

11 Non-financial statement in compliance with Spanish Law 11/2018, of 28 December 2018

11.1 About the Non-Financial Statement

GRI 2-1

Scope of the NFS

The Non-Financial Statement (NFS) responds to the reporting requirements set out in Law 11/2018, of 28 December 2018, on non-financial and diversity information, which is reported with reference to the standards of the Global Reporting Initiative (GRI).

Section 11.9 of this document, titled “Content index required by Law 11/2018 of 28 December 2018 on non-financial and diversity information”, details the specific reporting framework for each item required by the Law. For those requirements that do not pertain to any specific reporting framework, the Company uses an internal framework and details in the respective section what this internal framework entails in order to facilitate understanding.

The scope of the NFS encompasses the entire consolidated Group, comprising Red Eléctrica Corporación, S.A. and Subsidiaries. Law 11/2018, of 28 December 2018, stipulates that the Group's subsidiaries are not required to draw up an NFS as their information is included in the Group's consolidated NFS. In those cases in which any of the companies in which Redeia has a shareholding are taken into account, this will be specified where appropriate. The report makes reference to the investments held in ARGO and TEN, to which the equity method is applied.

As regards information on the main risks associated with the significant investments accounted for using the equity method, the Group carries out a risk assessment that takes into consideration both financial and non-financial aspects, both at the time the investments are made and subsequently as part of the Group's regular monitoring of its risks. The results of these analyses are not considered significant to warrant their inclusion in the NFS for 2023.

After publishing its NFS, Redeia also releases a sustainability report, which supplements the NFS and also undergoes external assurance.

It should be noted that in 2023, Redeia implemented a system of Control over Non-financial Reporting (ICnFR), which includes the documentation of processes, critical risks and key controls in compiling the non-financial information disclosed in its Non-Financial Statement. This mitigates the risk of material misstatement of the information and responds to the demand for transparent, comparable and accurate non-financial information.

Materiality Study

GRI 3-1, 3-2

In 2022, with a view to making further progress towards the 2030 Sustainability Commitment and defining its 2023–2025 Sustainability Plan, Redeia updated its Materiality Study for the purpose of identifying material topics.

The Materiality Study is based on an analysis of the Group's sustainability context in order to build an overall picture of the environment in which the organisation operates. This then allows the Group to review sustainability planning for the 2023–2025 period. In defining the context, the Group considers all the business activities and the geographical areas in which it operates.

The sustainability context includes: a trend analysis that defines and/or will define the overall sustainability, industry and geographical framework in which Redeia carries out its activity; the identification of good practices to ascertain the level of maturity of the Group's sustainability performance with respect to comparable benchmark companies; and an analysis of internal information to identify the requirements and expectations of stakeholders and other issues of relevance with a view to their incorporation in the commitments and corporate planning. Please note that the Group's stakeholders were involved in this study in order to gauge their requirements and expectations. In this respect, strategic interviews were conducted with Group management, key technical personnel and representatives of external stakeholders in order to build knowledge on the challenges, risks and opportunities regarding sustainability from both an internal and external perspective. Specifically, representatives of the following stakeholder groups were involved in the 2022 analysis of the sustainability context: business partners, suppliers, technology research and development centres, social agents and associations, environmental groups, consumer associations and end consumers, rating agencies, the media, industry associations, professional and business bodies and associations, other companies in the sector and competitors.

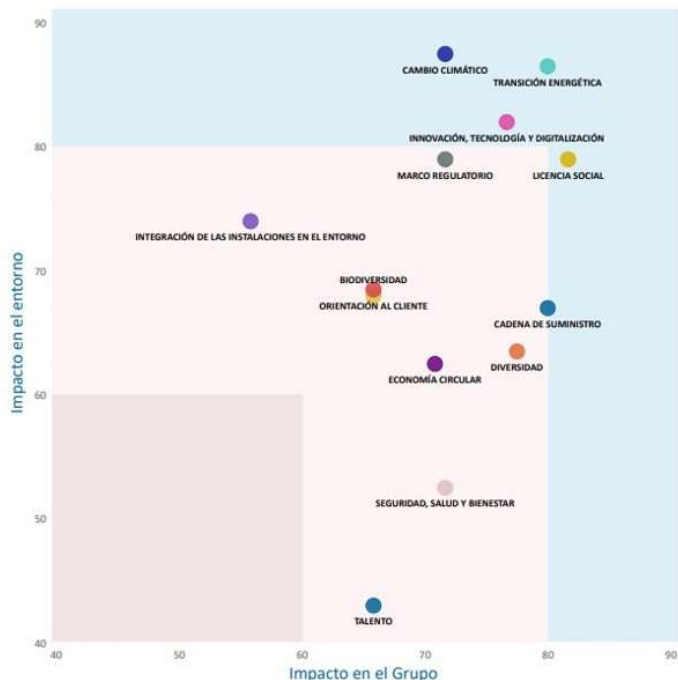
The methodological approach applied in the 2022 materiality study is based on the concept of double materiality. This concept makes it possible to identify those sustainability matters relevant to Redeia that affect its value proposition, performance, position and growth ("outside-in" perspective) and that have an impact on people, society and the environment ("inside-out" perspective).

The solution provided in this analysis has been designed taking into account the recommendations of the world's leading voices on international sustainability, including most notably the IQNet SR10 Social

Responsibility Management System, ISO 26000 Guidance on Social Responsibility, Global Reporting Initiative (GRI), SASB (sector materiality map) and the AA1000 Assurance Standard (Materiality principle).

This analysis revealed a total of 13 material topics, which determine the information disclosed in Redeia's sustainability report.

Material topic prioritisation matrix



Prioritisation of topics

Critical	1	Energy transition
	2	Innovation, technology and digitalisation
	3	Social licence ★
	4	Climate change
High	5	Regulatory framework ★
	6	Supply chain
	7	Diversity
	8	Biodiversity
	9	Client orientation
	10	Circular economy
	11	Integration of facilities into the environment ★
	12	Safety, health and well-being
	13	Talent

★ New material topic compared to the 2019 matrix

It is worth noting that, compared to the previous materiality study carried out in 2019, there are fewer material topics (16 topics in 2019). This shows that the Group has become more mature in its sustainability management, enabling it to filter and focus on those issues that are genuinely relevant to the achievement of its strategic objectives.

As there were no significant changes in trends, business model, or other matters that might affect the material topics to have been identified, it was not considered necessary to conduct a materiality review in 2023.

11.2 Description of the Group's business model

GRI 2-1, 2-6

Redeia has consolidated itself as a global operator of essential infrastructure, managing electricity transmission networks in Spain and Latin America, along with telecommunications networks (satellites and fibre optics).

- Red Eléctrica. Construction and maintenance of power lines and electricity substations along the transmission network in Spain (including international and inter-island interconnections), ensuring continuity of supply and the safe and secure integration of renewable energy. This includes the design and construction of storage infrastructure in the Canary Islands to ensure the sound operation of the electricity system and to improve the integration of renewable energy and the security of supply on the islands. Meanwhile, Red Eléctrica acts as operator of the electricity system through its electricity control centres, thus guaranteeing at all times the proper functioning of the electricity supply process, including not only the mainland system but also the non-mainland systems.

- Redinter. Construction and operation of energy transmission infrastructure in Peru, Chile and Brazil, and provision of electricity infrastructure maintenance services in Peru.
- Reintel. Commercial operation of the excess fibre optic network capacity associated with both the electricity transmission network and the rail network, as well as technical spaces for hosting telecommunications equipment in Spain.
- Hispasat. Satellite communications services for video, data transmission and mobility services through various satellites in operation.
- Elewit. Group firmly committed to innovation and technology by accelerating technological innovation, creating competitive advantages and business opportunities to make the Group a benchmark for technology in the energy transition. It also relies heavily on traceability and accessibility of information, as well as the provision of innovation and technological development services to third parties.

2030 Sustainability Commitment

Redeia has embraced a strategic commitment to long-term, Group-wide sustainability. In 2017, the Board of Directors approved the Group's 2030 Sustainability Commitment. Through this commitment, Redeia aims to achieve long-term continuity through a business model that is capable of responding to the challenges of the future while observing the principles enshrined in the Sustainability Policy.

The 2030 Sustainability Commitment is backed by the Board of Directors and the Group's management team, whose message is transmitted across the entire organisation with a view to encouraging a proactive attitude and making sustainability an integral part of day-to-day decision-making. Notably, a Sustainability Committee was set up within the Board of Directors in 2018 due to the strategic importance of sustainability for Redeia, as set out in the Group's 2021–2025 Strategic Plan. The Sustainability Steering Committee and the Corporate Division for Sustainability and Studies play a key role, showing that the Group's senior decision-making bodies and indeed of all areas of the Company are heavily involved in the implementation, supervision and monitoring of the 2030 Sustainability Commitment.

In 2019, the Board of Directors approved the Group's 2030 sustainability objectives, which set out 11 proposals to measure fulfilment of the commitments established in the four sustainability priorities, focusing on those aspects that provide answers to the great global challenges lying ahead on the 2030 horizon. The objectives, which are defined by the Sustainability Steering Committee and validated by the Sustainability Committee of the Board of Directors, are aligned with the priorities of the 2030 Sustainability Commitment, the Group's Strategic Plan and the UN Sustainable Development Goals (SDGs).

The 2030 Sustainability Commitment is deployed through multi-year plans. The 2023–2025 Plan was approved on 25 October 2022 by the Board of Directors, following its approval by the Executive Committee, the Sustainability Steering Committee and the Sustainability Committee of the Board, and took effect on 1 January 2023.

The Plan is aligned with the 2021–2025 Strategic Plan (in which sustainability underpins the entire strategy) and envisions 14 lines of action, 194 actions and 87 quantitative and strategic targets. By the end of 2023, it had reached a degree of compliance of 52%.

The preparation of the 2023–2025 Sustainability Plan has made it possible to define mid-term objectives to achieve the goal set for 2030 and, as a result, to redefine and/or specify the 11 existing objectives.

Redeia's 2030 sustainability priorities and targets

DECARBONISATION OF THE ECONOMY
Act as a proactive agent in the energy transition towards a zero emissions model, based on the electrification of the economy and the efficient integration of renewable energy through a robust and better-connected network and the development and operation of energy storage systems.
1. Reduce Scope 1 and 2 <u>emissions</u> ² by 55% and Scope 3 ³ emissions by 28% with respect to 2019
2. <u>Empower society</u> to be actively involved in the energy transition process.
3. Safely integrate 100% of the renewable energy available in the electricity system: <u>74% of renewable energy in electricity generation</u> ⁴
4. 100% sustainable financing
RESPONSIBLE VALUE CHAIN
Extend the responsibility commitment to all the links in the value chain, from employees to suppliers and customers, by forging alliances, all underpinned by the company's model of good governance and integrity.
5. Have a <u>net positive impact on the natural capital</u> of the area surrounding new facilities
6. Become a leading company in <u>circular economy</u> : <ul style="list-style-type: none"> • Zero landfill waste within the Group • 6.5 m³ of water consumption per employee per year at Group workplaces
7. Drive change among <u>suppliers</u> . At least 25 supplies with the greatest impact in the transmission network, based on circularity (life cycle analysis), climate change, security, diversity and biodiversity criteria.
CONTRIBUTION TO THE DEVELOPMENT OF THE LOCAL AREA
Contribute to economic, environmental and social progress in the local area, by providing an essential service in a safe and efficient way, fostering environmental conservation, enhancing people's quality of life and social well-being and involving communities in the development of the company's activities so as to generate tangible mutual benefits.
8. Be a benchmark in <u>gender equality</u> : achieving 50% of women on Redeia's Board of Directors and management team within the Group.
9. Promote the <u>inclusion</u> of segments of society at risk of social and workplace exclusion.
10. Narrow the <u>digital divide</u> : all people living in the vicinity of the company's facilities to be connected.
ANTICIPATION AND ACTION FOR CHANGE
Foster a corporate culture of innovation and flexibility that enables us to identify growth opportunities and tackle future challenges by staying ahead of and adapting to global trends and to the regulatory environment emerging from the new energy model.
11. Be a benchmark in <u>technological innovation</u> . Adoption of 64 technological solutions at Redeia that provide solutions to the Group's key challenges by delivering both tangible and intangible value.

² Scope 1 emissions: Direct emissions from sources owned or controlled by the Group (SF₆, combustion emissions from vehicles and generators and emissions from air conditioners). Scope 2 emissions: Indirect emissions from electricity consumption (includes transmission grid losses).

³ Scope 3 emissions: Indirect emissions resulting from the Group's activity but generated by sources not controlled by the Group (supply chain, business travel, employee commuting, logistics, waste, etc.).

⁴ Scenario under the 2030 NECP: 74% renewable energy within the generation mix. To succeed, the company aims to integrate 100% of available renewable energy into the electricity system.

Stakeholder management model

The aim of Redeia’s stakeholder management model (understood as groups that are affected by the Company’s activities or services, and which, in turn, through their decisions and opinions can influence Redeia’s financial performance, strategic objectives and/or reputation), is to develop a relationship with its stakeholders based on trust and focusing on the creation of shared value.

When designing the management model, Redeia looked closely at the provisions of the main stakeholder management regulations and benchmarks, notably AA1000, ISO 26,000, IQNet SR10 and the Global Reporting Initiative (GRI), in order to ensure that the Company analyses the main impacts of its activities on its stakeholders, as well as the influence that these stakeholders exert, or could exert, on the Company. Thus, the Company gears stakeholder relations towards the creation of shared value, strengthening the positive impacts and swiftly identifying any negative impacts that might affect the relationship, with a view to minimising them.

The stages of the management model are identification, segmentation and prioritisation of stakeholders, the definition of the relationship framework and, finally, assessment of the management and the model as a whole.

The Group undertakes an annual programme of perception studies aimed at assessing stakeholder satisfaction with its performance and gauging their needs and expectations. As well as being a tool to foster dialogue and closer relationships with stakeholders, the studies are also an important driver of continuous improvement for the Group.

In 2020, the review of the stakeholder management model began. The overriding aim of this review is to build an up-to-date and prioritised inventory for each Redeia company, which will serve as the starting point to define new practicable stakeholder relationship frameworks that are tailored to each company and are updated to the reality of the company.

Redeia stakeholders	
<ul style="list-style-type: none"> Regulatory and government bodies People Economic and financial ecosystem Clients 	<ul style="list-style-type: none"> Suppliers Social ecosystem Business ecosystem

In 2023, the Company worked hard in implementing its corporate stakeholder management model at the various subsidiaries that make up the larger group.

11.3 Information on environmental matters

GRI 103-1, 103-2, 103-3

Redeia’s commitment to the environment originates at the Board of Directors and is rooted in the Environmental Policy, which sets out an explicit commitment to the prevention of pollution and the precautionary principle. GRI 2-23 The involvement of all of the organisational units and of all of the Group’s employees is essential to the implementation of this commitment.

Redeia Corporación, S.A., Red Eléctrica de España S.A.U., Red Eléctrica Andina S.A., Red Eléctrica Chile SpA., Redeia Infraestructuras de Telecomunicación, S.A and Hispasat S.A. have all implemented an environmental management system, certified in accordance with ISO 14001, to help ensure the continuous improvement of their environmental performance. Red Eléctrica Spain also meets the requirements established by the EU Eco-Management and Audit Scheme (EMAS).

The Group companies incurred ordinary expenses of 24.9 million euros in protecting and improving the environment in 2023 (24.9 million euros in 2022), essentially due to the adoption of measures intended for protecting biodiversity, fire prevention, landscape integration, climate change, pollution prevention and eco-innovation projects. Expenses incurred in managing and operating national electricity infrastructure (Red Eléctrica) amounted to 23.9 million euros (24.4 million euros in 2022).

A total of 2.9 million euros (4.5 million euros in 2022) was spent on environmental issues associated with investment projects (including environmental impact studies, environmental oversight of work, and the adoption of preventive, corrective and accompanying measures). The significant difference with respect to last year is due to the fact that the Mallorca–Menorca III marine campaign was carried out in 2022.

The Company's main environmental impacts are those related to the construction of the electricity transmission network facilities and their physical presence within the environment. The Group works to minimise these impacts, considering the entire life cycle of its facilities and paying special attention to the protection of biodiversity. In view of its role as a leading player in the transition towards a carbon-free energy model, Redeia has embraced a specific commitment in relation to the fight against climate change. Thus, the Group's environmental commitment takes shape across three main fronts: Environmental management and integration of facilities in the environment, Biodiversity protection, and Climate change, as described below.

11.3.1 Environmental management and integration of electricity facilities into the environment

The main approach for making facilities compatible with the environment is the selection of routes and sites so that the environmental impact is as low as possible. Additionally, the application of preventive and corrective measures and the monitoring of strict environmental criteria make it possible for potential effects on the environment to be reduced significantly. The best tool to guarantee this process is an Environmental Impact Assessment. By law, most of the Group's projects are subject to this procedure. The measures implemented include those carried out during the construction of facilities to minimise land clearing and the impact on vegetation, fauna and the socio-economic environment (infrastructure, crops and archaeological heritage), as well as pollution prevention measures.

Actions during the maintenance phase aimed at mitigating the noise generated by certain electrical substations (programmes for measuring and adjusting the operating parameters of certain power equipment to reduce noise levels and the design of acoustic screens) and reducing light pollution are also noteworthy. To address the latter issue, in recent years the Company has worked on implementing the necessary measures to enable facilities to be shut down at night, thereby limiting light pollution as much as possible while also achieving significant energy savings.

Thanks to the criteria considered when designing the facilities, electromagnetic field (EMF) strength is kept within the exposure limits for the general public in accordance with Council Recommendation 1999/519/EC of 12 July 1999.

Lastly, visual impact assessment methodologies and tools have been improved, areas affected by works have been restored and specific landscape integration projects have been undertaken so as to mitigate the visual impact of the facilities.

In addition to the measures aimed at making facilities compatible with the environment, it should be highlighted the importance to the Group of working towards and making significant headway on the sustainable use of resources. The 2030 sustainability objectives include becoming a leading player in circular economy. The goals to be achieved and the actions to be carried out are enshrined in the Circular Economy Roadmap, which targets the following dimensions:

- **Materials.** Reducing the consumption of raw materials by promoting the use of recycled and recyclable materials, including eco-design actions, all of which calls for close collaboration with suppliers. Of particular note is the "Sustainable Procurement" project launched in 2022, which aims to make circular economy criteria a key part of the procurement process. Over the course of 2023, the Company worked with the suppliers of four key inputs by following the Life Cycle Analysis methodology, developed in 2022, with the aim of implementing circular economy requirements for such supplies, which will ultimately allow for the procurement of new equipment and more sustainable materials. A roadmap was also drawn up in order to achieve the objectives of including circular economy criteria in 10 critical supplies by 2025 and in 25 supplies by 2030, in line with the targets that have been set.

- **Waste.** Actions focused on achieving the goal of zero waste to landfill at Red Eléctrica by 2025 and zero waste to landfill by 2030 for the larger group. Notable progress has been made towards the “zero landfill waste” project, following the adoption of measures that resulted in 98.9% of all waste generated (hazardous and non-hazardous) (92.7% in 2022) being recycled (this broad category includes reuse, recycling, composting, anaerobic digestion and regeneration).
- **Land.** Actions aimed at minimising the risk of land or groundwater contamination due to hydrocarbon leaks or spills, as well as the cleaning-up of land affected by accidents using sustainable techniques. Along these lines, the objectives for 2025 have been set: Zero serious accidents on site and zero contaminated sites.
- **Water.** Seeking solutions to improve efficiency and optimise use, with the 2025 target of limiting water consumption per employee to 6.5 m³ at all group workplaces.

11.3.2 Protecting biodiversity

GRI 304-1, 304-2, 304-3

The protection and conservation of biodiversity has always been a core concern within the Company’s environmental management and a key factor in the group’s strategy, as embodied in a specific commitment to biodiversity updated in 2023. The commitment includes the aim of generating a positive impact on biodiversity in the areas where the company operates by 2030, a challenge that is in line with the sustainability objective of generating a net positive impact on the natural capital located in and around the group’s new facilities by 2030.

To meet these ambitious goals, a 2030 biodiversity roadmap has been drawn up based on a natural capital approach (nature versus society), which takes shape in the form of specific steps and goals set out in the 2023–2025 Sustainability Plan.

Biodiversity impacts, dependencies, risks and opportunities

Redeia has carried out an initial identification and assessment of the impacts and main dependencies on biodiversity for the electricity transmission activity, as this is the Company’s main business.

This exercise yielded a materiality matrix of environmental impacts on biodiversity, which shows those natural assets that sustain the biggest impacts: habitats, species (flora and fauna) and natural landscape. To complete the exercise, the Company conducted a preliminary identification of priority ecosystem services in terms of materiality of impact.

The results obtained have since been verified using the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool, suitably adjusted to the energy transmission business (Services, Electricity services, Transmission and distribution of electricity). In the case of biodiversity risks and opportunities, work has also begun on an approach aligned with the guidelines established by the TNFD (Taskforce on Nature-related Financial Disclosures) and the SBTN (Science Based Targets Network).

Managing biodiversity

The Company manages biodiversity by using the mitigation hierarchy. First and foremost, avoiding areas that are protected or highly biodiverse is essential when deciding on the location of facilities (in electricity transmission infrastructure in Spain, only 15.4% of lines and 5.6% of substations are located in protected areas).

The second step is to minimise possible repercussions, which is achieved by taking the necessary preventive and corrective action, including the restoration of habitats wherever possible. Lastly, any residual impacts are offset through a variety of environmental improvement initiatives and conservation projects, undertaken in collaboration with the government, non-governmental bodies and other entities.

Red Eléctrica works on new power line and substation projects after carrying out rigorous environmental impact studies, which includes a quantitative assessment as to the impacts (both negative and positive) on biodiversity, defining the baseline impact and designing the projects in such a way that they achieve a positive impact in terms of biodiversity throughout their life cycle. This methodology began to be implemented in 2023 in projects submitted for environmental impact assessment and will allow progress to be measured and ensure compliance with the positive biodiversity impact target set for 2030.

The main effects of the Group's activities on biodiversity can be seen on habitats and species. The former are primarily associated with the impacts on vegetation of felling and pruning to open up firebreaks, while the latter stem from the risk of birds colliding with earth wires.

Habitat protection and conservation (vegetation)

In 2023, Redeia updated its explicit commitment to protecting vegetation and combating deforestation, as a result of its own operations and the activities of its supply chain.

