularly the Annual Financial Report for financial year 2019, which includes the individual and consolidated annual accounts, the individual and consolidated management reports, and the respective statutory auditor reports for financial year 2019.

Pursuant to the provisions of Sections 197 and 520 of the Corporate Enterprises Act, from the date of publication of the call to the General Meeting until the fifth day prior to the holding of the General Meeting on first call, inclusive, or verbally during the holding thereof, shareholders may ask the Board of Directors for information or clarifications or ask questions in writing that they deem pertinent regarding the items included in the agenda.

In addition, within the same advance period and in writing, or verbally during the holding of the Meeting, shareholders may request the clarifications they deem necessary concerning information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the last General Meeting and regarding the auditor's report.

Except in those cases expressly provided by law, the Board of Directors shall be required to provide the information requested in writing through the date of holding of the General Meeting, and in the case of verbal requests made during the holding of the General Meeting, if the right of the shareholder cannot be satisfied at such time, the Board of Directors shall be required to provide such information in writing with seven days of the end of the General Meeting.

Requests for information may be made by delivery of the request at the registered office; by sending such requests by post to the Company (Parque Tecnológico-Teknologi Elkartegia, Edificio 809, C.P. 48160, Derio, Biscay); or by remote electronic communication through Euskaltel's website ([www.euskaltel.com](http://www.euskaltel.com)) in the place and form provided for such purpose.

Finally, it is reported that, pursuant to the provisions of Section 539.2 of the Corporate Enterprises Act, there has been enabled on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)) an electronic shareholders' forum, the use of which shall conform to the legal purpose thereof and to assurances and rules of operation established by the Company, and which may be accessed by duly qualified shareholders and shareholder groups.

### **Common provisions applicable to the rights of the shareholders**

The rights to receive information, to attend, to proxy representation, to absentee voting and to submit well-founded proposed resolutions shall be exercised as provided by law, the Bylaws and the Regulations for the General Meeting of Shareholders, available on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)).

### Participation of a Notary at the General Meeting

Pursuant to the provisions of Sections 203 of the Corporate Enterprises Act and 101 of the Regulations of the Commercial Registry, the Board of Directors has resolved to request the presence of a Notary to draw up the minutes of the General Meeting.

### Other information of interest for shareholders

To facilitate the viewing and appropriate dissemination thereof, all or part of the proceedings of the Annual General Meeting of Shareholders may be subject to audiovisual recording and broadcast and made available to the public through the Company's corporate website ([www.euskaltel.com](http://www.euskaltel.com)). By entering the premises where the Annual General Meeting of Shareholders is to be held, attendees consent to the capture and reproduction of images of their person and to the processing of their personal data through such media.

### Additional information

For information regarding the Annual General Meeting of Shareholders not contained in this announcement, shareholders may consult the Regulations for the General Meeting of Shareholders by accessing the Investors section of the corporate website ([www.euskaltel.com](http://www.euskaltel.com)).

To obtain additional information, shareholders may also contact the Shareholder Services Office (*Oficina de Atención al Accionista*) at Parque Tecnológico-Teknologi Elkartegia, Edificio 809, C.P. 48160, Derio (Biscay) from 9:00 to 14:00, Monday to Friday; by sending an email to [accionista@euskaltel.com](mailto:accionista@euskaltel.com); or by accessing the Investors section which is permanently available on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)).

In Derio (Biscay), on 22 April 2020.

The Non-Director Secretary of the Board of Directors

Mr José Ortiz Martínez.

## Personal Data Protection

### 1. Controller

Euskaltel, S.A., a company with registered office at Parque Tecnológico - Teknologi Ekartegia Edificio 809 Derio (Biscay), with Tax ID number (NIF) A- 48766695, and telephone number 944011556 (hereinafter, Euskaltel or the “Company”), is the controller of the personal data that shareholders provide to the Company (upon the exercise or delegation of their rights to receive information, to attend, to proxy representation and to vote) or that are provided by both the financial institutions and by the investment services companies that are depositaries or custodians of the shares held by such shareholders and the entities in charge of the book-entry registers pursuant to law, as well as the personal data that may be generated within the framework of the shareholders’ attendance at the General Meeting.

