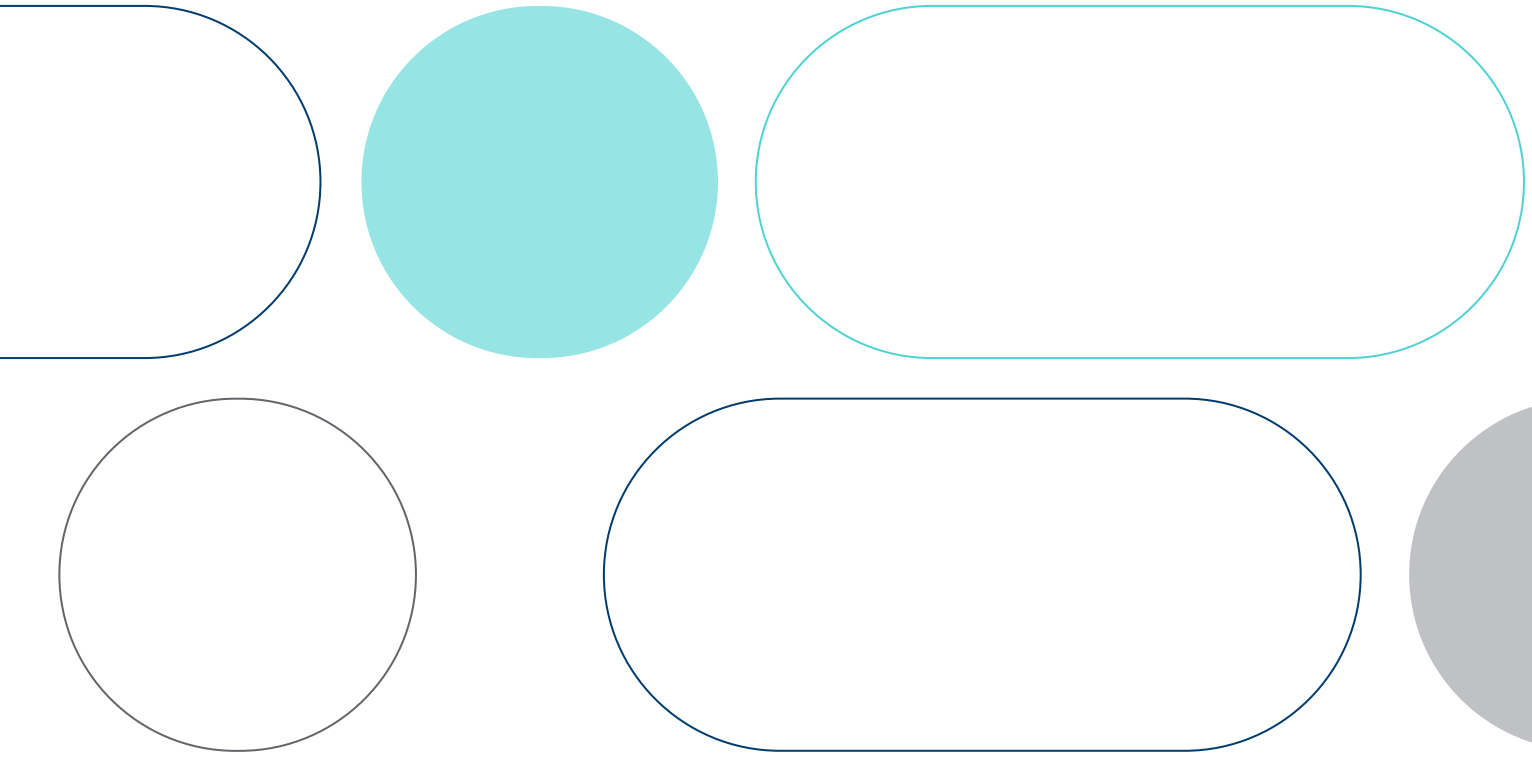
redeia
Valuing the essentials

Speech by the CEO

2026 General Shareholders Meeting



Public information

Dear Shareholders,

It is an honour to address you all once again at this Annual General Meeting to review our company's progress and share the key highlights of our work over the past year.

