



REE
RED ELÉCTRICA
DE ESPAÑA

RED ELÉCTRICA DE ESPAÑA



● ● ●
**WE GUARANTEE
THE ESSENTIAL**
with generosity and
responsibility
● ● ●



The **RECOVERY** starts
now and will be
GREEN and DIGITAL

The only way to a
sustainable future.

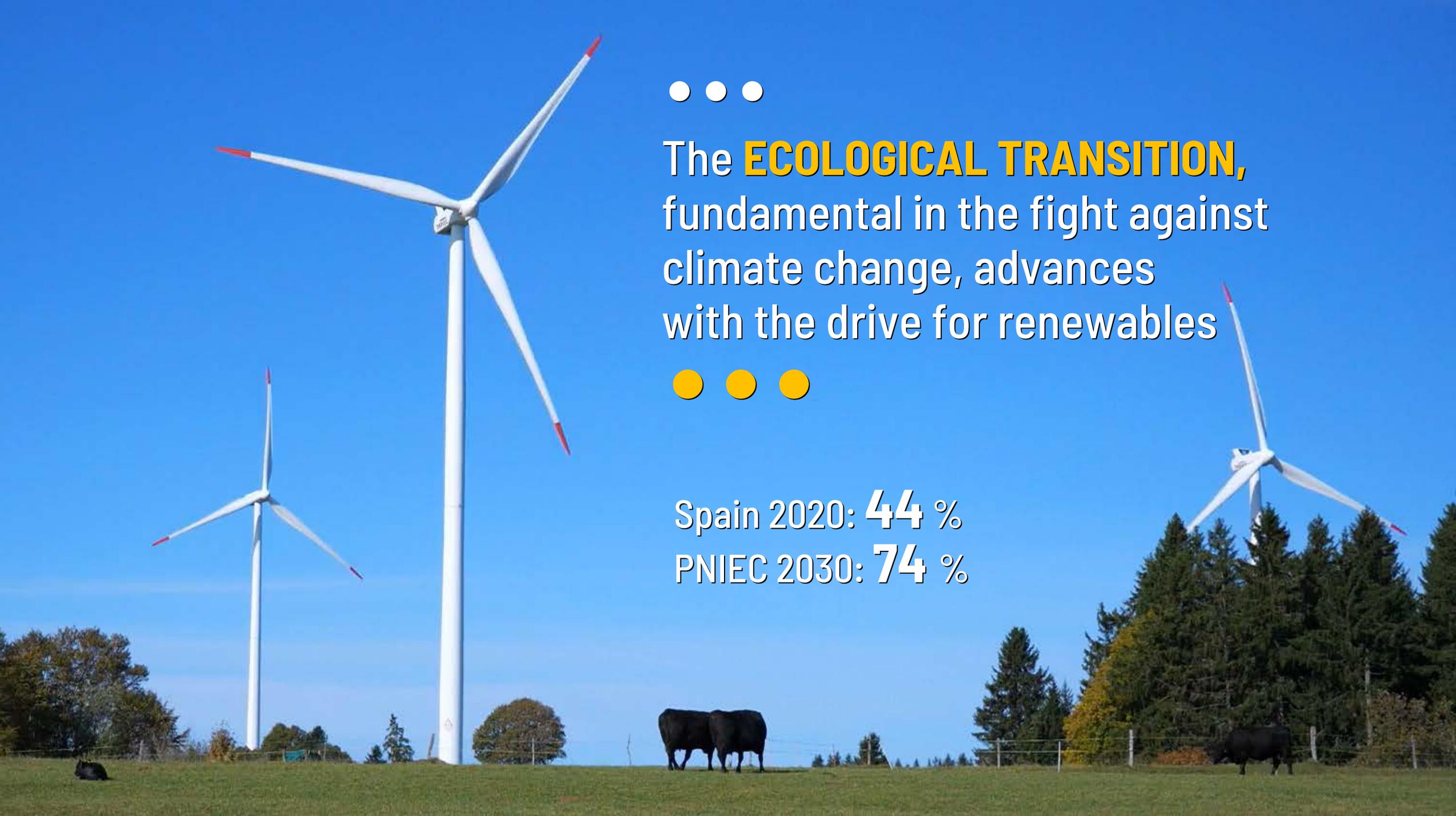




The **ECOLOGICAL TRANSITION**,
fundamental in the fight against
climate change, advances
with the drive for renewables



Spain 2020: **44** %
PNIEC 2030: **74** %





**BECAUSE WITHOUT
GRID THERE WILL BE
NO ECOLOGICAL
TRANSITION**

Transmission
gridplanning
2021-2026.





5G CONNECTIVITY

For a digital economy
accessible to all.





A **CHALLENGE**
for the country.

A **CHALLENGE**
for the company.





STRATEGIC PLAN 2021-2025

€4,400 M to drive
transformation and
accelerate economic
recovery.





75 % to enable
the **ECOLOGICAL
TRANSITION**





THE BACKBONE
of the energy
transition





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INFRASTRUCTURES FOR A GRID

+ Meshed

+ Smart

+ Interconnected with Europe



STORAGE,
essential for
isolated systems

More tools for the operation
of a more complex
and dynamic system.





Telecommunications
infrastructures,
at the service
of **INCLUSIVE
CONNECTIVITY**

- Optical fibre.
- Satellites.





