

11. Consolidated non-financial information statement and sustainability information for 2024

11.1 GENERAL INFORMATION

11.1.1 AN INTRODUCTION TO REDEIA

11.1.1.1 About this report

a. Adaptation to the European Corporate Sustainability Reporting Directive (CSRD)

Redeia's **consolidated non-financial information statement and sustainability information** (hereinafter, the Sustainability Statement) provides a transparent, faithful and balanced account of the Group's performance in 2024, focusing on the topics identified as material.

This report covers the disclosure requirements related with those material topics and the impacts, risks and opportunities associated with Redeia's value chain, as required under the new **European Sustainability Reporting Standards** (hereinafter, the ESRS) set down in **Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 as regards corporate sustainability reporting** (hereinafter, CSRD).

11.1.1.2 About Redeia

a. General basis for preparation BP-1

As regards the contents of this Sustainability Statement and in keeping ESRS 1, section 7.7 *Classified and sensitive information, and information on intellectual property, know-how or results of innovation*, the Group has not omitted any specific piece of information corresponding to intellectual property, know-how or the results of innovation; nor has it used the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU.

i. Scope of consolidation

The Sustainability Statement contains relevant information about the management approach, actions and performance of all of Redeia's activities. The scope of consolidation is the same as that of the consolidated financial statements. Those consolidated financial statements detail the Group's corporate structure (refer to Appendix I of the consolidated financial statements of Redeia Corporación S.A. and subsidiaries). Whenever the information reported does not cover the full scope, the actual reporting scope is disclosed in the corresponding chapter. In those instances in which any of Redeia's investees are taken into consideration, this is specified where appropriate. With respect to the investees accounted for using the equity method (ARGO and TEN), note that these investments are referred to in the Scope 3 calculations.

In keeping with Spanish Law 11/2018, the subsidiaries of Redeia Corporación, S.A. in Spain are exempt from drawing up a non-financial information statement as all of the required information is included in this consolidated Sustainability Statement of the parent undertaking, as provided for in articles 19a and 29a(8) of Directive 2013/34/EU.

ii. Value chain

This Sustainability Statement covers both Redeia's own operations and those of its value chain to the extent the available information so permits, considering the operations carried out by actors (persons and entities) upstream and downstream. For further information about the value chain, refer to section 1.2.1 *Double materiality assessment process*.

To carry out its double materiality assessment, which includes the identification and assessment of impacts, risks and opportunities, the Company used the methodological approach prescribed in ESRS 1. To do so, it screened all of its site locations and business activities to determine the actual and potential ESG-related impacts, risks and opportunities connected with its own operations and its value chain, upstream and downstream.

Note that Redeia's policies, actions and targets extend to its value chain to the extent there is any kind of relationship with the various actors.

b. Disclosures in relation to specific circumstances BP-2

i. Time horizons

Redeia has defined its own time horizons linked to the action plans it has implemented, specifically defining the following horizons:

- **Short-term:** the current reporting period (from 1 January 2024 to 31 December 2024).
- **Medium-term:** the time horizon until 2030 (from 1 January 2025 to 31 December 2029).
- **Long-term:** the time horizon from 2030 (from 1 January 2030).

ii. Value chain estimation

Redeia has considered all relevant facts and circumstances, including information about low-probability and high-impact outcomes, which, when aggregated, could become material, on the basis of currently available information.

iii. Sources of estimation and outcome uncertainty

The performance indicators provided in the Sustainability Statement are not based on assumptions or estimates.

However, in the disclosures about possible future events, assumptions and estimates were used. Therefore, the actual results could differ from those estimated as they refer to the future and future events are subject to uncertainty.

iv. Changes in preparation or presentation of sustainability information

So that Redeia's main stakeholders and users can get an understanding of the Group's development, performance, position and impact of its activity relating to the matters covered in this year's Sustainability Statement, the necessary references to last year's information, set out in its Non-Financial Information Statement, are provided throughout this report. For a better understanding of the comparative information in that statement, the following circumstances should be considered:

- At the time of authorising this report, the Group's Management Report includes, among other information, the Non-Financial Information Statement (which in turn includes the sustainability information). The draft Spanish legislation for transposing Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 as regards corporate sustainability reporting (the CSRD) into Spanish law is not yet complete.

- Redeia has opted to follow the recommendations issued by Spain's securities market regulator, the CNMV, and its accounting and auditing institute, the ICAC, as per their joint statement of 27 November 2024, urging voluntary compliance with the CSRD disclosure requirements and the ESRS, while additionally meeting their disclosure requirements under Spanish Law 11/2018 insofar as not covered by the CSRD; those additional disclosures are provided in Appendix 2.

Considering all of the above, the exceptional current circumstances, the timing of recent developments and the complexity of adjusting the information gathering and consolidation processes followed last year for the new criteria prescribed in the ESRS, Redeia has provided in this statement, in the instances in which it was not practical to present the comparative information in accordance with the new criteria, the 2023 figures in keeping with the criteria used to prepare the 2023 Non-Financial Information Statement, along with the information and explanations needed to allow stakeholders and users to understand the Group's development, performance, position and impacts under the newly applied criteria.

Elsewhere, specifically in relation to the sustainability information, prepared in accordance with the basis for preparation of the ESRS, Redeia has opted to use the transitional provision related to section 7.1 Presenting comparative information of ESRS 1 - General requirements, by virtue of which, to ease the first-time application of ESRS 1, undertakings are not required to disclose the comparative information required by the said section 7.1 in the first year of preparation of the sustainability information under the ESRS.

Note, lastly, that on 31 January 2025, Redeia, through its subsidiary, Redeia Sistemas de Telecomunicaciones S.A.U., agreed to sell Indra Sistemas S.A. its 89.68% interest in the share capital of Hispasat for 725 million euros. The transaction, which is subject to approval by Spain's Council of Ministers, the anti-trust authorities and other regulators, is expected to close in 2025. As a result, on 31 December 2024, the assets and liabilities belonging to the satellite telecommunications segment carried out by the Hispasat subgroup, whose parent company is Hispasat S.A. and which is controlled by Redeia through its 89.68% shareholding, have been classified as non-current assets held for sale. For the purposes of this Sustainability Statement, Hispasat is part of the scope of consolidation and in the instances in which references are made to the consolidated financial statements, disaggregated figures are provided to ensure consistency with the disclosures in those statements.

v. Reporting errors in prior periods

As this is the first year reporting the Sustainability Statement under the ESRS Standards, this requirement does not apply.

vi. Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Redeia has drawn up this Sustainability Statement in accordance with the CSRD and its applicable ESRS Standards, making the disclosure requirements established in that regulatory framework.

Appendix 2 was prepared in accordance with the provisions of Spanish Law 11/2018, of 28 December 2018, regarding non-financial and diversity information, in keeping with its current obligations around transparency and sustainability.

11.1.1.3 Governance

a. The role of the administrative, management and supervisory bodies GOV-1

The governance and administration of Redeia Corporación, S.A. (the "Company" or the "Parent" and together with the companies it controls, directly or indirectly, the "Group" or "Redeia") are tasked to the **Annual General Meeting and the Board of Directors**.

At 31 December 2024, the Company's share capital comprised 541,080,000 shares represented by book entries, all of the same class and series, with a unit par value of 0.50 euros, all subscribed for and paid in. They are traded on Spain's four stock exchanges.

| Board of Directors (12 members) | | |
|--|--------------------------------|--------------------------------|
| A non-executive chairperson and a CEO Seven independent directors (58.3%) and three proprietary directors (25%) | | |
| Appointments and Remuneration Committee | Audit Committee | Sustainability Committee |
| Chair: Independent director | Chair: Independent director | Chair: Independent director |
| 33% Proprietary | 25% Proprietary | 33% Proprietary |
| 67% Independent | 75% Independent | 67% Independent |

2024 was marked by ongoing implementation of the **Engagement Protocol Action Plan** designed to bring the Board of Directors closer to Redeia's employees. This plan is materialising in a number of informal gatherings and meetings with directors taking a range of formats and addressing different strategic topics of interest for the Company. The aim of these sessions is to make Redeia's employees more familiar with the Company's directors and the work done by the Board and its various committees as the Company's employees are not specifically represented on the Board at present (as this representation is not contemplated in either Spanish law (Corporate Enterprises Act) or the Good Governance Code of Listed Companies).

Along with the director skills matrix, the corporate website provides the directors' biographies, making it possible to transparently consult their current and prior positions and learn about their relevant experience in the Redeia's sectors, products and geographic locations, along with specific information about their expertise around sustainability. The above-mentioned skills matrix itemises the level of skills and expertise of the Board members with respect to Redeia's strategic priorities, as well as cross-cutting aspects. The list of strategic priorities specifically identifies "Sustainability and climate change". At present, all of the members of the Sustainability Committee have skills and expertise in this area.

More specifically, the members of the Sustainability Committee have proven track records performing the roles assigned to that committee, as borne out by their extensive experience, skills and know-how, having been selected by the Board of Directors, at the recommendation of the Board Chairperson, in turn on the basis of a report from the Appointments and Remuneration Committee, in an effort to make sure they boast the knowledge, skills and experience required to carry out those roles.

Board diversity at 31 December 2024

Gender. Number of directors by gender.

50% of the Board members are female.

| Board of Directors | | Audit Committee | | Appointments and Remuneration Committee | | Sustainability Committee | |
|--------------------|-----|-----------------|-----|---|-----|--------------------------|-----|
| Women | Men | Women | Men | Women | Men | Women | Men |
| 6 | 6 | 1 | 3 | 2 | 1 | 2 | 1 |

Age. Number of directors by age.

The directors' average age is 59.

| Board of Directors | | | Audit Committee | | | Appointments and Remuneration Committee | | | Sustainability Committee | | |
|--------------------|-------------------|--------------|-----------------|-------------------|--------------|---|-------------------|--------------|--------------------------|-------------------|--------------|
| <50 years of | 50 to 60 years of | >60 years of | <50 years of | 50 to 60 years of | >60 years of | <50 years of | 50 to 60 years of | >60 years of | <50 years of | 50 to 60 years of | >60 years of |
| 1 | 6 | 5 | 1 | 1 | 2 | 0 | 2 | 1 | 0 | 1 | 2 |

Length of service. Number of directors by tenure.

The directors have been serving on the Board for an average length of time of 5.17 years.

| Board of Directors | | |
|--------------------|-------------|----------|
| <3 years | 3 - 5 years | >6 years |
| 2 | 7 | 3 |

Roles and responsibilities of the administrative, management and supervisory bodies

The Board of Directors of Redeia Corporación, S.A. administers, governs and represents the Company, placing the Company's and shareholders' interests ahead of its own, all of which in compliance with company law, the bylaws and the principles of good corporate governance.

The Board carries out its duties in keeping with the rules of organisation and functioning set down in the Company's **Bylaws** and the **Regulations of the Board of Directors**. The Board of Directors' responsibilities include:

- Approval of the general policies and strategies of the Company and the Group,
 - and, in particular the risk control and management policy and the corporate governance policy.
- The risk control and management policy must identify at least:
 - The different types of risk, including emerging risks, both financial and non-financial (a term which includes risks that are not directly financial in nature, without prejudice to their possible financial impact, and includes, among others, operational, technological, geopolitical, compliance, ethics and business conduct, strategic, legal, reputational, cybersecurity and sustainability risks), faced by the Company and the Group, including contingent liabilities and other off-balance sheet risks;
 - A tiered risk management and control model, specifying the responsibilities assigned to each level of the organisation;
 - The level of risk that the Company considers acceptable, framed by the Board's mandate in this respect;
 - The measures in place to mitigate the impact of the identified risks, should they occur, assigning clear responsibilities to the competent bodies and persons;
 - The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance sheet risks, ensuring that these responsibilities are adequately integrated into the Company's policies and procedures. Decision-making regarding: authorisation of the appointment and removal of senior executives of the Company and of Red Eléctrica de España, S.A.U.; director remuneration; approval of the financial and non-financial information (including sustainability information); and strategic investments, unless they have to be approved at the General Meeting.
- Annual assessment of the quality and efficiency of the Board and the functioning of its committees.

Note additionally that the Board's responsibility with respect to sustainability impacts, risks and opportunities is set down in article 5.5 of the Regulations of the Board of Directors, while that of the CEO is set down in article 11.3.c) thereof.

The purpose of the Board Regulations is to determine the operational principles of the Board of Directors of Redeia Corporación, S.A. and the basic rules for its organisation and functioning. They set forth the rules for the selection, appointment and removal of its members and the performance of the supervisory and control functions entrusted to it, framed by defence of the Company's interests and pursuit of good governance. They also integrate economic, environmental and social sustainability considerations, as well as responsibility and a commitment to society as a whole, as the cornerstones of the actions of the Company and its Group.

The Company has three permanent and predominantly technical committees, which were created by the Board of Directors to support and ultimately deliver enhanced efficiency and transparency. Note that article 23.2 of the Corporate Bylaws and article 16.2 of the Board Regulations itemise the roles and responsibilities of the Audit Committee in relation to sustainability impacts, risks and opportunities. The roles of the Appointments and Remuneration Committee in this respect are set down in article 18.5 e) of the Board Regulations. Lastly, the roles of the Sustainability Committee are set down in article 18 TER d) of the Board Regulations.

The Board's dedicated **Sustainability Committee** dates to 2018, reflecting the strategic importance of this issue for the Company. Redeia's 2030 Sustainability Commitment is championed by its Board of Directors and senior executive team, ensuring that sustainability considerations are factored into the entire organisation's day-to-day decisions. Moreover, the Sustainability Steering Committee and the Corporate Sustainability and Studies Department play a key role, reinforcing the involvement of the highest decision-making bodies and indeed of all areas of the organisation in the monitoring, supervision and implementation of the 2030 Sustainability Commitment.

The Sustainability Committee's roles include: leadership around ethics; oversight of the Group's sustainability strategy and practices and its linkages with the Strategic Plan; supervision of delivery of the Group's sustainability policies, strategies, plans and targets; supervision of stakeholder engagement processes; and coordination of the sustainability reporting effort.

The procedure for informing the Board of Directors and its committees about impacts, risks and opportunities consists of adding these matters to the agendas of the monthly meetings held by the Board and each of its three committees.

The Internal Audit and Risk Control Department carries out the control and oversight process which consists of different response plans. This process involves identifying, analysing, assessing, managing and controlling Redeia's risks in a systematic manner, starting at the department level and extending its supervision up the various levels of the organisation until it reaches the Executive Committee, the Audit Committee and the Board of Directors.

Redeia also has a **Crisis Management Protocol**, which includes a specific crisis communication management plan designed to establish the basic strategic messaging and actions to be followed in response to the communication needs that arise in a crisis, addressing institutions, governments, stakeholders and the media (conventional and social) alike.

Regarding the involvement of the administrative, management and supervisory bodies in monitoring progress towards the targets set, in 2019, the Board of Directors approved 11 sustainability targets with a time horizon of 2030; those targets are aligned with Redeia's Strategic Plan and its material impacts, risks and opportunities.

Subsequently, the formulation in 2022 of the 2023-2025 Sustainability Plan defined interim targets along the roadmap for delivering Redeia's sustainability targets for 2030, fleshing out the existing 11 targets and defining new milestones associated with the material risks and opportunities. These targets, which contribute directly to delivery of the United Nations Sustainable Development Goals, were validated by the Sustainability Steering Committee, the Executive Committee and the Board's Sustainability Committee and then approved by the Board of Directors. Twice a year, the Board's Sustainability Committee supervises progress towards the targets set in the current sustainability plan, specifically including those related with Redeia's material impacts, risks and opportunities.

b. Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies. GOV-2

The Board of Directors and its committees, within their respective remits, are responsible for supervising the sustainability reporting process at Redeia. As already noted, the Sustainability Committee supervises progress towards the targets set in the current sustainability plan, specifically including those related with Redeia's material impacts, risks and opportunities.

The administrative, management and supervisory bodies, along with their relevant committees, receive regular updates about Redeia's impacts, risks and opportunities, the implementation of due diligence, and the results and effectiveness of the policies, actions, metrics and targets adopted to address them.

The Company publishes an annual report providing an account of the activities undertaken by the Board committees which includes a list of the main topics addressed during the previous reporting period, specifically including the matters dealt with by the Sustainability Committee.

Redeia has a **Comprehensive Risk Management Policy**, last reviewed and updated in 2021, and a comprehensive General Risk Management and Control Procedure, reviewed and updated in 2023, based on the COSO ERM (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management - Integrated Framework. That procedure vests the Internal Audit and Risk Control Department with the duty of informing the bodies tasked with supervision and control (Executive Committee, Audit Committee and Board of Directors) about the status of and trend in the material risks at least twice yearly. It also provides such an update whenever specifically asked to or whenever the importance of the matter advises so doing.

These bodies, in the course of overseeing strategy, taking decisions on major transactions and managing risks, consider impacts, risks and opportunities. They do so through annual supervision of the Corporate Risk Map, placing particular emphasis on the risks derived from climate change and on materiality, supervising the material impacts, risks and opportunities. The additionally weigh up measures associated with these factors by supervising specific projects that are brought before the various Board committees monthly.

All of the impacts, risks and opportunities identified have been brought to the attention of the Board's Sustainability Committee, which has validated the results of the materiality assessment and their fit and alignment with Redeia's strategic targets, ensuring that the key priorities identified are addressed consistently so as to maximise the positive impact the Company's operations have on its local communities, so mitigating the risks to which it is exposed.

Thanks to its materiality assessment, Redeia has identified the impacts, risks and opportunities itemised in chapter 1.2 *Materiality assessment*, specifically in section 1.2.4 *Material impacts, risks and opportunities*. SBM-3.

c. Integration of sustainability-related performance in incentive schemes GOV-3

The **Director Remuneration Policy** applicable in 2024 was approved at the Annual General Meeting held on 29 June 2021 for a term of three years (2022, 2023 and 2024). As required under Spain's Corporate Enterprises Act, the Board of Directors submitted a new director remuneration policy applicable in 2025, 2026 and 2027 for approval at the 4 June 2024 Annual General Meeting, where it was duly approved.

The remuneration of the CEO and officers includes fixed and variable components and the latter comprises short- and long-term incentives aligned with Redeia's targets and strategies. More specifically, the annual variable remuneration of the CEO is based on delivery of a combination of predetermined and quantifiable corporate targets, measured at the Group level, which account for 75% of his total annual variable remuneration, and delivery of managerial targets linked to Redeia's businesses, which account for 25% of his total annual variable remuneration. The latter set of targets include a sustainability target, which has a weighting of 15% and is associated with progress towards delivery of Redeia's 2023-2025 Sustainability Plan, emissions abatement and the Company's ongoing inclusion in the most important sustainability stock indices.

As for the long-term variable remuneration, the targets embedded in the **long-term incentive plan (LTIP)** related with fostering the energy transition, reducing the digital divide and diversification are related with the targets set down Redeia's 2021-2025 Strategic Plan and aligned with the thrust of the current Director remuneration policy. The LTIP is a six-year plan and terminates on 31 December 2025. Entitlement to receive this incentive is conditional upon delivery of the targets associated with the 2021-2025 Strategic Plan and ongoing employment at the Company throughout the term of the incentive scheme. Note that 75% of the targets set in the above-mentioned plan are related with sustainability (ESG), specifically those of *"Making the energy transition in Spain a reality"* (45%), *"Fostering connectivity"* (15%), *"Delivering the Sustainability Plan"* (10%) and *"People"* (5%).

The Sustainability Committee supervises progress towards the sustainability-related targets over time and informs the Board of Directors in that respect. Elsewhere, in approving the remuneration-related targets for the CEO and officers, which include sustainability-related targets, the Appointments and Remuneration Committee approves and informs the Board about their definition and delivery. The Board of Directors supervises these matters via the reports received from its committees and when approving the Annual Director Remuneration Report, which sets out the proposal for remuneration tied to delivery of the targets for the immediately preceding reporting period and the proposal for remuneration associated with the targets set for

the reporting period in progress which in both instances include sustainability-related targets. Lastly, the Board of Directors voluntarily submits the above-mentioned Annual Director Remuneration Reports for approval at the Annual General Meeting and publishes it on the corporate website annually.

d. Statement on sustainability due diligence GOV-4

Redeia has been carrying out annual due diligence assessments at all Group companies (including investees) since 2013 in order to identify possible risks or human rights violations derived directly or indirectly from its activities.

In 2022, it updated its internal due diligence procedures in respect of its own activities and its dealings with third parties, bringing them into line with Spanish and international legislation and emerging trends, emerging rights and new right-holders that could be impacted. In order to ensure continuous improvement in this area, these procedures are reviewed annually.

Risks are updated each time Redeia acquires a new undertaking or enters a new geographic market. As a result, it did not have to review its risks in 2024.

Redeia's human rights due diligence process encompasses three stages:

- **Human rights risk map:** verification that human rights and right-holders that could be affected by Redeia's activities have not changed from previous years. Depending on the outcome, the human rights risk map is updated if necessary by identifying, prioritising and assessing potential and real negative impacts using proprietary methodology based on the risks' probability of occurrence and severity in the event of materialisation. This map is revised annually.
- **Implementation of risk prevention, mitigation and remediation measures:** the conclusion drawn from the human rights risk mapping process are integrated into the Company's roles and prevention, mitigation and/or remediation measures are drawn up and implemented for the risks identifies, assigning specific targets for improvement.
- **Oversight of the measures implemented:** quarterly or annually, depending on the severity of the impact, the qualitative and quantitative indicators defined for each measure are analysed. If the results fall short of target and the harm caused persists, the solution design is considered and new measures are crafted in collaboration with the affected parties.

In addition, Redeia complements its due diligence model addressing third-party integrity and human rights with a support tool, specifically the Dow Jones Risk Center Screening & Monitoring platform which it can use to enquire about specific entities or individuals, breaches, illicit conduct or sanctions that could affect integrity and/or human rights.

The due diligence process was one of the sources used by Redeia to carry out its materiality assessment for 2024 and is therefore aligned with the identification of impacts, risks and opportunities as part of that assessment.

e. Risk management and internal controls over sustainability reporting. GOV-5

Redeia's **enterprise risk management system** addresses sustainability matters with the aim of facilitating delivery of Redeia's strategies and targets by ensuring that the risks thereto are systematically identified, analysed, assessed, managed and controlled, framed by uniform criteria and within the risk tolerance thresholds approved at the Board level. Specifically, Redeia's Comprehensive Risk Management System is aligned with ISO 31000, the international standard on risk management principles and guidelines.

Redeia also has a **Comprehensive Risk Management Policy**, last reviewed and updated in 2021 and a comprehensive General Risk Management and Control Procedure, based on the COSO ERM (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management - Integrated Framework. That procedure vests the Internal Audit and Risk Control Department with the duty of informing the bodies tasked with supervision and control (Executive Committee, Audit Committee and Board of

Directors) about the status of and trend in the material risks at least twice yearly, whenever specifically asked to or whenever the importance of the matter advises so doing.

General Risk Management and Control Procedure

| Stages | Objectives |
|----------------------------------|--|
| Identification | <ul style="list-style-type: none"> Identifying the risks and exposure to the contributing factors. |
| Assessment: probability impact | <ul style="list-style-type: none"> Defining the likelihood of occurrence and level of impact. |
| Analysis of risk level | <ul style="list-style-type: none"> Classifying the risk by level: low, medium or high |
| Action plan | <ul style="list-style-type: none"> Formulating action plans for mitigating or reducing the risk and keeping it within the defined tolerance thresholds. |
| Oversight and monitoring | <ul style="list-style-type: none"> Integrating information about the material risks (risk map) and informing the governing bodies. |

The **General Risk Management and Control Procedure** was last reviewed and updated in 2024. This procedure regulates the process of systematically and consistently identifying, analysing, assessing and controlling the material risks, including emerging risks, that could affect achievement of Redeia's strategies and targets. The goal is to ensure that the various levels of responsibility of the organisation are aware of and understand these risks and manage them within the set tolerance levels. It also establishes the duties vested in the control and supervisory bodies and each of the organisational units, as well as the information flows related with the activities to be performed.

Redeia has defined a **risk taxonomy or classification** to facilitate more comprehensive identification and detailed analysis of identified risks. Under this taxonomy, identified risks are classified into one of three groups: strategic, financial and operational.

Elsewhere, Redeia's Comprehensive Risk Management System establishes methodology for determining risk levels as a function of two variables: the likelihood of occurrence; and the impact that materialisation of the risk would have at the Company in terms of four key components of the business:

- Financial loss.
- Achievement of the current strategic plan.
- Reputation.
- Electricity supply.

Each risk is placed on the matrix as a function of the probability of occurrence and the level of impact of each risk, which automatically determines its risk level, such that all identified risks are individually classified into one of three categories: high risk, medium risk and low risk.

The **level of risk** that Redeia is willing to tolerate is established in the Board-approved Comprehensive Risk Management Policy. Those thresholds are set individually for each risk and overall for each of the impact categories contemplated in the Comprehensive Risk Management System: financial loss, strategic plan, reputation and electricity supply (or the equivalent category depending on the activity carried out by each Redeia company).

In addition, Redeia periodically conducts a number of sensitivity analyses (stress tests) around certain financial and non-financial risks in a bid to anticipate the potential impact on the Company of their materialisation in certain future scenarios and to monitor developments with respect to the main variables that could impact achievement of the strategic plan (including financial variables such as interest and inflation rates as well as more business-related variables).

In the course of its risk assessment effort, Redeia has identified the main risks that could impact the organisation. The strategies designed to mitigate those risks and the related controls implemented are itemised throughout chapter 1.2 *Materiality assessment*. That chapter provides a clear and concise account of how the Company proactively tackles these challenges to ensure the sustainability and resilience of its operations.

Having identified and assessed its risks, Redeia uses the model's specific methodology for determining their level, which it has likewise used to assess the sustainability risks identified in the course of the 2024 materiality assessment, so that the sustainability reporting process integrates the findings of its risk assessment and internal controls.

The General Risk Management and Control Procedure tasks the Internal Audit and Risk Control Department, which reports hierarchically to the Chairperson's Office and functionally to the Audit Committee, with the duty of coordinating implementation and development of Redeia's enterprise risk management system; carrying out due control and oversight of the material risks, framed by uniform criteria and factoring in the established risk tolerance thresholds; and informing the bodies tasked with supervision and control (Executive Committee, Audit Committee and Board of Directors) about the status of and trend in the risks at least twice yearly, whenever specifically asked to or whenever the importance of the matter advises so doing.

Likewise, Redeia has an **Internal Control over Sustainability Reporting System** (ICSRS) whose main purpose is to mitigate material related risks related with sustainability reporting and ensure the faithfulness of the sustainability disclosures made. The scope of the ICSRS includes all of the companies comprising Redeia that make a material or relevant contribution to the sustainability information reported.

The prime risks associated with the ICSRS are the existence of material errors in the sustainability information published in the Sustainability Statement and the risk that the information reported is not transparent, comparable, complete, faithful or accurate. These risks are mitigated by properly executing the 185 controls established in the model.

In order to ensure the traceability of the ICSRS, the system underwent an end-to-end and consistency intervention using a tool that allows the vested organisational units and lines of defence to:

- Centralise and furnish all of the evidence associated with the controls performed;
- Digitalise the control flow charts and self-assessments;
- Monitor the proper functioning of the internal control model and supervise the controls with the aim of ensuring that the risks have been mitigated by means of due performance of the related controls.

Redeia's ICSRS is a dynamic system which means that constantly updating it is essential to guaranteeing the reliability of its sustainability information. That updating effort is stipulated in the annual ICSRS work plan.

The ICSRS is articulated around the three lines of defence model as this helps the organisation to identify the structures and processes that best facilitate target achievement and foster solid governance and risk management. This model helps manage risks effectively, maintain control of the process and strengthen ICSFR governance.

The ICSFS governing bodies defined by Redeia are:

- The Board of Directors: whose duties are to approve the policy for controlling and managing Redeia's main risks and to be familiar with and supervise the internal control, prevention and reporting systems. By extension, that familiarity and supervisory duty extends to the Internal Control over Sustainability Reporting System.
- Audit Committee: This committee's duties specifically include:
 - Supervising and assessing the process of drafting and presenting, as well as the integrity of, Redeia's sustainability information.
 - Supervising and assessing periodically the effectiveness of the internal control and sustainability risk management systems so that the various classes of risks are duly identified, management and disclosed internally.
- Sustainability Committee: This committee's many duties include that of assessing, supervising and controlling risks related with sustainability, ethics and corporate conduct and, specifically, climate change, in collaboration with the Audit Committee, organising joint meetings as necessary.

11.1.1.4 Strategy and business model

a. Strategy, business model and value chain SBM-1

Redeia is a global operator of essential infrastructure. It is the Spanish electricity system operator. It manages electricity transmission networks in Spain, Peru, Chile and Brazil and telecommunications networks (fibre optics and satellites), with a strategic focus on innovation and sustainability.

Since its creation in 1985 as the world's first electricity transmission and system operator (TSO), it has evolved to become a benchmark player in the areas of electricity infrastructure management and telecommunications. Today, Redeia's business model is based on excellence, innovation, integrity and transparency. It ensures its business activities are compatible with caring for the environment and generating shared value with society, so becoming an engine for the energy transition and universal connectivity. There were no changes in the markets or customer groups served in 2024.

The main businesses and undertakings comprising Redeia are:

- **Red Eléctrica:** Spain's TSO, the backbone of the country's electricity system and guarantor of safe, quality and increasingly renewable supply.
- **Redinter:** driver of decarbonisation of the energy model and of sustainable development in Latin America.
- **Reintel:** the largest provider of dark fibre in Spain, essential to the provision of universal and inclusive connectivity.
- **Hispasat:** a key player in the digital transformation and in reducing the digital divide in Spain and Latin America.
- **Elewit:** a technological innovation platform for all of the other businesses focused on propelling the energy transition and connectivity.

Based on these businesses, Redeia defines **four main value chains**, which share a cross-cutting business, Elewit, which acts as facilitator and connector for Redeia's main companies and business units, centralising and catalysing opportunities for injecting innovation into the Group, whether by developing projects itself or through partnerships with other players in the innovation ecosystem.

For the main features of the upstream and downstream value chains and Redeia's position in them and a description of the main business actors (key suppliers and customers) and their relationship with Redeia, refer to section 1.2.1 *Understanding* of the Materiality assessment chapter.

Redeia's most important geographical area by headcount is Spain (2,042 employees), followed by Colombia (139 employees), Peru (135 employees), Brazil (60 employees) and Chile (40 employees). Redeia also has a presence in Germany, Mexico, Ecuador, the UK, Argentina, Luxembourg and the US.

In 2024, Redeia generated value for its shareholders (paying out 574 million euros of dividends), for its employees (staff costs of 180.5 million euros and an injury frequency rate of 2.49) and its suppliers (purchasing goods and services for 1,523 million euros, with 94.07% of its suppliers based in the European Union)

2021-2025 Strategic Plan

In February 2021, the Board of Directors approved Redeia's 2021-2025 Strategic Plan, which is underpinned by three levers: (i) a strong commitment to the energy transition; (ii) a push towards connectivity solutions; and (iii) consolidation of the international business.

The 2021-2025 Strategic Plan prioritises pursuit of the energy transition in Spain to make efficient progress towards a decarbonised economy, leveraging the progress made in the telecommunications business and consolidating the international business, while guaranteeing the Group's financial and operational efficiency, ensuring that talent and sustainability form the basis of its corporate culture and generating positive impacts

by forging alliance with the community and sector players. Sustainability is embedded into that plan as an articulating pillar spanning all the Group's activities.

| Sustainability challenges (strategic pillars) | Solutions critical projects (progress in 2024) |
|--|--|
| Making the energy transition in Spain a reality | <ul style="list-style-type: none"> • Commissioning of the new Buenos Aires 220 kV substation in Santa Cruz de Tenerife. • Start of the works for the electricity interconnection between mainland Spain and Ceuta. • Start of the public consultation process for building public consensus around the second mainland Spain-Balearics link. • Commissioning of the new 132 kV double-circuit line in Fuerteventura. |
| Fostering connectivity | <ul style="list-style-type: none"> • Membership of DigitalES by Reintel to accelerate digitalisation in Spain. • Approval of Reintel's net zero emissions plan. • Adjudication to the SpaceRise consortium (of which Hispasat is part) of the contract to develop, deploy and operate IRIS². • Rollout by Hispasat of a community outreach contest (#PueblosMUYconectados) as part of its <i>Conéctate 35</i> service. |
| Consolidating the international business | <ul style="list-style-type: none"> • Completion of the expansion work at the Centinela substation and switching of the 2 x 220 kV Cobre - Esperanza line. • Organisation of the first Sustainability and Energy Seminar titled "A sustainable future needs Latin America" with ESAN. |
| People | <ul style="list-style-type: none"> • Creation of the Positive Safety community with the ecosystem of construction and maintenance suppliers. • Assessment of critical positions to identify key drivers for retaining top talent. • Definition of a scholarship plan for young people with disabilities. • Negotiation, signature and publication of Redeia Infraestructuras de Telecomunicación, S.A.'s second collective bargaining agreement. |
| Innovation and technology | <ul style="list-style-type: none"> • First close by the energy transition fund. • Definition of the plan for implementing the initiative for the advanced monitoring of the transmission grid (Project ASUMO). • Consolidation of the activities of New Venture with the alliance for the industrialisation and monetisation of the interoperable platform for the development of critical services (PIDSC) and its first investment in a company created by an intrapreneur. |
| Efficiency | <ul style="list-style-type: none"> • Redeia Corporación issued its first green notes: 500 million euros. • Red Eléctrica issued 500 million euros of green notes. • EIB approval for a 300 million euros loan to boost development of the pumped-storage hydropower facility in the Canaries. |
| Sustainability | <ul style="list-style-type: none"> • 5.8 million euros invested under the umbrella of the Comprehensive Community Impact Strategy and the rollout of <i>Tejedora</i> and <i>Pensadere</i>, strategy execution tools. • Deployment of widespread active listening boards with the participation of local stakeholders. • Launch of the 'Marine Forest' platform for the recovery of marine ecosystems out to 2030. • Progress on the sustainable purchasing model. • Progress on the non-financial information control system and data strategy. • Ongoing inclusion in the Dow Jones Sustainability Index, Euronext, FTSE4Good, ISS ESG and MSCI, among other benchmark indices. |

2030 Sustainability Commitment

Redeia's Board-approved 2030 Sustainability Commitment embodies its commitment to its long-term endurance by forging a business model capable of creating shared value for all stakeholders and doing

business responsibly. This commitment is underpinned by the 10 principles set down in the Sustainability Policy and materialises in four priorities for responding to the Group's sustainability challenges.

In 2019, Redeia established 11 sustainability targets for delivery by 2030, aligned with its Strategic Plan. The 2030 Sustainability Commitment is deployed through multi-year plans. The **2023-2025 Sustainability Plan** was approved by the Board of Directors, following its approval by the Executive Committee, the Sustainability Steering Committee and the Board's Sustainability Committee. It defines, through 14 lines of initiative, interim targets on the roadmap to achieving Redeia's sustainability ambitions for 2030. These targets contribute directly to materialisation of the United Nations Sustainable Development Goals.

Sustainability priorities and targets for 2025 and 2030

| Decarbonisation of the economy | |
|--|---|
| To 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. | |
| 2030 targets | 2025 targets |
| Climate change <ul style="list-style-type: none"> Reduce Scope 1 and 2 emissions by 55% and Scope 3 emissions by 28% with respect to 2019 (*) | <ul style="list-style-type: none"> 30% reduction in Scope 1 and 2 emissions Two-thirds of suppliers (measured in terms of emissions) with SBTi-approved targets (relative to 2019) Offset of 100% of Scope 1 emissions |
| Energy transition <ul style="list-style-type: none"> Empower society to be actively involved in the energy transition process. Safely integrate 100% of the renewable energy available in the electricity system: 74% of renewable energy in electricity generation | <ul style="list-style-type: none"> >60% of renewable energy in electricity generation Start-up of the expanded Datahub accessible to legally-permitted participants and stakeholders Additional content on the REData and RedOS platforms |
| Green financing <ul style="list-style-type: none"> 100% sustainable financing | <ul style="list-style-type: none"> 60% sustainable financing |

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

| Responsible value chain | |
|--|--|
| Extend our responsibility commitment to all the links in the value chain, from our employees to our suppliers and customers, by forging alliances, all underpinned by our model of good governance and integrity. | |
| 2030 targets | 2025 targets |
| Biodiversity <ul style="list-style-type: none"> Have a net positive impact on the natural capital of the areas surrounding new facilities | <ul style="list-style-type: none"> 100% of the critical spans signalled for Red Eléctrica 100% of investment projects associated with the commitment to protect vegetation and fight deforestation |
| Circular economy <ul style="list-style-type: none"> Become a leading circular economy company Zero landfill waste within the Group 6.5 m³ of water consumption per employee | <ul style="list-style-type: none"> Zero landfill waste at Red Eléctrica 6.5m³ of water consumption per employee per year at Red Eléctrica and Redinter workplaces |
| Suppliers <ul style="list-style-type: none"> Drive change among our suppliers. At least 25 supplies with the greatest impact in the transmission grid committed to circularity criteria: LCA, climate change, safety, diversity and biodiversity | <ul style="list-style-type: none"> At least 10 supplies with the greatest impact in the transmission grid committed to circularity criteria: LCA, climate change, safety, diversity and biodiversity |

| Contribution to local development | |
|---|--|
| Contribute to economic, environmental and social progress in local areas, by providing an essential service in a safe and efficient way, fostering environmental conservation, enhancing people's quality of life and social wellbeing and involving communities in the development of our activities so as to generate tangible mutual benefits. | |
| 2030 targets | 2025 targets |
| Diversity <ul style="list-style-type: none"> Be a benchmark in gender equality: 50% of women on Redeia's Board of Directors and management team at Group level. Promote the inclusion of segments of society at risk of social and workplace exclusion. | <ul style="list-style-type: none"> 50% of women on Redeia's Board of Directors 38% of the management team female Delivery of at least 40% of the legal requirement for the direct hire of people with disabilities Growth of 20% in the volumes managed via Special Employment Centres for the provision of services at Redeia |
| <ul style="list-style-type: none"> Digital divide Reduce the digital divide: Connectivity for 100% of the people living in the vicinity of our facilities | <ul style="list-style-type: none"> Fostering development of the fibre optic businesses of at least three local operators 100 Mbps deployed with connectivity nationwide. |

| Climate change anticipation and action | |
|--|---|
| 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. | |
| 2030 targets | 2025 targets |
| Innovation and technology <ul style="list-style-type: none"> Be a benchmark in technological innovation. Adoption of 64 technological solutions at Redeia that provide solutions to the Group's key challenges by delivering tangible or intangible value. | <ul style="list-style-type: none"> Adoption of 24 technological solutions at Redeia that provide solutions to the Group's key challenges by delivering tangible or intangible value. |

All of the above targets apply globally irrespective of groups of products and services, customer categories, geographical areas or relationships with stakeholders.

Note that the material impacts, risks and opportunities and their interaction with the strategy and business model are detailed in each of the following chapters.

b. Interests and views of stakeholders. SBM-2

Redeia stands out for its desire to accommodate the different stakeholders it engages with. As a result, it has forged a mature stakeholder engagement model which it reviews periodically to ensure it identifies all stakeholders, establishes the most suitable model for engagement and is capable of detecting their needs and expectations. As for the services associated with the Group's various businesses, Redeia is working to ensure service quality, going to increasing lengths to improve its customer communication channels and platforms.

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

Redeia has articulated its **stakeholder management Model** around the leading benchmark recommendations in stakeholder engagement to ensure it analyses its impacts on its stakeholders and understands how they in turn influence the Company.

The purpose of the model is to build trust-based relationships oriented towards shared value creation. Its design factored in the provisions of the main stakeholder management regulations and benchmarks, notably AA1000, ISO 26000, 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.

In this manner, Redeia 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 management model encompasses six well-differentiated phases:

- **Identification and segmentation** of the groups that constitute stakeholders based on analysis of the interrelationships between the Company's processes and activities and its surroundings and based on the reason for their vested interest.
- **Determination of the importance of the stakeholder groups based on three prioritisation factors:** the Company's impact on the stakeholder group; the stakeholder group's influence on the Company and tension. This filtering process yields a prioritised inventory of stakeholders.
- Definition and rollout of the optimum **relationship model** for each stakeholder group will depend firstly on the commitments assumed by the Company with them and also their level of priority and the type of engagement deemed most appropriate.
- Each Group company and stakeholder manager then implements the defined relationship model, fostering dialogue with their stakeholders and generating improvements by addressing the rationale for the relationship and the stakeholders' material concerns, needs and expectations, the goal being to maximise positive impacts and minimise negative ones. Redeia transmits its commitment to sustainability across all areas of its business and at all levels of the organisation to ensure effective value creation for its stakeholders.
- **Assessment** of stakeholder management is based on systematic and regular identification of stakeholder needs and expectations using different methodologies depending on the relationship model established for each group. This assessment gives rise to action plans designed to respond to the material topics, needs and expectations so identified.
- **Regular review of the model** to factor in material changes in the Company's external or internal environment to ensure it remains aligned with Redeia's reality and useful as a management tool.

| Stakeholder group | Specific commitments* | Engagement channels |
|--|---|--|
| Regulatory and government bodies. | <ul style="list-style-type: none"> • Independence as system operator. • Transparent, trustworthy, accurate, faithful and timely information. • Proactive problem analysis and solution. • Lawfulness, compliance and respect for the international rules of conduct. • Collaboration with and counselling of the European and Spanish institutions. • Good corporate governance. • Furthering the energy transition in Spain. • Contributing to sustainable economic, environmental and social development. | <ul style="list-style-type: none"> • Institutional websites and platforms. • Work group platforms • Participation in committees • Personal contact, telephone and email • Meetings on demand • Corporate website |

| | | |
|---|--|--|
| Economic and financial ecosystem | <ul style="list-style-type: none"> • Application of best practices in corporate governance and risk control. • Voluntary adoption of the Code of Good Governance of Listed Companies. • Ethical conduct. • Transparent and rigorous information. • Operational quality and security. • Economic solvency over medium- and long-term horizons. • Long-term relationships based on trust. • Value creation in the short and long term. • Dividend policy (profit sharing). • Sustainable financing by 2030. • Timely information provided on equal terms of access. • Open, transparent and close dialogue. | <ul style="list-style-type: none"> • Work groups and collaborative projects. • Technical meetings and institutional events. • Mail, telephone and corporate mailboxes. • The channels stipulated by the competent authority. • Ethics and whistle-blowing channel. • Institutional investor relations and shareholder offices. • Roadshows, one-on-one meetings, video meetings. • Annual General Meeting. • Corporate website. |
| People | <ul style="list-style-type: none"> • Culture of ethics and honesty conducive to diversity and equal opportunities. • Compliance with legislation and collective bargaining agreements. • Continuity of the business endeavour and job stability. • Talent management and career development. • Healthy work environments framed by a perspective of holistic wellbeing. • Work-life balance. • Two-way, open and close communication. • Facilitation of the freedom of association and direct dialogue with management. • Participation in the firm's management through workers' representatives. • Management visibility. • Appropriate and opportune responses to requests and demands. • Attention to specific needs: contribution of solutions. | <ul style="list-style-type: none"> • Meetings with the Board and its committees and the Director Portal. • Corporate people management tools. • Email/telephone and in-house mailboxes. • In-person and remote meetings. • Periodical and systematic seminars of different kinds. • Ethics and whistle-blowing channel. • Corporate intranet (nuestraRed) • Digital events and specific or thematic seminars. |
| Suppliers | <ul style="list-style-type: none"> • Guaranteed competition, equal treatment and non-discrimination. • Proportionate procurement model. • Performance of contractual commitments. • Guaranteed solvency; payment on time and as due. • Ethical, transparent and honest conduct. • Visibility around needs and resources with fair and necessary advance notice. • Acting as an agent of change. • Encouraging responsible practices all along the supply chain: sustainability criteria and extension of sustainability commitment to every link in chain. | <ul style="list-style-type: none"> • Supplier care and support service (ASA). • DIGAME channel. • Ethics and whistle-blowing channel. • PRORED for enquiries about the LICITA certification process and the tender process. • Invoicing mailbox. • Technical meetings, gatherings and training and development events. • Telephone, Teams and email. |

| | | |
|---------------------------|--|--|
| Customers | <ul style="list-style-type: none"> Acting as driver and facilitator of the energy transition in Spain. Lawfulness and compliance. Acting proactively to facilitate compliance with the law. Excellence in all processes and services. Equal treatment of all system actors. Transparent, secure, trustworthy, rigorous and accurate information. Openness to dialogue, proximity, active listening and the provision of helpful information. Confidentiality of information. Honouring of deadlines and quality commitments in the roles allocated in the transmission grid planning process and commissioning of facilities. Efficient management (in time and manner) of incidents, enquiries and claims. Creation of shared value. | <ul style="list-style-type: none"> Corporate website. Customer portal and service platforms. Regular and on-demand meetings. Visits and webinars. Work groups. Seminars and thematic events. Ethics and whistle-blowing channel. DIGAME channel. |
| Social ecosystem | <ul style="list-style-type: none"> Lawfulness and compliance. Generation of social, environmental and economic value in the vicinity of Redeia facilities and developments. Transparent, clear, opportune, complete, relevant, orderly and simple information. Creation of spaces and channels for open dialogue and prior consultation to foster engagement and deliver immediacy, closeness, active listening and identification and analysis of needs. Prevention and mitigation around impacts on works and facilities. Rapid response in the event of incidents and emergencies. Assignment of the resources needed to honour the commitments assumed. | <ul style="list-style-type: none"> Corporate website. DIGAME channel. Regular and ad-hoc meetings. Email, telephone and WhatsApp. In-person forums and events and webinars. Visits. Registered post. |
| Business ecosystem | <ul style="list-style-type: none"> Lawfulness and compliance. Transparent, rigorous and reliable information. Ethical and honest conduct in defending the interests of associations and their members. Professionalism, commitment and representation at work groups. Project participation seeking shared efficiency and effectiveness goals around processes and common challenges. Generation of alliances to search for solutions. Confidence, actively listening, proximity. Systematic dialogue, strengthening communication channels. | <ul style="list-style-type: none"> Participation in management committees and assemblies. Regular meetings and work groups. Participation in forums, webinars and training courses. Email and telephone. Information exchange platforms. Corporate website. Agreements and alliances. |

* The commitments assumed derive from an understanding of the matters that are material to each stakeholder group.

Redeia has also designed **stakeholder files** for each category which reflect their structure, a map showing impacts, influences and tension, the commitments assumed and the communication channels used. It has also defined a **relationship matrix**, which identifies the organisational units at the Company that interact with each stakeholder group, the unit responsible for the relationship and the nature of the existing relationship.

Redeia provides its stakeholders with appropriate and accessible channels for gathering their suggestions and learning about their needs, expectations, opinions and grievances through which they can submit any type of request related with the services provided by the Group companies, which also serve to provide them with transparent and accurate information. Redeia is firmly committed to **stakeholder transparency and**

dialogue, sharing news about its most important projects and results either directly using the channels put in place for each, over the website and social media or through a range of regular reports.

The Company also carries out **perception studies** to detect stakeholder **requirements and expectations**, striving to layer in their opinions on the basis of quantitative and qualitative analysis of their needs. It carries out these studies periodically, as per a multi-year plan, with the help of an outside consultant to guarantee the effectiveness and confidentiality of the entire process. As the results come in they are sent to the Corporate Sustainability and Studies Department for analysis. Annually, the overall results are presented to the Board Sustainability Committee and to the Sustainability Steering Committee to help them supervise strategic matters related with stakeholders and ensure best practices in managing them.

Elsewhere, Redeia takes account of the views and interests of its stakeholders in its business strategy and model by making them a core component of its double materiality assessment. More specifically, the context analysis phase of its assessment 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 importance to them with a view to informing Redeia's commitments and corporate plans. Note that the Group's stakeholders were actively involved in this assessment in order to gauge their requirements and expectations.

Based on the results of that effort, Redeia gears 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. This engagement has not led to any changes in Redeia's strategy or business model.

11.1.2 MATERIALITY ASSESSMENT

11.1.2.1 Double materiality assessment process. IRO-1

In 2024, Redeia aligned its **double materiality assessment** with its requirements under the European Sustainability Reporting Standards (ESRS) emanating from the CSRD. Specifically, it followed the criteria defined in the ESRS to identify its material impacts, relevant risks and opportunities in its value chain and in its own operations.

This double materiality assessment was also used to identify the **topics, sub-topics and sub-sub-topics that are material for Redeia** taking a dual approach: identifying the sustainability topics that have a material impact on its value proposition, results, situation and performance (financial materiality); and those that have an impact on people, society and the environment (impact materiality).

In this manner, Redeia identified its material **impacts, risks and opportunities**, which have in turn informed the disclosures to be provided in each chapter of this Sustainability Statement.

The methodological approach is based on the requirements set down in ESRS 1, integrating internal and external information, and on a sector approach specific to the Group to identify its material sustainability impacts, risks and opportunities from both perspectives (impact and financial materiality).

Redeia in turn based its methodological approach on its due diligence process which allows it to assess the risks to which it is exposed with a view to mitigating them by establishing the appropriate controls. This information is shared in greater detail in section 1.1.3 *Governance* in response to Disclosure Requirement GOV-4: Statement on due diligence.

Redeia also ensured it considered other factors of relevance to its business models, activities, business relations and geographical areas of influence. The assessment process was structured into five phases.

a. Understanding

This phase involves understanding Redeia's business model, analysing the various value chains and studying the sustainability context and the needs and expectations of its internal and external stakeholders. To analyse the context it reached out to its stakeholders, particularly affected communities, by means of in-depth interviews and surveys.

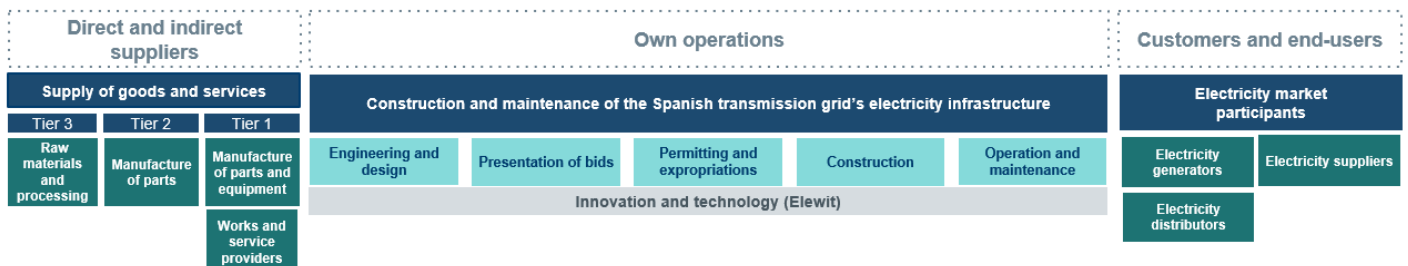
As for its **value chain analysis**, note that Redeia considered all of its site locations and business activities to determine its positive and negative impacts, actual and potential risks and opportunities in both its own operations and also upstream and downstream, taking into account the business activities associated with the material impacts, risks and opportunities related with sustainability matters.

Here we itemise the value chains associated with Redeia's different business activities:

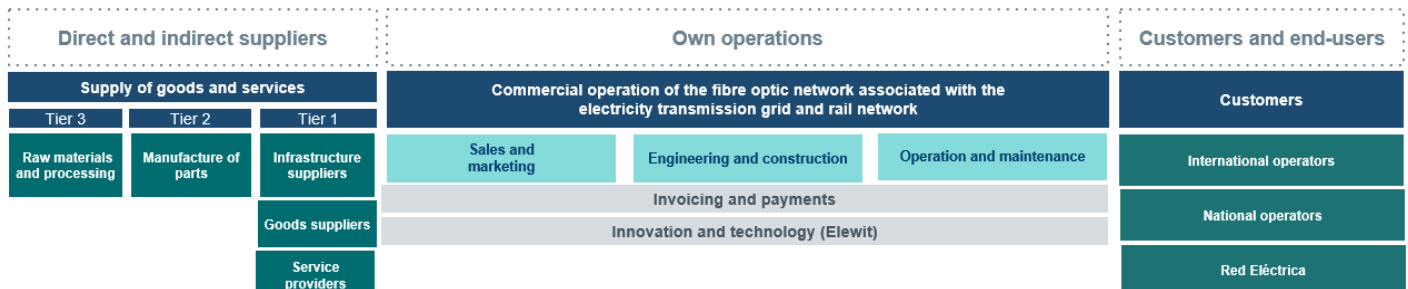
Electricity business in Spain (Red Eléctrica)



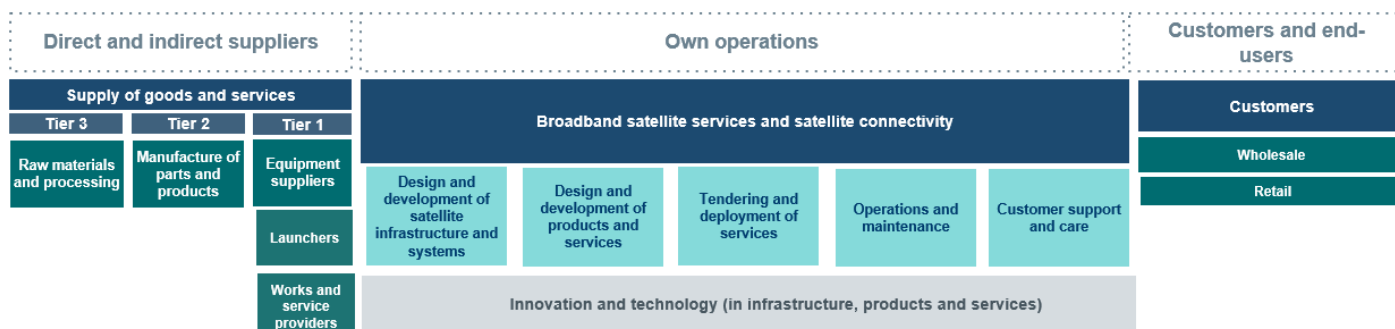
Electricity business in Latin America (Redinter)



Telecommunications business: fibre optics (Reintel)



Telecommunications business: satellites (Hispasat)



Note. The activities performed by Group subsidiary Elewit are horizontal, cutting across all of the value chains associated with Redeia's business activities.

Based on this understanding, AR16 of Appendix C of ESRS 1 has been considered to identify the topics, sub-topics and sub-sub-topics to be taken into account for the double materiality assessment as a function of their linkages with Redeia's operations and the rest of its value chain, excluding the sub-topics that, following an initial analysis, were deemed not applicable to Redeia or its value chain.

This analysis yielded the list of topics, sub-topics and sub-sub-topics to then consider for the impact, risk and opportunity identification and assessment stages.

