

Sustainability Report 2022

According to the European Union Taxonomy, Red Eléctrica's activity is 100% sustainable

79.2% of Redeia's net revenue is eligible and aligned with the taxonomy from an environmental perspective

Last year, Redeia reduced its scope 1 emissions by 15% and consumed up to 92.2% renewable energy

In 2022, the company allocated 41.4 million euros to help the environment and society, an 11.6% increase from 2021

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Today, Redeia released its 2022 Sustainability Report, which demonstrates its commitment to sustainable, fair, and inclusive development in the regions where it operates. The document specifically highlights how Red Eléctrica, its main subsidiary, engages in energy transmission, electrical system operation, and national infrastructure management that is 100% environmentally sustainable, making substantial contributions to both climate change mitigation and adaptation. Thus, 79.2% of Redeia's net revenue is eligible and aligned with the European Union Taxonomy Regulation.

According to this analysis, in addition to combating global warming, the Transmission System Operator's (TSO) activities do not significantly interfere with other environmental goals set out in the regulation. These activities are also carried out with social guarantees, particularly focusing on vulnerable groups and respecting human rights.

Redeia's remaining subsidiaries (Hispasat, Reintel, Elewit, and Redinter) are not covered by the regulation and therefore cannot be evaluated.

'Today, the energy transition is more necessary than ever. At Redeia, we are working towards our goal of a country that uses cleaner energy as well as one that's digitally more connected and socially and territorially more cohesive. We are achieving this through our business practices and with a new Sustainability Plan for 2023-2025, ensuring responsible management and creating shared values with our stakeholders', claims Eva Pagán, Corporate Director of Sustainability and Research at Redeia.

The company's commitment to sustainability led it to increase the weight of sustainability within the CEO's variable remuneration to 12% in 2022 and to continue seeking sustainable means of funding its projects, such as extending its green syndicated loan until 2027 or launching a sustainable credit line for Hispasat amounting to 250 million euros.

Towards Net-Zero Emissions

After achieving 98.5% compliance with the goals and actions of its 2020-2022 Sustainability Plan, Redeia has begun implementing its new plan, with 190 actions and 87 objectives by 2025. Among these are integrating 60% renewable energy into the mix and delivering 100 Mbps connectivity across Spanish territory.

Despite not being subject to any applicable regulations, Redeia's climate action includes significantly reducing its carbon footprint. In this regard, the company aims to achieve a 30% reduction in its scope 1 and 2 emissions by 2025 and offset 100% of scope 1 emissions.

Thanks to their efforts, the group was able to reduce its scope 1 emissions by 15%, cut its workplace emissions by 93.3%, and consume up to 92.2% renewable energy in 2022.

41.4 million euros to preserve the environment and reduce inequality

In its report, Redeia assesses its efforts to have a positive impact on the environment. In 2022, the company allocated 41.4 million euros to help the environment and society, an 11.6% increase from 2021.

Specifically, over 29.8 million euros were destined for environmental issues such as preserving biodiversity, preventing wildfires, integrating landscapes, and combating climate change and pollution. Thanks to these initiatives, the transmission grid now has over 5,300 kilometres marked with devices to protect avifauna. Furthermore, the company has planted around 813,000 trees and reclaimed 993 hectares of forest (an area similar to that of the Autonomous Community of Navarre).

Additionally, over 10.6 million euros have been allocated to programs aimed at reducing social inequality, bridging the digital divide in access and skills, enhancing employability for populations facing social and occupational integration issues, reversing rural depopulation, or educating citizens in ecological transition.

Fourth position in the 'Informe Reporta' report and double materiality study

Redeia's 2022 Sustainability Report includes an updated materiality study for all business activities and geographic areas in which it operates. However, it now uses a dual materiality approach that has identified 13 issues within the economic, environmental, and human rights fields, among others.

This year, the report holds the fourth position in the *Informe Reporta* report, making Redeia the only company to have consistently maintained a place in the top five rankings in this category over the last four years. The ranking assesses the quality of information provided by companies listed on the General Index of the Madrid Stock Exchange.

The document provides non-financial information according to GRI (Global Reporting Initiative) standards and the SASB (Sustainability Accounting Standards Board) reporting framework, fully integrating the requirements of the Climate Disclosure Standards Board (CDSB) framework and the recommendations from the Task Force on Climate-related Financial Disclosures established by the Financial Stability Board.

This report responds to Recommendation 55 of the Code of Good Governance for companies listed with the Spanish National Securities Market Commission (CNMV) and includes aspects defined by the International Integrated Reporting Council (IIRC) for integrated reporting.