20 YEARS in Latin America
and our path there
continues





**ENERGY and
CONNECTIVITY**
to change the future

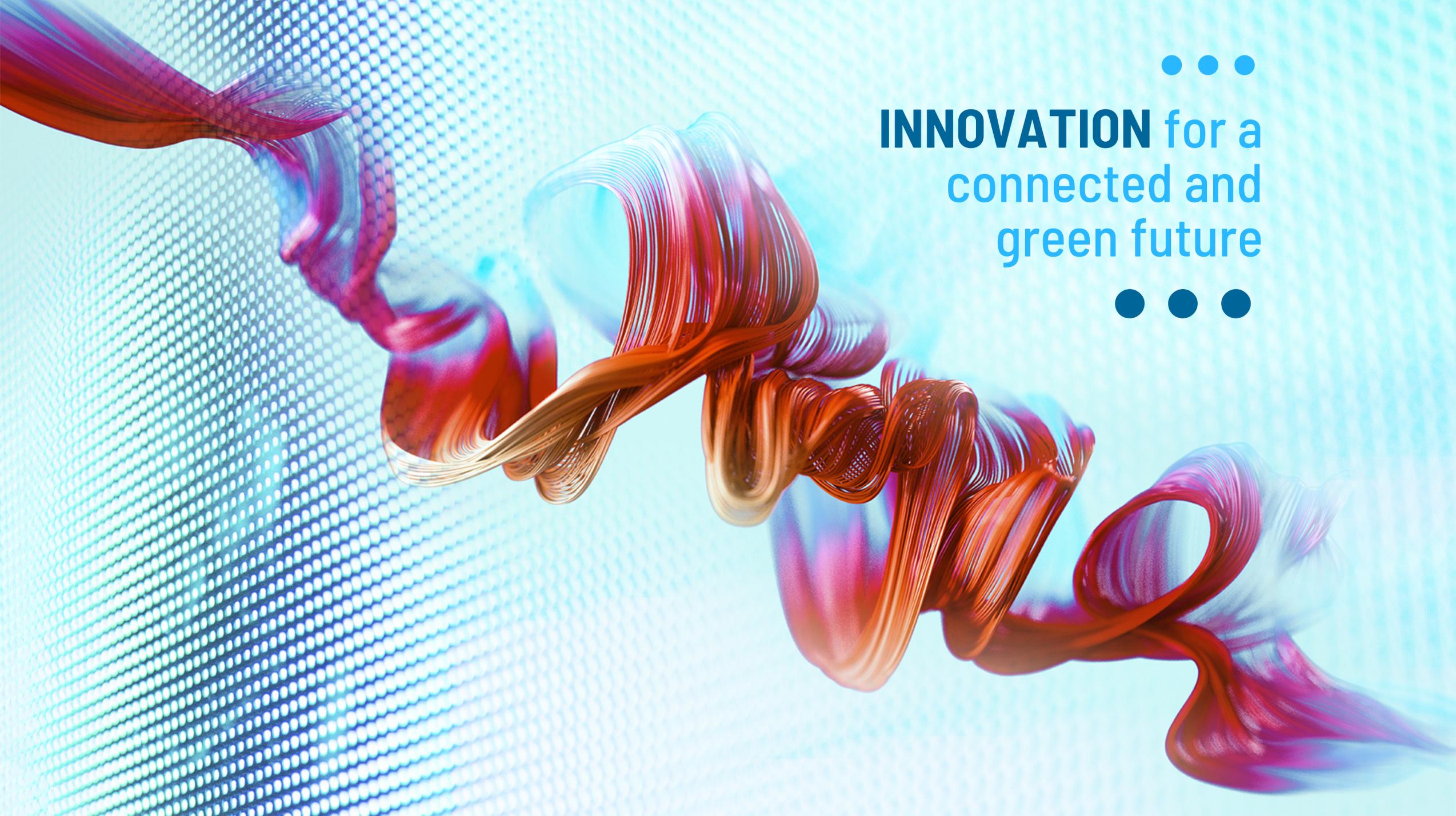


#España puede



Our **SIGNS OF IDENTITY:**
Innovation, good governance,
sustainability and people





INNOVATION for a
connected and
green future





GOOD GOVERNANCE

robust, diverse,
transparent, and
based on ESG criteria



Progress in Corporate Governance 2020

Consolidation of our **commitment to communication** with shareholders and investors.

Development of a new Director's **Remuneration Policy**.

New **annual self-evaluation** process of the Board of Directors.

Update of: **Corporate Governance Policy Contingency plans for the succession, Annual Programme** of the Board and **Plan for the incorporation** of new Board members.

Adaptation of **Corporate Bylaws, the Regulations of the General Meeting and of the Board of Directors** to the amendment of the Companies Law and the Code of Good Governance.

Approval of a **Protocol for relations** between the Board and the professionals of the Group companies.



