



Our
Commitment
to Sustainability

SUMMARY
REPORT

2022

redeia

Valuing the essentials

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REPORT

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Valuing the essentials

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Our Vision

We live in a context marked by global challenges such as the climate emergency, progressive de-globalisation, increasing inequalities and the demographic challenge, among others, which in 2022 were heightened by the terrible consequences of the war in Ukraine, which, on the other hand, has shown that the energy transition is now more necessary than ever.

Spain is facing up to this reality with a tremendous capacity to react and show leadership. A foretaste of this was the approval in March 2022 of the Transmission Grid Planning for 2021-2026, whose implementation is binding for our company, which will enable us to achieve a 67% share of renewable

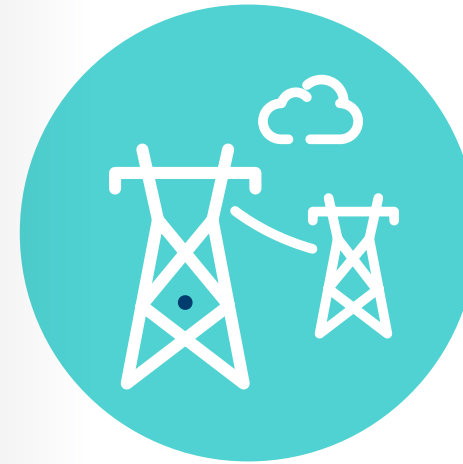
energy in the national generation mix by 2026, thus setting the stage for a cleaner, more connected and socially and territorially cohesive country.

These same objectives are embedded in Redeia's 2021-2025 Strategic Plan and in its Commitment to Sustainability for 2030. To this end, we would like to highlight the approval by the Board of Directors in 2022 of the new Sustainability Plan for 2023-2025. This Plan is based on 14 courses of action, 190 measures and 87 objectives, which ensures responsible business management and will allow us to continue to make progress in the group's sustainability priorities, with the ultimate aim of enhancing the creation of shared value with our stakeholders.

We would also like to highlight that, in 2022, we launched our new corporate identity and repositioned our brand through the new slogan, 'valuing the essentials', with the aim of clearly and distinctly conveying the new reality of our company. We are a solid, diversified and financially sound group, and through our five subsidiary companies: Red Eléctrica, Reintel, Hispasat, Redinter and Elewit, we are a benchmark in the energy and telecommunications sectors. We will continue to strengthen our vocation to serve society through these companies, guided by a business model whose pillars are the guarantee of the electricity supply, connectivity, sustainability and innovation.

BEATRIZ CORREDOR SIERRA
Chairwoman of Redeia

ROBERTO GARCÍA MERINO
Chief Executive Officer



Our purpose

Guarantee the electricity supply and ensure connectivity

Redeia's purpose is to guarantee the electricity supply and ensure connectivity in the field of telecommunications, promoting a just ecological transition based on sustainability criteria, whilst showcasing our neutrality and contributing to social and territorial cohesion.

Our hallmarks



Electricity



Telecommunications



Talent

Our ethical values



Respect



Integrity



Sustainability



Redeia at a Glance

Since its creation in 1985 as the world's first TSO (sole transmission agent and operator of the electricity system), the company has evolved to become consolidated as a benchmark group in the fields of electricity and telecommunications. Today Redeia follows a business model based on excellence, innovation, integrity and transparency, making its activity compatible with caring for the environment and generating shared value with society.