The Company works tirelessly to prevent and fight forest fires, which pose one of the biggest threats to forest conservation. Aside from the proper maintenance of firebreaks, the Company has strict work and supervision procedures in place to reduce the risk of fire in and around its facilities. It actively and continuously collaborates with the public entities involved in forest management, through formal collaboration agreements (15 in effect in 2023) that include actions and the provision of material for forest fire monitoring, prevention, training and awareness.

Despite the application of best prevention and mitigation practices, the elimination of plant species that are incompatible with safety at the facilities is inevitable in some cases. In such scenarios, although this does not affect deforestation, the Company undertakes to compensate the entire amount of trees removed by carrying out various planting and reforestation activities or actions aimed at the conservation of native forests. In 2023, 8 hectares (ha) of riverside vegetation was repopulated in and around San Fernando de Henares in Madrid.

As part of the Redeia Forest project, a total of 39,574 trees (pine, chestnut, oak and birch) were planted in an area spanning 47.8 ha in the provinces of Lugo, Orense and Pontevedra, bringing the project's total to 852,546 trees planted across 1,041 ha of land since it was launched back in 2009.

Other habitat conservation projects carried out include the Red Eléctrica Marine Forest project to restore *posidonia oceanica* seagrass, having rehabilitated 2 ha in the bay of Pollença, Mallorca, which is currently in the stage of scientific control and monitoring by IMEDEA UIB-CSIC joint research centre.

Meanwhile, Redinter signed a specific agreement in 2023 for the reforestation of 4 ha of *Polylepis* shrub and tree species at the Salinas y Aguada Blanca National Reserve in Peru.

Protection and conservation of birdlife

After selecting the best route, the main measure implemented to reduce the risk of birds colliding with ground wires is to use bird-saving devices. Thanks to the "Birds and power lines: Mapping of bird flight paths" project, the Company has identified the top-priority areas (where the risk is highest) and is making progress towards installing bird-saving devices on the lines located within those areas, with the aim of reaching 100% coverage by 2025. In 2023, bird-saving devices had been installed on 77.4% of transmission lines located in these high-risk areas.

The Company promotes and performs numerous initiatives to conserve birdlife, primarily geared towards improving their habitats, drawing on knowledge of their behaviour and condition, as well as boosting the population of species that are more sensitive to the presence of power lines, thus helping to offset those impacts that cannot be prevented or mitigated. In 2023, work went ahead on various initiatives for the protection of the Iberian imperial eagle (in the Doñana natural park), the Bonelli's eagle (in Valencia, working alongside the University of Valencia), the golden eagle (in the territories of Caparros and Cadreita, working alongside the Government of Navarre), the lesser kestrel (studying the use of substations as roosts during summer migration in Aragon and Navarre), the Egyptian vulture (alongside the Regional Government of Andalusia), and the osprey (at the Barbate reservoir, alongside the Migres Foundation), all in Spain, as well as initiatives to protect the black tern in Chile. There is also an ongoing collaboration with the Autonomous

University of Barcelona to assess the potential of the electricity transmission network as infrastructure capable of building and improving biodiversity in firebreaks thanks to sustainable treatment of the plant cover.

11.3.3 Climate change

GRI 305-5

Redeia, mainly through its activities in the electricity business, is a key and proactive agent in the energy transition towards a zero emissions model, the main elements of which should be: the electrification of the economy, the full integration of renewable energy into the energy mix, and efficiency, while always ensuring the security of supply. Furthermore, the Group's activities in developing telecommunications to make further progress towards digitalisation and connectivity can also make a significant contribution to the ongoing process of decarbonising society.

Redeia's activities are therefore key to achieving the climate and energy objectives in Spain and Europe, both in the medium (2030) and long term (climate neutrality by 2050). Notably, the Company embraced a public and voluntary commitment in 2011 to combating climate change, which is embodied in its commitment to achieve net zero by 2050, in its emission reduction targets and in its Climate Change Action Plan, which were updated in 2021 to align them with the global ambition of limiting the average temperature increase to 1.5 °C.

Emission reduction targets, validated by the Science Based Targets initiative (SBTi)
Medium term – 2030 (validated in June 2022)
<ul style="list-style-type: none"> Reduction in Scope 1 and Scope 2 emissions of 55% by 2030 with respect to 2019 Reduction in Scope 3 emissions of 28% by 2030 with respect to 2019 Suppliers accounting for 2/3 of supply chain emissions must have science-based targets in place within five years
Long term – 2050 (validated in February 2023)
<ul style="list-style-type: none"> Reduction in Scope 1 and Scope 2 emissions of 90% by 2050 with respect to 2019 Reduction in Scope 3 emissions of 90% by 2050 with respect to 2019
Emission offset targets
<ul style="list-style-type: none"> All (100%) Scope 1 emissions to be offset as of 2023. <p>The company achieved this target ahead of schedule in 2022, and reached it again in 2023.</p>

Climate Change Action Plan

The Climate Change Action Plan covers the following lines of action:

- Contributing to a more sustainable energy model by taking the necessary steps so that the objectives set out in the National Energy and Climate Plan (NECP) can be achieved by 2030 and, by extension, the European energy and climate objectives:
 - Ongoing investment to develop a robust, smart and interconnected transmission network that enables the electrification and connection of new renewable energy capacity.
 - Maximum integration of renewables by optimising the operation of the electricity system, using artificial intelligence as a decision-making and predictive tool, integrating more evenly-distributed generation, and developing storage systems.
 - Furthering efficient grid management by fostering technological innovation, incorporating new elements and services and applying new flexibility measures.
- Reduction in greenhouse gas emissions resulting from the Group's activities. The main measures implemented apply to the following areas of action:
 - Reduction in SF₆ emissions by controlling and reducing leaks, renewing switchgear equipment, and taking steps to limit the growth of installed gas, including the increased use of alternatives to gas.

- Reduction in energy consumption and associated emissions: increased use of renewable sources (100% renewable contracted energy target by 2024), development of energy-efficiency measures, and more sustainable mobility initiatives.
- Reduction in the emissions associated with the supply chain:
 - Roll-out of collaboration programmes with suppliers aimed at setting reduction targets in line with the SBTi.
 - Incorporating sustainability criteria into procurement decisions, prioritising more sustainable supplies and fostering changes to allow for an effective reduction in emissions.
- Offsetting of emissions to make progress towards the Group's carbon neutrality, mainly through the 'Redeia Forest' project and by purchasing carbon credits in the voluntary market.
- Positioning and outreach: ensuring all stakeholders are involved in Redeia's commitment, disseminating knowledge and providing complete and transparent information on the electricity system and its role in the energy transition, as well as on various energy efficiency measures.
- Climate change adaptation: in order to address both the inevitable physical changes in the climate parameters, as well as the social, economic and regulatory changes associated with the fight against climate change, the Company regularly identifies and evaluates the risks and opportunities arising from climate change and applies various measures defined within the framework of this analysis. As per the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the financial impacts of the relevant risks and opportunities are quantified, considering different physical and transition scenarios. Details of the TCFD recommendations are provided in note 4 of the consolidated management report.

11.3.4 Environmental indicators

GRI 302-1, 302-2, 303-1, 305-1, 305-2

	2023	2022	Chg. (%)
Direct greenhouse gas emissions (Scope 1) (tCO ₂ eq.) ^{*(1)}	28,692	20,542	39.7%
Indirect greenhouse gas emissions (Scope 2) (tCO ₂ eq.) ^{*(2)}	591,970	727,214	-18.6%
Electricity consumption (MWh) ^{*(3)}	20,835	20,604	1.12%
Fuel consumption (MWh) ^{*(4)}	10,889	10,473	3.8%
Consumption of energy from renewable sources as a percentage of total energy consumption (%) ^{*(1)(5)}	61	61	0%
Water consumption (m ³) ^{*(6)}	34,851	36,069	-3.4%
Hazardous waste (kg) ^{*(7)}	3,877,443	781,169	396%
Non-hazardous waste (kg) ^{*(7)}	683,734	755,189	-9.4%
Recycled waste (%) ^{*(8)}	98.9	92.7	6.6%
Number of environmental accidents ^{**⁽⁹⁾}	8	5	60%
Lines with bird-saving devices installed in critical priority areas (accumulated kilometres at the end of each year) ^{***⁽¹⁰⁾}	767.4 (77.4% of the total to be installed)	681.2 (70.1% of the total to be installed)	12.6%

* Indicators that include information for all Group companies.

** Scope: Red Eléctrica de España SAU, Red Eléctrica Corporación SA, Red Eléctrica Andina SA and Red Eléctrica de Chile SpA.

*** Scope: Red Eléctrica de España SAU.

(1) The increase in Scope 1 emissions was largely due to an accident at a substation that resulted in the emission of 201 kg of SF₆ (4,724 t CO₂ eq). Without the accident, the figure would have been 23,968 t of CO₂ eq. Emissions are calculated under the operational control approach. Information on the scope and methodology of the inventory can be found on the corporate website.

(2) The reduction in emissions is mainly due to the improvement in the emission factor of the electricity mix in Spain, which in 2023 had a higher proportion of renewable energies than in 2022 (average factor 0.122 tCO₂eq/MWh, compared to 0.163 tCO₂eq/MWh), largely associated with increased hydroelectric generation (41% more hydro generation than in 2022), a sizeable increase in solar generation (47.6%) and a reduction in combined cycle generation (32% less than in 2022) and coal-fired generation (50% less than in 2022). Emissions are calculated under the operational control approach. Information on the scope and methodology of the inventory can be found on the corporate website.

(3) Most of the energy supply contracts managed by the Company are for green energy or offer guarantees of the renewable origin of the energy, which represented 93% of the total electricity consumed in 2023 (the remaining consumption relates to workplaces that are leased, or workplaces that do not have electrical hook-ups and therefore receive their supply from the transmission network).

(4) Fuel consumption of fleet vehicles, generators and heating.

(5) Includes renewable energy as a percentage of total energy consumed (electricity and fuels). It does not include the percentage of renewable energy corresponding to the energy mix of each country (only that acquired contractually) or the percentage of biofuel contained in vehicle fuels.

(6) The data covers all personnel, including collaborators (100%). The water consumed comes from the municipal supply network (72.12%), wells (25.72%) and cisterns (2.16%). In some centres there are reservoirs for the accumulation of rainwater for sanitary use, fire prevention and irrigation. The reservoirs do not have mechanisms to record the stored water so it is not possible to calculate the percentage usage of rainwater. While water is not a material topic for Redeia, the decision was made to disclose information in this respect and to seek assurance thereon, as it is nonetheless an aspect required by certain sustainability indices.

(7) Redeia's waste generation is associated with the maintenance and construction of the facilities, which is needed to keep the assets in the best possible condition. Due to the nature of these activities, it is very hard to predict trends in the quantities of waste produced as they are linked to the number and types of actions carried out each year. This means that it is not possible to reduce waste without reducing the maintenance work required and the adaptation of facilities. The significant increase in the amount of hazardous waste generated in 2023 is due to renovation and upgrade actions carried out at some of the substations, which generated a large quantity of waste oil-contaminated equipment, all of which has been properly recycled.

(8) Percentage of waste generated (hazardous and non-hazardous) that has been recycled (this broad category includes reuse, recycling, composting, anaerobic digestion and regeneration).

(9) Relevant accidents are considered to be those categorised as significant, severe or major in the internal classification (level 3 accidents and above on a scale of 1 to 5). They do not include bird collisions.

(10) The target value varies slightly each year, depending on Red Eléctrica de España's infrastructure (new lines and modifications to existing ones) and on the updating of accident figures. The signalling percentage refers to the target value set each year. In 2023, a total of 990.9 km of line was to be fitted, while in 2022 this figure came to 972.1 km.

11.4 Information on labour and employee-related issues

GRI 103-1, 103-2, 103-3

Our people

Redeia's Personnel Policy sets out the principles that govern the management of people through leadership, efficiency, innovation, cultural transformation and personal and professional fulfilment, focusing on the employee experience.

Compliance with these principles helps to achieve the organisation's purpose and strategic objectives, in keeping with the values, principles and behaviour guidelines enshrined in the Group's Code of Ethics and Conduct.

Furthermore, existing rules and regulations include standards for the execution of processes and activities concerning human capital that are applicable to the different Redeia companies, notably those related to learning, diversity management, the right to disconnect and the organisation's technical procedures for safety at construction sites and during maintenance and upkeep work.

Redeia is firmly committed to the professional development of its personnel and to maintaining their internal employability during their tenure, through integration, development, learning and mobility programmes.

To succeed in this task, work continued throughout 2023 on the sustainable management model of diverse and committed talent, an essential part of the People and Culture Department's Operational Plan, which uses a systematic approach to attract, discover, develop, train, transform and retain talent and exchange knowledge. The model pursues excellence to ensure that the Company remains a national and international benchmark. This is to be achieved through six lines of action, with the first —transformational leadership— being key to the achievement of the others: attracting talent, learning, development, knowledge management and differentiation.

Relying on digitalisation, technology, innovation, sustainability and diversity, Redeia seeks to become a leader in the transformation of talent and corporate culture while involving society in the organisation's challenges, fostering actions that motivate and inspire both within the Company and beyond.

This ongoing transformation is driven and galvanised through leadership and people development through Redeia's Leadership Model and Skills Model, which set out how to achieve the objectives and challenges set.

The ultimate aim of all this is to maintain firm commitments that result in excellent employee contributions on the path to achieving the objectives set out in Redeia's 2021–2025 Strategic Plan. On this front, in 2023 efforts were made to:

- Position the Company's leaders as the spearheads of the transformation so that they can promote and develop self-leadership habits among others that foster responsibility, self-management and self-learning. This is carried out through a 360 degree assessment process that identifies areas for improvement and deploys resources and development programmes, such as the new *Lidera* programme, designed on the basis of the leadership model.
- Plan talent needs, by identifying new profiles and positions, treating diversity and inclusion as competitive advantages that bring opportunities and benefits to both the organisation and the broader society through the creation of specific programmes for the new profiles identified.
- Develop talent within the organisation through programmes such as *Talentia* for employees with managerial potential, *Gestores* for those tasked with people management processes, and specific programmes for data analysts and other business IT roles.
- Foster self-development, by offering a bespoke selection of initiatives that allow employees to manage their own development, and by engaging leaders in the achievements of their teams. The new Redeia Skills Model, first rolled out in 2022, continued to be implemented throughout the year, so as to align growth with the Company's objectives.
- Implement the Development Recommendations so that employees can work, either autonomously or accompanied, on the skills chosen in each case in response to the Skills Model. These recommendations include internal mobility (through temporary placements, coverage of vacancies and international mobility), postings to projects and training actions.

As a means of verifying the efficiency and effectiveness of the people management processes deployed, the key people management indicators are continuously monitored.

Key people indicators

	2023	2022	Chg. (%)
Total headcount	2,477	2,420	2.4%
Women (%)	28.9	27.9	3.6%
Men (%)	71.1	72.1	-1.4%
Women in management positions (%)	36.2	35.3	2.5%
Persons with disabilities (total no.)	24	20	20.0%
Net job creation (no. of positions)	57	70	-18.6%
Average age	45.0	45.3	-0.7%
Average length of service (years)	14.3	14.5	-1.4%
Overall turnover (%) ⁽¹⁾	6.6	6.0	10.0%
Internal movement (%)	7.4	5.8	27.6%
Permanent contracts (%)	98.7	99.2	-0.5%
Management team as % of total headcount	6.6	7.6	-13.2%
Training hours per employee	37	36	2.8%
Average investment in training per employee (€)	1,618	1,517	6.7%
Accident frequency rate ⁽²⁾	1.14	1.30	-12.3%
Serious accident frequency rate ⁽³⁾	0.02	0.06	-66.7%

- (1) Total turnover: staff departures in 2023 divided by active staff at 31/12/2023, counting both voluntary and non-voluntary departures.
 (2) Frequency rate: number of work-related accidents resulting in lost time per million hours worked.
 (3) Severity rate: number of working days lost due to occupational accidents + incapacity scale, per thousand hours worked.

a) Employment

At year-end 2023, Redeia had a headcount of 2,477 employees. Of the total, 83.2% (2,060 employees) worked in Europe and 16.8% in America (417 employees). All staff members enjoy stable, high-quality employment (98.7% of them are on a permanent contract), with the focus on employability and functional mobility as a lever for growth and professional development (7.4% on internal mobility schemes).

Redeia's commitment to stable, high-quality employment is also reflected in the low unwanted external turnover rate (3.4%) and the average length of service of employees (14.3 years).

Workforce by age, gender and employee category – GRI 2-7:

		2023	2022
By age	Under 30	182	146
	30 to 50	1,610	1,533
	Over 50	685	741
	Total	2,477	2,420
By gender	Women	715	674
	Men	1,762	1,746
	Total	2,477	2,420
By employee category	Management team	163	184
	Qualified staff	2,105	2,004
	Administrative personnel	209	232
	Total	2,477	2,420

Workforce by country, gender, age and employee category – GRI 2-7

Workforce in Germany	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	1	0	4	0	5
Qualified staff	0	0	1	0	1	0	2	0	9	4	6	4	19	8
Administrative personnel	1	1	5	4	2	3	0	0	2	1	3	2	13	11
Total	1	1	6	4	3	3	2	0	11	6	9	10	32	24

Workforce in Argentina	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualified staff	0	0	0	0	0	0	1	1	2	2	0	0	3	3
Administrative personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	1	1	2	2	0	0	3	3

Workforce in Belgium	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	1	0	1
Qualified staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	1	0	1

Workforce in Brazil	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	1	0	0	0	0	1	1	1	1	2	3
Qualified staff	0	0	10	9	2	3	1	2	13	12	6	7	32	33
Administrative personnel	6	6	2	2	1	1	5	4	5	5	2	3	21	21
Total	6	6	12	12	3	4	6	6	19	18	9	11	55	57

Workforce in Chile	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	4	5	0	0	4	5
Qualified staff	1	1	6	5	0	0	2	1	24	19	4	3	37	29
Administrative personnel	0	0	3	4	0	0	0	0	1	2	0	1	4	7
Total	1	1	9	9	0	0	2	1	29	26	4	4	45	41

Workforce in Colombia	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	4	0	1	0	0	0	6	0	0	0	11
Qualified staff	3	1	19	17	1	0	21	19	54	46	0	0	98	83
Administrative personnel	10	10	20	16	1	1	2	2	11	11	0	0	44	40
Total	13	11	39	37	2	2	23	21	65	63	0	0	142	134

Workforce in Ecuador	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualified staff	0	0	1	1	0	0	0	0	2	2	0	0	3	3
Administrative personnel	0	0	2	1	0	0	0	0	0	1	0	0	2	2
Total	0	0	3	2	0	0	0	0	2	3	0	0	5	5

Workforce in Spain	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	39	37	20	20	0	0	41	39	51	53	151	149
Qualified staff	54	43	288	252	95	93	61	44	880	851	402	434	1,780	1,717
Administrative personnel	0	0	22	21	52	61	0	0	0	0	18	20	92	102
Total	54	43	349	310	167	174	61	44	921	890	471	507	2,023	1,968

Workforce in the United States	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualified staff	0	0	0	0	0	0	0	0	0	0	2	0	2	0
Administrative personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	2	0	2	0

Workforce in the United Kingdom	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	1	0	0	0	0	0	0	0	0	0	1
Qualified staff	0	0	2	0	0	0	0	0	2	2	0	0	4	3
Administrative personnel	0	0	0	0	0	0	0	0	0	0	0	1	0	1
Total	0	0	2	1	0	0	0	0	2	2	0	1	4	5

Workforce in Greece	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	1	0	0	0	0	0	0	0	1
Qualified staff	0	0	0	1	0	0	0	0	0	2	0	0	0	3
Administrative personnel	0	1	0	1	0	0	0	0	0	0	0	0	0	2
Total	0	1	0	2	0	1	0	0	0	2	0	0	0	6

Workforce in Luxembourg	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualified staff	0	0	0	0	1	1	0	0	0	0	0	0	1	1
Administrative personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	1	1	0	0	0	0	0	0	1	1

Workforce in Mexico	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	1	0	1
Qualified staff	0	0	2	2	0	0	2	1	9	3	1	1	14	7
Administrative personnel	1	1	4	7	0	0	3	3	5	11	0	0	13	22
Total	1	1	6	9	0	0	5	4	14	14	1	2	27	30

Workforce in the Netherlands	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualified staff	0	0	0	0	0	1	0	0	0	1	0	0	0	2
Administrative personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	1	0	0	0	1	0	0	0	2

Workforce in Peru	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	2	3	4	4	6	7
Qualified staff	1	1	25	24	0	1	5	3	75	68	6	9	112	111
Administrative personnel	0	0	10	10	1	1	0	1	7	9	2	2	20	22
Total	1	1	35	34	1	2	5	4	84	80	12	14	138	140

Workforce in Senegal	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualified staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative personnel	0	0	0	0	0	0	0	0	0	1	0	0	0	1
Total	0	0	0	0	0	0	0	0	0	1	0	0	0	1

Workforce in South Africa	Women						Men						Total	
	Under 30		30 to 50		Over 50		Under 30		30 to 50		Over 50			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Management team	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualified staff	0	0	0	0	0	0	0	0	0	0	0	1	0	1
Administrative personnel	0	0	0	0	0	0	0	0	0	0	0	1	0	1
Total	0	0	0	0	0	0	0	0	0	0	0	2	0	2

Total number and distribution of employment contract types by age, gender and employee category

		Permanent contracts		Temporary contracts	
		2023	2022	2023	2022
By age	Under 30	159	132	23	14
	30 to 50	1,601	1,529	9	4
	Over 50	685	740	0	1
	Total	2,445	2,401	32	19
By gender	Women	701	667	14	7
	Men	1,744	1,734	18	12
	Total	2,445	2,401	32	19
By employee category	Management team	163	184	0	0
	Qualified staff	2,078	1,986	27	18
	Administrative	204	231	5	1
	Total	2,445	2,401	32	19

Average number of permanent and temporary contracts by age, gender and employee category

		2023		2022	
		Average permanent contracts	Average temporary contracts	Average permanent contracts	Average temporary contracts
By age	Under 30	140.13	20.30	129.07	13.70
	30 to 50	1,631.80	9.20	1,463.74	3.80
	Over 50	645.81	0.00	639.26	0.90
By gender	Women	686.67	13.71	603.70	6.34
	Men	1,728.96	17.84	1,629.15	4.19
By employee category	Management team	160.81	0.00	168.14	0.00
	Qualified staff	2,042.07	26.51	1,699.70	15.41
	Administrative	212.57	5.21	365.62	1.58

In 2023 and 2022, the workforce did not include any part-time personnel.