Commitment to **SUSTAINABILITY 2030**

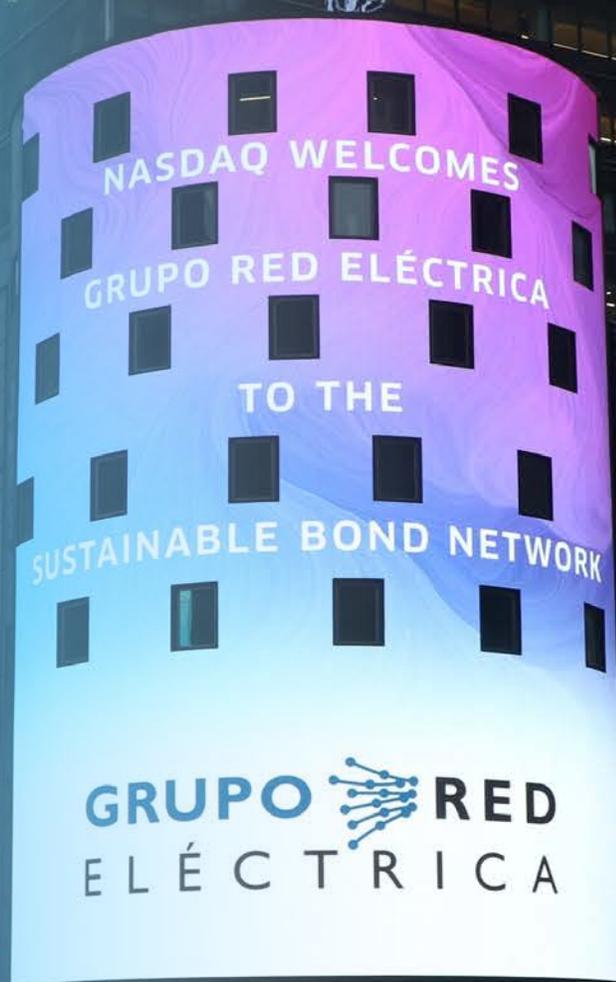
11 goals aligned
with the SDGs





RECOGNISED LEADERSHIP

Present in the main international sustainability indices.



THE BIGGEST STARS ON NETFLIX...
IN THEIR HANDS.
WHAT COULD GO WRONG?

THE
NETFLIX
AFTERPARTY

NEW EPISODES,
EVERY SATURDAY
NETFLIX





Our priority
is to protect
BIODIVERSITY

Over €23 M in 2020.





♀ = ♂

...

THE ONLY COMPANY
in the **IBEX 35** with parity
in its Board of Directors

● ● ●



Transparent and
responsible tax strategy
and commitment to
GREEN FINANCING





holapueblo



SOCIAL INNOVATION

In order to achieve a more integrated territory, offering equal opportunities for all.





A COMPANY OF PEOPLE working for people

With transparent dialogue and open to all.





ROAD TO 2025

We look towards the future.
We are ready.

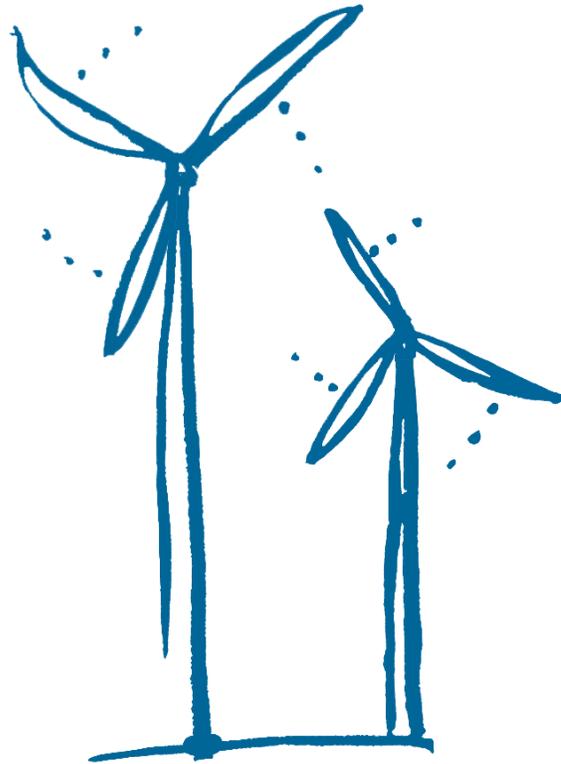


A complex and challenging year for all



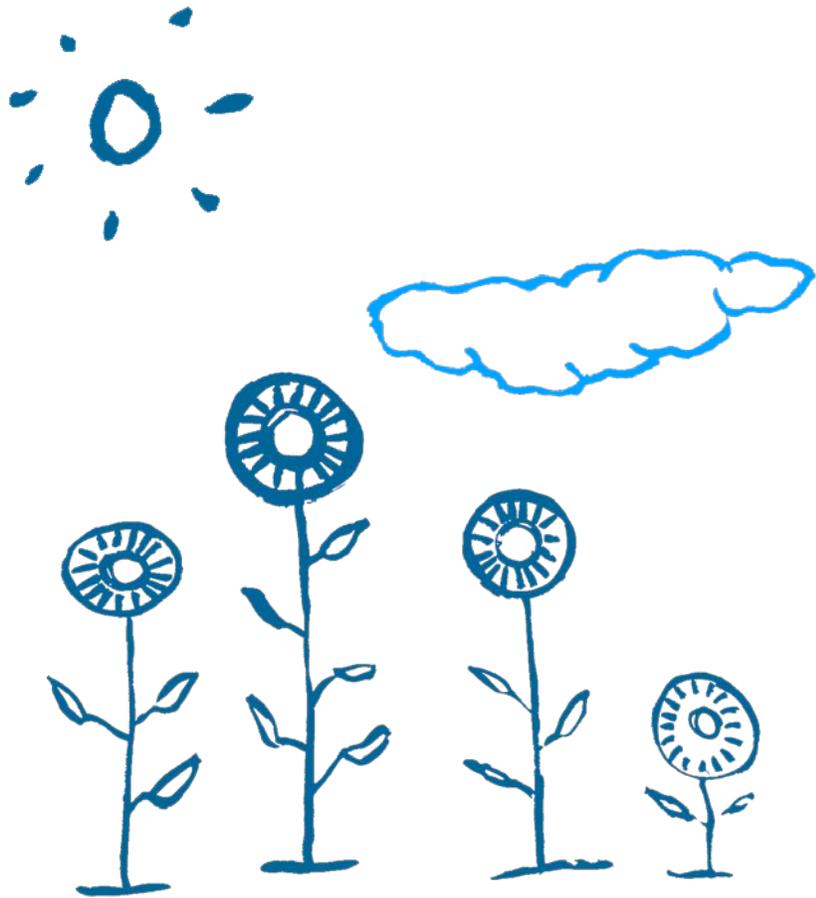
We have guaranteed the highest quality of **electricity supply and connectivity** in all homes and essential activities.