I'll begin by highlighting the key milestones of 2025, and then discuss the progress we made in greater detail, and finally I'll share the main aspects of our new Strategic Plan for 2026–2029 with you.

2025 was a challenging year, perhaps the most intense in the company's more than 41-year history. Geopolitical instability, its repercussions on financial markets and supply chains; intense regulatory activity at both national and European level; the need to accelerate the energy transition to provide the country with greater energy autonomy and meet the growing demands of the electrification of the economy, required an unprecedented effort from the entire Redeia organisation and, in particular, from the Red Eléctrica de España team.

But without a doubt, the incident on 28 April was the defining event for the company in recent months. It was an unprecedented, unforeseeable and multi-factor incident, as the Prime Minister noted, reflecting the unanimous conclusion of all the official reports, which indicate that Red Eléctrica did not fail. Our teams acted before, during and after the incident with the utmost professionalism, responsibility, transparency and institutional coordination, in accordance with the highest technical and regulatory standards, prioritising the safety of the electric grid, in strict compliance with current regulations.

Clear evidence of this can be seen in the new responsibilities and duties entrusted to the system operator, which we are currently implementing. These provide new capabilities and strengths to a grid that is becoming increasingly complex to manage.

As is well known, the CNMC has initiated disciplinary proceedings against Red Eléctrica, one of the 64 cases opened to date in relation to the incident, which, as the regulator has explicitly acknowledged, does not in itself imply the attribution of the origin or cause of the blackout, or that the system operator has been found to have committed any infringement. Red Eléctrica has submitted the relevant submissions and will take whatever action is necessary to defend itself.

In this regard, as we have noted over the past year, we have full confidence in the Red Eléctrica team, whose performance was impeccable before, during and after the incident.

Turning to other areas of operation, the most notable development this year was the record level of investment achieved in our role as the Transmission System Operator, exceeding €1.5 billion for the year: a 40% increase compared with 2024. This figure marks a milestone in the company's history and represents a near fourfold increase in the pace of investment in just four years.

Furthermore, it is also clear that 2025 was a pivotal year from a regulatory perspective, notably with the publication by the CNMC of the remuneration circulars for electricity transmission relating to the new regulatory period 2026–2031, which I will discuss in more detail later.

Furthermore, as announced on 31 January 2025, Redeia's Board decided to sell its 89.68% stake in the share capital of Hispasat S.A. Following the fulfilment of the conditions precedent set out in that agreement, the transaction was executed on 30 December for a sum of €725 million, which has strengthened the Group's financial capacity to tackle the new investment cycle we will need to manage in the coming years.

Having outlined the year's key events, I will now turn to an analysis of our performance as an operator and the transmission system operator for the Spanish electric grid.

As I mentioned earlier, 2025 marked a turning point in the company's investment cycle, with unprecedented investment in TSO operations.

This investment initiative includes EUR 1,424 million allocated to strengthening the transmission grid, which has resulted in the commissioning of an additional 486 km of power lines and 217 new substations, as well as an increase in transformer capacity of 2,465 MVA, with the aim of improving the resilience and transmission capacity of Spain's high-voltage grid.

Among the initiatives carried out, we can highlight projects across all the autonomous regions, with new infrastructure coming into service and progress being made on the most significant projects set out in the planning. I can't mention them all, but let me highlight the most significant ones:

- Firstly, there are those focused on boosting the productive sector or industrial decarbonisation, such as the Escatrón–Espartal line in Zaragoza and the substations at Calera and Chozas in Toledo, Saguntum in Valencia, Tierra Estella in Navarre, and San Fernando and Nuevo Meco in Madrid, among others.
- Secondly, there are projects focused on expanding the railway network, such as the Condado substation in Huelva and the Benahadux substation in Almería;
- and finally, there are projects focused on integrating renewable energy or strengthening the power supply, such as the 400 kV Pesoz line in Asturias, Solórzano in Cantabria, the southern

corridor of Ibiza, the power grid upgrade in the city of Murcia, and the expansion of Montearenas in León.