Below is a list of the applicable topics, sub-topics and sub-sub-topics:

List of applicable topics, sub-topics and sub-sub-topics

| ESRS | ESG | Topic | Sub-topic | Sub-sub-topic |
|---------|---------------------------|-----------------------------|--|---|
| ESRS E1 | | | | |
| E1 | Environmental | Climate change | Climate change adaptation | |
| E1 | Environmental | Climate change | Climate change mitigation | |
| E1 | Environmental | Climate change | Energy | |
| ESRS E2 | | | | |
| E2 | Environmental | Pollution | Pollution of air | |
| E2 | Environmental | Pollution | Pollution of water | |
| E2 | Environmental | Pollution | Pollution of soil | |
| E2 | Environmental information | Pollution | Pollution of living organisms and food resources | |
| E2 | Environmental | Pollution | Substances of concern | |
| E2 | Environmental | Pollution | Substances of very high concern | |
| E2 | Environmental | Pollution | Microplastics | |
| ESRS E3 | | | | |
| E3 | Environmental information | Water and marine resources | Water | Water consumption |
| E3 | Environmental information | Water and marine resources | Water | Water withdrawals |
| E3 | Environmental information | Water and marine resources | Water | Water discharges (offices and vehicles) |
| E3 | Environmental information | Water and marine resources | Marine resources | Water discharges in the oceans |
| E3 | Environmental information | Water and marine resources | Marine resources | Extraction and use of marine resources |
| ESRS E4 | | | | |
| E4 | Environmental information | Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Climate change |

| | | | | |
|---------|---------------------------|-----------------------------|--|---|
| E4 | Environmental information | Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Land-use change, fresh water-use change and sea-use change |
| E4 | Environmental information | Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Direct exploitation |
| E4 | Environmental information | Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Invasive alien species |
| E4 | Environmental information | Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Pollution |
| E4 | Environmental information | Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Other: fires |
| E4 | Environmental information | Biodiversity and ecosystems | Impacts on the state of species | |
| E4 | Environmental information | Biodiversity and ecosystems | Impacts on the extent and condition of ecosystems | |
| E4 | Environmental information | Biodiversity and ecosystems | Impacts and dependencies on ecosystem services | |
| ESRS E5 | | | | |
| E5 | Environmental information | Circular economy | Resources inflows, including resource use | |
| E5 | Environmental information | Circular economy | Resource outflows related to products and services | |
| E5 | Environmental | Circular economy | Waste | |
| ESRS S1 | | | | |
| S1 | Social | Own workforce | Working conditions | Secure employment |
| S1 | Social | Own workforce | Working conditions | Working time |
| S1 | Social | Own workforce | Working conditions | Adequate wages |
| S1 | Social | Own workforce | Working conditions | Social dialogue |
| S1 | Social information | Own workforce | Working conditions | Freedom of association, the existence of works councils and the information, consultation and participation rights of workers |
| S1 | Social information | Own workforce | Working conditions | Collective bargaining, including rate of workers covered by collective agreements |
| S1 | Social | Own workforce | Working conditions | Work-life balance |
| S1 | Social | Own workforce | Working conditions | Health and safety |
| S1 | Social information | Own workforce | Equal treatment and opportunities for all | Gender equality and equal pay for work of equal value |
| S1 | Social information | Own workforce | Equal treatment and opportunities for all | Training and skills development |
| S1 | Social information | Own workforce | Equal treatment and opportunities for all | Employment and inclusion of persons with disabilities |
| S1 | Social information | Own workforce | Equal treatment and opportunities for all | Measures against violence and harassment in the workplace |
| S1 | Social information | Own workforce | Equal treatment and opportunities for all | Diversity |
| S1 | Social | Own workforce | Other work-related rights | Child labour |
| S1 | Social | Own workforce | Other work-related rights | Forced labour |
| S1 | Social | Own workforce | Other work-related rights | Privacy |
| ESRS S2 | | | | |
| S2 | Social information | Workers in the value chain | Working conditions | Secure employment |
| S2 | Social information | Workers in the value chain | Working conditions | Working time |

| | | | | |
|---------|--------------------|----------------------------|---|---|
| S2 | Social information | Workers in the value chain | Working conditions | Adequate wages |
| S2 | Social information | Workers in the value chain | Working conditions | Social dialogue |
| S2 | Social information | Workers in the value chain | Working conditions | Freedom of association, the existence of works councils and the information, consultation and participation rights of workers |
| S2 | Social information | Workers in the value chain | Working conditions | Collective bargaining, including rate of workers covered by collective agreements |
| S2 | Social information | Workers in the value chain | Working conditions | Work-life balance |
| S2 | Social information | Workers in the value chain | Working conditions | Health and safety |
| S2 | Social information | Workers in the value chain | Equal treatment and opportunities for all | Gender equality and equal pay for work of equal value |
| S2 | Social information | Workers in the value chain | Equal treatment and opportunities for all | Training and skills development |
| S2 | Social information | Workers in the value chain | Equal treatment and opportunities for all | Employment and inclusion of persons with disabilities |
| S2 | Social information | Workers in the value chain | Equal treatment and opportunities for all | Measures against violence and harassment in the workplace |
| S2 | Social information | Workers in the value chain | Equal treatment and opportunities for all | Diversity |
| S2 | Social information | Workers in the value chain | Other work-related rights | Child labour |
| S2 | Social information | Workers in the value chain | Other work-related rights | Forced labour |
| S2 | Social information | Workers in the value chain | Other work-related rights | Adequate housing (wellbeing of security guards at work) |
| S2 | Social information | Workers in the value chain | Other work-related rights | Privacy (personal data) |
| ESRS S3 | | | | |
| S3 | Social information | Affected communities | Communities' economic, social and cultural rights | Adequate housing |
| S3 | Social information | Affected communities | Communities' economic, social and cultural rights | Water and sanitation |
| S3 | Social information | Affected communities | Communities' economic, social and cultural rights | Land-related impacts |
| S3 | Social information | Affected communities | Communities' economic, social and cultural rights | Security-related impacts |
| S3 | Social information | Affected communities | Communities' civil and political rights | Freedom of expression |
| S3 | Social information | Affected communities | Communities' civil and political rights | Freedom of assembly |
| S3 | Social information | Affected communities | Communities' civil and political rights | Impacts on human rights defenders |
| S3 | Social information | Affected communities | Rights of indigenous peoples | Free, prior and informed consent |
| S3 | Social information | Affected communities | Rights of indigenous peoples | Self-determination |
| S3 | Social information | Affected communities | Rights of indigenous peoples | Cultural rights (protection of areas close to indigenous communities) |
| ESRS S4 | | | | |

| | | | | |
|---------------|-------------------------------|---|--|---|
| S4 | Social information | Consumers and end-users | Information-related impacts for consumers and/or end-users | Privacy (personal data) |
| S4 | Social information | Consumers and end-users | Information-related impacts for consumers and/or end-users | Freedom of expression |
| S4 | Social information | Consumers and end-users | Information-related impacts for consumers and/or end-users | Access to (quality) information |
| S4 | Social information | Consumers and end-users | Personal safety of consumers and/or end-users | Health and safety |
| S4 | Social information | Consumers and end-users | Social inclusion of consumers and/or end-users | Access to products and services |
| S4 | Social information | Consumers and end-users | Social inclusion of consumers and/or end-users | Responsible marketing practices |
| ESRS G1 | | | | |
| G1 | Governance information | Business conduct | Corporate culture | |
| G1 | Governance information | Business conduct | Protection of whistle-blowers | |
| G1 | Governance information | Business conduct | Political engagement and lobbying activities | |
| G1 | Governance information | Business conduct | Management of relationships with suppliers including payment practices | |
| G1 | Governance information | Business conduct | Corruption and bribery | Incidents |
| G1 | Governance information | Business conduct | Corruption and bribery | Prevention and detection including training |
| SPECIFIC ESRS | | | | |
| Specific | Guaranteed quality of service | Guaranteed quality of service | | |
| Specific | Innovation | Innovation and technology applied to the business | | |

Below is the list of the topics, sub-topics and sub-sub-topics considered not applicable:

List of not applicable topics, sub-topics and sub-sub-topics

| ESRS | ESG | Topic | Sub-topic | Sub-sub-topic |
|---------|--------------------|----------------------------|---|------------------------|
| ESRS S1 | | | | |
| S1 | Social | Own workforce | Other work-related rights | Adequate housing |
| ESRS S2 | | | | |
| S2 | Social information | Workers in the value chain | Other work-related rights | Water and sanitation |
| ESRS S3 | | | | |
| S3 | Social information | Affected communities | Communities' economic, social and cultural rights | Adequate food |
| ESRS S4 | | | | |
| S4 | Social information | Consumers and end-users | Personal safety of consumers and/or end-users | Security of a person |
| S4 | Social information | Consumers and end-users | Personal safety of consumers and/or end-users | Protection of children |
| S4 | Social information | Consumers and end-users | Social inclusion of consumers and/or end-users | Non-discrimination |
| ESRS G1 | | | | |
| G1 | Governance | Business conduct | Animal welfare | |

b. Identification of impacts, risks and opportunities (IROs)

This phase involved identifying the impacts (impact materiality) Redeia has on people, human rights and the environment in its own operations and in the rest of its value chains, whether positive or negative, and the risks and opportunities (financial materiality) that affect or could affect the Company financially derived from critical sector aspects and global sustainability trends. This process considered the links between the impacts and dependencies on natural, human and social resources and the risks and opportunities that might arise from these impacts and dependencies.

The analysis performed to identify the various impacts, risks and opportunities was undertaken in several steps:

- Understanding the Company and its operations.
- Sector analyses based on public information reported by comparable companies.
- Analysis of internal sources, including the Non-Financial Information Statement, the Sustainability Statement, codes of ethics, corporate policies, prior materiality assessments and the corporate risk map to analyse the inputs generated by Redeia in relation to its identified corporate risks.
- Analysis of external sustainability sources and indices (GRI, TCFD, CDP, etc.).

The resulting list of impacts, risks and opportunities was then classified as follows:

| General classification | Redeia business | Affected stakeholder group |
|--|--|--|
| <ul style="list-style-type: none"> • ESG category • Standard • ESRS topic • ESRS sub-topic • ESRS sub-sub-topic | <ul style="list-style-type: none"> • Red Eléctrica • Redinter • Reintel • Hispasat | <ul style="list-style-type: none"> • Regulatory and government bodies • Economic and financial ecosystem • People • Customers • Suppliers • Business ecosystem • Social ecosystem |

| Classification of impacts | Classification of risks and opportunities |
|--|--|
| <ul style="list-style-type: none"> • Impact • Description of the impact • Impact mitigation measures • Location in the value chain • Categorisation of the impact • Positive Negative • Actual Potential • Time horizon: current and short-term (around 2024), medium-term (around 2030), long-term (from 2030). | <ul style="list-style-type: none"> • Risk Opportunity • Description of the cause of the risk/opportunity • Position in the value chain • Categorisation of the risk/opportunity • Time horizon: current and short term (around 2024), medium-term (around 2030), long term (from 2030). • How the financial effect plays out |

Based on an initial identification of impacts, risks and opportunities, meetings were held with key representatives from the vested parties to validate the definitive identified impacts, risks and opportunities.

c. Assessment of impacts, risks and opportunities

For this phase, Redeia again applied the criteria prescribed in the ESRS to determine which matters are material to it. To do that it evaluated the impacts, risks and opportunities previously identified in the prior step to determine their double materiality (from the perspectives of both impact and financial materiality), assigning a score as a function of the impact generated or anticipated.

In addition, in order to align the materiality assessment processes recommended in the ESRS with Redeia's internal processes, we used the scoring system followed in Redeia's corporate risk map.

Assessment of impact materiality

Four variables were considered to assess the impacts: scale, scope and irremediable character of the impact, which shape their **severity**, and **likelihood**, in the case of potential impacts.

| Severity | | |
|-------------------------------|---|---|
| Scale | <ul style="list-style-type: none"> • Intensity or size of the impact, whether positive or negative, on society or the environment, on a scale of 1 to 5. | Scale of 1 to 5. Where 1 is the lowest value and 5 is the highest |
| Scope | <ul style="list-style-type: none"> • How widespread the negative or positive impacts are. In the case of environmental impacts, the scope may be understood as the extent of environmental damage or a geographical perimeter, while in the case of impacts on people, the scope may be understood as the number of people adversely affected. | |
| Irremediable character | <ul style="list-style-type: none"> • Whether and to what extent the negative impacts could be remediated. | |
| Likelihood | <ul style="list-style-type: none"> • Probability that the impact, whether negative or positive, will materialise. | |

Assessment of financial materiality

In assessing risks and opportunities, the potential **magnitude of the financial impacts** and **likelihood** of occurrence were both considered.

| | |
|--------------------------|---|
| Financial effects | <ul style="list-style-type: none"> • Effects caused by social or environmental factors that could have a negative (risks) or positive (opportunities) impact on the Group's financial position. |
| Likelihood | <ul style="list-style-type: none"> • Probability that the risk or opportunity will materialise. Anticipated financial effects are scored on a scale of 1 to 5, 5 implying actual occurrence and 1 meaning highly improbable. |

Having defined the various scales, each area manager proceeded to evaluate the impacts, risks and opportunities.

d. Determining materiality

This phase involves setting the **thresholds** for determining the material matters associated with the impacts, risks and opportunities. The thresholds were defined on the basis of a process of understanding the results yielded by the previous phases, with input from work groups, key areas and independent experts in order to arrive at Redeia's material impacts, risks and opportunities.

e. Determination of the ESRS disclosure requirements associated with the material matters.

Having identified the impacts, risks and opportunities that surpass the defined thresholds, they were correlated with the closest topic, sub-topic and sub-sub-topic to articulate the list of material topics for Redeia and, by extension, the disclosure requirements addressed in this Sustainability Statement. The disclosure requirements are provided in the next section (IRO-2).

11.1.2.2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement. IRO-2

Following its double materiality assessment, Redeia concluded that seven of the 10 topics are material for Redeia. Pollution (E2), Water and marine resources (E3) and Consumers and end-users (S4) were excluded as the associated impacts, risks and opportunities (IROs) did not exceed the defined materiality thresholds.

Redeia also concluded that two entity-specific topics were material: guaranteed quality of service and innovation.

List of material topics, sub-topics and sub-sub-topics

| Topic | Sub-topic | Sub-sub-topic |
|---|--|--|
| E1- Climate change | Climate change adaptation | |
| | Climate change mitigation | |
| | Energy | |
| E4 - Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Climate change |
| | Direct impact drivers of biodiversity loss | Land-use change, fresh water-use change and sea-use change |
| | Direct impact drivers of biodiversity loss | Other: fires |
| | Impacts on the state of species | Species population size |
| E5 - Circular economy | Resources inflows, including resource use | |
| | Waste | |

| | | | |
|---|--|---|---|
| S1 - Own workforce | Working conditions | Secure employment | |
| | Working conditions | Working time | |
| | Working conditions | Adequate wages | |
| | Working conditions | Social dialogue | |
| | Working conditions | Freedom of association, the existence of works councils and the information, consultation and participation rights of workers | |
| | Working conditions | Collective bargaining, including rate of workers covered by collective agreements | |
| | Working conditions | Work-life balance | |
| | Working conditions | Health and safety | |
| | Equal treatment and opportunities for all | Working conditions | Gender equality and equal pay for work of equal value |
| | | | Secure employment |
| | Working conditions | Working conditions | Privacy |
| | | | Working time |
| | Working conditions | Adequate wages | |
| | Working conditions | Social dialogue | |
| | Working conditions | Freedom of association, the existence of works councils and the information, consultation and participation rights of workers | |
| | Working conditions | Collective bargaining, including rate of workers covered by collective agreements | |
| | Working conditions | Work-life balance | |
| | Working conditions | Gender equality and equal pay for work of equal value | |
| | Equal treatment and opportunities for all | | Training and skills development |
| | Equal treatment and opportunities for all | | Employment and inclusion of persons with disabilities |
| Equal treatment and opportunities for all | | Diversity | |
| S2 - Workers in the value chain | Working conditions | Secure employment | |
| | Working conditions | Health and safety | |
| | Other work-related rights | Child labour | |
| | Other work-related rights | Forced labour | |
| S3 – Affected communities | Communities' economic, social and cultural rights | Land-related impacts | |
| G1 - Business conduct | Corporate culture | | |
| | Protection of whistle-blowers | | |
| | Management of relationships with suppliers including payment practices | | |
| | Corruption and bribery | Prevention and detection including training | |
| ES¹ - Guaranteed quality of service | Guaranteed quality of service | | |
| ES¹ - Innovation | Innovation and technology applied to the business | | |

(1) Entity-specific topics

List of topics, sub-topics and sub-sub-topics not considered material

| Topic | Sub-topic | Sub-sub-topic |
|---|--|---|
| E2 - Pollution | Pollution of air | |
| | Pollution of water | |
| | Pollution of soil | |
| | Pollution of living organisms and food resources | |
| | Substances of concern | |
| | Substances of very high concern | |
| | Microplastics | |
| E3 - Water and marine resources | Water | Water consumption |
| | Water | Water withdrawals |
| | Water | Water discharges (offices and vehicles) |
| | Marine resources | Water discharges in the oceans |
| | Marine resources | Extraction and use of marine resources |
| E4 - Biodiversity and ecosystems | Direct impact drivers of biodiversity loss | Direct exploitation |
| | Direct impact drivers of biodiversity loss | Invasive alien species |
| | Direct impact drivers of biodiversity loss | Pollution |
| | Impacts on the extent and condition of ecosystems | |
| | Impacts and dependencies on ecosystem services | |
| E5 - Circular economy | Resource outflows related to products and services | |
| S1 - Own workforce | Equal treatment and opportunities for all | Measures against violence and harassment in the workplace |
| | Other work-related rights | Child labour |
| | | Forced labour |
| | Privacy | |
| S2 - Workers in the value chain | Working conditions | Working time |
| | Working conditions | Adequate wages |
| | Working conditions | Social dialogue |
| | Working conditions | Freedom of association, the existence of works councils and the information, consultation and participation rights of workers |
| | Working conditions | Collective bargaining, including rate of workers covered by collective agreements |
| | Working conditions | Work-life balance |
| | Working conditions | Gender equality and equal pay for work of equal value |
| | Equal treatment and opportunities for all | Training and skills development |
| | Equal treatment and opportunities for all | Employment and inclusion of persons with disabilities |
| | Equal treatment and opportunities for all | Measures against violence and harassment in the workplace |
| | Equal treatment and opportunities for all | Diversity |
| | Other work-related rights | Adequate housing (wellbeing of security guards at work) |
| | Other work-related rights | Privacy (personal data) |

| | | |
|---|---|--|
| S3 - Affected communities | Communities' economic, social and cultural rights | Adequate housing |
| | Communities' economic, social and cultural rights | Water and sanitation |
| | Communities' civil and political rights | Security-related impacts |
| | Communities' civil and political rights | Freedom of expression |
| | Communities' civil and political rights | Freedom of assembly |
| | Rights of indigenous peoples | Impacts on human rights defenders |
| | Rights of indigenous peoples | Free, prior and informed consent |
| | Rights of indigenous peoples | Self-determination |
| Communities' economic, social and cultural rights | Cultural rights (protection of areas close to indigenous communities) | |
| S4 - Consumers and end-users | Information-related impacts for consumers and/or end-users | Privacy (personal data) |
| | Information-related impacts for consumers and/or end-users | Freedom of expression |
| | Information-related impacts for consumers and/or end-users | Access to (quality) information |
| | Personal safety of consumers and/or end-users | Health and safety |
| | Social inclusion of consumers and/or end-users | Access to products and services |
| | Social inclusion of consumers and/or end-users | Responsible marketing practices |
| G1 - Business conduct | Business conduct | Political engagement and lobbying activities |

In compliance with its requirements under the ESRS, below is the table of contents indicating where to find the required disclosure requirements identified on the basis of the outcome of the materiality assessment undertaken.

Disclosure requirements

| General information - ESRS 2 | | Section where they are disclosed |
|---|--|---|
| 1. Basis for preparation of general information | BP-1: General basis for preparation of sustainability statements | a. General basis for preparation. BP-1. |
| | BP-2: Disclosures in relation to specific circumstances | b. Disclosures in relation to specific circumstances. BP-2. |

| | | |
|---|--|---|
| 2. Governance | GOV-1: The role of the administrative, management and supervisory bodies | a. The role of the administrative, management and supervisory bodies. GOV-1. |
| | GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | b. Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies GOV-2. |
| | GOV-3: Integration of sustainability-related performance in incentive schemes | c. Integration of sustainability-related performance in incentive schemes. GOV-3. |
| | GOV-4: Statement on due diligence | d. Statement on due diligence. GOV-4. |
| | GOV-5: Risk management and internal controls over sustainability reporting | e. Risk management and internal controls over sustainability reporting. |
| 3. Strategy | SBM-1: Strategy, business model and value chain | a. Strategy, business model and value chain. SBM-1. |
| | SBM-2: Interests and views of stakeholders | b. Interests and views of stakeholders. SBM-2. |
| | SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model | 1.2.4 Material impacts, risks and opportunities. SBM-3. |
| 4. Impact, risk and opportunity management | IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities | 1.2.1 Double materiality assessment process. IRO-1. |
| | IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statements | 1.2.2 Disclosure requirements IRO-2. |
| | MDR-P: Policies adopted to manage material sustainability matters | Provided throughout the respective chapter |
| | MDR-A: Actions and resources in relation to material sustainability matters | Provided throughout the respective chapter |
| 5. Metrics and targets | MDR-M: Metrics in relation to material sustainability matters | Provided throughout the respective chapter |
| | MDR-T: Tracking effectiveness of policies and actions through targets | Provided throughout the respective chapter |
| Appendix A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation | | 1.2.2 Disclosure requirements IRO-2. |
| Environmental information - E1, E4, E5 | | Section where they are disclosed |
| E1- Climate change | | |
| 1. Governance | GOV-3: Integration of sustainability-related performance in incentive schemes | a. Integration of sustainability-related performance in incentive schemes. ESRS 2 GOV-3 |

| | | |
|--|--|---|
| 2. Strategy | E1-1: Transition plan for climate change mitigation | a. Transition plan for climate change mitigation. E1-1. |
| | ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model | b. Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3 |
| 3. Impact, risk and opportunity management | ESRS 2 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities | a. Description of the processes to identify and assess material impacts, risks and opportunities. ESRS IRO-1. |
| | E1-2: Policies related to climate change mitigation and adaptation | b. Policies related to climate change mitigation and adaptation. E1-2 MDR-P |
| | E1-3: Actions and resources in relation to climate change policies | c. Actions and resources in relation to climate change policies. E1-3 MDR-A. |
| 4. Metrics and targets | E1-4: Targets related to climate change mitigation and adaptation | a. Targets related to climate change mitigation and adaptation. E1-4 MDR-T. |
| | E1-5: Energy consumption and mix | i. Energy consumption and mix. E1-5. |
| | E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions | ii. Gross Scopes 1, 2, 3 and Total GHG emissions. E1-6. |
| | E1-7: GHG removals and GHG mitigation projects financed through carbon credits | iii. GHG removals and GHG mitigation projects financed through carbon credits. E1-7. |
| | E1-8: Internal carbon pricing scheme | iv. Internal carbon pricing scheme. E1-8. |
| E4 - Biodiversity and | | |
| 1. Strategy | E4-1: Transition plan and consideration of biodiversity and ecosystems in strategy and business model | a. Transition plan and consideration of biodiversity and ecosystems in strategy and business model. E1-4. |
| | ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model | b. Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3 |
| 2. Impact, risk and opportunity management | ESRS 2 IRO-1: Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities | a. Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities. ESRS 2 IRO1. |
| | E4-2: Policies related to biodiversity and ecosystems | b. Policies related to biodiversity and ecosystems. E4-2. |
| | E4-3: Actions and resources related to biodiversity and ecosystems | c. Actions and resources related to biodiversity and ecosystems. E4-3. |
| 3. Metrics and targets | E4-4: Targets related to biodiversity and ecosystems | a. Targets related to biodiversity and ecosystems. |
| | E4-5: Impact metrics related to biodiversity and ecosystems change | b. Impact metrics related to biodiversity and ecosystems change. |
| E5 - Resource use and circular economy | | |

| | | |
|---|--|---|
| 1. Impact, risk and opportunity management | ESRS 2 IRO-1: Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | a. Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities. ESRS 2 IRO-1 |
| | E5-1: Policies related to resource use or circular economy | b. Policies related to resource use or circular economy. E5-1 MDR-P |
| | E5-2: Actions and resources related to resource use and circular economy | c. Actions and resources related to resource use and circular economy. E5-2 MDR-A |
| 2. Metrics and targets | E5-3: Targets related to resource use or circular economy | a. Targets related to resource use or circular economy. E5-3 MDR-T |
| | E5-4: Resource inflows | i. Resource inflows. E5-4 MDR-M |
| | E5-5: Resource outflows | ii. Resource outflows. E5-5 MDR-M |
| Environmental information - S1, S2, S3 | | Section where they are disclosed |
| S1 - Own workforce | | |
| 1. Strategy | ESRS 2 SBM-2: Interests and views of stakeholders | a. Interests and views of stakeholders. ESRS 2 SBM-2. |
| | ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model | b. Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3. |
| 2. Impact, risk and opportunity management | S1-1: Policies related to own workforce | a. Policies related to own workforce. S1-1 MDR-P. |
| | S1-2: Processes for engaging with own workers and workers' representatives about impacts | b. Processes for engaging with own workers and workers' representatives about impacts S1-2. |
| | S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns | c. Processes to remediate negative impacts and channels for own workers to raise concerns. S1-3. |
| | S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A |

| | | |
|--|--|--|
| 3. Metrics and targets | S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S1-5 MDR-T. |
| | S1-6: Characteristics of the undertaking's employees | i. Characteristics of the undertaking's employees. S1-6 MDR-M |
| | S1-8: Collective bargaining coverage and social dialogue | ii. Collective bargaining coverage and social dialogue. S1-8 MDR-M |
| | S1-9: Diversity metrics | iii. Diversity metrics. S1-9 MDR-M |
| | S1-10: Adequate wages | iv. Adequate wages. S1-10. |
| | S1-12: Persons with disabilities | v. Persons with disabilities. S1-12 MDR-M |
| | S1-14: Health and safety metrics | vi. Health and safety metrics. S1-14 MDR-M |
| | S1-16: Compensation metrics (pay gap and total compensation) | vii. Compensation metrics (pay gap and total compensation). S1-16 MDR-M |
| | S1-17: Impact, complaints and severe human rights impacts | viii. Impact, complaints and severe human rights impacts. S1-17 MDR-M. |
| S2 - Workers in the value chain | | |
| 1. Strategy | ESRS 2 SBM-2: Interests and views of stakeholders | a. Interests and views of stakeholders. SBM-2. |
| | ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model | b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3. |
| 2. Impact, risk and opportunity management | S2-1: Policies related to value chain workers | a. Policies related to value chain workers. S2-1 MDR-P |
| | S2-2: Processes for engaging with value chain workers about impacts | b. Processes for engaging with value chain workers about impacts. S2-2. |
| | S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns | c. Processes to remediate negative impacts and channels for value chain workers to raise concerns. S2-3. |
| | S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions | d. Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions. S2-4. |
| 3. Metrics and targets | S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S2-5 MDR-T. |
| S3 - Affected communities | | |

| | | |
|---|--|--|
| 1. Strategy | ESRS 2 SBM-2: Interests and views of stakeholders | a. Interests and views of stakeholders. SBM-2. |
| | ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model | b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3. |
| 2. Impact, risk and opportunity management | S3-1: Policies related to affected communities | a. Policies related to affected communities. S3-1 MDR-P |
| | S3-2: Processes for engaging with affected communities about impacts | b. Processes for engaging with affected communities about impacts. S3-2 |
| | S3-3: Processes to remediate negative impacts and channels for affected communities to raise concerns | c. Processes to remediate negative impacts and channels for affected communities to raise concerns. S3-3. |
| | S3-4: Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions | d. Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions. S3-4. |
| 3. Metrics and targets | S3-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S3-5 MDR-T. |
| Environmental information - G1 | | Section where they are disclosed |
| G1 - Business conduct | | |
| 1. Governance | ESRS 2 GOV-1: The role of the administrative, management and supervisory bodies | a. The role of the administrative, management and supervisory bodies. GOV-1. |
| | ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities | b. Description of the processes to identify and assess material impacts, risks and opportunities. IRO-1. |
| 2. Impact, risk and opportunity management | G1-1: Corporate culture and business conduct policies and corporate culture | a. Corporate culture and business conduct policies and corporate culture. G1-1, G1-3. |
| | G1-2: Management of relationships with suppliers | b. Management of relationships with suppliers. G1-2. |
| | G1-3: Prevention and detection of corruption and bribery | c. Prevention and detection of corruption and bribery. G1-1, G1-3. |
| 3. Metrics and targets | G1-4: Confirmed incidents of corruption or bribery | Confirmed incidents of corruption or bribery |
| | G1-6: Payment practices | Payment practices |
| Entity-specific topics | | Section where they are disclosed |
| Guaranteed quality of service | | |
| Guaranteed quality of service | Guaranteed quality of service | 4.2 - Guaranteed quality of service |
| Innovation | | |
| Innovation and technology applied to the business | Innovation and technology applied to the business | 4.3 Innovation and technology applied to the business |

Elsewhere, Appendix 2 provides the list of datapoints derived from other EU legislation, as defined in ESRS 2 Appendix B.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

| Disclosure Requirement and related datapoint | SFDR reference (1) | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material Yes/No | Section where they are disclosed |
|--|--|--|---|---|-----------------|---|
| ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d) | Indicator number 13 of Table #1 of Annex 1 | | Commission Delegated Regulation (EU) 2020/1816 (4), Annex I | | Yes | 1.1.3 Governance a) The role of the administrative, management and supervisory bodies. GOV-1 |
| ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e) | | | Delegated Regulation (EU) 2020/1816 (4), Annex II | | Yes | 1.1.3 Governance a) The role of the administrative, management and supervisory bodies. GOV-1 |
| ESRS 2 GOV-4 Statement on due diligence paragraph 30 | Indicator number 10 Table #3 of Annex 1 | | | | Yes | 1.1.3 Governance d) Statement on due diligence. GOV-4 |
| ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicator number 4 of Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013 (2); Commission Implementing Regulation (EU) 2022/2453 (5) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816 (4), Annex II | | Yes | Redeia is not involved in activities related to fossil fuel activities. |
| ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816 (4), Annex II | | Yes | Redeia is not involved in activities related to chemical production. |
| ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1818 (6), Article 12 (1) Delegated Regulation (EU) 2020/1816 (4), Annex II | | Yes | Redeia is not involved in activities related to controversial weapons. |
| ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | | | Delegated Regulation (EU) 2020/1818 (6), Article 12 (1) Delegated Regulation (EU) 2020/1816 (4), Annex II | | Yes | Redeia is not involved in activities related to cultivation and production of tobacco. |
| ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119 (3), Article 2(1) | Yes | 2.2.2 Strategy. a. Transition plan for climate change mitigation. E1-1 |

| | | | | | | |
|--|--|--|---|---|-----|--|
| ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013 (2); Commission Implementing Regulation (EU) 2022/2453 (5); Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818 (6), Article 12.1 (d) to (g), and Article 12 (2) | | Yes | 2.2.2 Strategy. a. Transition plan for climate change mitigation. E1-1 |
| ESRS E1-4 GHG emission reduction targets paragraph 34 | Indicator number 4 Table #2 of Annex 1 | Article 449a Regulation (EU) No 575/2013 (2); Commission Implementing Regulation (EU) 2022/2453 (5) Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818 (6), Article 6 | | Yes | 2.2.4 Metrics and targets. a. Targets related to climate change mitigation and adaptation. E1-4 MDR-T |
| ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1 | | | | Yes | 2.2.4 Metrics and targets. b. Metrics related to climate change mitigation and adaptation. MDR-M. i. Energy consumption and mix. E1-5. |
| ESRS E1-5 Energy consumption and mix paragraph 37 | Indicator number 5 of Table #1 of Annex 1 | | | | Yes | 2.2.4 Metrics and targets. b. Metrics related to climate change mitigation and adaptation. MDR-M. i. Energy consumption and mix. E1-5. |
| ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 of Table #1 of Annex 1 | | | | Yes | 2.2.4 Metrics and targets. b. Metrics related to climate change mitigation and adaptation. MDR-M. i. Energy consumption and mix. E1-5. |
| ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44 | Indicators number 1 and 2 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013 (2); Commission Implementing Regulation (EU) 2022/2453 (5) Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818 (6), Article 5(1), 6 and 8(1) | | Yes | 2.2.4 Metrics and targets. b. Metrics related to climate change mitigation and adaptation. MDR-M. iii. GHG removals and GHG mitigation projects financed through carbon credits. E1-6. |
| ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55 | Indicator number 3 of Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013 (2); Commission Implementing Regulation (EU) 2022/2453 (5) Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818 (6), Article 8(1) | | Yes | 2.2.4 Metrics and targets. b. Metrics related to climate change mitigation and adaptation. MDR-M. ii. Gross Scopes 1, 2, 3 and Total GHG emissions. E1-6. |
| ESRS E1-7 GHG removals and carbon credits paragraph 56 | | | | Regulation (EU) 2021/1119 (3), Article 2(1) | Yes | 2.2.4 Metrics and targets. b. Metrics related to climate change mitigation and adaptation. MDR-M. iii. GHG removals and GHG mitigation projects financed through carbon credits. E1-6. |
| ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | | | Delegated Regulation (EU) 2020/1818 (6), Annex II Delegated Regulation (EU) 2020/1816 (4), | | | Pending |

| | | | | | | |
|--|--|--|---|--|-----|--------------|
| ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c). | | Article 449a Regulation (EU) No 575/2013 (2); Commission Implementing Regulation (EU) 2022/2453 (5) paragraphs 46 and 47; Template 5. Banking book - Climate change physical risk: Exposures subject to physical risk. | | | Yes | Pending |
| ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c). | | Article 449a Regulation (EU) No 575/2013 (2); Commission Implementing Regulation (EU) 2022/2453 (5), paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral | | | Yes | Pending |
| ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69 | | | Delegated Regulation (EU) 2020/1818 (6), Annex II | | Yes | Pending |
| ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1 | | | | No | Not material |
| ESRS E3-1 Water and marine resources paragraph 9 | Indicator number 7 Table #2 of Annex 1 | | | | No | Not material |
| ESRS E3-1 Dedicated policy paragraph 13 | Indicator number 8 Table #2 of Annex 1 | | | | No | Not material |
| ESRS E3-1 Sustainable oceans and seas paragraph 14 | Indicator number 12 Table #2 of Annex 1 | | | | No | Not material |
| ESRS E3-4 Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 Table #2 of Annex 1 | | | | No | Not material |
| ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29 | Indicator number 6.1 Table #2 of Annex 1 | | | | No | Not material |
| ESRS 2- IRO 1 - E4 paragraph 16 (a) i | Indicator number 7 Table #1 of Annex 1 | | | | | |

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

(2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

(3) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

(4) Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

(5) Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p.1.).

(6) Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Redeia has implemented policies that address several material matters, tackling more than one topic or sub-topic, so that they are cross-referenced throughout this Sustainability Statement.

Note, additionally, the scope of these policies includes Redeia's own operations as well as its value chain.

11.1.2.3 Policies

| Policy | Description of the key contents of the policy p.65 a | Scope and exclusions p.65 b | The most senior level in the undertaking's organisation that is accountable for its implementation | Commitment to third-party standards or initiatives p.65 d | Consideration given to the interests of key stakeholders in setting the policy p.65 e | How the policy is made available to stakeholders p.65 f |
|-----------------------|--|---|--|---|--|---|
| Sustainability Policy | This policy sets out Redeia's sustainability-related principles, guiding all activities towards a responsible management model, focused on excellence and value creation for stakeholders and maximising Redeia's contribution to the Sustainable Development Goals. | All of the companies majority-owned by Redeia. At investees over which Redeia does not have effective control, principles aligned with those enshrined in this policy are encouraged. | Board of Directors and Corporate Sustainability and Studies Department | Sustainable Development Goals | Redeia considers the interests of its stakeholders in setting the contents of its corporate policies | Redeia corporate website |
| Environmental Policy | This policy sets out Redeia's environmental policies, designed to ensure delivery of its commitment to conserving and enhancing the environment across all its activities, facilities or services throughout their life cycle, including distribution and logistics, in response to stakeholder needs and expectations | All of the companies majority-owned by Redeia. At investees over which Redeia does not have effective control, principles aligned with those enshrined in this policy are encouraged. Redeia also strives to have similar principles applied by its business partners, including joint arrangements of any kind. Redeia likewise fosters the application of the principles enshrined in this policy at the contractors, suppliers and other actors that collaborate with Redeia or act on its behalf. | Board of Directors and Corporate Sustainability and Studies Department | This policy does not cross reference third-party standards or initiatives | Redeia considers the interests of its stakeholders in setting the contents of its corporate policies | Redeia corporate website |
| Personnel Policy | This policy sets out the principles that govern the management of the people comprising Redeia through leadership, efficiency, innovation, cultural transformation and personal and professional fulfilment, focusing on the employee experience. | All of the companies majority-owned by Redeia. At investees over which Redeia does not have effective control, principles aligned with those enshrined in this policy are encouraged. | Board of Directors and Corporate People and Culture Department | This policy does not cross reference third-party standards or initiatives | Redeia considers the interests of its stakeholders in setting the contents of its corporate policies | Redeia corporate website |

| | | | | | | |
|----------------------------|---|---|---|--|--|--------------------------|
| Supply Chain Policy | This policy sets out the principles governing the supply chain in order to ensure that the goods and services Redeia needs are provided efficiently and to the required quality standards and are aligned with its commitment to contribute to sustainable economic and social development. | All of the companies majority-owned by Redeia. At investees over which Redeia does not have effective control, principles aligned with those enshrined in this policy are encouraged. | Board of Directors and Corporate Procurement Department | This policy does not cross reference third-party standards or initiatives | Redeia considers the interests of its stakeholders in setting the contents of its corporate policies | Redeia corporate website |
| Compliance Policy | This policy sets out the principles governing Redeia's commitment to the prevention and detection of, and response to, any unlawful conduct or any action in breach of the commitments it has assumed voluntarily. | All of the companies majority-owned by Redeia. At investees over which Redeia does not have effective control, principles aligned with those enshrined in this policy are encouraged. | Board of Directors and Internal Audit and Risk Control Department | This policy does not cross reference third-party standards or initiatives | Redeia considers the interests of its stakeholders in setting the contents of its corporate policies | Redeia corporate website |
| Code of Ethics and Conduct | The code applies to all of the people comprising Redeia and stipulates and facilitates commitment to the ethical values, principles and standards of conduct that must inform their professional activity within the organisation. | All of the companies majority-owned by Redeia. The governing bodies of companies of which Redeia is not a majority shareholder, or over which it does not exert control, are encouraged to likewise endorse the code. | Board of Directors and Internal Audit and Risk Control Department | The Sustainable Development Goals, Ten Principles of the Global Compact and Universal Declaration of Human Rights and its implementing conventions and the recommendations emanating from the Organisation for Economic Co-operation and Development (OECD), the International Labour Organization (ILO) and Transparency International, | Redeia considers the interests of its stakeholders in setting the contents of its corporate policies | Redeia corporate website |

11.1.2.4 Material impacts, risks and opportunities. SBM-3

Redeia provides its response to this disclosure requirement for each applicable topic in the corresponding chapters of this Sustainability Statement.

Material impacts

| | Standard | ESRS sub-topic | ESRS sub-sub-topic | Impact | Description | Position of the impact in the value chain | Positive Negative | Actual Potential | Time horizon (*) |
|---|----------|---------------------------|--------------------|--|--|---|---------------------|--------------------|------------------|
| 1 | E1 | Climate change mitigation | | Emissions savings in the electricity system. | Facilitation of the integration of renewable energy implies a reduction in emissions across the electricity system as a whole. | Cross-cutting | P | Actual | S, M, L |
| 2 | E1 | Energy | | Integration of renewable energy into own operations in the electricity system. | Redeia participates actively in the energy transition towards an emissions-free model by committing strategically to the electrification of the economy and efficient integration of renewable energy sources. | Own operations | P | Actual | S, M, L |

| | | | | | | | | | |
|---|----|---------------------------|--|--|---|--|---|--------|---------|
| 3 | E1 | Climate change adaptation | | Adapting the electricity system infrastructure for climate change. | <p>Redeia's own operations (construction of new infrastructure and meshing of the transmission grid) make a significant contribution to making the electricity system (and society as a whole, by extension) more resilient vis-a-vis adverse climate phenomena and changes in electricity generation/demand derived from climate change.</p> <p>In addition, Redeia identifies and assesses the risks associated with climate change considering short, medium and long-term horizons, defining the adaptation measures needed for each horizon. Adaptation of the infrastructure of Red Eléctrica (specifically) not only favours the adaptation of its own operations, but it also helps make the overall electricity system more resilient.</p> | Cross-cutting | P | Actual | S, M, L |
| 4 | E1 | Climate change adaptation | | Adapting electricity system operations for climate change. | <p>Redeia has developed system operation tools, adapting them for the most stringent monitoring and control requirements, and has designed a number of renewable generation prediction models and mechanisms for catering to demand more flexibly that contribute to the resilience of the electricity system (and thereby of society as a whole) vis-a-vis adverse climate phenomena and/or changes in climate parameters that could affect electricity generation, transmission or demand.</p> | Cross-cutting | P | Actual | S, M, L |
| 6 | E1 | Energy | | Consumption of energy from non-renewable sources in Redeia's own operations. | Consumption of energy from non-renewable sources in Redeia's own operations. | Own operations | N | Actual | S, M, L |
| 7 | E1 | Climate change mitigation | | Direct GHG emissions (Scope 1). | <p>At Redeia, the main source of GHG emissions are SF₆ gas leaks from its own facilities. The rest of its Scope 1 emissions stem from its fleet of vehicles, the use of air conditioning and heating at its facilities and back-up generators.</p> | Own operations | N | Actual | S, M, L |
| 8 | E1 | Climate change mitigation | | Direct GHG emissions (Scope 2). | Scope 2 emissions are the indirect greenhouse gas emissions associated mainly with energy losses from the transmission grid and the electricity consumed by the organisation. | Direct and indirect suppliers & Own operations | N | Actual | S, M, L |
| 9 | E1 | Climate change mitigation | | Direct GHG emissions (Scope 3). | Scope 3 emissions are those generated by Redeia's value chain. | Direct and indirect suppliers | N | Actual | S, M, L |

| | | | | | | | | | |
|----|-----------------|--|--------------------------------|--|---|-------------------------------|---|--------|---|
| 11 | E4 | Direct impact drivers of biodiversity loss | Land-use change | Land-use change that can trigger change in the vegetation cover and erosive processes | The construction of substations and land lines in Redeia's own operations can imply a land-use change, understood as a change of use that may lead to a change in soil coverage. | Own operations | N | Actual | S |
| 12 | E4 | Direct impact drivers of biodiversity loss | Climate change | GHG emissions - SF ₆ gas | At Redeia, the main source of GHG emissions are SF ₆ gas leaks from its own facilities. The rest of its Scope 1 emissions stem from its fleet of vehicles, the use of air conditioning and heating at its facilities and back-up generators. | Own operations | N | Actual | L |
| 13 | E4 | Direct impact drivers of biodiversity loss | Other | Accidental fires | Fires generated as a result of breaches in safety distances between voltage elements and the surrounding vegetation can start fires. Inadequate construction and maintenance work can also start accidental fires | Own operations | N | Actual | S |
| 14 | E4 | Impacts on the state of species | Species global extinction risk | Bird collisions with ground wires | The presence of ground wires in Redeia's own operations can pose a collision risk for birds. Electrical wires, especially those located in open areas or close to bird habitats, may be perceived as obstacles, causing birds to crash into them during flight. | Own operations | N | Actual | S |
| 15 | E5 | Resources inflows, including resource use | | Scarcity of finite resources due to equipment designs that do not consider the entire life cycle | Designing materials and equipment without considering their life cycle or circularity contributes to the scarcity of resources, an increase in waste and the emission of pollution into the air. | Direct and indirect suppliers | N | Actual | S |
| 16 | E5 | Waste | | Waste generation | Generation of hazardous waste during construction operations or renewal of electrical and fibre optic facilities | Own operations | N | Actual | S |
| 17 | Entity-specific | Guaranteed quality of service | | Guaranteeing the quality of electricity supply and connectivity of all of Redeia's services. | Redeia offers its customers reliable, quality service. This is especially important in critical sectors such as health, education and security, where the interruption of the electricity supply or connectivity can have grave consequences. By keeping its infrastructure in robust and reliable condition, Redeia can help improve the quality of life in its local communications, generating a positive impact on the local economy. | Own operations | P | Actual | S |

| | | | | | | | | | |
|----|-----------------|---|---|--|---|---|---|-----------|---|
| 18 | Entity-specific | Innovation and technology applied to the business | | Innovation, technological development, advances in digitalisation associated with Redeia's business activities that enhance the services provided. | By implementing innovative services and leveraging opportunities for digitalisation, the Group can boost its efficiency, productivity and competitiveness. This in turn allows it to satisfy its customers' evolving needs, stay relevant in a dynamic business environment and make the most of new opportunities for growth. | Own operations | P | Actual | S |
| 19 | G1 | Corruption and bribery | Prevention and detection including training | Compliance with ethics standards and effective prevention of corruption and bribery upstream and downstream. | Compliance with the ethics standards set down in the Annual Awareness and Training Plan. | Direct and indirect suppliers & Customers and end-users | P | Actual | S |
| 20 | G1 | Corporate culture | | Breach of the code of ethics due to its weak embedment in Redeia's own operations. | Code of conduct breaches by Redeia employees as a result of its weak embedment. | Own operations | N | Actual | S |
| 21 | S1 | Working conditions | Work-life balance | Fostering work-life balance for employees. | Redeia helps its employees achieve work-life balance by articulating a raft of measures and facilitating employee communication via the Work-Life Balance Officer, who provides individual responses to personal situations raised in this area, such as the need for shorter or more flexible hours, more flexible work spaces, family support or equal opportunities. | Own operations | P | Actual | S |
| 22 | S1 | Working conditions | Health and safety | Impact on employee health of injuries caused by certain occupational activities. | Certain activities required on the job at Redeia could expose employees to the risk of workplace injuries or cause harm to their mental or physical health. | Own operations | N | Potential | S |
| 23 | S1 | Working conditions | Social dialogue | Encouraging dialogue between management and worker representatives can have a positive impact on employees' working conditions. | 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. | Own operations | P | Actual | S |
| 24 | S1 | Working conditions | Secure employment | Permanent contracts. | By committing strategically to permanent contracts, workers are hired indefinitely, generating income stability while also reinforcing job security. | Own operations | P | Actual | S |

| | | | | | | | | | |
|----|----|---|---|---|--|----------------|---|--------|---|
| 24 | S1 | Working conditions | Freedom of association, the existence of works councils and the information, consultation and participation rights of workers | Guaranteeing employees' freedom of association and right to union membership to help analyse, promote and defend workers' shared interests. | Redeia encourages union membership and repudiates coercion to not unionise or any retaliation in this regard. Freedom of association is understood in the broadest sense, from both the individual and collective perspectives, so as to guarantee the ability to perform the activities needed to form a union and acknowledging that its purpose is to defend shared interests. | Own operations | P | Actual | S |
| 26 | S1 | Working conditions | Adequate wages | Definition of adequate wages. | Adequate wages lead to employee motivation and job satisfaction. When employees feel valued and adequately compensated for their work, their commitment and productivity improve. This in turn has a positive impact on the quality of their work and on the organisation's overall efficiency. | Own operations | P | Actual | S |
| 27 | S1 | Working conditions | Adequate wages | Recognition of the contribution made by employees through remuneration processes and a total compensation model. | Redeia's compensation model recognises its employees' contributions by articulating remuneration policies that reward top performances while ensuring internal fairness. | Own operations | P | Actual | S |
| 28 | S1 | Working conditions | Health and safety | Favouring employee wellbeing by means of the healthy organisation management system and the prevention of occupational injuries or illnesses. | Redeia's health organisation management system looks beyond the prevention of occupational injuries and illnesses by addressing personal and family lifestyles, seeking to implement a culture conducive to being a healthy organisation, thereby improving Redeia's local communities in the process. Note that the healthy organisation management system covers 100% of Redeia's headcount. | Own operations | P | Actual | S |
| 29 | S1 | Working conditions | Working time | Improving the quality of life of Redeia employees by providing them with flexibility around their working times. | Redeia provides its employees with sufficient free time, so generating a positive impact on their health and wellbeing. Free time is crucial to allow employees to rest, recover and strike a work-life balance. With enough time to rest and disconnect from work, employees can avoid experiencing high levels of stress, exhaustion or loss of motivation. | Own operations | P | Actual | S |
| 30 | S1 | Equal treatment and opportunities for all | Diversity | A diverse and inclusive workplace that fosters employee wellbeing and generates fair opportunities. | Redeia has a comprehensive diversity Plan for the coming years (2023- 2025), articulated around three lines of initiative: gender equality and equal opportunities; age management; and the inclusion of people with disabilities. | Own operations | P | Actual | S |

| | | | | | | | | | |
|----|----|---|---|--|--|-------------------------------|---|-----------|---|
| 31 | S1 | Equal treatment and opportunities for all | Gender equality and equal pay for work of equal value | Fair monetary compensation and elimination of gender inequalities. | Redeia offers the same opportunities for development and promotion to all, without considering gender as a determining factor, rather focusing on performance and length of service, an approach that tends to balance out its employees' compensation over time. | Own operations | P | Actual | S |
| 32 | S1 | Working conditions | Health and safety | Fatalities caused by certain occupational activities. | Certain activities required on the job at Redeia could expose employees to the risk of fatal workplace injuries. | Own operations | N | Potential | S |
| 33 | S1 | Working conditions | Collective bargaining, including rate of workers covered by collective agreements | Improving working conditions through collective bargaining | 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. | Own operations | P | Actual | S |
| 34 | S1 | Equal treatment and opportunities for all | Diversity | Lack of equal opportunities due to the gender gap at Redeia. | For Redeia a gender gap may indicate that women are being given fewer opportunities for employment, promotion or career development by comparison with others, harming the firm's image and reputation as a result. | Own operations | N | Actual | S |
| 35 | S2 | Working conditions | Health and safety | Redeia customer employee injuries. | Accidental injuries. | Customers and end-users | N | Actual | M |
| 36 | S2 | Working conditions | Health and safety | Injuries or unhealthy working conditions for workers at Redeia suppliers due to the absence of adequate protective gear. | Value chain workers are at risk of sustaining injuries or unhealthy working conditions when they do not receive appropriate personal protective equipment and/or work in dangerous environments (e.g., removal of hazardous waste) without implementing protection measures. | Direct and indirect suppliers | N | Actual | M |
| 37 | S2 | Other work-related rights | Forced labour | Zero tolerance of forced labour in Redeia's supply chain. | Commitment to respect for human rights and training focused on human rights management in collaboration with the Spanish chapter of the Global Compact. In 2024, Redeia did not receive any claims related with human rights abuses in its supply chain; not was any contract or order cancelled on these grounds. | Direct and indirect suppliers | P | Actual | S |

| | | | | | | | | | |
|----|----|---|----------------------|--|--|-------------------------------|---|--------|---|
| 38 | S2 | Other work-related rights | Child labour | Zero tolerance of child labour in Redeia's supply chain. | Commitment to respect for human rights and training focused on human rights management in collaboration with the Spanish chapter of the Global Compact. In 2024, Redeia did not receive any claims related with human rights abuses in its supply chain; nor was any contract or order cancelled on these grounds. | Direct and indirect suppliers | P | Actual | S |
| 39 | S2 | Working conditions | Secure employment | Guaranteeing that Redeia supply chain employee hires are fair and uphold labour standards. | The idea behind getting suppliers to endorse the Code of Conduct for Suppliers at the start of the supplier screening, certification and scoring process is to ensure the selection of suppliers that are suitable for forming part of Redeia's database. This code, which is part of the contractual documentation as per the general contracting conditions, stipulates the ethics and conduct standards that Redeia's suppliers must uphold. By establishing this requirement at the start of the supplier registration process, we foster a culture of responsibility and ethics across Redeia's supply chain. This in turn helps build solid and trustworthy supplier relations underpinned through a commitment to comply with the standards set and conduct themselves ethically in all of their operations. | Direct and indirect suppliers | P | Actual | S |
| 40 | S2 | Working conditions | Health and safety | Establishing controls to ensure due protection of the health and safety of all supply chain workers. | The Code of Conduct for Suppliers, which hails from Redeia's Code of Ethics and Conduct, establishes minimum requirements around ethical, social and environmental matters which all suppliers must accept and comply with in order to work with Redeia and which suppliers must extend to their own supply chains. Redeia conducts social audits for two reasons. Firstly, to verify due compliance with the code by suppliers and secondly to transmit the organisation's sustainability principles. | Direct and indirect suppliers | P | Actual | S |
| 41 | S3 | Communities' economic, social and cultural rights | Land-related impacts | Easement or expropriation of land for the location of sites. | Use of part of the land or expropriation of land where necessary to locate a support tower or substation. | Own operations | N | Actual | S |

Material risks

| | Standard | ESRS sub-topic | ESRS sub-sub-topic | Risk Opportunity | Description of the cause of the risk/opportunity | Position of the impact in the value chain | Time horizon (*) |
|----|----------|-------------------------------|--------------------|-------------------|---|---|------------------|
| 1 | E1 | Climate change adaptation | | Risk | Damage caused to overhead power lines by extreme winds. | Own operations & Customers and end-users | S, M, L |
| 2 | E1 | Climate change mitigation | | Risk | Additional restrictions on renewable energy production and impacts that could affect supply security in the Canary Islands, due to the significant rise in the share of renewable energies in the energy mix forecast for future years. | Own operations & Customers and end-users | S, M, L |
| 3 | E1 | Climate change mitigation | | Risk | Threats to cybersecurity in an increasingly digitalised system. | Cross-cutting | S, M, L |
| 4 | E1 | Climate change adaptation | | Risk | Fire damage to power lines and substations | Own operations | S, M, L |
| 5 | E1 | Climate change adaptation | | Risk | Decline in water availability for hydroelectric generation. | Own operations & Customers and end-users | M, L |
| 6 | E1 | Climate change adaptation | | Risk | Increased absenteeism associated with climate change | Cross-cutting | L |
| 8 | E1 | Climate change adaptation | | Risk | Damage to outdoor transmission grid infrastructure caused by high temperatures. | Own operations | L |
| 9 | E1 | Climate change adaptation | | Risk | Lower efficiency of PV generation due to rising temperatures. | Own operations & Customers and end-users | M, L |
| 10 | E1 | Climate change mitigation | | Risk | Loss of firm generation capacity due to the closure of conventional power plants (coal, combined cycle, nuclear). | Own operations & Customers and end-users | S, M |
| 11 | E1 | Climate change mitigation | | Risk | Insufficient information for the real-time operation of the system due to an increase in renewable generation facilities with outputs below 1 MW (current observation threshold set by the System Operator). | Own operations & Customers and end-users | M, L |
| 12 | E1 | Climate change mitigation | | Risk | Power disconnections due to a prevalence of renewable energy facilities within the power mix without the technical capabilities needed to cope with disturbances. | Own operations & Customers and end-users | S, M |
| 14 | G1 | Protection of whistle-blowers | | Risk | Imposition of fines or lawsuits caused by the leakage of personal information of whistle-blowers. | Cross-cutting | S |
| 15 | G1 | Protection of whistle-blowers | | Risk | Leakage of whistle-blowers' personal information. | Cross-cutting | S |
| 15 | S1 | Working conditions | Health and safety | Risk | Increase in operating expenses due to an increase in economic contingencies and in the related insurance premiums, potentially affecting Redeia's profitability. Moreover, a significant volume of claims could indicate underlying problems in occupational safety management, which could lead to additional costs related to mitigation and safety, as well as reputational damage for Redeia. | Own operations | S |

| | | | | | | | |
|----|----|--|-------------------|------|---|--|---------|
| 16 | S1 | Working conditions | Health and safety | Risk | Vulnerability to significant financial losses as a result of inadequate insurance coverage in the event of damages such as workplace accidents. | Own operations | S |
| 17 | E4 | Direct impact drivers of biodiversity loss | Climate change | Risk | Tightening of bird protection policies in Spain and internationally, leading to increased fines and lawsuits | Own operations | L |
| 18 | E4 | Direct impact drivers of biodiversity loss | Climate change | Risk | Damage to overhead power lines from extreme winds | Own operations & Customers and end-users | S, M, L |
| 19 | E4 | Direct impact drivers of biodiversity loss | Climate change | Risk | Fire damage to power lines and substations (external events) | Own operations & Customers and end-users | S, M, L |
| 20 | E4 | Direct impact drivers of biodiversity loss | Other | Risk | Reputational damage as a result of failing to meet society's expectations regarding biodiversity protection (and sensitivity around fires). | Own operations | S, M, L |

Material opportunities

| | Standard | ESRS sub-topic | ESRS sub-sub-topic | Risk/Opportunity | Description of the cause of the risk/opportunity | Position of the impact in the value chain | Time horizon (*) |
|---|-----------------|--|--------------------|------------------|--|--|------------------|
| 1 | E1 | Climate change mitigation | | Opportunity | Development of storage in non-mainland systems. | Own operations & Customers and end-users | S, M |
| 2 | E1 | Climate change mitigation | | Opportunity | Scope for reputation gains as a result of performance around climate change. | Own operations | S, M |
| 3 | E1 | Climate change mitigation | | Opportunity | Grid development: integration of new renewable energy capacity, interconnections, high-speed trains and support for increased electrification of society (investment in lines, substations, interconnections, protection systems and other grid infrastructure control and monitoring equipment). | Own operations & Customers and end-users | S, M, L |
| 4 | Entity-specific | Innovation and technology applied to the business | | Opportunity | Adaptation to and/or anticipation of market demands by implementing technological advances | Own operations | S |
| 5 | G1 | Management of relationships with suppliers including payment practices | | Opportunity | Improved reputational positioning thanks to the development of action plans together with suppliers for the implementation of best practices at Redeia. | Direct and indirect suppliers & Own operations | S |
| 6 | S1 | Working conditions | Social dialogue | Opportunity | Reinforced transparency and corporate responsibility at Redeia, fostering solid and lasting relationships with stakeholders by implementing structured and recurring listening tools. This could also pave the way for better integration of their expectations and needs in Redeia's operations and strategies. | Own operations | S |

| | | | | | | | |
|----|----|---|---|-------------|--|----------------|---|
| 7 | S1 | Working conditions | Adequate wages | Opportunity | Satisfaction of employee expectations thanks to constant review and updating of Redeia's total compensation model to ensure it remains competitive. | Own operations | S |
| 8 | S1 | Working conditions | Work-life balance | Opportunity | Increased employee satisfaction as a result of bolstered listening tools and employee engagement in developing the work-life balance. | Own operations | S |
| 9 | S1 | Working conditions | Freedom of association, the existence of works councils and the information, consultation and participation rights of workers | Opportunity | Better communication and collaboration between the organisation and its employees thanks to the existence of active and effective works councils leading to more inclusive and effective decision-making and more efficient implementation of labour policies that respond to employees' real needs. | Own operations | S |
| 10 | S1 | Equal treatment and opportunities for all | Training and skills development | Opportunity | Increased investment in development and training, in addition to a stronger workforce thanks to talent retention. | Own operations | S |
| 11 | S1 | Equal treatment and opportunities for all | Employment and inclusion of persons with disabilities | Opportunity | Increasing workforce diversity by integrating more people with disabilities under the scope of Redeia's Disability Plan. | Own operations | S |
| 12 | S1 | Equal treatment and opportunities for all | Gender equality and equal pay for work of equal value | Opportunity | Strengthening Redeia's position as a leader and benchmark in gender equality. | Own operations | M |

11.2 ENVIRONMENTAL INFORMATION

11.2.1 INFORMATION RELATED TO THE EUROPEAN UNION TAXONOMY

The aim of the Taxonomy Regulation (Regulation (EU) 2020/852) is to inform investors as to whether an economic activity is environmentally sustainable by establishing common criteria across the entire European Union and thereby help channel capital into activities that make a substantial contribution to achieving the objectives set out in the European Green Deal.