A complex and challenging year for all



We are committed to a **recovery which is green and digital, fair and inclusive,** as a cornerstone of economic reconstruction and job creation.

A complex and challenging year for all



Our role is vital in making the **energy transition and digital transformation** possible, which is essential to achieve climate neutrality in Europe by 2050.

Our response to the pandemic

Areas of action in response to COVID-19



1

Ensuring security of supply and the proper functioning of our infrastructures

2

Care and protection of the health of our employees



3

Stronger commitment to digitalisation



4

Active collaboration with the most affected groups

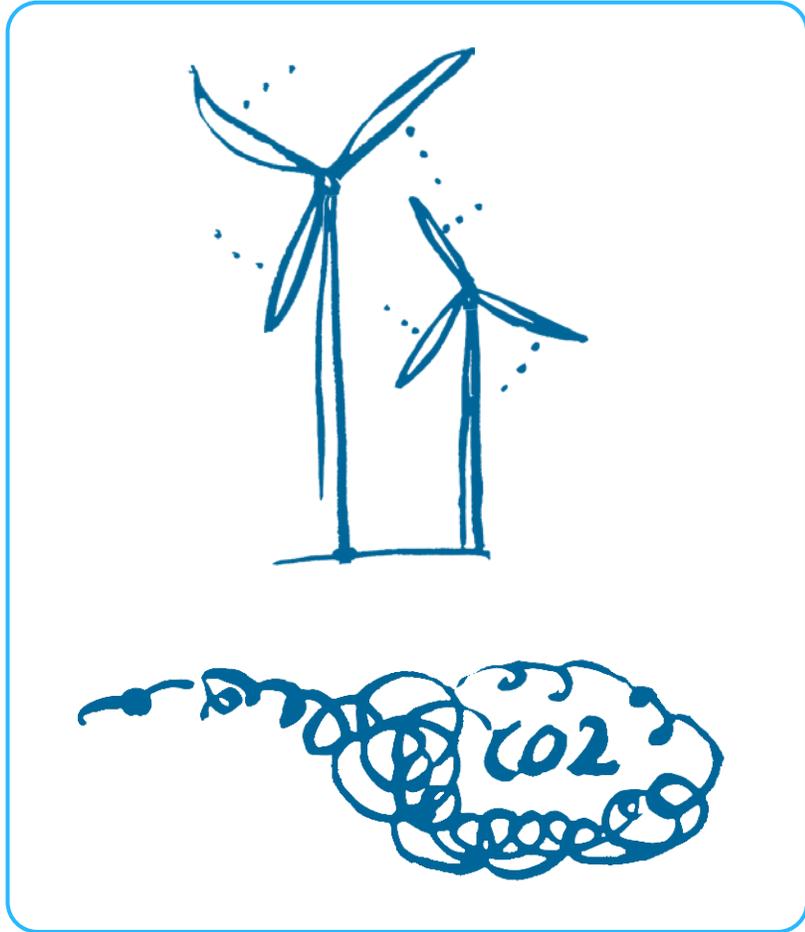


5

Support for our suppliers



Actions towards energy transition



44%

DOMESTIC DEMAND MET
BY RENEWABLE ENERGIES

54%

INSTALLED RENEWABLE
GENERATION CAPACITY

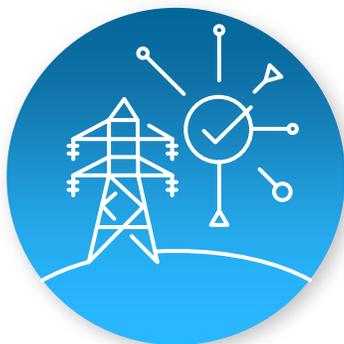
28%

REDUCTION IN CO₂ EMISSIONS,
REACHING AN ALL-TIME LOW

Actions towards energy transition

MORE MESHED AND SUSTAINABLE TRANSMISSION GRID

2020 INVESTMENT
IN THE TRANSMISSION GRID



€383 M



FEATURED PROJECT



Electricity connection
Mallorca-Menorca, essential
for the decarbonisation
of the Balearic archipelago.

Actions towards energy transition

ELECTRICITY PLANNING PROPOSAL 2021-2026

TOTAL
INVESTMENT



€6,668 M

€5,629 M earmarked for actions to strengthen the transmission grid.

€1,039 M allocated to the development of new international interconnections.