We have also carried out significant work on the roll-out of international interconnections and between island grids, which are essential for ensuring security of supply. These include, in particular:

- The completion of the Peninsular–Ceuta Interconnector, which has improved the quality of the electricity supply in Ceuta by integrating it with the mainland grid.
- The completion of the Tenerife–La Gomera interconnector, designed to integrate the electricity systems of both islands to optimise efficiency, strengthen security of supply and facilitate the greater integration of renewable energy.
- The completion of the Spanish section of the Galicia–Portugal Interconnector, with the commissioning of the Beariz–Fontefría and Fontefría–Portuguese border lines, thereby completing the upgrade of the electricity connection with Portugal.
- Progress on the electricity interconnector between Spain and France across the Bay of Biscay, which will double the capacity for energy exchange with Europe, although this is still far short of the 15% recommended by the European Union for 2030.

  With regard to this project, it is worth noting that in the coming months we will begin laying the first submarine cable, on both the French and Spanish sides.

As for energy storage on the Canary Islands, construction work on the Salto de Chira pumped-storage power station in Gran Canaria is progressing well. This infrastructure is essential for

the operation of the system and for advancing the decarbonisation of the Canary Islands' energy model. In 2025, work was completed on the water main and the excavation of the horizontal tunnels and the central cavern vault, and digging of the vertical shafts has begun. Progress has also been made on the lining of the vault and on the marine works associated with the project.

In this context, the support provided by the European Investment Bank is proving crucial, underpinning the financing of this strategic project, as well as the undersea interconnection with France.

The investment in infrastructure construction was complemented by optimal facility management, with the national transmission network achieving an availability rate of 98.38% in 2025, up from the 98.06% recorded the previous year, which highlights the company's rigorous implementation of sustainable, efficient and safe maintenance policies.

Internationally, we have once again achieved excellent service quality levels across the transmission grids in Peru, Chile and Brazil, with availability rates exceeding 99.8%. Effective management of these infrastructures contributes to energy efficiency and sustainable development in the countries where we operate.

In the telecommunications sector, following the sale of Hispasat, the focus is now on Reintel, which continues to perform well by strengthening long-term commercial relationships with Spain's leading telecommunications operators. Reintel currently

manages a fibre-optic network spanning almost 55,000 km, laid along power and railway lines.

Lastly, our drive for innovation, led by Elewit, deserves a special mention, as it continues to establish itself within the innovation ecosystem. In 2025, 62 innovation projects were managed and 16 technological solutions were adopted, with over €8 million spent on innovation. In addition, investment initiatives in start-ups worth €2.5 million have been launched, bringing the total investment in innovation and technological development to nearly €11 million for the year.

As I mentioned earlier, 2025 was also a pivotal year from a regulatory perspective, so please allow me to take a few minutes to go over the main **regulatory developments**:

- First, there was the publication of the CNMC Circular setting out the methodology for calculating the financial remuneration rate (TRF), which established the remuneration rate applicable to electricity transmission, system operation and distribution activities for the 2026–2031 regulatory period. This calculation indicates a financial return rate of 6.58%, compared with 5.58% for the previous period.
- In addition, there was the publication of the CNMC Circular enacting the remuneration method for electricity transmission and the standard facilities and reference unit values for investment and operation and maintenance applicable during the 2026–2031 regulatory period.
- Furthermore, there was the CNMC resolution setting the provisional remuneration amount for the Electricity System Operator for 2026 and provisionally establishing the remuneration parameters for 2026–2028.
- During the year, the Royal Decree was enacted that regulates the award of grants from the funds of the Recovery, Transformation and Resilience Plan for investments in the transmission network aimed at strategic decarbonisation projects.
- A list of measures was approved to enhance the resilience of the transmission network, which have been incorporated as a one-off amendment to the 2021–2026 Electricity Transmission Network Development Plan. This is the second such

amendment, following the one made in April 2024. This second amendment involves an investment of €750 million, bringing the total investment under the 2026 Plan to €8,203 million.

