



euskaltel

# General Meeting of Shareholders

## 2019

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 1 April 2019 at 12:00 on first call, or if the required quorum is not met, then on second call, the next day, 2 April 2019, at the same place and time. Shareholder registration desks will be open as from 11:00. 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 1 April 2019, unless the shareholders are advised otherwise on the corporate website ([www.euskaltel.com](http://www.euskaltel.com)) and through a daily newspaper.

**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 2018.
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 2018.
3. Examination and approval of the Consolidated Statement of Non-Financial Information of Euskaltel and subsidiaries for the financial year ended 31 December 2018.
4. Examination and approval of company management and of the activities of Euskaltel’s Board of Directors during the financial year ended 31 December 2018.
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 financial year 2019.

Items relating to the amendment of the Bylaws

6. Amendment of the Bylaws:
  - 6.1. Amendment of article 4 of the Bylaws (“Company object”) in order to describe and specify in greater detail the services provided by the Company within the company object of Euskaltel that are not specifically determined in the current text thereof.
  - 6.2. Amendment of article 62 of the Bylaws (“Director remuneration”) in order to (i) give greater transparency to the Company’s remuneration system, transferring the

current items of remuneration to the bylaws, and (ii) offer greater control to the shareholders.

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

7. Re-election of directors:

- 7.1. Re-election of Ms Belén Amatriain Corbi as independent director for the bylaw-mandated term of 4 years.
- 7.2. Re-election of Mr Iñaki Alzaga Etxeita as independent director for the bylaw-mandated term of 4 years.

#### Items relating to shareholder remuneration and director remuneration

- 8. Approval of the proposed application of results of Euskaltel and distribution of dividends for the financial year ended 31 December 2018.
- 9. Approval of the annual maximum overall amount of remuneration of the Board of Directors.
- 10. Approval of the Director Remuneration Policy for financial years 2019, 2020 and 2021.

#### Item relating to general matters

- 11. 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 relating to the resolution submitted to a consultative vote

- 12. Consultative vote regarding the Annual Director Remuneration Report for the financial year ended 31 December 2018.

#### **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) and 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 at 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 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 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 modify, 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 documentation has been continuously made available to the 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 the 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 financial year 2018, 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 financial year 2018. Also, the Assurance Report on the Consolidated Statement of Non-Financial Information.
- The current Bylaws, together with the resulting text of such Bylaws if the amendments proposed to the shareholders are approved, and the justifying reports of the Board of Directors on the proposed amendments of articles 4 and 62.
- The reasoned proposal of the Appointments and Remuneration 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 proposed Director Remuneration Policy for financial years 2019, 2020 and 2021, as well as the specific report of the Appointments and Remuneration Committee that accompanies said Policy.
- The Annual Corporate Governance Report for financial year 2018.
- The Company's Annual Director Remuneration Report for financial year 2018, which is submitted to a separate consultative vote as item 12 on the agenda.
- The annual report of the Audit and Control Committee for financial year 2018.
- The annual report of the Appointments and Remuneration Committee for financial year 2018.
- The annual report of the Strategy Committee for financial year 2018.
- 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 report of the Audit and Control Committee regarding the corporate social responsibility policy.
- The rules of operation of the Electronic Shareholders' Forum.
- The form or model of 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 the way to reach and access the place where the General Meeting of Shareholders will be held; (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 2018, which includes the individual and consolidated annual accounts, the individual and consolidated management reports, and the respective statutory auditor reports for financial year 2018.

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 the website of Euskaltel ([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 be 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 27 February 2019

The non-Director Secretary of the Board of Directors

Mr Luis Alba Ferré

### Personal Data Protection

#### 1. Controller

Euskaltel, S.A., a company with a 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.

This clause is intended to provide information regarding the rights of the shareholders under the General Data Protection Regulation as well as the details on how their data is processed at Euskaltel.

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 purpose of the processing of the personal data, i.e. the reason why Euskaltel processes the personal data.
- The legal grounds allowing for the processing of data by Euskaltel for each of the purposes indicated.
- The recipients of the personal data. For these purposes, the Company reports that it does not transfer 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 it is expressly indicated in the table below.

Furthermore, the personal data may be accessed by Euskaltel’s data processors, i.e. the Company’s service providers who need to access such personal data in order to perform their duties. The table below indicates the activities engaged in by those service providers of Euskaltel that are allowed to access the personal data.

- The existence of international data transfers.
- The data storage time limit. The personal data will be stored during the time limits indicated in the table below. Said data will also be blocked during the limitation periods applicable to obligations as required by law.

The shareholders may also 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 legal provision also requires the management and accommodation of different rights relating to the status of shareholder. | 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 manage and help carry out the General Meeting. | 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. |
| 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

The shareholders may exercise the following rights:

- (i) Right to access their personal data to know which data is being processed and the processing thereof that is being performed, as well as to request a copy thereof.
- (ii) Right to correct any inaccurate personal data.
- (iii) Right to remove their personal data, when possible.

- (iv) Right to request the limitation of processing of their personal data when the accuracy, legality or necessity of the processing of the data is doubtful, in which case Euskaltel may keep the data for the filing of or defence against claims.
- (v) Right to object to the processing of personal data if the legal grounds provided for the processing thereof among those indicated in the table above is a legitimate interest. The Company shall stop processing the data unless it has an overriding legitimate interest or for the making, filing of or defence against claims.
- (vi) If applicable and in accordance with applicable legal provisions, the right to data portability.

The 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.