MAKING THE ENERGY
TRANSITION POSSIBLE



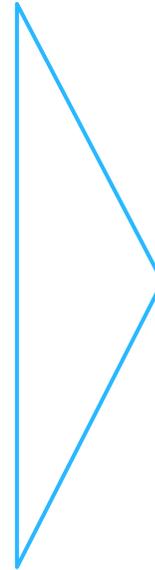
**Maximising the integration
of renewables**
in the electricity system.

International activity, a vector for diversification and growth

INTERNATIONAL ELECTRICITY BUSINESS

- Acquisition of 50% of Argo Energía in Brazil.
- Progress in investment in projects in Chile and Peru.

Consolidation of the international electricity business.



TRANSMISSION GRID IN LATIN AMERICA



4,459 km
managed power lines
in 2020.

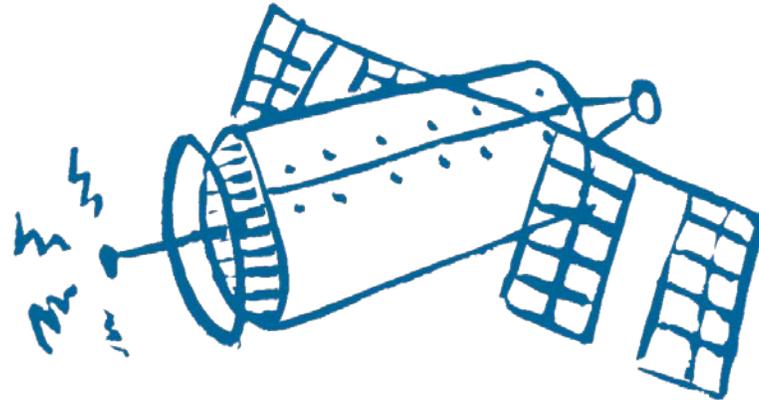
Telecommunications, the key in an increasingly interconnected world.

SATELLITE BUSINESS (HISPASAT)



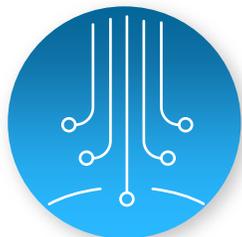
- Approval of a **new Strategic Plan** 2021-2025.
- **Repositioning:** from infrastructure operator to satellite services operator.

9 satellites in orbit.



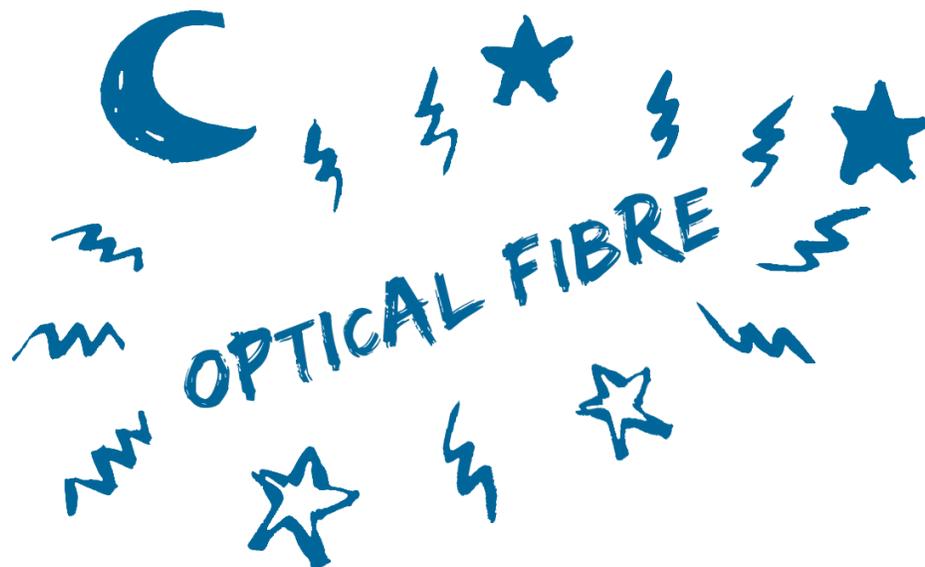
Telecommunications, the key in an increasingly interconnected world

OPTICAL FIBRE BUSINESS (REINTEL)

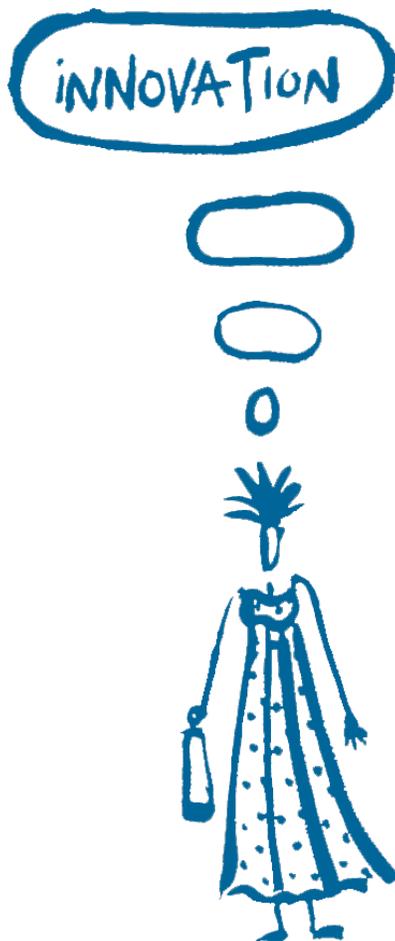


- **Largest operator** in Spain.
- Catalyst for the **digitalisation** of society.