52,607 km
of line circuit in service

94,221 MVA
of transformer capacity

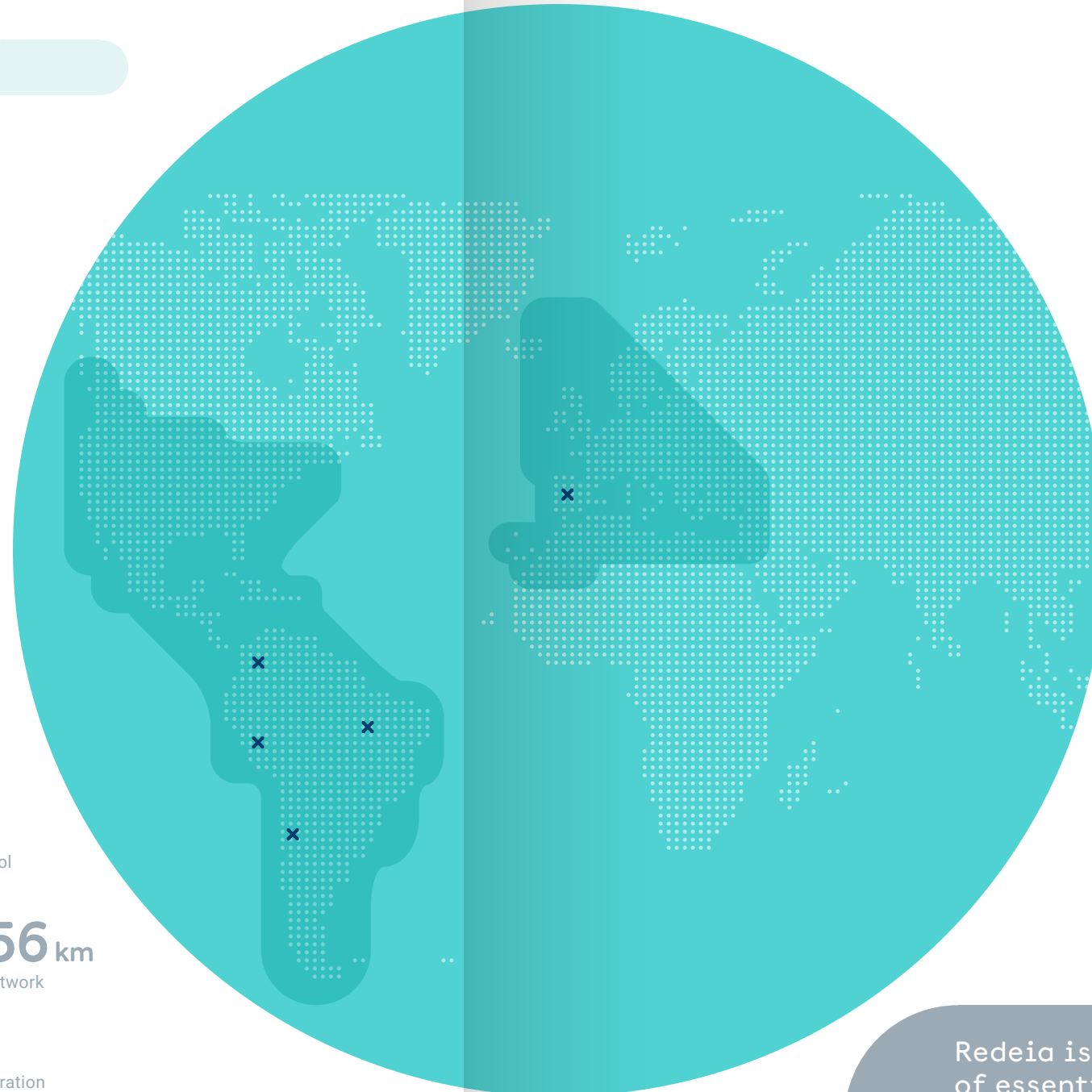
6,214
substation bays

2
electricity control centres

52,956 km
of fibre optic network

9
satellites in operation

3
satellite control centres



Redeia's presence in the World

✕ In addition to Spain, Peru, Chile, Brazil and Colombia, Redeia is present in: Mexico, Germany, Ecuador, Great Britain, Greece, Argentina, South Africa, the Netherlands, Luxembourg, Senegal and Belgium.

● Satellite coverage area

Redeia's business activities

red eléctrica

redinter

reintel

hispatat

elewit

Redeia is a global operator of essential infrastructure and a driving force behind the energy transition and universal connectivity.

A Business Model focused on Creating Value for Society

Our resources

INFRASTRUCTURE

52,607 km of line circuit in service
45,019 km in Spain
7,588 km in LATAM
6,214 substation bays
94,221 MVA of transformer capacity