Number of dismissals by age, gender and employee category

		2023	2022
By age	Under 30	1	0
	30 to 50	12	10
	Over 50	6	4
	Total	19	14
By gender	Women	4	6
	Men	15	8
	Total	19	14
By employee category	Management team	1	2
	Qualified staff	15	9
	Administrative personnel	3	3
	Total	19	14

Note. Data of employees with an employment relationship with Redeia: including employees who have an employment relationship at any Redeia company under the parameters set out in Article 1 of the Workers' Statute (*Estatuto de los Trabajadores*), excluding those joined via a commercial relationship.

There have been no collective redundancies. All dismissals were on an individual basis. Furthermore, none of the individual dismissals that took place in 2023 are related to internal reorganisation, changes in the

organisational structure or overlapping areas or functions and are instead due mainly to employment breaches.

Remuneration

Redeia rewards its employees in all the countries in which it operates in accordance with the general principles of its remuneration model, which meets the unified criteria of:

- Internal equity and external competitiveness.
- Consistency with the organisational and development model.
- Opportunities for further wage growth.
- Separate recognition of outstanding contributions.

All of the above, with strict regard to prevailing legislation in each territory and ensuring equality and non-discrimination in each case.

This remuneration models sets out retain, motivate and engage employees, while helping to accomplish the objectives set and ensure compliance with the Company's strategy.

Redeia applies a total remuneration model that includes both tangible or financial items (fixed remuneration, variable remuneration, recognition programmes, employee perks and flexible pay arrangements) and intangible and emotional items (work-life balance, health, performance and recognition, development and career opportunities).

Of Redeia's total staff, 36% receive variable remuneration. This remuneration scheme is based on pre-established objective KPIs and follows best practice when it comes to target setting and the weights assigned to each category. It is also pegged to each subject's position within the organisational structure. All members of the management team receive annual variable remuneration.

With the aim of mainstreaming the sustainability strategy across the Company, Redeia takes ESG criteria into account when setting annual management targets. Leadership targets are also included, whereby the remuneration of the management team is linked to Redeia's leadership model.

There are long-term targets as well, which are remunerated through various incentive plans that respond the Company's strategic needs.

Redeia has a flexible remuneration system that can be configured to deliver bespoke remuneration tailored to the circumstances of each employee, including products such as health insurance, training, life insurance, public transport cards, luncheon vouchers and childcare vouchers, as well as Redeia Corporación, S.A. stock option programmes.

As part of the talent differentiation process, Redeia recognises the contributions made by all employees through remuneration processes that reward the effort, responsibility and commitment shown by all workers to the various annual activities that are planned and the Company's own objectives.

There are also recognition programmes in place to reward those employees who come up with innovative and efficient ideas, or help the Company to raise revenue.

There are rules in place to ensure that all remuneration practices are non-discriminatory, with no biases whatsoever on the basis of gender, age, origin, sexual orientation, gender identity, religion and race, among others, thus guaranteeing absolute non-discrimination in the application of remuneration practices and policies.

With the aim of increasing wage transparency, various training sessions on remuneration were held with the organisation's leaders in 2023 to reinforce their role as a key communication channel in the main people management processes.

In view of the global inflationary outlook 2023, Redeia took various actions to adapt to this context and improve the well-being of its employees. Indeed, wage adjustments and extraordinary non-vested payments were made for those employees particularly affected by inflation.

Average workforce remuneration by gender, age and employee category (€) GRI 405-2

Redeia rewards its professionals under principles of equity and fairness, based on their level of responsibility and professional experience. The annual salary review processes differentiate on the basis of the contribution made over the year and the results of their achievements, and never on the basis of gender, age, origin, sexual orientation and identity, religion or race, thus ensuring non-discrimination when implementing remuneration practices and policies.

Redeia, following market recommendations and best practice, counts all of the remuneration items and other benefits of its employees when calculating average remuneration and the pay gap. **GRI 405-2.**

2023	Women			Men			Average total – women	Average total – men	Average total
	Under 30	30 to 50	Over 50	Under 30	30 to 50	Over 50			
Management	-	131,978	182,794	-	153,697	182,940	149,203	169,443	162,117
Qualified staff	43,106	57,260	71,386	34,157	61,322	77,369	58,111	63,834	62,442
Administrative personnel	17,100	26,810	47,719	20,415	28,521	54,397	34,001	36,828	34,884
Total	37,616	59,297	76,139	33,002	64,346	87,799	60,810	69,068	66,687

2022	Women			Men			Average total – women	Average total – men	Average total
	Under 30	30 to 50	Over 50	Under 30	30 to 50	Over 50			
Management	-	114,484	204,962	-	141,221	182,466	145,107	162,364	156,268
Qualified staff	36,840	51,906	64,934	30,443	53,115	66,176	52,680	55,695	55,009
Administrative personnel	14,316	27,703	43,158	17,175	21,735	52,914	31,527	31,175	31,406
Total	29,600	54,671	74,890	27,947	56,761	78,742	56,829	61,842	60,447

The gross pay gap is expressed as a percentage and is calculated as the difference in the average total pay between women and men divided by the average total pay of men. However, this figure does not reflect the wage reality at Redeia, as the calculation does not consider the level of responsibility and/or role in the various positions, or tenure or predominance of male workers within the sector, among other relevant factors.

In order to make further progress in wage transparency and in analysing the gender pay gap, in 2023 the adjusted pay gap was also calculated and disclosed for the first time, with the aim of

reflecting these differences, given that this calculation methodology allows them to be identified and allows for a more reliable analysis.

	2020	2021	2022	2023
Ratio of average pay of men to women GRI 405-2	91.04%	93.49%	91.89%	88.04%
Gross pay gap (%)	8.96%	6.51%	8.11%	11.96%
Adjusted pay gap (%)	4.85%	4.40%	5.10%	5.00%

Notably, the adjusted pay gap methodology delves deeper into the reasons for the gender pay gap, thus allowing the enterprise to detect any adjustments that may be needed in order to monitor the situation and narrow the gap.

To achieve this, a mathematical correlation analysis is used, in which the internal variables that have the greatest impact on pay are identified, and the gap is then recalculated by eliminating the effect of significant variables such as country, level of responsibility and/or role across the various positions, tenure, and so on.

In 2024, further action will be taken as a show of Redeia’s firm commitment to reducing the pay gap.

Following the entry into force of Royal Decree 902/2020 in 2020, on equal pay for women and men, the company has been keeping an annual pay register, which is available to the workers’ legal representatives. Notably, this register has allowed the company to implement certain improvements, including the active management of its systems for the reliable updating of pay information and the continuous review of the adequacy of employee segmentation.

Average remuneration by gender and age

		2023	2022
By age	Under 30	34,989	28,698
	30 to 50	62,922	56,194
	Over 50	84,774	77,790
	Total	66,687	60,447
By gender	Women	60,810	56,829
	Men	69,068	61,842
	Total	66,687	60,447

As regards the remuneration of the Board of Directors, there is no gender-based pay difference amongst the members of the Board, as disclosed in note 25 to the consolidated financial statements, as long as they hold the same position as directors of the company. Any possible differences are due solely to the fact that they may hold other positions on the board, above and beyond their directorships, such as chairman of board committees, lead independent director, or by virtue of the commercial contract that the roles of non-executive chairman and chief executive officer have with the company.

In 2023, total remuneration accrued by senior management personnel amounted to 3,301 thousand euros and is recognised as personnel expenses in the Consolidated statement of profit or loss. In 2022, total remuneration accrued by senior management personnel amounted to 3,174 thousand euros. These sums include the annual variable remuneration accrued based on the achievement of the targets set for each year. After delivery of the corresponding objectives has been verified, the variable remuneration is paid out in the early months of the following year, adjusted for the definitive delivery metrics.

Implementation of policies on disconnecting from work

Redeia is aware that the digital transformation includes more flexible work organisation models, which can lead to situations where the boundaries of working hours become blurred, thus creating situations where an employee’s work genuinely interferes with their personal life

Article 88, governing the right to disconnect, of the Spanish Data Protection and Digital Rights Act (Organic Law 3/2019 of 5 December 2019), requires companies to meet with workers’ representatives and draw up an internal policy for employees (including those in management positions) that defines how this right to disconnect can be exercised and the actions taken to train employees and raise awareness about the reasonable use of technology to prevent the risk of IT fatigue.

As a clear commitment to promoting the right to disconnect, in 2021 the Digital Disconnect Protocol came into force, which explains how employees may exercise this right, along with the training and awareness-raising actions to be carried out on the reasonable use of devices and other forms of technology. This protocol, together with the flexible working hour arrangements made available to Redeia’s employees, means that employees can enjoy a healthy balance between their personal and professional lives.

b) Organisation of working time

The actual effective working day established for employees complies with legal standards on minimum rights and with the relevant collective bargaining agreements applicable at all Group companies.

A real and effective timetable of between 1,686 and 1,690 hours per annum is established for 70% of the workforce. This is distributed according to the needs and circumstances of each work centre, with a basic 7-hour day schedule on every working day of the year, and considerable flexible as to starting times (from 07:30) and finishing times (from 14:00).

The Company also implemented a voluntary hybrid working system in 2023, to which 96% of the eligible workforce (75% of the total workforce) adhered, whereby employees may choose to work remotely on around 47% of their annual working days, with the option to do so from up to two different locations (typically first and second homes).

Workers may also request a reduction in their annual working hours, with the Company offering better percentages than the minimum legal standards, in cases of birth, adoption, foster care or adoption until the infant is nine months old, or for the direct care of a child under 13 years of age or a disabled person who does not perform a paid activity, or due to illness of the worker him or herself.

In the event of genuinely exceptional personal and health situations that fall outside the scope of this general framework, the work-life balance officer studies and assesses each case and working hours may then be adapted accordingly, based on the specific needs of the employee concerned.

Number of hours of absenteeism

	Men		Women		Total	
	2023	2022	2023	2022	2023	2022
Hours lost due to occupational accidents sickness ⁽¹⁾	1,595	1,731	1,113	473	2,708	2,204
Hours lost due to non-work-related illness ⁽²⁾	52,899	72,103	26,425	36,389	79,323	108,492
Hours lost due to occupational health and safety ⁽³⁾	54,494	73,834	27,538	36,862	82,031	110,696
Hours lost due to absenteeism ⁽⁴⁾	96,219	*	52,718	*	148,937	*
Hours lost due to unjustified absences ⁽⁵⁾	2,403	*	1,327	*	3,730	*

*Note that 2023 includes information on absenteeism and unexcused absences for the first time, meaning that no such information is available for 2022.

(1) Hours of absence due to occupational accidents include occupational accidents + commuting accidents

(2) Hours lost due to non-work-related illness. sum of days of temporary disability due to non-work-related illness + Illness < 3 days

(3) Hours lost due to health and safety: sum of days of non-work-related temporary disability + Illness < 3 days + commuting accidents.

To calculate this data, the annual working hours for each company were divided by the total number of calendar days per year, which is the ratio deemed appropriate to take into account all days of absence without considering whether or not they are working days so as to be able to make them equivalent to the number of days actually lost.

(4) Absenteeism hours: this takes into account hours lost for health and safety reasons, plus absences due to excused leave (holidays and similar breaks are not counted).

(5) Unexcused absence hours: all other hours of unexcused absences.

Work-life balance management

GRI 401-2

True to its commitment to ensuring a healthy work-life balance, Redeia continues to build to a work-life balance management model based on continuous improvement.

Achievement of the objectives set for 2023 came to 80%, with the work-life balance officer playing a key role by delivering personalised responses to more than 83% of the personal situations raised by workers.

The work-life balance management model also happens to be one of the central pillars of the **Healthy Organisation model** and the **Diversity model**, and includes over 70 work-life balance measures and related actions.

The vast majority of the measures included in the scope of the model are applicable to all companies and are divided into the following blocks:

- Leadership and management styles.

- Quality of employment.
- Flexible working time and workplace.
- Family support.
- Personal and professional development.
- Equal opportunities.

Redeia shares its experience and expertise at the **Observatory for a Healthy Work-Life Balance and Shared Parental Responsibility**, which is headed up by Universidad Pontificia de Comillas (ICADE-ICAI). The observatory conducts applied, high quality and interdisciplinary research so as to offer companies and institutions alike relevant information and reliable data that have been benchmarked against international standards, thus enabling other organisations to fashion their work-life balance policies based on specific and fact-checked sector studies.

Occupational health and safety

GRI 403-4, 403-8, 403-10, 404-1, 404-2

Through the engagement and leadership of the management team, Redeia promotes best practices in safety, health and wellness. Its healthy company management model has evolved with the new AENOR standard towards a healthy organisation model and is fully aligned with Redeia's Strategic Plan, People Operational Plan and 2030 Sustainability Commitment.

Within this broad framework, the healthy organisation model revolves around four main lines of action:

- **Workplace health and safety:** providing all the means and resources needed to perform professional duties in the best possible safety conditions.
- **Commitment to the community:** through Company actions that have a real impact on improving the health and well-being of its employees' families and the communities in which it operates.
- **Lifestyles:** providing employees with tools to improve their physical and mental health, thus contributing to their well-being and quality of life.
- **Culture focused on well-being:** implementing management and work organisation tools and resources conducive to the physical and psychosocial well-being of workers.

The model is deployed through annual programmes that pursue continuous improvement and seek to consolidate Redeia as a leader in best practices for health, safety and well-being, and an advocate of preventive monitoring and good health.

Redeia has a strategy and a specific action plan that promotes best practices in relation to occupational risk during all activities and work carried out at its facilities. The objective is to go beyond mere legal compliance, by training, informing and raising awareness about the obligations and responsibilities that exist and engaging the entire organisation and its stakeholders to achieve this goal.

In this context, higher risk tasks and activities are monitored on an ongoing basis through safety inspection programmes, as well as stricter supplier qualification requirements, which are essential to achieving the high levels of safety required.

Notably, a total of 13,982 safety inspections were carried out in 2023 on sites and facilities (11,740 in 2022) in order to anticipate and detect possible risk situations and prevent accidents from occurring. As a result of all the activities performed to control and monitor works, over 1,100 corrective actions were required, of which 86.7% were resolved while the rest are in the process of being resolved.

To minimise the risks associated with construction and maintenance tasks at electricity facilities, Redeia places special emphasis on training, awareness, consultation and engagement (through the Health & Safety Committee, internal audits and working groups), improving safe conduct and the safety measures in place

while work is being carried out by internal and external (contractors) personnel. In recent years, several initiatives aimed at reducing accidents during the works execution phases have been deployed.

In 2023, the initiatives set out in the 2020–2023 Health and Safety Action Plan were undertaken, with the aim of addressing the strategic challenge of becoming a zero accidents group. Two main lines of action were established in this regard:

- Culture of prevention: to instil a culture of prevention focused on the well-being of all people who work at the facilities by fostering a safe working environment and ensuring more effective communication of all aspects that improve safety when carrying out an activity.
- Innovation: focusing on innovation as a driver of digital transformation in the field of occupational safety. To succeed, Redeia manages innovation in health and safety by putting technology to work for people.

Workplace safety and well-being plan 2024–2025

With the primary aim of building prevention into Redeia’s processes and culture on the path to achieving the “zero accidents” objective, the new 2024–2025 Workplace Safety and Well-being Plan was drawn up in 2023. The plan is divided into four main areas of action: culture and leadership, innovation and digitalisation, well-being, and collaboration with stakeholders.

In drawing up the new plan, Redeia looked at more sources of information in order to have as broad a picture as possible of the current situation. Aside from analysing the organisational context and the results of the previous action plan, a listening process was carried out for the first time in 2023 to gather the views of as many people as possible from along the entire value chain of safety and well-being at Redeia. A total of three training days were held, involving more than 750 people organised into 88 work teams, one of which was aimed exclusively at personnel belonging to Redeia’s suppliers.

The first assessment of the preventive culture in accordance with the international NOSACQ-50 model was also carried out in 2023. The process included both qualitative and quantitative methods and the results were very positive, confirming high standards when it comes to the implementation of safety and security aspects (proactive-generative level), as well as high levels of engagement across the entire organisation.

Health and safety communication and awareness-raising plan

In 2023, Redeia pressed on with its health and safety communication and awareness plan with the aim of further entrenching the culture of prevention that proved to be so successful and popular in 2022.

Under the slogan of “*Está en tus manos*” (“It’s in your hands”), various communication actions were undertaken to raise awareness of the importance of prevention and to promote a preventive culture. Highlights included initiatives such as the 3rd Prevention Week at Redeia, where more than 550 people shared ideas to improve safety and well-being within the Company and videos were posted on a wide range of topical issues and concerns.

Under this plan and following also the preventive actions envisioned in the Workplace Safety Action Plan 2020–2023, highlights included the training sessions delivered to all construction and facility maintenance personnel in relation to the technical and legal side of prevention.

Further to the commitments made with suppliers, the Company also carried out various initiatives to track and monitor the accident rate, which also provided an opportunity to share lessons learned and improvements to be made. By getting suppliers involved in these events, the participants can exchange ideas and share experiences concerning the preventive culture for companies that carry out the same activities at Redeia facilities.

Innovation in safety and wellness

In 2023 Redeia championed digitalisation and technological innovation not only as operational tools, but also as catalysts for employee wellness. A particular highlight was the EMOTION project, which looks to make emotional wellness part of the risk prevention strategy. Thus, occupational safety is no longer limited to the physical side, as mental and emotional health are now equally as important.

Collaboration with startups from Elewit's venture client programme was also stepped up, leading to the exploration of new complementary functionalities with the EMOTION project, harnessing artificial intelligence (AI) to detect in real time emotional states that could compromise security in high-risk situations.

Meanwhile, the implementation of the new "Protected Zones" platform in late 2023 marked a turning point in the Company's approach to safety and efficiency in relation to the operations of the transmission grid. Inspired by the 5 Golden Rules of electrical safety, this platform ensures operational integrity and safety for all involved by providing unprecedented levels of traceability.

All these initiatives have allowed the Company to steadily bring down its overall accident rates, covering not only its own employees (severity rate: 0.02), but also contractor personnel (severity rate: 0.50).

In late 2022, Hispasat (with its three Spanish subsidiaries) joined Redeia's Joint Prevention Service. In 2023, a needs analysis and feasibility study were carried out with the aim of unifying the tools and platforms used by all Redeia companies assigned to this service.

Health and wellness

In relation to health and wellness, and aside from the usual health surveillance activities that take place, Redeia continued to pursue various campaigns aimed at improving lifestyle habits, such as nutrition consultations, physiotherapy, physical fitness and sports activities co-financed by the company, with upwards of 450 people taking part in these activities in 2023.

Highlights in 2023 included the definition of the Company's own wellness model and strategy, demonstrating the corporation's firm commitment and making Redeia a pioneer when it comes to such matters.

This model views employee wellness from a holistic and global perspective, establishing five central pillars (physical, emotional, professional, social and financial) that include the various initiatives that the Company makes available to its people in order to ensure their well-being. The model also provides measurement systems for assessing the value proposition or range of initiatives made available to people and gauging each individual's self-perception as to their level of well-being. Armed with this information, the Company can then measure the level of satisfaction with the company's proposition.

Redeia also preventively monitors the health of its employees on an ongoing basis through individual and collective health surveillance in the form of periodic health examinations and consultations. Thanks to the preventive measures put in place, no incidents or risks of specific illnesses associated with the professional activities carried out or related to the workplace were identified during the period.

Following Redeia's success in adapting its Healthy Company Model assurance to that of a Healthy Organisation, Hispasat followed suit in 2023 and working conditions were adapted so as to extend this certification to Redinter's subsidiaries in Peru and Chile in 2024. Regulatory audits were also performed on the companies that form part of the Joint Health and Safety Service.

Last but not least, an action plan was put in place in 2022 and 2023 in response to the findings of the Psychosocial Risk Assessment carried out in 2021, with the following key milestones reached in 2023:

- Incorporation of wellness objectives and strategic lines of action in the 2024–2025 Workplace Safety and Wellness Action Plan.
- Training and coaching in emotional skills for personnel exposed to high-risk activities, within the framework of the EMOTION project, focused on: emotional self-leadership, communication and healthy conflict resolution, and self-awareness. The programme will continue to run throughout 2024.
- Availability of a psychological support service for workers and their first-degree relatives, ensuring full support for employees in coping with situations that might affect their alter emotional and mental well-being.
- Development of actions aimed at fostering effective leadership that promotes the well-being of teams based on development, motivation and the creation of safe psychological environments.

Workplace accidents and occupational diseases

In 2023, the key accident rates for Redeia employees were 1.14 (frequency) and 0.02 (severity). In 2022, the frequency rate stood at 1.30, while the severity rate was 0.06.

	2023			2022		
	Men	Women	Total	Men	Women	Total
Lost-time accidents	5	0	5	3	2	5
Fatal accidents	0	0	0	0	0	0
Days lost due to accidents ⁽¹⁾	66	0	66	143	75	218
Accident frequency rate ⁽²⁾	1.66	0.00	1.14	1.08	1.87	1.30
Accident severity rate ⁽³⁾	0.02	0.00	0.02	0.05	0.07	0.06

(1) The calculation is based on 6,000 working days for a fatal accident and 4,500 days for total permanent disability.

(2) Frequency rate: number of work-related accidents resulting in lost time per million hours worked.

(3) Severity rate: number of working days lost due to occupational accidents + incapacity scale, per thousand hours worked.

Notably, for yet another year there were still no cases of occupational diseases.

a) Management-employee relations

At Redeia, listening is a key tool in getting to know the current situation of its employees and implementing initiatives that meet their needs. In 2023, the role of the management team as the main channel for internal communication with the teams was further consolidated and specific leadership targets were added to improve matters further.

The Company also designed a methodology for listening to its employees by “taking pulses”. This method allows the Company to gauge the opinions of various segments on specific and relevant issues that affect the day-to-day work of the workforce. For example, employees were asked to assess the implementation and success of the hybrid work model at Redeia’s various companies.

These regular “pulses” allow Redeia to measure the impact and level of satisfaction with its actions, and thus to know how they influence people’s well-being. All of this is achieved through simple and agile (and much more regular) surveys.

The methodology was first applied in 2023 to learn more about the working climate within the Company, making it a key tool in understanding its strengths and spotting those aspects that could be improved upon and that influence the day-to-day lives of employees.