More than **52,000 km** of grid.



Technological innovation at the service of the energy transition



ELEWIT

€16.9 M in innovation and technological development, distributed in **124** projects.

Results influenced by a complex context

KEY FINANCIAL INDICATORS

	€M		
	2019	2020	Δ %
Revenue	2,007.2	1,985.8	-1.1
EBITDA	1,583.7	1,568.5	-1.0
Net operating profit (EBIT)	1,082.2	929.0	-14.2
Profit for the year	714.8	621.2	-13.1
Investment	1,870.4	895.0	-

DIVIDEND IN 2020

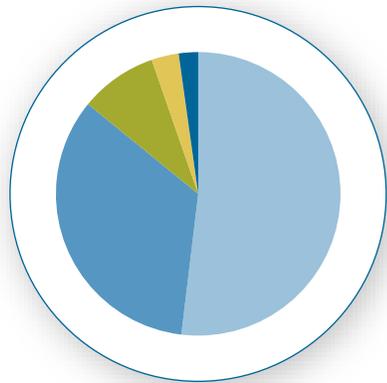


1 € / share

fulfilling our commitment
to the market.

Strong progress towards 100% ESG funding commitment by 2030

NET DEBT: **€6,113.3 M** on 31/12/2020



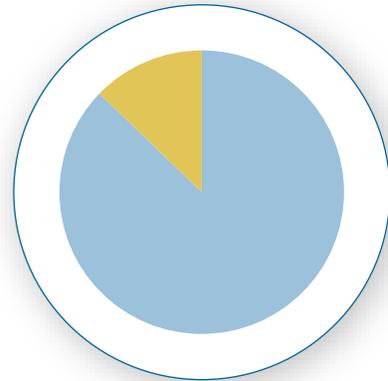
51.9%
EUROBONDS

34%
LONG-TERM
LOANS

8.8%
LONG-TERM
LOANS

3.1%
USPP

2.2%
OTHERS



82%
FIXED-RATE

18%
VARIABLE RATE

Average debt life

5.3
years

FFO/Debt

20.2 %

Net debt/EBITDA

3.9 x

Issuance of the first green bond for €700 M, reaching 23 % ESG funding in 2020.

A strategic plan with a focus on energy transition

STRATEGIC LINES

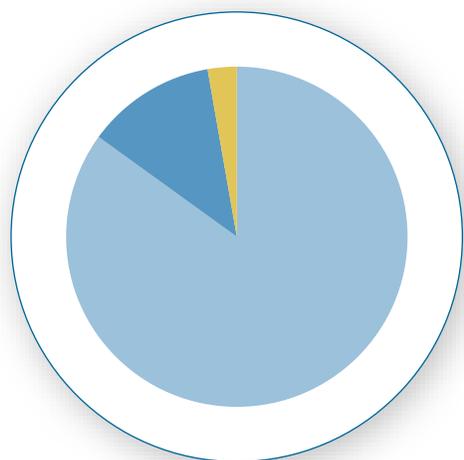


TOTAL INVESTMENT: **€4,400 M**

Energy transition (75 % of the total)	3,349
Connectivity boost	735
Consolidation of the international business	224
Other investments	92

Significant levels of investment following the approval of the 2021-2026 Plan

REGULATED BUSINESS INVESTMENTS



€2,846M
TRANSMISSION GRID

€411M
STORAGE

€92M
SYSTEM
OPERATOR

INVESTMENT IN THE TRANSMISSION GRID

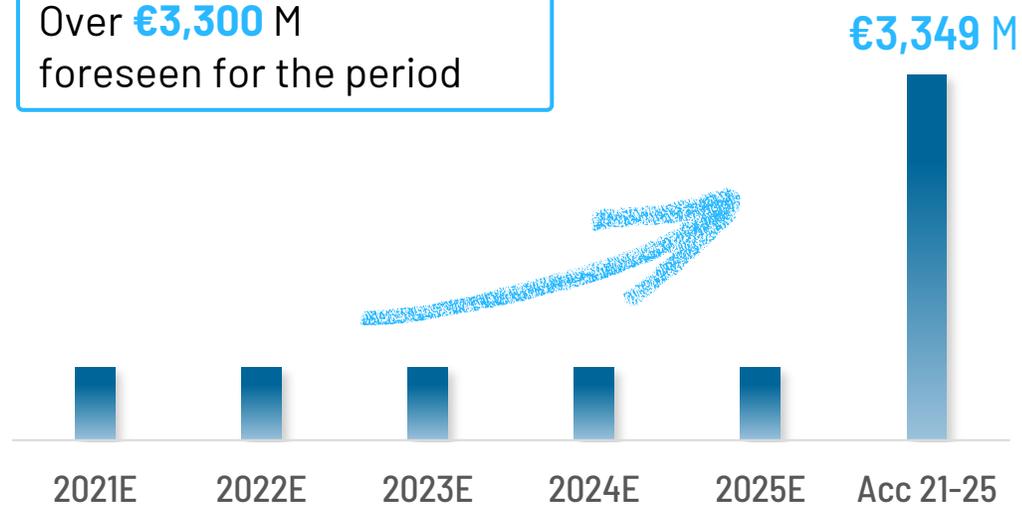
- Renewable energy evacuation projects.
- Interconnection with France via the Bay of Biscay.
- Galicia-Portugal interconnection.
- New Spain-Balearic Islands interconnection.
- Mainland Spain-Ceuta interconnection.
- Interisland interconnections in the Canary Islands and Balearic Islands.