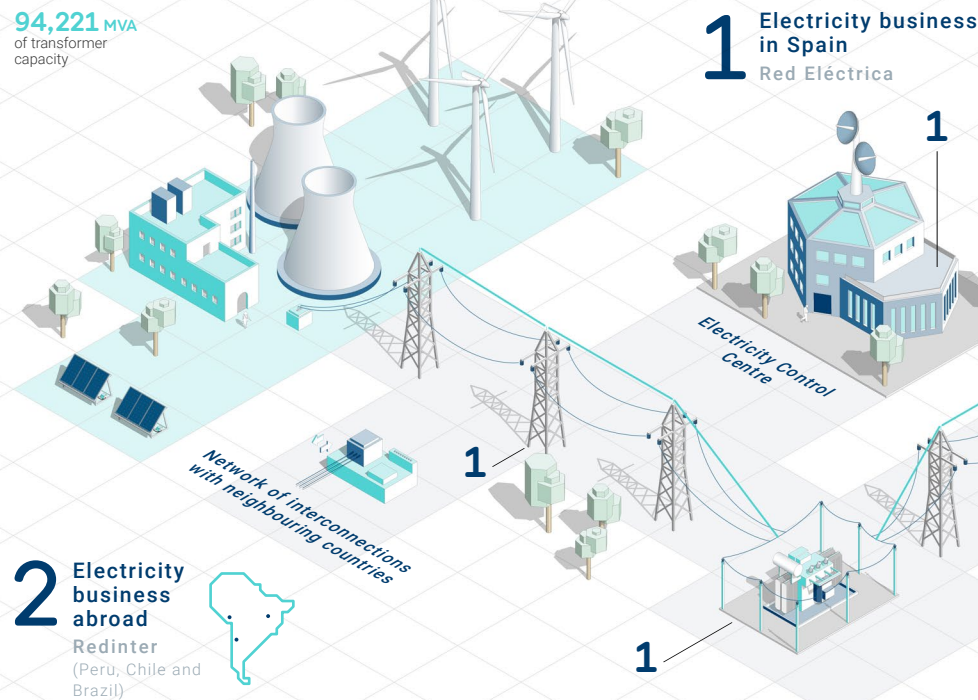
52,956 km of fibre optic network
9 satellites in operation
3 satellite control centres
2 electricity control centres

CORPORATE GOVERNANCE

92.8% Average percentage of votes in favour of the items on the agenda of the General Shareholders' Meeting
12 Board Members
58.3% Independent Board Members
50% Women on the Board

FINANCIAL RESOURCES

2,015 M€ revenue
1,032 M€ investment
3,087 companies that work with the group under the Company's General Conditions of Contract



Value created

SHAREHOLDERS AND INVESTORS

544 M€ dividends distributed
8,798 M€ capitalisation

EMPLOYEES

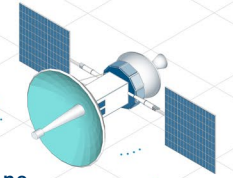
211 M€ personnel costs
99.2% permanent contracts
35.3% women in the management team
46% women on the executive committee
0.25 Occupational accident frequency rate

CUSTOMERS

98.53% availability rate of the electricity grid on the Spanish peninsula
99.89% availability rate of the transmission system managed in Peru
99.89% availability rate of the transmission system managed in Chile (TEN)
99.98% availability of the satellite fleet payload



4 Telecommunications business Hispasat (satellites)



HUMAN RESOURCES

2,420 employees in the group
1,517 € investment in training per employee
36 hours of training per employee