Redeia also happens to consider internal communication as a key factor for sharing its mission and strategic goals, involving employees in the organisation’s various projects and improving the work climate, thus helping to boost pride in belonging.

The main focus of internal communications was as an adjunct to the Company’s transformation and the introduction of new, more agile, flexible and collaborative ways of working that enable Redeia to achieve the challenges set out in new strategic plan.

The various internal channels include NuestraRED, the collaborative intranet system, featuring the most relevant news related to the Company and offering users direct access to applications, communities, spaces and tools geared towards boosting effective communication, innovation and agility across the organisation, making it a simple, useful and easy-to-access tool that is on hand for all employees during the cultural transformation.

NuestraRED also has an exclusive area for the management team, known as the Leaders Portal, providing specific information related to team management, people management processes, development and training, thus helping to galvanise leadership within the organisation.

Employees covered by a collective bargaining agreement

GRI 402-1, 2-30

Redeia guarantees the right to trade union membership, association and collective bargaining within the framework of the provisions of the International Labour Organization (ILO), the Spanish Constitution, prevailing employment law and the relevant collective bargaining agreements in effect.

Thus, Redeia's Code of Ethics and Conduct explicitly enshrines respect for the right to collective bargaining and freedom of association, which, in turn, is reiterated and embodied in Redeia's pledge to promote and ensure respect for human rights. Meanwhile, the collective bargaining agreements of Red Eléctrica de España, S.A.U., Redeia Corporación, S.A. and Redeia Infraestructuras de Telecomunicación, S.A. (the three Redeia Group companies subject to their own collective bargaining agreement) govern dialogue between employer and employee and the system of worker representation at the Company through the various committees in place, each with their own specific remit.

Thus, negotiations with the Workers' Legal Representatives form a regular part of Redeia's labour relations, maintaining ongoing dialogue with them and with their respective trade union organisations in order to establish the rights and duties of the parties, thus ensuring respect and recognition of the aforementioned rights.

Employees covered by a collective bargaining agreement

	2023	2022
Employees in Spain	87%	86%
Employees in Brazil	95%	91%

In the other countries where Redeia has a significant present (Peru, Chile and Colombia), 62% of employees were covered by a collective bargaining agreement in 2023 (66% in 2022).

On the subject of collective bargaining, it should be noted that in 2023, the 1st Collective Bargaining Agreement of Redeia Corporación, S.A. and the 12th Collective Bargaining Agreement of Red Eléctrica de España, S.A.U. were signed, filed and published in the Official State Gazette, thus marking an end to the bargaining processes that began in 2022.

Following the signing of these agreements, which were unanimously agreed by each negotiating committee, close employer-employee dialogue was struck up at both companies through the various committees set up under the terms of the agreements, comprising representatives of the employer and of the employees and which were called upon to address working conditions. A number of new committees were set up in 2023, notably the Closed Shift Special Regime Committee at Red Eléctrica de España, S.A.U. and the Monitoring Committees of the Remote Work Collective Agreement at Red Eléctrica de España, S.A.U. and Redeia Corporación, S.A.

In the meantime, the monitoring committees of the Equality Plans of Red Eléctrica de España, S.A.U., Redeia Corporación, S.A. and Redeia Infraestructuras de Telecomunicación, S.A. continued to hold regular meetings throughout the year.

Redeia looks to involve its workers in the Company's management through various internal channels of communication and through social dialogue in the form of briefings, consultations and participation of workers' representatives via the different committees in place.

Summary of collective bargaining agreements in the area of health and safety

Redeia Corporación, S.A., Red Eléctrica de España, S.A.U., Redeia Infraestructuras de Telecomunicación, S.A. and Hispasat, S.A. each have an Occupational health and safety committee set up, in accordance with prevailing legislation. These committees are collegiate bodies with equal representation between employer and employees and are there to provide regular and periodic consultation regarding the companies' occupational health and safety actions.

The Redeia Corporación, S.A. committee comprises three representatives proposed by the company and three health and safety officers; the Red Eléctrica de España, S.A.U. committee comprises six representatives proposed by the company and six health and safety officers (a number that exceeds the representation required by law); the Red Infraestructuras de Telecomunicación, S.A. committee comprises two representatives proposed by the company and two health and safety officers, as does the committee set up at Hispasat, S.A. The representatives and officers sitting on all these committees have been selected from among the workers' representatives, who represent all of the employees at each of these companies. Expert roles from the Group's joint health and safety service also attend the meetings of these committees.

The committees meet every quarter (in accordance with Occupational Risk Prevention Law 31/1995) and at the request of any of the parties. The meetings are held to monitor health and safety activities, discuss new legislative developments, review processes and internal rules and regulations, and analyse and keep track of results, occupational health and safety programmes, and safety equipment and materials. The minutes of these meetings are made available to all employees under a dedicated section of the corporate intranet sites. The committees also receive the results of the internal and external audits that are carried out and any improvement actions that may be implemented.

b) Training

GRI 404-1, 404-2

Redeia develops the organisation's talent by training employees and refreshing their skills amid the current environment of change and building the right strategy to retain critical talent.

The learning model encourages leaders, acting in their transformative role, to support their collaborators, in particular by accompanying them in their own professional development.

Each employee is free to implement their choice of individual learning plan. This enables them to develop and grow by requesting those initiatives that they believe will help them achieve their objectives and improve the contribution they make. The learning plan also allows them to take part in the initiatives assigned to them in view of their profile and in response to the needs of the organisation.

The catalogue of training options is generated by identifying initiatives that support the achievement of the objectives set out in the Strategic Plan, which makes it possible to directly and/or indirectly assess how the learning acquired is aiding in this achievement through indicators and scorecards.

The training catalogue is constantly evolving in response to different learning styles and people and to new methodologies, with regular improvements made to aspects such as accessibility via new online courses, and prioritising the digitalisation of training resources, thus allowing the company to better focus the content while freeing up hours more time during the day that can be spent on training and optimising costs, a trend that is analysed on an annual basis.

Learning is provided through Campus, which serves as a springboard for rolling out the organisation's strategy, values and culture. It is a meeting place and a space for learning and development, helping to manage stakeholder knowledge and covering the various areas targeted for learning.

A digital version has been deployed across all of the countries in which Redeia is present. Available via the Virtual Campus, it is an open learning environment with a catalogue of more than 800 resources where employees can pursue their learning plan using any type of digital device. This virtual version favours self-learning by allowing users to self-enrol on open courses, which account for more than 45% of the total range. In 2023, a total of 92,100 hours of training were delivered (43% online training and 57% in-person), equivalent to 37 hours per employee, at an investment of 1,617 euros per employee.

Training hours by employee category and gender:

Redeia	2023			2022		
	Men	Women	Total	Men	Women	Total
Management team	6,583	4,012	10,595	11,413	7,058	18,471
Qualified staff	58,791	17,990	76,781	49,237	15,104	64,341
Administrative	2,002	2,721	4,723	2,173	2,995	5,168
Total	67,377	24,723	92,100	62,823	25,157	87,980

Redeia's commitment to the hands-on training of recent graduates is articulated through various internship programmes and/or educational collaboration agreements, the aim of which is to support access to employment for newly qualified professionals, to have a pool of internal talent and to reinforce the brand image as an employer.

c) Integration and universal accessibility for people with disabilities

Disability is one of the main vectors of the Integral Diversity Plan 2023–2025, which sets out to achieve at least 40% of the minimum legal requirement (2%) of direct hiring of people with disabilities and increasing by 20% the volume managed via Special Employment Centres for the provision of services at Redeia.

Redeia currently has 24 employees with a disability equal to or greater than 33%, and at four companies the General Law on the Rights of Persons with Disabilities is applicable, with all of them remaining fully compliant.

It is Redeia's aim not only to comply with minimum legal requirements but to go one step further in integrating people with disabilities in the workplace. To succeed, the company has pledged to draw up a Disability Plan for the 2024–2030 horizon, with measures and actions to achieve the direct employment of 40 people with disabilities by 2030. Undoubtedly, this is a measure that will cover various aspects related to disability that will contribute not only to the job market and societal integration of people with disabilities, but also to the awareness among Redeia staff on this hugely important issue for the Company.

Another key initiative that will help to integrate this segment of society are the regular donations made to entities devoted to the social and occupational integration of people with disabilities, and which support Redeia in carrying out the various actions envisaged under its annual diversity programme related to disability, which in turn contributes to social improvement.

It should be noted that, as regulated in Article 25 of Spanish Law 31/1995, on the prevention of occupational risks, special protection is assured for those employees who, due to their own personal circumstances or known biological condition—including those with recognised physical, mental or sensory disabilities—are especially sensitive to occupational risks. In their particular case, all the necessary preventive and protective measures are provided.

More precisely, specific medical examinations are carried out, and aptitude for the job and any possible needs to adapt the workstation or change to another position are assessed.

When it comes to accessibility features, all corporate buildings comply with prevailing law and regulations, both from the time of their construction and when undergoing subsequent refurbishment or renovation.

One of the most highly valued disability projects among employees is the Family Plan, consisting of personalised assistance to improve the social and labour integration of the disabled family members of the employees.

Redeia also takes part in various institutional and private campaigns to foster the social and occupational integration of persons with disabilities, as well as awareness campaigns. Volunteering initiatives are also carried out and have proved to be very popular among employees.

Meanwhile, the corporate website of Redeia was developed using website accessibility criteria with Level AA conformance to Web Content Accessibility Guidelines 2.0 (WCAG 2.0) of the World Wide Web Consortium (W3C) Web Accessibility Initiative (WAI).

d) Equality and diversity

GRI 406

Redeia's commitment to diversity, inclusion and non-discrimination is embodied in its 2023–2025 Comprehensive Diversity Plan, which is aligned with the Group's 2021–2025 Strategic Plan and the 2030 Sustainability Commitment. It seeks to inspire and become a benchmark for the Company itself and within the wider social, labour and human environment, through the Company's commitment to talent diversity, social inclusion, employment and non-discrimination, breaking down stereotypes and cultural barriers.

Aims of the 2023–2025 Integrated Diversity Plan
<ul style="list-style-type: none"> • Embed diversity across all Redeia processes, especially people management, taking account of everything that this implies (gender, age, disability, etc.) and thus instilling a culture of diversity, equal opportunities, equity, inclusion and non-discrimination. • Extend the diversity, equity and inclusion strategy across the entire value chain. • Partner with official organisations, academic institutions, stakeholders and other social agents in campaigns, observatories and projects that enable the Company to become a benchmark as a social agent that helps to create a more diverse society. • Reducing any inequalities that arise (corporate and wage or digital gaps). • Put mechanisms in place to prevent discriminatory bias • Support the inclusion of socially excluded and/or vulnerable people within the job market
Gender equality targets for 2025
<ul style="list-style-type: none"> • Women to account for 38% of the management team • Women to account for 31% of the workforce
Achievements in 2023
<ul style="list-style-type: none"> • 36.2% of women in management positions (35.3% in 2022), exceeding the 2023 target (35.0%). • 28.9% women in the workforce (27.9% in 2022).

Gender equality is a key topic under the new Comprehensive Diversity Plan and includes the principles of equal employment opportunities, the promotion of women to positions of responsibility, equal pay between men and women, the promotion of shared family responsibility, the prevention of harassment on moral, sexual and gender grounds and the prevention of gender-based violence. These aspects are monitored through a scorecard, which allows the Group to measure the progress made towards the objectives in place.

These two objectives are included in the scorecard of the Integrated Diversity Plan, which also features other metrics such as employee perception of diversity and work-life balance. Other indicators related to gender violence awareness and knowledge management among the different generations in the workforce have also been put in place.

With regard to the LGTBI segment, Redeia is a member of the REDI association (Business Network for LGBTI Diversity and Inclusion). REDI is the first ecosystem of companies and professionals in Spain working to promote safe and respectful work environments for all people, regardless of their identity, sexual characteristics, gender expression or sexual orientation.

As a further show of its commitment to quality, Redeia has a significant female presence among its senior management, with 50% of senior managers being women, as well as on the Board of Directors, where women account for 50% of the total, the highest among all IBEX 35 blue-chip companies.

In 2023, Redeia continued its Management of Diversity and Female Leadership programme, which aims to train and raise awareness, through workshops and focus groups targeting all Company employees, with the aim of championing gender equality and creating diverse environments through:

- Raising awareness of the importance of diversity and fostering inclusion within the organisation while reducing unconscious biases.

- Working on tools to improve self-leadership, assertiveness and self-confidence.
- Creating a more positive impact through work-life balance measures.
- Working on personal visibility and awareness of how one's image affects others.

The *In@lusionate* programme, launched in 2022 and aimed at the management team, was completed in 2023. This programme, which seeks to raise awareness of the importance of diversity and gender equality as enablers of effective equality and, in doing so, raise global awareness of inclusive leadership and equal opportunities within teams, involved a total of 38 workshops and webinars in 2023, all with the aim of acquiring tools to help raise awareness of emotions, the impact they have on one's individuality and the influence of differences in people's identities on leadership actions.

An awareness-raising event was also held during the year so that the entire management team could learn more about diversity, equity and inclusion, with the aim of learning and applying inclusive behaviours on a day-to-day basis to help teams build greater trust and collaboration.

Notably, the management team has permanent access to a specific channel on diversity, inclusion and equity.

A further highlight was the renewal of the EFR (family-friendly company) badge, thanks to the 71 different actions that the Company practises and preaches, broken down as follows:

- 27 job quality measures, presenting the following subgroups: job stability, flexicurity, health and well-being, employee benefits/flexible compensation, payroll or social security supplements, various discounts and other perks, and mobility mechanisms.
- 12 measures on working hour and workspace flexibility, with the following subgroups: flexible daily working hours, teleworking, working alongside others, paid leave and other forms of flexibility.
- 18 measures to support the family members of employees, with the following subgroups: parenting, family and children.
- 5 measures to promote personal and professional development, with the following subgroups: employability training, emotional intelligence and temporary flexibility associated with training.
- 9 equal opportunities measures, with the following subgroups: generations, gender and equal opportunities training.

11.5 Information on respect for human rights

GRI 103-1, 103-2, 103-3, 2-26, 406, 407, 408, 409, 411-1, 412-1, 412

In 2017 Redeia's Sustainability Steering Committee approved the Company's human rights management model, which structures and systematises the various actions needed to ensure protection and respect for human rights, as well as to address any risk in this regard as may be generated by the Company or by any third party with which it has relations.

Given that human rights form part of the bedrock on which Redeia's values rest and are an intrinsic part of the UN's 2030 Agenda for Sustainable Development, the Company manages human rights on the basis of continuous improvement, assessing its performance in this field at least once a year, and updating its policies and commitments accordingly whenever new human rights principles emerge.

Redeia's human rights management model, based on the methodology defined by the UN Guiding Principles on Business and Human Rights, encompasses all business activities and geographical areas in which the Company operates and is built around four main pillars.

1. Commitment to human rights

Respect for human rights is one of the ten principles underpinning Redeia's 2030 Sustainability Commitment and therefore a key aspect considered in the Company's decision-making, thus aiding in the achievement of the UN Sustainable Development Goals (SDGs).

The Company has embraced an explicit and public commitment to respecting human rights in every country in which it operates, focusing on the freedoms and rights of vulnerable groups such as indigenous people, women, children, persons with disabilities, the LGBTI community and migrant workers, and it extends this respect more broadly to its relationships with third parties.

This commitment, formalised in 2022 through the Ten Principles for respect for human rights, has been made public through the Commitment to the promotion and respect of human rights, which was approved by the Board of Directors in order to cement the corporate values, principles and rules of conduct set out in Redeia's Code of Ethics and Conduct and in its Sustainability Policy.

This Commitment is founded upon the internationally recognised principles enshrined in the Universal Declaration of Human Rights and its implementing conventions, the International Covenant on Economic, Social and Cultural Rights and the various conventions and protocols of the International Labour Organization. It was also deemed necessary to include in this Commitment emerging human rights (e.g. the right to a healthy environment or the right to decent work). This Commitment is binding on all employees and members of the governing bodies of the companies that form part of Redeia as they go about their business activities and fulfil their responsibilities. It also applies to the companies in which the Group holds a majority stake, regardless of their geographical location and activity. Companies at which Redeia is not a majority shareholder, or over which it does not exert control, are encouraged to embrace this Commitment.

These Ten Principles are reviewed on an annual basis, as new rules or standards may have emerged, the company may have expanded to other sectors or geographies, and disclosures may have been received through the various speak-up mechanisms that Redeia makes available to its stakeholders.

Furthermore, in order to extend its sustainability principles across the supply chain, Redeia's Supplier Code of Conduct insists that all suppliers respect human rights. On accepting the General Terms of Business, all of the Company's suppliers undertake to comply with the Code of Conduct, which can be substantiated via social audits.

2. Human rights due diligence process

Due diligence is a process whereby the impacts that the Company may cause, on human rights in this instance, are identified, assessed, corrected, mitigated and prevented. Notably, Redeia has been carrying out regular due diligence processes since 2013, involving all Group companies, in order to identify possible risks stemming from its direct and indirect activities.

In 2022, Redeia updated its due diligence procedures in respect of its own activities and relationships with third parties, bringing them into line with domestic and international legislation and current trends, as well as with emerging rights and new rights-holders on whom its activities could have an impact.

The due diligence process is divided into three stages:

- **Human rights risk map:** based on the human rights and rights-holders that could be affected by Redeia's activities, the negative, potential and actual impacts are identified, prioritised and assessed, using an in-house methodology based on the likelihood of the impact occurring and its severity. This risk map is reviewed once a year.
- **Implementation of risk prevention and mitigation measures:** Redeia looks at the risk map and then implements what it considers to be suitable risk prevention and/or mitigation measures at the departments or processes concerned, including specific improvement targets and associated deadlines.
- **Monitoring of the measures put in place:** regular assessments are carried out in respect of the previously defined qualitative and quantitative indicators. How often these assessments take place depends on the seriousness of the risks involved: at least once every three months for those considered serious, and at least once a year for all others. If deviations are observed, or if the results are not as desired, Redeia works with the stakeholder concerned to reframe the measures.

In order to ensure continuous improvement in this field, Redeia reviews the internal regulations that govern this mechanism once a year.

The 2023 review took into account all the Company's activities in Europe, Peru, Chile, Brazil, Argentina and Mexico (including the ARGO investees and TEN). The findings show that, as regards the sectors in which the

Company operates, Redeia's primary human rights risks are linked to forced and child labour, human trafficking, freedom of association and right to collective bargaining, equal pay, discrimination, health and safety, decent work, data privacy and security, identity and social, cultural and economic rights of indigenous peoples, private property, fair taxation, corruption, a healthy environment and ethical management. This review has served to strengthen the Company's policies, commitments and control mechanisms to minimise these risks, ensure respect for human rights and remedy possible human rights abuses.

The results of this due diligence process have shown once again that the Company carries a low level of risk and runs suitable controls. As a result, there have been no human rights abuses and so no remedial action has proved necessary to date.

Most notably, no risks carrying both a high probability of occurrence and a severe impact were they to materialise have been identified, thanks to the prevention measures put in place by the Company through its internal rules and regulations. The risks carrying the highest impact severity are those related to corruption, child labour and human trafficking, although all of them have excellent mitigation mechanisms in place thanks to various internal procedures that minimise their likelihood of occurrence ("very low" ranking of 1.3 out of 5). The risk related to working conditions (psychosocial risks, overwhelming workload or lack of digital disconnection) is the most likely risk identified throughout the company, though again it is situated in the "very low" range (1.7 out of 5), having fallen by 0.2 points compared to the previous year. This all goes to show that Redeia runs a very tight ship when it comes to prevention, thanks to its internal rules and regulations and standard controls.

Special mention should also go to Redeia's efforts to analyse the effects on its activity on local communities, especially indigenous populations. Communities were identified in Peru, Chile and Brazil. However, it was found that there are no indigenous settlements or communities lying within the sphere of influence of Redinter's activities. Therefore, there is no risk of such communities being affected. To confirm this, work was carried out in Peru to search for parallels between the UN Guiding Principles on Business and Human Rights and the environmental impact studies undertaken by Redinter.

The Company also extends its human rights commitment to third parties with which it either has, or intends to build, some sort of relationship and applies due diligence measures based on the risk posed by the third party in question. Prior to formalising any arrangement with a third party, Redeia first carries out an analysis to obtain information on that party's integrity and respect for human rights, focusing on the rights-holders identified previously. To succeed in this task, a series of due diligence measures have been established that are applied based on the risk posed by the third party and the nature of the relationship expected to ensue. This process is put into motion whenever a new relationship begins that involves corporate transactions, trading partners, external agents, public administrations, the management team, collaborating entities in the social sphere, land owners and holders, suppliers or customers.

Moreover, through the suppliers portal, Redeia has also put in place mechanisms to prevent human rights abuses along its supply chain. No suppliers were identified in 2023 that could be implicit in human rights abuses and, therefore, no contract or order had to be terminated on these grounds.

Last but not least, as a final control mechanism in relation to human rights, Redeia has its Corporate Responsibility Management System (IQNet SR10) certified annually. This process means auditing all of the Group's work centres in three-year cycles. Annual assurance is also arranged or renewed for its Criminal Compliance Management System (UNE 19601) and Anti-Bribery Management System (UNE-ISO 37001).

3. Grievance mechanisms

Redeia has an Ethics and Compliance Channel that can be accessed by all stakeholders, as a formal mechanism to respond to enquiries or complaints related to human rights. The Company has other communication channels whereby its stakeholders can voice their concerns regarding any issues. These channels include the *DÍGAME* service, which handles complaints and enquiries from external stakeholders regarding system operation and the transmission network; the ASA channel, which has been set up for suppliers; the *DÍGAME INTERNACIONAL* service, focused on the business in Latin America; and the Hispasat speak-up service.

In order to adequately handle enquiries from stakeholders on potential human rights abuses, the Group has made progress in improving the process to identify enquiries or requests received through its various channels. Notably, Redeia did not receive any claims relating to human rights through its *DÍGAME*, *DÍGAME INTERNACIONAL*, *ASA* or *Hispasat* channels in 2023.

4. Communication

Redeia keeps its stakeholders apprised of its performance when it comes to human rights through its Sustainability Report and its website. The results of this due diligence process have demonstrated once again that the Company carries a low risk level in terms of human rights and has suitable controls in place. As a result, no remedial action has been necessary thus far.

11.6 Information on the fight against corruption and bribery

GRI 103-1, 103-2, 103-3, 2-23, 2-26, 406-1

Ethics and compliance are central pillars there to ensure the proper course of business at Redeia. This means acting with the utmost integrity in discharging the Company's obligations and commitments, and in all relations and collaborations with its stakeholders.