A strategic investment to advance on the path to energy transition

REGULATED BUSINESS

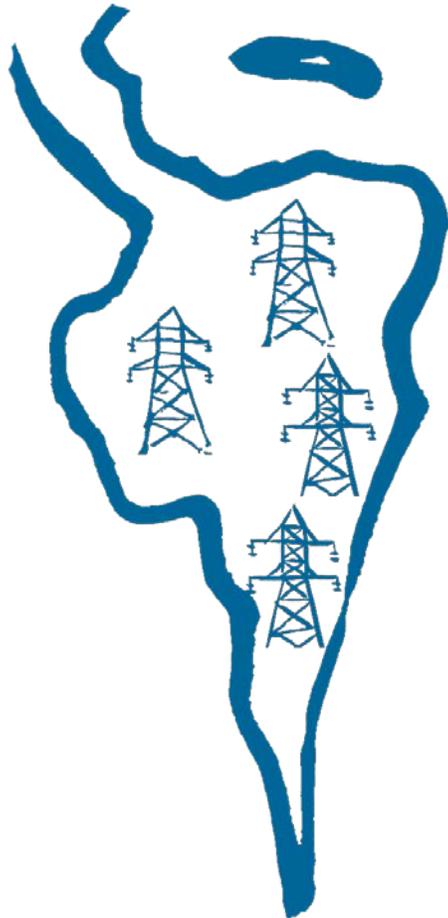
INVESTMENTS IN TSO

Over **€3,300 M**
foreseen for the period



Consolidation of international activity as a vector for diversification and growth

INTERNATIONAL BUSINESS



ORGANIC GROWTH IN BRAZIL, PERU AND CHILE

- Participation in bidding processes for strategic transmission grids for the Group.
- Completion of ongoing projects.

INTERNATIONAL INVESTMENT

- Peru:** Commissioning of Tesur 4, second CCNCM circuit.
- Chile:** Completion of Redenor and Redenor 2.
Expansion of Centinela substation.
- Brazil:** Completion of ongoing Argo Energía projects.

Consolidation of international activity as a vector for diversification and growth

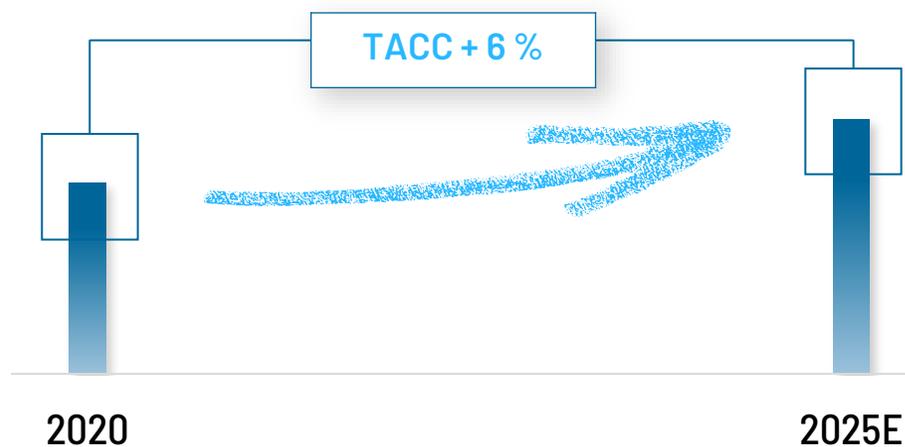
INTERNATIONAL BUSINESS

2021-2025 INVESTMENT



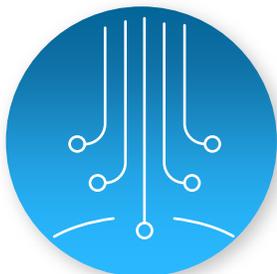
€224 M

ESTIMATED CHANGE IN EBITDA



Telecommunications, the key in an increasingly interconnected world

BOOST THE OPTICAL FIBRE BUSINESS



New types of customers, regional and local, broadening the product portfolio.

NEW OPPORTUNITIES RELATED TO 5G



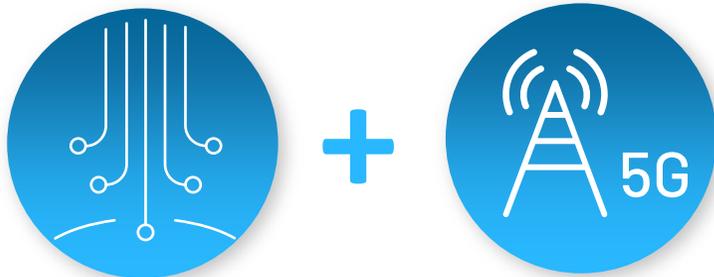
Deployment of 5G in rural areas to bridge the digital and territorial divide.