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

- Climate change mitigation;
- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control;
- Protection and restoration of biodiversity and ecosystems.

An economic activity is considered environmentally sustainable, i.e. 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 guidelines on multinational enterprises, the United Nations guiding principles on business and human rights and the core conventions of the International Labour Organization.

The Taxonomy Regulation is complemented and implemented by the following Delegated Acts:

- Commission Delegated Regulation (EU) 2021/2139 establishing the technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives.
- Commission Delegated Regulation (EU) 2021/2178 specifying the content and presentation of the information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU.
- Commission Delegated Regulation (EU) 2022/1214, to include, under strict conditions, specific nuclear and gas activities in the list of economic activities covered by the taxonomy.
- Commission Delegated Regulation (EU) 2023/2486 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 last 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 EU Taxonomy.
- Additionally, since 2021, the European Commission has published several FAQs that provide technical clarifications regarding application of the EU Taxonomy. For this section, the FAQs published in February 2022, December 2022, June 2023 and November 2024 have been considered.

11.2.1.1 Analysis of the eligibility and alignment of Redeia's activities

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

- 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.
- Taxonomy-aligned economic activity: an economic activity that contributes substantially to one of the six EU environmental objectives (meets the technical screening criteria established in the Delegated Regulations 2021/2139 and 2023/2486), does not cause significant harm to any of the other five, and is carried out in compliance with minimum social safeguards.

In 2024, Redeia analysed the degree of eligibility and alignment of its activities with the EU's six environmental objectives following these steps:

- Classification and grouping of the economic activities of Redeia companies.
- Eligibility analysis of the activities identified by checking the activities included in the various Delegated Acts already published.
- Assessment of compliance with the technical screening criteria set out in Commission Delegated Regulation (EU) 2021/2139 for its contribution to the environmental objectives of climate change mitigation and adaptation.
- Assessment of compliance with Commission Delegated Regulation (EU) 2023/2486 regarding its potential contribution 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.
- Do no significant harm (DNSH) analysis. Activities must not cause significant harm to the other EU environmental objectives defined in Regulation (EU) 2020/852.

- Verification of compliance with the minimum social safeguards.

The analysis performed yielded the following classification of Taxonomy-eligibility and -alignment of activities at Redeia.

| Redeia companies | Redeia activities | Activity description – Commission Delegated Regulations 2021/2139 and 2023/2486 | Eligible activities | Aligned activities |
|--|---|---|---|---|
| Red Eléctrica de España, S.A.U. | Activity 1. Management and operation of national electricity infrastructure. | Activity: 4.9 Transmission and distribution of electricity. Activity included in Delegated Regulation 2021/2139. Description: "Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system." | YES 100% eligible for CCM and CCA objectives. | YES 100% aligned with CCM and CCA objectives. |
| 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. | Activity: 4.9 Transmission and distribution of electricity. Activity included in Delegated Regulation 2021/2139. "Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system." | YES 100% eligible for CCM and CCA objectives. | NO |
| Red Eléctrica Infraestructuras de Telecomunicación, S.A.U. (REINTEL) | Activity 4. Telecommunications – Fibre Optics. | Activity not covered by Delegated Regulation 2021/2139 or Delegated Regulation 2023/2486. | NO | NO |
| Other Redeia companies | Activity 5. Other businesses, Corp. and adjustments | Activity not covered by Delegated Regulation 2021/2139 or Delegated Regulation 2023/2486. | NO | NO |

— Climate change mitigation: CCM
— Climate change adaptation: CCA

Redeia's core business - Management and operation of national and international electricity infrastructure - is eligible for the climate change mitigation and adaptation objectives. However, the international electricity transmission activity does not meet the technical screening criteria for determining the conditions under which a specific economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation set out in Delegated Regulation 2021/2139.

Aligned with the description of Activity 1.1. Conservation, including restoration, of habitats, ecosystems and species, established in Delegated Regulation (EU) 2023/2486 regarding the contribution to the rest of the EU's non-climate objectives, all of Redeia's environmental improvement efforts, recovery and conservation projects carried out in collaboration with the government, non-governmental organisations and other bodies, as well as specific measures in relation to projects for new electric facilities aimed at improving terrestrial and marine habitats, ecosystems and flora and fauna species could be considered Taxonomy-eligible activities (but not Taxonomy-aligned as they do not meet the criteria defined in this Regulation).

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

The activity carried out by Red Eléctrica de España S.A.U. - Management and operation of national electricity infrastructure - does meet the technical screening criteria set out in Delegated Regulation (EU) 2021/2139 for determining substantial contribution to climate change mitigation and adaptation objectives; it also meets the DNSH principle and minimum required social safeguards and is therefore Taxonomy-aligned for both objectives.

As indicated in Delegated Regulation (EU) 2023/2486 regarding contributions to the rest of the EU's non-climate objectives, where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings must indicate, in bold, in their reporting templates the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. That was the premise followed this year, so that the contribution by Red Eléctrica de España S.A.U. - Management and operation of national electricity infrastructure was assigned 100% to the climate change mitigation objective.

11.2.1.2 Activity: 4.9 Transmission and distribution of electricity. Substantial contribution of the Management and operation of national electricity infrastructure business to the climate change mitigation objective

The electricity transmission activity, at the national level, meets criteria 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 all of the new electricity capacity connected to the transmission grid since 2017 has been renewable.

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

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 CO_{2e}/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period;
- (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.

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 is working on the development of energy storage instruments based on both hydropower generation systems and other technologies (RDI). To this end, it carries out prospective evaluations of 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.

11.2.1.3 Do No Significant Harm (DNSH) to the climate change mitigation objective

- Climate change adaptation.

Annually, Red Eléctrica identifies its risks and opportunities derived from climate change.

Climate-related risk management is embedded into the Company's risk management system whose governance model therefore applies to these risks.

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

- Transition to a circular economy.

Redeia is working together with the actors in its value chain to have the equipment and materials used in all its activities produced from reused or recycled materials so 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.

It has set the target of reducing, reusing, recycling or recovering for energy of all the waste it generates by 2030. To this end, an action plan is in place for recovering 100% of the waste generated.

- Pollution prevention and control.

The principles set out in the Corporate Finance Institute's Environmental, Health, and Safety Guidelines for Electrical Power Transmission and Distribution are followed in all construction activities for electricity transmission network facilities.

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 their early years of operation and facilitate the definition of new measures if necessary. The environmental monitoring of construction sites entails supervision of the work done by contractors to meet environmental requirements.

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.

Its 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 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).

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 µT 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 µT, respectively, and are normally less than 0.2 kV/m and 0.3 µT 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 µT 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 µT and are generally lower than 0.1 kV/m and 0.2 µT from 100 metres away.

- Protection and restoration of biodiversity and ecosystems.

All Red Eléctrica 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 undergo the environmental impact assessment procedure.

Most of Red Eléctrica'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.

11.2.1.4 Activity: 4.9 Transmission and distribution of electricity. Substantial contribution of the Management and operation of national electricity infrastructure business to the climate change adaptation objective

Taxonomy activity 4.9 - Transmission and distribution of electricity is covered in Annex II of Commission Delegated Regulation (EU) 2021/2139 as an activity that contributes substantially to the climate change adaptation objective so long as the technical screening criteria stipulated in that same Regulation are met.

The Management and operation of national power transmission infrastructure carried on by Red Eléctrica de España S.A.U. is, on aggregate, a key component of the process of adapting the energy system for the risks derived from climate change and meets the screening criteria defined in point 4.9 of Annex II of Delegated Regulation 2021/2139.

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 2024, Red Eléctrica once again undertook the exercise of identifying its risks and opportunities associated with climate change, assessing, prioritising and identifying improvements for implementation in 2025.

The exercise of identifying physical climate risks was 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 were assessed considering the criteria of exposure, sensitivity and capacity to adapt. Different physical scenarios were 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 national meteorology agency, AEMET, for the most important scenarios of the fifth IPCC report (AR5) were considered.

The assessment process for 2024 indicated the following key physical risks:

| Physical risks | H 2026 | H 2030 | 2050 | |
|--|--------|--------|----------|----------|
| | | | SSP2-4.5 | SSP5-8.5 |
| Damage to outdoor transmission grid infrastructure | N/A | N/A | M-H | M-H |
| Damage to overhead power lines from extreme winds | M-H | M-H | M-H | M-H |
| Damage to telecommunications infrastructure due to extreme weather events | L | M-L | M-L | M-L |
| Corrosion of metal structures, insulator degradation and more stringent electrical insulation demands as a result of desertification | M-L | M-L | M-L | M-L |
| Fire damage to power lines and substations | M-H | M-H | M-H | M-H |
| Impaired capacity of transmission lines due to rising temperatures | L | L | M-L | M-L |
| Lower efficiency of PV generation due to rising temperatures | N/A | L | M-L | M-H |
| Reduction in water availability for hydroelectric generation | N/A | M-L | M-H | H |
| Reduction in water availability for thermal and nuclear power generation | N/A | M-L | M-L | M-L |
| Increased absenteeism associated with climate change | L | L | L | M-H |
| Increase in accidents associated with changes in working conditions shaped by changes in climate variables where work is carried out | L | L | L | M-L |
| Increased use of air conditioning at facilities | L | L | L | M-L |

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, 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 embedded into the Company's risk management system whose governance model therefore applies to these risks.

Red Eléctrica de España's position at the heart of the electricity system as Spain's TSO makes it a key agent for ensuring the success of the country's energy transition policies, specifically making sure that the changes in the production-demand scheme unfold without jeopardising the security and continuity of supply.

Spain's Plan for the Development of the Electricity Transmission Network, 2021-2026 aims to make the electricity transmission grid a key vector of the energy transition, enabling the electrification, renewables penetration and decarbonisation targets set out in the updated 2023-2030 Integrated National Energy and Climate Plan (NECP).

In this context, the "Management and operation of national electricity infrastructure" activity contributes substantially to the climate change adaptation objective by forging a robust and flexible system capable of guaranteeing continuity of supply in the face of the effects of climate change.

Changes in climate variables may lead to modifications in energy generation patterns (reduced performance at thermal and PV solar power plants, reduced availability of water for generation and refrigeration, changes in wind patterns, etc.), in transmission grid capacity and in demand. The Company identifies, assesses and monitors the potential risks derived from climate change on the electricity system as a whole and contributes to their minimisation, principally by developing an increasingly interconnected system and layering in tools that render it more flexible.

Certain specific initiatives in this regard are itemised next:

- Developing and adapting the transmission grid for unfolding generation, demand and transmission capacity patterns.
- Integrating different sources of energy for meeting demand in the event that one specific source is affected and providing system adjustment services, among other measures.
- Developing storage systems as a possible alternative for meeting demand.
- Developing renewable energy generation prediction models.
- Designing dynamic grid monitoring and operation systems to capture the data needed to calculate the lines' transmission capacity in real time as a function of weather conditions, rendering it more flexible.

Development and operation of the electricity system is key to adapting the overall electricity system for climate change and, given the importance of electricity supply, contributes significantly to the Spanish economy's and society's climate change adaptation process.

11.2.1.5 Do No Significant Harm (DNSH) to the climate change adaptation objective

The disclosures regarding compliance with the DNSH principle are provided in the equivalent assessment with respect to the climate change mitigation objective. The only additional parameter flagged in Delegated Regulation (EU) 2021/2139 with respect to the contribution to the climate change adaptation objective is the following:

"The infrastructure is not dedicated to creating a direct connection, or expanding an existing direct connection to a power production plant where the direct greenhouse gas emissions exceed 270 g CO₂e/kWh."

This criterion is met by the Management and operation of national electricity infrastructure activity as all of the new electricity capacity connected to the transmission grid since 2017 has been renewable.

11.2.1.6 Compliance with the 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.

It pays special attention to vulnerable groups, and as such instils this in the corporate culture through its 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 commitment is likewise required of suppliers through the Code of Conduct for Suppliers. In formulating these principles and codes, the human rights internationally recognised in national and international laws and benchmark standards 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 integrity and human rights due diligence tools, both for its own operations 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 this 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.

11.2.1.7 Key performance indicators: Turnover, CapEx and OpEx associated with Taxonomy-aligned activities.

European Commission Delegated Regulation 2021/2178 was published in July 2021, 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 for complying with the Taxonomy disclosure obligation.

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

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

- The proportion of their turnover derived from products or services associated with economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.
- 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.

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 provide templates for 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 part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by net turnover (denominator).

Capital expenditure (CapEx):

The denominator shall cover additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. 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.

Operating expenditure (OpEx):

The denominator shall cover direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing 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 OpEx included in the denominator related 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.

The procedures followed to determine the numerator and denominator of each Redeia key performance 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 rules prescribed for calculating Turnover, CapEx and OpEx are the same as the accounting regulations applicable to Redeia. Therefore, it has not been necessary to make any adaptations or interpretations in this respect.

Based on the foregoing, Redeia's information for 2024 and 2023, in accordance with the Taxonomy Regulation, is as follows:

Taxonomy-eligible and Taxonomy-aligned activities. **Management and operation of national electricity infrastructure.**

Key performance indicators:

| | 2024 | 2023 |
|----------|-------|-------|
| Turnover | 87.4% | 89.1% |
| CapEx | 96.3% | 95.8% |
| OpEx | 88.0% | 89.8% |

Taxonomy-eligible but not Taxonomy-aligned activities. **Management and operation of international electricity infrastructure (Peru and Chile)** Key performance indicators:

| | 2024 | 2023 |
|----------|------|------|
| Turnover | 5.2% | 4.1% |
| CapEx | 0.6% | 0.7% |
| OpEx | 6.1% | 4.9% |

(*) On 31 January 2025, Redeia, through its subsidiary, Redeia Sistemas de Telecomunicaciones S.A.U., agreed to sell Indra Sistemas S.A. its 89.68% interest in the share capital of Hispasat, S.A. The transaction, which is subject to approval by Spain's Council of Ministers, the anti-trust authorities and other regulators, is expected to close in 2025. As a result, at 31 December 2024, the assets and liabilities belonging to the satellite telecommunications segment carried out by the Hispasat subgroup, whose parent company is Hispasat S.A. and which is controlled by Redeia through its 89.68% shareholding, have been classified as non-current assets held for sale.

For Taxonomy disclosure purposes, the amounts corresponding to Hispasat have been excluded from the Turnover, CapEx and OpEx denominators for both 2024 and 2023.

The percentages assigned to the contribution made to each EU environmental objective are provided in Appendix I, "Templates with information on key performance indicators".

These templates are aligned with Annex V of Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities and Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities

Determination of numerator and denominator of KPIs

Point 1.2.1. of the Taxonomy 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-aligned activities were identified. As detailed above, these activities are as follows: Management and operation of national electricity infrastructure.
2. The companies that carry out these activities within the consolidated Group were then identified. Management and operation of national electricity infrastructure: Red Eléctrica.
3. Within Red Eléctrica we analysed 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 electricity transmission and system operation activities (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 recognising "Revenue" in the financial statements, this figure was considered directly, net of consolidation adjustments.

As regards CapEx, the description included in the Regulation matches that relating to the accounting of additions to fixed assets such that this amount, as set out in Red Eléctrica's financial statements, could also be considered directly.

In relation to OpEx, since the Regulation determines that only activities related 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, we differentiated, within total operating 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 (the 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 due performance of their businesses. For this reason, in determining OpEx, all the expenses incurred by the companies were taken into account (costs of sales, other operating expenses and personnel expenses, from which self-constructed assets were 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 were also considered.

As laid down in the Regulation, and in relation to the calculation of the numerator of the ratios, steps were taken to ensure 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, CapEx and OpEx figures used for Taxonomy purposes are those recognised in the Group's consolidated financial statements in the case of Turnover and CapEx. In the case of OpEx, steps were taken to ensure the figure does not double count expenses of Redeia companies.

4. After identifying the Taxonomy-aligned activities, the Turnover, CapEx and OpEx ratios were calculated by including in the numerator the Taxonomy-defined Turnover, CapEx and OpEx figures of Red Eléctrica, and in the denominator, the total Taxonomy-defined Turnover, CapEx and OpEx of Redeia, taking into account the above comments.

In relation to Taxonomy-eligible but Taxonomy non-aligned activities, specifically 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 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 ratios 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.

With respect to the comparability of the information for 2024 and 2023, although all the indicators are broadly similar, as shown, the following should be noted:

- For Turnover, the percentage contribution of eligible and aligned activities decreased from 89.1% in 2023 to 87.4% in 2024, as the Turnover contributed by Red Eléctrica to the Group decreased, while that contributed by the subsidiaries in Peru and Chile, increased. As a result, the percentage contribution to Turnover of eligible but not aligned activities increased from 4.1% in 2023 to 5.2% in 2024.
- The CapEx percentage contributions were stable in both years.
- As for OpEx, the percentage contributions of eligible and aligned activities was similar in both years but within the amount of OpEx contributed by eligible but not aligned activities, the OpEx amounts of the subsidiaries in Peru and Chile increased between 2023 and 2024, while the amount at Red Eléctrica decreased.

11.2.1.8 Templates for the Turnover, CapEx and OpEx KPIs for Taxonomy-eligible, environmentally sustainable, Taxonomy-eligible but not Taxonomy-aligned and Taxonomy non-eligible activities of Redeia.

| Economic activities | Code | Turnover in 2024 (€ 000) | Proportion of 2024 Turnover (%) | Substantial contribution criteria | | | | | | DNSH criteria (does not significantly harm) | | | | | | Minimum safeguards | Proportion of Taxonomy aligned (A1) or eligible turnover (A.2) – 2023 | (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) | | | | | | | | | | | | | | | | | | | |
| Management and operation of national electricity infrastructure | 4.9 CCM & CCA (a) | 1,392,570 | 87.4% | Y | N | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 89.1% | E | |
| Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) | 4.9 CCM & CCA (a) | 1,392,570 | 87.4% | 87.4% (d) | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 89.1% | | |
| Of which Enabling | | 1,392,570 | 87.4% | 87.4% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 89.1% | 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 (note Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| Management and operation of international electricity infrastructure | 4.9 CCM & CCA (a) | 83,284 | 5.2% | EL; | EL; | EL; | EL; | EL; | EL; | | | | | | | | 4.1% | | |
| Turnover of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 83,284 | 5.2% | 5.2% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 4.1% | | |
| Total (A.1 + A.2) | | 1,475,854 | 92.6% | 92.6% (c) | 0% | 0% | 0% | 0% | 0% | | | | | | | | 93.2% | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| Telecommunications – Fibre Optics | - | 90,714 | 5.7% | | | | | | | | | | | | | | | | |
| Other businesses, Corp. and | - | 27,637 | 1.7% | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy non-eligible activities (B) | | 118,351 | 7.4% | | | | | | | | | | | | | | | | |
| TOTAL (A+B) | | 1,594,204 | 100% | | | | | | | | | | | | | | | | |

Templates taken from Commission Delegated Regulation (EU) 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 based on 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 | |
|-----|---------------------------------------|---------------------------------|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | 87.4% | 92.6% |
| CCA | 0% | 92.6% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% (e) |

- e) Within the Management and operation of national and international electricity infrastructure, 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 Commission Delegated Regulation (EU) 2020/852. However, information is not currently available in sufficient detail to be able to account for their key performance indicators.

Note. In the wake of the agreement to sell Redeia's equity interest in Hispasat, S.A., the amounts corresponding to Hispasat have been excluded from the Turnover, CapEx and OpEx denominators for both 2024 and 2023. Had Hispasat not been reclassified to non-current assets held for sale, the Hispasat business would have accounted for 9.2% of total turnover including the Hispasat subgroup (11.9% in 2023), its CapEx would have accounted for 2.7% of total CapEx including the Hispasat subgroup (13.0% in 2023) and its OpEx would have represented 1.4% of total OpEx including the Hispasat subgroup (1.1% in 2023).

| Economic activities | Code | CapEx 2024 (€ 000) | Proportion of CapEx 2024 (%) | Substantial contribution criteria | | | | | | DNSH criteria (does not significantly harm) | | | | | | Minimum safeguards | Proportion of Taxonomy aligned (A1) or eligible CapEx (A.2) – 2023 | (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 & CCA (a) | 1,012,795 | 96.3% | Y | N | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 95.8% | E | |
| CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | 4.9 CCM & CCA (a) | 1,012,795 | 96.3% | 96.3% (d) | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 95.8% | | |
| Of which enabling | | 1,012,795 | 96.3% | 96.3% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 95.8% | 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 & CCA (a) | 6,058 | 0.6% | EL | EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0.7% | | |
| CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy -aligned activities) (A.2) | | 6,058 | 0.6% | 0.6% | 100% | 0% | 0% | 0% | 0% | | | | | | | | 0.7% | | |
| Total (A.1 + A.2) | | 1,018,853 | 96.9% | 96.9% (c) | 0% | 0% | 0% | 0% | 0% | | | | | | | | 96.5% | | |
| B. TAXONOMY NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| Telecommunications – Fibre Optics | | 11,328 | 1.1% | | | | | | | | | | | | | | | | |
| Other businesses, Corp. and | | 21,417 | 2.0% | | | | | | | | | | | | | | | | |
| CapEx of Taxonomy non-eligible activities (B) | | 32,745 | 3.1% | | | | | | | | | | | | | | | | |
| TOTAL (A+B) | | 1,051,598 | 100.0% | | | | | | | | | | | | | | | | |

Templates taken from Commission Delegated Regulation (EU) 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 based on 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 | |
|-----|---------------------------------|---------------------------------|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | 96.3% | 96.9% |
| CCA | 96.3% | 96.9% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% (c) |

- e) Within the Management and operation of national and international electricity infrastructure, 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 Commission Delegated Regulation (EU) 2020/852. However, information is not currently available in sufficient detail to be able to account for their key performance indicators.

Note. In the wake of the agreement to sell Redeia's equity interest in Hispasat, S.A., the amounts corresponding to Hispasat have been excluded from the Turnover, CapEx and OpEx denominators for both 2024 and 2023. Had Hispasat not been reclassified to non-current assets held for sale, the Hispasat business would have accounted for 9.2% of total turnover including the Hispasat subgroup (11.9% in 2023), its CapEx would have accounted for 2.7% of total CapEx including the Hispasat subgroup (13.0% in 2023) and its OpEx would have represented 1.4% of total OpEx including the Hispasat subgroup (1.1% in 2023).

| Economic activities | Code | OpEx 2024 (€ 000) | Proportion of OpEx 2024 (%) | Substantial contribution criteria | | | | | | DNSH criteria (does not significantly harm) | | | | | | Minimum safeguards | Proportion of Taxonomy aligned (A1) or eligible OpEx (A.2) – 2023 | (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 | Y;N; N/EL | Y;N; N/EL | Y;N; N/EL | Y;N; N/EL | 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 & CCA (a) | 384,081 | 88.0% | Y | N | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 89.8% | E | |
| OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | 4.9 CCM & CCA (a) | 384,081 | 88.0% | 88.0% (d) | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 89.8% | | |
| Of which enabling | | 384,081 | 88.0% | 88.0% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 89.8% | E | T |
| Of which transitional | | 0 | 0% | 0% | | | | | | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy aligned activities) | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| Management and operation of international electricity infrastructure | 4.9 CCM & CCA (a) | 26,733 | 6.1% | EL | EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 4.9% | | |
| OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy -aligned activities) (A.2) | | 26,733 | 6.1% | 6.1% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 4.9% | | |
| Total (A.1 + A.2) | | 410,814 | 94.1% | 94.1% (c) | 0% | 0% | 0% | 0% | 0% | | | | | | | | 94.7% | | |
| B. TAXONOMY NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| Telecommunications – Fibre Optics | | 25,548 | 5.9% | | | | | | | | | | | | | | | | |
| Other businesses, Corp. and | | 0 | 0% | | | | | | | | | | | | | | | | |
| OpEx of Taxonomy non-eligible activities (B) | | 25,548 | 5.9% | | | | | | | | | | | | | | | | |
| TOTAL (A+B) | | 436,362 | 100.0% | | | | | | | | | | | | | | | | |

Templates taken from Commission Delegated Regulation (EU) 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 based on 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 | |
|-----|---------------------------------|---------------------------------|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | 88.0% | 94.1% |
| CCA | 88.0% | 94.1% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% (e) |

- e) Within the Management and operation of national and international electricity infrastructure, 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 Commission Delegated Regulation (EU) 2020/852. However, information is not currently available in sufficient detail to be able to account for their key performance indicators.

Note. In the wake of the agreement to sell Redeia's equity interest in Hispasat, S.A., the amounts corresponding to Hispasat have been excluded from the Turnover, CapEx and OpEx denominators for both 2024 and 2023. Had Hispasat not been reclassified to non-current assets held for sale, the Hispasat business would have accounted for 9.2% of total turnover including the Hispasat subgroup (11.9% in 2023), its CapEx would have accounted for 2.7% of total CapEx including the Hispasat subgroup (13.0% in 2023) and its OpEx would have represented 1.4% of total OpEx including the Hispasat subgroup (1.1% in 2023).

| Nuclear energy related activities | | |
|-----------------------------------|--|----|
| 1 | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | No |
| 2 | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | No |
| 3 | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | No |
| Fossil gas related activities | | |
| 4 | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | No |
| 5 | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | No |
| 6 | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | No |

11.2.2 ESRS E1 – CLIMATE CHANGE

Redeia is required to report climate change related information under the Taxonomy Regulation (EU) 2020/852. This information is presented in section 2.1 *Information related to the European Union Taxonomy* of this report.

11.2.2.1 Governance

a. Integration of sustainability-related performance in incentive schemes. ESRS 2 GOV-3

The remuneration system for Redeia's CEO and senior management includes fixed and variable components, the latter being both short and long term, aligned with the Group's targets and strategies. The annual variable remuneration of the CEO is based on a combination of predetermined and quantifiable corporate targets measured at the Group level, which account for 75% of his total annual variable remuneration, and the achievement of managerial targets linked to Redeia's businesses, which account for 25% of his total annual variable remuneration. These managerial targets include a target linked to sustainability, which has been assigned a weighting of 15% and is pegged to the degree of progress made towards the 2023-2025 Sustainability Plan, to the success in reducing emissions in accordance with the targets set for 2030, and to the Company continuing to feature on the most relevant sustainability indices. Moreover, 35% of the incentive is linked to energy transition activities in Spain. The multi-year variable remuneration is linked to the targets set out in the 2021-2025 Strategic Plan, with 75% of the targets relating to Sustainability (ESG).

11.2.2.2 Strategy

a. Transition plan for climate change mitigation. E1-1

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). This position is reflected in the Group's Strategic Plan 2021-2025, the mainstay of which is to make the energy transition happen in Spain by championing the green and digital transition.

In 2011, Redeia embraced a public and voluntary commitment to combat climate change, which was approved by the Board of Directors (the latest version of this commitment was approved in May 2023). This commitment is embodied in the ultimate goal of achieving net zero emissions by 2050, with emission reduction targets aligned with the global ambition of limiting the average temperature increase to 1.5 °C, in line with the Paris Agreement and as set out in the Group's various action plans. Redeia's emission reduction targets have been approved by the Science Based Targets initiative (SBTi).

Redeia has a transition plan that envisions both climate change mitigation and climate change adaptation actions (Net Zero Transition Plan). The plan is closely integrated and harmonised with the Company's overall strategy and financial planning and is publicly available on its website. The plan contains a set of specific commitments and targets to reduce greenhouse gas (GHG) emissions and become carbon neutral by 2050. The specific actions aimed at achieving the medium-term objectives are set out and detailed in the Climate

Change Action Plan (the 2021-2030 Plan is currently in force), which is updated periodically to reflect strategic or technical changes and is approved by senior management (Executive Committee) and reviewed at least annually to ensure compliance.

The **Climate Change Action Plan (CCAP)** is divided into four main blocks: (A) Contribution to a sustainable energy model, (B) Carbon footprint reduction, (C) Adaptation to climate change, and (D) Positioning and dissemination.

Of these four blocks, two refer to climate change mitigation and further break down as follows:

A. Contribution to a sustainable energy model: actions relating to Red Eléctrica's activity as operator and transporter of electricity and needed to achieve the targets of integration of renewable energies (74% in the electric energy mix by 2030; updated to 81% in 2024) and reduction of emissions under the NECP.

- Development of infrastructure to enable the electrification of the economy, connection of new renewable power, reduction of technical restrictions, and power supply to the railway network. Highlights include the international and inter-island electrical interconnections to ensure an uninterrupted supply of power, given the intermittent nature of renewable generation.
- Maximum integration of renewable energies into the electricity system by optimising system operation and the performance of the Renewable Energy Control Centre (CECRE), to be achieved by improving forecasting tools, integrating more distributed generation and developing energy storage systems that will allow for the integration of renewable energies, thus ensuring the security of the system.
- Furthering efficient grid management by fostering technological innovation (smart grids and digitalisation), incorporating new elements and services, and applying new flexibility measures.

B. Carbon footprint reduction: actions to achieve the Company's emissions reduction targets. (The specific targets set for the medium and short term are described in the section *Targets related to climate change mitigation and adaptation: E1-4 / MDR-*)

- Reduction of SF₆ and other fluorinated emissions (Scope 1): Redeia's main source of direct emissions is SF₆, associated with small equipment leaks and accidents or breakdowns. While numerous steps have been taken to reduce these emissions, a substantial reduction is not expected over the 2030-2050 horizon, due to the age of the equipment and the amount of gas installed. However, this does not jeopardise compliance with the Company's emission reduction targets, as they have been set taking these assumptions into account. No locked-in GHG emissions from the Group's assets and activities have been considered.
 - Leak prevention, detection and control.
 - Renewal of equipment.
 - Limiting growth in installed gas. Promoting and developing alternatives to the use of gas (Horizon 2030) until it is complete discontinuation in the long term.
 - Reducing the use of fluorinated gases for air conditioning.
- Reducing energy consumption and related emissions (Scopes 1 and 2):
 - Increased use of renewable energy.
 - Implementing energy efficiency measures.
 - Reducing the use of fossil fuels: fostering sustainable mobility and alternatives to the use of generators.
 - Reducing emissions from transmission grid losses by actively working to increase the share of renewable energy in the electricity mix (Scope 2).
- Reducing emissions along the supply chain (Scope 3):
 - Collaboration programmes with suppliers to encourage them to set reduction targets aligned with the SBTi and to make further progress in curbing their emissions.
 - Sustainability criteria in facility design and procurement decisions.

- Emissions offsets:
 - Redeia Forest Project.
 - Purchasing of carbon credits in the voluntary market.
 - Development of other nature-based projects (Horizon 2050).

The quantitative emission reduction contributions of these levers are described below in section 2.2.4 *Metrics and targets* of this report.

Redeia has made several significant advances in implementing its transition plan:

A. Contribution to a sustainable energy model

Development of infrastructure

The Electricity Plan (2021-2026), which envisions an investment of 6,964 million euros, is the strategic instrument for developing the infrastructure needed to achieve the energy transition objectives in Spain.

Notably, the Company has been making significant progress in implementing the infrastructure contemplated therein. In 2024, a combined investment in the transmission network of 976.3 million euros was made.

Integration of renewables

In recent years, Red Eléctrica has successfully faced the challenge of integrating a formidable contingent of new renewable power. Its installed renewable power capacity in 2024 grew by a further 5.9 GW, to reach 83.7 GW of renewable generation sources in the Spanish electricity system, accounting for 64% of its total installed capacity.

To allow for the safe operation of an electricity system with such a high penetration of renewable energies, Red Eléctrica's Renewable Energy Control Centre (CECRE) plays an essential role in controlling and monitoring the system.

In 2024, new all-time peaks were recorded for instantaneous power, hourly energy, daily energy and coverage of instantaneous demand with photovoltaic production for the three systems operating in Spain (mainland, Balearic Islands and Canary Islands), along with several other all-time highs such as daily energy with wind power production on the mainland, or coverage of demand with renewables in the Balearic Islands.

In 2024, 56.8% of the energy generated in the national electricity system came from renewable sources.

Efficient grid management

Red Eléctrica, as system operator, works actively to promote, develop and disseminate actions to improve and evolve the way the system currently works, by making it smarter:

- Development of tools for system operation, based on digitalisation and the use of emerging technologies (27 R&D projects under way in 2024).
- Development of demand forecasting initiatives, electricity planning, system controllability and the availability and management of better quality information to support system operations.
- Development of balancing services and active demand response:
 - 17 service providers balance active demand response, with a total capacity of 609 MW.
 - 762 installations and 38,787.2 MW enabled under the automatic power reduction service.

B. Carbon footprint reduction

- Scope 1 and 2 emissions in 2024 were down 34% compared to 2019, to reach 62% of the target for 2030 (55% reduction compared to 2019). Moreover, all the Scope 1 emissions that cannot be reduced are offset.
- In relation to Scope 3 emissions, no progress has been made so far toward the emission reduction target, as the positive results of the actions being undertaken are not expected to materialise in the short term (from 2030 onwards).

The actions being taken to reduce the carbon footprint, as well as the concrete reductions achieved in each case, are described in section 2.2.3 *Impact, risk and opportunity management; (c) Actions and resources in relation to climate change policies.*

The activities of Red Eléctrica, which carries out Redeia's core business, comply with the technical screening criteria of substantial contribution to the climate change mitigation and adaptation objectives, and are 100% aligned with the EU Taxonomy. They account for 87.5% of Redeia's turnover. Given this circumstance, it is not considered necessary to bring the Company's economic activities in line with the criteria set out in Delegated Regulation (EU) 2021/2139, nor have any objectives or plans been established along these lines.

Moreover, the Company does not need to draw up a transition plan under the framework of this regulation.

However, as mentioned earlier, Redeia does have a transition plan (commitment, objectives and action plans) with the aim of making further progress in the fight against climate change and reducing the emissions produced by its activities. While no specific information is available on the subject of investment and funding supporting the implementation of the plan, the information disclosed in section 2.1 *EU Taxonomy information* of this report provides a broader picture of the situation by breaking down the CapEx and OpEx percentages linked to the Taxonomy objectives and showing the relevant investment figures.

No significant amounts of CapEx relating to coal, oil and gas economic activities related to NACE code D.35.1 – Electric power generation, transmission and distribution were set aside in 2024.

Redeia does not qualify for exclusion from the EU Paris-aligned benchmarks (PABs). These benchmarks include companies that meet strict sustainability and carbon reduction criteria and exclude those that do not.

According to Article 12 of Delegated Regulation (EU) 2020/1818, companies deriving 50% or more of their revenues from electricity generation with a GHG intensity above 100 g CO₂/kWh should be excluded from these benchmarks. Since Redeia is exclusively engaged in the transmission of electricity and does not obtain revenues from electricity generation, it does not qualify for this exclusion.

b. Material impacts, risks and opportunities and their interaction with strategy and business model. **ESRS 2 / SBM-3**

Material climate-related events, risks and opportunities have, or could have, an impact on Redeia's business model.

Redeia has conducted an analysis to gauge the resilience of its business model in relation to climate change, considering various time horizons and climate scenarios.

The findings of the resilience analysis have been incorporated into the Company's strategy (policy definition/review, planning—including financial planning—and decision-making). This is reflected in its Strategic Plan and other commitments, such as the Climate Change Commitment and the Climate Change Action Plan.

According to the resilience analysis, which includes an assessment of incidents (impacts) and an assessment of risks and opportunities (which considers the Company's capacity to adapt to them), no negative incidents or risks were identified that could have a significant impact on the Company's business or financial statements (none of them would represent an impact of more than 1.5% of Redeia's annual earnings) under any of the scenarios analysed (including a scenario of global warming of less than 2 °C – NZE). This demonstrates that as an organisation Redeia is resilient to climate change. By monitoring impact indicators, continuing to run its climate risk control and management system, and incorporating the findings into its strategy (policies and action plans), Redeia is able to react in the event of any negative incidents, while also anticipating potential impacts and maintaining the Company's ability to adapt swiftly.

Impacts

| Impact | Location in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | How the impact interacts with the strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|--|-----------------------------|---------------------|---------------------|------------------|--|---|---|---|--|
| Adapting the electricity system infrastructure for climate change. | Group-wide | P | Actual | S,M,L | <p>Redeia's own operations (construction of new infrastructure and meshing of the transmission grid) make a significant contribution to making the electricity system (and society as a whole, by extension) more resilient vis-a-vis adverse climate phenomena and changes in electricity generation/demand derived from climate change. In addition, Redeia identifies and assesses the risks associated with climate change considering short, medium and long-term horizons, defining the adaptation measures needed for each horizon. Adaptation of the infrastructure of Red Eléctrica (specifically) not only favours the adaptation of its own operations, but it also helps make the overall electricity system more resilient.</p> | Security of electricity supply | Electricity system more resilient to adverse weather events or changes in generation/demand owing to climate change | This impact is linked to the activities to develop the transmission network | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |

| | | | | | | | | | |
|--|--|---|---------|-------|---|--|---|---|--|
| Adapting electricity system operations for climate change. | Cross-cutting | P | Actual | S,M,L | Redeia has developed system operation tools, adapting them for the most stringent monitoring and control requirements, and has designed a number of renewable generation prediction models and mechanisms for catering to demand more flexibly that contribute to the resilience of the electricity system (and thereby of society as a whole) vis-a-vis adverse climate phenomena and/or changes in climate parameters that could affect electricity generation, transmission or demand. | Security of electricity supply | Development of system operation tools, adapting them to the most stringent requirements | This impact is linked to Redeia's activities in operating the electricity system | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |
| Emissions savings in the electricity system. | Cross-cutting | P | Actual | S,M,L | Facilitation of the integration of renewable energy implies a reduction in emissions across the electricity system as a whole. | Emission reductions | Development of system operation tools, adapting them to the most stringent requirements | This impact is linked to Redeia's activities in operating the electricity system and developing the transmission grid | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |
| Direct GHG emissions (Scope 1). | Own operations | N | Current | S,M,L | In the case of REDEIA, the main source of GHG emissions are SF ₆ gas leaks at its own facilities. The rest of its Scope 1 emissions stem from its fleet of vehicles, the use of air conditioning and heating at its facilities and back-up generators. | Generation of greenhouse gas emissions | Developing emission reduction levers | This impact is linked to all of Redeia's business activities | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |
| Indirect GHG emissions (Scope 2). | Direct and indirect suppliers and own activity | N | Current | S,M,L | Scope 2 emissions are the indirect greenhouse gas emissions associated mainly with energy losses from the transmission grid and the electricity consumed by the organisation. | Generation of greenhouse gas emissions | Developing emission reduction levers | This impact is linked to all of Redeia's business activities | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |
| GHG emissions along the supply chain (Scope 3). | Direct and indirect suppliers | N | Current | S,M,L | Scope 3 emissions are those generated by Redeia's value chain | Generation of greenhouse gas emissions | Developing emission reduction levers | This impact is linked to all of Redeia's business activities | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |

| | | | | | | | | | |
|--|----------------|---|---------|-------|---|--|--------------------------------------|---|--|
| Integration of renewable energy into own operations in the electricity system. | Own operations | P | Current | S,M,L | Redeia participates actively in the energy transition towards an emissions-free model by committing strategically to the electrification of the economy and efficient integration of renewable energy | Emission reductions related to the integration of renewable energies | Integration of renewable energies | This impact is linked to Redeia's activities in operating the electricity system and developing the transmission grid | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |
| Consumption of energy from non-renewable sources in Redeia's own operations. | Own operations | N | Current | S,M,L | Consumption of energy from non-renewable sources in Redeia's own operations. | Consumption of energy from non-renewable sources in Redeia's own operations. | Developing emission reduction levers | This impact is linked to all of Redeia's business activities | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |
| Energy consumed in Redeia's own operations (indirect): transmission grid losses. | Own operations | N | Current | S,M,L | Transmission Grid Losses: electricity consumption that contributes to resource waste and pollution associated with additional electricity production. | Electricity consumption that contributes to waste of resources and pollution associated with additional electricity production | Monitoring of transmission losses | This impact is linked to Redeia's activities in operating the electricity system and developing the transmission grid | The aspects linked to this impact are directly integrated in Redeia's Strategic Plan |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Risks

| Description of the cause of the risk | Position in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects arising from risks. | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|--|------------------|--|--|--|
| Damage caused to overhead power lines by extreme winds. | Own operations & Customers and end-users | S,M,L | Higher maintenance costs, disruption to the electricity supply and reputational impact associated with power outages | Effect on cash flows and on Redeia's development and position. | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Fire damage to power lines and substations | Own operations & Customers and end-users | S,M,L | Increased maintenance costs, disruption to electricity supply and reputational impact associated with power outages. Damage caused to third parties or the environment due to fire | Effect on cash flows and on Redeia's development and position. | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Damage to outdoor transmission grid infrastructure caused by high temperatures. | Own operations | L | Increased costs of repairing and replacing equipment and shorter useful life. Increased cost of equipment due to design modifications to increase resilience. | Effect on cash flows and on Redeia's development and position. | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Decline in water availability for hydroelectric generation. | Own operations & Customers and end-users | L | Impact on the functioning of the electricity system, reduced power generation availability, lack of firm capacity and lack of resources for pumping (flexibility mechanism). | Effect on Redeia's development and position. This risk has no financial impact for the Company | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |

| | | | | | |
|---|--|-------|--|---|--|
| Lower efficiency of PV generation due to rising temperatures. | Own operations & Customers and end-users | M,L | Impact on the functioning of the electricity system due to lower power generation availability. | Effect on Redeia's development and position. This risk has no financial impact for the Company | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Increased absenteeism associated with climate change | Own operations | L | Availability of personnel to carry out the work. | Effect on Redeia's development and position | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Insufficient information for the real-time operation of the system due to an increase in renewable generation facilities with outputs below 1 MW (current observation threshold set by the System Operator). | Own operations & Customers and end-users | M,L | Greater difficulty in operating the system, resulting in a heightened risk of operational incidents that could affect supply, thus leading to higher operating costs and possible reputational impacts. | No financial effects associated with the risk have been identified | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Power disconnections due to a prevalence of renewable energy facilities within the power mix without the technical capabilities needed to cope with disturbances. | Own operations & Customers and end-users | S,M | Greater difficulty in operating the system, resulting in a heightened risk of operational incidents that could affect supply, thus leading to higher operating costs and possible reputational impacts. | No financial effects associated with the risk have been identified | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Additional restrictions on renewable energy production and incidents that could affect supply security in the Canary Islands, due to the significant rise in the share of renewable energies in the energy mix forecast for future years. | Own operations & Customers and end-users | S,M,L | Greater difficulty in operating the system, resulting in a heightened risk of operational incidents that could affect supply, thus leading to higher operating costs and possible reputational impacts. | No financial effects associated with the risk have been identified | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Loss of firm generation performance due to the closure of conventional power plants (coal, combined cycle, nuclear). | Own operations & Customers and end-users | M,L | Increased difficulty in system operation: reduction in both firm capacity and balancing capacity and heightened risk of operational incidents that may affect the supply. This might produce reputational impacts. | No financial effects associated with the risk have been identified | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |
| Threats to cybersecurity in an increasingly digitalised system. | Cross-cutting | S,M,L | Fines and penalties arising from data loss, leading to reputational damage and recovery costs. | Impact on cash flows, Redeia's development and position, access to finance, and cost of capital | The aspects linked to this risk are directly integrated into Redeia's Strategic Plan |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Opportunities

| Description of the cause of the opportunity | Position in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects that arise from opportunities | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|--|------------------|--|---|--|
| Development of the existing grid: integration of new renewable energy capacity, interconnections, high-speed trains and support for the increased electrification of society (investment in lines, substations, interconnections, protection systems and other network infrastructure control and monitoring) | Own operations & Customers and end-users | S,M,L | Contribution to security of supply and therefore reputation. Increased revenues relating to remuneration on new assets | Impact on cash flows, Redeia's development and position, access to finance, and cost of capital | The aspects linked to this opportunity are directly integrated into Redeia's Strategic Plan |
| Development of storage in non-mainland systems | Own operations & Customers and end-users | M,L | Contribution to security of supply and enhanced reputation. Increased revenues associated with new projects | Effect on cash flows and on Redeia's development and position | The aspects linked to this opportunity are directly integrated into Redeia's Strategic Plan |
| Reputational improvement associated with climate change performance | Own operations | S,M | Access to capital | Impact on access to finance and cost of capital | The aspects linked to this opportunity are directly integrated into Redeia's Strategic Plan |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Climate change adaptation

Impacts

1. Adapting the electricity system infrastructure for climate change

Redeia's own operations (construction of new infrastructure and meshing of the transmission grid) make a significant contribution to making the electricity system more resilient vis-a-vis adverse climate phenomena and changes in electricity generation/demand derived from climate change.

Moreover, actions aimed at making electricity system infrastructure more resilient to adverse weather events also have a positive impact on the resilience of the system as a whole.

It is a current impact, with a short-, medium- and long-term time horizon.

2. Adapting the operation of the electricity system to climate change

Redeia has developed cutting-edge technology for operating the system, including renewable generation forecasting models and demand flexibility mechanisms. These tools allow for closer monitoring and control, thus making the electricity system more resilient to adverse weather events and changes in climate parameters that could affect power generation, transmission and demand. This impact is positive and current, with a short-, medium- and long-term horizon.

In relation to the incidents described, the increased resilience of the transmission grid and electricity system has a positive impact both on the Company's business and more broadly on the value chain, including society as a whole. The positive impact on people was a highlight (no material impacts on the environment were detected), as a more resilient electricity system helps to ensure the continuity and stability of supply, with all that this entails.

The group has weighed up the relative importance of this impact, given the need to maintain the operability and efficiency of the electricity system under changing climatic conditions. The Company has included adaptation as one of the pillars of its Climate Change Commitment, which will take place by identifying and assessing the risks associated with climate change at different horizons and defining adaptation measures/plans where necessary. More precisely, the Company is working to have an increasingly meshed grid and to adapt both the infrastructure and the operation of the system to the new requirements imposed by climate change. It was not considered necessary to change the business model.

Risks

1. Damage caused to overhead power lines by extreme winds

Sections of overhead power lines can sustain damage and even collapse where extreme events exceed the maximum wind parameters for which the lines were designed.

This risk affects both Redeia's own activity and that of its customers and users (social ecosystem) in the short, medium and long term. The main current and expected effects arising from this risk are: damage to infrastructure; impact on the supply of electricity; higher maintenance costs (repair costs) or costs associated with fines/compensation and possible reputational impact due to supply disruption.

The Company has implemented various mitigation actions to reduce this risk: projects to improve and enhance transmission network facilities, contingency plans and insurance policies. A particular highlight in the period was the drafting of a wind map identifying expected winds at different geographical locations, as a valuable input when undertaking new projects (selecting suitable sites and ensuring robustness support elements) and in relation to the maintenance of existing assets (maintenance plans and reinforcement of facilities). The cost of these additional (future) measures has yet to be determined. No changes in the business model have been foreseen to address this risk.

The financial impacts of the risk are estimated considering the implementation of mitigation actions and are determined for different time horizons (current, short, medium and long term) and climate scenarios. In all cases, it was determined that the annual impact of this risk would be less than 1.5% of the Company's profit for the year, so it is not considered to have a material impact on the Company's financial position, financial performance or cash flows over the periods and scenarios studied.

On this basis, it can be said that the strategy and business model are resilient to this risk.

2. Fire damage to power lines and substations:

Temperature changes, dry soil and water scarcity cause greater desiccation of vegetation, increasing the risk of fire that could severely affect facilities (substations and lines). The risk refers both to fires that may be caused by Red Eléctrica's own facilities and those resulting from other factors.

This risk, which remains a threat in the short, medium and long term, affects both Redeia's own activity and that of its customers and users. It can also endanger people and the natural environment. The main current and/or expected effects are: damage to infrastructure; impact on the supply of electricity, possible impact on third parties or the environment, increased costs (due to facility repair and maintenance, fines or compensation) and reputational damage.

The Company has taken various steps to reduce and mitigate this risk, including: establishing and maintaining firebreaks around power lines, fire prevention and response actions, R&D projects for the early detection of fires, and insurance policies. No changes in the business model have been foreseen to address this risk.

The financial impacts of the risk are estimated considering the implementation of mitigation actions and are determined for different time horizons (current, short, medium and long term) and climate scenarios. In all cases, it was determined that the annual impact of this risk would be less than 1% of the Company's profit for the year, so it is not considered to have a material impact on the Company's financial position, financial performance or cash flows over the periods and scenarios studied.

In view of these considerations, it can be said that the Company's strategy and business model are resilient to this risk.

3. Damage caused to outdoor transmission grid equipment due to high temperatures:

Rising average temperatures can affect outdoor equipment, affecting both its performance and its service life.

This risk affects Redeia's own activities and has a long-term time horizon. Notably, this could lead to higher costs due to repair and refurbishment work, increased capital investments to renew existing equipment in the event that it breaks down, and higher installation costs for new equipment if the Company has to change its technical specifications. In more extreme cases, this risk could even threaten the supply of electricity. Aside from insurance policies (currently in progress), the Company plans to conduct a detailed review of the technical specifications (design) of the equipment and to respond to additional technical requirements where this proves necessary (measure under development). As this is a risk that will materialise in the long term,

work is now under way to quantify the expected financial impacts, which will likely have to do with the need to adapt existing infrastructure. These impacts could be considerable in a worst-case scenario. No changes in the business model have been foreseen to address this risk.

The strategy and business model are considered to be resilient to this risk.

4. Decline in water availability for hydroelectric power generation:

Changes in rainfall patterns and increased evaporation could affect the availability of water resources, thus impairing hydro power generation. This could cause problems due to the resulting lack of available firm capacity and also because of the lack of hydro power resources (considering also the role of pumping as a mechanism for system flexibility), thus complicating the functioning of the electricity system.

This risk affects Redeia's own activity and that of its customers and users, in both cases over a medium- and long-term horizon. The main risk associated with a lack of water resources is that it can affect the supply of electricity, which could be significant in the long term and under a highly adverse climate scenario.

This risk has no financial impact for the Company.

Mitigating actions would include an improvement of forecasting systems, the availability of alternatives to meet demand and the development of flexibility mechanisms. Not all of these actions are down to Redeia, as other agents are needed to carry them out.

Despite this circumstance, the strategy and business model are considered to be resilient to this risk.

5. Lower efficiency of PV generation due to rising temperatures:

Higher ambient temperatures make photovoltaic panels less efficient.

This risk affects Redeia's own activity and that of its customers and users, in both cases over a medium- and long-term horizon. It is likely that, in the medium to long run, by which time solar PV generation will carry a very significant weight within the wider energy matrix, the operation of the electricity system may have to contend with lower power generation availability.

This risk has no financial impact for the Company.

Mitigating actions would include an improvement of forecasting systems, the availability of alternatives to meet demand and the development of flexibility mechanisms. Not all of these actions are down to Redeia, as other agents are needed to carry them out.

Despite this circumstance, the strategy and business model is considered to be resilient to this risk.

6. Increased absenteeism associated with climate change

This relates to the risk of an increase in the rate of absenteeism from work due to the direct and indirect consequences of climate change, as health has a lot to do with the prevailing climate. On this point, climate change has a twofold effect: firstly, it changes the severity and frequency of related health problems and, secondly, it has given rise to an unprecedented number of new health concerns, diseases or threats where they did not previously exist.

This risk has a transversal impact and is a long-term concern. Increased absenteeism can affect productivity and operating costs, with financial implications. As this is a risk that will materialise in the long term, work is now under way to quantify the expected financial impacts. Reputational damage may also materialise if the Company fails to put in place the necessary workplace wellness strategies.

Measures to counter this risk include the development and consolidation of health and wellness policies and the need to define and implement structural changes in human resources policies and working practices to adapt to chronic absenteeism.

The strategy and business model are considered to be resilient to this risk.

Climate change mitigation

Impacts

1. Emissions savings in the electricity system

Red Eléctrica's activities as transmission agent and operator of the electricity system are essential for the transition to an emission-free energy model by contributing to electrification and working to achieve the maximum possible integration of renewable energies into the electricity mix.

This impact extends all along the value chain. It is a current impact, with short-, medium- and long-term effects. It has positive effects for both the natural environment and people, owing to the significant savings that can be achieved in greenhouse gas emissions within the wider electricity system.

This impact is fully linked to the Company's business model and strategy, as it is a direct product of Redeia's activities.

2. Direct GHG emissions (Scope 1)

The main source of direct greenhouse gas (GHG) emissions is the leakage of SF₆ gases in Redeia's own installations. Scope 1 emissions also stem from its fleet of vehicles and from the use of air conditioning and heating at its facilities and back-up generators.

These emissions are a current negative impact, with a short-, medium- and long-term horizon (although the impact is likely to be considerably lower in the long term), resulting from the Company's own actions.

To mitigate this negative impact, the Company has set itself ambitious emission reduction targets and defined the levers and actions to achieve them. Both the objectives and the actions needed to achieve them are set out in the Climate Change Action Plan (CCAP).

It is considered that the Company's strategy and business model afford it the adaptive capacity needed to cope with this impact.

3. Indirect GHG emissions (Scope 2)

Scope 2 emissions are the indirect greenhouse gas emissions associated mainly with energy losses from the transmission grid and the electricity consumed by the organisation.

These emissions are a current negative impact, with a short-, medium- and long-term horizon (although the impact is likely to be considerably lower in the long term), resulting from both the Company's own actions and those of other actors present along the value chain (suppliers and producers of electricity).

To mitigate this negative impact, the Company has set itself ambitious emission reduction targets and defined the levers and actions to achieve them (both the objectives and the actions needed to achieve them are set out in the Climate Change Action Plan (CCAP)).

It is considered that the Company's strategy and business model afford it the adaptive capacity needed to cope with this impact.

4. GHG emissions along the supply chain (Scope 3)

Scope 3 emissions are those generated along Redeia's value chain, mainly from direct and indirect suppliers. These indirect emissions result mainly from activities such as the production of goods and services purchased by the organisation.

These emissions are a current negative impact, with a short-, medium- and long-term horizon (although the impact is likely to be considerably lower in the long term).

This negative impact is addressed through emission reduction targets and actions to achieve them, as set out in the Climate Change Action Plan (CCAP).

It is considered that the Company's strategy and business model afford it the adaptive capacity needed to cope with this impact.

Risks

1. Insufficient information for the real-time operation of the system:

To bring about an effective increase in installed renewable generation capacity in the system, existing management processes and systems must be adapted to meet more stringent monitoring and control requirements. The increase in generation facilities with an installed capacity below the system operator's observation and controllability threshold (mainly self-consumption facilities) entails greater uncertainty because there is no way of reliably knowing how much power they produce, which poses a risk to the secure operation of the electricity system.