Redeia has a series of corporate rules of conduct that set out the values, principles and standards of conduct that must be adhered to by all persons at the Company when going about their professional activities.

Code of Ethics and Conduct

Redeia's Code of Ethics and Conduct applies to all Company personnel. It establishes and facilitates commitment to the ethical values, principles and standards of conduct that must govern professional activity within the organisation.

The latest version of Redeia's Code of Ethics and Conduct, approved by the Board of Directors on 26 May 2020, addresses the ethics management requirements and recommendations prescribed by the United Nations (mainly through the Sustainable Development Goals, the Ten Principles of the Global Compact and the Universal Declaration of Human Rights and its implementing conventions), the Organisation for Economic Co-operation and Development (OECD), the International Labour Organization (ILO) and Transparency International, among others. The Code was also amended on 30 May 2023 to bring it into line with Law 2/2023, of 20 February, on the protection of persons who report regulatory infringements and the fight against corruption.

Ethics and Compliance Channel

Redeia provides employees and stakeholders alike with an Ethics and Compliance Channel through which they can voice any doubts they may have regarding the interpretation of the ethical values, principles and conducts set out in the Code, or suggest improvements. It also functions as a whistleblower channel for reporting any breach of the Code, legislation, internal regulations or the commitments assumed by the organisation, as well as any possible irregularity or breach related to bad financial, accounting or commercial practices.

Redeia's Ethics and Compliance Channel is run by the Ethics Officer working alongside the Compliance area, and its operation is regulated in the channel user handbook.

The channel is regularly audited and provides user confidentiality through a secure software application that ensures close monitoring of all enquiries and complaints received.

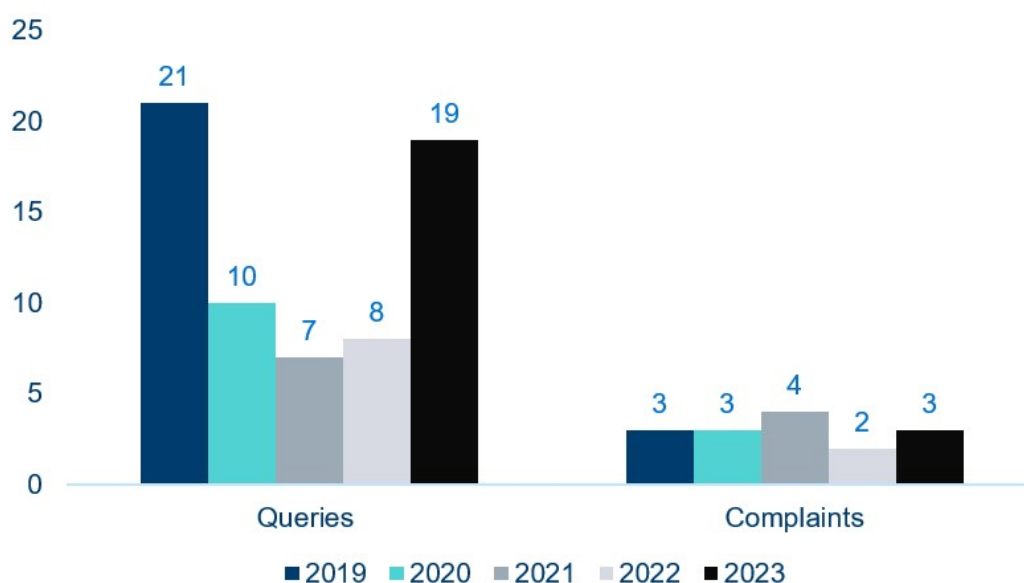
Ethics and Compliance Channel management system

In 2023, Redeia embarked on a project to adapt its Ethics and Compliance Channel to prevailing law and best practices (more precisely, Spanish Law 2/2023, of 20 February 2023, on the protection of persons who report regulatory breaches and the fight against corruption, European Directive 2019/1937, and ISO 37002 on whistleblowing management systems). This project ultimately led to the approval of the Ethics and Compliance Channel Management System and Whistleblower Protection Policy, which sets out the principles and safeguards for the Ethics and Compliance Channel Management System as a formal mechanism for raising queries and reporting non-compliances and irregularities. The Ethics and Compliance Channel Management System Guide was also updated in the period.

The company also happened to design and implement a protocol regulating internal investigations linked to the Ethics and Compliance Channel. At Redeia, internal investigations are carried out in strict compliance with applicable legislation and the commitments embraced by the organisation in its Code of Ethics and Conduct, its Compliance Policy and in the aforementioned Policy of the Ethics and Compliance Channel Management System and on Whistleblower Protection, and while respecting the rights and freedoms of all employees and third parties involved. To help disseminate and enforce the protocol, training workshops were held for those employees directly involved in such investigations.

Therefore, Redeia has established a common approach that must be followed by all Group companies when conducting investigations related to the Ethics and Compliance Channel management system, including the precise steps to be followed during the investigation and the nature of the proceedings to be carried out, among other aspects.

Queries and disclosures received through the Ethics and Compliance Channel



None of the disclosures involved non-compliances in relation to the organisation’s criminal risks.

Compliance system

Redeia’s Compliance System is aligned with the best practices in this area, so as to support the organisation in fulfilling its obligations and commitments.

Redeia's Compliance Policy, the latest version of which was approved by the Board of Directors on 30 May 2023, sets out the organisation's commitment to the prevention and detection of, and response to, any unlawful conduct or any action that fails to comply with the commitments assumed voluntarily, in accordance with the values, principles and conducts enshrined in the Code of Ethics and Conduct. The Policy sets out Redeia's express commitment to compliance with the criminal and anti-bribery laws applicable to the organisation and its rejection of any form of criminal conduct, in keeping with the values, principles and conducts enshrined in Redeia's Code of Ethics and Conduct.

Redeia's Compliance area is entrusted with the design, development, implementation and monitoring of the organisation's compliance system.

The main goals of the compliance system are to:

- Establish a system of control and supervision to mitigate compliance risks within the organisation.
- Make available the principles and rules that should govern the performance of all members of the organisation and the instruments required to this end.
- Optimise and improve the management of risks of non-compliance.
- Raise awareness among Redeia members of the importance of the compliance system and of adapting their conduct to the values and conducts set out in the Code of Ethics and Conduct.
- Raise awareness among Redeia's members and stakeholders of the importance of reporting, through the Whistleblowing Channel, suspicious actions and possible non-compliances, including those that fall within the scope the management system for the channel.
- Crystallise Redeia's commitment to the prevention of any conduct that is unlawful or runs contrary to its voluntary commitments.
- Make clear to all persons subject to the compliance system that any breach of its principles and guidelines will lead to disciplinary action.
- Deploy appropriate control measures to mitigate the risk of non-compliances occurring within the organisation, as well as reactive and corrective measures when non-compliances are detected.
- Maintain supporting evidence of compliance with the Company's obligations and commitments.

Crime prevention and anti-bribery compliance system

Redeia has a crime prevention and anti-bribery system that aims to identify the rules, procedures and tools in place within Redeia to prevent non-compliances with the criminal legislation applicable to the Company and its personnel. The management and prevention of any criminal risks that could affect Redeia, based on its activities and business sectors, are thus incorporated into its control processes.

The Board of Directors, as the ultimate body tasked with risk management at Redeia, in accordance with applicable regulations, has entrusted the Crime Prevention and Anti-bribery Committee with Redeia's Crime Prevention System. The Crime Prevention and Anti-bribery Committee is responsible for overseeing and monitoring Redeia's crime prevention and anti-bribery system and works to ensure that the main criminal risks are suitably identified, managed and disseminated internally.

The Crime Prevention and Anti-bribery Committee is an independent body which reports its activities to the Board of Directors, via the Audit Committee. It also provides the Board of Directors with information on the adequacy and effectiveness of the crime prevention and anti-bribery system.

The crime prevention and anti-bribery systems of Redeia's Parent, Red Eléctrica Corporación, and its subsidiary, Red Eléctrica, have been certified under UNE 19601 and ISO 37001 standards. The certification process for these systems was carried out by AENOR in accordance with the aforementioned standards. In 2023, the Company successfully passed the follow-up audit carried out by AENOR, thus confirming the ongoing compliance and effectiveness of the system.

In 2023, no Redeia company was investigated or found guilty of any non-compliance in connection with the organisation's criminal risks.

Anti-corruption, anti-fraud and anti-money laundering

The Code of Ethics and Conduct and the crime prevention and anti-bribery system, which include aspects related to the fight against corruption and money laundering, constitute an effective mechanism in detecting and treating possible instances of corruption and fraud.

Redeia has a *Guide for the Prevention of Corruption: Zero Tolerance*, approved by the Board of Directors in 2023, which sets out the expected conducts, commitments and main controls in place at the Company associated with corruption, including money laundering.

This guide was reviewed and updated in 2023, with its scope extended to cover (internal) fraud and to bring it fully in line with Redeia's Code of Ethics and Conduct and Compliance Policy. The updated guide was approved by the Board of Directors of Redeia Corporación in January 2023.

The review process involved the participation of Transparency International and looked closely at best practices and international standards in this field (ISO 37001).

No complaints were filed in 2023 in connection with potential instances of corruption at any Redeia company, and no Redeia company was investigated or found guilty by any court in connection with acts of non-compliance linked to corruption or money laundering.

11.7. Information on social issues

GRI 103-1, 103-2, 103-3, 413-1

11.7.1 The Company's commitment to sustainable development

Economic and social contribution of investments

Redeia focuses its social commitment towards unlocking shared value by pursuing actions and investments that are aligned with its business goals, which not only generate shared value, but also happen to have a positive impact on the quality of life of the communities living in the areas where the Company's assets are located. This also means the Company is helping to address global challenges, such as the UN Sustainable Development Goals or the European 2030 energy strategy.

Once again in 2023, Redeia's investment benefited society due to its dynamic effect on economic activity because, by encouraging production, it leads to an increase in wealth (as measured by GDP) and, as a result, in jobs and tax revenue, which can be used to improve the general well-being of society. All this stems not only from the Group's direct investments, but also the increase in activity driven by the circular flows of the economy.

Since 2017, Redeia has used a methodology based on multipliers computed using Input-Output Tables (drawn up by official statistics offices in each country) to estimate the level of general activity generated as a result of an initial investment. The calculations take into account the direct, indirect and induced effects.

Effects of investments

Direct effect	Indirect effect	Induced effect
Estimation and valuation of the production chain, jobs and income that an initial investment generates within the economic system.	Income and jobs created when the beneficiaries of the initial investments acquire other goods and services (intermediate consumption) from other production systems, which in turn acquire goods and services from their own suppliers.	Impact arising from all the income generated in the previous stages. This effect thus incorporates the effect of the final consumption arising from the wage income generated and the tax revenue obtained by the general government when taxing the various economic activities and the income generated.

Social and economic contribution in Spain

In 2023, Redeia's total investment in Spain, through activities carried out at Red Eléctrica, Reintel, Elewit and Hispasat, amounted to 943 million euros, of which an estimated 224 million euros was spent on importing the products needed to run their businesses. The remainder, approximately 719 million euros, was invested directly in Spain. The investment in Spain generated 1,388 million euros of output within the business sectors concerned, which is almost double the investment made in the country, thus contributing 608 million euros to Spanish GDP (around 29.5% of Redeia's revenues in 2023) and generating economic activity equivalent to 9,089 jobs. All of this combined generated tax receipts of 231 million euros (roughly 23% more than the amount provisionally collected in 2023 in respect of the special tax on electricity⁵).

Total effects of investment in Spain

	Direct	Indirect	Induced	Total
Production (€ million)	719.2	586.6	81.7	1,387.5
Income-GDP (€ million)	301.8	267.1	39.2	608.1
Employment (no. of jobs)	4,698	3,865	525	9,089
Tax revenue (€ million)	118.9	99.2	13.5	231.6

Note: the mismatch in one case between the total figures and the sum of the partial data is due to the rounding of decimals.

Social and economic contribution in Chile

In 2023, through its subsidiary Red Eléctrica Chile, Redeia invested a total of 5 million dollars in the transmission network, almost all of which involved direct investment in Chile. This investment generated 8.4 million dollars of output within the business sectors concerned, thus contributing 4.1 million dollars to GDP within the country and generating economic activity equivalent to 110 jobs. All of this combined generated tax receipts of 0.8 million dollars.

Total effects of investment in Chile

	Direct	Indirect	Induced	Total
Production (\$ million)	4.5	3.3	0.7	8.4
Income-GDP (\$ million)	2.2	1.5	0.4	4.1
Employment (no. of jobs)	66	36	8	110
Tax revenue (\$ million)	0.5	0.3	0.1	0.9

Note: the mismatch in one case between the total figures and the sum of the partial data is due to the rounding of decimals.

⁵ Royal Decree-Law 17/2021 reduced the excise tax on electricity from 5.1% to 0.5% and it has remained at that rate since September 2021.

Social and economic contribution in Peru

In 2023, through its subsidiaries in Peru, Redeia invested a total of 1.7 million dollars in the transmission network, all of which was invested directly in Peru. The investment in Peru generated around 2.9 million dollars of output within the business sectors concerned, which is almost double the direct investment made (1.7 million dollars) in the country, thus contributing 1.2 million dollars to GDP within the country and generating economic activity equivalent to 65 jobs. All of this combined generated tax receipts of 0.2 million dollars.

Total effects of investment in Peru

	Direct	Indirect	Induced	Total
Production (\$ million)	1.7	1.1	0.1	2.9
Income-GDP (\$ million)	0.6	0.5	0.1	1.2
Employment (no. of jobs)	35	27	4	65
Tax revenue (\$ million)	0.1	0.1	0	0.2

Note: the mismatch in one case between the total figures and the sum of the partial data is due to the rounding of decimals.

Social and economic contribution in Brazil

In 2023, Redeia continued to strengthen Brazil's transmission grid through its stake in Argo, with 34 million dollars, of which an estimated 4 million dollars related to imports. The investment in Brazil generated around 82.1 million dollars of output within the business sectors concerned, which is almost double the direct investment made (29.9 million dollars) in the country, thus contributing 34 million dollars to GDP and generating economic activity equivalent to 2,330 jobs. All of this combined generated tax receipts of 13.6 million dollars.

Total effects of investment in Brazil

	Direct	Indirect	Induced	Total
Production (\$ million)	29.9	41.0	11.2	82.1
Income-GDP (\$ million)	15.0	14.9	4.1	34.0
Employment (no. of jobs)	1,303.0	785.0	242.0	2,330.0
Tax revenue (\$ million)	6.1	5.9	1.6	13.6

Note: the mismatch in one case between the total figures and the sum of the partial data is due to the rounding of decimals.

Impact of the business on local communities and the natural habitat

Redeia focuses its socio-environmental commitment towards unlocking shared value with society by pursuing actions and investments that are aligned with its business goals and that not only generate value for Redeia, but also have a positive impact on society, the local community and its inhabitants.

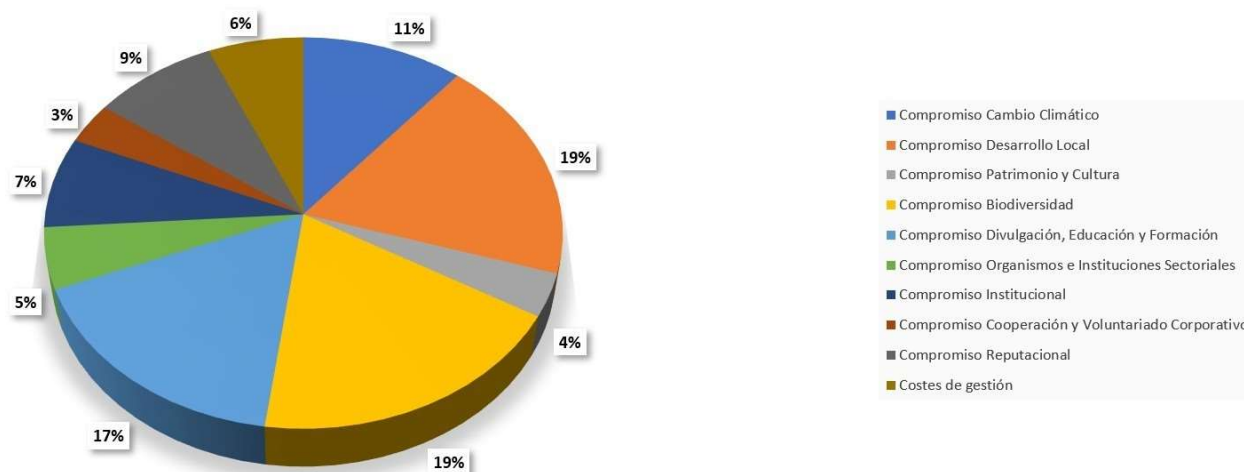
It also helps tackle various challenges, such as the UN Sustainable Development Goals (SDGs) or those envisaged as part of the European energy strategy.

Shared value is created by Redeia both in the way it develops and builds infrastructure and in the way it operates and delivers services to the effective systems in which it operates and to its customers. This activity generates opportunities to unlock shared value throughout the infrastructure life cycle.

In addition, Redeia supplements its projects in the area with collaboration schemes to nurture institutional and social relationships, transparently seeking collaboration agreements, disseminating information about the electricity network's performance and fostering involvement in projects and initiatives that boost socio-economic development, education, equal opportunities, biodiversity and the conservation, protection and enhancement of natural and cultural heritage in the local areas.

In 2023, the Group contributed over 10 and a half million euros (10,631,911, to be precise), calculated using the London Benchmarking Group (LBG) methodology) for the development or promotion of social initiatives.

Contribución social



Of the 838 social initiatives undertaken (246 more than in 2022), 372 targeted the socio-economic development of the local area, including municipal infrastructure construction or improvement projects, efforts to nurture the area’s cultural wealth and restoration of emblematic and socially significant buildings with an impact on tourism.

To further strengthen Redeia’s commitment to local areas, in 2021 a new social innovation approach was defined, placing a greater importance on the “S” of society, with a view to making it one of the transformative levers capable of generating solutions to real needs.

The new approach aims to reduce digital, territorial, generational and gender inequality so as to improve the lives of citizens in local communities. It takes the form of an Action Plan that involves 11 lines of action, all linked to the UN Sustainable Development Goals; the Demographic Challenge Action Plan of the Spanish Ministry for the Ecological Transition and the Demographic Challenge (MITERD); the Company’s 2021–2025 Strategic Plan; and the 2030 Sustainability Commitment.

Dissemination of knowledge

With regard to knowledge-sharing, Redeia has always played a key role through activities that seek to enhance knowledge of the Spanish electricity system. This now takes on even greater importance given the sizeable challenge posed by the new energy transition model through the decarbonisation of the economy, since a more informed society has better able to develop and maintain the new sustainable energy model.

The company has 15 partnership agreements in effect with universities and training entities and in 2023, more than 1,500 people visited Red Eléctrica’s facilities and control centres (CECOEL, CECRE and island control centres), both in person and via virtual tours.

In 2023, contributions to foundations and non-profit organisations totalled 1,730,000 euros. In 2022, contributions to foundations and non-profit organisations totalled 1,579,000 euros. This figure includes contributions made under institutional or academic collaboration agreements, membership fees to national and international organisations, and donations for social purposes.

Corporate volunteering

The corporate volunteering model extends the Company’s social action by driving and reinforcing collaboration in solidarity activities that respond to the social needs, problems and interests defined in its action guidelines.

The business model follows a strategic and transformational approach, aimed at championing volunteering actions that not only steer in-house talent towards corporate volunteering actions, but also provide innovative solutions to social and environmental problems.

The actions carried out in 2023 were in response to the interest shown by participating volunteers and were targeted primarily at improving the quality of life for groups at risk of social exclusion, fostering employability and meeting specific, real needs of society. The volunteering actions are adapted to the social reality and needs of each country in which Redeia is present.

Notably, Redeia achieved a level of participation among individual volunteers of 24.9% (26.7% in 2022), which was once again higher than the target set at the beginning of the year (20%).

Main corporate volunteering actions in 2023

Role-playing activity with women facing social exclusion, alongside Fundación Quiero Trabajo	Five company volunteers took part in the activity to help women with additional difficulties to find employment and to improve and foster their independence and confidence, all with a view to their inclusion in the labour market.
Virtual charity race alongside Fundación Aldeas Infantiles	Activity carried out via a sports mobile app that measures physical activity and translates it into kilometres. The distances covered by the companies taking part are then converted into a monetary contribution for Fundación Aldeas Infantiles. 12 volunteers took part in the competition, finishing in third place.
Cooperation with the people of Ukraine through the International Red Cross – MBT sporting event at Meandros de Sástago	A total of 2,750 euros was donated thanks to the involvement of 275 runners in total. Volunteers from the local area also helped to organise the race.
Magician workshops with Fundación Abracadabra de Magos Solidarios (a charitable organisation centred around magic)	Two magician workshops involving eight company volunteers were held for the benefit of nursing home residents, fostering collaboration among the elderly during their leisure time.
Food collection drive for Associació Tardor’s charitable canteen in Palma de Mallorca	25 volunteers collected 70kg of food that was then handed out to various low-income families.
Drive to collect milk alongside FESBAL (Spanish Federation of Food Banks)	A total of 3,468 litres of milk were collected for the benefit of 1,850 families.
Partnership with Fundación Pequeño deseo to design “Superhero Kits” for hospitalised children	Framed in the “International Children’s Day”, 230 kits were made (110 in territories and 120 in Madrid) and the kits were then donated to eight hospitals from around the country.
Drive to collect children’s books and gifts for the elderly	Christmas-related activity to provide books to children and gifts for the elderly alongside Cruz Roja and Mensajeros de la Paz. A total of 110 gifts were collected.
School kits	Activity linked to the start of classes for children living in poverty and extreme poverty in the company’s areas of direct influence in the cities of Arequipa, Cusco, Moquegua, Puno and Tacna (Peru). A total of 1,690 school kits were handed out to children and teachers.
Charity race: For a happy childhood from Aldeas Infantiles	A total of 17 workers and their families took part in this race, which aims to benefit vulnerable children.

Participation in organisations

GRI 2-26

The Group is an active member of various international organisations and associations, particularly within the European Union, with a view to raising awareness of its stance on fundamental aspects of its activity, building strong alliances and contributing to the achievement of common objectives.