INNOVATION

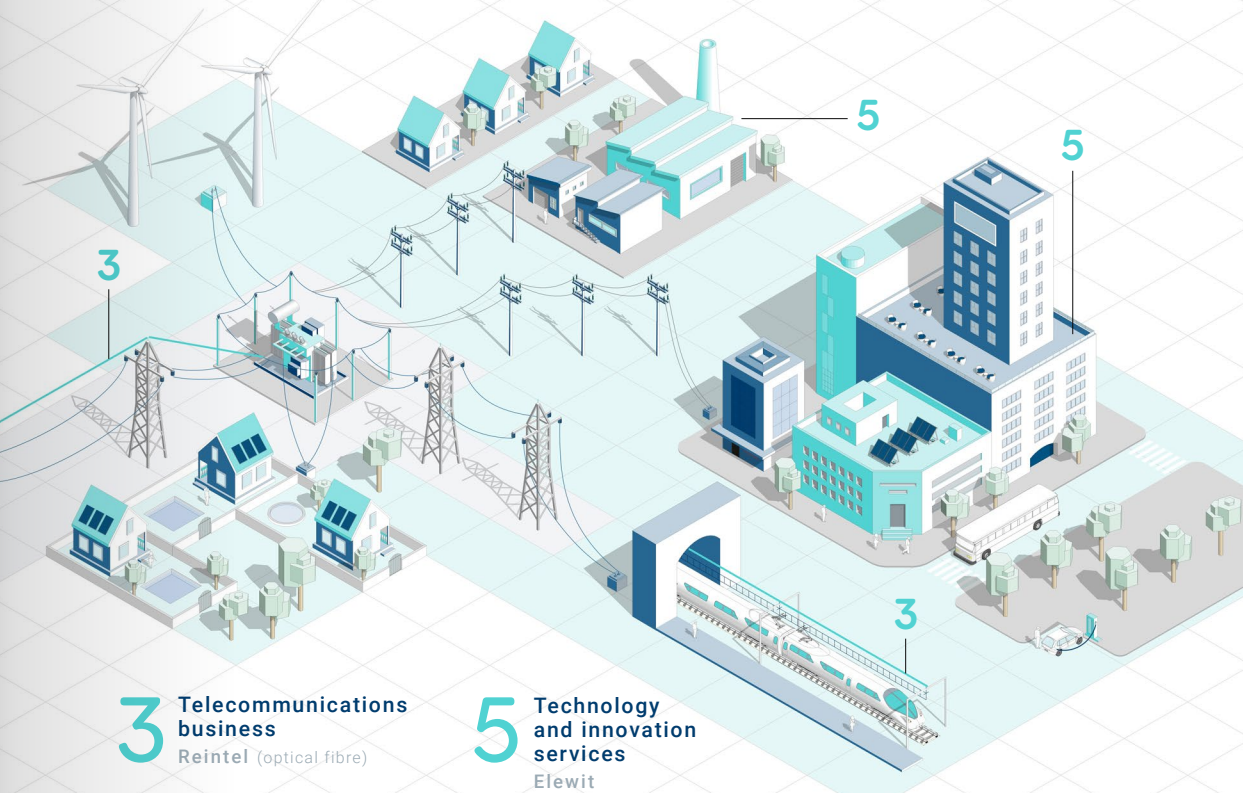
31.3 M€ total investment in innovation and technological development
79 innovation projects

ENVIRONMENT

29.8 M€ allocated to environmental matters
43 initiatives geared towards the protection and conservation of biodiversity

SOCIETY

10.6 M€ investment in the communities where the group is present
592 social initiatives



SUPPLIERS

879 M€ in purchases of goods and services
92.3% purchases from suppliers within the European Union

ENVIRONMENT

34,957,635 tonnes of CO₂ eq. avoided
43.7% of the electricity mix in the mainland electricity system was obtained from renewable sources
70.1% of electricity line in critical priority zones marked with bird-saving devices

SOCIETY

419.8 M€ GDP contribution as a result of investments made in Spain
966 M€ Total Tax Contribution for the year
USD 30.5 M and USD 10.1 M GDP contribution as a result of investments made in Chile and Peru respectively




Our Strategic Plan for 2021-2025

The 2021-2025 Strategic Plan prioritises the development of the energy transition in Spain in order to advance efficiently towards a decarbonised economy, promoting the growth achieved in

the field of telecommunications and consolidating the group's activity abroad, and with innovation, talent and sustainability at the core of our corporate culture.



••••• 2021-2025 Commitments •••••

 <p>Total Investment</p> <p>4,400 Bn€</p> <p>75% earmarked for the development of the transmission grid, cross-border connections, energy storage and system operation</p>	 <p>Financial Efficiency 2025</p> <p>EBITDA Margin 70%</p> <p>FFO/DEBT ratio >15%</p> <p>Net debt/EBITDA ratio <5x</p> <p>Maintain a solid credit rating</p>	 <p>Dividend Policy</p> <p>2021-2023 1.0 €/share</p> <p>2024-2025 At least 0.8 €/share</p>
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••••• Relevant facts in 2022 •••••