This is a medium- and long-term risk and affects Redeia's own operations and those of its customers and users.

The main impact would likely affect the supply of electricity, which could in turn cause reputational damage.

A monetisation exercise to determine the effects of this risk over the identified horizons and scenarios did not reveal any significant financial impacts associated with this risk (no material impact on financial position, financial performance or cash flows).

2. Power outages due to high penetration of renewable energies:

The high penetration of renewable generation without the necessary technical capabilities in place to keep them operating properly in the event of a disturbance (small generators or self-consumption generators) can cause power generation outages, which could be severe in some cases, thus disturbing the generation-demand balance and significantly affecting the supply of electricity and, indirectly, the Company's reputation.

A monetisation exercise to determine the effects of this risk over the identified horizons and scenarios did not reveal any significant financial impacts associated with this risk (no material impact on financial position, financial performance or cash flows).

This risk has been found to exist for the short and medium term. It affects both own operations and those of customers and users.

3. Further increased restrictions on renewable production and incidents that could affect security of supply in the Canary Islands:

The Canary Islands' electricity system is made up of several isolated systems, in which a highly significant increase in the penetration of non-manageable generation is foreseen (expected to rise from 17% to over 50% by 2030). This relates to risks 5 and 6 in the specific case of the Canary Islands.

The risk arises from the fact that this increased penetration of non-manageable generation is hard to deal with from a technical standpoint, possibly resulting in the system operator having to limit the maximum production of these facilities over supply security concerns, which would mainly impact the Company's reputation.

Moreover, failure to respond adequately to these security-side issues by the system operator could lead to incidents involving a loss of supply, leading to possible financial losses due to claims for Energy Not Supplied (ENS). However, our analysis of the financial impacts over the time horizons and scenarios considered (monetisation of impacts) revealed that these would not be significant (no substantial impact on financial position, financial performance or cash flows).

This risk has been found to exist over a short-, medium- and long-term time horizon and affects both own operations and those of customers and users.

The measures to address risks 5, 6 and 7 are common: tools for system operation and safe integration of renewable energies (Renewable Energy Control Centre, CECRE), developing and improving renewable generation forecasting models, strengthening monitoring and control systems at existing facilities, readying the grid for the high integration of renewables expected down the line, incorporating new elements such as synchronous condensers or storage infrastructure in the electricity systems of non-mainland territories. Many of these measures, and others aimed at achieving a greater penetration of renewable production, will require regulatory development.

It is considered that the Company's strategy and business model provide the necessary adaptive capacity to address this impact. However, as just noted, this capacity depends to a large extent on regulatory developments that cannot be carried out by Redeia alone but require other actors in the electricity system to play their part.

4. Loss of firm generation performance due to the closure of conventional power plants (coal, combined cycle, nuclear):

The closure of conventional generation plants such as coal, combined cycle and nuclear (in response to regulatory requirements) leads to a reduction in the firm generation and balancing capacities of the electricity system, as well as its strength and inertia.

This increases the risk of operational incidents that could affect supply and damage the Company's reputation. This carries a risk over a short- to medium-term horizon. It affects both own operations and those of customers and users.

A monetisation exercise to determine the effects of this risk over the identified horizons and scenarios did not reveal any material financial impacts for the Company (no material impact on financial position, financial performance or cash flows).

Several actions or measures have been identified to address this risk: strengthening international interconnections, commissioning storage systems, developing the technology for power electronic converters and other technologies that will enable renewable generation to fortify and satisfy the needs of the inertia system, or promoting flexibility mechanisms and smart grids.

It is considered that the Company's strategy and business model provide the necessary adaptive capacity to address this impact. However, this capacity depends to a large extent on regulatory developments or technological developments that cannot be carried out by Redeia alone but require other actors in the electricity system to play their part.

5. Threats to cybersecurity in an increasingly digitalised system:

A more decarbonised energy system must be predicated on further digitalisation. The existence of significant digitisation and increased connectivity inevitably means exposure to the risk of attack or some other incident affecting IT systems and digital environments.

The materialisation of this risk could affect both the supply of electricity and entail costs and reputational damage. It is a short-, medium- and long-term risk and exists all along the value chain, as it could affect the Company or any other agent present within the electricity system.

The risk could have financial implications in both the medium and long run. The Company is currently working to calculate the monetary impact.

As for the actions being taken to mitigate this risk, the Company has taken steps to protect against cyber-attacks, which have proven effective so far. However, we have identified the need for intensive technology watch and further regulatory development along these lines.

It is considered that the Company's strategy and business model provide the adaptive capacity needed to cope with this impact.

Opportunities

1. Development of the existing grid:

Here we are talking about the opportunity to build new infrastructure to enable the energy transition (integration of new renewable power, interconnections and support for the electrification of society).

It will have a positive impact along the value chain of the activity, as a core part of the Company's business model, and on customers and users, people (society as a whole) and the natural environment. It is viewed as a short-, medium- and long-term opportunity.

Further developing the transmission network will improve the Company's business by contributing to security of supply and enhancing its reputation.

To unlock this opportunity, the 21-25 strategic plan prioritises energy transition. To succeed, the further development of transmission infrastructure is hugely important.

The financial impact of this opportunity is highly significant, meaning higher revenues due to the remuneration earned by the new assets. Considering the infrastructure envisioned in the 21-26 Electricity Plan (as reflected in the Strategic Plan), the impact of this opportunity has been estimated at 10% to 20% of annual earnings. This financial impact has already materialised.

Redeia's strategy and business model are fully geared towards seizing this opportunity.

2. Development of storage in non-mainland systems:

Redeia has identified an opportunity relating to the further development of island storage systems, which will make the Company better able to integrate renewable energies and provide the island systems with greater flexibility and security.

The impact exists along the value chain in relation to the Company's own activity and that of its customers and users and is considered an opportunity in the medium and long term.

The further development of storage systems will have a positive impact on the wider electricity system (impact on supply), while also improving the Company's position within the sector and enhancing its reputation in terms of sustainability.

The financial impact of this opportunity is considered significant and relates to the revenues that will flow from the new storage infrastructure. This impact has not yet materialised and is expected to peak in the long term. The Company is currently working to calculate the monetary impact.

It is considered that the Company will be able to tap this opportunity based on its current strategy and business model.

3. Reputational improvement associated with climate change performance:

Redeia can enhance its reputation by doing an outstanding job when it comes to climate change mitigation and adaptation. This could facilitate access to capital and improve the Company's market position, with positive impacts in terms of financing, heightened investor interest and a better perception in the public eye.

This opportunity relates to the Company's own business and will materialise over the short and medium term.

This opportunity is expected to have a significant positive impact.

The Company's strategic plan incorporates and prioritises climate change issues: it establishes energy transition as a priority and sustainability as a strategic pillar. Redeia also has a climate change commitment and action plan to boost its performance when it comes to climate change mitigation and adaptation.

It is considered that the Company will be able to tap this opportunity based on its current strategy and business model.

Energy

Impacts

1. Integration of renewable energy into the electricity system

Red Eléctrica's activities as transmission agent and operator of the electricity system are essential for the transition to an emission-free energy model. The Company plays a key role in helping to maximise the integration of renewable energies into the electricity mix: it builds the infrastructure needed to unlock new renewable power and operates the system, maximising its inclusion in the wider energy mix.

This impact extends all along the value chain. It is a current impact, with short-, medium- and long-term effects.

It has positive effects for both the natural environment and people, owing to the significant savings that can be achieved in greenhouse gas emissions due to the further integration of renewable energies.

This impact is fully linked to the Company's business model and strategy, as it is a direct product of Redeia's activities.

2. Consumption of energy from non-renewable sources in Redeia's own operations

The consumption of energy from non-renewable sources in Redeia's own operations carries a negative impact in terms of sustainability and greenhouse gas emissions.

This negative and current impact relates to Redeia's own operations and extends over the short, medium and long term (although the Company's action plans should significantly reduce the impact).

To mitigate the negative impact, the Climate Change Action Plan envisions various targets and actions to reduce energy consumption and minimise the use of non-renewable energy sources.

It is considered that the Company's strategy and business model provide the adaptive capacity needed to cope with this impact.

3. Energy consumed in Redeia's own operations (indirect): transmission grid losses

Transmission grid losses are a form of indirect consumption of energy affecting Redeia's operations, leading to a waste of resources and the ensuing pollution due to the additional electricity that must be produced to make up for these losses.

This impact is current and negative, affects own operations, and extends over a short-, medium- and long-term horizon.

This negative impact is addressed through emission reduction targets and the Climate Change Action Plan (CCAP).

It is considered that the Company's strategy and business model provide a certain degree of adaptability needed to address this impact, although it should be noted that Red Eléctrica has no control over the main underlying causes of these losses. The structure of electricity generation and flows within the transmission grid depend on the rules of the electricity market, which is regulated by an independent body. Red Eléctrica must perform its role as electricity system operator in strict compliance with a set of specific and mandatory operating procedures. According to these procedures, it is not possible to operate the electricity system according to loss reduction criteria, meaning the Company has very limited capacity to act.

11.2.2.3 Impact, risk and opportunity management

a. Description of the processes to identify and assess material climate impacts, risks and opportunities. ESRS 2 / IRO 1

Redeia has conducted a double materiality assessment, as required under ESRS 1, to identify the most relevant climate-related incidents, risks and opportunities for the Company from both perspectives (impact materiality and financial materiality), applying specific criteria and thresholds to determine their materiality. Moreover, significant impacts —including those associated with climate change— are assessed within the framework of the Environmental Management System

The Group has also conducted a resilience analysis that supports the same assessment needs as the double materiality assessment.

Redeia follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and has a methodology in place to identify, prioritise and quantify, from an economic perspective, physical and transition risks and opportunities. This methodology has been followed at the electricity business since 2019 and was extended to the Latin America and telecommunications businesses in 2021. Redeia's resilience analysis covers not only the Group's own operations, but also the upstream and downstream stages of the value chain, addressing both physical risks associated with changes in climate parameters and transition risks related to the fight against climate change. No risks have been excluded from the analysis.

Climate risks fall into two main categories:

- **Physical risks:** Relate to changes in climatic variables (hazards), which may affect the Company's infrastructures (electricity or telecommunications) as well as its activities. Redeia identifies climate-related

hazards under various climate scenarios. The Company assesses how its assets and business activities could be exposed and sensitive to these hazards, as well as their time horizon, generating gross physical risks.

The following hazards have been identified:

- » Rising temperatures High temperatures
- » Extreme events: high wind, torrential rain (floods), cold snaps and snowstorms
- » Sea level rise
- » Wildfires
- » Water resource availability (rainfall + evapotranspiration)

- **Transition risks:** These risks are associated with regulatory and technological changes needed for the energy transition (transition climate events). These risks are particularly relevant for Redeia as a transmission company and operator of the Spanish electricity system, as the necessary regulatory and technological changes for the energy transition needed to achieve the climate targets pose a series of challenges and uncertainties, which could affect its business. Redeia determines the transitional climate events considering a climate scenario in line with limiting global warming to 1.5°C. The Company identifies and assesses the transition risks associated with climate change and takes proactive steps to manage and control them. The Comprehensive Risk Management Policy states that regulatory risk management should be proactive and anticipatory, aimed at collaboration with regulators and viewed on a medium- and long-term horizon.

The most notable climate events to have been identified include:

- Policies, regulations and actions aimed at energy transition:
 - Increase in renewables
 - Increased self-consumption, distributed generation
 - Restrictions on the use thermal and nuclear power plants
 - Pressing need to build new infrastructure within a relatively short time frame
- Policies, strategies, actions aimed at curbing greenhouse gas emissions
 - Banning or limiting the use of fluorinated gases
 - Increased energy efficiency requirements
 - Carbon taxes and charges

Redeia's risk analysis is carried out over three time horizons and under various scenarios (physical and transition). The horizons have been defined while taking due account of the useful life of the facilities (in the case of electricity infrastructure, this is considered to be 40 years) and the strategic and regulatory planning periods.

Basic assumptions for the resilience analysis

Redeia considers various time horizons. More precisely, these horizons are:

- › Short term (until 2026): looks at the Company's strategic plan and the validity and effectiveness of its electricity plans. No material physical changes are expected.
- › Medium term (until 2030): 2030 is a milestone for various climate targets of the European Union and those envisioned in Spain's own National Energy and Climate Plan (NECP). Certain physical changes—minor or similar to those currently materialising— may begin to be perceived.
- › Long term (2030 onwards).

- (a) Transition risks (until 2050): 2050 is the target year for climate neutrality, with regulatory changes and technological advances expected to take place between 2030 and 2050.

(b) Physical risks (beyond 2050): In the case of physical risks, the most material changes are expected to materialise from 2050 onwards (the electricity infrastructure being built now will be in service at that time).

- As a reference for the physical scenarios, the Company uses the SSP scenarios set out in the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC) and their equivalent Representative Concentration Pathways (RCPs). To further specify the various scenarios, the projections developed by the State Meteorological Agency (AEMET) for Spain have been considered and the projections made by the World Bank for Latin America have been taken as a reference point. Notably, the governance model for the management of climate risks and opportunities does not require these scenarios to be updated annually.
- For the transition scenarios, the scenarios put forward by the International Energy Agency in its World Energy Outlook reports have been taken as a reference point: STEPS, APS and NZE. These are supplemented with further information on relevant variables by business and geographic area. In the case of the electricity business in Spain, the Company considered the scenarios proposed by the TYNDP (ENTSOE's 10-year Network Development Plan) for 2050 and the scenarios set out in Spain's National Energy and Climate Plan (NECP) for 2030, which proposed a 23% reduction in emissions compared to 1990 (a target that has been raised to 32% in 2024) and a 74% share of renewables in electricity generation (raised to 81% in 2024). These targets are aimed at achieving carbon neutrality by 2050 (entailing a 90% reduction in emissions compared to 1990 and a 97% share of renewable energies in final consumption, with the electricity sector becoming 100% renewable), thus ensuring alignment with the NZE 2050 scenario and RCP2.6 and, therefore, with the objective of keeping the temperature increase to below 1.5 °C.

| IPCC physical scenarios – Horizon 2030-2050-2070 | Transition scenarios (IEA/NECP) 2030-2050 horizon | |
|--|---|--|
| RCP 8.5 (SSP5-8.5) | BAU scenario | <ul style="list-style-type: none"> No climate policies applied. Highly significant increase in emissions. |
| RCP 6.0 | Trend (STEPS) | <ul style="list-style-type: none"> Trend-based change in climate policies. Emissions growth exceeds the target envisioned in the Paris Agreement. Scenario compatible with an average temperature increase of 2.4 °C by 2100. |
| RCP 4.5 (SSP2-4.5) | | |
| RCP 2.6 (SSP1-2.6) | Announced pledges (APS) | <ul style="list-style-type: none"> Significant policy changes needed to achieve the Paris Agreement target (in Spain, compatible with the NECP target scenario). The APS is compatible with an average temperature increase of 1.7 °C and NET ZERO with an increase of 1.5 °C by 2100. |

Methodology and tools used

Redeia relies on a methodology that includes the identification, analysis, assessment, management and control of risks. This methodology is predicated on a uniform set of criteria and within the risk levels established, ensuring that any risks that could affect Redeia's strategies and objectives are systematically identified, analysed, assessed, managed and controlled. Risk mitigation actions are also taken to minimise risks, with contingency plans put in place and coverage established for such risks where possible.

Potential risks are identified by a team of experts and are reviewed at least once every three years, although they may be updated whenever necessary.

The Company has flagged 127 potential risks (physical and transition), which are assessed on the basis of exposure, sensitivity and resilience criteria. This procedure considers various economic variables and other business indicators, including impact on the supply of electricity, on telecommunications services and on reputation.

As a result of this prioritisation, risks are sorted into four categories (low, medium-low, medium-high, and high) with high and medium-high risks considered material for the business and which are monetised to quantify their financial impact (the risks are monetised for the short- and medium-term horizons). As Red Eléctrica is engaged in a regulated activity, not all priority risks for Redeia necessarily entail a financial impact for the organisation.

b. Policies related to climate change mitigation and adaptation E1-2 MDR-P

2030 Sustainability Commitment

Redeia's Board-approved 2030 Sustainability Commitment embodies its commitment to its long-term endurance by forging a business model capable of creating shared value for all stakeholders and doing business responsibly.

Among the sustainability priorities set out in this commitment are "Decarbonisation of the economy" (which would include issues related to climate change mitigation) and "Anticipation and action for change" (which covers issues related to climate change adaptation).

Commitment to climate change

Aside from its Sustainability Commitment, Redeia has embraced a specific commitment to combat climate change (also approved by the Board of Directors), which is embodied in its commitment to achieving zero net emissions by 2050, in the medium-term emission reduction targets (2030) and the Climate Change Action Plan.

Redeia's pledge to combat climate change is based on four main courses of action. The first line is to push towards a decarbonised economy. Redeia focuses on developing infrastructure that will enable electrification and the further integration of renewable energies, thus optimising the functioning of the electricity system and developing electricity interconnections. Digitalisation and connectivity are also promoted through the Group's technology companies.

The second line is to reduce the carbon footprint. The aim is to reduce the greenhouse gas (GHG) emissions associated with the Group's activities by calculating and reporting the carbon footprint, setting emission reduction targets and taking specific steps to reduce emissions of SF₆ and other fluorinated gases and energy consumption. It is also working to reduce losses in the transmission grid, promote sustainability along the supply chain and offset emissions to move towards carbon neutrality through nature-based solutions.

The third line is to position and disseminate the climate commitment. The aim here is to inform and engage stakeholders by disseminating knowledge about the electricity system and the energy transition, as well as to collaborate in initiatives against climate change promoted by public administrative bodies and other organisations.

The fourth line is adapting to climate change. The aim is to prepare for the physical, social, economic and regulatory changes resulting from climate change by identifying and assessing risks and opportunities, and implementing the necessary adaptation measures to ensure that the energy system is resilient to these changes.

Sustainability Policy

This policy envisions various environmental improvement measures and specific projects for the protection of species and habitats, with the overriding aim of generating a net positive impact. It also sets out Redeia's sustainability-related principles, guiding all activities towards a responsible management model, focused on excellence and value creation for stakeholders and maximising Redeia's contribution to the Sustainable Development Goals. This policy applies to all Redeia Group activities, including the construction, operation and maintenance phases of electricity infrastructures in Spain and other countries such as Peru, Chile and Brazil, with no geographical or activity-based exclusions.

The Group is committed to respecting the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD) and the Spanish Business and Biodiversity Initiative (IEEB) promoted by the Ministry for Ecological Transition and the Demographic Challenge (MITERD), working also alongside the International

Union for Conservation of Nature (IUCN) and SEO BirdLife. The policy has been drawn up while listening to the feedback received from stakeholders, thus ensuring that the interests of all affected parties are considered. It is available to all stakeholders on the Redeia Group's website and is actively communicated in sustainability reports and other public documents.

Environmental Policy

This policy enshrines the principles and commitments there to ensure the conservation and improvement of the natural environment in all activities carried out by the Company. It applies to all companies in which Redeia holds a majority stake and fosters principles aligned with it among its business partners and collaborators. The principles include ensuring compliance with environmental legislation, contributing to an environmentally friendly delivery model, preventing environmental risks, and stepping up the commitment to the fight against climate change. Biodiversity and natural capital are also considered key factors, integrating circular economy criteria for a sustainable use of resources. The policy likewise promotes innovation, training and environmental awareness, and transparency when disclosing environmental performance. The Sustainability Committee supervises and regularly reviews compliance with this policy, which can be found on Redeia's website and corporate intranet.

Management of climate change risk

Climate change risk management is built into the Company's risk management and such risks are subject to the governance model for this purpose. Aside from being supervised by the Audit Committee of the Board of Directors, as part of its oversight role over the end-to-end risk control system, climate risks and opportunities are also submitted to the Board's Sustainability Committee. This committee's duties include reviewing the corporate responsibility and climate change policies and overseeing compliance, so as to ensure that the results of the analysis of risks and opportunities arising from climate change are integrated into the Group's decision-making processes

c. Actions and resources in relation to climate change policies E1-3 / MDR-A

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).

The lines of action needed to implement the climate change policies are set out in the **Climate Change Action Plan (CCAP)**, broken down into the following blocks:

I. Contribution to a sustainable energy model

- › Development of infrastructure to enable the electrification of the economy, connect up new renewable power, reduce technical constraints, and power the railway network. Highlights include the development of international and inter-island electrical interconnections to ensure an uninterrupted supply of power, given the intermittent nature of renewable generation.
- › Maximum integration of renewable energies into the electricity system by optimising system operation and the performance of the Renewable Energy Control Centre (CECRE), to be achieved by improving forecasting tools, integrating more distributed generation and developing energy storage systems that will allow for the integration of renewable energies, thus ensuring the security of the system.
- › Furthering efficient grid management by fostering technological innovation (smart grids and digitalisation), incorporating new elements and services, and applying new flexibility measures.

II. Carbon footprint reduction

- › Reducing SF₆ emissions (25% compared to 2015) by preventing, detecting and controlling leaks, improving monitoring and repair techniques, renewing equipment (mainly from 2026) and promoting alternatives to SF₆.
- › Reducing energy consumption and associated emissions: use of 100% renewable electricity, implementation of energy efficiency measures in buildings and sustainable mobility.
- › Reducing emissions from grid losses by increasing the share of renewable energy in the electricity mix: at least 60% in 2025 and 74% by 2030.
- › Reducing emissions associated with the supply chain through collaborative programmes to encourage suppliers to set reduction targets aligned with the SBTi, as well as factoring sustainability criteria into purchasing decisions.
- › Emissions offsets: 100% of Scope 1 emissions by 2025 and increased ambition for 2026-2030 through the Electricity Grid Forest and other nature-based solutions, the purchase of carbon credits, and the development of new offset projects.

III. Climate change adaptation

The Company regularly identifies and assesses the risks and opportunities arising from climate change and plans and takes various actions within the framework of this analysis. It should be noted that Redeia's activity as a whole is a key element in adapting the energy system to the risks arising from climate change. As set out in the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the financial impacts of material risks and opportunities are quantified under various physical and transition scenarios. Information related to this work is disclosed in the 'Risk management' chapter of this report.

IV. Positioning and outreach

Redeia works hard to communicate and involve stakeholders in its commitment to climate change. The main aim is to disseminate knowledge and provide complete and transparent information on the electricity system and its role in the energy transition, while also championing different energy efficiency measures. Notably, Redeia is a member of the Spanish Green Growth Group, an association that works to promote public-private partnerships as means of making joint progress towards the decarbonisation of the economy. It mainly targets aspects related to climate change mitigation and adaptation and the circular economy.

Actions taken to reduce emissions, reductions achieved and those planned.

One of the four blocks into which the priorities of the CCAP are structured relates specifically to the need to reduce the carbon footprint. The actions carried out and planned by Redeia in this regard are described below, related to the specific decarbonisation levers in which they are included:

a) SF₆ emission reductions

SF₆ is a dielectric gas present in electricity transmission installations. SF₆ emissions are largely associated with small leaks emanating from leaking equipment, as well as leaks during gas transfers and accidents or faults. This is a priority concern for Redeia and various reduction initiatives are currently under way:

1. Leak prevention, detection and control:
 - › Improving preventive maintenance work
 - › Reducing detection and intervention times in case of faults.
 - › Developing effective leak repair methodologies to repair leaks at gas insulated (SF₆ insulated) substations (GIS), so as to facilitate and speed up the work. In 2024, 17 leaks —mainly associated with corrosion or ageing of equipment— were successfully repaired.
 - › Designing improved roofs for existing installations to prevent degradation of materials due to atmospheric agents and, therefore, leakage. In 2024, work got under way to cover the 400kV GIS at Pola de Gordón. This work will be completed in 2025.
 - › Including further requirements in procurement tenders to help minimise gas losses (rapid intervention in cases of leakage and equipment design criteria, among other aspects).
 - › Replacing SF₆ gas with nitrogen (N₂) in equipment stored as spare parts.

2. **Renewal of switchgear:** The progressive renewal of old equipment and those presenting very high leakage rates is a significant course of action in quantitative terms. Significant progress was made in 2024 towards the renovation work at the Litoral 400 kV substation, which began in 2022. Due to its age and prevailing environmental conditions, the gas emissions to have occurred at this facility are among the highest reported by the Company in recent years.
3. **Reduction of installed SF₆ and search for alternatives to gas:** Red Eléctrica is committed to promoting alternative solutions to SF₆, which are currently under development. To succeed in this task, it takes part in various technology monitoring and experience exchange groups with other agents in the electricity sector, mainly with equipment manufacturers and other European TSOs, notably the Mission project, the aim of which is to share the results of field tests of various types of switchgear featuring alternatives to SF₆.

The Company is developing some highly promising pilot projects such as the inclusion of an alternative gas in the pipelines and busbars of two 400 kV substations. Red Eléctrica also has two 66 kV GIS cubicles with alternative gases, located in the Canary Islands for use as mobile positions. In addition, in 2024 an additional circuit breaker was installed to join the three SF₆-free AIS circuit breakers (CO₂ + O₂ technology) installed in 2023. Moreover, further progress will be made towards the technical qualification and approval of new gas-free models, the pipelines and busbars of two 400 kV substations. Red Eléctrica also has two 66 kV GIS cubicles with alternative gases, located in the Canary Islands for use as mobile positions. An additional SF₆-free AIS switch (CO₂ + O₂ technology) was installed in 2024 to join the three installed in 2023 and the technical qualification and approval of new gas-free models will continue as we move forward.

4. **Training:** Red Eléctrica is legally certified to deliver training on gas handling. A total of 541 employees have been trained since 2013, with 444 officially certified. Moreover, dedicated technical training sessions on GIS technology are held to enhance maintenance and leak repair.
5. **Collaboration with other stakeholders:** Redeia works alongside public administrative bodies and other entities to find solutions for controlling and reducing these emissions within the framework of the voluntary agreement signed in May 2015 (and currently in the process of being renewed) between the Ministry for Ecological Transition and the Demographic Challenge, manufacturers and suppliers of electrical equipment that use SF₆, electricity transmission and distribution companies and waste managers of this gas and the equipment that contains it. The aim is to find a more environmentally friendly end-to-end management system for the use of SF₆ in the electricity industry.

Thanks to all these initiatives, a 32% reduction in SF₆ emissions has been achieved since 2015. Looking ahead to 2030, a 25% reduction is expected compared to the base year of 2015. (It is important to consider that SF₆ emissions are directly related to the amount of gas installed and the age of the equipment. While in 2024 the reductions achieved were more significant than expected, an increase in these reductions associated with these factors is to be expected).

b) Reduction of energy consumption and related emissions

One of the cornerstones of the Company's commitment to climate change is its pledge to ensure energy efficiency at all levels. To succeed, the following actions are carried out:

1. Carrying out energy audits every four years to identify the levers for reducing energy consumption. In 2024, these audits were carried out at 20 work centres and corporate buildings and also for the vehicle fleet. As a result, at least 80 feasible saving measures were identified that would lead to an estimated saving of 400 MWh/year. Meanwhile, the photovoltaic viability of 28 work centres —selected for their potential (high consumption and suitable climate zone)— was analysed. Of these, 15 were found to be viable, which between them would generate an estimated 300 MWh/year. The feasibility of electrifying the fleet and thus reducing fossil fuel consumption was also analysed, revealing that savings of up to 5 GWh could be achieved. These actions will be addressed in the next review of the Climate Change Action Plan in 2025, when the energy efficiency targets will be updated.
2. Energy efficiency measures to reduce electricity consumption:

- › Changing light fixtures to LED technology, installing motion detectors and lighting sensors, central heating timers and window protection elements.
- › Adjusting the air-conditioning and lighting parameters in buildings.
- › Energy management system certified by the ISO 50001:2018 standard at Redeia's headquarters and at Redeia Campus.
- › Nearly zero energy buildings (NZEBs).
- › Awareness campaigns
- › Measures relating to computers and the like: incorporating maximum efficiency criteria and migrating to virtual servers.
- › Night-time shutdown of 446 substations, thanks to improved remote lighting control systems.

The implementation of these initiatives has led to a **13.3% reduction in the electricity consumed at Red Eléctrica's work centres since 2015**, as well as a 5% reduction in the Group's total electricity consumption with respect to 2023. (Expected reductions: 30% reduction in electricity consumption at Red Eléctrica work centres by 2030 compared to 2015).

c) Use of renewable energy

Most of the electricity supply contracts managed by the Company have renewable energy Guarantees of Origin (GoO) or international renewable energy certificates (IRECs).

Redeia has used the following instruments in relation to Scope 2 (market-based) emissions:

- Procuring renewable energy with Guarantees of Origin (GoO): 75.2% of total electricity consumption.
- International Renewable Energy Certificates (IRECs): 14.8% of total electricity consumption.
- In addition, IRECS were acquired to cover grid losses in the infrastructure operated in Peru and Chile (113,031 MWh), equivalent to 2% of total indirect energy consumption associated with grid losses.

Meanwhile, further progress was made in implementing self-consumption facilities at the Company's work centres: thermal solar energy for domestic hot water, geothermal energy (three buildings) and photovoltaic solar energy (17 work centres).

Moreover, work is under way to increase the use of renewable energy for the backup generators present at the facilities. Notably, two pilot projects were carried out involving the use of portable hybrid panels to power substations that are not yet connected to the distribution grid, and work is currently under way to replace diesel with a 100% plant-based fuel (project developed in 2024).

Thanks to these measures it is possible to increase the percentage of renewable energy consumed in the organisation:

- › 62% renewable energy out of total energy consumption ⁽¹⁾
- › 94% of renewable energy out of total electricity ⁽²⁾
- › 96% of electricity procured/self-consumed from renewable sources (expected 100%) ⁽³⁾

1) This figure does not consider the share of renewable electricity in the national energy mix. If included, the value would be 62.8%.

2) This figure does not consider the share of renewables in the national energy mix. If the renewable part of the mix is considered, the value would be 95.3%.

3) Some workplaces do not have an electricity supply and are powered by the transmission grid. Therefore, they have not been counted when calculating the trend toward the 100% renewable energy target. In 2024, they accounted for 2.34% of the total electricity consumed.

d) Sustainable mobility

Redeia is working hard to optimise the travel needed to carry out its business activities and to reduce the related emissions. The Company has a Sustainable Mobility Plan in place, which aims to instil a new culture of mobility across the organisation. Notable actions on this front include:

- Prioritising the best available technologies in fleet vehicles (hybrid, plug-in hybrid or electric, with 77% of vehicles having an 'A' energy rating).
- Optimising vehicle use by implementing the Agile, Responsible and Safe Driving System, enabling the use of efficient routes and responsible driving.
- Ensuring the existence of a pool of 100% electric vehicles to cover corporate needs.
- Optimising business travel by promoting and improving communication tools to reduce travel (video-conferencing and remote access platforms) and factoring sustainability criteria into the Company's travel policy.
- Measures to reduce the use of combustion vehicles for commuting to work: company transport service and shuttles to connect offices, promoting carpooling and including the transport card among the various in-kind options available to employees. Enabling electric vehicle charging stations for employees.
- Thanks to all of the measures described in this heading, Redeia has achieved a **26% reduction in emissions associated with energy consumption compared with the 2019 value** (65% since 2015).

e) **Reduced emissions due to losses in the transmission grid**

Energy losses from the transmission grid are the contributor to Scope 2 emissions. These losses are calculated by looking at the energy dissipated in the grid (transmission grid losses) and applying the emission factor of the energy mix for each of the systems.

None of these variables is directly controllable by Redeia, although the Company is working to improve those aspects it can influence and which could reduce losses. Notably, in the case of Spain, Red Eléctrica's efforts to safely integrate as much renewable energy as possible into the transmission grid have a direct impact in reducing these emissions.

In 2024, the share of renewables within the national electricity system came to 56.8% (37.5% in the base year of 2019), with emissions associated with transmission grid losses down 34% compared with 2019 levels.

Meanwhile, emissions due to losses at the Company's facilities in Peru and Chile were reduced to zero (zero tCO₂ in 2024), thanks to the acquisition of renewable energy certificates (IRECs).

Total emissions from transmission grid losses have fallen by 35% since 2019. (Expected reduction of around 57% compared to 2019).³

f) **Reduced emissions associated with the supply chain**

Emissions associated with the supply chain are the most relevant for Redeia when it comes to Scope 3 emissions. The Company has taken various steps to achieve further reductions, working from two angles:

- Developing and implementing the calculation of emissions associated with the main supplies under the LCA (Life Cycle Analysis) methodology, and incorporating circularity and climate change criteria into its procurement decisions. Since the project got under way in 2022, work has been carried out on 11 supplies (10 relating to equipment and 1 to service). More precisely, the following aspects were analysed in 2024: substation structures, underground cables, insulators (glass and composite), disconnectors and instrument transformers.
- Collaboration with key suppliers through a specific programme aimed at extending Redeia's emissions reduction commitment all along the supply chain.

As expected, no emission reductions have materialised since the base year 2019. The first actions along these lines were aimed mainly at improving the knowledge and calculation of emissions in order to increase the percentage of real data and the quality of the information, which is essential to be able to identify

³ This percentage does not relate to any reduction target. It has been calculated considering the overall Scope 1 and 2 emission target and the specific Scope 1 emission reduction target.

and analyse the effectiveness of reduction measures. The supplier training and awareness-raising work carried out within the framework of the partnership programme will not lead to direct reduction in emissions in the short term, despite having led to an improvement in the level of maturity among those taking part (increase in suppliers with verified carbon footprints and suppliers with SBTi-approved emission reduction commitments in 2014: 15 SBTi-approved suppliers and one SBTi-committed company). Moreover, the increase in Company activity (higher investment) also pushed up emissions associated with the supply chain, although it was not a proportional increase thanks to the work being carried out along these lines. (Emissions associated with the supply chain were up 6% compared to 2023, with the amount certified having increased by 55%).

g) Emission offsets

Aside from the measures in place to reduce emissions and minimise the Group's carbon footprint, additional carbon offsetting actions are carried out. As part of its strategy to move towards climate neutrality, Redeia has pledged to offset all direct emissions that it is otherwise unable to reduce from 2023 onward (as it happens, this measure was brought forward to 2022).

More precisely, in 2024 a total of 26,613 tCO₂eq were offset, exceeding 26,003 tonnes of CO₂ corresponding to all Scope 1 emissions and corporate events.

Further information on carbon offsetting is provided in section 2.2.5 b (iii) *GHG removals and mitigation projects*.

Regarding the list of significant monetary amounts of CapEx and OpEx needed for the actions carried out and planned, the Group is not required under Commission Delegated Regulation (EU) 2021/2178 to draw up a CapEx plan, and the key performance indicators required by this regulation can be found in this report in section 2.1 *EU Taxonomy information*. Moreover, no significant amounts of OpEx or CapEx have been found to exist in this regard. In 2025, work will be carried out to update the Climate Change Action Plan, which will include CapEx and OpEx indicators for each material activity, for which the appropriate control and monitoring methodology will be put in place.

11.2.2.4 Metrics and targets

a. Targets related to climate change mitigation and adaptation. E1-4 / MDR-T

Redeia has pledged to achieve zero net greenhouse gas (GHG) emissions along its entire value chain by 2050. The criterion for setting emission reduction targets is alignment with the Paris Agreement. This commitment is consistent with achieving global Net Zero and limiting global warming to 1.5 °C, as well as with Redeia's own corporate policies.

The **targets for 2050** have been endorsed by the Science Based Targets initiative (SBTi):

- 90% reduction in Scope 1 and 2 emissions with respect to 2019.
- 90% reduction in Scope 3 emissions with respect to 2019.
- 100% offsetting of all residual emissions

To make further progress towards the long-term objectives, the Group has also set itself the following short- and medium-term objectives:

Targets for 2030 (approved by SBTi):

- 55% reduction in Scope 1 and 2 emissions with respect to 2019.
- 28% reduction in Scope 3 emissions with respect to 2019.
- Suppliers accounting for two thirds of supply chain emissions must have SBTi-approved science-based targets in place for 2026.

Targets for 2025 (included in the 2023-2025 sustainability plan)

- 30% reduction in Scope 1 and 2 emissions with respect to 2019.
- 100% offsetting of all Scope 1 emissions that cannot otherwise be reduced, from 2022 onward.

Redeia has pledged to offset 100% of its direct emissions that cannot otherwise be reduced until 2025 and from 2026 onwards, progressively increasing this offsetting until all residual emissions are ultimately offset by 2050. This pledge is in addition to its emission reduction commitments.

While Redeia's stakeholders have not been involved in the process of setting these targets, their views and concerns expressed in other ways have been listened to. To give an example, the targets have been defined according to SBTi criteria, as indeed requested by several major investors and rating agencies.

Relevant information on targets, progress towards targets, main reduction measures and reductions achieved, as well as indicators of energy consumption and emissions intensity (emissions/turnover and emissions/energy transported), are publicly disclosed in the Sustainability Report and can also be found on the Group's website.

Redeia's GHG inventory is verified by an independent third party according to ISAE 3410, specifying Scopes 1, 2 and all applicable categories of Scope 3 emissions.

The Company has identified various decarbonisation levers for achieving its reduction targets (described in E1-1 and E1-3). Their expected contribution, for the 2030 horizon, is set out below:

| Greenhouse gas emissions (tCO ₂ eq) | 2015 | 2019 | Expected emissions – BAU | Expected reductions by lever | 2030 targets |
|--|------------------|----------------|--------------------------|------------------------------|----------------|
| SF ₆ emissions | 33,733 | 22,690 | 36,450 | 11,150 | 25,300 |
| Use of air conditioning | 840 | 975 | 1,000 | 300 | 700 |
| Fleet vehicles | 2,124 | 1,845 | 1,500 | 600 | 900 |
| Power generators | 182 | 321 | 500 | 200 | 300 |
| Heating | 0.00 | 232 | 250 | 250 | 0 |
| Associated with electricity consumption | 5,441 | 1,238 | N/A | 1,038 | 200 |
| Arising from transmission losses | 1,135,791 | 791,543 | N/A | 450,463 | 341,080 |
| Total emissions (Scopes 1 and 2) | 1,178,111 | 818,844 | | | 368,480 |

Scope 1: The base year set for SF₆ emission reductions is 2015, as the most significant reduction actions were taken over the 2015-2020 period. While further actions were taken from 2020 onwards, their impact is expected to be lower given the increase in the installed SF₆ fleet and the fact that the switchgear is ageing (both circumstances that significantly increase the probability of leakage). The reductions expected to be achieved from the steps taken to reduce Scope 1 emissions have been estimated considering the expected trend in emissions, largely due to the increase in the number of assets and the fact that the Company's business has grown.

| | Base year 2015 | Base year 2019 | Value year 2024 | 2025 target | 2030 target | 2050 target |
|--|----------------|----------------|-----------------|----------------|----------------|---------------|
| SF₆ emissions (tCO₂eq) A | 33,733 | - | 22,834 | 26,143 | 25,300 | - |
| Scope 1 emissions (tCO₂eq) A, B, C, D | 36,879 | - | 25,992 | 28,581 | 27,659 | - |
| Emissions associated with electricity consumption (tCO₂eq) B, C | 5,441 | - | 249 | - | 544.1 | 0 |
| % of renewable electricity (procured) B, C | - | - | 96 | 100 | 100 | 100 |
| GHG emissions (tCO₂eq) (Scopes 1 + 2) A, B, C, D, F | - | 818,844 | 539,108 | 573,191 | 368,480 | 81,884 |
| Percentage of SBTi-covered providers E | - | - | 35.3 | 66 | - | - |

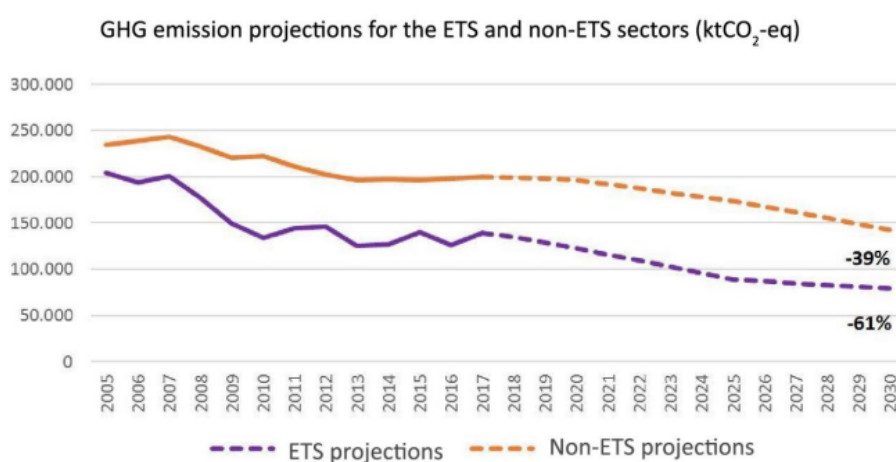
| | | | | | | |
|-------------------|---|---------|---------|---|---------|--------|
| Scope 3 emissions | - | 617,456 | 763,304 | - | 444,568 | 61,746 |
| E | | | | | | |

In italics, reference to the specific decarbonisation levers to which each of the targets specified in the table relate, as described in section 2.2.3. c. *Actions and resources in relation to climate change policies*: A) Reduction of SF₆ emissions; B) Reduction of energy consumption and related emissions; C) Use of renewable energy; D) Sustainable mobility; E) Reduced emissions due to losses in the transmission grid; F) Reduced emissions associated with the supply chain and; G) Emission offsets.

A cross-sector emissions pathway is presented below for all diffuse sectors (activities not subject to emissions trading) and for the ETS sectors (subject to emissions trading), as shown in the 2021-2030 National Energy and Climate Plan (NECP).

Redeia's own targets are aligned with the industry's wider efforts. The aim is to achieve substantial emission reductions by 2050, with a full transition to renewable energy planned for 2025. Redeia aims to achieve a 55% reduction in its Scope 1 and 2 emissions by 2030, thus falling within the range of 39% reductions for diffuse sectors and 61% for ETS sectors at the state level. Moreover, the goal of using 100% renewable electricity by 2025 will mark a significant step towards decarbonisation and will help it to achieve its emission reduction targets. This comparison suggests that Redeia's targets are reasonable and in line with national decarbonisation trends and targets.

Chart 2.2. Targeted emissions pathway to 2030. Historical series (2005 – 2016) and forecast trajectory



Source: Ministry for Ecological Transition and Demographic Challenge, 2019

b. Metrics related to climate change mitigation and adaptation. MDR-M

i. Energy consumption and mix. E1-5

In 2024, energy consumption amounted to 31,120 MWh. Of this amount, 62.7% came from renewable sources (without considering the percentage of renewable energies in the electricity mix).

| Energy consumption and mix | 2024 |
|---|-----------------------------|
| (1) Fuel consumption from coal and coal products (MWh) | 0 ⁽¹⁾ |
| (2) Fuel consumption from crude oil and petroleum products (MWh) | 10,601.5 |
| (3) Fuel consumption from natural gas (MWh) | 0 ⁽¹⁾ |
| (4) Fuel consumption from other fossil sources (MWh) | 0 ⁽¹⁾ |
| (5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh) | 199 ⁽²⁾ |
| (6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5) | 10,801 |
| Share of fossil sources in total energy consumption (%) | 35% |
| (7) Consumption of fuel from nuclear sources (MWh) | Not material ⁽³⁾ |
| Share of consumption from nuclear sources in total energy consumption (%) | Not material ⁽³⁾ |
| (8) Fuel consumption for renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), biogas, hydrogen from renewable sources, etc. (MWh) | 0 ⁽⁴⁾ |
| (9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh) | 18,740 ⁽⁵⁾ |
| (10) Consumption of self-generated non-fuel renewable energy (MWh) | 806 |
| (11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10) | 19,546 |
| Share of renewable sources in total energy consumption (%) | 62.8% |
| Total energy consumption (MWh) (calculated as the sum of lines 6, and 11) | 30,346 ⁽⁶⁾ |

- (1) Redeia does not consume fuels directly from coal and coal products, natural gas or other fossil fuel sources.
- (2) Of Redeia's total electricity consumption, 2.36% comes directly from the transmission grid and 3.8% is supplied by a distributor without a GoO. A proportion of this electricity comes from fossil-based sources. Based on a 16% share of fossil sources in the national mix for 2024, the share of electricity from fossil sources would be less than 1% of total consumption. Therefore, this indicator is considered non-material.
- (3) Redeia does not consume fuel directly from nuclear sources. Of Redeia's total electricity consumption, 2.36% comes directly from the transmission grid and 3.8% is supplied by a distributor without a GoO. A proportion of this electricity comes from nuclear sources. Based on a 20% share of nuclear power in the national mix for 2024, the share of electricity from nuclear sources would be 1.2% of total consumption. Therefore, this indicator is also considered non-material.
- (4) Redeia does not consume biomass-produced fuel directly.
- (5) This includes energy procured from renewable sources and the percentage of the national energy mix for electricity procured directly from the grid in Spain.
- (6) This figure differs from the total energy consumed by 778.7 MWh, due to the fact that sections 6 and 11 do not include the proportion of energy in the mix relating to other generation sources that are not fossil or renewable sources in respect of the 6.1% of energy that Redeia consumes directly from the grid or that it procures without a GoO.

The following table shows total energy consumption in energy intensity based on net revenue for those activities carried out in high climate impact sectors.

| Energy intensity per net revenue | 2024 | 2023 | Change (%) |
|---|-------|-------|------------|
| Total energy consumption of activities in high climate impact sectors per net revenue in respect of activities in high climate impact sectors (MWh/euros) | 0.016 | 0.014 | 12 |

Redeia, given its core business activity under NACE Section D (Electricity, gas, steam and air conditioning supply), is considered to operate in a high climate impact sector (as defined in Commission Delegated Regulation (EU) 2022/1288).

The following table shows the reconciliation of net revenue from activities in high climate impact sectors in the financial statements (under which line item or notes).

| | |
|---|-----------|
| Net revenue from activities in high climate impact sectors used to calculate energy intensity | 1,479,893 |
| Net revenue (other) | 110,780 |
| Total net revenue (consolidated financial statements) * | 1,590,673 |

(*) Total net revenue in 2024 does not include Hispasat.

ii. Gross Scopes 1, 2, 3 and Total GHG emissions. E1-6.

Each year, the Company calculates the inventory of greenhouse gas emissions for Scopes 1, 2 and 3, which it submits to independent verification by an external party.

Scope 1 emissions cover direct greenhouse gas emissions from stationary and mobile combustion as well as fugitive emissions. Stationary combustion emissions result from the fuel consumed by back-up generators and heating systems. The calculation involves multiplying the total fuel consumed/energy generated (depending on the information available) by an emission factor. For mobile combustion, emissions are calculated on the basis of fuel consumption or kilometres travelled by the vehicle fleet, car-sharing vehicles and executive vehicles.

Fugitive emissions include leaks of SF₆ gas used at electrical substations, considering both those occurring during the lifetime of the equipment and those associated with its end-of-life. They also include emissions due to refrigerant gas leakage from air-conditioning equipment.

Scope 2 emissions represent indirect greenhouse gas emissions from electricity consumption and transmission losses. These emissions are associated with the energy consumed by the organisation and the losses incurred when transporting electricity throughout the grid. The methodology involves calculating the total electricity consumed and applying the relevant emission factors in each case to determine the associated emissions.

Scope 3 emissions cover a wide range of other indirect emissions, including those from purchased goods and services, capital goods, fuel and energy life cycle, the transport and distribution of goods, waste management, business travel, employee commuting, leases and investments. Each category within Scope 3 has a specific calculation method, which often involves multiplying activity data (such as quantity of goods purchased or kilometres travelled) by the relevant emission factors in each case. This end-to-end approach ensures that all significant indirect emissions are accounted for, thus providing a complete picture of the organisation's carbon footprint.

Emissions from associates and other joint ventures over which there is no operational control are accounted for using the equity method. Emissions relating to certain Hispasat companies considered non-material (Hispasat Perú, S.A.C. and Hispasat México, S.A.) have not been counted. Companies of a purely legal or commercial nature are also out of scope, as no associated emissions have been identified.

Categories not applicable:

- Downstream transmission and distribution
- Processing of products sold
- Use of products sold
- Treatment of products sold at the end of their useful life
- Franchises

Significant assumptions or hypotheses:

- Approaches and assumptions considered material are those relating to the calculation of Scope 3 emissions, more precisely categories 1 and 2. A significant portion of these emissions are calculated by applying an emission factor based on economic data according to the type of supply (tCO₂eq/euro). This methodology involves a high degree of uncertainty, and so Redeia is working to increase the volume of direct information provided by its suppliers to be able to calculate these categories more reliably. (43.17% of information was reported directly in 2024).

Emission factors:

- OECC: Oficina Española de Cambio Climático – Spanish Climate Change Office
- DEFRA: Department for Environment, Food and Rural Affairs in the United Kingdom.
- GWP: Published in the Sixth Assessment Report of the IPCC

| | Retrospective | | | | Milestones and target years | | | |
|---|-----------------------|------------------|-----------|---------------|-----------------------------|---------|--------|-----------------------------|
| | Base year | Comparative 2023 | 2024 | % 2024 / 2023 | 2025 | 2030 | (2050) | Annual % target / Base year |
| Scope 1 GHG emissions* | | | | | | | | |
| Gross Scope 1 GHG emissions (tCO ₂ eq) | 36,879 ⁽¹⁾ | 28,670 | 25,992 | -9.4 | 28,581 | 27,659 | N/A | 25 |
| Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Scope 2 GHG emissions* | | | | | | | | |
| Gross location-based Scope 2 GHG emissions (tCO ₂ eq) | N/A | 594,320 | 538,909 | -9.3 | N/A | N/A | N/A | N/A |
| Gross market-based Scope 2 GHG emissions (tCO ₂ eq) | 792,781 | 591,970 | 513,116 | -13.3 | - | 340,821 | N/A | 57 ⁽³⁾ |
| Significant Scope 3 GHG emissions* | | | | | | | | |
| Total gross indirect (Scope 3) GHG emissions (tCO ₂ eq) | 617,457 | 719,510 | 763,304.5 | 6 | N/A | 444,568 | 61,746 | 28/90 |
| 1 Purchased goods and services | 268,836.5 | 363,427 | 479,909 | 32.1 | - | - | - | - |
| [Optional sub-category: Cloud computing and data centre services | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2 Capital goods | 319,485 | 278,715 | 150,911 | -45.9 | - | - | - | - |
| 3 Fuel and energy-related activities Activities (not included in Scope 1 or Scope 2) | 675 | 1,301 | 620 | -52.4 | - | - | - | - |
| 4 Upstream transportation and distribution | 2,093 | 1,096 | 1,295 | 18.2 | - | - | - | - |
| 5 Waste generated in operations | 193 | 110 | 32 | -71 | - | - | - | - |
| 6 Business travels | 3,477 | 1,765 | 2,505 | 41.9 | - | - | - | - |
| 7 Employee commuting | 5,317 | 2,850 | 2,229.5 | -21.8 | - | - | - | - |
| 8 Upstream leased assets | 39 | 10,361 | 10,387 | 0.3 | - | - | - | - |
| 9 Transportation and | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 10 Processing of sold products | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 11 Use of sold products | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 12 End-of-life treatment of sold products | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 13 Downstream leased assets | N/A | 0 | 0 | 0 | - | - | - | - |
| 14 Franchises | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

| | | | | | | | | |
|--|--------------------------|-----------|-----------|-------|-----|-----|---------|----|
| 15 Investments | 17,341 | 59,885 | 115,416 | 92.7 | - | - | - | - |
| Total GHG emissions | | | | | | | | |
| Total GHG emissions (location-based) (tCO ₂ eq) | N/A | 1,343,400 | 1,328,220 | -1.13 | N/A | N/A | N/A | |
| Total GHG emissions (market-based) (tCO ₂ eq) | 1,436,301 ⁽²⁾ | 1341.050 | 1,302,413 | -3 | | | 143,630 | 90 |

N/A Not applicable or not available

(*) Hispasat's contribution to the figure shown in the table is: Scope 1 emissions: 313 tCO₂eq; Scope 2 emissions: 18.5 tCO₂eq; Scope 3 emissions: 13,528 tCO₂eq

(1) Scope 1 emissions for 2015, the base year for Scope 1 targets

(2) 2019 total emissions: the base year for the Scopes 1+2 and Scope 3 targets is 2019

(3) The percentage reduction is the result of considering the Scope 1+2 emission reduction target and the Scope 1 emission reduction target (this percentage has not been defined as a specific target)

Emissions intensity

| Emissions intensity per net revenue | 2024 | 2023 | Change (%) |
|---|-------|-------|------------|
| Total GHG emissions (location-based) per net revenue (tCO ₂ eq/thousand euros) | 0.824 | 0.651 | 0.027 |
| Total GHG emissions (market-based) per net revenue (tCO ₂ eq/ thousand euros) | 0.808 | 0.650 | 0.024 |

Note: The 2024 data (total emissions and revenues) do not include Hispasat.

The table shows the reconciliation of the net revenue used to calculate GHG intensity to the relevant line item or notes in the financial statements:

| | |
|--|------------------|
| Net revenue used to calculate GHG intensity | 1,594,204 |
| Net revenue (other) | 1,594,204 |
| Total net revenue (consolidated financial statements) | 1,594,204 |

Note: The 2024 data (total emissions and revenues) do not include Hispasat

iii. GHG removals and GHG mitigation projects financed through carbon credits. E1-7

Aside from the measures in place to reduce emissions and minimise the Group's carbon footprint, additional carbon offsetting actions are carried out. As part of its strategy to move towards climate neutrality, Redeia has pledged to offset all direct emissions it cannot otherwise reduce.

The Company currently offsets 100% of Scope 1 emissions until 2025, with offsets progressively increasing to other scopes from 2026 to 2050. The 2050 target is to offset all residual emissions.

Offsets are currently carried out in two ways:

- Development of offset projects (Nature-based Solutions – NbS). The Company operates the Redeia forest project. In this project the offsets relate to the emission removals that occur during the lifetime of the trees and shrubs planted there. Removal projects are recorded under the removal projects section of the Spanish Climate Change Office (MITERD) register. Aside from the offsets recognised by the office at the time of registration, it is envisioned that further removals will be recognised over the 30 to 50 years of the life of each project, depending on the course it takes. In 2024, a total of four forests were recorded: Nieva (Orense), Gamalleira (Lugo), Las Hormazas (Burgos) and Hoyos del Espino (Ávila), with 1,613 tCO₂ available at the start (recorded) and a total of 8,873 tCO₂ in expected removals over 50 years.
- Purchasing emission allowances: the Company has acquired 25,000 VCUs (Verified Carbon Units) relating to three projects: landfill gas capture in Chile (Gold Standard assurance); reforestation in Vichada, Colombia (Gold Standard assurance) and Envira, deforestation avoided, Brazil (VCS assurance).

These actions combined were enough to offset all (100%) Scope 1 emissions in 2024, as well as the emissions associated with Redeia's corporate events (General Shareholders' Meeting and Sustainability Workshops).

| Removals | 2024 |
|---|--------|
| Redeia forest (tCO ₂ eq) | 1,613 |
| Total GHG removals from own operations (tCO ₂) | 1,613 |
| Capture of landfill gas (LFG) | 9,000 |
| Afforestation, reforestation, and revegetation (ARR) | 5,000 |
| Deforestation avoided (REDD+) | 11,000 |
| Total GHG removals in the upstream and downstream value chain (tCO ₂) | 25,000 |

| Carbon credits cancelled in the reporting year | 2024 |
|--|--------|
| Total (tCO ₂ eq) | 26,613 |
| Proportion of removal projects (carbon removal) (%) | 25 |
| Proportion of reduction projects (avoided emissions) (%) | 75 |
| OECC recorded (%) | 6 |
| Gold Standard (%) | 52.6 |
| VCS (%) | 41.4 |
| Share from projects within the EU (%) | 6 |

iv. Internal carbon pricing scheme. E1-8

Redeia does not produce electricity and none of its facilities are subject to the EU Emissions Trading Scheme (EU-ETS). The use of the internal carbon price is a voluntary tool that responds to stakeholder expectations and helps the Company make progress towards its emission reduction targets.

The carbon price is mainly used as an **internal price**. Redeia's roadmap towards carbon neutrality includes, in addition to emission reduction targets, a 100% offset target for Scope 1 emissions in the short term. The cost of voluntary emissions offsetting is shared between the various organisational units in proportion to the emissions produced by each of them, thus functioning as an emissions penalty or levy. As the offsetting is mainly done through the Redeia Forest project and by purchasing carbon credits on the voluntary market, the internal carbon price is set considering the cost of both actions. The price is reviewed annually.