The Group participates in international electricity-related organisations such as ENTSO-E (European Network of Transmission System Operators for Electricity), RGI (Renewable Grid Initiative), IESOE (Electricity Interconnection in South-Western Europe), Med-TSO (Mediterranean Transmission System Operators), CIGRE (International Council on Large Electric Systems), SNMPE in Peru (National Mining, Energy and Oil Company), Asociación de Transmisoras in Chile (Transmission Association), Fundación España-Perú, ENERCLUB (Spanish Energy Club) and AEEE (Spanish Association for the Energy Economy).

Turning to the satellite business, Hispasat is involved in the International Telecommunication Union (ITU), the Spanish Association of Technology Companies for Defence, Aeronautics and Space (TEDAE), the Inter-American Telecommunications Commission (CITEL), the Spanish Aerospace Technological Platform (PAE), the EMEA Satellite Operators Association (ESOA), and the Inter-American Association of Telecommunications Companies (ASIET).

Redeia also takes part in various national organisations and associations that pursue different objectives:

- Sharing and spreading best practices in the business context, such as AEC (Spanish Association for Quality), ASCOM (Spanish Association for Compliance), UNE (Spanish Association for Standardisation) and Emisores Españoles.
- Promoting the Group's commitment to sustainability, through Club de Excelencia en Sostenibilidad, Forética, Club Excelencia en Gestión e Innovación, and the Transparency International Spain Integrity Forum.

11.7.2 Subcontractors and suppliers

GRI 414-1, 308-1, 308-2

As a result of market globalization, geopolitical and macroeconomic factors, energy transition, legislative changes and other related risks, Redeia continues to pursue a sustainable supply chain management model, through which it promotes ethical and sustainable practices across all processes, enabling it to ensure the supply. Redeia deploys this management model based on the principles of non-discrimination, mutual recognition, proportionality, equal treatment, transparency and free competition. In doing about this task, it observes applicable legislation and its own codes, policies and internal regulations, all the while focusing on continuous improvement and seeking to create value for the company through ethical and transparent management and risk minimisation.

Redeia works hard to instil among its suppliers, as a strategic stakeholder, a commitment to the sustainable management model.

In 2023, Redeia worked with 2,069 suppliers in transactions worth 1,103 million euros (accredited investment and spending). Of that amount, 69.1% related to services and works, while the remaining 30.9% pertained to materials and equipment.

Aside from these suppliers, a further 1,224 subcontractors are authorised to perform work within electricity transmission grid facilities. Redeia's overall local purchases indicator (percentage of purchases from suppliers based in the same country as the company) is 86.0%. This indicator breaks down as follows: 86.6% for companies based in Spain, 98.1% in Chile, 53.8% in Peru, 96.5% in Brazil, 99.2% in Mexico, 100% in Argentina and 90.8% in Colombia. This enables Redeia to act as a driver of local growth by fostering business and industrial and social development through job creation all along the supply chain.

Through its own supplier classification and qualification platform, companies looking to become suppliers are required to accept the Supplier Code of Conduct and confirm that they do not carry any ESG risk that might pose an unacceptable risk to Redeia. Further screening is carried out to ensure that they meet the minimum requirements and standards of quality for each supply. They are also asked to provide proof of having a stable financial position and of having taken out a civil liability insurance policy, along with references of previous projects and experience.

Should further environmental and social requirements exist (beyond those required for approval), these will be duly conveyed by the Group's technical areas as part of the technical specifications, making them another requirement in the tender process.

The continuous monitoring process is there to ensure that the supplier is able to perform the contracts signed with the company and continue to fulfil the relevant tender and supplier approval requirements. The main screening actions are as follows: (1) business (monitoring of the financial solvency of all approved suppliers and application of mitigating measures, continuous oversight of legal matters such as being up-to-date with payment of the required taxes, social security contributions and public liability insurance, etc.); (2) technical; (3) compliance (criminal risk, privacy and cybersecurity); (4) integrity and human rights; (5) sustainability (ESG score); and (6) social responsibility (verification of proper adherence to the Code of Conduct for Suppliers through social audits).

In order to verify compliance with the Supplier Code of Conduct, social audits were carried out on 52 suppliers in 2023, of which 16 related to the audit plan for suppliers with ESG risk defined by Redeia, representing 61.5% compliance with this plan. As a result of the audits, 22 action plans were agreed upon with 12 suppliers, so that the supplier's adherence can be monitored and the improvements recorded. The results of these audits and their findings are shared internally, placing special emphasis on the detection of major non-compliances.

11.7.3 Consumers

GRI 2-29, 416-1

1. Redeia

Redeia seeks to build long-lasting relationships based on trust with its stakeholders and is therefore aware of the need to engage in constant dialogue with them. To succeed in this task, it has deployed various communication channels with multiple contact methods available, through which consumers can convey all manner of queries related to the services provided by Group companies.

With a view to achieving this goal, the Company has a robust model to communicate with stakeholders at the Group level; a system that ensures the traceability of communication and guarantees that all issues are resolved within the allotted time frames.

Enquiries received in 2023 by type and Group company break down as follows:

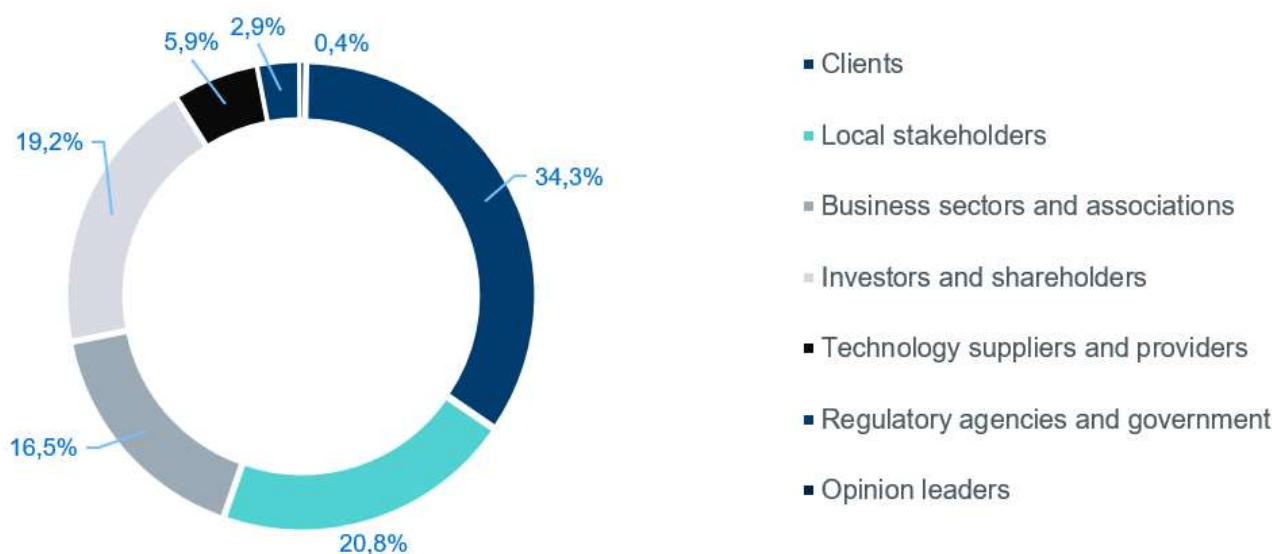
	2022	2023					
	Total Redeia – 2022	TOTAL – Redeia	Red Eléctrica	Redinter	Reintel	Hispatat Spain	Hispatat Rest of
Claims	94	87	86	0	0	1	0
Incidents	5,668	7,029	-	-	802	2,386	3,841
Support	9,982	11,203	3,878	563	-	3594	3168
<i>Grievances</i>	34	23	16	4	-	3	0
<i>Queries</i>	8,341	8,726	2,267	13	-	3,319	3,127
<i>Suggestions</i>	5	5	5	0	-	0	0
<i>Requests</i>	1,402	1,997	1,392	546	-	47	12
<i>Notifications</i>	200	452	198	0	-	225	29
Total enquiries	15,744	18,319	3,964	563	802	5,981	7,009

The activities of Redeia Group companies have no impact whatsoever on the health and safety of consumers.

2. Red Eléctrica

Since 2008 the *DÍGAME* service has been successfully providing a professional response to enquiries received from external stakeholders regarding Red Eléctrica's running of the electricity system and management of the transmission network, who have several channels of communication at their disposal (telephone, email, online contact form, post or certified fax). The service is manned by employees of Fundación Juan XXIII Roncalli, a non-profit entity that facilitates the workplace integration of people with disabilities.

In 2023, a total of 3,964 enquiries were received and handled, with customers being the stakeholder group that accounted for the highest number (1,361), followed by local stakeholders (825), investors and shareholders (761), and sectors and business associations (654). To a lesser extent the Group also interacted with suppliers, regulatory bodies, opinion leaders and other stakeholders.



Although Red Eléctrica responds to all enquiries received, it places particular emphasis on claims, as they tend to draw attention to non-compliances with the commitments undertaken, or report actual damage caused as a result of the Company's activity that requires a prompt solution.

Of the 86 claims received in 2023, 44 fell under Red Eléctrica's remit and were admitted for processing. Of these, 39 were upheld (accepted as being correct and reasonable, either fully or partially).

The bulk of the claims admitted referred to the impact of Red Eléctrica's facilities in relation to felling and clearing of vegetation or damage to infrastructure.

By type	2023	2022
Quality and continuity of supply	8	10
Impacts of facilities	35	28
Measures	0	1
Other	1	6
Total	44	45
By stakeholder		
Local stakeholders	39	38
Business sectors and associations	5	4
Clients	0	3
Total	44	45

Of the 44 claims admitted, 31 had been resolved at the close of 2023, while seven related to the impact of the Company’s facilities and six concerned quality and continuity of supply and had yet to be resolved at year-end owing to their complexity. The Company also continued to handle two ongoing claims from 2022.

In the case of the electricity transmission activity, it should be noted that due to the criteria applied in the design of the facilities, the levels of the electric and magnetic fields (EMFs) remain below those recommended by the Council of the European Union (Official Journal of the European Communities 1999/519/EC: limitation of exposure of the general public in areas where they spend significant time – 5 kV/m for the electric field and 100 µt for the magnetic field). The main criteria applied are as follows:

- Construction of double circuits and phased transposition in power lines.
- Raising the height of supports, thus increasing safety distances.
- Minimum distances from the lines to population centres and isolated homes.

To verify compliance with recommendations, Red Eléctrica has a tool that uses certain line parameters to accurately gauge the maximum levels of EMFs that the facilities are able to generate.

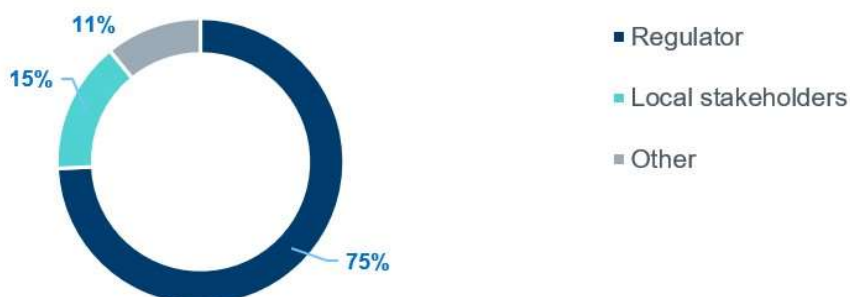
3. Redinter

The *DÍGAME Internacional* service offers a communication channel through which stakeholders can submit enquiries regarding the Company’s activities in Peru and Chile. These can be submitted via various communication channels (telephone, email, online form, reception desk, on-site office or community liaison officers), all of which are logged accordingly.

In 2023, a total of 563 enquiries were received and managed in Latin America, with the regulatory bodies being the stakeholder group that accounted for the highest number (419), followed by communities and local stakeholders (84), and other groups (60).

In Peru, a total of four complaints were received, seeking compensation for the use of the easement strip and insisting on compliance with social commitments, but no claims. Meanwhile, no complaints were received in Chile. At 31 December 2023, 66 enquiries in Peru and four in Chile were still in the process of being resolved.

Enquiries at Redinter by stakeholder (%)



4. Reintel

Reintel has its own 24/7 customer support and supervision centre, which controls and monitors the status of the network and handles incidents and scheduled work of customers, with the aim of offering a reliable service of the utmost quality.

In 2023, this firm commitment to customers was evidenced by the direct response given by its call centre to 802 incidents relating to the grid. Of the total incidents to have affected customers, 60% stemmed from power failures, third-party construction work, natural causes and vandalism, while the remaining 40% were due to scheduled work on the grid.

These incidents were handled and resolved as part of normal business within the timeframes stipulated in the customers' contracts, without giving rise to any claims for financial penalties.

5. Hispasat

Hispasat remains in constant and direct dialogue with its clients through various systems and tools, including its call centre. A telephone channel operating 24 hours a day, seven days a week, with service in three languages (Spanish, Portuguese and English). It also has a support centre, a Network Management System (NMS) portal, a SIGO portal and the Hispasat website.

As of 31 December 2023, Hispasat had received a total of 12,990 enquiries, with the proportion between incidents and queries being substantially similar to the level reported in 2022. The enquiries received related to operational matters, incidents, requests for information or guidance, changes, and questions or concerns over services provided, among other matters.

11.7.4 Tax information

GRI 207-4

Redeia is committed to compliance with tax laws and the fulfilment of its tax obligations, seeks a cooperative relationship with the taxation authorities and considers it important to contribute to economic and social development by paying taxes in all the countries in which it operates.

In 2023 and for the fourth year running, the Group topped the tax responsibility transparency ranking of IBEX 35 companies, earning a '*** de transparente' (T for Transparency) mark of tax transparency from Fundación Haz. To attain this accolade, the voluntary transparency shown by IBEX 35 companies as regards their tax obligations is analysed.

The Group's tax strategy has been approved by the Board of Directors and provides a consistent and reliable approach to tax matters in line with the Group's strategy. It embodies the Group's vision and objectives in tax matters and is based on three core values: transparency, good governance and responsibility.

The Board of Directors has also approved the Group's Tax Risk Control and Management Policy and its inclusion in the Comprehensive Risk Management Policy. The tax risk control and management systems are described in the Corporate Governance Report.

The Group's Tax Strategy and ERM policy can be found on the corporate website.

Both the Code of Ethics and Conduct and the Tax Strategy set out the Group's pledge not to create companies in countries considered tax havens in order to evade tax.

The Group has no presence and carries out no activity in countries considered tax havens or non-cooperative jurisdictions under applicable laws and regulations^{6 7}.

There now follows information on profits obtained country by country, with the relevant information retrieved from the consolidated financial statements.

It also includes taxes on profits paid by country and public grants and other forms of aid received.

⁶ First and tenth additional provision and second transitional provision of Law 36/2006, of 29 November 2006, on measures for the prevention of tax fraud (as amended by Law 11/2021, of 9 July 2021, on measures to prevent and combat tax fraud, effective 11 July 2021); Order HFP/115/2023, of 9 February 2023, listing those countries and territories, as well as harmful tax regimes, considered to be non-cooperative jurisdictions; the European Union list of non-cooperative jurisdictions and territories for tax purposes; and the OECD list of non-cooperative tax havens.

⁷ In August 2022, the Axess group was acquired. The group has subsidiaries in various countries, including a company resident in Panama, which will be wound up in 2023.

Country-by-country earnings

Profit/(loss) before income tax includes consolidated data by country.

Millions of euros

Pre-tax profit/(loss) obtained by country	2023	2022
Spain	832	801
Brazil	50	51
Luxembourg	16	11
Peru	13	14
Mexico	5	-
Chile	-6	-7
Colombia	1	-
Cyprus	-1	-
Other (*)	-	-
Total	910	870

(*) Includes France, United Kingdom, Germany, Cyprus, Greece and Denmark in Europe, and the United States, Argentina, Ecuador and Venezuela in the Americas, all with amounts below 1 million euros.

In Spain, the profit generated on the sale of the 49% stake in Reintel (970 million euros) had no impact on the consolidated statement of profit or loss for 2022 as it involved the sale of a non-controlling stake, with the Group retaining control over the company.

Income tax paid

With a view to following best practices in sustainability and voluntarily offering greater transparency in tax matters for its various stakeholders, Redeia has been calculating and publishing its total tax contribution as part of its sustainability report since 2014, showcasing the significant economic and social contribution made by the taxes it pays.

The Group's total tax contribution to public authorities across all the countries in which it operates amounted to 646 million euros in 2023, of which 278 million euros related to taxes borne and 368 million euros to taxes withheld and paid on behalf of others.

Corporate income tax paid in each country in 2023 and 2022 – meaning the amounts paid in respect of Corporate income tax – is as follows: This table does not include income taxes paid by companies consolidated using the equity method (mainly located in Brazil and Chile).

Millions of euros

Corporate income tax paid	2023	2022
Spain	194	355
Peru	7	8
Brazil	1	1
Mexico	2	-
Colombia	2	-
Other (*)	-	-
Total	206	364

(*) Includes France, Luxembourg, the United Kingdom, Germany, Cyprus and Greece in Europe, and the United States, Argentina, Ecuador and Venezuela in the Americas, all with amounts below 1 million euros.

The increase in the amount paid in 2022 in Spain is mainly due to the effect of the minimum payment rule when calculating the tax group's tax instalment payments, following the sale of the 49% stake held in Reintel. The annual income tax return filed in July 2023 requested a rebate of the higher amount paid.

The jurisdiction of Brazil does not include income taxes paid by companies consolidated using the equity method (Argo subgroup).

Public aid received

In 2023, a total of 42 million euros was received in grants from official bodies (55 million euros in 2022). In 2023, the amount corresponds mainly to the subsidies received by Hispasat for the Unique Rural Project.

Grants received in 2023 and 2022, broken down by country and expressed in thousands of euros, are as follows:

Public grants received (millions of euros)	2023	2022
Spain	42	-
Total	42	-

11.8 EU Taxonomy Information

The Taxonomy Regulation (EU) 2020/852⁸ aims to help channel capital into activities that make a substantial contribution to achieving the objectives of the European Green Pact.

In 2018, the European Commission published its “Action Plan: financing sustainable growth”, which marked the start of a comprehensive strategy on sustainable finance. One of the objectives established in that action plan was to redirect capital flows towards sustainable investment in order to achieve sustainable and inclusive growth.

The Taxonomy Regulation sets out the criteria for determining whether an economic activity is considered environmentally sustainable for purposes of determining the degree of environmental sustainability of an investment.

The EU’s environmental objectives as set out in the Taxonomy Regulation are as follows:

- a) climate change mitigation;
- b) climate change adaptation;
- c) sustainable use and protection of water and marine resources;
- d) transition to a circular economy;
- e) pollution prevention and control;
- f) protection and restoration of biodiversity and ecosystems.

An economic activity shall be considered environmentally sustainable, i.e. it shall be considered aligned with the Taxonomy, when it contributes substantially to one of these six objectives, without causing significant harm to any of the other five, and provided that it is carried out in compliance with minimum social safeguards: the Organisation for Economic Co-operation and Development (OECD) guidelines on multinational enterprises, the United Nations (UN) guiding principles on business and human rights, and the core conventions of the International Labour Organization (ILO).

In June 2021, Commission Delegated Regulation (EU) 2021/2139⁹ was published, establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

⁸ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

⁹ Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

Furthermore, in July 2021, Commission Delegated Regulation (EU) 2021/2178¹⁰ specifying the content and presentation of the information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU, was adopted.

On July 15, 2022, the Complementary Climate Delegated Act was published in the OJEU, which included, under strict conditions, specific nuclear and gas activities in the list of economic activities covered by the taxonomy.

Lastly, on 21 November 2023, Commission Delegated Regulation (EU) 2023/2486¹¹ was published, establishing the technical screening criteria for determining those activities that substantially contribute to the other non-climate environmental objectives of the European Union: the sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. This particular Delegated Act also expands upon the economic activities that contribute to climate change mitigation and adaptation, and introduces amendments to the Delegated Act on the disclosure of information on the taxonomy of the European Union.

The Taxonomy distinguishes between Taxonomy-eligible and Taxonomy-aligned economic activities as follows:

- a) Eligible economic activity: that described in the delegated acts adopted as per Regulation (EU) 2020/852, irrespective of whether that economic activity meets any or all of the technical screening criteria set out in those delegated acts.
- b) Taxonomy-aligned economic activity: an economic activity that contributes substantially to one of the six EU environmental objectives (meets the established technical screening criteria), does not cause significant harm to any of the other five, and is carried out in compliance with minimum social safeguards.

The following steps have been taken in studying and analysing the degree of eligibility and alignment of Redeia's activities to the Taxonomy:

- a) Classification and grouping of the economic activities of Redeia companies.
- b) Eligibility analysis of the activities identified by checking the activities included in the various Delegated Acts to have been published.
- c) Assessment of compliance with the technical screening criteria set out in Commission Delegated Regulation (EU) 2021/2139 for the contribution to the environmental objectives of climate change mitigation and adaptation.
- d) Analysis of the "Do No Significant Harm" (DNSH¹²) principle. Activities must not cause significant harm to the other EU environmental objectives defined in Regulation (EU) 2020/852.

¹⁰ Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation.

¹¹ Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

¹² Do Not Significant Harm (DNSH).

e) Verification of compliance with minimum social safeguards.

Based on the analysis performed, the following classification of eligibility and alignment of Redeia’s activities is established.

Redeia companies	Redeia activities	Activity description – Commission Delegated Regulation 2021/2139	Eligible activities	Aligned activities
Red Eléctrica de España, S.A.U.	Activity 1. Management and operation of national electricity infrastructure. Includes electricity transmission, system operation and management of the transmission network for the Spanish electricity system.	Activity: 4.9 Transmission and distribution of electricity. Description: “Construction and operation of transmission systems that transport the electricity via the extra high-voltage and high-voltage interconnected system.”	YES 100% eligible	YES 100% aligned
Red Eléctrica Internacional, S.A.U. (REDINTER), REA, REDESUR, TESUR, TESUR 2, TESUR 3, TESUR 4, REDELNOR, CCNCM, RECH, REDENOR, REDENOR 2.	Activity 2. Management and operation of international electricity infrastructure. Includes the construction and management of high-voltage electricity transmission networks in Latin America.	Activity: 4.9 Transmission and distribution of electricity. “Construction and operation of transmission systems that transport the electricity via the extra high-voltage and high-voltage interconnected system.”	YES 100% eligible	NO
Hispasat subgroup (Hispasat)	Activity 3. Telecommunications – Satellite Business.	Activity not covered by Commission Delegated Regulation 2021/2139 and Commission Delegated Regulation 2023/2486.	NO	NO
Red Eléctrica Infraestructuras de Telecomunicación, S.A.U. (REINTEL)	Activity 4. Telecommunications – Fibre Optics.	Activity not covered by Commission Delegated Regulation 2021/2139 and Commission Delegated Regulation 2023/2486.	NO	NO
Other Redeia companies	Activity 5. Other businesses, Corp. and adjustments	Activity not covered by Commission Delegated Regulation 2021/2139 and Commission Delegated Regulation 2023/2486.	NO	NO

Eligibility analysis of the activities carried out by Redeia

The analysis reveals the eligibility classification set out below. Redeia’s activities that are eligible under the Taxonomy are as follows:

- Management and operation of national electricity infrastructure. (Activity 4.9)
- Management and operation of international electricity infrastructure. (Activity 4.9)

The telecommunications activities carried out by Hispasat and Reintel are not considered eligible as they are not included in any of the Delegated Acts to have been published to date.