For any question regarding the processing of their personal data, the shareholders may contact the Company at the following email address: [accionista@euskaltel.com](mailto:accionista@euskaltel.com).

The Company also has a Data Protection Officer, who is the person in charge of protecting the fundamental right to the protection of data and is responsible for compliance with data protection regulations at Euskaltel, and whose email address is [dpd@euskaltel.com](mailto:dpd@euskaltel.com).

### 2. Purpose of processing, legal grounds and communication of data

The following table shows the purposes for processing the personal data, the legal foundations allowing the processing of data by Euskaltel for each of said purposes, the recipients of the personal data (with no transfer of the personal data of the shareholders to third parties unless there is a legal obligation (e.g. tax authorities, courts and tribunals, CNMV, etc.)) or as expressly indicated in the table below.

The table also shows those data processors of Euskaltel who need to access such personal data in order to perform their duties, the existence of any international transfers of data, and the data retention period. Said data will also be blocked during the limitation periods applicable to obligations as required by law.

The shareholders may ask for a list of the recipients of their data by sending an email to [accionista@euskaltel.com](mailto:accionista@euskaltel.com) with an indication of the specific processing for which it wants the recipient information.

| <i>Purpose of the processing</i>                                                                                               | <i>Legal grounds</i>                                                                                                                                                                                                | <i>Recipients</i>                                                                                                                                                                                                                                                                         | <i>International transfers</i>                             | <i>Storage time limit</i>                                                                |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Management of the personal data of the shareholder to attend the General Meeting and accommodate the rights of the shareholder | Legal obligation: Section 192 of the Corporate Enterprises Act requires the creation of the list of attendees (in their capacity as shareholder representatives) in order to validly hold the General Meeting. This | The personal data will be transferred to: <ul style="list-style-type: none"> <li>Notaries: to prepare the Minutes of the General Meeting.</li> </ul> The categories of service providers that might access the data are technology or systems service providers and the entities hired to | There will be no international transfers of personal data. | Six years from the close of the financial year during which the General Meeting is held. |

| <i>Purpose of the processing</i>               | <i>Legal grounds</i>                                                                                                                                                                       | <i>Recipients</i>                                                                                                                                                                   | <i>International transfers</i>                             | <i>Storage time limit</i>                                                     |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------|
|                                                | legal provision also requires the management and accommodation of different rights relating to the status of shareholder.                                                                  | manage and help carry out the General Meeting.                                                                                                                                      |                                                            |                                                                               |
| Dissemination and recording of General Meeting | Legitimate interest: the General Meeting will be broadcast and recorded in order to comply with the Good Governance Code of Listed Companies of the National Securities Market Commission. | The categories of service providers that might access the data are technology or systems service providers and the entities hired to manage and help carry out the General Meeting. | There will be no international transfers of personal data. | The data will be stored for 2 years to comply with dissemination obligations. |

#### Necessary and updated information

In order for the information provided to the Company to always be current and not contain errors, the shareholders must use the following email address to notify Euskaltel as soon as possible of any changes to or corrections of their personal data: [accionista@euskaltel.com](mailto:accionista@euskaltel.com).

The shareholders may also update their personal data through such account ([accionista@euskaltel.com](mailto:accionista@euskaltel.com)).

### 3. Rights of data subjects

Shareholders may exercise the rights to access their personal data, to correction, to deletion, to limitation of processing of their personal data and the right to object to the processing of their personal data. Furthermore, if applicable and in accordance with applicable legal provisions, the right to data portability.

Shareholders may exercise their rights by attaching proof of their identity (DNI or equivalent document) at any time and without charge by sending an email to [accionista@euskaltel.com](mailto:accionista@euskaltel.com), stating the right they wish to exercise and their identifying information.

If the shareholders believe that Euskaltel has not properly processed their personal data, they may contact the Data Protection Officer at the email address [dpd@euskaltel.com](mailto:dpd@euskaltel.com). However, the shareholders have the right to submit a claim to the Spanish Data Protection Agency if they think that there has been a violation of data protection laws with respect to the processing of their personal data.