The **internal price for 2024 has been set at €11.82 per tCO₂eq**.

Redeia also uses a "shadow price" of carbon when making certain decisions related to low-carbon technologies or the promotion of best practices in different projects. The aim is to extend this practice to a larger number of projects and decision-making within the Company. In this case, carbon pricing is carried out on a project-by-project basis: use of carbon prices published by different agencies, carbon market prices, fluorinated gas tax prices (for projects involving this technology), etc.

The internal carbon price applies to 100% of Scope 1 emissions. The application to Scope 2 and 3 emissions is not considered material at this stage.

11.2.3 ESRS E4 – BIODIVERSITY AND ECOSYSTEMS

11.2.3.1 Strategy

a. Transition plan and consideration of biodiversity and ecosystems in strategy and business model. E4-1

The deployment of the electricity transmission and telecommunications infrastructure needed to carry out the energy, ecological and digital transition inevitably entails an interaction with nature and, as a result, generates impacts, dependencies, risks and opportunities in two ways: from the company to the natural environment, and vice versa, i.e. from nature to Redeia.

To carry out its mission, Redeia needs to integrate its operations into the natural environment, both onshore and offshore, and consume natural resources, predominantly through its supply chain. In tandem with this, the Company's activities are not immune to what is happening in nature, nor to the effects of climate change or the loss of biodiversity, which can generate risks for the business.

The Company has been working for years to come up with a sustainable business model, with biodiversity as one of the cornerstones of its business strategy. Aware of the risks associated with biodiversity loss, Redeia focuses its activities on achieving a **positive impact** by applying the mitigation hierarchy. Biodiversity has always been a priority concern as part of the Company's environmental management efforts and a key factor shaping the Group's strategy.

Redeia's awareness of its impact on nature has led it to establish and update, over time, robust and concrete commitments, both in the fight against climate change, in order to achieve carbon neutrality, and in the protection and conservation of biodiversity, in order to reduce biodiversity loss and generate a positive impact. In line with these, it has also embraced a specific commitment to protect vegetation and combat deforestation when carrying on its activities and in relation to those of its supply chain.

More precisely, the **commitment to biodiversity** includes the aim of generating a positive impact on biodiversity in those regions 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.

In line with this commitment, Redeia has defined a series of biodiversity framework objectives in its Sustainability Plan, with an interim horizon of 2025 and aligned with the 2030 objective of achieving a positive impact on biodiversity:

- Measuring and valuing the impact by implementing a system of accounting for and valuing the natural capital present in biodiversity.
- Identifying and assessing biodiversity-related risks and opportunities.
- Protection and restoration of habitats in protected areas or areas of high biodiversity value.
- Recovery and conservation of vulnerable and endangered species.
- Eradication of invasive species associated with electricity transmission infrastructure.
- Electricity infrastructure as a reservoir of biodiversity.

In parallel, Redeia is working on an approach aligned with the guidelines of the TNFD (Taskforce on Nature-related Financial Disclosures) and the SBTN (Science Based Targets Network) to identify and assess the Company's impacts, dependencies, risks and opportunities on biodiversity in order to respond to the requirements and demands imposed by the various reporting frameworks and sustainability indices.

Biodiversity and ecosystem-related impacts, dependencies, risks and opportunities

Redeia has conducted an initial analysis of the importance of the various businesses in terms of their interaction with nature, using sectoral reference tools such as ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) and the SBTN Materiality Tool. The results show that it is the **electricity transmission business (Red Eléctrica and Redinter)** that has the greatest potential interaction with biodiversity and ecosystems in its direct activities. This also happens to be the Company's main business in terms of revenue.

On this business, and following TNFD's LEAP (Locate-Evaluate-Assess-Prepare) methodology, the Company has carried out an exhaustive and expert analysis of the relationship between technologies and activities with each of the drivers of impact and/or ecosystem services. This exercise produced a **matrix** showing the various **impacts and dependencies**, from which the **risks and opportunities arising from the activity** have been obtained.

The Company completed the exercise by identifying priority ecosystem services in terms of materiality of impact.

These impacts and dependencies have led Redeia to adapt its strategy and business model to ensure long-term sustainability, minimising negative impacts to make a positive contribution to biodiversity and ecosystems.

Impacts

| Impact | Position in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | How the impact interacts with the strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|-----------------------------|---------------------|---------------------|------------------|--|--|--|---|--|
| Land-use change that can trigger change in the vegetation cover and erosive processes | Own operations | N | Current | S | The impacts on the business model may be legal or reputational. In response to these impacts, Redeia avoids areas rich in biodiversity throughout the life cycle of the facilities, treating this as a priority criterion when defining the location of the facilities, both in the planning phase of the network or grid and when defining each project. In the case of substations, the criterion is minimising the space required, which is key to mitigating this type of impact. Moreover, different construction techniques are used to minimise earthworks and land occupation and/or soil loss, such as hoisting with a boom, laying by hand, carrying out work with helicopters and drones or recovering and reserving topsoil for subsequent reuse. The affected areas are also recovered by restoring slopes, sowing and planting, and selective pruning, avoiding the felling of hardwoods and plant formations of note. | Land use change can lead to biodiversity loss and erosion. | As part of its strategy, Redeia focuses on avoiding and minimising negative impacts by selecting the right locations for its infrastructure and taking preventive and corrective action during their construction and maintenance. | The activity associated with the impact of land use change is power transmission. | Redeia carries out impact management by following the mitigation hierarchy approach. During the design phase, Redeia avoids areas rich in biodiversity and minimises the space taken up by its infrastructure. |

| | | | | | | | | | |
|--|-----------------------|----------|----------------|----------|--|--|---|--|--|
| <p>GHG emissions - SF₆gas</p> | <p>Own operations</p> | <p>N</p> | <p>Current</p> | <p>S</p> | <p>The impacts on the business model may be legal or reputational. In response to these impacts, Redeia reduces SF₆ emissions by controlling and reducing leaks, renewing switchgear and taking steps to limit the growth in installed gas.</p> | <p>SF₆ gas has a high global warming potential, contributing to climate change.</p> | <p>As part of its strategy, Redeia complies strictly with minimum safety distances between vegetation and infrastructure by maintaining firebreaks around its power lines and its substations in forest environments.</p> | <p>The activity associated with the impact of land use change is power transmission.</p> | <p>Redeia has several ongoing SF₆ gas reduction initiatives that have been stepped up as part of its Climate Change Action Plan. Redeia works alongside public administrative bodies and other entities to find solutions for controlling and reducing these emissions within the framework of the voluntary agreement signed in May 2015 between the Ministry for Ecological Transition and the Demographic Challenge, manufacturers and suppliers of electrical equipment that use SF₆, electricity transmission and distribution companies and waste managers of this gas and the equipment that contains it.</p> |
| <p>Accidental fires</p> | <p>Own operations</p> | <p>N</p> | <p>Current</p> | <p>S</p> | <p>The impacts on the business model may be legal or reputational. In response to these impacts, Redeia has optimised its strategy for treating vegetation. It unlocks synergies with fire prevention efforts and helps to offset the environmental impacts (VEGETA) by carrying out preventive clearing in forest areas with a high fire hazard and removing scrubland associated with high density and height grasses. It also has a forest fire prevention plan (2023-2025) and conducts regular inspections of power lines and of adjacent areas and perimeter strips around substations in forest environments. Work is halted during periods or situations of high fire risk and part of the risk is transferred by means of a civil liability insurance policy for possible damage caused to third parties. The Company requires its own employees and external personnel to undergo training in forest fire prevention and extinction.</p> | <p>Fires can lead to biodiversity loss, species displacement and human damage.</p> | <p>As part of its strategy, Redeia complies strictly with minimum safety distances between vegetation and infrastructure by maintaining firebreaks around its power lines and its substations in forest environments.</p> | <p>The activity associated with the impact of land use change is power transmission.</p> | <p>Redeia continuously monitors regulatory changes and sanction systems regarding fire generation, carries out preventive clearing in forest areas exposed to the risk of wildfires, and has early fire detection systems featuring IoT technology (PRODINT) and early collision detection (ALERION project). It also provides its employees with resources and specific training in forest fire prevention and conducts research projects and fire prevention plans.</p> |

| | | | | | | | | | |
|--|-----------------------|----------|----------------|----------|---|--|--|---|--|
| <p>Bird collisions with ground wires</p> | <p>Own operations</p> | <p>N</p> | <p>Current</p> | <p>S</p> | <p>The impacts on the business model can be legal (sanctions) or reputational. In response to these impacts, Redeia has a multi-year bird diverter plan in place for overhead lines, which involves the installation of bird guards and visual markers in priority areas for birds. This plan has been drawn up on the basis of the 'Birds and power lines: mapping of bird flyways' project, thanks to which a list of focal species sensitive to collision has been prepared and sensitivity maps (areas where these species can be found) and risk maps (sensitive areas where there are also factors that influence the probability of accidents occurring) have been drawn up. The plan prioritises actions on those sections of the line posing the greatest threat to birdlife. Work is also under way to develop tools for the early detection of bird collisions. This measure aims to ensure proper handling and preservation during the maintenance of the facilities.</p> | <p>Earth wires protect power lines from lightning strikes during storms and are an indispensable element in ensuring the smooth operation of the electrical system. The presence of these cables in Redeia's operations can pose a significant risk to birds, as they may accidentally strike them while flying, especially in open areas or near bird habitats.</p> | <p>As part of its strategy, Redeia pays close attention to those areas where focal species may be found when designing power lines, thus allowing it to minimise the impact on birdlife.</p> | <p>Power transmission is the activity that carries the greatest risk of avian-power line collision.</p> | <p>Redeia runs a flyway project, thanks to which a list of focal species sensitive to collision risk has been drawn up. A bird diverter plan has been drawn up under this project. Work is also under way to develop tools for the early detection of avian-power line collisions.</p> |
|--|-----------------------|----------|----------------|----------|---|--|--|---|--|

*Time horizon: S (Short term), M (Medium term), L (Long term).

Risks

| Description of the cause of the risk | Location in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects arising from the risks | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|--|------------------|--|--|---|
| Tightening of bird protection policies in Spain and internationally, leading to increased fines and lawsuits | Own operations | L | The expected effects will be economic in nature. In response, Redeia will need to keep close track of updates to both legal frameworks and sanctioning systems in order to meet the new requirements when reporting information. | Reputational impact, associated with damage to third parties or the environment | In the long term, the Company will have to anticipate the economic effects of these sanctions through impact avoidance, prior studies and policy development, technological adaptation, and provisioning funds to meet the costs of sanctions. |
| Damage to overhead power lines caused by extreme winds | Own operations & Customers and end-users | S, M, L | The likely impacts will be damage to infrastructure, increased maintenance costs, adverse effects on the supply of electricity supply, and reputational damage due to power outages. In response, Redeia takes the following mitigating actions: projects to improve and reinforce transmission grid facilities; MANINT project to optimise the management of transmission grid assets; contingency plans; and insurance policies. | Higher maintenance costs, disruption to the electricity supply and reputational impact associated with power outages | Redeia takes positive action to address this type of risk: early detection systems; research projects and fire prevention plans; improvements in both materials and infrastructure; maintenance and repair; contingency plans for extreme weather events; insurance policies. |
| Fire damage to power lines and substations (external events) | Own operations & Customers and end-users | S, M, L | The likely impacts will be damage to infrastructure, increased maintenance costs, adverse effects on the supply of electricity supply, and reputational damage due to power outages; and possible effects on third parties or the environment in the event of fire. In response, Redeia pursues the following mitigating actions: projects to improve and strengthen transmission grid facilities; felling plans (VEGETA); contingency plans; and insurance policies. | Increased maintenance costs, disruption to electricity supply and reputational impact associated with power outages. Damage caused to third parties or the environment due to fire | Redeia takes positive action to address this type of risk: early detection systems; research projects and fire prevention plans; improvements in both materials and infrastructure; maintenance and repair; contingency plans for extreme weather events; insurance policies. |
| Reputational damage as a result of failing to meet society's expectations regarding biodiversity protection (and sensitivity around | Own operations | S, M, L | The expected impacts will be reputational in nature. In response, Redeia pursues the following mitigating actions: projects to improve and strengthen transmission grid facilities; felling plans (VEGETA); contingency plans; and insurance policies. | Reputational impact, associated with damage to third parties or the environment | Redeia takes positive action to address this type of risk: early detection systems; research projects and fire prevention plans; improvements in both materials and infrastructure; maintenance and repair; contingency plans for extreme weather events; insurance policies. |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Resilience of the strategy and business model

Redeia has conducted an exhaustive assessment of the resilience of its strategy and business model to biodiversity and ecosystems-related physical, transition and systemic risks.

The scope of the resilience analysis is limited to direct power transmission activities in Spain, Peru and Chile.

While an initial analysis of upstream materiality for Redeia's businesses has been carried out, there is no specific and reliable information on supply chain impacts and dependencies for Redeia's businesses. Derived risks may arise from the need to supply raw materials, other materials and equipment through the supply chain. This demand may have an indirect impact on biodiversity by the Group on a more global scale in both the energy transmission and satellite telecommunications and telecommunications businesses. For these reasons, derived risks have not been considered in this analysis. However, further down the line the

Company will address the extent to which these impacts and dependencies in the value chain are significant, and even whether they carry risks or opportunities that need to be addressed in the short, medium or long term.

As an electricity transmission agent, Redeia's main activity is the transmission of electricity from the generating facilities to the distribution grids and end consumers. The downstream activities of the Company's value chain involve the actual consumption of electricity by distributors and end consumers alike. Such a broad and overwhelming scope makes it impossible to reliably identify downstream biodiversity impacts, dependencies, risks and opportunities.

Redeia has implemented a comprehensive analysis of risks related to biodiversity and ecosystems. This analysis is based on the LEAP methodology of the Taskforce on Nature-related Financial Disclosures (TNFD), which involves mapping key activities, assessing dependencies and impacts, analysing risks and opportunities, and preparing to respond to these risks and opportunities. Key assumptions include the identification of impact drivers such as land use change, climate change, resource exploitation, pollution and biodiversity impacts. These assumptions are based on internal information and expert judgement, further supplemented by data from external sources.

The main **physical risks** identified include damage to power lines caused by extreme winds and damage to lines and substations due to fire (external events). These risks endure over time because nature is slow to recover from the effects of climate change.

Looking at **transition risks**, birdlife protection regulations may be toughened at both a national and international level, leading to an increase in sanctions and litigation, and a possible loss of reputation if the Company is unable to live up to societal expectations in terms of biodiversity conservation and sensitivity to the threat of wildfires.

- The first risk concerns **damage to power lines** due to extreme wind conditions. This risk also arises in relation to the Company's own activities and affects customers. The increased likelihood of extreme winds, caused by climate change coupled with a possible degradation of the ecosystem service of storm mitigation, can lead to line damage and even the collapse of sections of lines, potentially affecting the operation of the system and generating costs due to repair work and/or possible supply outages. It therefore negatively affects the social and business ecosystem by pushing up operational costs and affecting the continuity of electricity supply.
- The second risk relates to **damage caused to lines and substations due to fires** (external events). Temperature changes, dry soil and water scarcity due to climate change lead to increased desiccation of vegetation, which, coupled with a decline in local climate regulation due to biodiversity degradation, increases the risk of wildfire that could severely affect facilities (substations and lines) and threaten the operation of the system. This risk affects both own operations and customers and users. Fires affecting the facilities may increase maintenance costs and affect the supply of electricity, thus tarnishing Redeia's reputation due to the resulting outage.
- The third risk refers to the **loss of reputation** due to failure to live up to societal expectations in protecting biodiversity and being sensitive to the risk of wildfire (internal events) that could result from Redeia's own operations. This risk can have a negative impact on the Company's reputation if damage is caused to third parties or the natural environment. It affects regulatory bodies, the economic-financial ecosystem and the social ecosystem by damaging the Company's reputation and its relationship with society and stakeholders.
- The fourth risk relates to a **toughening of bird protection regulations both nationally and internationally**, leading to increased sanctions and litigation. The impact stems from the risk of birdlife colliding with power lines. This risk arises from own operations and can have a negative impact on the Company's reputation. It affects regulatory bodies, the financial-economic ecosystem and the social ecosystem.

No systemic risks from Redeia's direct operations have been identified, as the material impacts and dependencies will not lead to the collapse of ecosystems in the short or medium term, or to the extinction of species or depletion of natural resources.

Redeia has also analysed its exposure to the risks identified and gauged the resilience of its business strategy, based on a current scenario (2024 and 2025) and a future scenario (running from 2026 to 2030).

The exploratory scenario analysis carried out follows the indications of the TNFD. A number of plausible scenarios or futures have been defined on the basis of certain regulatory contexts (European Biodiversity Strategy 2030, the Kunming-Montreal Global Biodiversity Framework, the EU Nature Restoration Act and the Paris Agreement) and the scenarios defined by the TNFD, based on the combination of critical uncertainties related to ecosystem degradation and the alignment of market and non-market forces.

This analysis has been carried out as follows:

- Identifying relevant aspects such as time horizons and legislative compliance determining plausible futures.
- Positioning the risks accordingly on the pillars of uncertainty.
- Applying scenario narratives by trying to assess what happens to these risks under the most plausible scenarios, considering the time horizons and the approach taken.
- Identifying high-level decisions for the Company.

The resilience analysis shows that, while there are significant challenges, Redeia's strategy and business model are resilient and able to adapt to changes in biodiversity and ecosystems.

Sensitive areas for intervention have been identified for the development of specific action plans. These include improving risk management related to extreme weather events and adapting infrastructure to minimise the negative impacts on biodiversity.

Redeia has listened to stakeholder expectations when carrying out the resilience assessment process, including internal and external experts in the process of identifying and assessing impacts and dependencies. The Company also considered information from recognised sustainability assessment agencies (ENCORE or SBTN Materiality Tool) and has aligned its practices with standard frameworks such as the CSRD, Global Reporting Initiative (GRI), and the TNFD.

b. Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 / SBM-3

Redeia has updated its list of identified impacts, dependencies, risks and opportunities following the LEAP (Locate, Assess, Analyse and Prepare) methodology of the TNFD.

This process includes the location (L) of key activities or sites of relative importance with respect to nature. As mentioned earlier, the Company's activities/businesses that affect and depend on ecosystem services were first identified. The analysis conducted includes high-level identification through sectoral benchmarking tools such as ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) and the SBTN Materiality Tool. This analysis revealed that it is the **electricity transmission business (Red Eléctrica and Redinter)** that has the greatest potential interaction with biodiversity and ecosystems in its direct activities, and this also happens to be the Company's main business in terms of turnover.

To determine the interaction of the energy transmission business, Redeia carries out site identification processes in sensitive areas and flags priority locations, based on a number of assumptions:

- **Operational control:** the location analysis is performed on those businesses/activities over which the Company has full operational control. This includes the facilities of the company TEN.
- **Assessment of activities:** the activities that could apply are assessed. For each type of facility (overhead line, underground line, submarine cable and substation); in other words, the construction and operation of the facilities.
- **Infrastructure in non-urban areas:** according to the definition of nature provided by the TNFD, all facilities or sections located in urban ecosystems have been excluded from the location analysis, given that the alteration of this type of ecosystems is very high and the provision of ecosystem services in these

areas is very low. The analysis is confined to all infrastructure located in non-urban areas that meet the above criteria.

- **Exclusion of energy storage facilities:** energy transmission facilities related to storage systems (i.e. pumping installations and batteries) have been excluded from the analysis for the time being.

Next, the Company identified the area of occupation (area where the direct activity of the organisation takes place, including those areas in which some type of activity is carried out) and the area of influence (area outside the areas of occupation in which the natural environment may sustain some impact due to the organisation's activity) of the various facilities used for the transport of energy. This was carried out by conducting a geospatial analysis of both types of areas. This information was first combined with the data source provided by the European Space Agency (ESA) known as ESA World Cover (<https://esa-worldcover.org/en>), enabling Redeia to determine over which land use categories its electric power transmission activity takes place (*Note: the additional information included in the links goes beyond EY's scope of verification*). Subsequently, the Company analysed sensitive locations and the sensitivity of the territories in which it operates, based on the following environmental vectors indicated by the TNFD:

- **Ecosystem integrity:** ecosystem integrity means the degree to which the composition, structure and function of an ecosystem are within the natural range of variation. It is characterised at the landscape scale, using a suitable assessment area. High-integrity locations are those that may present great opportunities for safeguarding the stock of environmental assets and maintaining the provision of ecosystem services, both locally and globally.
- **Importance for biodiversity:** if the ecosystem is identified as part of a biodiversity hotspot, protected area or other internationally recognised area of high biodiversity, the risks associated with loss or deterioration of nature are higher.
- **Water stress:** if the location is an area experiencing water stress where the quantity and/or quality of available water is deteriorating, the risks will be greater in areas where there is a higher water demand. The environmental variable related to water stress will not be counted within the prioritisation criteria for facilities. This is because there is no water consumption or potential impact on water resources during the production process.
- **Provision of ecosystem services:** if the area is important for the provision of ecosystem services, including the presence of areas managed by local communities or indigenous peoples, the risks arising from their deterioration will be more significant.

For the analysis, geographic information layers are selected to build a map of the ecological sensitivity of the territory by cross-referencing them:

- **UNEP-WCMC and IUCN. The World Database on Protected Areas (WDPA)** (<https://www.protectedplanet.net/en/thematic-areas/wdpa?tab=WDPA>): provides information on protected areas on a global scale. Additional sources of information on protected sites at regional and/or national level are used to bolster the information.
- **Key Biodiversity Areas (KBA)** (<https://www.keybiodiversityareas.org/>): provides information on areas of high biodiversity importance. In addition, and as useful contextual information for the analysis, this cartographic package includes information from the IUCN (International Union for Conservation of Nature) regarding species and their threat category, screening those species that have been detected in the pre-materiality phase as presenting some kind of material interaction with the technologies.
- **World Resources Institute. Aqueduct Water Risk Atlas. Water Stress** (<https://www.wri.org/applications/aqueduct/water-risk-atlas/>): provides information on water stress in terms of physical quantity of the resource.
- **UNEP-WCMC. Territories and areas conserved by Indigenous Peoples and communities (ICCAs)** (<https://www.iccaregistry.org/>): provides information on territories conserved by indigenous peoples and local communities.

- **Food and Agriculture Organization of the United Nations (FAO). Globally Important Agricultural Heritage Systems (GIAHS)** (<https://www.fao.org/giahs/giahsaroundtheworld/en/>): provides information on the existence of areas of special interest for agriculture, either because of the provision of key agricultural resources or because of their existence value.

Note: Any additional information included in the links goes beyond EY's scope of verification.

Moreover, as contextual information, the facilities have been cross-referenced with information from the IUCN Red List of Protected Species. The territory is therefore classified on the basis of its sensitivity. Finally, this information is cross-checked with the information on the facilities, which are classified according to four levels of priority:

- **Highly sensitive facilities:** facilities where both the area of occupancy and the area of influence are located in ecologically sensitive areas.
- **Priority sensitive facilities:** facilities where only the area of occupancy is located in an ecologically sensitive area.
- **Potentially sensitive facilities:** facilities where only the area of influence is located in an ecologically sensitive area.
- **Non-sensitive facilities:** facilities that are not located in ecologically sensitive areas, neither in their area of occupancy nor in their area of influence.

Results for facilities in sensitive areas

Total facilities (*) (Total Redeia – power transmission)

| | Overhead lines (no. of spans) | Underground lines | | Submarine lines (km) | Substations (units) |
|-------|----------------------------------|-------------------|-----|----------------------|---------------------|
| | | No. lines | km | | |
| Total | 88,026 | 2,633 | 898 | 1,579 | 733 |

(*) Based on existing facilities recorded in the facilities database as of March 2024. According to the definition of nature provided by the TNFD, all facilities or sections located in urban ecosystems have been excluded from the analysis, given that the alteration of this type of ecosystems is very high and, therefore, the provision of ecosystem services is very low. The exclusion of facilities in urban areas is carried out using various sources of information, depending on the country where the facility is located.

Facilities in sensitive areas (Total Redeia – electricity transmission)

| | Overhead lines (no. of spans) | Underground lines (no. lines-km) | | Submarine lines (km) | Substations (units) |
|--------------------------|----------------------------------|-------------------------------------|----|----------------------|------------------------|
| Total (%) | 15,352 | 112 | 42 | 821 | 46 |
| % of facilities to total | 17% | 4% | 5% | 52% | 6% |

(*) Installations where both the area of occupancy and the area of influence are located in ecologically sensitive areas.

An installation (overhead span, kilometre of underground or submarine line and/or substation) is considered to be in a sensitive area **when both its zone of occupancy** (area where the organisation's activity takes place, including those where any kind of work takes place) and area of influence (area outside the areas of occupancy in which the natural environment may be affected by the organisation's activity) overlap with the organisation's activities.

The following areas are considered sensitive:

- Area included in WDPA + Area in KBA + Area in GIAHs and/or ICCAs.
- Area included in WDPA + Area in KBA.

Information available at:

- UNEP-WCMC and IUCN. The World Database on Protected Areas (WDPA) (2024): <https://www.protectedplanet.net/en/thematic-areas/wdpa?tab=WDPA>
- Key Biodiversity Areas (KBA) (2023): <https://www.keybiodiversityareas.org/>
- Food and Agriculture Organization of the United Nations (FAO). Globally Important Agricultural Heritage Systems (GIAHS) (2023): <https://www.fao.org/giahs/giahsaroundtheworld/en/>
- UNEP-WCMC. Territories and areas conserved by Indigenous Peoples and communities (ICCAs) (2023): <https://www.iccaregistry.org/>

Note: Any additional information included in the links goes beyond EY's scope of verification.

Area included in WDPA

Redeia has so far identified areas where its assets and direct activities interact with nature in ecologically sensitive areas. It is working to be able to determine and break down, in the future, which of its facilities located in sensitive areas are considered priority facilities, based on whether the activities carried out there have a negative impact by causing deterioration of natural and species habitats, disturbing species, and undermining the very reasons why the area was designated as protected in the first place.

Relatively significant impacts related to species status

Redeia has, as regards the electricity transmission business, identified a significant impact related to species status. The impact is the collision of birdlife with earth wires. These earth wires protect power lines from lightning strikes during storms and are an essential element in ensuring the smooth operation of the electrical system. The presence of these cables in Redeia's operations can pose a significant risk to birds, as they may accidentally strike them while flying, especially in open areas or near bird habitats.

To mitigate this negative impact, the Company has implemented a **multi-year bird diverter plan for overhead lines**, which includes the installation of bird guards and visual markers in priority areas for birds. This plan has been drawn up on the basis of the 'Birds and power lines: mapping of bird flyways' project, thanks to which a list of focal species sensitive to collision has been prepared and sensitivity maps (areas where these species can be found) and risk maps (sensitive areas where there are also factors that influence the probability of accidents occurring) have been drawn up. The plan prioritises actions on those sections of the line posing the greatest threat to birdlife.

Work is also under way to develop tools for the early detection of bird collisions. This measure aims to ensure proper handling and preservation during the maintenance of the facilities.

It is a current impact, with a short-term horizon. The source of information is the IDRO project and the location of the impact relates to Redeia's own operations. IDRO is the name of the project that has enabled Redeia to identify the impacts, dependencies, risks and opportunities relating to the natural environment arising from the

activities of the companies that make up the wider group and allows the Company to align itself with the main requirements of the different indices and reporting frameworks: TNFD, ESRS, GRI, DJSI, SBTN, etc.

The Company discloses information on the number of affected individuals, considering the threat status of the species as an indicator of the Company's impact on the risk of extinction of local populations.

Material impacts related to ecosystem extent and condition

Redeia has not identified any material negative impacts in relation to land degradation, desertification or soil sealing in relation to the electricity transmission business. The Company focuses on avoiding and minimising negative impacts by selecting the right location for its infrastructure and by applying preventive and corrective measures during their construction and maintenance. This ensures that their activities do not lead to a significant loss of forest area or impact on deforestation.

Material impacts related to ecosystem services and dependencies on these services

Redeia has not identified any relatively significant negative impacts in relation to ecosystem services and dependencies on these services when looking at the electricity transmission business.

Material impacts of direct relevance to biodiversity loss

Redeia has identified three impacts related to the direct drivers of biodiversity loss looking at the electricity transmission business.

The first relates to land use change, which can lead to a change in vegetation cover and erosion processes due to the construction of substations and overhead lines. These activities can lead to habitat and ecosystem loss, thus posing a negative impact. To mitigate this impact, Redeia seeks to avoid areas rich in biodiversity throughout the life cycle of the facilities, treating this as a priority criterion when defining the location of the facilities, both in the planning phase of the network or grid and when defining each project. In the case of substations, the criterion is minimising the space required, which is key to mitigating this type of impact.

Moreover, different construction techniques are used to minimise earthworks and land occupation and/or soil loss, such as hoisting with a boom, laying by hand, carrying out work with helicopters and drones or recovering and reserving topsoil for subsequent reuse. The affected areas are also recovered by restoring slopes, sowing and planting, and selective pruning, avoiding the felling of hardwoods and plant formations of note. The impact materialises in Redeia's own operations, is current and has a short-term horizon. This negative impact mainly affects the social and business ecosystem.

The second impact relates to accidental fire-starting as a result of non-compliance with the minimum safety distances between live elements and vegetation. Inadequate construction and maintenance work can also start accidental fires.

To mitigate this impact, Redeia has optimised its strategy for treating vegetation. It unlocks synergies with fire prevention efforts and helps to offset the environmental impacts (VEGETA) by carrying out preventive clearing in forest areas posing a high fire hazard and removing scrubland associated with high density and height grasses. It also has a **forest fire prevention plan (2023-2025)** and conducts regular inspections of power lines and of adjacent areas and perimeter strips around substations in forest environments.

The Company halts work during periods or situations carrying a high fire risk and part of the risk is transferred by means of a civil liability insurance policy for possible damage caused to third parties. The Company requires its own employees and external personnel to undergo training in forest fire prevention and extinction. The impact materialises in Redeia's own operations, is current and has a short-term horizon. This negative impact mainly affects the social ecosystem.

Last but not least, there is the impact relating to climate change with greenhouse gas (GHG) emissions, with Redeia's main source of GHG emissions being SF₆ gas leaks in its own facilities. To mitigate this impact, Redeia works to reduce these emissions by controlling and reducing leaks, renewing switchgear and taking steps to limit the growth in installed gas. The remaining Scope 1 emissions come from fleet vehicles, the use

of air conditioning and heating in the facilities, as well as backup generators, for which energy consumption reduction measures are applied, thanks to the increased use of renewable energy and the development of energy efficiency measures and more sustainable mobility solutions.

The impact materialises in Redeia's own operations, is current and has a long-term horizon. This negative impact mainly affects the social ecosystem. The Company discloses information about its use of land owing to the presence of its facilities.

The Company also discloses information about the most significant impacts in terms of loss of biodiversity on both terrestrial and marine vegetation, especially when they occur in protected natural areas.

It likewise discloses information about its GHG emissions by calculating its carbon footprint.

Impact of operations on endangered species

Certain Redeia facilities are located in areas featuring threatened bird species according to national catalogues or lists and/or the IUCN Red List. Therefore, the Company's direct operations could have a relative impact on these species due to the risk of them colliding with the ground cables.

Redeia has identified a set of collision-sensitive focal species selected on the basis of various criteria including, among others, the degree of threat. Redeia has drawn up sensitivity maps (areas where these species can be found and which must be considered when defining new line layouts) and risk maps (sensitive areas where there are also factors that influence the likelihood of accidents occurring). Based on this information, a multi-year bird diverter Plan for the 2016-2025 horizon has been established, prioritising actions on those sections of the line with the greatest potential impact on birdlife.

11.2.3.2 Impact, risk and opportunity management

a. Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities. ESRS 2 IRO-1

Identification and assessment of impacts and dependencies

Redeia has updated its list of identified impacts, dependencies, risks and opportunities following the LEAP (Locate, Assess, Analyse and Prepare) methodology proposed by the TNFD.

This analysis involves mapping key activities, assessing dependencies and impacts, analysing risks and opportunities, and preparing to respond to these risks and opportunities. The aim is to identify how the Company's activities affect and depend on ecosystem services, and also to identify related risks and opportunities and to develop and establish corporate indicators that will enable Redeia to continuously assess and monitor the material impacts and changes in ecosystems generated by its activities.

The analysis carried out to determine business materiality includes a high-level identification of upstream operations. This analysis revealed that it is the electricity transmission business that has the greatest potential interaction with biodiversity and ecosystems in its direct activities, and this also happens to be the Company's main business in terms.

The Company then identified the area of occupation (area where the direct activity of the organisation takes place, including those areas in which some type of activity is carried out) and the area of influence (area outside the areas of occupation in which the natural environment may sustain some impact due to the organisation's activity) of the various facilities used for the transport of energy. This was carried out by conducting a geospatial analysis of both types of areas. Subsequently, the Company analysed sensitive locations and the sensitivity of the territories in which it operates, based on the environmental drivers indicated by the TNFD.

- Ecosystem integrity
- Importance for biodiversity

- Water stress
- Provision of ecosystem services

For the analysis, geographic information layers are selected to build a map of the ecological sensitivity of the territory by cross-referencing them.

Moreover, as contextual information, the facilities have been cross-referenced with information from the IUCN Red List of Protected Species.

The territory is therefore classified on the basis of its sensitivity. Next, this information on the sustainability of the surrounding area was cross-referenced with the information on the facilities, which are classified into one of four levels of priority:

- **Highly sensitive facilities:** facilities where both the area of occupancy and the area of influence are located in ecologically sensitive areas.
- **Priority sensitive facilities:** facilities where only the area of occupancy is located in an ecologically sensitive area.
- **Potentially sensitive facilities:** facilities where only the area of influence is located in an ecologically sensitive area.
- **Non-sensitive facilities:** facilities that are not located in ecologically sensitive areas, neither in their area of occupancy nor in their area of influence.

Using the SBTN Materiality Tool proposed by TNFD, the actual and potential impacts and dependencies of the electricity transmission activity were identified. It should be noted that only actual impacts were taken into account in subsequent phases of the analysis, as the Redeia impact management model considers only the application of the mitigation hierarchy on this type of impact. The results delivered by the tool were reviewed in order to obtain a final classification, based on Redeia's expert judgement.

Turning to the dependencies, Redeia considered not only the ecosystem services on which its activities depend, and which allow for the proper operation of its infrastructure, but also those factors that could prevent them from working properly.

The prioritisation of impacts and dependencies was carried out on a qualitative basis, by type of infrastructure and phase of the life cycle. More precisely, the magnitude of impacts and dependencies was assessed in terms of severity, where the lowest value (value 1) corresponded to very low impacts/dependencies and the highest value (value 5) to very high impacts/dependencies.

Once the magnitude of the impacts had been identified, for those with very high, high or medium severity, and following the recommendations of the reference frameworks, the following variables were also assessed:

- **Scope:**
 - The extent of the impact within the infrastructure type itself or for the ecosystem.
 - Comparison of the relative importance of the impact as a function of the number of facilities per infrastructure type.
- **Irremediability or degree of irremediability:** qualitative assessment of the difficulty of repairing the damage on biodiversity and ecosystems caused by the activity.

By combining the aspects assessed, together with the magnitude, it is possible to obtain the severity of the impact by applying the following formula:

$$\textit{Severity of impact} = \textit{scale} \cdot \textit{scope} \cdot \textit{irremediable character}$$

In the case of the dependencies, the severity of the impacts corresponds to the magnitude. The values were ranked on a scale of 1 to 5, according to the following definitions:

- 1: very low dependency. The activity can continue effectively without any significant dependency on ecosystem services. Technological or process alternatives are readily available and economically viable.

- 2: while there are some dependencies on ecosystem services, these are minor and can be replaced relatively easily and at manageable costs. The alternatives may require minor adjustments to existing operations.
- 3: ecosystem services play an important and regular role in carrying out the activity. Although alternatives exist for the services used, they may be more costly or less efficient, requiring a balancing exercise between ecological costs and benefits.
- 4: the operation or production is heavily dependent on one or more ecosystem services that are difficult to replace and the substitution of which would imply a significant cost or drop in efficiency. The continuity of ecosystem services is crucial for maintaining the economic and operational viability of the site.
- 5: Ecosystem services are absolutely critical and cannot be replaced. The loss or degradation of these services would have a devastating and direct impact on the activity and could even render the business no longer viable.

The assessment of dependencies includes the identification of any ecosystem services that are, or could be, disturbed. Ecosystem services were identified according to Redeia's expert judgement.

Ecosystem services were identified by relying on the two classification systems proposed by the TNFD and the CSRD: Common Classification Of Ecosystem Services (CICES), version 5.2 and System of Environmental-Economic Accounting (SEEA). Moreover, the environmental assets that provide these ecosystem services were identified following those proposed in the LEAP methodology (*Guidance on the identification and assessment of nature-related issues: The LEAP methodology*; page 13).

The ecosystem services that Redeia relies on in its direct operations are predominantly climate regulation services related to the mitigation of extreme weather events that could affect the supply of energy (local climate regulation, storm mitigation, flood control), fire protection services, and erosion control services (soil and sediment retention). Moreover, the electricity transmission activity has an impact on the natural landscape asset and therefore on the ecosystem services it provides to humans (visual, recreational, spiritual, etc.).

Identification and assessment of risks and opportunities

Based on the impacts and dependencies flagged as priorities, a series of nature-related risks and opportunities were identified following the classification system proposed by the TNFD and the CSRD.

Risks

With the risks identified, an assessment and prioritisation exercise was carried out in line with the requirements of the CSRD and the TNFD and adapting the risk assessment methodology of Redeia's Enterprise Risk Management System. This methodology determines the level of risk by combining the following two variables:

- The probability of occurrence assesses the likelihood of the impact or dependence materialising into a risk. It was measured in line with the corporate risk prioritisation methodology.
- The financial magnitude of the risk is the impact that the materialisation of the risk would have on three key aspects of the Company's business:
 - Economic loss: since economic values are not available for nature-related risks, the volume of business exposed to a given risk was assessed. The calculation looked at the business volumes per country and the Company's share declared by Redeia, as well as the proportion of priority facilities with respect to the total number of facilities per country and the percentage that the technology represents of the total number of technologies present in the country. The formula was applied to obtain the values:
 - Reputational loss: the impact of the risk on stakeholders and the Company's reputation was assessed.
 - Electricity supply: the potential impact of the risk on the supply of electricity was assessed.

Following the methodology of Redeia's Enterprise Risk Management System, these elements were combined through the use of a weighted sum to obtain the financial magnitude of the risk.

The combination of probability of occurrence and the financial magnitude of the risk provided a significance or materiality value from which the risks were then prioritised.

Opportunities

The methodology used to assess opportunities was substantially similar to that used to prioritise risks, based on two main variables: probability of occurrence and the magnitude of the opportunity.

Probability of occurrence assesses the likelihood that the impact (positive or negative) will ultimately materialise into a financial opportunity for the Company.

Opportunity magnitude assesses the magnitude of opportunities through a combination of the following variables:

- Generation of economic value: economic opportunity generation was assessed.
- Reputational enhancement: the impact of the opportunity on stakeholders and the Company's reputation was assessed.
- Positive effect on the supply of electricity: the potential impact of the opportunity on the supply of electricity was assessed.

Using Redeia's risk and opportunity prioritisation methodology, the magnitude of the opportunity can be obtained by multiplying the above variables:

Magnitude of opp. = earnings generation x improved reputation x good for electricity supply

Systemic risks are risks arising from the breakdown of the entire system, rather than the failure of individual parts. They are characterised by modest tipping points combining indirectly to produce large failures with cascading of interactions of physical and transition risks (contagion), as one loss triggers a chain of others, and with systems unable to recover equilibrium after a shock. An example is the loss of a keystone species that causes cascading effects in trophic pyramids.

Redeia considered this type of risk during the process. The Company tested the resilience of the current strategy and business model to physical, systemic and transition risks related to biodiversity and ecosystems through an exploratory scenario analysis following the recommendations of the TNFD. This analysis did not reveal any systemic risks arising from Redeia's direct operations, as the material impacts and dependencies would not lead to the collapse of ecosystems in the short or medium term, or to the extinction of species or depletion of natural resources.

Redeia fosters and maintains a lasting relationship with its stakeholders in order to build two-way relationships of trust. The relationship with stakeholders is predicated on the sustainability policy and the principle of generating shared value to help develop a more prosperous and sustainable environment, collaborating with the communities and fostering the integration of the Company's activities within the territory.

Redeia interacts continuously with the affected communities during all phases of the life cycle of the facilities, in order to resolve doubts and concerns and to come up with solutions and plans to remedy any possible environmental impacts. The aim is to ensure that the projects can be built and run in a sustainable manner and to preserve the existing value and functionality of ecosystem services.

Redeia's direct operations do not depend on, or affect, raw materials with negative effects on biodiversity and ecosystems that would require a process of consultation, information-sharing or engagement with the communities potentially affected.

Results for facilities in sensitive areas

Total, facilities*(Total Redeia – power transmission)

| | Overhead lines (no. of spans) | Underground lines | | Submarine lines (km) | Substations (units) |
|-------|----------------------------------|-------------------|-----|-------------------------|---------------------|
| | | No. lines | km | | |
| Total | 88,026 | 2,633 | 898 | 1,579 | 733 |

(*) Based on existing facilities recorded in the facilities database as of March 2024. According to the definition of nature provided by the TNFD, all facilities or sections located in urban ecosystems have been excluded from the analysis, given that the alteration of this type of ecosystems is very high and, therefore, the provision of ecosystem services is very low. The exclusion of facilities in urban areas is carried out using various sources of information, depending on the country where the facility is located. It includes the facilities of the company TEN.

Facilities in sensitive areas (Total Redeia – electricity transmission)

| | Overhead lines (no. of spans) | Underground lines (no. lines-km) | | Submarine lines (km) | Substations (units) |
|------------------|----------------------------------|-------------------------------------|----|-------------------------|---------------------|
| Total (%) | 15,352 | 112 | 42 | 821 | 46 |
| % facilities (*) | 17% | 4% | 5% | 52% | 6% |

(*) Highly sensitive facilities where both the area of occupancy and the area of influence are located in ecologically sensitive areas

A facility (overhead span, km of underground or submarine line and/or substation) is considered to be in a sensitive area when both its zone of occupancy and zone of influence overlap or encroach with the sensitive area.

The following areas are considered sensitive:

- Area included in WDPA + Area in KBA + Area in GIAHs and/or ICCAs.
- Area included in WDPA + Area in KBA.
- Area included in WDPA.

Redeia has so far identified areas where its assets and direct activities interact with nature in ecologically sensitive areas.

Redeia is working to be able to determine and break down, in the future, which of its facilities located in sensitive areas are considered priority facilities, according to whether the activities carried out there have a negative impact by causing deterioration of natural habitats and species habitats, disturbing species, and undermining the very reasons why the area was designated as protected in the first place.

Redeia manages biodiversity based on the impact mitigation hierarchy approach by applying various measures.

Avoidance of areas rich in biodiversity is a priority criterion and is the first to be considered when deciding on the site of installations, both in the network planning phase and when defining each project. Sound facility design during the planning and project phases is ensured so that new infrastructure is not developed in areas rich in biodiversity and forest areas. According to the methodology for conducting the environmental impact studies, the facility must not be located inside, or otherwise affect, protected areas due to their ecological, biological, cultural and/or landscape value, or areas catalogued as being of high biodiversity value. The methodology likewise imposes numerous requirements in relation to areas in which focal bird species and native vegetation are present. However, considering that a high percentage of the planet's surface has some

form of environmental protection, it is inevitable that in some cases our infrastructure will cross paths with, or be located in, protected spaces or areas containing species of interest.

Where this happens, all the necessary preventive and corrective steps are taken to minimise the potential impacts of this encroachment, including habitat restoration measures when possible or regeneration measures to improve the biophysical function of existing processes and the productivity of the ecosystem. This includes efforts to protect habitats and vegetation during construction and maintenance work, to restore affected areas once the work has been completed, to minimise the risk of collision, and to create firebreaks to reduce the risk of fire.

Finally, any residual impacts that still exist after these steps have been taken are offset through various environmental improvement actions and projects to enhance biodiversity around the facilities, thus promoting positive action and projects and collaborating with the public administration, non-governmental organisations, research bodies and other stakeholders. These measures and projects aim to offset the impacts by generating positive impacts on biodiversity.

b. Policies related to biodiversity and ecosystems. E4-2

The protection and conservation of Biodiversity has always been a priority concern as part of the Company's environmental management efforts and a key factor shaping the Group's strategy.

The Company has been following a policy known as its **Commitment to Biodiversity** since 2010. The main aim of this commitment is to minimise the impact of biodiversity loss and to generate a positive impact on biodiversity in the areas where the Company operates. This challenge is in line with the sustainability objective of generating a net positive impact on the natural capital of the area surrounding new facilities by 2030. The commitment also sets out to manage risks and opportunities by measuring and assessing impacts and dependencies associated with biodiversity, and then integrating this information into internal management processes in line with the approach proposed by the Taskforce on Nature-related Financial Disclosures (TNFD). The scope of the biodiversity commitment covers both own operations and suppliers and within the lines of action envisioned in the code, Redeia seeks to become biodiversity positive by adapting the operational and strategic model governing its relationship with the natural environment at all levels of its value chain.

Meanwhile, Redeia's Code of Conduct for Suppliers insists that all suppliers apply the necessary preventive and corrective measures to minimise and, as the case may be, correct any impacts on habitats and species so that they protect biodiversity while running their business. Suppliers must also apply environmental criteria when procuring goods and services and when monitoring their supply chain, thus extending these good practices along their own supply chain and maintaining a respectful attitude towards the environment, avoiding any situation that could have negative implications for the environment or disturb the balance of natural systems.

Redeia is also acutely aware of its impacts on nature and has therefore established (and regularly updates) a series of resolute commitments to fight climate change in order to achieve carbon neutrality, and to protect vegetation and combat deforestation in its own operations and those of its supply chain.

Redeia also addresses the social side of biodiversity-related impacts by promoting training activities, collaborating with society, and publicly disclosing its conservation actions and projects.

Redeia has environmental management systems certified under the ISO 14001 standard, thus ensuring compliance with the principles and the effectiveness of the actions taken in relation to biodiversity throughout the life cycle of its facilities and activities. It also ensures ongoing, two-way communication with its stakeholders to convey its commitment to biodiversity conservation and to listen to their needs and expectations in this regard.

Redeia factors in sustainability criteria when it comes to land use, thus helping to ensure that new infrastructure is not built in areas presenting high natural wealth and endeavouring to restore the areas affected. It also considers the impacts on marine biodiversity by taking steps to minimise the negative effects of its facilities and activities in marine environments.

Redeia has several key policies in place:

- **Environmental policy:** sets out Redeia's environmental policies, designed to ensure delivery of its commitment to conserving and enhancing the environment across all its activities, facilities or services throughout their life cycle, including distribution and logistics, in response to stakeholder needs and interests.
- **Sustainability policy:** Redeia's Sustainability Policy is there to ensure the responsible management of the business, focusing on excellence and the creation of value for stakeholders. It sets out Redeia's sustainability-related principles, guiding all activities towards a responsible management model, focused on excellence and value creation for stakeholders and maximising Redeia's contribution to the Sustainable Development Goals (SDGs).
- **Commitment to biodiversity:** this policy covers Redeia's operational sites, ensuring the preservation and restoration of biodiversity in the areas where it operates. It insists that sites be selected with great care to avoid areas of high natural wealth and that minimisation, remediation and offsetting actions be taken, in line with the mitigation hierarchy. 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.
- **Commitment to protect plant life and combat deforestation:** Redeia endeavours to conserve forest ecosystems by restoring and regenerating the areas affected by its activities, thus contributing to the fight against deforestation.
- **Climate change commitment:** 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.
- **Code of Conduct for Suppliers:** this code applies to all Redeia suppliers and their subcontractors and enshrines the principles of conduct expected of them. Some of these principles are based on the supplier's relationship with its environment. Suppliers must make efficient use of resources by fostering energy saving and have preventive measures in place to avoid or minimise pollution, especially in relation to greenhouse gas emissions, deforestation and soil and environmental degradation. Suppliers must also see to it that the necessary preventive and corrective actions are taken to minimise and, as the case may be, correct any possible impacts on habitats and species, thus helping to protect biodiversity while performing their activities.

c. Actions and resources related to biodiversity and ecosystems. E4-3

Redeia has taken various steps and allocates resources to ensure the conservation of biodiversity and ecosystems. These actions are aligned with its Environmental Policy and its Sustainability Commitment 2030 and are based on a mitigation hierarchy approach that includes avoid, minimise, restore and offset, thus helping to preserve and conserve biodiversity in the territories where it operates.

First and foremost, **avoiding areas that are protected or highly biodiverse** is essential when deciding on the location of facilities. Redeia avoids siting new infrastructure in protected areas or areas of high biodiversity value. This preventive measure is essential to reduce the environmental impact right from the start of its projects.

The second step, **minimising potential impacts**, is achieved through preventive and corrective action, including habitat restoration where possible. Redeia takes steps to minimise the environmental impacts of its facilities and activities throughout their lifecycle. If significant residual impacts do occur, Redeia applies mitigation, restoration and rehabilitation actions to counteract these effects.

The final step, **offsetting residual impacts**, is achieved through environmental improvement actions and conservation projects in partnership with public bodies and non-governmental organisations. Red Eléctrica relies on a methodology for the quantitative assessment of impacts (negative and positive) on biodiversity.

This methodology is followed when conducting the environmental impact studies of new power line and substation projects, defining the baseline impact and allowing various actions to be taken during the design phase with a view to achieving a positive impact in terms of biodiversity throughout the life cycle. The methodology is now being followed in new energy transmission grid projects in Spain submitted for an environmental impact assessment. The methodology allows for progress to be monitored through a bottom-up approach and ensuring compliance with the 2030 biodiversity impact target set out in the Group's biodiversity commitment. The design of the process is based on a natural capital vision that aims to offset the residual impact of the project on the different natural assets, thus allowing projects to be designed on the basis of positive biodiversity net gain criteria.

The assessment methodology delivers useful quantitative information on the residual impact of a project on natural assets that must be offset, enabling the Company to design and establish offset measures to achieve a positive net gain in biodiversity.

The natural biodiversity assets on which Red Eléctrica has designed its impact assessment methodology and applied the mitigation hierarchy are those in respect of which significant residual impacts could arise over the life cycle of the project and possibly contribute to the drivers of biodiversity loss:

- Habitat natural asset (natural forest, non-forest and agricultural (vegetation) habitats and land uses).
- Species natural asset (specifically avifauna).
- Atmosphere natural active.

Redeia is currently assessing how best to include biodiversity offsets in its action plans. These actions will include the objective of achieving a net biodiversity gain, using key performance indicators to assess and monitor the material impacts and ecosystem changes generated by its activity. The direct and indirect costs of biodiversity offsets will be assessed in monetary terms, and the description of the offsets will include the area, type, quality criteria applied, and the standards they meet.

Redeia also looks to include local and indigenous knowledge and nature-based solutions in its biodiversity and ecosystem actions. The sensitivity of the territories where it is present is analysed on the basis of the environmental vectors indicated by the TNFD, such as importance for biodiversity, water stress and the delivery of ecosystem services. Redeia interacts continuously with the affected communities, including indigenous peoples, during all phases of the life cycle of the facilities, in order to resolve doubts and concerns and to come up with solutions and plans to remedy any possible environmental impacts. The aim is to ensure that the projects can be built and run in a sustainable manner and to preserve the existing value and functionality of ecosystem services.

Redeia has incorporated nature-based solutions to biodiversity and ecosystem-related actions for the treatment of vegetation located below power lines. It is known as the Network Grazing project (where livestock clear the area below the power lines), which Redeia is carrying out to improve the biophysical function of existing processes and the productivity of an ecosystem. The project champions ecosystem services by improving natural resources and human well-being around transmission infrastructure through the use of nature-based solutions (NBS). Relying on extensive livestock grazing as a means of controlling vegetation (and in a manner harmonious with the existing ecosystem) delivers an improvement in herbaceous composition and grassland cover by increasing the presence of pollinators. It also favours water infiltration and counters the effects of erosion, which, stimulated by the relief and the nature of the materials, can be a determining factor in the landscape. Pasture locks atmospheric carbon into the soil due to the large amount of organic matter the grass accumulates among its roots. Meanwhile, the presence of livestock and the organic matter they provide has a positive impact on soil fertility. All these regulatory services have been stepped up.

Redeia has embraced an explicit commitment to protecting vegetation and combating deforestation, which applies to both its own operations and those of its supply chain. As wildfires are one of the greatest threats to the preservation of forests, the Company works hard to prevent and fight this threat by ensuring absolute compliance with the necessary safety distances between vegetation and infrastructure. This is achieved thanks to proper maintenance of firebreaks and the perimeter strips surrounding substations located in and around forests. The Company also collaborates actively with public administrations through partnership agreements and pursues innovation projects related to fire prevention. Despite applying best prevention and

mitigation practices, plant species that are incompatible with safety requirements in and around the facilities must be removed in some cases. Where this situation arises, the Company has pledged to offset all the trees and shrubs removed through planting and reforestation activities. The Company carries out offsets for all trees removed by taking specific action aimed at the conservation of native forests and by continuing to pursue its Redeia Forest project.

Further habitat conservation projects carried out by Redeia include the "Red Eléctrica Marine Forest" project to restore *posidonia oceanica* seagrass in Mallorca. In Peru, Redinter signed an agreement for the reforestation of four hectares of land located in the National Reserve of Salinas and Aguada Blanca.

To help protect and conserve birdlife, the main initiative is the visual marking of earth wires with bird-saving devices. Thanks to the project "Birds and power lines: mapping of flyways", certain critical areas have been flagged and notable progress is being made in visually marking the power lines located within them, with the aim of achieving 100% marking of these priority areas in 2025.

Redeia has partnered up with the Autonomous University of Barcelona to assess the potential of the electricity transmission network as infrastructure capable of creating and improving biodiversity in and around power line firebreaks thanks to the sustainable treatment of the plant cover.

The Company also 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.

11.2.3.3 Metrics and targets.

a. Targets related to biodiversity and ecosystems

Redeia's Sustainability Plan includes a series of objectives for 2025 related to biodiversity impacts, risks and opportunities, including:

- 100% of critical spans visually marked for Red Eléctrica.
- 100% of investment projects associated with the commitment to protect vegetation and combat deforestation.

Also, in line with the Biodiversity Commitment and the objectives marked out in the plan, Redeia has set itself the following targets:

- Measuring and valuing the impact by implementing a system of accounting for and valuing the natural capital present in biodiversity;
- Identifying and assessing biodiversity-related risks and opportunities;
- Protection and restoration of habitats in protected areas or areas of high biodiversity;
- Recovery and conservation of vulnerable and endangered species;
- Eradication of invasive species associated with electricity transmission infrastructure;
- Electricity infrastructure as a reservoir of biodiversity.

Ecological thresholds and impact allocation

Redeia has not established specific ecological thresholds in setting its targets. However, in new projects the Company does assess the sensitivity and ecological value of the habitats and species present, as well as the magnitude of the potential impacts of its actions.

Tracking effectiveness of policies and actions through targets

Redeia has devised a set of measurable, results-oriented and time-bound biodiversity and ecosystem targets. They are designed to support Group policies and address material impacts, risks and opportunities and are set out in the Sustainability Plan.

Redeia monitors the effectiveness of its actions through its environmental management systems, which are ISO 14001 certified. These systems ensure the effectiveness of the biodiversity measures put in place throughout the life cycle of its various facilities and activities. Meanwhile, Redeia relies on its Environmental Monitoring Programmes and specific monitoring procedures to continuously assess how its infrastructure interacts with biodiversity, while also tracking its suppliers and their performance.

Redeia's targets are aligned with the Group's Sustainability 2030 objective, which seeks to generate a net positive impact on the natural capital in and around its new facilities by 2030. This broad objective is measured through a set of specific indicators that assess the impact on biodiversity and natural capital, thus ensuring that the Group's activities do not cause a significant loss of forest area or deforestation.

The scope of these targets extends to all of Redeia's majority-owned companies and to all countries in which it operates, including Spain, Peru and Chile. The targets also factor in the value chain by seeking to minimise the impact on biodiversity through awareness and good practices among business partners, contractors and suppliers.

Significant methodologies and assumptions used to define the targets include alignment with international frameworks and policies such as the Kunming-Montreal Global Biodiversity Framework, the EU Biodiversity Strategy for 2030, and other national policies. Redeia also champions nature-based solutions and, alternatively, governance, management and infrastructure-based solutions.