Considerations regarding climate change adaptation

The first two activities are listed in both Annex I and Annex II of Commission Delegated Regulation 2021/2139 (see note 8 on page 49) and are eligible for the climate change mitigation and adaptation objective through activity 4.9.

The following section, “Compliance with technical screening criteria for substantial contribution to the climate change mitigation objective”, focuses on Redeia’s contribution to activity 4.9 in respect of that objective. However, it is important to underscore the role played by Red Eléctrica de España S.A.U. as a whole, as a key element in adapting the energy system to the risks associated with climate change.

The effects of climate change could physically affect electricity transmission facilities and influence future patterns of energy generation and consumption, which would impact the activity of Red Eléctrica as electricity system operator.

In 2023, Red Eléctrica performed a new process of identifying its risks and opportunities associated with climate change, and has evaluated, prioritised and identified improvements that will be implemented in 2024.

The exercise of identifying physical climate risks has been carried out based on the classification of climate-related hazards from the list in section II of Appendix A of Commission Delegated Regulation 2021/2139.

The physical risks identified have been assessed considering the criteria of exposure, sensitivity and capacity to adapt. Different physical scenarios have been considered in the analysis.

Climate-related risks are assessed in the short, medium and long term (the most significant changes and impacts are expected by the end of the century), based on the Representative Concentration Pathways (RCP) scenarios of the Intergovernmental Panel on Climate Change (IPCC). Therefore, the entire lifetime of the projects is considered in the assessment (the lifetime of transmission projects is at least 30–40 years).

In the case of Spain, the projections made by the Agencia Estatal de Meteorología (AEMET – Spain’s National Meteorology Agency) for the most important scenarios of the fifth IPCC report (AR5) have been considered.

The assessment process for the year 2023 revealed the following main physical risks:

PHYSICAL RISKS	2022	2026	2030	2050	
				RCP 4.5	RCP 8.5
Damage to outdoor transmission grid infrastructure	M-L	N/A	N/A	M-H	M-H
Damage to overhead power lines by extreme winds	H	H	H	H	H
Fire damage to power lines and substations	M-H	M-H	M-H	M-H	M-H
Lower efficiency of PV generation due to rising temperatures	L	N/A	L	MB	M-H
Reduction in water availability for hydroelectric generation	L	N/A	M-L	M-H	H
Increased absenteeism associated with climate change	L	L	L	L	M-H

H: High / M-H: Medium-High L: Low M-L: Medium-Low N/A: Not applicable

The adaptation measures implemented to minimise the risk of extreme events affecting outdoor facilities consist of creating wind maps and reviewing construction parameters, reinforcing vulnerable lines, developing and implementing contingency plans (including the availability of emergency support), and optimising maintenance work (e.g. MANINT Project – Smart Maintenance).

The adaptation measures implemented to minimise the risk of fire in power lines and substations are based on the optimisation of firebreak maintenance plans (VEGETA project), fire prevention procedures, early fire detection measures (PRODINT project), training, awareness raising and the development of emergency plans.

In addition, the following measures are planned for the physical risks identified for 2050:

- In a bid to prevent damage to outdoor equipment in the transmission grid, a detailed study will be conducted into the trend in temperatures and by region so as to determine whether changes in the technical specifications of the equipment are needed.

- As for the diminished efficiency of photovoltaic generation due to rising temperatures, and the reduction in the availability of water resources for hydroelectric generation, work is currently ongoing to develop mechanisms and flexibility measures to cover demand.

Climate-related risk management is part of the Company's risk management system. Therefore, the established governance model applies to this type of risk.

Currently, work is continuing to establish and reliably differentiate the proportion of the national electricity infrastructure management and operation activity that substantially contributes to the climate change adaptation objective. Therefore, this activity is currently considered eligible, though not aligned with the climate change adaptation objective.

Considerations regarding protection and restoration of biodiversity and ecosystems

In addition to the eligible activities described above, Redeia carries out environmental improvement actions and recovery and conservation projects. This activity is considered to be covered by Annex IV of Commission Delegated Regulation 2023/2486 through activity 1.1. This activity is defined as: "Initiation, development and realisation on own account or on a fee or contract basis, of conservation activities, including restoration activities, aimed at maintaining or improving the status and trends of terrestrial, freshwater and marine habitats, ecosystems and populations of related fauna and flora species."

The protection and conservation of biodiversity has always been a core concern within the Company's environmental management, including a specific commitment within biodiversity management of generating a positive impact on biodiversity in the areas where the Company operates by 2030.

Therefore, and according to the above description, all those environmental improvement actions, recovery and conservation projects carried out in collaboration with the administration, non-governmental organisations and other bodies, as well as specific measures in relation to projects for new electrical installations, aimed at improving terrestrial and marine habitats, ecosystems and species of flora and fauna, could be considered as Taxonomy-eligible activities.

However, it is currently not possible to establish a proportion of eligibility for these activities, and the information currently available is not precise enough to be able to account for their key performance indicators.

Alignment analysis of the activities carried out by Redeia

An assessment of compliance with the technical screening criteria of the climate change mitigation and adaptation objectives has been carried out in respect of the eligible activities described above, revealing that Redeia's activity aligned with the EU Taxonomy is:

- Management and operation of national electricity infrastructure.

This activity contributes substantially to the EU's climate change mitigation objective, as it complies with the technical screening criteria set out in Commission Delegated Regulation 2021/2139.

Compliance with the technical criteria of substantial contribution to the climate change mitigation objective.

The electricity transmission activity, at national level, meets criteria¹³ a) and b) defined in point 4.9 of Annex I of Commission Delegated Regulation 2021/2139, as it belongs to the interconnected European system, and the new electricity capacity connected to the transmission network, from 2017 to the present, is exclusively renewable.

¹³ Criteria as defined in point 4.9 of Annex I of Commission Delegated Regulation 2021/2139:

1. The transmission and distribution infrastructure or equipment is in an electricity system that complies with at least one of the following criteria:
 - (a) the system is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems;
 - (b) more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 g CO₂/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period;
 - (c) the average system grid emissions factor, calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system, is below the threshold value of 100 g CO₂e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period;

The operation of the national electricity system, in turn, meets criteria d) and e)¹⁴.

The operation of the electricity system is playing a leading role in the energy transition by taking on the challenge of integrating renewable energy, new energy uses and flexible assets into the system.

As system operator, Red Eléctrica works to safely integrate as much renewable energy as possible. The control and monitoring of this type of energy is carried out by CECRE (Renewable Energy Control Centre). This enables reduction of CO2 emissions thanks to the fact that demand can be covered by this type of energy without affecting the security or quality of supply.

Furthermore, to facilitate the incorporation of non-dispatchable energy and avoid wasting the energy generated when demand is low, Red Eléctrica works on the development of energy storage instruments based on both hydroelectric power generation systems and other technologies (R&D+i). To this end, it carries out prospective evaluations on the impact of new storage facilities on the integration of renewable energy, identifies the technical or management characteristics necessary for greater integration, and as a consequence of both actions, makes legislative and regulatory proposals to the competent authority. These systems will also help significantly improve the efficiency of the electricity system as a whole and optimise electricity infrastructure.

¹⁴ (d) construction/installation and operation of equipment and infrastructure where the main objective is an increase of the generation or use of renewable electricity generation;

(e) installation of equipment to increase the controllability and observability of the electricity system and to enable the development and integration of renewable energy sources.

Assessment of compliance with the “Do No Significant Harm” (DNSH) principle

Redeia’s activities do no significant harm to the other environmental objectives defined in the Taxonomy Regulation.

Sustainable use and protection of water and marine resources

Redeia’s activities do not have any significant impact on this environmental objective, taking into account both the direct effects and the main indirect effects throughout the life cycle. No risks of environmental degradation related to the preservation of water quality have been identified, nor significant impacts on the good ecological status or potential of bodies of water (surface water and groundwater); or on the good environmental status of marine waters.

During the process of designing the facilities, a detailed study is carried out to avoid any type of impact on surface watercourses. As regards groundwater, numerous preventive and corrective measures are implemented to prevent the contamination of groundwater by leaks or spills of oils, fuels and hazardous substances. Containment systems (especially for power equipment containing large quantities of oil) and protocols are in place to ensure an immediate response to possible events to mitigate the consequences of accidents, should they occur.

Transition to a circular economy.

Redeia works together with the stakeholders in its value chain so that the equipment and materials used in all its activities are produced from reused or recycled materials and that, at the end of their useful life, they are also recycled, reused or recovered, thus closing the circle of sustainability for all the equipment and materials used.

In terms of waste management, the objective has been set for 2030 to achieve the reduction, reuse, recycling or energy recovery of all waste generated. To this end, an action plan is in place to recover 100% of the waste generated.

Pollution prevention and control; Construction activity.

The principles set out in the IFC’s Environmental, Health, and Safety Guidelines for Electrical Power Transmission and Distribution are followed in all construction activities for electricity transmission network facilities¹⁵.

Red Eléctrica has also implemented an Environmental Management System (EMS) certified under ISO¹⁶ 14001 and the EMAS¹⁷.

The ISO certifications cover the CFI guidelines.

During the construction phase, the necessary preventive and corrective measures are implemented to minimise the potential effects of the project. To guarantee the effectiveness of the measures in place, environmental monitoring programmes are defined and developed. These are applied during the construction of the facilities and in the early years of their operation, and facilitate the definition of new measures if necessary. The environmental monitoring of construction sites supervises the work done by contractors to meet environmental requirements.

Environmental monitoring of works and “environmental certification” (environmental requirements must be met by contractors for full certification of construction works) are very important to ensure alignment with environmental criteria

Pollution prevention and control; PCBs.

In the carrying out of its maintenance activities, Red Eléctrica has no direct contact with PCBs. The power equipment owned by Red Eléctrica does not contain PCBs.

Pollution prevention and control; Electromagnetic fields.

The activities comply with the applicable standards and regulations to limit the effects of electromagnetic radiation on human health.

Thanks to the criteria applied in the design of the facilities, the levels of electric and magnetic fields (EMF) are kept below those recommended by the Council of the European Union¹⁸.

¹⁵ Corporate Finance Institute

¹⁶ International Organization for Standardization.

¹⁷ Eco-Management and Audit Scheme.

¹⁸ Official Journal of the European Communities 1999/519/EC: limitation of exposure values for the general public in places where they are likely to remain for a considerable time, of 5 kV/m for the electric field and 100 µT for the magnetic field.

Measurements give maximum levels (at the closest point from the ground to the conductors) ranging from 3–5 kV/m for the electric field and 1–15 μ T for the magnetic field on 400 kV lines. In addition, the field strength decreases very rapidly as the distance to the conductors increases: at a distance of 30 metres, the electric and magnetic field levels range from 0.2–2.0 kV/m and 0.1–3.0 μ T, respectively, and are normally less than 0.2 kV/m and 0.3 μ T from 100 metres away.

In the case of 220 kV lines, these levels are lower, ranging between 1–3 kV/m for the electric field and 1–6 μ T for the magnetic field at the closest point to the conductors. At a distance of 30 metres, the electric and magnetic field levels range between 0.1–0.5 kV/m and 0.1–1.5 μ T, and are generally lower than 0.1 kV/m and 0.2 μ T from 100 metres away.

Protection and restoration of biodiversity and ecosystems

All Redeia projects are assessed from an environmental perspective, and the competent environmental authorities are informed and their approval is requested, even in the case of projects that are not legally required to be subjected to the environmental impact assessment procedure.

Most of Redeia's projects are subject by law to this environmental impact assessment procedure, which is carried out in accordance with Directive 2011/92/EU, Spanish legislation (Law 21/2013 of 9 December 2013 on Environmental Assessment) and applicable regional regulations.

Where the environmental impact assessment is carried out, the required mitigation and compensation measures are implemented to protect the environment and, therefore, biodiversity. These measures encompass those established by the environmental body and included in the project's environmental authorisations.

For sites/operations located in or near biodiversity-sensitive areas (including the Natura 2000 Network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas (KBAs), as well as other protected areas), an assessment is conducted when needed and the necessary mitigation measures are then implemented based on the findings.

Those projects that could directly or indirectly affect Natura 2000 Network sites are subject to the environmental assessment procedure, even if their thresholds do not reach those defined in the Annexes of Law 21/2013 on Environmental Assessment.

Minimum social safeguards

Redeia has embraced an explicit and public commitment to promoting and respecting human rights in all its activities and in all the territories and countries where it operates.

The Company pays special attention to vulnerable groups, and as such instils this in the corporate culture through the Ten Principles for respect for human rights, included in its Commitment to the promotion of and respect for human rights, the Code of Ethics and Conduct and the Sustainability Policy.

With a view to extending this behaviour throughout the supply chain, the human rights obligation is extended to suppliers through the Code of Conduct for Suppliers. In the development of these Principles and Codes, human rights internationally recognised in national and international laws and benchmarks have been taken into account:

- OECD Guidelines for Multinational Enterprises.
- OECD Guidelines for Responsible Business Conduct.
- The UN Guiding Principles on Business and Human Rights.
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
- The eight ILO core conventions.
- International Bill of Human Rights.

In addition, the Company develops the necessary tools in terms of due diligence in integrity and human rights, both for its own activities and in its relations with third parties, in order to mitigate the risk of Redeia being linked to third parties associated with conduct which is not in line with its ethical values. To such end, since 2013 it has carried out periodic due diligence analyses that involve all Group companies in order to identify possible risks stemming from its direct and indirect activity.

For further information, see section 11.5 “Information on respect for human rights” and section 11.6 “Information on anti-corruption and anti-bribery” of the Non-Financial Statement included as part of this Management Report.

Key performance indicators: Turnover, CapEx and OpEx associated with Taxonomy-aligned activities (eligible and aligned activities)

In July 2021, European Commission Delegated Regulation 2021/2178 was published, implementing Article 8 of the Taxonomy Regulation, concerning the transparency of undertakings in non-financial statements. This Regulation specifically sets out the environmentally sustainable economic activities and the methodology to comply with the Taxonomy disclosure obligation.

Annexes I, II, III, IV, V, VII, IX and X of Commission Delegated Regulation 2021/2178 have recently been amended in accordance with Annex V of Commission Delegated Regulation (EU) 2023/2486, published on 21 November 2023, extending the coverage of the disclosure of information on economic activities contributing to the other environmental objectives of the European Union: sustainable use and to the protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity.

Under Article 8 of the Taxonomy Regulation, non-financial undertakings are required to disclose the following information:

- a) The proportion of their turnover derived from products or services associated with economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.
- b) The proportion of their capital expenditure (CapEx) and the proportion of their operating expenditure (OpEx) related to assets or processes associated with economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.

The quantitative and qualitative information to be reported (KPIs) and the criteria for preparing such indicators are also described.

In relation to the calculation of KPIs, Annex I of Commission Delegated Regulation 2021/2178 and Annex V of Commission Delegated Regulation (EU) 2023/2486 show the content of the KPIs to be disclosed by non-financial undertakings, categorically specifying that the following information must be reported for each of the indicators:

Turnover:

The proportion of turnover, to be calculated as the share of net turnover derived from products or services, including intangible assets, associated with Taxonomy-aligned economic activities (numerator), divided by net turnover (denominator). This applies to both the eligible activities of Red Eléctrica and those pertaining to the electricity transmission business in Peru and Chile.

Capital expenditure (CapEx):

The denominator shall include additions to tangible and intangible assets during the reporting period before depreciation, amortisation and any new valuation, including those resulting from revaluations and impairments, for the relevant period, excluding changes in fair value. The denominator shall also include additions to tangible and intangible assets resulting from business combinations.

The numerator equals to the part of the capital expenditure included in the denominator that is related to assets or processes associated with economic activities that make a substantial contribution to any of the EU environmental objectives. This applies to both the eligible activities of Red Eléctrica and those pertaining to the electricity transmission business in Peru and Chile.

Operational expenditure (OpEx):

The denominator shall include direct non-capitalised costs that relate to research and development, building renovation measures, short-term leases, maintenance and repairs, and any other direct expenditures related to the day-to-day maintenance of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

The numerator shall include the part of operating expenditure included in the denominator which: (a) relates to assets or processes associated with economic activities that make a substantial contribution to any of the environmental objectives of the European Union, including training and other human resources adaptation

needs, and direct non-capitalised costs that represent research and development. This applies to both the eligible activities of Red Eléctrica and those pertaining to the electricity transmission business in Peru and Chile.

The procedures followed to determine the numerator and denominator of each Redeia key indicator are compliant with the considerations set out in Annex I of Commission Delegated Regulation 2021/2178, and in Annex V of Commission Delegated Regulation (EU) 2023/2486.

Likewise, the accounting regulations referred to in relation to Turnover, CapEx and OpEx correspond to the accounting regulations applicable to Redeia. Therefore, it has not been necessary to make any adaptation or interpretation in this respect.

Based on the foregoing, Redeia's information for 2023 and 2022, in accordance with the Taxonomy Regulation, is as follows:

Taxonomy-eligible and Taxonomy-aligned activities. Key performance indicators. These activities relate to the business carried out by Red Eléctrica:

	2023	2022
Turnover	78.5%	79.2%
CapEx	83.4%	76.7%
OpEx	88.9%	90.0%

Taxonomy-eligible but not Taxonomy-aligned activities. Key performance indicators. These activities correspond to the electricity transmission business carried out by the subsidiaries in Peru and Chile:

	2023	2022
Turnover	3.6%	3.5%
CapEx	0.6%	4.3%
OpEx	4.8%	4.2%

The percentages assigned to the contribution made to each EU environmental objective are provided in Annex I, "Templates with information on Key Performance Indicators".

These templates are in accordance with Annex V of Commission Delegated Regulation 2023/2486 of 27 June 2023 amending Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for these economic activities.

The criteria applied to calculate Redeia's KPIs are set out below.

Explanation of the KPIs

As set forth in point 1.2. titled "Specification of the disclosures accompanying the KPIs of non-financial undertakings" of Commission Delegated Regulation 2021/2178 of the European Commission implementing Article 8 of the Taxonomy Regulation:

Determination of numerator and denominator of KPIs

Point 1.2.1. of the Regulation states that non-financial undertakings shall explain:

- (a) how turnover, capital expenditure and operating expenditure were determined and allocated to the numerator;
- b) the basis on which the turnover, capital expenditure and operating expenditure were calculated, including any assessment in the allocation of revenues or expenditures to different economic activities.

The following steps were taken to calculate the ratio of Taxonomy-aligned Turnover, CapEx and OpEx in respect of the Group total:

- 1 The Taxonomy-eligible activities were identified. As detailed above, these activities are as follows:
 - Management and operation of national electricity infrastructure. (Activity 4.9)
 - Management and operation of international electricity infrastructure. (Activity 4.9)

- 2 Of those eligible activities, the activities aligned with the Taxonomy were identified. As detailed above, these activities are as follows:
 - Management and operation of national electricity infrastructure. (Activity 4.9)
- 3 The companies that carry out these activities have been identified within the consolidated Group:
 - Management and operation of national electricity infrastructure: Red Eléctrica
- 4 Within Red Eléctrica an analysis has been carried out to determine which activities or businesses meet the criteria to qualify as Taxonomy-aligned activities.

The activities carried out by Red Eléctrica are classified as follows:

- a) Electricity transmission (Taxonomy-aligned activity).
- b) System operation, mainland and non-mainland (Taxonomy-aligned activity).
- c) Other activities. Supplementary activities carried out by Red Eléctrica related to its main activities of electricity transmission and system operation (Taxonomy-aligned activities).

In view of the foregoing, all activities carried out by Red Eléctrica are considered Taxonomy-eligible and Taxonomy-aligned activities.

In relation to Turnover, since the description provided by the Regulation meets the accounting criteria for the classification of “Revenue” in the financial statements, this figure was considered directly, net of consolidation adjustments, i.e. Red Eléctrica’s contribution to the consolidated revenue figure. Consolidated revenue is as shown in note 23 to the 2023 consolidated financial statements.

As regards CapEx, the description included in the Regulation matches that relating to the accounting of additions to fixed assets. Therefore, the additions to property, plant and equipment and intangible assets, as set out in Red Eléctrica’s financial statements, could be considered directly. Consolidated CapEx is as shown in note 7 to the 2023 consolidated financial statements.

In relation to OpEx, since the Regulation determines that only activities that relate to research and development, building renovation measures, short-term leases, maintenance and repairs, and any other direct expenditures related to the day-to-day maintenance of assets of property, plant and equipment must be considered, a differentiation is made, from the total expenditure, those that meet the aforementioned definition.

With regard to the OpEx of the activities of management and operation of National Electricity Infrastructure (an activity carried out by Red Eléctrica) and the management and operation of International Electricity Infrastructure (an electricity transmission activity carried out in Peru and Chile), it should be noted that all the activities carried out by the Redeia companies that engage in this activity correspond to actions related to the proper performance of their business. For this reason, in determining OpEx, all the expenses incurred by the companies were taken into account (supply expenses, other operating expenses, personnel expenses, from which self-constructed assets have been deducted as they are considered in the CapEx figure).

As regards the OpEx denominator, in the case of Red Eléctrica de España, and for the electricity transmission activities carried out in Peru and Chile, the same figure was considered as in the case of the numerator, and for the other Redeia companies, their asset maintenance costs were considered. Based on the above, the activities carried out by Reintel and Hispasat were also considered.

As laid down in the Regulation, and in relation to the calculation of the numerator of the ratios, it was ensured that Taxonomy-aligned activities were considered only once, as they are specific activities carried out by Red Eléctrica, and not by other Redeia companies, nor were these activities duplicated.