- January** Acquisition by Argo Energia of the Brazilian electricity infrastructure company Rialma Transmissora de Energia III.
- February** Commencement of work on the Salto de Chira pumped-storage hydroelectric power station on the island of Gran Canaria.
- March** Approval of the 2021-2026 Transmission Grid Planning to promote a green future for Spain. Registration of the patent for the design of the Salto de Chira pumped-storage hydroelectric power station.
- April** Favourable Environmental impact statement for the Spain-Portugal North cross-border connection. Presentation of the Peninsula-Ceuta interconnection project.
- May** Adaptation of the operation schedule of the mainland electricity system to 15-minute periods.
- June** Commencement of the final phase of the permitting processing for the electricity interconnection between Spain and France across the Bay of Biscay. Launch of the group's new brand to strengthen its position as a global operator of essential infrastructure. Red Eléctrica Group is now called Redeia.
- July** Increased presence in Brazil through the Company's participation in the capital related to five electricity transmission concession contracts awarded to Argo Energia. Implementation of four pilot innovation projects to analyse the use of 5G in the management of electricity infrastructure.
- August** Renewal and extension of a credit line for Hispasat, incorporating sustainability criteria for the first time. Acquisition by Hispasat of 100% of Axxis Networks Solutions Holding.
- October** Completion of the 132 kV subsea link between Lanzarote and Fuerteventura. Holding of the Redeia Sustainability Conference sessions 2022.
- November** Commissioning of the Caparacena-Baza electricity axis, which is key for the economic development of eastern Andalusia.



A Cutting-edge Corporate Governance Model

Redeia has a robust and transparent Corporate Governance System which, through the adoption of best practices and international recommendations,

constitutes an essential strategic element to ensure the good governance of the Company.

Governance STRUCTURE



General Shareholders' Meeting

64.96% shareholder attendance at the General Shareholders' Meeting and 92.78% of votes in favour of the approval of resolutions at the General Shareholders' Meeting in 2022



Board of Directors

Audit Committee
4 members

Appointments and Remuneration Committee
3 members

Sustainability Committee
3 members



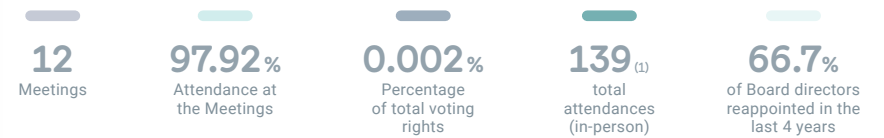
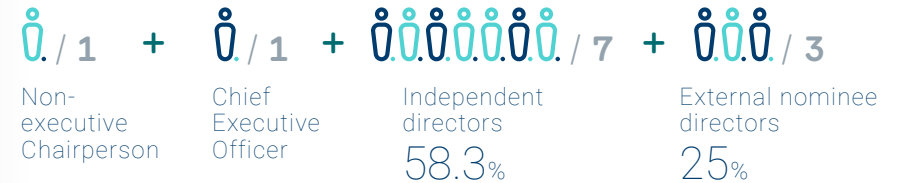
Management Team



Board of Directors

(12 members)

● Man ● Woman

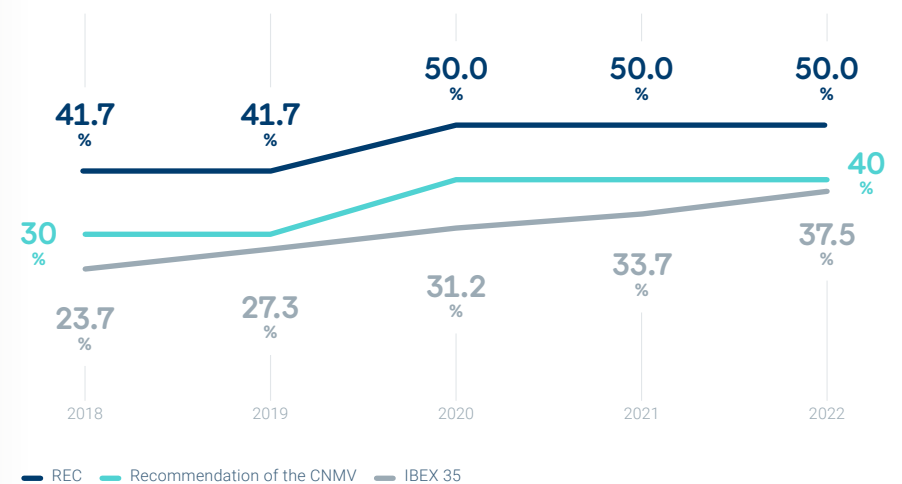


(1) There have only been three non-attendances, in which the absent directors each appointed a proxy with specific instructions. Similarly, due to the resignation of Ms M^a Teresa Costa Campi as a director of Red Eléctrica Corporación, S.A., there was a vacant seat on the Company's Board of Directors at two meetings.