It continuously monitors and reviews the progress made towards the targets announced. Redeia relies on both qualitative and quantitative indicators to assess progress, ensuring that it is in line with what was initially planned and analysing trends or significant changes in performance on the path to achieving the targets set.

Redeia's targets can be assigned to various levels of the hierarchy of mitigation measures, including avoidance, minimisation, restoration and rehabilitation. The Group promotes solutions and new ways of working to avoid or minimise environmental impacts and sees to it that the principles enshrined in its Environmental Policy are observed among collaborating companies acting in its name.

b. Impact metrics related to biodiversity and ecosystem change

Surface area of facilities located in biodiversity sensitive areas

| | Overhead lines (no. of spans) | Underground lines (no. lines-km) | | Submarine lines (km) | Substations (units) |
|---|----------------------------------|-------------------------------------|----|----------------------|---------------------|
| Total (%) | 15,352 | 112 | 42 | 821 | 46 |
| % facilities | 17% | 4% | 5% | 52% | 6% |
| Surface area (**) (ha) in sensitive areas | 125,820 | 11.7 | | 156.6 | 137.8 |

(*) Facilities where both the area of occupancy and the area of influence are located in sensitive areas. According to the definition of nature provided by the TNFD, all facilities or sections located in urban ecosystems have been excluded from the analysis, given that the alteration of this type of ecosystems is very high and, therefore, the provision of ecosystem services is very low. The exclusion of facilities in urban areas is carried out using various sources of information, depending on the country where the facility is located. It includes the facilities of the company TEN.

(**) Area of occupation and influence.

The surface areas shown reflect the sum of the areas of occupation and influence of installations located in sensitive areas, having previously eliminated any overlaps that may exist between different sensitive areas in the same zone of occupation/influence.

A facility (overhead span, km of underground or submarine line and/or substation) is considered to be in a sensitive area when both its **zone of occupancy** and **zone of influence** overlap or encroach with the sensitive area.

The following areas are considered sensitive:

- Area included in WDPA + Area in KBA + Area in GIAHs and/or ICCAs.
- Area included in WDPA + Area in KBA.
- Area included in WDPA.

The areas of occupation and influence established for all the facilities are as follows:

| Type of infrastructure | Area of occupancy (metres) (*) | Area of influence (metres) (**) |
|---------------------------------|--------------------------------|---------------------------------|
| Overhead lines | 20 | 100 |
| Underground lines | 2 | 0 |
| Submarine lines | 1 | 0 |
| Substations with transformer | Fenced-off area | 50 |
| Substations without transformer | Fenced-off area | 50 |

(*) Metres on each side of the axis of the line. In the case of overhead lines, the axis would correspond to an imaginary line connecting the supports at their midpoint

(**) Metres on each side spreading out from the area of occupancy

Land occupation

Looking at the electricity transmission business and its direct operations, Redeia has identified one impact related to the direct drivers of land use change. The construction of substations and land lines in Redeia's own operations may entail a land occupancy change, meaning a change of use that could lead to a change in soil coverage.

To mitigate this impact, Redeia seeks to avoid areas rich in biodiversity throughout the life cycle of the facilities, treating this as a priority criterion when defining the location of the facilities, both in the planning phase of the network or grid and when defining each project. In the case of substations, the criterion is minimising the space required, which is key to mitigating this type of impact.

By selecting the right location for infrastructure, ensuring the proper design for facilities, and applying the preventive and corrective measures described above, Redeia is able to avoid or otherwise minimise the resulting impact on plant life, without causing a significant loss of forest area and ensuring that its activities do not cause deforestation.

| | |
|--|---------|
| OCCUPANCY surface area: lines (ha) | 108,828 |
| OCCUPANCY surface area: substations (ha) | 1,194 |
| Surface area (*) OCCUPANCY: total (ha) | 110,022 |

(*) According to the definition of nature provided by the TNFD, all facilities or sections located in urban ecosystems have been excluded from the analysis, given that the alteration of this type of ecosystems is very high and, therefore, the provision of ecosystem services is very low. The exclusion of facilities in urban areas is carried out using various sources of information, depending on the country where the facility is located. The total area includes the area occupied by the company TEN's facilities and installations.

Total sealed area

In the case of the electricity transmission business, the area covered by no-permeable materials (sealed) would relate solely to the area occupied by the overhead lines by each of the four truncated cone-shaped concrete footings holding up each support (1.5 to 2 m² maximum occupancy per leg). In the case of

underground or submarine lines, we should not talk about the existence of impermeable areas, but rather areas of ground taken up, or "occupied", by the cables along their route.

In the case of substations, the surface area that can be considered sealed within the site depends on several factors, the main one being the type of substation: AIS (Air Insulated Switchgear) or GIS (Gas Insulated Switchgear). In the case of AIS substations (normally located outdoors), there are further differences when it comes to the non-permeable surface in each one of them, including the number of asphalted or concreted access points, the presence of telecommunications huts and relay huts, the presence or absence of a control or work centre, a warehouse-workshop, waste huts, waste platform, and so forth.

A case-by-case analysis would therefore be needed, involving an extensive list of variables, in order to obtain a value for the total area sealed without such a result proving to be material, or at least indicative, in order to contribute directly to the drivers of land use change.

Total nature-oriented area on the site (inside and/or outside the site)

The Company does not currently have nature-oriented areas, meaning those elements that promote biodiversity, such as green roofs, green façades, landscaping with native species, insectaries and natural restorations, except for a small, landscaped roof at its Tres Cantos 1-Cecore and Tres Cantos Campus corporate building (Tres Cantos, Madrid).

Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities

Based on the impacts and dependencies found to exist, Redeia identified the risks and opportunities related to biodiversity and ecosystems. Both the risks and the opportunities underwent an assessment and prioritisation exercise in line with the requirements of the TNFD and adapting the risk assessment methodology of Redeia's Enterprise Risk Management System.

Redeia also tested the resilience of the current strategy and business model to physical, systemic and transition risks related to biodiversity and ecosystems through an exploratory scenario analysis following the recommendations of the TNFD.

Redeia is making efforts so that it can disclose, in due course, the anticipated financial effects of material biodiversity- and ecosystem-related risks and opportunities. This disclosure will provide a clearer understanding of the expected financial effects due to material risks arising from biodiversity- and ecosystem-related impacts and dependencies and how these risks have a material influence on the Company's financial position, financial performance and cash flows over the short, medium and long term and the expected financial effects due to material opportunities related to biodiversity and ecosystems.

11.2.4 ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY

11.2.4.1 Impact, risk and opportunity management

a. Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities. ESRS 2 – IRO 1

In 2024, Redeia reviewed its materiality assessment and the methodology employed to ensure compliance with the requirements of the new European Sustainability Reporting Standards (ESRS), as described in chapter 1.2 *Materiality assessment*.

Two material impacts (both negative) were identified when identifying impacts, risks and opportunities as part of the double materiality assessment carried out in 2024. No material risk or opportunity was identified. Both

impacts are disclosed in chapter 1.2 *Materiality assessment*, section 1.2.4 *Material impacts, risks and opportunities*. SBM-3.

Impacts

| Impact | Location in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | How the impact interacts with the strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|--|-------------------------------|---------------------|---------------------|------------------|--|--|---|---|---|
| Scarcity of finite resources due to equipment designs that do not consider the entire life cycle | Direct and indirect suppliers | N | Current | S | Scarcity of finite resources needed to carry out the Company's activities | Use of finite raw materials and increase in GHG emissions, which are harmful to society In the case of the natural environment, it can lead to the disappearance of habitats necessary for flora and fauna, and thus to the extinction of | Fostering the use of renewable raw materials | These materials are produced by suppliers when designing and building materials and equipment. | Redeia has included sustainability criteria in some of its critical supplies, thus allowing it to acquire more sustainable equipment and materials. |
| Waste generation | Own operations | N | Current | S | Waste generation | The main adverse impacts on people are health-related and are due to poor waste disposal that can increase the risk of disease. As for the natural environment, the main damage relates to pollution | Minimisation and proper treatment of waste | Occurs during construction operations or when renewing electrical and fibre optic installations | Waste management at Redeia aims for optimisation, which means reducing, reusing, recycling or otherwise ensuring the energy recovery of all waste generated, achieving zero waste to landfill by 2030, and extending the useful life of |

*Time horizon: S (Short term), M (Medium term), L (Long term).

The impacts identified are part of the sub-topic of resource inflows, including resource use.

Resource inflows, including resource use

For this sub-topic, a material impact was identified arising from the scarcity of finite resources and caused by a lack of commitment in product design, thus leading to an increase in waste and, in turn, to the generation and emission of gases into the atmosphere.

No positive impacts were identified.

With regard to resource inflows, including resource use, Redeia consulted with its most critical suppliers to determine their maturity in carrying out a Life Cycle Assessment (LCA).

Waste

For this sub-topic, a material impact was identified in relation to the waste generated along Redeia's value chain, more precisely in activities such as the construction and renovation of electrical and fibre optic installations.

As in the previous case, no positive impacts were identified.

b. Policies related to resource use and circular economy. E5 - 1 + MDR-P

Redeia's **environmental Policy** addresses several critical aspects for the responsible management of resources and to reduce the environmental impact. This policy is designed to ensure that all Company activities are aligned with the principles of sustainability and circular economy, fostering the efficient and responsible use of resources. The Company carries out all its activities with environmental protection in mind, in accordance with the principles set out in its environmental policy, which was updated and approved by the Board of Directors in 2023. This policy sets out, among other matters, the Company's commitment to pollution prevention, the precautionary principle, responsible consumption and the sustainable use of resources. It also includes various aspects to strengthen this commitment and which function as drivers in improving environmental management, such as the life cycle approach, stakeholder expectations, the effective transmission of its environmental commitment along the supply chain, and foresight in applying environmental regulations. For more information, see section b. Policies related to climate change mitigation and adaptation. *E1-2 / MDR-P.*

Notably, Redeia's 2030 Sustainability Commitment takes the form of 11 sustainability goals all with a 2030 vision and aligned with the strategic plan. Two of these overarching objectives are to be a leading company in the circular economy by 2030 and to be a driver of change among its suppliers. To succeed in this task, Redeia is firmly committed to the transition away from the use of virgin resources and towards the increased use of secondary resources, which is already causing positive impacts.

This is reflected through the actions envisioned in its **Circular Economy Roadmap**, the integration of which is also set out in the environmental policy. These actions include:

- Zero waste to landfill: the Company aims to eliminate the production of waste destined for landfill, which calls for efficient management and reuse of materials wherever possible. To make this happen, since 2021 it has been working towards an action plan for the reduction and recovery of 100% of waste from all Group companies.
- Circular economy: Redeia targets the circular economy, involving suppliers in taking positive steps to cushion the impact on resource consumption and the environment.
- SF₆ reuse: the Company has implemented a procedure to ensure the reuse of SF₆ recovered from leak sealant, thus reducing the need to use virgin gas.
- Single-use plastics: the Company is actively working towards the implementation of processes to eliminate the use of single-use plastics by transitioning to 100% recyclable or recycled plastics in its packaging.
- Sustainability criteria along the supply chain: the Company includes sustainability criteria in purchasing decisions, thus championing circular economy, safety, diversity and biodiversity.

The Company has implemented a comprehensive assessment and monitoring system to ensure the effectiveness of its sustainability-related policies. This system addresses material impacts, risks and opportunities in its own operations and upstream and downstream all along its value chain. Specific actions reflecting this integration and their positive impact include:

- Redeia analyses various critical supplies through the simplified methodology of Life Cycle Analysis, with the aim of making sustainability criteria part of its purchasing decisions, thus fostering circular economy, safety, diversity and biodiversity. This initiative encourages suppliers to embrace sustainable practices as well, extending the commitment to sustainability to all links in the value chain.
- The Company engages its suppliers in implementing circular economy measures to reduce the impact on resource consumption and the environment, doing so through the Redeia Code of Conduct for Suppliers, which all suppliers must sign. This includes the integration of circular economy criteria, sustainable resource use, eco-design, asset life extension, waste minimisation and management, training and other supplier development activities.
- Redeia conducts internal and external audits to assess compliance with sustainability policies along the value chain, identifying impacts, risks and opportunities for further improvement.

These actions not only ensure sustainability in Redeia's own operations, but also generate a positive impact on those around it and on all the agents involved in its value chain.

c. Actions and resources related to resource use and circular economy. E5 - 2 + MDR-A

When it comes to reducing the **consumption of raw materials** and prioritising the use of recycled, recyclable or reusable materials, the Company is adamant that further progress must be made towards eco-design and in taking due account of environmental impacts by considering the life cycle of equipment and materials. This is only possible by working closely with other key players, mainly suppliers, while fostering innovation and technological development. Since 2022, Redeia has been working hard to identify, based on a simplified life cycle analysis methodology, the impacts of the most critical equipment for the Company in a bid to integrate sustainability criteria into its purchasing processes. The Company assesses aspects such as the extraction of raw materials, the use of recycled materials, parameters of origin, durability and reparability, the production process, the carbon and water footprint, allowing it to quantify the main environmental impacts and make better decisions with the ultimate aim of acquiring more efficient and sustainable supplies.

Meanwhile, the Company's approach to **waste** focuses on its proper management and on eliminating and/or reducing its production wherever possible. At Redeia, the waste comes mainly from maintenance and construction work on the facilities, which is necessary 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. Moreover, these activities must be carried out to ensure the safety of the electricity system and installations and to manage the fibre optic network. They also happen to reduce environmental risks in many cases. Redeia always analyses and attempts to restructure or redesign all its operations to eliminate and/or reduce waste right from the outset. However, in many cases it is not possible to reduce the volume of waste generated annually, especially if the volume of maintenance work and facility refurbishment and upgrade work increases during the year. For this reason, the Group's objectives, as set out in its Zero Waste Programme, are firmly focused on completely eliminating waste whose final destination is landfill and on reducing certain types of waste, including SF₆ and those arising from contaminated land, while always promoting alternative and innovative treatments.

Redeia currently pays certain fees as its only waste management overhead, in the sense that these actions do not require a specific allocation of resources.

11.2.4.2 Metrics and targets

a. Targets related to resource use and circular economy. E5 – 3 + MDR-T

Redeia has set targets for each material sustainability issue. These targets track the effectiveness of the policies and actions put in place, as well as the degree of progress made towards these targets along the Company's value chain.

The targets identified are as follows:

| Topic | 2025 targets AR 18 | 2030 targets AR 18 | Progress in 2024 |
|---|--|---|---|
| Resource inflows, including resource use | Ten (10) supplies with the greatest impact on the transmission network, based on circularity, climate change, security, diversity and biodiversity | Twenty-five (25) supplies with the greatest impact on the transmission network, based on circularity, climate change, security, diversity and biodiversity criteria | Eleven (11) supplies with the greatest impact on the transmission network, based on circularity, climate change, security, diversity and biodiversity |
| Waste | 0% Red Eléctrica waste to landfill (*) | 0% waste to landfill for the entire Group | 0% Red Eléctrica waste to landfill |

(*) Does not include waste that must be taken to landfill in accordance with prevailing legislation.

It is worth noting that all the targets set for the circular economy are voluntary and are more ambitious than the minimum legal requirements.

As previously earlier, Redeia has two main Sustainability 2030 targets relating to resource inflows and waste.

Supplies with the greatest impact on the transmission grid based on circularity criteria

Redeia has a set of measures and objectives in place to identify the environmental impacts of equipment and materials from their origin. The aim is to ensure more reliable tracking of such items so as to be able to anticipate procurement risks at the Company and propose improvements that can be implemented from the outset, thus minimising the use of raw materials and fostering eco-design and the procurement of sustainable supplies.

Highlights here include the efforts currently being made by the Company, together with its network of suppliers, to identify the impacts of equipment and materials from the production process onward, through a simplified life cycle analysis methodology developed in 2022. This methodology assesses aspects such as the use of recycled and recyclable materials, as well as their origin, carbon footprint and water footprint, enabling the Company to quantify the main environmental impacts and make better decisions, ultimately leading to more efficient and sustainable supplies.

In 2024, six critical supplies for Redeia were analysed using this methodology. Together with the four analysed in 2023, these are fed into the circular economy roadmap with a view to implementing sustainability requirements for these ten supplies in 2025, on the path to achieving a more sustainable supply network by 2030. Redeia will continue working to increase the circular design of its supplies.

Redeia has also pledged to ensure that in 2025 it uses 100% eco-packaging, recycled, recyclable or reusable packaging and that the consumption of single-use plastics will be 0%, with the aim of increasing the circular use ratio in the supply of equipment and materials. It is also worth noting that Redeia does not operate with raw materials or waste of renewable origin.

Zero waste to landfill

On the subject of waste, Redeia has been pursuing an action plan since 2021 for the reduction and recovery of 100% of the waste produced by all Group companies by 2030.

In 2024, waste was managed as follows under the terms of the plan: (1) Prevention; (2) Preparation for re-use; (3) Recycling; (4) Other recovery; (5) Disposal. This last category (Disposal) includes reuse, recycling, composting, anaerobic digestion and regeneration treatments.

Along these lines, some of the measures envisioned in the "Zero waste to landfill by 2030" project were implemented, such as the incorporation of recycling/recovery requirements in tenders for waste management and services, the installation and implementation of composters for organic waste at work centres, and a proper analysis of the waste generation flows at all Group companies.

b. Resource inflow and outflow parameters

i. Resource inflows. E5 - 4 + MDR – M

Although Redeia does not consume raw materials directly, it does consume them indirectly through transmission network infrastructure. Once a year the Company measures the impact associated with the extraction and manufacturing stages of these resources, as they also happen to be the stages that generate the greatest impact on the carbon and water footprint. In making this calculation, it needed to know the weight of certified raw materials in 2024 for the transmission grid, broken down by type of material.

Redeia does not use conflict minerals (tin, tungsten, tantalum and gold from high-risk and conflict-affected areas) in its equipment.

Consumption by raw material

| Raw material | 2024 | 2023 | |
|-----------------------|--------|--------|--------|
| Porcelain | 1,482 | 856 | tonnes |
| Plastic | 4,197 | 2,277 | tonnes |
| Magnetic plate metal | 104 | 1,942 | tonnes |
| Steel | 18,530 | 17,659 | tonnes |
| Aluminium | 10,069 | 5,467 | tonnes |
| Copper | 3,293 | 2,166 | tonnes |
| Paper | 45 | 426 | tonnes |
| Oil | 447 | 1,918 | tonnes |
| Zinc | 812 | 584 | tonnes |
| SF ₆ gas | 25 | 6 | tonnes |
| Electronic components | 265 | 219 | tonnes |
| Glass | 177 | 102 | tonnes |
| Ni-Cd batteries | 110 | 393 | tonnes |
| Other | 245 | 965 | tonnes |

As the supplies procured by Redeia do not contain biological materials, this indicator does not apply.

100% of the supports purchased by Redeia contain 75% recycled steel.

| Raw material | Weight (t) | % of total |
|----------------|------------|------------|
| Recycled steel | 3,528 | 85% |

The methodology used to calculate recycled steel in Redeia's supplies is based on knowledge of the percentage of raw materials that make up each supply. Thus, knowing the weight of the supplies procured each year, Redeia is able to calculate the tonnes of raw materials used to produce them.

To determine the weight of reused or recycled secondary components, the minimum requirement for recycled content (75%) in supports is applied in the case of steel, as it is the most abundant material,

ii. Resource outflows. E5 - 5 + MDR – M

In 2024 Redeia produced a total of 1,234 tonnes of waste, with Red Eléctrica accounting for more than 81% of this total figure. In general, 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 methodology followed to obtain these results is based on direct measurement.

Waste management is as described in the legal waste management documentation. Waste destined for recycling amounted to 1,163 tonnes during the period, representing 94.3% of the total (included in the generic category of recycling: reuse, recycling, composting, anaerobic digestion and regeneration). This high percentage has been achieved thanks to the implementation of some of the measures under the "Zero Waste to Landfill" project. Meanwhile, the amount of waste not destined for recycling came to 70 tonnes, representing 5.7% of the total.

All figures related to resource outflows are obtained from direct measurements, meaning that no estimation was necessary.

Waste by type and disposal method

| Type of waste | Weight (kg) | Weight (t) | Final destination (kg) | | | | | | |
|---------------------------------|-------------|------------|------------------------|-----------|----------|--------------|------------|---------------------|----------|
| | | | Regeneration | Recycling | Recovery | Incineration | Composting | Anaerobic digestion | Landfill |
| Total hazardous waste (HW) | 579,086 | 580 | 0 | 548,390 | 0 | 0 | 0 | 0 | 30,696 |
| Total non-hazardous waste (NHW) | 654,659 | 654 | 3 | 614,873 | 0 | 0 | 0 | 0 | 39,774 |

Note: Scope of the information: Redeia. All circular economy indicators are direct measurements.

Looking at Redeia's hazardous waste, the main ones are waste electrical and electronic equipment contaminated with oil (without PCBs), metals contaminated with hazardous substances, nickel and cadmium batteries, water/oil mixtures and soil contaminated with hydrocarbons. In the case of non-hazardous waste, the main categories are sludge from septic tanks, metals, inert waste, vegetable waste, paper and cardboard, among others.

Notably, Redeia does not have any external body responsible for certifying raw materials, as Redeia does not procure such materials directly. In relation to waste, the Company has obtained the validation of the waste manager in each case.

11.3 SOCIAL INFORMATION

11.3.1 ESRS S1 – OWN WORKFORCE

11.3.1.1 Strategy

a. Interests and views of stakeholders. ESRS 2 SBM-2

Redeia works tirelessly to ensure public engagement processes and to strengthen its relationship with stakeholders, more specifically with its own workforce, as described in section 1.1.4 *Strategy and business model*; b) *Interests and views of stakeholders SBM-2* of this report, so as to ensure that the opinions and interests of employees underpin its strategy and business model. To make this happen, it relies on various mechanisms, such as listening processes or the commitment to employee dialogue, so that the Company's own employees can express their opinions and concerns and establish action and improvement plans to ensure due respect for their fundamental rights. The People and Culture Department ensures that this collaboration takes place and that the results are then used to manage human capital within the Company.

b. Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3

A total of 14 impacts (11 positive and three negative) were identified during the process of identifying impacts, risks and opportunities as part of the 2024 double materiality assessment carried out. Moreover, seven

opportunities and three material risks were detected, as described in chapter 1.2 *Materiality assessment*, section 1.2.4 *Material impacts, risks and opportunities*. SBM-3.

This identification process is one of the strategic initiatives set out in the People Operational Plan.

Impacts

| Impact | Location in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | How the impact interacts with the strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|--|-----------------------------|---------------------|---------------------|------------------|---|---|---|--|--|
| Fostering work-life balance for employees | Own operations | P | Current | S | Redeia helps its employees achieve work-life balance by articulating a raft of measures and facilitating employee communication via the Work-Life Balance Officer, who provides individual responses to personal situations raised in this area, such as the need for shorter or more flexible hours, more flexible workspaces, family support or equal opportunities | Impact in fostering a work-life balance for employees | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects: | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Impact on employee health of injuries caused by certain occupational activities | Own operations | N | Potential | S | Certain activities required on the job at Redeia could expose employees to the risk of workplace injuries | Impact on the health of workers | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the |
| Impact on the health of workers due to fatalities caused by certain occupational activities | Own operations | N | Potential | S | Certain activities required on the job at Redeia could expose employees to the risk of workplace injuries | Impact on the health of workers | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the |
| Encouraging dialogue between management and worker representatives can have a positive impact on employee working conditions | Own operations | P | Current | S | 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. | Positive impact on employee working conditions | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects: | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Permanent contracts | Own operations | P | Current | S | Redeia promotes permanent contracts as a mechanism for job stability and quality employment, maintaining a high percentage of permanent and full-time contracts. | Positive impact on employee working conditions | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects: | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |

| | | | | | | | | | |
|--|----------------|---|---------|---|---|--|---|--|--|
| Guaranteeing employees' freedom of association and right to union membership to help analyse, promote and defend workers' shared interests | Own operations | P | Current | S | Redeia encourages union membership and repudiates coercion to not unionise or any retaliation in this regard. Freedom of association is understood in the broadest sense, from both the individual and collective perspectives, so as to guarantee the ability to perform the activities needed to form a union within the Company and acknowledging that its purpose is to defend shared interests | Positive impact on employee working conditions | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects: | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Definition of adequate wages | Own operations | P | Current | S | Adequate wages lead to employee motivation and job satisfaction. When employees feel valued and adequately compensated for their work, their engagement improves. This in turn has a positive impact on the quality of their work and on the organisation's overall efficiency | Positive impact on employee working conditions | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects: | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Recognition of the contribution made by employees through remuneration processes and a total compensation regime | Own operations | P | Current | S | Redeia's compensation model recognises its employees' contributions by articulating remuneration policies that reward top performances while ensuring internal fairness. | Positive impact on employee working conditions | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects: | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic |
| Favouring employee wellbeing through the healthy organisation management system and the prevention of occupational injuries or illnesses | Own operations | P | Current | S | Redeia's health organisation management system looks beyond the prevention of occupational injuries and illnesses by addressing personal and family lifestyles, seeking to implement a culture conducive to being a health organisation, thereby improving the health of Redeia's local communities in the process. Notably, the healthy organisation management system covers 100% of Redeia's workforce | Positive impact on employee working conditions | Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects: | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |

| | | | | | | | | | |
|---|----------------|---|---------|---|--|--|--|--|--|
| Improving the quality of life of Redeia employees by offering them flexible working times | Own operations | P | Current | S | <p>Redeia provides its female and male workers with sufficient flexibility in arranging their working hours, thus generating a positive impact on their health and well-being. The flexibility is crucial in allowing employees to rest, recover and strike a healthy work-life balance. Providing enough time to rest and disconnect from work helps to ensure that employees do not experience high levels of stress, exhaustion or loss of motivation</p> | Positive impact on employee working conditions | <p>Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects:</p> | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| A diverse and inclusive workplace that fosters employee well-being and generates fair opportunities | Own operations | P | Current | S | <p>Redeia has a comprehensive diversity plan for the coming years (2023-2025), built around three lines of initiative: gender equality and equal opportunities; age management; and the inclusion of people with disabilities</p> | Positive impact on employee working conditions | <p>Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects:</p> | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Fair monetary compensation and elimination of gender inequalities | Own operations | P | Current | S | <p>Redeia offers the same opportunities for development and promotion to all, without considering gender as a determining factor, focusing instead on performance</p> | Positive impact on employee working conditions | <p>Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following</p> | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the |
| Improved working conditions through collective bargaining | Own operations | P | Current | S | <p>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</p> | Positive impact on employee working conditions | <p>Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects:</p> | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Lack of equal opportunities due to the gender gap at Redeia | Own operations | N | Current | S | <p>A gender gap (fewer women than men in the workforce) may suggest that there are differences in employment and in promotion and career development opportunities, which could tarnish the Company's image and reputation</p> | Impact on employee working conditions | <p>Redeia's Strategic Plan includes a 'People' block as a strategic pillar encompassing the following aspects:</p> | The impact is generated in relation to the Company's people management activity. | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |

Risks

| Description of the cause of the risk | Location in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects arising from risks. | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|-----------------------------|------------------|---|---|--|
| Increase in operating expenses due to an increase in economic contingencies and in the related insurance premiums, potentially affecting Redeia's profitability. Moreover, a significant volume of claims could indicate underlying problems in occupational safety management, which could lead to additional costs related to mitigation and safety, as well as reputational damage for Redeia. | Own operations | S | Increase in operating expenses due to higher insurance premiums. Moreover, a significant volume of claims could indicate underlying problems in occupational safety management, which could lead to additional costs related to mitigation and safety, as well as reputational damage for Redeia. | Negative impact on cash flows | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Vulnerability to significant financial losses as a result of inadequate insurance coverage in the event of damages such as workplace accidents | Own operations | S | Significant costs to cover damages and claim settlements, which may negatively affect Redeia's liquidity and financial stability | Negative impact on cash flows | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its |

Opportunities

| Description of the cause of the opportunity | Location in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects that arise from opportunities. | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|-----------------------------|------------------|--|--|--|
| Enhanced transparency and corporate responsibility at Redeia, fostering solid and lasting relationships with stakeholders by implementing structured and recurring listening tools. This could also pave the way for better integration of their expectations and needs in Redeia's operations and strategies | Own operations | S | Improved relationships, increased customer and employee loyalty and satisfaction | Positive effects on the cost of capital | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Satisfaction of employee expectations thanks to constant review and updating of Redeia's total compensation model to ensure it remains competitive | Own operations | S | High employee retention and lower turnover costs, increased productivity and employee motivation, leading to an improvement in Redeia's reputation and making it easier to attract talent | Positive impact on cash flows | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Increased employee satisfaction as a result of bolstered listening tools and employee engagement in developing the work-life balance model | Own operations | S | High employee retention and lower turnover costs, increased productivity and employee motivation, leading to an improvement in Redeia's reputation and making it easier to attract talent | Positive impact on cash flows | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Better communication and collaboration between the organisation and its employees thanks to the existence of active and effective works councils leading to more inclusive and effective decision-making and more efficient implementation of labour policies that respond to employees' real needs | Own operations | S | Improved decision-making and implementation of labour policies through the active participation of works councils can lead to increased employee satisfaction and retention, thus reducing the costs associated with high turnover and recruitment. Moreover, an improved work environment and well-adapted policies can increase productivity and operational efficiency, resulting in improved overall Company performance | Positive impact on cash flows | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
| Increased investment in development and training, in addition to a stronger workforce thanks to talent retention | Own operations | S | Improved talent retention, leading to improved workforce productivity, as well as reduced costs of recruiting and training new employees | Positive effect on cash flows and on the Company's growth and position | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its |
| Increased workforce diversity by integrating more people with disabilities under the scope of Redeia's Disability Plan | Own operations | S | Enhanced reputation for Redeia as an inclusive employer, allowing it to attract more customers and business partners. Possible tax benefits or government incentives for inclusive practices | Positive effect on cash flows and cost of capital | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |

| | | | | | |
|---|----------------|---|--|---|--|
| Strengthening Redeia's position as a leader and benchmark in gender equality. | Own operations | M | Improved attraction and retention of diverse talent, reduced turnover and recruitment costs, increased productivity and innovation through an inclusive work environment, and enhanced reputation for Redeia, which can open up new business opportunities and strategic alliances. There may also be financial benefits due to incentives and subsidies for embracing gender equality practices | Positive effect on cash flows and cost of capital | Redeia embeds these aspects in its business model, based on the progress made towards the Strategic Plan, which has the 'People' block as one of its strategic pillars |
|---|----------------|---|--|---|--|

*Time horizon: S (Short term), M (Medium term), L (Long term).

The assessment revealed material results in impacts, risks and opportunities (IROs) in the following sub-topics: Working conditions and Equal treatment and opportunities for all.

The impacts identified on the Company's own workforce come as a result of Redeia's own business model and a proper assessment of these impacts is important to ensure that the Company's strategies are adequately defined and scrutinised. The negative impacts described are expressed broadly in terms of the context in which the Company operates, while the positive impacts are common to all Redeia's activities.

The Company did not identify any region-specific or geographically limited impacts, nor any operations carrying a significant risk of child, forced or compulsory labour.

Working conditions

For this particular sub-topic, the following sub-sub-topics were found to be material:

- **Secure employment**, which has a positive impact in relation to permanent hiring, thanks to the Company's efforts to promote permanent contracts, thus generating greater income stability and improving the job security of all Company employees
- **Adequate pay**, which includes two positive impacts, one risk and one opportunity. In terms of impact, Redeia operates a total compensation model, which fosters the motivation and satisfaction of its employees by rewarding their contributions, while also ensuring salary equity. When it comes to risk, Redeia factors in the possibility of employee dissatisfaction due to the perception that the salaries they receive are not competitive. Therefore, an opportunity exists to meet their expectations by regularly reviewing and updating the model to ensure that it remains competitive at all times.
- **Working time**, which has a positive impact and is also an opportunity. As for the positive impact, Redeia improves the quality of life of its employees thanks to the flexibility it offers in relation to their working hours, where workers have a wide range of starting and ending times to choose from, thus catering to their personal and professional needs and circumstances. This gives them more free time, generating a positive impact on their health and well-being. Redeia believes that time off is crucial for employees to rest, recuperate and balance their work and personal lives, as with enough time to rest and disconnect from work, employees can avoid experiencing high levels of stress, exhaustion or loss of motivation.

As for the opportunity associated with this sub-topic, it relates to the reduction of absenteeism and employee turnover due to job satisfaction, which reduces recruitment and training costs. It also helps to reduce the number of labour disputes, resulting in lower legal costs.

- **Work-life balance**, which has a positive impact as well as an opportunity. With regard to the impact "fostering work-life balance for employees through the various measures proposed by Redeia", the Company promotes a healthy work-life balance through a set of 70 measures. It also establishes a channel for dialogue with its employees via the Work-Life Balance Officer, who responds individually to exceptional personal situations not contemplated within this framework, such as the need for shorter or more flexible working hours, location-based and time-related flexibility measures, family support or equal opportunities.

Meanwhile, the opportunity relates to the increase in employee satisfaction as a result of enhanced listening tools and employee engagement in developing the work-life balance model.

- **Freedom of association, the existence of works councils and workers' rights to information, consultation and participation, which also entails both a positive impact and an opportunity.** In relation to the impact, Redeia guarantees the right of freedom of association and union membership among its employees in order to analyse, promote and defend the common interests of workers. As for the related opportunity, the Company improves communication and collaboration between the organisation and its employees by ensuring the existence of active and effective works councils leading to more inclusive and effective decision-making and more efficient implementation of labour policies that respond to employees' real needs.
- **Employee dialogue:** this sub-sub-topic has a positive impact, a risk and an opportunity. Looking at the impact, Redeia fosters dialogue between management and the workers' representatives, thus achieving better working conditions for its employees, which ultimately has a positive impact on their working conditions.

In terms of opportunity, Redeia promotes transparency and corporate responsibility by fostering stronger and more lasting relationships with stakeholders through the implementation of structured and regular listening processes. It also considers the risk that a deterioration in Redeia's communication channels could have a negative impact on working conditions and impede the effective management of internal and external relations. This could lead to misunderstandings and conflicts between employees, the Company and other stakeholders. This risk depends on the impact of *Improved working conditions through collective bargaining*, and is considered to be very low due to the positive impact of the Company's efforts to foster permanent dialogue between management and the employee's representatives. Were this risk to materialise, it would affect 83% of the Company's employees (those covered by a collective bargaining agreement).

- **Collective bargaining, including the proportion of workers covered by collective agreements,** a sub-sub-topic consisting of one positive impact and one opportunity. Improving working conditions through collective bargaining has a positive impact, as it 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. Redeia also maintains and promotes employee dialogue, which has a positive impact in helping to ensure the existence of balanced solutions for all Redeia employees, creating the opportunity to respond to new needs or changes at work, among others, by enabling working conditions to be adapted through collective bargaining and agreements with the social partners.
- **Health and safety,** which has two negative impacts, one positive impact, and two risks. The negative impacts relate to the possible effects on the health of employees, whether due to injury or death as a result of certain work activities. Although these impacts are potential, and relate specifically and individually to the activities of maintenance and construction of electrical and telecommunications infrastructures, which are carried by certain company divisions, Redeia has a 2024-2025 occupational safety and wellness action plan, as well as an annual preventive planning. These instruments include robust prevention and mitigation measures drawn up following an assessment of the risks of the jobs, thus helping to ensure that these activities are carried out in the safest way possible.

In relation to the positive impact, Redeia works to ensure the well-being of its workers through the Healthy Organisation Management System, the model of employee wellness and injury and illness prevention, the scope of which goes beyond the business side of things to include the personal and family lifestyle, and by entrenching the right culture to become a healthy organisation, thus also helping to improve the communities in which Redeia has a presence.

In relation to the risks identified, Redeia is wary of a possible increase in operating expenses or financial losses due to an increase in economic contingencies and in the resulting insurance premiums, although this would be a relatively low impact in any case. Moreover, a significant volume of claims could indicate underlying problems in occupational safety management, which could lead to additional costs related to mitigation and safety, as well as reputational damage for Redeia. However, these risks have a limited

impact, since they affect a specific group of Company workers; more precisely those who carry out tasks related to infrastructure maintenance and construction activities.

Equal treatment and opportunities for all

- **Diversity:** sub-sub-topic presenting one negative impact, one positive impact and one opportunity.

Regarding the negative impact identified, relating to a lack of equal opportunities stemming from the gender gap in Redeia's workforce, the Company is cognisant that a gender gap may indicate that women have fewer opportunities for employment, promotion and professional development compared with men. Therefore, one of the Group's objectives is to promote diversity in the form of gender equality, aiming to reach 38% of women in the management team and 31% of women in the workforce by 2025, thus reducing gender inequality. However, this is a narrow impact, as it affects certain areas of the Company due to the idiosyncrasy of the functions performed, which are closely related to the electricity business and STEM (Science, Technology, Engineering and Mathematics) functions.

In Spain there is notable gender inequality in STEM disciplines, meaning that the percentage of men in STEM positions is higher than that of women. While public administrative bodies and private sector companies alike are taking steps to promote this type of studies, focusing on female participation, until these measures are fully implemented and their effects begin to be felt, Spain will remain below the EU average for a good number of indicators, which will in turn affect the presence of suitable candidates within the labour market in STEM jobs. Even so, Redeia carries out various actions to reduce this gap, including, within its Integral Diversity Plan, the gender equality vector, which looks to improve employment opportunities, promote women in positions of responsibility, ensure wage equality between men and women, foster STEM vocations among women, promote shared responsibility for children among both parents, and prevent moral, sexual and gender-based harassment, as well as gender-based violence.

As for the positive impact, i.e. a diverse and inclusive work environment conducive to the well-being of employees and providing fair opportunities, Redeia has a comprehensive diversity plan in place for the coming years (2023-2025), built around three lines of action: gender equality and equal opportunities, age management and the inclusion of people with disabilities, together with a wellness model that includes and showcases the value of all these measures.

Meanwhile, the opportunity identified relates to greater innovation, creativity and competitiveness by building a more diverse workforce. This is considered essential in order to promote an outstanding working environment based on ethical behaviour, respect, diversity and equality; a commitment embedded in our corporate culture and in the Company's internal policies.

- **Gender equality and equal pay for work of equal value**, where a positive impact and opportunity have been identified, both linked to equal compensation by offering equal opportunities for further development and promotion, thus enhancing Redeia's image as a leader and benchmark in gender equality. Gender equality is one of the vectors included in the comprehensive diversity plan and covers equality in several areas, including employment opportunities, the promotion of women in positions of responsibility and equal pay for men and women, among others.
- **Employment and inclusion of persons with disabilities**, which presents an opportunity for making Redeia's workforce more diverse by bringing in employees with different abilities, thus promoting the integration of people with disabilities under the Disability Plan put in place and making the Company an inclusive employer.
- **Training and skills development**, which presents an opportunity for improving levels of talent retention by increasing the skills of the workforce, as well as an improvement: making the workforce stronger by retaining talent, thus also achieving an increase in productivity.

Note that the positive impacts identified, which affect all Redeia employees, arise from the activities being undertaken to fulfil the **operational plan for people**. This plan stems from the Company's strategy, which rests on seven strategic pillars, one of which is people. The vision of this particular pillar is to develop the cultural side of the transformation process in which the Company is immersed, pursuing:

- the safety and well-being of people to achieve healthy working environments,
- developing an innovative, agile and collaborative culture to nurture talent, anticipating needs and achieving an organisation capable of meeting the challenges of the strategic plan within an environment of permanent change, and
- fostering cultural transformation and sustainable management to make the organisation a benchmark as a healthy company.

These activities are carried out within the framework of **Redeia's people policy**, which promotes:

- Innovation, applying it as a lever for differential improvement among work teams and as a means of personal and collective safety.
- Physical safety, ensuring the safety of people when performing their duties, championing a culture of zero accidents, encouraging lifelong training and the ongoing improvement of safety procedures and processes.
- Prevention of occupational risks.
- Commitment to people safety, a cornerstone of the Company's comprehensive safety policy.
- A total compensation model and system that ensures internal equity, is competitive in the market, combines monetary and emotional items, and recognises and respects the different needs and expectations of employees and the Company.
- Promoting a healthy organisation model and management system that fosters best practices in terms of safety and physical, psychological and social well-being, with the participation engagement of all stakeholders, as well as the development and promotion of work-life balance as key factors influencing well-being.
- Actions to respect diversity and inclusion in the broadest sense, fostering equal opportunities and non-discrimination in people management processes.
- Anticipating and adapting the existing labour relations framework to prevailing law and regulations, factoring in business needs and best practice in the labour market.
- Promoting internal communication that aligns people with the strategy, acting as a fulcrum for cultural transformation and implementing listening channels to continuously improve the organisation's work climate.

Notably, no impacts on own staff were identified as a result of energy transition plans to reduce the negative environmental impacts and achieve greener, climate-neutral operations.

The persons affected by the impacts, risks and opportunities (IROs) described above, own workforce, are both people who are in an employment relationship with Redeia (employees) and non-employees who are either people with contracts with Redeia to supply labour (self-employed people) or people provided by undertakings primarily engaged in employment-related activities. Redeia's employees and their families are covered by HR policies and management, helping the Company deliver its strategic objectives and tackle future challenges, and serving as key ambassadors for the Company's image and reputation. Not included are interns, as they fall under an educational framework focused on acquiring practical knowledge, without there being a formal employment relationship. Note additionally that people indirectly linked to Redeia (non-employees) are primarily used to cover maternity/paternity leave, or substitute employees in situations of temporary, long-term disability. Over the past few years, they have accounted for less than 1% of the total workforce.

In the risk analysis process, the Company considers the varying degrees of exposure to physical risks faced by its own personnel working in environments with specific characteristics, specific contexts or performing particularly hazardous activities. Here, in particular, the Company analysed the impact of an ageing workforce across the Company and the risks arising from this.

Redeia identified a material impact related to this analysis of physical risks arising in the workplace among its own employees with particular characteristics, working in particular contexts, or performing particular activities. This impact is defined as "A diverse and inclusive workplace that promotes the wellbeing of employees and generates fair opportunities" and relates to the adequacy of the work environment in achieving the wellbeing of all workers. Redeia has a comprehensive diversity plan, built around three lines of action: gender equality and equal opportunities; age management; and the inclusion of people with disabilities.

11.3.1.2 Impact, risk and opportunity management

a. Policies related to own workforce. S1-1 and MDR-P

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. It focuses on the employee experience and addresses any personnel-related impacts, risks and opportunities, particularly regarding occupational health and safety. This policy is applicable to all the organisation's activities and geographies to ensure compliance with those principles and contribute to the achievement of the organisation's purpose and strategic objectives, in keeping with the values, principles and behaviour guidelines enshrined in the organisation's Code of Conduct and Ethics. The Board of Directors oversees enforcement of the policy through the Appointments and Remuneration Committee. To make sure it is easily accessible by all relevant stakeholders, the policy is available on both the corporate website and intranet.

The Personnel Policy is implemented and completed by **internal rules** related to human capital and applies directly to Redeia's own employees. These include:

- The **Occupational Health and Safety Manual**, which governs the occupational health and safety (OHS) management system at companies in the Redeia joint health and safety service and is considered to be an occupational risk prevention plan in accordance with article 16 of Spain's Occupational Risk Prevention Law. It also outlines the bases and content of the OHS management system to minimise risks, avoid accidents and provide a higher level of worker health and safety. We first adopted the framework proposed in OHSAS 18001:2007, subsequently amended in 2019, to adapt to the ISO 45001 standard, setting out the Company's proposed health and safety guidelines, principles and objectives, and including the OHS control data, definitions and processes.
- The **Occupational health and safety guidelines**, which set out the strategic principles and guidelines for OHS management with the aim of embedding the OHS management of all people in the organisation into all the Company's processes and activities, and recognising, as a strategic OHS objective, the minimisation of risks related to people and facilities where the organisation carries on its business.
- The **General work-life balance procedure**, which establishes the criteria of operation of Redeia's work-life balance management model. The document outlines the responsibilities of the various agents involved, including the Executive Committee, which promotes implementation of the procedure to manage work-life balance in the best possible way, in line with Redeia's Code of Conduct and Ethics and Personnel Policy. It also sets out the steps taken to ensure that the work-life balance model is implemented properly and defines the organisational support required to manage the model. It identifies the highest level of management and the technical team, as well as the mechanisms to monitor, measure and assess the level of achievement of the work-life balance initiatives.
- The **Employment Handbook**, which sets out the principles and guidelines governing the employment framework within the Group. Covering recruitment, selection and hiring processes, the document describes the activities to be carried out by all parties involved. It establishes a clear and structured framework for managing employment in Redeia, ensuring that all related processes are carried out in a manner that is coherent and aligned with corporate principles.
- The **Diversity Management Handbook**, which sets out the principles and guidelines for diversity management, equal opportunities and non-discrimination. It formalises Redeia's commitment and strategic approach to diversity management, with the aim of creating a process of continuous improvement

supported by monitoring and evaluation mechanisms. With this, Redeia strives to enhance employee satisfaction and engagement through effective diversity management, promoting equal opportunities and preventing discrimination in all its forms.

- The **Training Procedure**, which governs the training process, encompassing the identification, design, management, evaluation, and monitoring of training initiatives for Redeia employees. Its purpose is to ensure that training is coherent, effective, and aligned with the Company's strategic objectives.
- The **Digital Disconnection Protocol**, which establishes guidelines to guarantee employees' right to disconnect outside working hours. It seeks to achieve a better work-life balance, ensuring employees' wellbeing and cultivating a culture of shared responsibility across the organisation.

The Group also has other issue-specific documents, including on social dialogue, gender equality, and workplace safety.

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 the organisation of social dialogue and the system of worker representation at the Company through various committees, each with their own specific remit. In this regard, negotiations with workers' representatives form a regular part of Redeia's labour relations, maintaining ongoing dialogue with them and their respective trade union organisations in order to establish the rights and duties of the parties.

Regarding human rights policies, respect for human rights is one of the ten principles underpinning **Redeia's 2030 Sustainability Commitment**. The Company has embraced an explicit and public commitment to promoting and respecting human rights in all its activities and the territories where it operates, focusing on the freedoms and rights of vulnerable groups. It has a zero-tolerance approach to discrimination in the workplace and takes disciplinary action against any form of discrimination based on sex, race, age, religion, sexual orientation, ideology, nationality, social origin, or disability. It also upholds the rights of vulnerable groups, including indigenous peoples, women, children, persons with disabilities, ethnic minorities, the LGBTI community, and migrant workers, among others, aware of their particular risk of vulnerability. Redeia is also against any behaviour that might constitute moral, sexual or gender-based harassment, laying the foundations for preventing and redressing this conduct and extending this respect more broadly to its relationships with third parties. This commitment was reinforced in 2022 with the formalisation of the Ten Principles for respect for human rights, which was made public through the Commitment to the promotion and respect for human rights in order to cement the corporate values, principles and rules of conduct set out in Redeia's Code of Conduct and Ethics and in its Sustainability Policy. This commitment is aligned with the United Nations Universal Declaration of Human Rights.

The Code of Conduct and Ethics also formalises Redeia's express and public commitment to respecting the principles of the Universal Declaration of Human Rights. In the field of labour, it guarantees rights to collective bargaining and freedom of association, the prevention of child labour, and the eradication of forced or compulsory labour which, in turn, is reiterated and embodied in Redeia's pledge to promote and ensure respect for human rights.

Additionally, Redeia has been performing **annual due diligence** processes since 2013 in all Group companies (including investees) to identify potential risks or violations of human rights stemming from its direct or indirect activity. In 2022, it updated its internal due diligence processes 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 they could have an impact. In order to ensure continuous improvement in this field, these regulations are reviewed annually. The findings showed that from the Company's activities (operation of Spain's electricity system, management of electricity transmission grids and telecommunication networks) and the location of the Company and its ARGO and TEN investees (Spain, Peru, Chile, Brazil, Argentina and Mexico), 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.

These risks are updated with each new acquisition by the Company and its expansion into new geographies. Therefore, no review was warranted in 2023.

Notably, no material human rights risk was identified in the Company's operations carrying both a high probability of occurrence and a severe impact were they to materialise thanks to the myriad prevention measures put in place by Redeia through its internal rules and regulations.

As noted previously, 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 Conduct and Ethics and the Sustainability Policy. Moreover, the Company is aligned with the International Labor Organization (OIT) and OECD Guidelines in assuring fundamental rights in the workplace.

b. Processes for engaging with own workers and workers' representatives about impacts.

S1-2

As described above, negotiations with workers' representatives, which comprise 98 people—13 women and 85 men—form a regular part of Redeia's labour relations, designed to establish the rights and duties of the parties in maintaining ongoing dialogue.

Social dialogue is also supported by the various committees established in collective bargaining agreements and comprising representatives of the employer and of the employees. Currently, these are:

| Red Eléctrica de España, S.A.U. committee | |
|--|---|
| Health and Safety Committee | Equality Plan Monitoring Committee |
| Social Affairs Committee | Work Flexibility Committee |
| Employee Classification Committee | Closed Shift Special Regime Committee |
| Training Committee | Geographic Mobility Committee |
| Intercentre Committee | Remote Work Collective Agreement Monitoring Committee |
| Collective Bargaining Agreement Oversight and Interpretation Committee | |
| Redeia Corporación, S.A. committees | |
| Health and Safety Committee | |
| Social Affairs Committee | |
| Employee Classification Committee | |
| Training Committee | |
| Collective Bargaining Agreement Oversight and Interpretation Committee | |
| Equality Plan Monitoring Committee | |
| Remote Work Collective Agreement Monitoring Committee | |
| Redeia Infraestructuras de Telecomunicaciones, S.A. committees | |
| Health and Safety Committee | |
| Equality Plan Monitoring Committee | |
| Collective Bargaining Agreement Oversight and Interpretation Committee | |
| Work Flexibility Committee | |
| Hispasat, S.A. committees | |
| Health and Safety Committee | |

Meetings of these committees are called upon request of any of the parties as necessary.

The equality plan monitoring committees oversee the discussion of the equality plan and the initial diagnosis. They are also in charge of preparing the diagnostic report, identifying priority measures and defining their scope of application, and determining the necessary material and human resources to implement them. They are also tasked with driving implementation of the plan, defining performance metrics, developing the necessary data collection tools for monitoring, and assessing the level of achievement of measures implemented.

The Company is directly involved, through labour relations staff, with the committees created as a result of Redeia's three collective bargaining agreements (i.e., the 12th Collective Bargaining Agreement of Red Eléctrica, the 1st Collective Bargaining Agreement of Redeia Corporación, and the 2nd Collective Bargaining

Agreement of REINTEL). Additionally, at least one management team member attends meetings of committees focused on specific groups of employees with special working conditions (e.g., the Work Flexibility Scheme Committee or the Closed Shift Special Regime Committee). Management team members also attend meetings of other collective bargaining committees when the expected topic of discussion may require quick decision-making. This approach ensures that all matters addressed in meetings—and the related feedback—are effectively integrated into the decision-making process.

Meanwhile, Health and Safety Committee meetings are held to monitor health and safety activities, discuss new legislative developments, review processes and internal rules and regulations, and analyse and monitor OHS results and programmes, including relevant accidents and incidents, 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 discuss the findings of internal and external audits carried out and any improvement actions that may be implemented. They meet quarterly (in accordance with Occupational Risk Prevention Law 31/1995) and at the request of any of the parties.

The head of the Workplace Safety and Wellness Department, along with another members of the management team of the relevant company, are members of the Health and Safety Committees at Redeia (Red Eléctrica, with six members, Redeia Corporación, with three members, Reintel, with two members, and Hispasat with two members). This approach ensures that all matters addressed in these meetings—and the related feedback—are not only received directly by OHS technicians, but also directly by at least two management team members, thereby speeding up decision-making. The minutes of their respective health and safety committee meetings are available to all employees at the respective companies on the intranet. Any issues arising from these minutes are addressed together with the various stakeholders to find solutions, make improvements, or respond to requests.

For a better understanding of employees' needs, the Company has introduced several initiatives, such as the pulse survey system, surveys for specific evaluations, and the action plan of the Protocol for Board engagement with employees.

Pulse surveys provide quick insight into employees' views on specific topics so that targeted action and improvement plans can be developed. This allows for continuous measurement of certain aspects related to the Company's various initiatives and projects, as well as at different stages of the employee lifecycle. These 'listening processes' are crucial for knowing the views of Redeia's own employees on a range of significant matters at the Company impacting their daily work.

Redeia also conducts detailed surveys based on scientifically validated questionnaires for more in-depth assessment of specific aspects (e.g., psychosocial risks, employee wellbeing).

Psychosocial risk assessments focus on evaluating the psychosocial working conditions related to positions that affect employees' overall and mental health. The primary objective is to detect risk factors in the organisation and define preventive measures to avoid potential harm. The findings are used to draw up a targeted action plan and identify the management of psychosocial risks as a priority of risk prevention. A new edition of this assessment will be performed in 2025.

In 2024, an assessment of wellbeing was carried out entailing a comprehensive analysis of personal wellbeing covering five core pillars: physical, emotional, financial, social, and professional wellbeing. The process included a self-perception survey in which each person assessed their wellbeing against these five pillars to obtain an overall and an individual wellbeing rating, which was then used to pinpoint specific areas of improvement. The survey also produces an individual "healthy habits passport", which includes individual actions that can be taken to raise the person's perception of wellbeing. The target for this assessment was to raise the perception of wellbeing of Group employees by 15% from the 2023 survey. The overall rating obtained was 66 out of 100 (i.e., a 27% increase).

As part of the **action plan of the Protocol for Board engagement with employees**, meetings were held at which members of the Board of Directors gave employees an account of the work done by the Board of Directors of Red Eléctrica Corporación, S.A., while at the same time brief them on key current events for strategy and corporate governance.

Cooperation between the Company and its own workforce is essential for managing impacts. The level is gauged both directly (via pulse surveys, questionnaires, risk assessments, etc.) and through workers' legal representatives on a regular basis through meetings with the various bodies described previously. In all cases, the People and Culture Department has the duty of ensuring that this cooperation occurs and that the results serve as a basis for the Company's approach to human capital management.

The Company's activities include integration of renewable energy into the electricity system and connectivity. Neither requires a transition to decarbonised activities. Therefore, there are no negative impacts on the own workforce arising from the transition to more sustainable activities. Accordingly, no actions to mitigate such impacts were adopted. Impacts and actions related to the Climate Change Action Plan are disclosed to employees primarily through the Group's Sustainability Report, although other tools are available, e.g., the corporate intranet.

c. Processes to remediate negative impacts and channels for own workers to raise concerns. S1-3

The **Ethics and Compliance Channel** is the formal mechanism for raising queries and reporting breaches. Available on the corporate website, this channel can be used to submit queries, report breaches, or make suggestions.

Microlearning modules are developed to raise awareness among Redeia employees about the Ethics and Compliance Channel and to cultivate a culture of communication as a core element of the Company's integrity model.

The Ethics Manager, working alongside the Compliance area, handles all the issues raised and addressed. The channel is regularly audited and guarantees maximum confidentiality and anonymity of users, of the information communicated, and of the actions carried out, reinforcing the necessary safeguards and enabling closer monitoring of all enquiries and reports submitted through the software application.

The Company regularly carries out surveys among Redeia staff to assess perception, knowledge and use of the Ethics and Compliance Channel.

Redeia 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 Conduct and Ethics, its Compliance Policy and in the above-mentioned Ethics and Compliance Channel Management System and Whistleblower Protection Policy, 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.

Labour Relations is in charge of channelling the queries, complaints, and claims of the Group's own workforce received via email or phone, and handling them jointly with workers' representatives. Meanwhile, unresolved issues raised by employees to either their representatives or to the Company are reviewed at meetings of the various committees set up with workers' representatives and at regular meetings with trade union sections.

Additionally, through the international occupational health and safety (OHS) management system, both the own workforce and suppliers authorised for maintenance tasks can report any job-related risks they identify. This tool also includes a channel for submitting proposals for improvement through which users can suggest any area for improvement of their jobs or report a potentially imminent risk.

In 2024, the Company launched the **Pregúntame** service, an employee portal designed to enhance the efficiency in query management, reduce response time, and upgrade attention provided to in-house employees. This new communication channel is for people management-related matters, enabling employees to submit queries or suggest improvements. It also features a 24/7 chatbot.