In the case of the denominator, the Turnover and CapEx figures used are those recorded in the Group’s consolidated financial statements. In the case of OpEx, the consolidated Group OpEx was calculated on the basis of the criteria set out in the Taxonomy, ensuring that it does not include duplicated expenses between Redeia companies.

- 5 After identifying the Taxonomy-aligned activities, the Turnover, CapEx and OpEx ratio was calculated by including in the numerator the figures provided for Turnover, CapEx and OpEx of Red Eléctrica, and in the denominator, the total Turnover, CapEx and OpEx of Redeia, taking into account the above comments.

In relation to Taxonomy-eligible but Taxonomy non-aligned activities, which correspond to the management and operation of international electricity infrastructure, the procedure was similar to that described in the case of Red Eléctrica. In this case, these activities are carried out by Red Eléctrica Internacional (Redinter), through its electricity transmission investees in Peru and Chile.

The activities carried out by these companies were considered fully Taxonomy-eligible but not Taxonomy-aligned.

Regarding Turnover and CapEx (additions to fixed assets), a procedure similar to that described in relation to Red Eléctrica's Taxonomy-aligned activities was followed.

As far as OpEx is concerned, expenses directly related to asset maintenance activities were again differentiated for the purposes of calculating the numerator. In relation to the denominator, the OpEx considered for the Group was the same as that considered in the case of the Taxonomy-aligned OpEx.

Contextual Information

The Taxonomy Regulation states, in point 1.2.3 of Annex I, that non-financial undertakings shall explain the figures of each KPI and the reasons for any changes in those figures in the reporting period.

Since the numerator of the KPIs corresponds to the activities of Red Eléctrica, they indicate the weight of the activities carried out by this company within Redeia as a whole.

As is reflected in the figures provided, these activities represent a very significant percentage of all Group's activities. Therefore, it can be concluded that most of the activities carried out by Redeia are aligned with the Taxonomy Regulation.

As regards the comparability of the information between 2023 and 2022, and as shown in the above results, the indicator that improves significantly is that relating to the CapEx of the Taxonomy-aligned activities associated with Red Eléctrica de España. This is due to the fact that the additions of fixed assets at this company increased significantly in 2023 compared to 2022. In the case of Peru and Chile, the CapEx figure in 2023 was below the figure for 2022, resulting in a decrease in the percentage of Taxonomy-eligible activities in 2023 compared to 2022.

Meanwhile, the Turnover and OpEx indicators are found to be substantially similar between 2023 and 2022.

APPENDIX I – INFORMATION ON KPIs ON TURNOVER, OPEX AND CAPEX FOR TAXONOMY-ELIGIBLE, ENVIRONMENTALLY SUSTAINABLE, TAXONOMY-ELIGIBLE BUT TAXONOMY NON-ALIGNED AND TAXONOMY NON-ELIGIBLE ACTIVITIES.

Economic activities	Code	Turnover in 2023 (€)	Proportion of 2023 turnover (%)	Substantial contribution criteria						No significant harm criteria						Minimum safeguards	Proportion of Taxonomy-aligned turnover (A1) or Taxonomy-eligible turnover (A.2) – 2022	(E)	(T)
				Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned activities)																			
Management and operation of national electricity infrastructure	4.9 CCM	1,620,866	78.5%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	79.2%	E	
Turnover from environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		1,620,866	78.5%	78.5% (d)	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	79.2%		
Of which enabling		1,620,866	100%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	100%	E	
Of which transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2. Taxonomy-eligible, but not environmentally sustainable, activities (Taxonomy non-aligned activities)																			
Management and operation of international electricity infrastructure	4.9 CCM (a)	74,267	3.6%	EL	EL	N/EL	N/EL	N/EL	N/EL								3.5%		
Turnover from Taxonomy-eligible, but not environmentally sustainable, activities (Taxonomy non-aligned activities) (A.2)		74,267	3.6%	3.6% (d)	0%	0%	0%	0%	0%								3.5%		
Total (A.1 + A.2)		1,695,133	82.1%	82.1% (c)	0%	0%	0%	0%	0%								82.7%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Telecommunications – Satellite	-	245,134	11.9%																
Telecommunications – Fibre Optics	-	96,537	4.7%																
Other businesses, Corp. and	-	27,267	1.3%																
Turnover from Taxonomy non-eligible activities (B)		368,938	17.9%																
TOTAL (A+B)		2,064,071	100.0%																

Templates taken from Commission Delegated Regulation 2023/2486 of 27 June 2023 amending Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for these economic activities.

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate change mitigation: CCM
- Climate change adaptation: CCA
- Water and marine resources: WTR
- Circular economy: CE
- Pollution prevention and control: PPC
- Biodiversity and ecosystems: BIO

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
 N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
 N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL – Taxonomy-eligible activity for the relevant objective

(c) To avoid double counting, in the cells for “substantial contribution criteria” to climate change mitigation and adaptation objectives for “Total (A1 + A2)”, eligibility is presented for the climate change mitigation objective only.

(d) This percentage is calculated from the contribution of the corresponding column to the total (A+B) in the last row of the table.

(E): Category enabling activity.
 (T): Category transitional activity.

	Proportion of turnover/total turnover	
	that is Taxonomy-aligned for the relevant objective	Taxonomy-eligible for the relevant objective
CCM	78.5%	82.1%
CCA	0%	82.1%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0% (e)

(e) Within the management and operation of national and international electricity infrastructures, projects are undertaken for the improvement and recovery of habitats, ecosystems and species, which constitute eligible activities in accordance with Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852. However, information is not currently available in sufficient detail to be able to account for its key performance indicators.

Economic activities	Code	CapEx 2023 (€)	Proportion of CapEx 2023 (%)	Substantial contribution criteria						No significant harm criteria						Minimum safeguards	Proportion of Taxonomy-aligned CapEx (A1) or Taxonomy-eligible CapEx (A.2) – 2022	(E)	(T)
				Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity				
				Y;N;N/EL (b)	Y;N;N/EL (b)	Y;N;N/EL (b)	Y;N;N/EL (b)	Y;N;N/EL (b)	Y;N;N/EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned activities)																			
Management and operation of national electricity infrastructure	4.9 CCM	767,993	83.4%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	76.7%	E	
CapEx from environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		767,993	83.4%	83.4% (d)	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	76.7%		
Of which enabling		767,993	100%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	100%	E	
Of which transitional		0%	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2. Taxonomy-eligible, but not environmentally sustainable, activities (Taxonomy non-aligned activities)																			
Management and operation of international electricity infrastructure	4.9 CCM (a)	5,895	0.6%	EL;N/EL	EL;N/E	EL;N/E	EL;N/E	EL;N/E	EL;N/E								4.3%		
CapEx from Taxonomy-eligible, but not environmentally sustainable, activities (Taxonomy non-aligned activities) (A.2)		5,895	0.6%	0.6%	0%	0%	0%	0%	0%								4.3%		
Total (A.1 + A.2)		773,888	84.0%	84% (c)	0%	0%	0%	0%	0%								81.0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Telecommunications – Satellite		119,222	13.0%																
Telecommunications – Fibre Optics		8,856	1.0%																
Other businesses, Corp. and		18,632	2.0%																
CapEx from Taxonomy non-eligible activities (B)		146,710	16.0%																
TOTAL (A+B)		920,598	100.0%																

Templates taken from Commission Delegated Regulation 2023/2486 of 27 June 2023 amending Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for these economic activities.

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate change mitigation: CCM
- Climate change adaptation: CCA
- Water and marine resources: WTR
- Circular economy: CE
- Pollution prevention and control: PPC
- Biodiversity and ecosystems: BIO

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
 N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
 N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL – Taxonomy-eligible activity for the relevant objective

(c) To avoid double counting, in the cells for “substantial contribution criteria” to climate change mitigation and adaptation objectives for “Total (A1 + A2)”, eligibility is presented for the climate change mitigation objective only.

(d) This percentage is calculated from the contribution of the corresponding column to the total (A+B) in the last row of the table.

(E): Category enabling activity.
 (T): Category transitional activity.

	Proportion of CapEx/Total CapEx	
	that is Taxonomy-aligned for the relevant objective	Taxonomy-eligible for the relevant objective
CCM	83.4%	84.0%
CCA	0	84.0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0% (e)

(e) Within the management and operation of national and international electricity infrastructures, projects are undertaken for the improvement and recovery of habitats, ecosystems and species, which constitute eligible activities in accordance with Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852. However, information is not currently available in sufficient detail to be able to account for its key performance indicators.

Economic activities	Code	OpEx 2023 (€)	Proportion of OpEx 2023 (%)	Substantial contribution criteria						No significant harm criteria						Minimum safeguards	Proportion of Taxonomy-aligned OpEx (A1) or Taxonomy-eligible OpEx (A.2) – 2022	(E)	(T)
				Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity				
				Y;N; N/EL (b)	Y;N; N/EL (b)	Y;N; N/EL (b)	Y;N; N/EL (b)	Y;N; N/EL (b)	Y;N; N/EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned activities)																			
Management and operation of national electricity infrastructure	4.9 CCM (a)	414,079	88.9%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	90%	E	
OpEx from environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		414,079	88.9%	88.9% (d)	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	90%		
Of which enabling		414,079	100%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	100%	E	
Of which transitional		0%	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2. Taxonomy-eligible, but not environmentally sustainable, activities (Taxonomy non-aligned activities)																			
Management and operation of international electricity infrastructure	4.9 CCM (a)	22,404	4.8%	EL;N/E	EL;N/E	EL;N/E	EL;N/E	EL;N/E	EL;N/E								4.2%		
OpEx from Taxonomy-eligible, but not environmentally sustainable, activities (Taxonomy non-aligned activities) (A.2)		22,404	4.8%	4.8%	0%	0%	0%	0%	0%								4.2%		
Total (A.1 + A.2)		436,483	93.7%	93.7% (c)	0%	0%	0%	0%	0%								94.2%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Telecommunications – Satellite	-	5,120	1.1%																
Telecommunications – Fibre Optics	-	24,401	5.2%																
Other businesses, Corp. and	-	-	-																
OpEx from Taxonomy non-eligible activities (B)		29,521	6.3%																
TOTAL (A+B)		466,004	100.0%																

Templates taken from Commission Delegated Regulation 2023/2486 of 27 June 2023 amending Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for these economic activities.

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate change mitigation: CCM
- Climate change adaptation: CCA
- Water and marine resources: WTR
- Circular economy: CE
- Pollution prevention and control: PPC
- Biodiversity and ecosystems: BIO

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
 N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
 N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL – Taxonomy-eligible activity for the relevant objective

(c) To avoid double counting, in the cells for “substantial contribution criteria” to climate change mitigation and adaptation objectives for “Total (A1 + A2)”, eligibility is presented for the climate change mitigation objective only.

(d) This percentage is calculated from the contribution of the corresponding column to the total (A+B) in the last row of the table.

(E): Category enabling activity.
 (T): Category transitional activity.

	Proportion of OpEx/total OpEx	
	that is Taxonomy-aligned for the relevant objective	Taxonomy-eligible for the relevant objective
CCM	88.9%	93.7%
CCA	0%	93.7%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0% (e)

(e) Within the management and operation of national and international electricity infrastructures, projects are undertaken for the improvement and recovery of habitats, ecosystems and species, which constitute eligible activities in accordance with Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852. However, information is not currently available in sufficient detail to be able to account for its key performance indicators.

11.9 Content index required by Law 11/2018, of 28 December 2018, on non-financial and diversity information

CONTENT	Page	Reporting framework
Description of the business model: Business environment Organisation and structure Markets served Objectives and strategies Key factors and trends that could affect future performance	31-32	(*) 2-1, 2-6, 3-1, 3-2.
I. Information on environmental matters		
Management approach	32-39	(^r) 103-1, 103-2,103-3
Present and foreseeable impact of the company's activities on the environment, health and safety.	34	103-1
Environmental assessment or certification procedures.	33	UNE-EN ISO Standard 14001. Certified Environmental Management System.
Resources allocated to preventing environmental risks.	33-34	Environmental accounting regulations
Application of the precautionary principle	33	(^r) 2-23
Provisions and guarantees for environmental risks.	33-34	Internal framework. Amount spent on environmental aspects associated with investment projects.
Pollution		
Measures to prevent, mitigate or remediate the effects of carbon emissions (also includes noise and light pollution).	37-38	Internal framework. Measures for the prevention of noise, light and atmospheric pollution, as well as measures for the reduction of carbon emissions. The Company's activities do not cause emissions of ozone-depleting substances, such as NOx, SOx or other significant air emissions, since they do not involve the burning of fossil fuels (the Company does not generate electricity), with the exception of the fuels used in certain generators and in vehicles, which are not considered to be significant under this approach.
Circular economy and waste prevention and management		
Measures for the prevention, recycling, reuse and other recovery and disposal of waste.	34-35	103-2
Actions to combat food waste.	Not material.	These types of actions are not carried out due to the nature of the Group's activities, which do not involve food management or therefore waste.
Sustainable use of resources		
Water consumption and supply.	39	(^r) 303-1
Consumption of raw materials and measures to improve efficiency.	Not material.	The Company's activities do not entail direct consumption of raw materials.
Direct and indirect energy consumption.	39	(^r) 302-1 / 302-2
Measures taken to improve energy efficiency.	37-38	103-2 and 302
Use of renewable energies.	39	103-2 and 302
Climate change		
Key elements of the greenhouse gas emissions generated.	39	(^r) 305-1 / 305-2
Measures taken to adapt to the consequences of climate change.	37-38	(^r) 305-5

Voluntary medium and long-term emission reduction targets set and steps taken.	37-38	103-2, 305-5
Protecting biodiversity		
Measures to preserve and restore biodiversity.	35-37	(⁽¹⁾) 304-1 / 304-3
Impacts caused by activities or operations in protected areas.	35-37	(⁽¹⁾) 304-2
II. Information on labour and employee-related issues		
Management approach	40-59	(⁽¹⁾) 103-1, 103-2,103-3
Employment		
Total number and distribution of employees by gender, age, country and employee category.	42-45	(⁽¹⁾) 2-7
Total number and distribution of employment contract types by gender, age and employee category.	45-46	(⁽¹⁾) 2-7
Average annual number of permanent, temporary and part-time contracts by gender, age and employee category.	46	Spanish Law 11/2018, on non-financial information and diversity: Average annual number of contracts, broken down by gender, age and employee category.
Number of dismissals by gender, age and employee category.	46	Spanish Law 11/2018, on non-financial information and diversity: Number of dismissals in the year by gender, age and employee category.
Pay gap.	48	(⁽¹⁾) 405-2
Average pay by gender, age and employee category.	47-49	Spanish Law 11/2018, on non-financial information and diversity: Average total wages by gender, age and employee category.
Remuneration of like positions or average remuneration in the company.	48	(⁽¹⁾) 405-2
Average remuneration of directors by gender.	49	Spanish Law 11/2018, on non-financial information and diversity: Average remuneration of the members of the Board of Directors by gender.
Average remuneration of management personnel by gender.	48-49	Spanish Law 11/2018, on non-financial information and diversity: Remuneration of middle managers by gender.
Implementation of policies on disconnecting from work.	49	Internal framework. Measures to disconnect from work.
Employees with disabilities.	57-58	General Law on the Rights of Persons with Disabilities (LGD). Percentage of employees with a disability.
Organisation of work		
Organisation of working time	50	Internal framework. Real and effective working day.
Number of hours of absenteeism	50	Internal framework. Number of hours of absenteeism
Measures aimed at facilitating a work-life balance and encouraging sharing of responsibilities between both parents.	50-51	(⁽¹⁾) 401-2
Health and safety		
Occupational health and safety conditions.	51-54	(⁽¹⁾) 403-10 / 404-1 / 404-2
Number of work-related accidents and ill health by gender, frequency and severity.	54	Related regulations per Ministry of Work standards. https://herramientasprl.insst.es/Accidentesdetrabajo/RecursosAdicionales.aspx
Management-employee relations		
Organisation of employee dialogue, including procedures on worker communication, consultation and negotiation.	54-55	(⁽¹⁾) 402-1
Percentage of employees covered by collective bargaining agreements by	55	(⁽¹⁾) 2-30
Summary of collective bargaining agreements, particularly in the field of health and safety.	56	(⁽¹⁾) 403-4 / 403-8

Mechanisms and procedures that the Company has in place to promote the involvement of workers in its management in terms of information.	54-56	Internal framework. Climate survey and communication channels
Training		
Policies implemented.	56-57	(*) 404-2
Total hours of training by employee category.	57	(*) 404-1
Universal accessibility for people with disabilities.		
Universal accessibility for people with disabilities.	57-58	Internal framework. Accessibility measures
Equality		
Measures taken to promote equal treatment and equal opportunities for women and men.	58-59	Internal framework. Measures adopted to promote diversity.
Equality plans: job stimulation measures, protocols against sexual harassment and gender bias.	58-59	Internal framework. Diversity plan.
Integration and universal accessibility for people with disabilities.	57-59	Internal framework. Hiring of people with disabilities and integration and accessibility measures.
Policies against all kinds of discrimination and, as the case may be, diversity management.	57-59	406.
III. Information on respect for human rights		
Management approach	60-62	(*) 103-1, 103-2,103-3
Implementation of human rights due diligence procedures.	61-62	(*) 407-1 / 408-1 / 409-1
Prevention of risks of human rights violations and, where applicable, measures to mitigate, manage and redress any such violations.	61-62	(*) 411-1 / 412-1 / 412-3
Reported human rights violations.	62	(*) 2-26
Promotion of and compliance with the provisions of the conventions of the International Labour Organization with regard to respect for freedom of association and the right to collective bargaining; elimination of discrimination in employment and occupation; elimination of forced or compulsory labour; effective abolition of child labour.	60	406, 407, 408, 409
IV. Information on the fight against corruption and bribery		
Management approach	63-66	(*) 103-1, 103-2,103-3
Measures to prevent corruption and bribery.	63-66	(*) 2-23 / 2-26 / 406-1
Anti-money laundering measures.	63-66	(*) 2-23 / 2-26 / 406-1
Contributions to foundations and non-profit organisations.	70	Internal framework. Contributions to foundations and non-profit organisations.

²⁸ Changes made to the information disclosed in the NFS following the entry into force of Law 5/2021, which amends the revised text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July, and other financial regulations, on the promotion of long-term shareholder engagement at listed companies.

V. Information on social issues		
Management approach	66-78	(*) 103-1, 103-2,103-3
The Company's commitments to sustainable development.		
Impact of the Company's activity on employment and local development.	66-68	(*) 413-1
Impact of the Company's activity on local populations and the local area.	69-70	(*) 413-1
Relations with local community players and types of dialogue.	70-71	(*) 413-1
Association and sponsorship actions.	71-72	(*) 2-28
Subcontractors and suppliers		
Inclusion of social, gender equality and environmental issues in the purchasing policy.	72-73	(*) 414-1
Attention given to social and environmental responsibility in relations with suppliers and subcontractors.	72-73	(*) 414-1
Supervision systems and audits and results.	72-73	(*) 308-1 / 308-2
Consumers		
Consumer health and safety measures.	74-75	(*) 416-1
Grievance mechanisms in place.	73-76	(*) 2-29
Complaints received and resolution thereof.	73-76	(*) 2-29
Tax information		
Country-by-country earnings	77	(*) 207-4
Income tax paid	78	(*) 207-4
Public aid received	78	(*) 201-4
VI. Taxonomy Regulation on sustainable finance in the European Union		
1. Volume of Taxonomy-eligible and Taxonomy-aligned turnover	87-94	European Commission Delegated Act on Article 8 of the Taxonomy Regulation, concerning the transparency of undertakings in non-financial statements.
2. Eligible and aligned CapEx	87-91 and 95-96	European Commission Delegated Act on Article 8 of the Taxonomy Regulation, concerning the transparency of undertakings in non-financial statements.
3. Eligible and aligned OpEx	87-91 and 97-98	European Commission Delegated Act on Article 8 of the Taxonomy Regulation, concerning the transparency of undertakings in non-financial statements.
4. Further information to the key performance indicators (accounting policy, assessment of compliance with the Regulation and contextual information)	78-86	European Commission Delegated Act on Article 8 of the Taxonomy Regulation, concerning the transparency of undertakings in non-financial statements.

(*) This table shows the equivalence between the requirements of Spanish Law 11/2018 and the GRI standards. Red Eléctrica has published non-financial information since 2003 in accordance with successive versions of the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI).

Independent Limited Assurance Report of the Consolidated Non-Financial Statement for the year ended December 31, 2023

REDEIA CORPORACIÓN, S.A. and SUBSIDIARIES

INDEPENDENT LIMITED ASSURANCE REPORT OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Shareholders of Redeia Corporación, S.A.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended December 31, 2023, of Redeia Corporación, S.A. and subsidiaries (hereinafter, the Group), which is part of the Group's Consolidated Management Report.

The content of the Management Report includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in table "Content index required by Law 11/2018, of 28 December 2018, on non-financial and diversity information" of the accompanying Statement.

Responsibility of the Board of Directors

The preparation of the NFS included in the Consolidated Management Report of the Group and its content is the responsibility of the Board of Directors of Redeia Corporación, S.A. The NFS was prepared in accordance with the content required by prevailing company law and in conformity with the criteria outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) selected, as well as other criteria described in accordance with that indicated for each subject in table "Content index required by Law 11/2018, of 28 December 2018, on non-financial and diversity information" from the accompanying NFS.

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality management

We have complied with independence and other ethical requirements of the International Code of Ethics for Accounting Professionals (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our Firm applies International Standard on Quality Management 1 (ISQM 1), which requires us to design, implement and operate a system of quality management including policies and procedures

regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team consisted of experts in the review of non-financial information and, specifically, information on economic, social, and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited verification report based on the work performed. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and execution timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the NFS for the year 2023 based on the materiality analysis made by the Group and described in section “Materiality Study”, considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the 2023 Non-Financial Statement.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2023 NFS.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the 2023 NFS and its correct compilation from the data provided by the information sources.
- ▶ Obtaining a representation letter from the Board of Directors and Management.

Conclusion

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that the Group NFS for the year ended December 31, 2023 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria of the selected GRI standards, as well as other criteria, described as explained for each subject matter in the table "Content index required by Law 11/2018, of 28 December 2018, on non-financial and diversity information" of the of the aforementioned NFS.

Use and distribution

This report has been prepared as required by prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Elena Fernández García

February 27th, 2024