Gender parity

on the Board of Directors (2)

In 2020, Redeia became the first IBEX 35 company with an equal number of men and women on the Board of Directors, as well as being one of the only three IBEX companies chaired by a woman in 2022



(2) Source: IBEX 35 data, 11th Report on 'Women on the Boards of IBEX 35 Companies'. ATREVIA-IESE

Commitment to Sustainability 2030 / Progress

Redeia's 2030 Sustainability Commitment has a strategic, cross-cutting and long-term vision, driven

by the Board of Directors, shared with stakeholders and structured into four priorities.

Decarbonisation of the Economy



Our priority

Be a proactive agent in the **energy transition** towards a **zero-emission model**, advocating for the **electrification of the economy** and the efficient integration of **renewable energy**, through a robust and better-interconnected grid, as well as through the development and operation of energy storage systems.



2030 Sustainability Goals

2030 Goals	Progress
<ul style="list-style-type: none"> 55% reduction in Scope 1 and 2 emissions and 28% reduction in Scope 3 emissions compared to 2019. 	<ul style="list-style-type: none"> Definition of the neutralisation and offsetting strategy, towards net zero emissions. 
<ul style="list-style-type: none"> Empower society to promote their active participation in the energy transition process. 	<ul style="list-style-type: none"> The redOS application continued to evolve by improving the information it presents, increasing navigation capabilities, adapting to regulatory changes, offering greater data granularity and responding to suggestions received from users.   
<ul style="list-style-type: none"> Safely integrate 100% of available renewable energy into the electricity system: 74% of renewable energy in the electricity generation mix. 	<ul style="list-style-type: none"> 42.2% of the electricity mix in the national electricity system was obtained from renewable sources.  
<ul style="list-style-type: none"> 100% sustainable financing. 	<ul style="list-style-type: none"> 42% of the Company's financing incorporates ESG criteria. First transaction in the group's satellite business that incorporates sustainability parameters for an amount of 250 million euros, maturing in 2025 and with the possibility of being extended to 2027. 

2022 Milestones

- New record highs for instantaneous power, hourly energy, daily energy and coverage of instantaneous demand for wind and solar photovoltaic energy generation in the mainland electricity system.
- All-time lows in energy production using coal-fired power stations.
- 100% of Scope 1 emissions offset.
- 92.2% of electricity consumed by Redeia comes from renewable sources.



Commitment to Sustainability 2030 / Progress

Responsible Value Chain



Our priority

Extend our **responsibility commitment** to all links in the value chain, ranging from employees to suppliers and customers, accomplishing this through the **creation of alliances** and by basing it on our **corporate governance and integrity** model.



2030 Sustainability Goals

2030 Goals	Progress
<ul style="list-style-type: none"> Generate a net positive impact on the natural capital of the environment surrounding the new facilities. 	<ul style="list-style-type: none"> Approval and publication of the commitment to protect vegetation and combat deforestation.
<ul style="list-style-type: none"> Be a leading company in circular economy: Group: 0% of waste to landfill. Group: 6.5 m³ of water consumption per employee per year in work centres. 	<ul style="list-style-type: none"> Overall fulfilment of 23.4% in the actions encompassed within Redeia's 2030 Circular Economy Roadmap.
<ul style="list-style-type: none"> Be a driver of change for our suppliers: at least 25 supplies with the greatest impact on the transmission grid shall include circular criteria (LCA – Life Cycle Assessment), climate change, security, diversity and biodiversity. 	<ul style="list-style-type: none"> Development of the supply life cycle analysis methodology, taking as a reference four relevant supplies: towers, steel and aluminium conductors, transformers and gas-insulated switchgear.

2022 Milestones

- Review and update of the Guidelines for the Prevention of Corruption.
- Approval of the Commitment to promote and respect human rights and due diligence procedures on integrity and human rights with third parties, and on human rights in the Company's own activities.
- Evolution of the Healthy Workplace Model to the new Work-related Well-being Management System.
- Holding of the 2nd Internal Conference with managers responsible for customer service and the 3rd Conference with 'ConectadOS' customers of Red Eléctrica.



Commitment to Sustainability 2030 / Progress

Contribution to Social, Economic and Environmental Development



Our priority

Contribute to **society's economic, environmental and social progress** by providing a key service safely and efficiently. This is achieved by promoting environmental conservation, the quality of life and the social well-being of people. We also seek to involve the communities where our facilities are located in all aspects related to the Company's activities to generate a **mutual benefit that positively impacts** society as a whole.