Redeia has a listening system ('**pulse surveys**') which is designed to allow it to rapidly gather feedback from employees about specific corporate topics in order, ultimately, to better understand employee wellbeing and motivation. This model includes tools for effectively measuring employee satisfaction and other important

aspects, including motivation and sense of belonging. The pulse results are analysed and, as appropriate, an action plan is drawn up.

d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A

Redeia focuses on implementing actions and measures that support compliance in order to drive positive impacts and mitigate negative impacts, assuring the Company's long-term sustainability and, as part of its human approach, creating value for its own workforce. Managing these impacts may include the early termination of contracts with third parties that are not aligned with the Company's long-term strategies.

The actions described below, either undertaken during the reporting period or scheduled for future periods, are in response to the Company's impact assessment. They were implemented to prevent, mitigate, or remedy negative impacts, as well as to foster and leverage opportunities and positive impacts for employees.

Professional growth and employability

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

At 31 December 2024, Redeia had a total headcount of 2,489, with 99.3% of employees on permanent contracts. The Company's commitment to stable and quality work is illustrated by the small share of temporary contracts in the mix and the low voluntary turnover rate (2.9%).

In 2024, a mere 1.1% were internship or employment contracts with temporary employment agencies and these were only used to guarantee coverage of temporary project assignments, maternity/paternity leave, or situations of temporary, long-term disability. Redeia takes feedback from exit interviews, managers and the various listening processes and uses it as inputs in designing actions plans to analyse the reasons after the change.

Also, the redundancy incentive plan continued in 2024, with the number of departures amounting to 84% of the maximum level stipulated under the terms of the plan. This plan falls under the employment initiatives designed to attract external talent with the new skills and competencies required to advance Redeia's energy transition and transformation.

By their nature, both the actions carried out during the reporting period and those scheduled for future periods have an indefinite time horizon. Plan progress is reviewed periodically, with some of the above-mentioned indicators used on a monthly basis. Taking the results of these reviews, the Company may fine-tune its approach or adopt corrective measures to ensure achievement of the defined objectives. These actions do not require any specific resource allocation beyond the general human resources assigned to the team overseeing implementation.

Remuneration regime

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 are implemented with strict regard to prevailing legislation in each territory and ensuring equality and non-discrimination in each case.

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.

The remuneration regime is designed to retain, motivate and engage employees, helping the Group to achieve defined objectives and ensuring that it executes its strategy. Redeia applies a total remuneration regime that includes both tangible (financial) and intangible items. Tangible items include fixed remuneration, variable remuneration, recognition programmes, employee perks, and flexible pay arrangements. Intangible items include non-wage benefits, work-life balance, performance and recognition, development and career opportunities.

Redeia has also implemented a **flexible remuneration regime** that can be configured to deliver bespoke remuneration tailored to employees in Spain, including products such as health insurance, training, life insurance, public transport cards, luncheon vouchers and childcare vouchers. There are also specific compensation programmes adapted to the Company's activity, the long-term incentive plan (LTIP) related to fostering the energy transition, bridging the digital divide and diversification, and the exceptional incentive plan linked to delivery of investment milestones in Redeia's Strategic Plan. With the aim of increasing wage transparency, various training sessions on remuneration were held with the organisation's leaders.

By their nature, both the actions carried out during the reporting period and those scheduled for future periods have an indefinite time horizon. Plan progress is reviewed periodically, using management indicators on an annual basis. Taking the results of these reviews, the Company may fine-tune its approach or adopt corrective measures to ensure achievement of the defined objectives. These actions do not require any specific resource allocation beyond the general human resources assigned to the team overseeing implementation.

Work-life balance and flexibility

A real and effective timetable of between 1,686 and 1,690 hours per annum is established for 70% of the workforce, with a basic 7-hour day schedule on every working day of the year, and considerable flexibility as to starting times (from 07:30 a.m.) and finishing times (from 2:00 p.m.).

Workers may also request a reduction in the annual working hours in cases of birth, adoption, foster care or adoption, care of a child under 13 years of age or persons with disabilities or illness. In the event of exceptional personal and health situations, working hours may be adapted to the specific needs of the employee concerned.

The Company also has a strong commitment to the work-life balance of its employees. An example is the implementation of a **hybrid working system**, to which 83.7% of the eligible workforce (68.3% of the total workforce) is adhered, allowing employees to work remotely on around 47% of their annual working days. Under the system, employees can work from up to two different locations.

To uphold its work-life balance commitment, the Company provides a time management system to employees so they can record their working hours. This system was upgraded in 2024 with new features to make the time log more efficient. In addition to recording hours worked, the system ensures that any extra time accrued by eligible groups (e.g., shifts and flexibility schemes) is accurately tracked and remunerated. In the various collective bargaining agreements applicable to the Group's companies, Redeia has defined specific procedures for managing working hours and overtime, ensuring compliance with applicable labour law. These measures reflect the Company's commitment to maintaining appropriate working time management.

Additionally, since 2021, the Digital Disconnection Protocol defines the requirements for exercising the right to disconnect, along with training and awareness initiatives on the responsible use of digital tools. With this protocol, together with the flexible working hour arrangements, employees can enjoy a healthy balance between their personal and professional lives.

Redeia's **work-life balance management model** is a key pillar of both its healthy organisation model and its diversity model. The model includes over 70 work-life balance measures with associated actions, structured into the following areas: leadership and management styles, quality of employment, flexible working time and workplace, family support, personal and professional development, equal opportunities, and enhanced leave and entitlements under collective bargaining agreements compared to legal requirements.

In 2024, the **work-life balance officer** provided personalised responses to over 89.3% of the personal situations raised by workers. 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.

By their nature, both the actions carried out during the reporting period and those scheduled for future periods have an indefinite time horizon. Plan progress is reviewed periodically, using management indicators on a four-monthly basis. Taking the results of these reviews, the Company may fine-tune its approach or adopt corrective measures to ensure achievement of the defined objectives. These actions do not require any specific resource allocation beyond the general human resources assigned to the team overseeing implementation.

Management-employee relations

Regarding freedom of association, the existence of works councils and information, consultation and participation rights for workers, Redeia guarantees the right to trade union membership, association and collective bargaining within the framework of the International Labor Organization (ILO) conventions, the Spanish Constitution, prevailing labour law, and the applicable collective bargaining agreements. In addition, Redeia's Code of Conduct and Ethics explicitly enshrines respect for the right to collective bargaining and freedom of association, which is reiterated and embodied in Redeia's pledge to promote and ensure respect for human rights.

Redeia's workers' representatives comprise 98 people—13 women and 85 men. There were no collective disputes or strikes at any Redeia company in 2024 and no collective employment measures were implemented, e.g., substantial modification of working conditions, employee furlough schemes or collective dismissals, with the exception of the geographical mobility agreed with Eléctrica Infraestructuras en Canarias, S.A.U.

Key highlights of 2024 include the negotiation, signing, and publication of the 2nd Collective Bargaining Agreement of Redeia Infraestructuras de Telecomunicación, S.A., and negotiation of the geographical mobility agreement for Red Eléctrica Infraestructuras en Canarias, S.A.U. Both agreements were approved unanimously by their respective negotiating committees. Social dialogue was maintained within both companies through the various negotiation committee meetings held.

Most of Redeia's workforce in Spain is covered by a collective bargaining agreement. The only exceptions are management team members and employees who, voluntarily and irrevocably, accept the Company's proposal for exclusion, within the limits set by each company's collective bargaining agreements. Internationally, collective bargaining coverage is lower due to country-specific legislation, practices and customs.

Notably, Redeia does not comply with the requirements to set up a *Societas Europaea* (SE) Works Council, or a *Societas Cooperativa Europaea* (SCE) Works Council.

Both actions carried out during the reporting period and those scheduled for future periods have a specified time horizon in line with the terms of the applicable collective bargaining agreements. Throughout their duration, periodic reviews of the progress of these actions are conducted using management indicators and feedback from meetings of existing committees with workers' representatives held over the course of the year. Taking the results, the Company may modify its approach or adopt corrective measures to ensure achievement of the defined objectives. These actions do not require any specific resource allocation beyond the general human resources assigned to the team overseeing implementation.

Health and safety

Redeia has a concrete strategy and action plan to ensure the health and safety of its own and third-party employees, i.e., the **2024-2025 Workplace Safety and Wellness Plan**, which contains several strategic and specific objectives and is articulated around four major lines of initiative:

1. Culture and leadership

- o Enhance training.
- o Enhance the management of lessons learned.
- o Foster inclusiveness.
- o Entrench the culture of prevention.
- o Promote leadership in prevention and wellbeing.
- o Prevent from a gender perspective.

2. Innovation and digitalisation

- o Systematic innovation in Occupational Health and Safety (OHS).
- o Redesign processes.
- o Reduce impacts on digitalisation.
- o Tackle climate change risks.

3. Wellbeing

- o Deploy the wellbeing model.
- o Evaluate and act on mental health.

4. Stakeholder engagement

- o Align criteria and raise preventive standards of contractors.
- o Manage relationships with governments.
- o Share experiences with peers.

These objectives not only seek to enhance employees' health and safety but to foster a broader culture of prevention and wellbeing across the entire organisation. To that end, the plan promotes best practices around occupational risks on the job. Its goal is to go beyond legal compliance by training, educating and raising awareness around duties and responsibilities and getting all employees, partners and suppliers involved in the occupational safety effort.

Redeia also draws up an annual safety plan, which outlines strong risk prevention and mitigation measures based on individual job risk assessments. This helps provide all the means and resources needed to perform professional duties in the best possible safety conditions.

Redeia also promotes safety through the supply chain, ensuring that all suppliers working on its premises are certified and qualified in OHS. In 2024, contractors had an accident severity rate of 0.38 and an injury frequency rate of 6.94, with no fatalities.

Since 2023, Redeia has been implementing its own, cutting-edge wellness model and strategy, making it a pioneer in this field. This model views employee wellness from a holistic and global perspective, establishing five central pillars (physical, emotional, professional, social and financial wellbeing) that include the various initiatives the Company offers its people to ensure their wellbeing. 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 wellbeing. Armed with this information, the Company can then measure the level of satisfaction with the Company's proposition.

In addition, to offset negative impacts, the 2024–2025 Workplace Safety and Wellness Plan includes actions to promote best OHS practices on the job and at sites. To this end, 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. A total of 16,054 safety inspections were carried out in 2024 on sites and facilities 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 1,271 corrective actions were required, of which 89% were resolved while the rest are in the process of being resolved.

With the collective lessons learned from the outcomes of these corrective actions, all value chain participants can enhance their OHS processes, strengthening their preventive culture by sharing new knowledge. As part of the commitment to build prevention into Redeia's processes and culture on the path to achieving the "zero accidents" objective in the 2024-2025 Workplace Safety and Wellness Plan, several actions were implemented to improve communication and raise awareness, adopt new technologies, and advance digital transformation. Key initiatives this year included the OHS Days for Redeia employees in Spain and Chile-Peru, held in recognition of World Day for Safety and Health at Work; five awareness sessions on coordination of discharges at shared facilities; the creation of the 'Positive Safety' community, comprising over 130 industry professionals from more than 40 companies; and implementation of the SERPAT ergonomic grounding system. These actions build on those carried out in previous years, resulting in stable overall accident rates, including both own employees (severity rate: 0.13) and contractors (severity rate: 0.38).

By their nature, both the actions carried out during the reporting period and those scheduled for future periods have a time horizon of 2024-2025. Plan progress is reviewed periodically, with some of the above-mentioned indicators used on a monthly basis. Taking the results of these reviews, the Company may fine-tune its approach or adopt corrective measures to ensure achievement of the defined objectives. These actions do not require any specific resource allocation beyond the general human resources assigned to the team overseeing implementation.

For its own workforce, Redeia preventively monitors health on an ongoing basis, conducting health campaigns in response to analysis of the various health indicators evaluated annually. The health and wellness activities and initiatives are designed to promote health from a holistic perspective (physical, emotional, and social health). Key initiatives include medical check-ups, consultations on healthy nutrition, assessments of physical fitness, promotion of physical activity, prostate cancer prevention, physiotherapy consultations, flu shots, and the *EMOCIÓN* emotional management training project. All this is part of Redeia's own, cutting-edge wellness model and strategy, which takes a holistic and comprehensive approach to employee wellbeing. This model demonstrates the Company's strong commitment and makes it a pioneer in this field.

Equality

On the diversity front, the Company seeks to inspire and become a benchmark both within Redeia itself and the wider social, labour and human environment, through the commitment to talent diversity, social inclusion, employment and non-discrimination, breaking down stereotypes and cultural barriers.

That is the mission of the **2023-2025 Comprehensive Diversity Plan**, the goals of which are to:

- Embed diversity in Redeia's people management, instilling a culture of diversity, equal opportunities, 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 will allow the Company to become a benchmark social agent that helps to create a more diverse society.
- Reduce any inequalities that may 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.

It also sets two **targets**, one for equality and one for disabilities:

- To have 38% of the management team female and women account for 31% of the workforce
- 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

Gender equality is a key topic under the Comprehensive Diversity Plan and includes the principles of equal employment opportunities, the promotion of women to positions of responsibility, the promotion of shared caregiving responsibilities, the prevention of harassment on moral, sexual and gender grounds, the prevention of gender-based violence, and equal pay between men and women. Performance in these areas is monitored through a dashboard, which allows the Group to measure the progress towards achieving stated objectives.

As for equal pay, criteria are applied in remuneration processes that 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.

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.

Similarly, Redeia actively promotes gender equality as part of its 2023-2025 Comprehensive Diversity Plan to mitigate the potential negative impact of unequal opportunities caused by the gender gap in its workforce. The aim is to enhance wellbeing at work by fostering an environment that supports work-life balance and strongly supports diversity of knowledge, experience, and gender.

In 2024, as a result of Redeia's commitment to equality, the percentage of women in the workforce increased to 29.0% (from 28.9% in 2023) and the percentage of women in leadership positions to 37.1% (from 36.2%). These figures are monitored quarterly in the Sustainability Plan progress report and reported on a half-yearly basis to the Appointments and Remuneration Committee and the Board Sustainability Committee.

By their nature, both the actions carried out during the reporting period and those scheduled for future periods have a time horizon of 2024-2025. Plan progress is reviewed periodically, with some of the above-mentioned indicators used on a monthly basis. Taking the results of these reviews, the Company may fine-tune its approach or adopt corrective measures to ensure achievement of the defined objectives. These actions do not require any specific resource allocation beyond the general human resources assigned to the team overseeing implementation.

Initiatives to generate positive impacts

Beyond actions to offset negative impacts, the Company develops **new initiatives to generate positive impacts**. Examples include recognition programmes linked to the talent differentiation process, in which the contributions made by all employees are recognised through remuneration processes that reward the effort, responsibility and commitment shown by all workers to the various annual activities 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.

Other initiatives in place to generate positive impacts include actions to reduce the pay gap, or the 2024-2030 Disability Plan, designed to set out measures and actions for the direct hiring of 40 people with disabilities by 2030.

Identifying the pay gap is one aspect related to generating positive impact. Redeia has a methodology for **calculating the adjusted pay gap** that delves deeper into the reasons for the gender pay gap, thus allowing the organisation to detect any adjustments that may be needed in order to monitor the situation and narrow the gap. In 2024, a more detailed job evaluation was conducted as part of the adjusted pay gap calculation process. This provided a more accurate job levelling and better identification of the 'explanatory' variables behind the difference in pay differences between men and women beyond gender, e.g., level of contribution, length of service, performance, experience, eligibility for extras, country of employment. Notably, the adjusted

pay gap methodology delves deeper into the reasons for the gender pay gap, thus allowing the organisation 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, length of service, and so on.

The **2024-2030 Disability Plan** covers different aspects related to disability, contributing not only to the social and occupational integration of people with disabilities, but also to the awareness among Redeia staff of this hugely important issue for the Company. Additionally, it drives this social and occupational inclusion of people with disabilities by hiring through Special Employment Centres, with a target of increasing this volume by 20% by 2025, or by launching a programme to provide professional experience opportunities for university and vocational training students with disabilities.

Redeia is also working on a **forward-looking talent development model that anticipates future talent needs** so that the organisation is capable of tackling the challenges outlined in the 2021-2025 Strategic Plan in an ever-changing environment. The objective is to drive cultural transformation and sustainably manage a diverse and engaged workforce. This is achieved by instilling an innovative, agile, and collaborative culture, empowering employees through self-leadership to build a more resilient organisation capable of tackling the defined challenges, and focusing on the entire employee life cycle to attract top professionals, streamline workforce planning, and position Redeia itself as an employer of choice.

Meanwhile, the Company intends to develop (or is currently developing) new initiatives to prevent material negative impacts on its employees, such as:

- **Talent differentiation, focusing on engagement and recognition.** Redeia differentiates and segments employees based on their performance, effectively separating the assessment of contribution from the evaluation of key skills development. Feedback plays a crucial role in both, providing employees with multiple sources of insight to help them track the progress of their contribution or their skills. Agile feedback conversations ensure that projects and performance are monitored on a continuous basis throughout the year. The contribution conversation rounds off the formal annual appraisal. It is one of the key milestones in the people management process, providing a crucial moment for reflection on the past year's performance and focusing on the challenges of the next year. The conversation helps pinpoint areas for improvement and guide employees towards the achievement of set objectives, thereby helping drive their development.

The differentiation process is designed to identify employees who deliver exceptional value and have the potential to enhance this impact in the future, as well as employees who are not contributing adequately to the organisation. This model integrates elements of financial recognition, as well as emotional recognition, such as additional days off or participation in projects and working groups that raise the visibility of employees within the organisation. The process also includes the deployment of several actions, including: the Talentia programme, designed as a development tool and space for cohesion and tearing down functional barriers targeting 69 high-potential non-executive employees who may take on leadership or managerial roles in the future; the manager skills development programme, designed to improve the management of teams with a programme for employees who, following internal mobility or promotion, have taken on a managerial role (16 participants in 2024); or individual development plans (IDPs), for personalised career development—39 employees worked on defining their IDP in 2024.

- **Age management actions** under the Comprehensive Diversity Plan. These seek to achieve effective labour inclusion of all employees—regardless of their age or generation—through initiatives that value experience, training, knowledge and other conditions that enable them to realise their full personal and professional potential. One highlight was the voluntary redundancy incentive plan, offered to employees 63 and older. This plan falls under the employment initiatives designed to attract external talent with the new skills and competencies required to deliver the stated objectives in Redeia's 2021-2025 Strategic Plan. In 2024, the number of departures amounted to 84% of the maximum level stipulated under the terms of the plan. This plan supports employees throughout their departure. Since 2019, in response to digitalisation and the evolution or phasing out of certain job roles, the Company has been implementing reskilling initiatives, primarily targeting older employees, to redirect functions and adapt profiles. This enables these employees to take on new roles with the skills they have acquired.

- **Prevention and promotion of health and improvement in wellbeing**, with a range of initiatives, including for example medical check-ups, consultations with medical professionals and nurses, consultations on health nutrition, and assessments of physical fitness. Mandatory health check-ups were expanded in 2024 to cover all employees in control centres who work in shifts. Meanwhile, improvements were introduced to hybrid working conditions for pregnant employees, and the Company launched both the wellbeing model awareness campaign and a new wellbeing assessment initiative. The 360-degree wellbeing assessment consisted of a comprehensive analysis of the workforce covering five core pillars: physical, emotional, financial, social, and professional wellbeing. The process included a self-perception survey in which each person assessed their wellbeing against these five pillars to obtain an overall and an individual wellbeing rating, used to pinpoint specific areas of improvement. The survey also produced a "healthy habits passport", which includes individual actions that can be taken to raise the person's perception of wellbeing.
- **Active participation in OHS in our value chain**, with the creation of the Positive Safety community with the ecosystem of construction and maintenance suppliers. It started off with a session attended by 130 people from 41 companies aligned with the *Me cuido, te cuido y me dejo cuidar* (I take care of myself, I take care of you and I let myself be taken care of) purpose and the launch of Positive Safety initiatives, embodied in a series of safety rituals to connect Redeia with its suppliers driven by both parties.
- **Training and awareness on work-related hazards, with actions** such as:
 - Professional training sessions for the own workforce
 - Certification of Redeia suppliers' staff in the local operation of substations
 - Awareness sessions on coordination of discharges at shared facilities, aimed at raising awareness of preventive measures for at-risk third-party work
 - OHS communications, featuring a video highlighting OHS initiatives and news on ergonomic improvements for control and protection staff in relay cabins
 - Fire risk awareness campaign, launched to coincide with World Wildfire Prevention Day
 - Safety awareness sessions for suppliers of clearing, felling, and pruning, electromechanical assembly and vacuum substation testing services
 - Webinar on safety awareness at work on local substation operations for brigade service employees
- **Training and awareness on equality**, including the 6th Women's Week, focused on feminine diversity. Emotional wellbeing and shared responsibility or training in management techniques with targeted programmes for driving the development of women towards positions of greater responsibility, such as: the CEOE's *Promociona, Proactiva, and Progresa* programme and the Antonio de Nebrija University's *Women's Leadership* programme.
- **Communications-related initiatives**, such as the *EnRedes* programme designed to raise the Company's profile in social media through employees chosen as digital ambassadors. The aim is to improve the Company's visibility and reputation by leveraging the employees' influence on social media. Active participation by senior management in this initiative is a testament to Redeia's commitment to this programme. Another communications initiative developed during the year was *Festival of Ideas*, designed to create a space for reflection on the importance of connectivity. Open to all Redeia employees, the event features the participation of the Chairwoman.

Training and communication of own workforce on climate change

The Company's activities include integration of renewable energy into the electricity system and connectivity. Neither requires a transition to decarbonised activities. Therefore, there are no negative impacts on the own workforce arising from the transition to more sustainable activities. Accordingly, no actions to mitigate such impacts were adopted.

A key priority of the Company's Climate Change Action Plan is the reduction of SF₆ emissions. To achieve this, Redeia provides employees specialised training programmes on leak control and reduction. The Company is legally certified to deliver training on handling SF₆ gas. A total of 541 employees have been trained

since 2013, with 444 officially certified. Moreover, dedicated technical training sessions on GIS technology were held to enhance maintenance and leak repair.

Impacts and actions related to the Climate Change Action Plan are disclosed to employees primarily through the Group's Sustainability Report, although other tools are available, e.g., the corporate intranet.

Assessing and tracking actions

Redeia employs various tools, including **dashboards**, to track progress and assess the effectiveness of these initiatives. The talent differentiation process dashboard provides a clear view of employees' contributions and capabilities, segmenting them into different performance levels and tracking progression by organisational unit and individual levels. The risk prevention dashboard is a comprehensive tool for OHS management and monitoring. It tracks KPIs and includes functionalities that enable detailed tracking of OHS-related aspects. Key Indicators include accident rates, the inspection frequency rate, the inspection anomaly rate, the risk control rate, and the Bird's triangle, which provides a graphical representation of the relationship between minor incidents, lost-time accidents, and major accidents, offering insight into safety conditions at the Company.

These dashboards provide a visualisation—through metrics—of trends in KPIs and the impact of the Company's actions on them.

Where performance does not meet expectations, the potential causes for the underperformance are analysed and corrective actions are designed, then set out in an action plan for improvement. The affected areas and the necessary human and financial resources are allocated to ensure the plan is implemented.

In 2024, a 38-person team was involved, with functions including managing material impacts.

With a focus on preventing potential violations, the Company systematically analyses and reinforces its policies, commitments, and control mechanisms to minimise risk of occurrence, ensure respect for human rights, and remedy possible human rights abuses. 2024 was a year of advances in human rights, with the due diligence process showing 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.

11.3.1.3 Metrics and targets

a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S1-5 and MDR-T

The Company considers both absolute and relative targets, as well as the appropriate units of measure depending on the type of defined objective. For each target, a baseline value and base year are defined from which progress is measured to ensure precise and consistent evaluation.

The methodologies and significant assumptions used to define targets are aligned with national, EU or international policy goals and how the targets consider the wider context of sustainable development and/or local situation in which impacts take place. Given the nature of the objectives, there was no need to base them of scientific evidence to ensure their rigour and validity.

Any changes in targets and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and processes to collect data adopted within the defined time horizon are documented with an explanation of the rationale for those changes and their effect on comparability.

Impacts

| ESRS subtopic | ESRS sub-subtopic | Impact | Target |
|---|---|--|---|
| Working conditions | Secure employment | Permanent contracts | To achieve an annual voluntary turnover rate equal to or below 2% |
| Working conditions | Adequate wages | Definition of adequate wages | To reduce the adjusted pay gap of 0.08% considering Redeia's corporate structure at year-end 2023 |
| Working conditions | Adequate wages | Recognition of the contribution made by employees through remuneration processes and a total compensation regime | To create a knowledge map covering 100% of the positions within the organisation categorised by professions, roles, and job positions, and identification of the Company's critical positions |
| Working conditions | Collective bargaining, including rate of workers covered by collective agreements | Improved working conditions through collective bargaining | To have no more than 8% of employees without collective bargaining coverage (applicable to each company with its own collective bargaining agreement) |
| Working conditions | Health and safety | Impact on employee health of injuries caused by certain occupational activities | To reduce the Group's accident severity rate by 0.10 points compared to the 2018-2022 period (0.64) |
| Working conditions | Health and safety | Favouring employee wellbeing by means of the healthy organisation management system and the prevention of occupational injuries or illnesses | To raise the perception of wellbeing by 15% from the previous year |
| Working conditions | Health and safety | Fatalities caused by certain occupational activities | To keep the Group's accident severity rate below 0.5 |
| Equal treatment and opportunities for all | Diversity | A diverse and inclusive workplace that fosters employee wellbeing and generates fair opportunities | To deliver at least 40% of the legal requirement (2%) for the direct hire of people with disabilities |
| Equal treatment and opportunities for all | Diversity | Lack of equal opportunities due to the gender gap at Redeia | To have 38% of the management team female and women to account for 31% of the workforce by 2025 |
| Equal treatment and opportunities for all | Gender equality and equal pay for work of equal value | Fair monetary compensation and elimination of gender inequalities | To reduce the adjusted pay gap of 0.08% considering Redeia's corporate structure at year-end 2023 |

Risks and opportunities

| ESRS subtopic | ESRS sub-subtopic | Risk/Opportunity | Description of the cause of the risk/opportunity | Target |
|---|---|------------------|--|--|
| Working conditions | Health and safety | Risk | Possible increase in operating expenses due to an increase in economic contingencies and in the related insurance premiums, potentially affecting, in part, Redeia's profitability. Moreover, a significant volume of claims could indicate underlying problems in occupational safety management, which could lead to additional costs related to mitigation and safety, as well as reputational damage for Redeia. | To keep the Group's accident severity rate below 0.5 |
| Working conditions | Health and safety | Risk | Vulnerability to significant financial losses as a result of inadequate insurance coverage in the event of damages such as workplace accidents | To keep the Group's accident severity rate below 0.5 |
| Working conditions | Adequate wages | Opportunity | Delivery of employee expectations thanks to constant review and updating of Redeia's total compensation regime to ensure it remains competitive | To reduce the adjusted pay gap of 0.08% considering Redeia's corporate structure at year-end 2023 To create a knowledge map covering 100% of the positions within the organisation categorised by professions, roles, and job positions, and identification of the Company's critical positions |
| Equal treatment and opportunities for all | Training and skills development | Opportunity | Increased investment in development and training, in addition to a stronger workforce thanks to talent retention | To achieve an annual voluntary turnover rate equal to or below 2% |
| Equal treatment and opportunities for all | Gender equality and equal pay for work of equal value | Opportunity | Strengthening Redeia's position as a leader and benchmark in gender equality | To have 38% of the management team female and women to account for 31% of the workforce by 2025 |
| Equal treatment and opportunities for all | Employment and inclusion of persons with disabilities | Opportunity | Increasing workforce diversity by integrating more people with disabilities under the scope of Redeia's Disability Plan | To deliver at least 40% of the legal requirement (2%) for the direct hire of people with disabilities |

These targets have been defined within the framework of the **People Operational Plan** and the development of the Sustainability Plan 2021-2025 linked to the Strategic Plan 2021-2025 and deployed through 17 operational plans.

The **People Operational Plan**, approved by the CEO and covering the 2021-2025 period, is based on the Company's Strategic Plan and outlines two strategic initiatives entailing 11 lines of initiative comprising 43 actions. These lines of initiatives were taken into account when setting people-related targets in the Sustainability plan to achieve full alignment.

After preparation of the people section of the zero draft of the Sustainability Plan, the validation phase of the proposal began, involving all departments under the Corporate People and Culture Department so that there was input from affected areas. After validation, the objectives were then approved by the People Officer and integrated into Redeia's 2021-2025 Sustainability Plan, which was then approved by the Board Sustainability Committee.

The objectives and associated actions are monitored quarterly, with each party in charge required to provide a progress report and account of any potential impacts detected. This monitoring is designed for the early detection of risks that could hinder execution within the established timeframe.

Meanwhile, highlights in the area of gender equality include the equality plans negotiated and agreed upon with workers' representatives in accordance with applicable legislation, including Organic Law 3/2007, Royal Decree-Law 6/2019, and Royal Decrees 901/2020 and 902/2020. These plans outline specific objectives and measures to guarantee equal treatment and opportunities for women and men in the workplace.

The rest of the targets and objectives were set taking account of the concerns and interests of Redeia's own workforce but without their or their legal representatives' direct participation in defining them or identifying areas of improvement. Key stakeholders were also not involved in defining targets.

The objectives and targets are implemented through concrete actions and agreed-upon deadlines. The actions are detailed in the Sustainability Plan and documented in an "Equality Plan Monitoring" file accessible to the relevant area managers. Progress and potential areas of improvement are set out in an annual report.

b. Targets related to managing material impacts, risks and opportunities

i. Characteristics of the undertaking's employees. S1-6 and MDR-M

Total number of employees by headcount and breakdown by gender and by country

| Gender | Breakdown of employees by gender | |
|-----------------|----------------------------------|-------|
| | 2024 | 2023 |
| Men | 1,768 | 1,762 |
| Women | 721 | 715 |
| Other | 0 | 0 |
| Not disclosed | 0 | 0 |
| Total employees | 2,489 | 2,477 |

| Country | Breakdown of employees by |
|-----------------|---------------------------|
| | 2024 |
| Spain | 2,042 |
| Brazil | 60 |
| Colombia | 139 |
| Peru | 135 |
| Germany | 31 |
| Chile | 40 |
| Argentina | 2 |
| Ecuador | 4 |
| Mexico | 29 |
| United States | 2 |
| Greece | 1 |
| United Kingdom | 4 |
| Total employees | 2,489 |

| Breakdown of employees - Redeia | |
|------------------------------------|-------|
| Total number of employees (no.) | 2,489 |
| Permanent employees (%) | 99.3 |
| Average length of service (years) | 13.9 |
| Overall external turnover rate (%) | 6.7% |

| Breakdown of employees - Redeia (by company) (%) | |
|--|------|
| Red Eléctrica | 51.6 |
| Hispasat | 21.7 |
| Redeia Corporación | 17.4 |
| Redinter | 4.6 |
| Reintel | 3.1 |
| Other companies | 0.8 |
| Elewit | 0.7 |

| Breakdown of employees - Redeia (by type of operations) (%) | |
|---|------|
| Electricity | 52.3 |
| Telecommunications | 24.9 |
| Corporate services | 17.5 |
| International | 4.6 |
| Technology | 0.8 |

Total number of headcount or full time equivalent (FTE) of permanent employees and breakdown by gender

| 2024 | Men | Women | Other | Not disclosed | Total |
|--|-------|-------|-------|---------------|-------|
| Number of employees | 1,768 | 721 | 0 | 0 | 2,489 |
| Number of permanent employees | 1,756 | 715 | 0 | 0 | 2,471 |
| Number of temporary employees | 12 | 6 | 0 | 0 | 18 |
| Number of non-guaranteed hours employees | 0 | 0 | 0 | 0 | 0 |
| Number of full-time employees | 1,749 | 682 | 0 | 0 | 2,431 |
| Number of part-time employees | 19 | 39 | 0 | 0 | 58 |

Total number of employees who have left the undertaking during the reporting period and the rate of employee turnover in the reporting period.

| | 2024 | | | |
|----------------------|-----------------|-------|---------------|-------|
| | Total number of | | Turnover rate | |
| | Men | Women | Men | Women |
| Under 30 | 14 | 15 | 13.0% | 23.4% |
| 30 to 50 | 49 | 20 | 4.3% | 4.3% |
| Over 50 | 50 | 18 | 9.5% | 9.3% |
| Overall turnover (1) | 113 | 53 | 6.4% | 7.4% |

The persons affected by the impacts, risks and opportunities (IROs) described above, **own workforce**, are both people who are in an employment relationship with Redeia (employees) and non-employees who are either people with contracts with Redeia to supply labour (self-employed people) or people provided by undertakings primarily engaged in "employment activities" (temporary employment agencies).

Not included are interns, as they fall under an educational framework focused on acquiring practical knowledge and there is no formal employment relationship, or individuals who have a commercial relationship with Redeia.

Note additionally that people indirectly linked to Redeia (non-employees) are primarily used to cover maternity/paternity leave, or substitute employees in situations of temporary, long-term disability. Over the past few years, these have represented just 1% of the total workforce and, therefore, are not considered a material group for the purposes of this report.

Redeia's employees and their families are covered by HR policies and management, helping the Company deliver its strategic objectives and tackle future challenges, and serving as key ambassadors for the Company's image and reputation.

At 31 December 2024, Redeia had a total workforce of 2,489 people (see note 24, section D in the Group's consolidated financial statements), an increase of 0.5% in the year.

ii. Collective bargaining coverage and social dialogue. S1-8 and MDR-M

Percentage of total employees covered by collective bargaining agreements

Most of Redeia's workforce in Spain is covered by a collective bargaining agreement. The only exceptions are management team members and employees who, voluntarily and irrevocably, accept the Company's proposal for exclusion, within the limits set by each company's collective bargaining agreements. Internationally, collective bargaining coverage is lower due to country-specific legislation, practices and customs. A case in point is Brazil, where employees can voluntarily decide whether or not to be covered by the applicable collective bargaining agreement. Redeia has its own collective bargaining agreements at three of its companies, **Red Eléctrica de España, S.A.U.**, **Redeia Corporación, S.A.** and **Redeia Infraestructuras de Telecomunicación S.A.** and none in the rest of the countries in the European Economic Area (EEA) where the Company operates.

| 2024 | Employees covered by a collective bargaining |
|--------|--|
| Spain | 91.7% |
| Brazil | 84.4% |
| Total | 82.6% |

| 2024 | Collective bargaining coverage and social dialogue | | |
|---------|--|--|--|
| | Employees - EEA (for countries with >50 empl. representing >10% total empl.) | Employees - Non-EEA (for countries with >50 empl. representing >10% total empl.) | Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.) |
| 0-19% | | | |
| 20-39% | | | |
| 40-59% | | Peru | |
| 60-79% | | | |
| 80-100% | Spain | Brazil Colombia | Spain |

Percentage of employees represented by workers' representatives

| | Employees covered by workers' representatives (%) |
|-------|---|
| | 2024 |
| Total | 99.0% |
| Spain | 99.0% |

As illustrated in the preceding table, employees are covered by workers' representative. Nevertheless, Redeia does not meet the requirements to set up a Societas Europaea (SE) Works Council or a Societas Cooperativa Europaea (SCE) Works Council.

iii. Diversity metrics S1-9 and MDR-M

Gender distribution in number and percentage at top management level*:

| | No. | % |
|-------|------|-------|
| | 2024 | |
| Men | 8 | 57.1% |
| Women | 6 | 42.9% |
| Total | 14 | 100% |

(*) In accordance with article 4 of the Regulations of the Board of Directors, senior executives are "for the purposes of these Regulations, the executives reporting directly to the Board, the chair or the CEO and, in any case, the internal auditor".

Distribution of employees by age group (under 30 years old; 30-50 years old; over 50 years old)

| Total number of employees by age group and gender | | | | | | |
|---|-------|-------|-------|-------|-------|-------|
| | 2024 | | | 2023 | | |
| | Men | Women | Total | Men | Women | Total |
| Under 30 | 108 | 64 | 172 | 105 | 77 | 182 |
| 30 to 50 | 1,131 | 464 | 1,595 | 1,149 | 461 | 1,610 |
| Over 50 | 529 | 193 | 722 | 508 | 177 | 685 |
| Total | 1,768 | 721 | 2,489 | 1,762 | 715 | 2,477 |

iv. Adequate wages S1-10

Redeia is committed to guaranteeing decent pay for all employees and remuneration that in any case exceeds guaranteed basic income.

All employees in every country where the Company operates are paid adequate wages, above the established minimum wage in each.

This approach not only ensures that basic needs are met but also supports a good quality of life across the countries in which the Group operates.

v. Social protection S1-11

All employees are covered by social protection against loss of income due to major life events, such as sickness, unemployment, employment injury and acquired disability, parental leave and retirement.

vi. Persons with disabilities. S1-12 and MDR-M

The Comprehensive Diversity Plan (CDP) is one of the most important strategies for instilling a culture based on equality, sustainability, adaptation to change, innovation and talent management, with global reach, covering all business activities and geographical areas in which Redeia operates.

The Company currently has 27 employees with a disability of a severity equal to or greater than 33% (1.1% of total headcount), and at four companies the General Law on the Rights of Persons with Disabilities is applicable, with all of them remaining fully compliant.

In addition, there are no employees with a disability subject to legal restrictions on the collection of data in this regard.

Redeia aspires to not only comply with the applicable legal requirements, but to go one step further in integrating people with disabilities, deepening its role as social agent in the field of diversity. Notably, it contributes to the social and occupational inclusion of persons with disabilities by hiring, for part of the services provided, through Special Employment Centres, with a target of increasing this volume by 20% by 2025; it already delivered this after reporting a 32% increase in 2024. Beyond internal awareness campaigns, Redeia takes part in various institutional and private campaigns to foster the inclusion of persons with disabilities in the workplace. Of all these actions and initiatives, the main ones in 2024 were:

- Launch of an Adecco Foundation mentoring programme for university and vocational training students with disabilities, in which the Company's employees gave a 5-day training to a person with difficulties finding a job during the year.
- Signing of an educational collaboration agreement with A La Par Foundation to allow two students of the foundation's FundaJobs employment service to take part in non-work professional internships with the aim of training them for the qualified performance of the profession and increasing their employability, on top of the training received at the Foundation.
- Family Plan with personalised assistance to improve the social and occupational integration of family members with disabilities of Redeia employees.
- Plan Aflora to support employees eligible for a disability certificate.

- Corporate website using website accessibility criteria with Level AA conformance to Web 2.0 (WCAG 2.0) of the Web Accessibility Initiative (WAI) and World Wide Web Consortium.
- Inclusive recruitment process.
- Corporate volunteering initiatives to raise awareness about the deaf communication through online sign language training.

vii. Health and safety metrics. S1-14 and MDR-M

Percentage of own workforce covered by the company's health and safety management system, the number of fatalities as a result of work-related injuries and work-related ill health, and the number and rate of recordable work-related accidents:

| 2024 | Occupational health and safety indicators | | |
|--|---|-----------|-----------|
| | Men | Women | Total |
| Average number of employees | 1,750.82 | 720.05 | 2,470.87 |
| Hours worked ('000) | 3,133,732 | 1,288,793 | 4,422,525 |
| Number of accidents recorded | 16 | 1 | 17 |
| Employees | 16 | 1 | 17 |
| Non-employees | 0 | 0 | 0 |
| Rate of recorded accidents | 100% | 100% | 100% |
| Employees | 100% | 100% | 100% |
| Non-employees | 0 | 0 | 0 |
| Number of fatalities as a result of work-related injuries/work-related ill health | 0 | 0 | 0 |
| Employees | 0 | 0 | 0 |
| Non-employees | 0 | 0 | 0 |
| Other workers at Redeia's sites (e.g., value chain workers) | 0 | 0 | 0 |
| Number of accidents | 10 | 1 | 11 |
| Days lost to accidents (1) | 532 | 22 | 554 |
| Injury frequency rate | 3.19 | 0.78 | 2.49 |
| Accident severity rate | 0.17 | 0.02 | 0.13 |
| Number of cases of work-related ill health | 0 | 0 | 0 |
| Days lost to non-work-related ill health (a) | 1.69% | 1.88% | 1.75% |
| Days lost to health and safety (b) | 1.78% | 1.93% | 1.82% |
| Own workforce (employees and non-employees) covered by the health and safety management system (%) | 100 | 100 | 100 |

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

(a) Days lost to non-work-related temporary disability > 3 days + Days lost to temporary disability < 3 days/average number of employees x 365 x 100.

(b) Days lost to non-work-related temporary disability > 3 days + Days lost to temporary disability > 3 days + days lost to work-related accidents and ill health/average number of employees x 365 x 100.

viii. Compensation metrics (pay gap and total compensation). S1-16 and MDR-M

Redeia rewards its employees in all the countries in which it operates in accordance with the general principles of its remuneration regime, 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 are implemented with strict regard to prevailing legislation in each territory and ensuring equality and non-discrimination in each case.

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.

Pay gap

| | 2024 | 2023 | 2022 |
|--|--------|--------|--------|
| Gross pay gap (%)* | 5.51% | 9.33% | 7.35% |
| Adjusted pay gap (%)** | 2.75% | 5.00% | 5.10% |
| Difference of average pay levels between men and women | 94.49% | 90.67% | 92.65% |

Note. The figures above include Hispasat. Figures for Hispasat in 2024: Gross pay gap: 13.08%; adjusted pay gap: 6.34%; Difference of average pay levels between men and women: 86.92%

(*) Gross gap pay calculated for 2024 and recalculated for previous years in accordance with the requirements of the new regulation on the calculation methodology of ESRs. The key difference between the new and previous calculation methodology is the use of the median. It also excludes non-salary items.

(**) The adjusted pay gap was not recalculated for years before 2024 using the new calculation methodology. It starts with the same wage items as for the gross pay gap, but excludes any type of salary payments effectively received by the workers. The gap is recalculated stripping out the impact of major variables, e.g., country, level of responsibility and/or function in the different positions, length of service, etc.

Gross pay gap:

Redeia calculated the gross pay gap using the metrics stipulated in the standards, using the following approach:

- The calculation of the pay gap includes "gross annual remuneration", comprising the basic salary and any other remuneration, whether in cash or in kind which the worker receives directly or indirectly in respect of his/her employment from his/her employer in accordance with the standards.

Note. Includes any salary payments effectively received by workers: fixed remuneration (including both base salary and personal allowances), role-related supplements, payments in kind, variable remuneration, and overtime, but excludes non-salary payments.

- The formula used is as follows:

$$\frac{[\text{Gross remuneration of men} - \text{Gross remuneration of women}]}{\text{Gross remuneration of men}}$$

- "Pay level" refers to the median remuneration of employees. In other words, the wage at the midpoint between two equal groups of employees, i.e., that divides employees into two equal groups: the half that earns more than this amount and the half that earns less. Therefore, the pay gap is defined as the difference between the median remuneration of women and men divided by the median remuneration of men.
- Lastly, Redeia standardises salaries based on annual working hours so that they are statistically comparable.

$$\frac{\text{Median total annual gross remuneration of men} - \text{Median total annual gross remuneration of women} \times 100}{\text{Median annual median gross remuneration of men}}$$

Adjusted pay gap:

In addition to the gross pay gap, to make further progress on wage transparency and analysing the gender pay gap, in 2023 the adjusted pay gap was also calculated to learn more about the causes for these differences, given that this calculation methodology allows them to be identified and allows for a more reliable analysis.

Notably, the adjusted pay gap methodology delves deeper into the reasons for the gender pay gap, thus allowing the organisation 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, e.g., country, level of responsibility and/or role across the various positions, tenure.

The adjusted pay gap starts from the same wage items as for the gross pay gap, i.e., the correlation model is applied to "gross annual remuneration" for 2024.

Difference of average pay levels between men and women:

| | 2024 | 2023 |
|---|--------|--------|
| Difference of average pay levels between men and women (%)* | 94.49% | 90.67% |

(*) Considering the changes introduced by the new standards on the calculation methodology and that Redeia already report this indicator, the figures were recalculated in accordance with the standards applicable for 2023 and 2022, respectively. The key difference between the new and previous calculation methodology is the use of the median. It also excludes non-salary items.

The formula used is as follows:

$$\frac{\text{Gross remuneration of women}}{\text{Gross remuneration of men}}$$

Calculation of this indicator starts from the same wage items as for the gross pay gap, i.e., *gross annual remuneration*.

It also uses pay level as defined for the gross pay gap.

Ratio of total remuneration to the highest paid individual in 2024

| Ratio |
|-------|
| 6.04 |

Calculation of this indicator starts from the same wage items as for the gross pay gap, i.e., *gross annual remuneration*.

The formula used is as follows:

$$\frac{\text{Total annual remuneration of the highest paid individual}}{\text{Median annual remuneration of all employees excluding the highest paid individual}}$$

ix. Incidents, complaints and severe human rights impacts. S1-17 and MDR-M

The human rights due diligence process performed in 2024 indicated that no human rights violation had materialised, so there was no human rights abuse. Also, no cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises were identified. This applies to both Redeia's own operations and its relationships with third parties.

Meanwhile, the Company received four reports related to harassment and discrimination via its Ethics and Compliance Channel in 2024. Of these, two were closed and two were still open the end of the reporting period.

11.3.2 ESRS S2 – WORKERS IN THE VALUE CHAIN

11.3.2.1 Strategy

a. Interests and views of stakeholders SBM-2

Value chain workers are a key group of stakeholders affected by Redeia's activities, as described in section 1.1.4 *Strategy and business model*; b) *Interests and views of stakeholders SBM-2*, taking account of their interests, opinions and rights based on Redeia's strategy and business model.

In addition, in its 2030 Sustainability Commitment, Redeia intends to extend the Company's responsibility commitment to all the links in the value chain, from employees to suppliers and customers, by forging alliances, all underpinned by its model of good governance and integrity.

b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3

Redeia's value chain workers could be materially affected by its activities. Therefore, they are considered a key stakeholder group and as such their interests, opinions and rights have a significant impact for Redeia.

Identifying both positive and negative impacts helps work towards ongoing improvement in processes, efficiency in controls and response times, contributing positively to the business and helping deliver the Strategic Plan as scheduled. In this regard, the outcome of the process to identify impacts, risks and opportunities in the double materiality assessment performed in 2024 led to the identification of one negative impact, three positive impacts and no risks or opportunities, as explained in chapter 1.2 *Materiality assessment*, section 1.2.4 *Material impacts, risks and opportunities. SBM-3*.

Impacts

| Impact | Position in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | Interaction of the impact with strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|--------|-----------------------------|---------------------|---------------------|------------------|--|---|--|--|--|
| | | | | | | | | | |

| | | | | | | | | | |
|---|-------------------------------------|----------|----------------|----------|--|--|---|---|---|
| <p>Injuries or unhealthy working conditions for workers at Redeia suppliers due to the absence of adequate protective equipment</p> | <p>Direct or indirect suppliers</p> | <p>N</p> | <p>Current</p> | <p>M</p> | <p>Value chain workers are at risk of sustaining injuries or unhealthy working conditions when they do not receive appropriate personal protective equipment and/or work in dangerous environments (e.g., removal of hazardous waste) without implementing protection measures.</p> | <p>Impact on the health of value chain workers</p> | <p>The Code of Conduct for Suppliers (contractual and binding document)</p> | <p>The impact is linked to the operations of Redeia's suppliers</p> | <p>Redeia integrates processes and procedures into its business model that are aligned with the Company's governance based on the Code of Conduct for Suppliers. Where the Company considers that a supplier must meet minimum requirements, it creates a profile that the supplier must pass before its qualification. As a mitigation and control measure, Redeia also performs social audits of suppliers to verify their compliance with the Code of Conduct for Suppliers and other applicable legislation. An action plan is triggered where a risk is identified. Redeia also has a system for tracking incidents identified in contract/order execution and a reporting channel where its suppliers can inform us if they identify any such impact.</p> |
| <p>Zero tolerance for forced labour in Redeia's supply chain</p> | <p>Direct or indirect suppliers</p> | <p>P</p> | <p>Current</p> | <p>S</p> | <p>The idea behind getting suppliers to endorse the Code of Conduct for Suppliers at the start of the supplier screening, certification and scoring process is to ensure the selection of suppliers that are suitable for forming part of Redeia's database. This code, which is part of the contractual documentation as per the general contracting conditions and hails from Redeia's Code of Conduct and Ethics, establishes minimum requirements around ethical, social and environmental matters which all suppliers must accept and comply with in order to work with Redeia and which suppliers must extend to their own supply chains. Commitment to respect for human rights and training programme focused on human rights management in collaboration with the Spanish chapter of the Global Compact. In 2024, Redeia did not receive any claims related with human rights abuses in its supply chain; nor was any contract or order cancelled on these grounds.</p> | <p>Impact on the working conditions of value chain workers</p> | <p>The Code of Conduct for Suppliers (contractual and binding document)</p> | <p>The impact is linked to the operations of Redeia's suppliers</p> | <p>Redeia integrates processes and procedures into its business model that are aligned with the Company's governance based on the Code of Conduct for Suppliers, which includes "To guarantee the non-existence of any form of forced or compulsory labour". Where the Company considers that a supplier must meet minimum requirements, it creates a profile that the supplier must pass before its qualification. As a mitigation and control measure, Redeia also performs social audits of suppliers to verify their compliance with the Code of Conduct for Suppliers and other applicable legislation. An action plan is triggered where a risk is identified. Redeia also has a system for tracking incidents identified in contract/order execution and a reporting channel where its suppliers can inform us if they identify any such impact.</p> |

| | | | | | | | | | |
|--|------------------------------|---|---------|---|---|---|--|--|---|
| Zero tolerance of child labour in Redeia's supply chain. | Direct or indirect suppliers | P | Current | S | <p>The idea behind getting suppliers to endorse the Code of Conduct for Suppliers at the start of the supplier screening, certification and scoring process is to ensure the selection of suppliers that are suitable for forming part of Redeia's database. This code, which is part of the contractual documentation as per the general contracting conditions and hails from Redeia's Code of Ethics and Conduct, establishes minimum requirements around ethical, social and environmental matters which all suppliers must accept and comply with in order to work with Redeia and which suppliers must extend to their own supply chains.</p> <p>Commitment to respect for human rights and training programme focused on human rights management in collaboration with the Spanish chapter of the Global Compact. In 2024, Redeia did not receive any claims related with human rights abuses in its supply chain; nor was any contract or order cancelled on these grounds.</p> | Impact on the working conditions of value chain workers | The Code of Conduct for Suppliers (contractual and binding document) | The impact is linked to the operations of Redeia's suppliers | <p>Redeia integrates processes and procedures into its business model that are aligned with the Company's governance based on the Code of Conduct for Suppliers, which includes "To guarantee the non-existence of all forms of child labour". Comply with all laws, regulations and international, national and local declarations with regard to the minimum age for employment".</p> <p>As a mitigation and control measure, Redeia also performs social audits of suppliers to verify their compliance with the Code of Conduct for Suppliers and other applicable legislation. An action plan is triggered where a risk is identified.</p> <p>Redeia also has a system for tracking incidents identified in contract/order execution and a reporting channel where its suppliers can inform us if they identify any such impact.</p> |
| Guarantee that hires are fair and uphold existing labour standards | Direct or indirect suppliers | P | Current | S | <p>The idea behind getting suppliers to endorse the Code of Conduct for Suppliers at the start of the supplier screening, certification and scoring process is to ensure the selection of suppliers that are suitable for forming part of Redeia's database. This code, which is part of the contractual documentation as per the general contracting conditions and hails from Redeia's Code of Ethics and Conduct, establishes minimum requirements around ethical, social and environmental matters which all suppliers must accept and comply with in order to work with Redeia and which suppliers must extend to their own supply chains.</p> | Impact on the working conditions of value chain workers | The Code of Conduct for Suppliers (contractual and binding document) | The impact is linked to the operations of Redeia's suppliers | <p>Redeia integrates processes and procedures into its business model that are aligned with the Company's governance based on the Code of Conduct for Suppliers, which includes "To guarantee the non-existence of all forms of child labour". Comply with all laws, regulations and international, national and local declarations with regard to the minimum age for employment".</p> <p>As a mitigation and control measure, Redeia also performs social audits of suppliers to verify their compliance with the Code of Conduct for Suppliers and other applicable legislation. An action plan is triggered where a risk is identified.</p> <p>Redeia also has a system for tracking incidents identified in contract/order execution and a reporting channel where its suppliers can inform us if they identify any such impact.</p> |

| | | | | | | | | | |
|---|------------------------------|---|---------|---|--|---|--|--|--|
| Establishment of controls to ensure due protection of the health and safety of all supply chain workers | Direct or indirect suppliers | P | Current | S | The idea behind getting suppliers to endorse the Code of Conduct for Suppliers at the start of the supplier screening, certification and scoring process is to ensure the selection of suppliers that are suitable for forming part of Redeia's database. This code, which is part of the contractual documentation as per the general contracting conditions and hails from Redeia's Code of Ethics and Conduct, establishes minimum requirements around ethical, social and environmental matters which all suppliers must accept and comply with in order to work with Redeia and which suppliers must extend to their own supply chains. | Impact on the working conditions of value chain workers | The Code of Conduct for Suppliers (contractual and binding document) | The impact is linked to the operations of Redeia's suppliers | <p>Redeia integrates processes and procedures into its business model that are aligned with the Company's governance based on the Code of Conduct for Suppliers, which includes "To guarantee the non-existence of all forms of child labour". Comply with all laws, regulations and international, national and local declarations with regard to the minimum age for employment". As a mitigation and control measure, Redeia also performs social audits of suppliers to verify their compliance with the Code of Conduct for Suppliers and other applicable legislation. An action plan is triggered where a risk is identified.</p> <p>Redeia also has a system for tracking incidents identified in contract/order execution and a reporting channel where its suppliers can inform us if they identify any such impact.</p> |
|---|------------------------------|---|---------|---|--|---|--|--|--|

*Time horizon: S (Short term), M (Medium term), L (Long term).

The impacts identified are included in the sup-topics:

- Working conditions, specifically the sub-sub-topics of **Health and safety** and **Secure employment**
- Other work-related rights, specifically the sub-sub-topics of **Forced labour** and **Child labour**

Negative impacts are classified according to their type of effect:

- **Technical:** impacts or accidents when performing work.
- **Economic:** for irregularities, e.g., in third-party payments or failure of the supplier to provide certifications of work on time and as due.
- **Legal:** for, e.g., declaration of insolvency proceedings by the supplier or its parent, by administrative decision or court ruling confirming or declaring insolvency.
- **Compliance/social audits:** for, e.g., breach of the Code of Conduct for Suppliers due to lack of due diligence, complaints by Redeia's Ethics Manager or from audits stemming from continuous monitoring, when they lead to the identification of more significant non-compliances.

Moreover, Redeia ensures that any negative impacts are treated as isolated cases because of their low occurrence and minimisation through the corrective action plans triggered when this type of risk is identified.

Working conditions

- **Health and safety:** Negative impacts regarding working conditions such as injuries to employees of Redeia's suppliers may arise due to the nature of Redeia's business model. For instance, its operations often involve heavy machinery, high-voltage electrical work, and working at heights.

As for positive impacts, Redeia actively promotes health and safety across its value chain by implementing controls to protect the health and safety of its suppliers' employees. The Code of Conduct for Suppliers outlines the minimum ethical, social, and environmental requirements of suppliers.

When the Company deems that a supply should meet minimum requirements (e.g., certifications, track record, resources), it defines minimum requirements that suppliers must meet to qualify. In addition, generally:

- ISO 9001 certification of the supplier is mandatory for all supplies with defined minimum requirements.
- ISO 14001 or equivalent certification of the supplier is required for supplies with environmental impact.
- ISO 45001 or equivalent certification of the supplier is required for supplies with impact on health and safety.

In addition, under the framework of the **Supply chain security management system**, suppliers must hold security certifications: a valid certificate of the information security management system (ISO/IEC 27001) and a valid certificate of the business continuity management system (ISO 22301).

Redeia also has a corporate safety management tool. It is a prevention management tool that provides traceability and enables the collaborative management of all health and safety processes with internal and external stakeholders, considering suppliers and their work for Redeia.

- **Secure employment:** Redeia has a positive impact on its value chain by ensuring that supply chain employee hires are fair and uphold labour standards through mandatory supplier acceptance of the Code of Conduct for Suppliers. This code, which is part of the contractual documentation as per the general contracting conditions, stipulates the ethics and conduct standards Redeia's suppliers must meet. By establishing this requirement at the start of the supplier registration process, we foster a culture of responsibility and ethics across Redeia's supply chain. This in turn helps build solid and trustworthy business relationships underpinned by a commitment to comply with the standards set and conduct themselves ethically in all of their operations. Compliance with the Code of Conduct for Suppliers is verified through audits, whether included in the audit planning or following identification of a risk.