Telecommunications, the key in an increasingly interconnected world

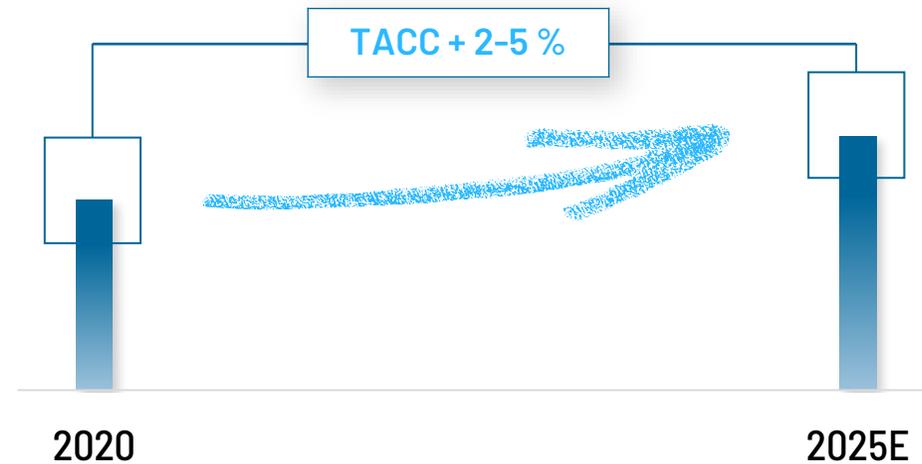
OPTICAL FIBRE + 5G BUSINESS

2021-2025 INVESTMENT



€115 M

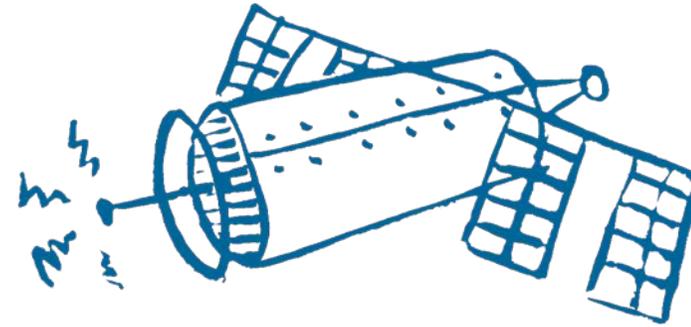
ESTIMATED CHANGE IN EBITDA



Telecommunications, the key in an increasingly interconnected world

HISPASAT: NEW STRATEGIC PLAN

- Growth in mobility and connectivity services.
- Gradual and orderly transformation from a satellite infrastructure company to a services company.
- Catalyst for bridging the digital divide in combination with fibre optics.



Test launch in 2022 of the AMAZONAS NEXUS satellite, operational in 2023.

Telecommunications, the key in an increasingly interconnected world.

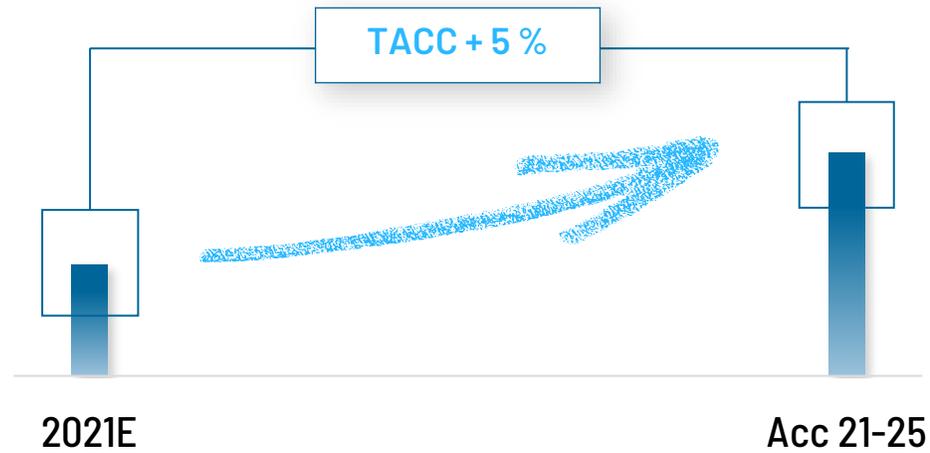
SATELLITE BUSINESS

2021-2025 INVESTMENT



€620 M

ESTIMATED CHANGE IN EBITDA



Investment funded by Hispasat's cash flow, no additional debt.

Operational and financial efficiency, and continuous improvement, essential factors

EFFICIENCY BASED ON VALUE GENERATION



**Financial
and capital
optimisation.**



**Operational
agility.**



**Guarantee
the continuity
of the services
of the Group.**

Innovation, talent and sustainability, our hallmarks

INNOVATION



Strong drive for technological innovation through ELEWIT to increase value creation.

TALENT



Development of healthy work environments, promoting an innovative, agile and collaborative culture, boosting talent.

SUSTAINABILITY

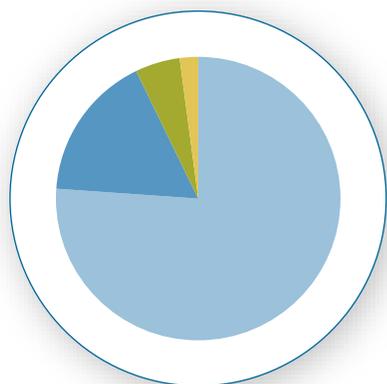


A lever to consolidate the business model, respond to future challenges and realise opportunities.

Sustainable dividend policy aligned with a demanding growth profile

2021-2025 INVESTMENT:

€4,400 M



€3.349 M
INVESTMENTS IN TSO

€735 M
INVESTMENTS IN
TELECOMMUNICATIONS

€224 M
INTERNATIONAL
INVESTMENTS

€92 M
OTHER INVESTMENTS

DIVIDEND POLICY (€/SHARE)