- The public consultation and information procedure was held for the draft Royal Decree to amend the investment limits for transmission and distribution networks. In the case of transport, there would be an additional €720 million per year from 2026 to 2030.
- The Draft Electricity Plan for 2025–2030 was published, which forecasts investment of over €13 billion by the end of the decade.
- Added to all this is the extensive legislation passed or announced by the Ministry for Ecological Transition and the National Commission for Markets and Competition following the incident on 28 April, granting new powers to the System Operator.

Furthermore, the regulatory progress driven by the European institutions is proving essential for making headway in the energy transition. In this regard, initiatives such as the Grids Package, which aims to encourage investment in electricity infrastructure, streamline the granting of permits and enhance coordination in grid planning at the EU level, together with the Energy Highways project, which seeks to strengthen international interconnections to increase energy self-sufficiency and security of supply, are becoming strategic elements in ensuring infrastructure development and sustaining

the necessary pace of investment required by the transformation of the energy model.

As you can see, these are all regulatory developments of great significance for Redeia, which set out the framework for the new regulatory period during which the company's ambitious investment and growth plan for the coming years will be implemented.

Turning now to the **financial results**, 2025 slightly exceeded our expectations for the year, showing positive growth across our main business lines, with 89% of the group's EBITDA coming from regulated business.

The group's revenue grew by 4.2%, driven mainly by a €71 million increase in its regulated business in Spain. This increase is largely due to the application of the new financial remuneration rate approved by the CNMC and to new commissioning projects, offset by the depreciation of the regulated asset base (RAB) in line with the remuneration model and lower unit maintenance costs.

Our international business saw a slight decline, affected by a reduction in third-party projects in Chile and the impact of the EUR/USD exchange rate, partially offset by strong performance, particularly in Peru and Brazil.

In the fibre-optic sector, the positive impact of inflation on CPI-linked contracts has been offset by the renegotiation of certain contracts against a backdrop of market concentration.

With regard to operating costs, excluding those offset by other operating revenues, including the Chira hydroelectric plant, operating costs rose by 5.6% in a setting of increased activity and operational demands, in line with the growth of our business and the needs of the grid.

Personnel costs rose due to an increase in the average workforce, which is essential to meet the challenges arising from the strong growth in the group's regulated assets.

Other operating expenses increased, primarily due to greater maintenance efforts in Spain, which helped to achieve a high availability rate for the transmission grid.

In this context, EBITDA rose by 4%, driven mainly by the increased TSO contribution. Also noteworthy are the improvements in the international market and the strong performance of the fibre-optic business, which combines higher revenues with more contained costs.

The financial result deteriorated by €20 million compared with 2024, due to lower financial income, mainly as a result of reduced investment of cash surpluses in 2025.

Net profit, meanwhile, reached €506 million, up 37.2% on the previous year, which was affected by the accounting impact of the sale of Hispasat in 2024. Excluding this effect, profit from continuing operations rose by 1.6%.

From a financial perspective, the Group's net debt stood at €5,474 million at the end of 2025, representing an increase of €104 million compared with December 2024.

Cash generation, together with the €725 million from the sale of Hispasat and dividends from group companies, particularly those in Brazil, made it possible to contain the growth in debt and maintain a sound financial structure, with a net debt/EBITDA ratio of 4.4 times and an FFO-to-net-debt ratio of 18.9%. At the same time, we have achieved 81% sustainable financing following the issuance of a new €500 million green bond in 2025.