2030 Sustainability Goals

2030 Goals

Progress

To be a benchmark company in **gender equality**: 50% of women on Redeia's Board of Directors and the group's management team.

35.3% of women in the management team, 46% on the Executive Committee and 50% of female directors on the Board of Directors.



Promote the **inclusion of groups at risk of social and labour exclusion**.

Implementation of quality standards regarding diversity management, especially for groups at risk of social and labour exclusion, and compliance with the actions set out in the Annual Diversity Programme related to disability.



Reduce the **digital divide**: 100% of people connected in the areas where our facilities are located.

Collaboration of Reintel with local operators to improve connectivity around the new Caparacena-Baza transmission line. Agreement between Hispasat and the Association of Local Telecommunications Operators (AOTEC) to promote 100 Mbps satellite connectivity in rural areas and boost the digital economy of small and medium-sized populations.



2022 Milestones

- Launching of the RedSTEAM competition to promote women's empowerment in scientific and technical disciplines.
- Programme of visits by national and regional members of parliament to disseminate the 2021-2026 Transmission Grid Planning.
- Publication of the guides: 'Pastoreo enRED' (livestock grazing project) and 'Servicios de los ecosistemas reforzados por el Pastoreo en RED' (reinforced ecosystem services for the livestock grazing project), and of the 'Manual for a rural energy community'.



Commitment to Sustainability 2030 / Progress

Anticipating Change and Taking Action



Our priority

Promote a corporate culture of **innovation and flexibility** that allows us to identify growth opportunities and respond to the challenges of the future, **anticipating and adapting** both to global trends and to the regulatory environment arising from the new energy model.



2030 Sustainability Goals

2030 Goals

- Be a benchmark company in technological innovation: Implementation of 64 innovative technological solutions that will help drive the energy transition and telecommunications.

Progress

- 79 innovation projects with expenditure of 8.3 million euros and investments of 23 million euros for a total financial investment of 31.3 million euros.



2022 Milestones

- Identification and internal analysis of the main emerging risks with a potential impact on Redeia.
- Deployment and implementation of the Supply Chain Security Risk Management Model.
- 5 alliances formalised in key technological projects and 2 agreements reached for the commercialisation of joint solutions.
- Consolidation of the 1st Intrapreneurship Programme and launch of the 2nd Redeia Programme.



Leadership in sustainability

Redeia's sustainability performance is continuously scrutinised, positively assessed and recognised by external bodies and specialised rating agencies.



Awards and RECOGNITIONS



- The Silver Class distinction in the Electric Utilities sector in The Sustainability Yearbook 2023 published by S&P Global.
- The EFQM 700+ Seal of Excellence, Innovation and Sustainability.
- 'Company of the Year' awarded to Elewit at the BIGBAN Awards of the National Association of Private Investors.
- Renewal of the certification by INTRAMA as a Top Diversity Company and one of the TOP 40 Spanish companies in terms of best practices in diversity and inclusion.
- Recognised as a Supplier Engagement Leader 2021 by CDP.
- Good Practice of the Year Award for the *Biotransporte* project awarded by RGI (Renewables Grid Initiative).

- Special mention by the European Commission jury for the 'Pastoreo en RED' (livestock grazing project) in the Good Practice of the Year 2021 awards organised by the Renewables Grid Initiative.
- 'Pastoreo en RED' (livestock grazing project) considered as a Nature-Based Solution according to the International Union for Conservation of Nature (IUCN) standard.
- Leader for the third consecutive year in transparency on tax responsibility. Obtained the seal of tax transparency in the 't*** de transparente' category awarded by the Haz Foundation after analysing the transparency of the voluntary tax information of IBEX 35 companies.



Redeia's ESG Profile

Sustainability Analysts	Scale	Results	Evolution
S&P Global	0 - 100	86	↓
Moody's	0 - 100	69	↑
FTSE 4 Good	0 - 5	4.3	→
MSCI	CCC - AAA	AAA (8,1)	↑
ISS ESG	D- / A+	B+	→
Stoxx Global ESG Leaders	.	.	→
Sustainalytics	0 - 100	75.8	↓
Bloomberg GEI	0 - 100	72.8	↓
CDP climate change	F - A	A	↑

Presence in sustainability indexes

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Redeia works on selecting the most legible typographical font for its publications. The typographical font Documan and Roboto have been used for the texts and graphics in this report.



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