Furthermore, and with the same aim of driving the green transition in Spain, Redeia recently issued its first European

green hybrid bond in 2026, with demand six times higher than supply, demonstrating the confidence the market and investors have in the company.

In short, given the results for 2025 and our achievements during the 2021–2024 period, we can say that we have exceeded all the targets set out in our Strategic Plan for 2021–2025, placing the company in a very strong position to tackle the challenges of the new strategic plan.

The TSO's investments for the 2021–2025 period reached €4,400 million, exceeding the initial target of €3,300 million, culminating in a record figure of over €1,500 million in investment in the TSO in 2025, and ending with an EBITDA margin of a solid 75.8%.

We also ensured a stable return for shareholders throughout the period, even exceeding our initial dividend payout target.

In short, we can close the strategic plan we announced in 2021 and 2025 with an excellent level of execution and a very solid position for taking on the next stage that will be marked by our **new Strategic Plan for 2029**, which makes it a priority objective to promote a sustainable energy model and connectivity for the future, generating a positive impact on climate change, nature, local communities and people.

This new strategic commitment represents a decisive step towards consolidating our leadership and ensuring a secure, resilient and decarbonised electric grid, reinforcing the essential role played by energy transmission in the energy transition, as well as providing a reliable and technologically advanced fibre-optic network that will help deliver universal connectivity and bridge the digital divide.

In this regard, the Plan focuses on significantly expanding our regulated business in Spain, where over 90% of our investments are allocated to transmission and system operation, with a view to prioritising the development of future electricity planning, optimising grid operation and ensuring the quality of supply in a rapidly changing environment.

At the same time, Redeia will continue to consolidate its international and telecommunications operations, which provide stability and long-term value to the group.

The new strategy also focuses on operational efficiency, technological innovation and digitalisation: crucial elements for operating a more demanding and decarbonised system. Similarly, attracting and retaining talent is becoming a key factor

in successfully tackling the challenges facing the electricity sector.

Overall, this plan reinforces Redeia's mission: to promote a sustainable, reliable and future-proof electric grid, delivering shared value to society.

The main objective of the Plan will be to implement the forthcoming electricity plan, which is still being drawn up. To this end, we will reach record levels of investment in the TSO, with an average annual investment of €1,500 million, a figure 70% higher than the average annual investment under the previous 2021–2025 strategic plan.

This will ensure that by 2031, the entire planning programme, with an initial planned investment of €13,100 million, will either be operational or under construction, with an estimated €11,100 million worth of projects due to come online between 2025 and 2031, against a backdrop of improvements to the regulatory framework governing planning procedures.

Redeia has committed to investing € 6,000 million in the TSO over the period 2026–2029. When added to the investment made in 2025 and those planned for 2030 and 2031, this will enable the planned commissioning milestones to be met, taking into account the regulatory improvements currently underway.

The regulated asset base in Spain is therefore expected to grow significantly over the period covered by this Plan, reaching €12,000 million by 2029, representing growth of over 35%, and reaching €14,400 million if we take into account the more than €2,000 million worth of works in progress that will come into service in subsequent years.

It is clear that we are facing the challenge of developing the infrastructure needed to achieve the energy transition in a highly competitive and saturated market environment. It is therefore essential to ensure the availability of the supplies and services needed to carry out the TSO's activities at a reasonable cost. In this regard, it should be noted that more than 70% of our strategic supplies are secured until 2029.

However, all this investment would be pointless without stable and adequate regulation. As I mentioned earlier, the new methodology projects a return on investment of 6.58% over the next six years. In addition, the unit costs have been adjusted for both CapEx, with an average increase of 6.4%, and operating and maintenance costs. In the latter case, maintenance revenue was adjusted by 13.4% compared with the previous period.

Furthermore, a first step was taken towards recognising work in progress for unique facilities, with the amounts invested prior to the year of commissioning being recognised.

While our activities over the coming years will focus on the transport business in Spain, from 2026 to 2029 we will maintain an investment plan of around €150 million internationally, focused on strengthening and expanding our transport networks in Brazil, Chile and Peru.

We will also continue to invest in our dark fibre business, a market in which we are a leading operator thanks to a stable, predictable model with a long-term focus. Between 2026 and 2029, we will invest around €110 million, primarily to strengthen our grid, expand capacity and meet the growing demand for high-quality connectivity.

Another significant aspect is technological innovation and digitalisation, which are essential for boosting the group's efficiency, particularly within the TSO. From 2026 to 2029 we will allocate €40 million to projects and the development of solutions managed by Elewit, which support the investment plan and prepare our grids for the energy transition.

A look at the trends in the key economic figures leading up to 2029 show that the directly reflect a company that is well-prepared to navigate an unprecedented investment cycle, capable of maintaining sustained growth while placing greater emphasis on financial management and discipline.

We therefore expect EBITDA to grow at an annual rate of over 5% during the period, and net profit to grow by around 3%.

The increase in net financial debt is directly linked to the investment programme set out in the plan. Nevertheless, we maintain a robust financial position, with ratios that will enable us to retain a strong credit rating and continue to access financing on competitive terms.

And in terms of shareholder returns, we have established a dividend policy that provides for annual growth of 2% until reaching €0.87 per share in 2029, ensuring sustainable growth.

The regulated business will continue to be the cornerstone of our earnings. Over 90% of the group's EBITDA comes from regulated activities, which provides us with stability, predictability and a solid foundation for our future growth.

The share of TSO revenue is set to rise in the coming years, driving growth in EBITDA and reflecting our ability to carry out

strategic investments, maintain operational efficiency and advance the energy transition of the electric grid.

In conclusion, I would like to summarise the key messages that define our 2026–2029 Strategic Plan and the growth trajectory we have mapped out for the coming years.

Between 2025 and 2029, Redeia is embarking on the most ambitious investment programme in its history, demonstrating our firm commitment to the energy transition. A large proportion of these investments are aimed at expanding and modernising the transmission network to meet the growing demands of the electric grid: the large-scale integration of renewable energy, the electrification of the economy, and the structural improvement of the resilience of our infrastructure.

This will lead to a significant increase in our base of regulated assets over the period, reaching € 12,000 million by the end of 2029, a 35% increase on the 2025 figure, which rises to €14,400 million if we include the work in progress estimated at the end of the plan.

This investment initiative is accompanied by a sound and responsible financial policy, with the plan to be funded through internal financing options, without the need for a capital increase, thereby preserving stability for our shareholders and reinforcing the financial discipline that defines us.

Furthermore, we are maintaining a policy of sustainable dividend growth, with an annual increase of 2% over the period, reflecting an appropriate balance between investment, financial strength and attractive returns for shareholders.

Lastly, I would like to emphasise once again that the growth of our regulated asset base will be the cornerstone of the Group's

value creation, as reflected in the increase in EBITDA and profit for the period.

Furthermore, looking beyond the period covered by the Strategic Plan, we will consolidate the growth initiated by the investments made during this period, as the RAB will exceed €15,000 million by the end of 2031, and we will also have projects under construction worth around €2,000 million that will be brought into service in the future.

Ours is a solid growth trajectory that ensures long-term visibility and represents a significant step up for Redeia in terms of its asset base, with greater revenue-generating capacity and a structural contribution to the development of the Spanish electric grid.

It is a grid operated to the highest standards of quality and excellence by the Red Eléctrica team, who are always committed to the safety of the system and regulatory compliance.

And finally, dear shareholders, I would like to take this opportunity to thank you all for your support of the company's management during a particularly challenging year, in which we laid the foundations for an exciting future that inspires us to redouble our efforts to live up to your trust.

Many thanks for your attention.

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