Other work-related rights

- **Forced labour and child labour:** Redeia makes a positive impact on its value chain by upholding a strong commitment to respect for human rights through compliance with the Code of Conduct for Suppliers and initiatives such as training focused on human rights management in collaboration with the Spanish chapter of the Global Compact. It has zero tolerance of forced labour and child labour. Through supplier audits, Redeia verifies the non-existence of child and/or forced labour in its supply chain.

Given the nature of the Company's activity, the most significant risk is worker safety at Redeia's own facilities. To address this, there are supplier qualification processes with mandatory requirements, protocols, and required disclosures in tender documents. Beyond this, the technical area creates the technical specification containing the technical requirements.

For every service or procurement of materials and equipment, the above-mentioned documents set out the requirements that suppliers must meet before performing the service or supply, tailored to the type of service or supply.

In its double materiality assessment, Redeia identified several types of value chain workers (customers' and suppliers' workers) affected by Redeia's own operations and value chain, through its products and services, or through the business relationships with Redeia. However, none of these workers are particularly vulnerable to occasional negative impacts.

Suppliers

Redeia divides procurement into two categories, service providers (including works) and equipment and material suppliers.

- **Service providers.**

- Workers performing work at Redeia's own facilities, whether in offices or other transmission grid sites.
- Workers performing work at the supplier's own facilities.
- The service providers category also includes subcontractors, whose relationship with the Company is governed through a subcontracting management system subject to approval and oversight.
- **Equipment and materials suppliers.** These suppliers operate primarily at their own facilities. However, their activity may also include installation and technical assistance at Redeia's sites.

Employees in the equipment and materials value chain take part in producing goods and manufacturing different parts. This requires the extraction and processing of raw materials, mostly metals.

Redeia extends the principles of its Code of Conduct for Suppliers to all value chain workers. The Company guarantees that none of its suppliers engage in the trade of conflict minerals (tungsten, tantalum, tin, and gold) and extends the principles of the Code of Conduct for Suppliers to the relationship with value chain workers.

Redeia also subcontracts logistics services to a qualified provider. The logistics operator oversees storage, transport, and distribution of specific equipment and materials that are not delivered directly to the transmission grid sites. This service is subject to the processes, procedures, and contractual documentation described in previous sections.

Furthermore, Redeia has employees working in joint operations, e.g., Inelfe.

Regarding geographical location of these workers, no qualified suppliers or their manufacturing facilities are located in conflict-affected countries. Regarding Redeia's supplies, none are linked to the arms trade or other military-related activities, as the Company only does business with companies that have passed the qualification process. Subcontracting is subject to an approval and monitoring process. Where risks related to suppliers' workers are identified, Redeia may perform targeted social audits, in addition to the sample audits conducted annually, as a risk mitigation mechanism.

11.3.2.2 Impact, risk and opportunity management

a. Policies related to value chain workers. S2-1, MDR-P

Redeia holds a key position as a global operator of essential infrastructures and, consequently, is a decisive agent in the development of a sustainable energy future. The Group is fully committed to supporting the achievement of the UN Sustainable Development Goals (SDGs) and has considered these goals into designing its 2030 Sustainability Commitment, to ensure that the Company's priorities and actions contribute significantly to the achievement of the SDGs.

The policies used to manage impacts, risks and opportunities (IROs) related to the value chain are explained in the chapter on Code of Conduct and Ethics, which contains the ethical values and principles to uphold, formulated through commitments and standards of conduct. The code constitutes a firm commitment by the Company to ethical and transparent management as the engine to consolidate its image and enhance its reputation. Further information can be found at the following section on the corporate website: Compliance culture | Redeia.

Aware of the importance of the actions of its value chain, Redeia actively promotes the adoption of sustainability criteria among its business partners and across its supply chain. These criteria are based on the Ten principles of the Global Compact, which include the UN's guidelines on human rights, working conditions, the environment and anti-corruption. These principles are adhered to from first contact with suppliers and through the risk monitoring and management process.

Accordingly, Redeia has several codes and policies supporting its value chain management:

- The **Code of Conduct for Suppliers** which, as outlined in the general contracting conditions, is included in the contractual documentation. The objective of this code is to disseminate and promote values and

responsible behaviours in the work and professional activities of suppliers across their various areas of operation. The Code of Conduct for Suppliers formalises minimum requirements around ethical, social and environmental matters which all suppliers must accept and comply with in order to do business with Redeia and which suppliers must extend to their own supply chains.

The code is aligned with the ethical values of respect, integrity and sustainability, as well as with the principles contained in Redeia's Code of Conduct and Ethics and Compliance Policy. Accordingly, it should be interpreted considering the content of those documents.

As part of its ongoing development, Redeia updates its Code of Conduct for Suppliers regularly, introducing principles to existing requirements, e.g., to guarantee the non-existence of all forms of child labour, forced or compulsory labour, as well as to respect maximum working hours and minimum wages, in alignment with international labour standards.

- The **Compliance Policy**, which sets out the principles governing Redeia's commitment to the prevention and detection of, and response to, any unlawful conduct or any action in breach of the commitments it has assumed voluntarily. Principles of this policy include establishing the due diligence measures in terms of ethics and compliance required for an adequate selection and monitoring of compliance by third parties.
- The **Due Diligence in Integrity and Human Rights of Third Parties Guide**, which serves as a tool for managing relationships with stakeholders, including suppliers, and ensuring that they are governed by integrity and transparency, two key elements in maintaining the trust and reputation of the Group. The guide aims to mitigate the risk of associating Redeia with third parties who engage in conduct contrary to our ethical values, especially illegal activities in the field of integrity (e.g., corruption, bribery, money laundering, terrorist financing, and other similar activities) and human rights (e.g., forced labour, human trafficking, child labour, restrictions on the right to freedom of association and collective bargaining, the right to decent work, non-compliance with the principles of equality and non-discrimination).
- The **Sustainability Policy**, which includes the principle of respect and promotion of internationally recognised human rights, acting with due diligence.
- **Ten Principles for respect for human rights**, articulated in the **Commitment to the promotion and respect for human rights**. 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 is integrated into the human rights management model, approved by the Sustainability Steering Committee, which structures and systematises the Company's actions to protect and respect human rights and to address any risks we can cause in this area.
- The **contracting conditions**. Any supplier wishing to join the Company's value chain must accept the contracting conditions, which set out the requirements, service levels and responsibility governing the relationship between Redeia and its suppliers. The contracting conditions are published on the corporate website and updated appropriately: [Our contracting conditions | Redeia](#).
- The **Internal Supply Chain Policy**, which sets out the principles governing the supply chain in order to ensure that the goods and services Redeia needs are provided efficiently and to the required quality standards, and are aligned with its commitment to contribute to sustainable economic and social development. Observance and compliance with these principles contained in this policy contributes to the achievement of the organisation's purpose and strategic objectives, in keeping with the values, principles and behaviour guidelines enshrined in Redeia's Code of Conduct and Ethics.

Through its codes, policies, systems and guidelines, the Company requires that its professionals, as well as third parties acting on its behalf or with whom it has business relationships, uphold the highest standards of integrity in the performing their businesses. These means not offering bribes, hospitality, illegal payments or any gifts to any Company employee, not engaging in irregular business practices that go against free competition, not disclosing or misusing confidential information for their own benefit, and promoting a commitment to responsible procurement in their procurement processes. In addition, Redeia ensures

enforcement of and compliance with its policies at the organisation's highest levels, as established in section 1.2.3 *Policies* in chapter 1.2 *Materiality assessment*.

Note the implementation of controls to mitigate potential risks arising from non-compliance by suppliers with regulations, laws, or contractual documentation. These include social audits, segregation of duties within the procurement process, and full execution of the process through systems ensuring traceability and regular auditing.

Additionally, suppliers are required to promote anti-corruption within their sphere of activity.

b. Processes for engaging with value chain workers about impacts. S2-2

Redeia conducts a biennial **supplier perception study** to gain insights into suppliers' expectations and perceptions regarding the Company's procurement process. In 2024, it carried out the study covering the 2022-2024 period. A total of 350 suppliers took part, with an overall satisfaction score of 7.84 out of 10 (with 8 identified as a key strength). This was 5.5% higher than the previous study, with a 5.7 percentage point increase in participation.

The findings of these studies are used to draw up action plans to address areas identified by suppliers as having the greatest impact. The action plan from the previous study was fully executed.

Once the action plan is defined, it is shared with a sample group of participating suppliers to assess their level of satisfaction with both the reported results and the proposed improvement plan. In 2024, 95% of this group was very satisfied or satisfied with the study and 100% was very satisfied or satisfied with the proposed improvement plan.

Redeia's Procurement Department establishes a communication plan to create dedicated spaces for meetings and dialogue with suppliers to give mutual feedback. The aim is for both parties to improve by sharing a view of both companies and future challenges.

Meanwhile, Redeia has open communication channels with value chain workers. The aim is to have meeting points and maintain dialogue for obtaining mutual feedback, identifying opportunities of collaboration and improvement, and sharing their vision of the future, while working to support the development of suppliers in areas with impacts on the value chain.

While not disclosed, other communications take place across multiple levels at suppliers in the form of personal conversations. Depending on the communication, these exchanges may take place at a technical level, e.g., with the supplier's sales department, technical staff (engineers, manual workers, sustainability and safety officers) or at executive levels of the supplier's organisation.

Supplier engagement takes place at different levels based on the matter to be addressed:

- **Institutional level** (senior management) to align visions and monitor supplier-customer relationships and opportunities for improvement. This is managed through an annual meeting plan with key business suppliers.
- **Technical level** to address a range of topics, covering not only monitor order/contract execution, but also progress, opportunities for improvement or lessons learned (e.g., design, technical developments, sustainability, safety, or sales).
- **Supplier monitoring level** to have the best and latest information for appropriate risk monitoring, update contractual documentation, supplier qualification requirements, etc. to developments, or track impacts that could result in changes in status of certain suppliers.

In all cases, the Company reinforces the importance of the supplier cascading relevant information across its value chain

Beyond this direct engagement, Redeia also makes formal communication channels available to suppliers and their value chain, as discussed in the following section.

c. Processes to remediate negative impacts and channels for value chain workers to raise concerns. S2-3

Suppliers are subject to **continuous monitoring** through the term of their contractual arrangement. When an incident occurs, the procedure in place is performed to remedy the situation. This involves carrying out the relevant action plans or, where this is not possible, applying measures depending on severity. These could go as far as changing the status of the supplier's qualification or even removing the supplier from Redeia's classification and qualification system (see complementary information in the following section).

Directly communicating with its value chain is crucial for Redeia. We provide suppliers with several of our own communication channels, where we rely on third parties to facilitate and improve their service and to address any incidents that may arise. One channel is the **Procurement Support and Helpdesk (ASA)**, which manages supplier queries, doubts and claims associated with the procurement process, and provides clarification regarding the content of the Code of Conduct for Suppliers. This channel is available on the corporate website: *Supplier helpdesk | Redeia*.

In 2024, Redeia did not receive any claims relating to human rights through this channel and did not cancel any contract or order for this reason.

In addition to this channel, there is the **Ethics and Compliance Channel**, a formal mechanism established by Redeia for raising queries and reporting breaches with the objective of cultivating a culture of communication as a core element of Redeia's integrity model. This channel guarantees the required confidentiality, with processing through the Ethics Manager.

Redeia has the **DÍGAME Attention Centre** for sending messages to Redeia, while the corporate website has a **specific section for Suppliers**. This section includes the applicable regulations and processes and provides information of interest for the supply chain (e.g., training and partnership programmes, results of perception studies) along with other relevant documents and information. It also provides step-by-step instructions for a company to register as a supplier. In addition to these, the corporate website provides information on Redeia's strategy and business model, and more.

As another action to enhance communication and engagement with suppliers, Redeia **organises forums** on a range of topics and holds strategic meetings with critical suppliers to identify specific short- and medium-term actions for joint improvement.

Through the **procurement platform**, Redeia facilitates traceable and secure touchpoints with suppliers, including questionnaires, questions, polls, and surveys. This platform can be used to consult the supplier portfolio and maintain conversations with suppliers to enhance our processes, gain insights in planning, and obtain valuable feedback on the portfolio and other relevant information.

This feedback is integrated into the Strategic Plan in the form of milestones and commitments which, together with the view of the supplier portfolio, help shape the **Procurement Operational Plan**. This plan specifies concrete actions in this area.

In addition to these processes, Redeia may initiate a supplier audit if it identifies a risk (e.g. country risk, non-compliance with Redeia's Code of Conduct for Suppliers) regardless of whether the auditor is in the pre-qualification stage or already certified. Audits are conducted of existing or potential suppliers with the highest risk to review compliance with the Code of Conduct for Suppliers, as well as with applicable regulations.

An **audit plan** is drawn up annually, specifying the suppliers to be audited and their associated risks. This plan is dynamic, so suppliers can be included or excluded over the course of the year based after verifying that the risk or risks identified no longer exist.

Where audit findings show non-conformities, Redeia and the supplier work together on a corrective action plan that they both must validate. There is a period of dialogue for proposing the relevant actions, their timeframes and the officer in charge of each.

Failure to implement corrective actions within the agreed timeframe may result in a change in the supplier's qualification status. Similarly, refusal to participate in an audit can also result in a change of qualification status until the supplier accepts.

d. Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions. S2-4, MDR-A

Redeia has a **supplier impact management process** for managing both actual and potential impacts in order to ensure the effectiveness of these actions. The objective of this process is to restore any identified situation to its original state. To do so, action plans are developed, outlining measures and timeframes, which are monitored over a specific period. If the situation persists after that, depending on the severity, the procedure specifies the situations in which a supplier qualification status can change, or a supplier can even be removed from the classification system (disqualification).

All impacts associated with supplier activity and contracts include sustainability-related impacts and effects (e.g., ethics, occupational health and safety, and environmental).

In cases of an actual or potential risk, there is ongoing and direct communication with the supplier, which entails:

- Notifying that an incident has been opened.
- Holding meetings between Redeia and its workers and workers' representatives to restore the situation.
- Jointly developing an action plan, where appropriate, outlining the corrective measures to be implemented by both the supplier and Redeia, as appropriate.
- Formally communicating changes in qualification status.
- Modifying supporting documentation if during the process improvement actions to be considered in the future are identified that are applicable in general to all suppliers.

This entire process is tracked and documented in the supplier qualification and monitoring tool. The designated impact management team facilitates communication with suppliers and the relevant Redeia departments that may be affected or are involved. This provides a holistic view of the situation, allowing for an effective action plan to be drawn up, along with its monitoring and the decisions to be made to remedy the incident. These communications also enable both Redeia's areas and suppliers to be aware of and understand the internal procedure, facilitating orderly communication.

Redeia also has a variety of measures designed to enhance the relationships with its suppliers, including regular supplier **perception studies**. These resulted in the definition of three key actions from the ESG action plan for suppliers:

- Enhance long-term planning visibility and work scheduling.
- Improve information transparency throughout the tendering process.
- Increase usability of platforms.

Once the action plan is defined, it is shared with a sample group of participating suppliers to assess their level of satisfaction with both the reported results and the proposed improvement plan. In 2024, 95% of this group was very satisfied or satisfied with the study and 100% was very satisfied or satisfied with the proposed improvement plan.

To manage, and potentially remediate damage caused by the negative impacts, Redeia provides access to training and capacity-building programmes, fostering sustainable development across its supply chain. Training is free and covers a range of subject, e.g., ethics, risk management, human rights, and supply chain security.

11.3.2.3 Metrics and targets

a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S2-5, MDR-T

Targets designed to mitigate negative impacts and advance positive impacts on the supply chain:

- Negative impact associated with injuries or unhealthy working conditions: Provide further training on areas of health and safety with our supplier portfolio. Continue with reviews of contracting conditions, adapting material aspects to working conditions. Enhance risk monitoring.
- Positive impact associated with forced labour and child labour: Reinforce adherence to the UN Global Compact or similar in the supplier portfolio. Continue performing audits to halt non-compliances and implement corrective action plans where appropriate. Enhance risk monitoring.
- Positive impact associated with secure employment: Continue with reviews of terms of employment, ensuring appropriate compliance with labour standards. Maintain active and operational communication and whistleblowing channels with the supplier portfolio. Enhance risk monitoring.

As noted in section 1.1.4 *Strategy and business model*, Redeia's Board of Directors approved 11 sustainability goals in 2019 aligned with the strategic plan and the UN Sustainable Development Goals. In 2022, by drafting the 2023-2025 Sustainability Plan, we were able to set interim targets as milestones for delivering our sustainability ambitions by 2030.

These targets were evaluated by the Sustainability Steering Committee, the Executive Committee and the Board Sustainability Committee. The objectives then received final approval by the Board of Directors, reinforcing their legitimacy and ensuring that they are embedded in Redeia's corporate strategy.

Redeia did not, however, directly involve value chain workers or their representatives or spokespersons in the process of defining the objectives. As Redeia moves towards delivering its sustainability goals, it could consider including these stakeholders, which could contribute significant added value by encouraging closer cooperation and aligning with those who are crucial to the success of the sustainability initiatives.

The Company's targets are supported by the following objectives:

| Objective for 2030 | Objective for 2025 | Progress in 2024 |
|---|---|--|
| Drive change among our suppliers: 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. | At least 10 supplies with the greatest impact in the transmission network, based on circularity (life cycle analysis), climate change, security, diversity and biodiversity criteria. | 11 supplies with the greatest impact in the transmission network, based on circularity (life cycle analysis), climate change, security, diversity and biodiversity criteria. |

The Board Sustainability Committee oversees the level of achievement of the sustainability objectives on a half-yearly basis.

The outcomes and targets resulting from actions implemented are not only communicated internally but are also shared transparently in specific meetings with suppliers. The information is also included in detail in the ESG Report, which is publicly available on the Redeia website, in the drive to promote transparency and accountability. This process includes an internal assessment, as well as external feedback from suppliers through continuous monitoring. Suppliers are again asked for their assessment of the proposed targets to measure their effectiveness and acceptance. Additional feedback is gathered from regular meetings held with suppliers to discuss all the targets and explore opportunities for improvement.

Lessons learned from this process are crucial for the Company's future development. They are integrated into the development of new targets and action plans, ensuring that they lead to meaningful adjustments to internal processes and contractual documents and align the Company's operations with the expectations of suppliers and other stakeholders.

11.3.3 ESRS S3 – AFFECTED COMMUNITIES

11.3.3.1 Strategy

a. Interests and views of stakeholders. SBM-2

Redeia works continually to develop public engagement processes and strengthen its relations with stakeholders, specifically its affected communities, as described in section 1.1.4 *Strategy and business model*; b) *Interests and views of stakeholders SBM-2* of this report. The aim is for the interests and views of affected communities to serve as the basis for Redeia's strategy and business model.

Redeia also conducts **perception studies of land and property owners**, analysing the results to support executive decision-making based on: current level of perception regarding the various attributes that impact relationships with these stakeholders; comparative trends in levels of perception relative to previous surveys; and the requirements, expectations and opportunities for improvement expressed by those surveyed during the interviews.

b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3

The outcome of the process to identify impacts, risks and opportunities in the double materiality assessment performed in 2024 led to the identification of one negative impact and no positive impacts, risks or opportunities, as defined in chapter 1.2 *Materiality assessment*, section 1.2.4 *Material impacts, risks and opportunities*. SBM-3.

Impacts

| Impact | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | Interaction of the impact with strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|---------------------|---------------------|------------------|---|---|---|--|--|
| Easement or expropriation of land for the location of sites | N | Current | S | Direct and continuous relationship with landowners and, where technically feasible and without increasing impacts on other plots, a change of route or location of the supports within the property to minimise impacts | Use or expropriation of land for construction or maintenance of sites | Requests for change of route or location of the supports within the property, where they are technically feasible and do not exacerbate impacts on other plots, are accepted. | Use or expropriation of land during the construction phase or maintenance of sites | Redeia encourages a direct and continuous relationship with landowners to minimise this impact. |

*Time horizon: S (Short term), M (Medium term), L (Long term).

The identified impact, "**easement or expropriation of land for the installation of electricity infrastructure**", which falls under the sub-topic "Land-related impacts", arose during the performance by the Company's main electricity transmission subsidiaries (Red Eléctrica and Redinter) of their core businesses. Specifically, it resulted from the construction and maintenance of the transmission grid. Accordingly, this activity generates an impact on **land and property owners**; i.e., it is a general impact. However, other groups in the value chain are not affected. Indigenous settlements are also unaffected, since there are no populations in the direct area of influence of Redinter's activities (in Peru, Chile or Brazil).

The affected group, **land and property owners**, are private individuals or companies that own the land or properties affected by Red Eléctrica's operations and transmission network development plans with which the

Company must engage and negotiate to deliver its objectives with minimal impact on its reputation, and its financial and strategic performance.

Land and property owners can be classified as follows:

- **Owners of heritage assets:** public asset owners with whom Redeia follows regulated procedures for expropriating land for public interest. The relationship with these **owners** is governed by procedures and channels that are regulated completely by the related public body. In any event, given the nature of the installation as a public asset, applications for authorisation by the Company from Redeia are legally mandated to receive approval.
- **Landowners:** owners of assets and rights to land (private individuals or companies) that may be affected during facility planning, construction or maintenance phases. The Company must negotiate with these owners at the planning stage to minimise expropriations or compulsory acquisitions and maximise amicable agreements, as well as apply for permits and come up with solutions to reduce the negative impacts during the construction and maintenance phases. The relationship with these **owners**, from the outset, entails personally negotiating, either directly or via brokers, the purchase of the land based on previously appraised prices. The aim is to maximum agreements and minimise expropriations. Communication is also required for maintenance activities, once the facilities come on stream, requesting permits and operating with processes that minimise impacts.
- **Property owners:** private individuals or companies with which there is a contractual purchase/lease relationship to acquire all the necessary sites to cover the organisation needs of the Group's various companies. Relationships with these **owners** are contract-based. Direct relationship with these owners is sporadic, to remedy impacts or address problems with the property, and annually, to manage tax withholdings.

With all three owner types, the units involved in the relationship are Real Estate Management, Permits, Project Management, Construction and Demarcations. The engagement channels are direct personal contact, the DIGAME Channel, meetings via associations or local government, channels set up by the owners of heritage assets, emails and telephone.

11.3.3.2 Impact, risk and opportunity management

a. Policies related to affected communities. S3-1, MDR-P

Redeia has a **stakeholder management model** that considers the provisions of the main stakeholder management regulations and benchmarks, notably AA1000, ISO 26000, 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.

The following specified commitments are defined for land and property owners included in the social ecosystem stakeholder inventory:

- Lawfulness and compliance.
- Generation of social, environmental and economic value in the vicinity of Redeia facilities and developments.
- Transparent, clear, opportune, complete, relevant, orderly and simple company information.
- Creation of spaces and channels for open dialogue and prior consultation to foster engagement and deliver immediacy, closeness, active listening and identification and analysis of needs.
- Prevention and mitigation around impacts on works and facilities.
- Rapid response in the event of incidents and emergencies.
- Assignment of the resources needed to honour the commitments assumed.

- Redeia also has the Sustainability Policy approved by the Board of Directors in 2022. This policy sets out sustainability-related principles, guiding all activities towards a responsible management model, focused on excellence and value creation for stakeholders and honouring the commitments assumed with them.

The Company's authorisations, expropriations and easements, as well as transmission facility installation authorisation procedures, are governed by the Spanish Electricity Sector Act (Law 24/2013, of 26 December 2013) and Royal Decree 1955/2000, of 1 December 2022, which regulate electricity transmission, distribution, marketing and supply, and authorisation of electricity facilities.

Lastly, as part of its internal rules and regulations, the Company has developed a technical instruction governing the management of payments related to land use permits and compensation for damages.

Human rights

Redeia 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 peoples, 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 was reinforced in 2022 with the formalisation of the **Ten Principles for respect for human rights**, which was made public through the **Commitment to the promotion and respect for human rights** in order to strengthen the corporate values, principles and rules of conduct set out in Redeia's Code of Conduct and Ethics and in its Sustainability Policy. This commitment takes account of internationally recognised principles 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 (Convention 29 on forced labour, 138 on minimum age, 87 on freedom of association protection of rights to organise, 98 on right to organise and collective bargaining, 100 on equal remuneration, an 169 on indigenous and tribal peoples). It was also deemed appropriate to incorporate new rights into the commitment. These respond to new human needs that have materialised through so-called emerging human rights (e.g., the right to a healthy environment or the right to decent work).

These Ten Principles of the commitment 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. Redeia promotes and maintains ongoing relationships with local communities where it has operations, carrying out annual due diligence assessments at all Group companies (including investees) since 2013 in order to identify possible risks or human rights violations derived directly or indirectly from its activities. Note that currently there 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.

In addition, Redeia has an Ethics and Compliance Channel accessible to all stakeholders, as a formal mechanism to respond to enquiries or reports of breaches related to human rights. The Company has other communication channels for raising concerns regarding any issues, including the *DÍGAME* service, which handles complaints and enquiries from external stakeholders regarding system transmission and operation; the ASA channel, for specific service to suppliers, the *DÍGAME Internacional* service, focused on the business in Latin America; and the Hispasat and Reintel speak-up service.

Any request received via these channels also serves as input for the Company's human rights risk map.

b. Processes for engaging with affected communities about impacts. S3-2

Redeia has an **organisational structure distributed across the entire country**, facilitating communication and institutional collaboration with public and private institutions. This work is carried out by regional branches, alongside the Installation Development Support Department and Project Department. These two departments fall under the General Transmission Department.

Redeia engages with affected communities at various phases of its projects, especially start-up. Projects must be presented to town councils and affected stakeholders before any formal processing or processing by the Company's representatives begins. This enables stakeholders to voice doubts or raise concerns, fostering a relationship of trust with Redeia and identifying its representatives. At this stage, collaboration agreements with the town councils are encouraged to strengthen these relationships. After this initial contact, the frequency of further interactions with local communities is dictated by the identified needs in each case. Actions may be designed to remediate any potential impacts on the communities. During negotiations with owners, requests for change of route or location of the supports within the property, where they are technically feasible and do not exacerbate impacts on other plots, are accepted.

Redeia promotes direct and ongoing communication with landowners. It keeps contact details up to date to ensure that communication with them is as flexible and effective as possible. It also has the Ethics and Compliance Channel, which is publicly accessible via Redeia's website.

Redeia also conducts opinion surveys of its groups. The latest, carried out in 2023, was for the entire corporation. All categories of questions surveyed showed a "strong performance" level (8 points out of 10).

c. Processes to remediate negative impacts and channels for affected communities to raise concerns. S3-3

The Company's approach entails **negotiation with owners of assets and rights to land**, seek to reach amicable agreements in all cases and avoid expropriations of land on or around where its facilities are located. Redeia goes house-to-house, negotiating with the affected parties. Some landowners interact with Red Eléctrica through business associations or representatives. Red Eléctrica engages companies to do the negotiations, while internally, the Permits Department manages the negotiations to establish easements for electricity infrastructure amicably. The goal is to avoid, as far as possible, the need for easements via expropriation. If no agreement is possible, the expropriation process is managed until completion of the administrative procedure with the official record of payment of 'just compensation'.

In this case, as it has been doing systematically, Redeia sets compensation thresholds for each specific installation based on a detailed assessment of the type of land affected by the facility, an analysis of crop prices, and an evaluation of recent rulings from expropriation or compulsory acquisition authorities.

The **Ethics and Compliance Channel** is run by the Ethics Manager with support from Compliance. The channel is regularly audited and provides user maximum confidentiality and anonymity of the information reported and actions taken through a secure software application that ensures close monitoring of all enquiries and complaints received.

In 2024, Redeia's Ethics and Compliance Channel was awarded UNE-ISO 37002 certification, representing a key milestone in the Company's commitment to strengthening the protection of its employees and other stakeholders. It also reinforces Redeia's management of reports received through the Ethics and Compliance Channel. This certification accredits the protection of users of this channel and the confidentiality of information.

Redeia also has an Ethics and Compliance Channel Management System and Whistleblower Protection Policy, designed to establish the principles and guarantees governing the Ethics and Compliance Channel management system as a formal means for raising queries and reporting breaches.

The year featured the update of the Ethics and Compliance Channel Management System Handbook and formal appointment of the person in charge of Redeia's Ethical and Compliance Channel management system; i.e., the Ethics Manager and Stakeholder Ombudsman).

The Company has in place a Retaliation Protection Protocol, the main objective of which is to protect whistleblowers who submit a report through Redeia's Ethics and Compliance Channel management system from potential retaliation, including threats of retaliation and attempted retaliation. The protocol establishes a framework of protection that can effectively address situations of risk and protect persons who use the system in good faith from such retaliation. It is included in the Ethics and Compliance Channel Management System Handbook, which is available for the Company's internal and external stakeholders through its intranet and

website. The Company regularly carries out surveys among Redeia staff to assess perception, knowledge and use of the Ethics and Compliance Channel.

d. Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions. S3-4, MDR-A

Aware that there is a possibility that impacts on affected communities could arise, Redeia works to foster relationships of trust and/or smooth relationships with its priority stakeholders.

Redeia engages with affected communities at various phases of its projects, especially start-up. Projects must be presented to town councils and affected stakeholders before any formal processing or processing by the Company's representatives begins. This enables stakeholders to voice doubts or raise concerns, fostering a relationship of trust with Redeia and identifying its representatives. At this stage, collaboration agreements with the town councils are encouraged to strengthen these relationships. After this initial contact, the frequency of further interactions with local communities is dictated by the identified needs in each case. Actions may be designed to remediate any potential impacts on the communities.

Note that during negotiations with owners, requests for change of route or location of the supports within the property, where they are technically feasible and do not exacerbate impacts on other plots, are accepted. As an illustration of these actions, in 2024 Red Eléctrica discussed, with the owner of several plots of crop land affected by the Coscurita-Magaña line, the possibility of situating the supports on mounds inside the plots where no crops are grown, thereby minimising the impact on crops. In cases where trees used for timber were impacted, Redeia negotiated agreements with landowners to sell the timber directly, while helping secure the necessary felling permits from the relevant authorities. This approach is common in Galicia, where the Lousame-Tibo line was recently commissioned and the lines for the interconnection with Portugal are under construction, and was used especially with communal landowners affected by the facility.

Measures adopted in 2024 featured:

- In Spain, the launch by Red Eléctrica of an active cross-sector listening programme, bringing together representatives from regional governments, parliaments, local councils, town councils, agricultural and industrial associations, NGOs, citizen platforms, and universities at events held in Seville and Santiago de Compostela. The aim was to find joint solutions to accelerate investments in the transmission grid which are crucial for the energy transition.
- In Peru, the Company successfully implemented community relations plans across its concession areas and held monitoring and oversight committee meetings for the TESUR, TESUR 2, TESUR 3, and TESUR 4 projects.
- In Chile, although the projects do not directly or indirectly impact local communities, in 2024 an internal diagnosis of REDENOR and REDENOR 2 assets was performed to identify stakeholders so that a community engagement plan could be rolled out in 2025.

Additionally, 2024 was a year of advances in human rights, with the due diligence process showing once again that the Company carries a low level of risk and runs suitable controls. As a result, there were no human rights abuses related with affected communities, so no remedial action was necessary.

11.3.3.3 Metrics and targets

a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S3-5, MDR-T

Redeia aims to streamline permit management process to enable and facilitate the implementation and commissioning of transmission network infrastructure within the timeframes specified in the Company's investment plan. It wants to maintain the high percentage of amicable agreements reached with landowners over the establishment of transmission line easements.

Annually, the Permits Department sets targets for securing amicable agreements to establish transmission easements for certain installations to facilitate construction and commissioning within the established timeframes in accordance with the Company's objectives and investment plan.

It also sets targets regarding expropriations or compulsory acquisitions in terms of completing the preliminary and, as appropriate, occupation deeds required for project construction and commissioning within the established timeframes in accordance with the Company's objectives and investment plan. The Company monitors these targets on a quarterly basis.

In departmental meetings, cases posing difficulties in managing the permits are presented and the proposed solutions reviewed for potential application to similar cases involving other installations. A facilitator within the Permits Department promotes the lessons learned model, escalating the biggest cases through the Ágora platform for further evaluation and possible application in other projects.

In 2024, amicable agreements were successfully reached with landowners affected by new investment projects completed in 75% of the cases.

11.4 INFORMATION ON GOVERNANCE

11.4.1 ESRS G1 – CLIMATE CHANGE

11.4.1.1 Governance

a. The role of the administrative, management and supervisory bodies GOV-1

The criterion that must govern the actions of the Company's **Board of Directors**, as stipulated in article 6 (Operational principles) of the Regulations of the Board of Directors of Redeia Corporación, is the Company's interests, understood as the long-term profitability and sustainability of the Company and the Group. For this, it must promote the continuity and maximisation of the value of the Company in the interest of the shareholders, employees, suppliers, customers and other stakeholders, and, in general, society as a whole, considering, among other factors, the foreseeable consequences of any decision in the long term, the impact of the Company and its Group on the community as a whole and the environment, as well as the maintenance of the highest reputation for business conduct.

In addition, the function of the Board of Directors is to supervise and regularly evaluate the effectiveness of the internal control systems and the management of financial and non-financial risks, so that the various types of risk are identified, managed and disclosed appropriately, and especially internal control over financial reporting systems. It oversees that the internal control policies and systems are effectively implemented in practice, as stated in article 16. In particular, it assesses and supervises both the Company's and Group's financial and non-financial risks, including, operational, technological, legal, social, environmental, political, and reputational, as well as corruption-related risks and, where appropriate, in joint meetings with the Sustainability Committee, risks related to sustainability, ethics and business conduct.

Meanwhile, in accordance with article 18 TER (Sustainability committee functions), the Board of Directors' duties include that of assessing, supervising and controlling financial and non-financial risks related with sustainability, ethics and business conduct and, specifically, climate change, in collaboration with the Audit Committee, organising joint meetings as necessary.

Regarding management and supervisory bodies, according to Redeia's Functions Handbook the Chairperson's Advisory Committee is tasked with monitoring Redeia's compliance system, overseeing that it functions correctly.

Meanwhile, the Crime Prevention and Anti-bribery Committee, governed by Redeia's Criminal and Anti-Bribery Compliance System Handbook, has the mission of overseeing and monitoring the crime prevention and anti-bribery system and works to ensure that the main criminal risks are suitably identified, managed and disseminated internally.

Expertise of the administrative, management and supervisory bodies on business conduct matters

The Company has a skills matrix for members of the Board of Directors of Redeia Corporación, the Redeia parent, comprising three blocks. The first block is knowledge and experience in relation to Redeia's strategic priorities. The second is cross-cutting knowledge and experience. Lastly, the third focuses on diversity. In turn, these blocks comprise 27 categories reflecting director knowledge and experience in areas such as the energy, telecommunications, and infrastructure management sectors, as well as accounting, auditing, and finance, top-level corporate management, boards of directors of listed and non-listed companies, sustainability and climate change, risk control and compliance, information and digital technologies, and comprehensive security (both physical and cybersecurity), along with gender, age and tenure as director.

As reflected in Redeia's Annual Corporate Governance Report, the professional profiles of Board members as at 31 December 2024 confirm that each is a highly regarded professional with a strong professional background. This enables them to contribute the knowledge and experience to the supervision of corporate management required to ensure the sustainable and strategic development of Redeia's activities.

11.4.1.2 Impact, risk and opportunity management

a. Description of the processes to identify and assess material impacts, risks and opportunities. IRO-1

Redeia takes a systematic approach to identifying and assessing risks and opportunities related to governance, suppliers and ethics, enabling it to continuously improve its processes, and enhance efficiency in controls and response times. This results in a positive contribution to the business and shores up compliance with the Strategic Plan. In this regard, one negative impact, two risks and one opportunity were identified in the double materiality assessment, described in chapter 1.2 *Materiality assessment*, section 1.2.4 *Material impacts, risks and opportunities*. SBM-3.

Redeia also has its Code of Conduct and Ethics and Compliance Policy to ensure that it upholds high standards, drawing up action plans with suppliers to strengthen partnerships and ensuring that these processes are monitored on a continuous basis and adjusted in response to regulatory and market changes.

Impacts

| Impact | Position in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | Interaction of the impact with strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|-----------------------------|---------------------|---------------------|------------------|--|--|---|--|--|
| Breach of the Code of Conduct and Ethics due to its weak embedment in Redeia's own operations | Own operations | N | Current | S | Code of conduct breaches by Redeia employees as a result of its weak embedment | Negative impact for breach of the Code of Conduct and Ethics | Redeia relies on its Code of Conduct and Ethics and Compliance Policy to uphold high standards in this field. | The impact is linked to Redeia's operations | Redeia embeds these aspects in its business model based on monitoring of the Code of Conduct and Ethics |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Risks

| Description of the cause of the risk | Position in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects arising from risks. | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|-----------------------------|------------------|--|--|--|
| Imposition of fines or lawsuits caused by the leakage of personal information of whistleblowers | Cross-cutting | S | Increase in costs due the payment of fines and penalties, as well as loss of contracts and reputational damage | Negative impact on the Company's cash flows, development and positioning, cost of capital or access to finance | Redeia embeds these aspects in its business model based on monitoring of the Ethics and Compliance Channel management system |
| Leakage of whistleblowers' personal information | Cross-cutting | S | Increase in costs due the payment of fines and penalties, as well as loss of contracts and reputational damage | Negative impact on the Company's cash flows, development and positioning, cost of capital or access to finance | Redeia embeds these aspects in its business model based on monitoring of the Ethics and Compliance Channel management system |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Opportunities

| Description of the cause of the opportunity | Position in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects that arise from opportunities | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|--|--|------------------|--|---|---|
| Improved reputational positioning thanks to the development of action plans together with suppliers for the implementation of best practices at Redeia | Direct and indirect suppliers and own operations | S | Improvement in positioning due to increase in trust and partnerships with suppliers | Positive impact on cash flows | Redeia embeds these aspects in its business model based on progress in the Procurement Plan implemented under Redeia's Strategic Plan |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Material impacts, risks and opportunities (IROs)

- Improved reputational positioning thanks to the development of action plans together with suppliers for the implementation of best practices at Redeia.** Management of relationships with suppliers and payment practices provide Redeia a significant opportunity. By jointly drawing up action plans with its suppliers, Redeia can implement improvements to internal processes, making a positive impact on its reputation. This partnership not only strengthens trust and partnerships with suppliers, but it also improves the Company's positioning in the market. This is an actual positive impact with a short-term time horizon that affects both direct and indirect suppliers and the Company's own operations.
- Leakage of whistleblowers' personal information.** Leakage of whistleblowers' personal information is a risk that could potentially have severe consequences for Redeia. It can result in regulatory fines and penalties, or the loss of contracts and reputational damage. This is a cross-cutting negative impact that affects different areas within the organisation. Lastly, it can lead to an increase in costs related to the payment of fines and penalties and a loss of trust of employees and other stakeholders. It is a current risk with a short-term time horizon.

Redeia has a risk map and specific controls through the Ethics and Compliance Channel management system. Risks include the loss of privacy, confidentiality and anonymity in processing reports submitted through that channel.

Redeia's Ethics and Compliance Channel management system is developed through the Ethics and Compliance Channel Management System and Whistleblower Protection Policy designed to establish the principles and guarantees governing that system as a formal means of raising queries and reporting breaches.

As principles and guarantees of its Ethics and Compliance Channel management system, the Company includes the commitment to guaranteeing anonymity and in all cases maximum confidentiality of the whistleblower's identity, of the information reported and of the actions taken in managing and processing the information. The system allows reports to be submitted anonymously.

Redeia also has an Ethics and Compliance Channel Management System Guide, which governs the management and processing of reports received through the Ethics and Compliance, including the mechanisms for whistleblowing and/or reporting breaches. This guide sets out the Ethics and Compliance Channel Management System and Whistleblower Protection Policy regarding the application of principles and guarantees in managing information. Redeia has formally appointed an officer for its Ethics and Compliance Channel management system, i.e., the Ethics Manager and Stakeholder Ombudsman.

- **Imposition of fines or lawsuits caused by the leakage of personal information of whistleblowers.** The protection of whistleblowers acting in good faith is essential for maintaining integrity and trust within the organisation. Therefore, the leakage of whistleblowers' personal information can pose a material risk for Redeia in the short term. This risk can result in administrative sanctions, litigation and the loss of trust of employees, as well as negative impacts on the Company's reputation. This is a cross-cutting negative impact that may affect different areas within the organisation. Financially, it can lead to an increase in costs related to the payment of fines and penalties, as well as lost business opportunities and reputational damage. It is a current risk with a short-term time horizon.
- **Breach of the Code of Conduct and Ethics due to its weak embedment in own operations.** Breach of the Code of Conduct and Ethics by Redeia's employees can occur due to its weak embedment in the Company's own operations. This negative impact arises when employees do not uphold the stated ethical standards, potentially affecting the organisation's reputation and integrity. To mitigate this risk, Redeia has developed an annual ethics and compliance training and communication plan, which includes specific actions to disseminate the Company's Code of Conduct and Ethics and ensure enterprise-wide integration in all the organisation's processes. This impact is actual and negative, with a short-term time horizon affecting primarily the Company's own operations. Effectively implementing the measures helps to foster a sound corporate culture aligned with Redeia's ethical values, making a positive impact on the business and social ecosystem.

b. Corporate ethics and compliance culture. G1-1, G1-3

Breaking the laws or committing bribery or other criminal corruption offences is one of the risks with the greatest impact for the Company. To address this risk, the Company has a set of policies and mechanisms designed to foster a corporate culture grounded in ethics, transparency and regulatory compliance.

Redeia's **crime prevention and anti-bribery system** aims to identify the rules, procedures and tools in place within the Company to prevent non-compliances with the criminal legislation applicable to the organisation and its personnel. In this way, the management and prevention of any criminal risks that could affect the Company, based on its activities and business sectors, are embedded into its control processes. The crime prevention and anti-bribery compliance system is based on an assessment of the criminal and bribery risks that theoretically could materialise within the organisation. It outlines the existing controls and procedures for effective prevention and mitigation of these risks, taking account of location, activity, sector and the structure of the transaction.

Mechanisms to prevent illicit activity, money laundering and concealment of assets in place at the Company include:

- Code of Conduct and Ethics
- Compliance Policy
- Ethics and Compliance Channel Management System and Whistleblower Protection Policy
- Criminal and Anti-Bribery Compliance System Handbook
- Code of Conduct for Suppliers
- Guide for the Prevention of Corruption: Zero Tolerance

The **Code of Conduct and Ethics** formalises the Company's commitment to ethics, consolidating a responsible business model that ensures the creation of shared value and aligning the interests of the organisation with those of its stakeholders. Redeia continuously fosters an ethics and compliance culture as a core part of due diligence in managing compliance risks. Combined with its Ethics and Compliance Channel management system, this constitutes effect mechanisms for detecting and addressing potential cases of corruption, fraud and conflicts of interest. To help enforce the Code of Conduct and Ethics, the Ethics and Compliance Channel, available on the corporate website, can be used to submit queries, report breaches or make suggestions to the Ethics Manager, who performs their duties with the support of Redeia's Compliance area. The Company regularly carries out surveys among Redeia staff to assess perception, knowledge and use of the channel.

Redeia's **Ethics and Compliance Channel management system** is aligned with prevailing law and best practices, including Spanish Law 2/2023, of 20 February 2023, and Directive (EU) 2019/1937 of 23 October 2019 on the protection of whistleblowers. This system establishes the principles and guarantees governing the Ethics and Compliance Channel as a formal means for raising queries and reporting breaches. The Company has formally appointed the Ethics Manager and Stakeholder Ombudsman as the officer in charge of the Ethics and Compliance Channel management system, performing duties with the support of the Compliance area. This role is equipped with the necessary resources and tools to detect and investigate reported impacts.

Regarding the detection and management of potential breaches, reports, queries, and suggestions, a total of 11 queries were raised in 2024. All of these were resolved within the 10-day time limit, in line with the Ethics and Compliance Channel Management System's rules, except for one, which required an exceptional extension because of the volume of information involved. The queries received related to the following ethical principles:

- Continuous improvement of the customer experience
- Responsible relationship with our suppliers
- Disclosure of financial and non-financial information
- Managing conflicts of interest

For the year, 14 reports regarding compliance with the Code of Conduct and Ethics were received. None were over breaches linked to the organisation's criminal risks. More precise information on these reports is available in the 2024 Annual Report on the Ethics and Compliance Channel Management System, published on Redeia's corporate website.

Redeia actively promotes awareness and dissemination across the entire organisation of the importance and strategic nature of Redeia's compliance systems, as part of the organisation's culture of integrity.

In 2024, the **Annual Compliance Culture Awareness and Training Plan** was implemented through both internal and external communication initiatives, including the design and dissemination of training modules covering essential aspects of Redeia's Compliance System. This included microlearning modules covering key aspects of Redeia's compliance system; e.g., the Ethics and Compliance Channel management system, the anti-corruption and fraud model, and the anti-sexual and gender-based harassment model. The trainings supplemented the microlearning module developed by the Company in 2023 covering the conflicts of interest management model. Through this training, designed for all employees, including all those with duties exposed to the risk of corruption, Redeia provides the Company's professionals with the tools to resolve potential risks

in performing their duties and responsibilities, as well as the existing means to report any issue related to ethics and compliance.

Redeia carried out targeted training sessions covering certain topics for especially vulnerable groups, including:

- An artificial intelligence (AI) awareness session for all Redeia staff on advances in AI and the importance of responsible and efficient usage of this technology.
- Specific sessions for Elewit and Red Eléctrica Infraestructuras employees in the Canary Islands on the criminal and anti-bribery compliance management systems designed for these subsidiaries, including training on the specific risks relevant to each area.
- Six tailored workshops on personal data protection aimed at different groups that handle personal data within the Company. The objective of this training was to promote and maintain responsibility and a proactive approach to personal data protection by the various areas of the organisation, ensuring good governance and helping to reinforce a corporate privacy culture across the organisation.

Additionally, as described in previous sections, a **pulse survey to measure perception** of Redeia's employees regarding the Company's ethical culture and compliance system, as well as to assess their knowledge about the Ethics and Compliance Channel and its guarantees, was conducted in 2024. The pulse showed a level of satisfaction of over 90% with the Company's ethical conduct and a level of awareness and use of the Code of Conduct and Ethics and the Ethics and Compliance Channel of over 83%. Over 55% of Redeia staff participated in the survey. This initiative helps identify areas for improvement and areas where the compliance culture needs to be reinforced within the organisation.

Also in 2024, the Redeia Compliance Forum continued its activity, bringing together compliance officers from the Company's subsidiaries to strengthen coordination and reporting across the organisation's compliance areas. The Compliance Forum held four sessions during the year.

The Company also carried out continuous internal communication initiatives in 2024, highlighted by the publication of informative pieces and awareness initiatives on the following:

- Redeia's alignment with the new EU Artificial Intelligence Act.
- ISO 37002 certification of the Ethics and Compliance Channel management system.
- Renewal of UNE 19601 and ISO 37001 certifications for Redeia's criminal compliance and anti-bribery management systems, respectively.
- Improvement of Redeia's integrity and human rights due diligence model.
- Global Ethics Day awareness campaign.
- Celebration of Data Protection Day in Europe activities.
- Commitments related to accepting gifts during the Christmas season.

Ethics and compliance training programmes cover 100% of Redeia employees. This includes the Company's management team, i.e., personnel especially exposed to high-risk situations. Redeia provides the Company's professionals with the tools to resolve potential risks in performing their duties and responsibilities, as well as the existing means to report any issue related to ethics and compliance.

c. Management of relationships with suppliers. G1-2.

The procurement of goods and services, supported by the procurement procedure, adheres to principles of non-discrimination, mutual respect, proportionality, equal treatment and transparency, in compliance with RDL 3/2020.

To uphold these principles and prevent collusion or price-fixing, the Company has implemented the following control measures:

- Segregation of duties in procurement and approval processes.
- Mandatory supplier qualification for participation in procurement processes.

- Publication of the classification system in the OJEU.
- Continuous supplier monitoring to ensure compliance with Redeia's requirements and the Code of Conduct for Suppliers.
- Controller contracts for data protection.
- Verifications of bank account holders.
- Impact assessment and monitoring
- **Application of due diligence in integrity and human rights of suppliers.**
- Minimum number of bidders, all of which must be qualified suppliers for the respective supply.
- IT systems covering the procurement process that are parameterised for tracing and:
 - Allowing suppliers to make contractual documentation exceptions and clarifications of their bids.
 - Preventing buyers from seeing bid content early.
 - Sharing communications and adjustments among all bidders for fair negotiations
 - Managing economic bids in tendering processes securely.
 - Identifying abnormally low bids, defined as those where the difference between the lowest and second-lowest exceeds a predefined threshold. In these cases:
 - The supplier is asked to ratify their bid.
 - Once ratification is received, the supplier must justify its viability to determine whether the bid is abnormally low and provide supporting documentation in the procurement file.

Sustainable supply chain management model

Redeia has a responsible supply chain management model based on principles of non-discrimination, mutual recognition, proportionality, equal treatment, transparency, and fair competition. This model aims to ensure responsible and efficient procurement by aligning suppliers and subcontractors with Redeia's environmental, social, and governance (ESG) values and adopting a risk-based approach. The Procurement Operational Plan, aligned with Redeia's 2021–2025 Strategic Plan, outlines specific actions to enforce actions related to energy transition and connectivity, efficiency, innovation and technology, and sustainability.

General background, country and industry risk

Redeia continuously monitors its suppliers to control risks associated with the procurement of goods and services. Given the current geopolitical instability, no qualified supplier or manufacturing facilities are located in conflict-affected countries. Additionally, no qualified supplier's parent is based in a country with high integrity risk.

Through continuous supplier monitoring, Redeia maintains oversight of 100% of its supplier portfolio in issues related to insolvency risk or financial distress, as well as irregular payments to third parties. As part of its sustainability strategy, Redeia has a commitment to continue working with suppliers encountering financial difficulties, actively managing the associated risk. It applies this risk management approach across the entire supplier portfolio, including SMEs.

For suppliers in countries considered high risk for human rights, it conducts ongoing monitoring and social audits to assess risks and, as appropriate, establishes risk mitigation measures.

None of Redeia's supplies are linked to the arms trade or other military-related activities.

Redeia has also conducted an internal assessment of the impact of applicable due diligence regulations, adjusting its internal processes and procedures accordingly.

Supplier market for security of supply

To mitigate risks associated with rising demand for goods and services to achieve the energy transition objectives, Redeia was proactive in 2024 in anticipating needs, providing visibility to the market.

To maintain an optimal portfolio for meeting its needs, Redeia reduced the risk linked to major suppliers in 2024 by expanding the supplier portfolio to add new suppliers through scouting. This process was conducted nationally and internationally, prioritising local sourcing wherever possible.

ESG risks

The Company extends sustainability principles throughout its supply chain. The Code of Conduct for Suppliers, which hails from Redeia's Code of Conduct and Ethics, establishes the obligation of this stakeholder group to respect human rights and the environmental, among other sustainability matters. On accepting the general contracting conditions, all of the Company's suppliers undertake to comply with the Code of Conduct for Suppliers and extend this commitment to their own supply chain, which may be substantiated via social audits.

ESG scoring to highlight risk monitoring

The ESG scoring is based on identifying supplier maturity in environmental, social, and governance (ESG) aspects and benchmarking against the average obtained by suppliers that are members of the community used in the sector. Suppliers of recurring goods and services are subject to continuous monitoring via Redeia's risk management platform.

Sustainable management of supply chain risks and impacts

Key initiatives implemented by Redeia as part of its sustainable supply chain management include the identification and ongoing monitoring of the risks and impacts related to sustainability of supplies and, therefore, the potential requirements it may impose.

A total of 57 suppliers are included in the responsible procurement management model, which aims to integrate sustainability criteria (e.g., climate change and circular economy) into the procurement decision-making process. As a general rule, the ESG score is considered among the criteria for tiebreakers in tenders.

Supplier qualification

Redeia continuously reviews and updates its requirements of suppliers regarding occupational health and safety, ethics and working conditions, the environment and diversity, embedding them in the qualification process. Additionally, the Company assess its supplier portfolio periodically to identify supplies where introducing new competitors would be warranted. Through the supplier qualification area on the corporate website, the Company provides suppliers with a list of all supplies, works, and services that match their profile. This enables suppliers to review the minimum requirements in advance, initiate registration, manage the qualification processes, as well as to update their business and contact information at any time. Failure to comply with any technical or business sustainability requirements that give rise to impacts may result in a change in the supplier's qualification status or even their disqualification.

Redeia's objective in this phase is to process all applications for qualification on the premise that no supply or service may be awarded to a supplier that is not pre-qualified. Requirements of suppliers vary depending on the supplies, as identified in section "b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3" of chapter 3.2 ESRS 2 - Value chain workers".

d. Prevention and detection of corruption and bribery. G1-1, G1-3

Redeia has a **Guide for the Prevention of Corruption: Zero Tolerance**, the latest version of which was approved by the Board of Directors in 2023. It outlines the corporate value and provides a series of basic guidelines for preventing risks of corruption and fraud.

The guide, with scope to cover (internal) fraud, was updated with the participation of Transparency International and took account of best practices and international standards in this field (ISO 37001).

The guide contains seven specific guidelines of conduct to prevent corruption and fraud, as contained in the Code of Conduct and Ethics, which include Redeia's commitment, conduct guidelines, and the Company's mechanisms for prevention and detection. It also includes a set of practical scenarios to enhance awareness about situations related to the application of each conduct guideline.

The **Criminal Compliance and Anti-bribery Committee** is composed of a team of professionals responsible for investigating and making decisions on matters brought to their attention due to their role or reported from specialists across different areas of the Company. These professionals must act with confidentiality and independence from their hierarchical or subordinate relationships and those involved in investigations related to potential criminal offenses, breaches of the Code of Conduct, or other situations prohibited in the Company.

All Redeia's personnel are under obligation to know and abide by the content of the guide, and to adapt their conduct to the principles, commitments and controls established in it. Specifically, the exemplary conduct of directors and the management team, with their explicit commitment and support, is an essential aspect of its implementation.

In accordance with the guidelines prohibiting contributions to political parties or organisations, no donations, subsidies, or loans were made to political parties on Redeia's behalf in 2024. In the same vein, no complaints were filed in connection with potential cases of corruption and no Redeia company was investigated or found guilty by any court in connection with acts of non-compliance linked to corruption.

Lastly, the commitments and conduct guidelines set out in Redeia's Code of Conduct and Ethics, under the principle of transparency in interest management, explicitly apply whenever Redeia engages in any activity that may be directly or indirectly related to interest representation, commonly known as lobbying.

No complaints were filed in 2024 in connection with potential instances of corruption or money laundering 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.

11.4.1.3 Metrics and targets

a. Confirmed incidents of corruption or bribery

In 2024, no Redeia company was investigated or found guilty of any non-compliance in connection with the organisation's criminal risks. Redeia was also not convicted of and did not receive any fines for violation of anti-corruption or anti-bribery laws.

Moreover, the number of confirmed incidents relating to business contracts terminated or not renewed due to violations related to corruption or bribery was zero.

b. Payment practices

The payment terms are included in the contractual documentation and the issued purchase order, which the supplier accepts upon receipt. Suppliers may use the e-invoicing service to facilitate invoice management. Among other benefits, this can reduce the average collection period.

The process for procuring goods and services is subject to regular audits to ensure compliance with the established control mechanisms. These are conducted both internally and by independent external auditors.

Redeia has also implemented measures to prevent irregular payments to third parties. Subcontractors have channels available to report this type of situation, such as the Ethics and Compliance Channel or the

Procurement Support and Helpdesk (ASA). These reports are treated as impacts for monitoring purposes. The objective is to restore the situation or, as appropriate, assess appropriate actions with the supplier.

The average time for paying an invoice from the start date of the contractual or statutory payment period is 44 days. The standard payment term for the main supplier categories for reverse factoring via bank transfer is 60 days, with 72% of payments made under these standard terms. The number of legal proceedings currently outstanding for late payments is zero. Data include Hispasat.

The Company has no legal proceedings currently outstanding for late payments.

11.4.2 GUARANTEED QUALITY OF SERVICE

11.4.2.1 Strategy

a. Interests and views of stakeholders. SBM-2

Redeia works continually to develop public engagement processes and strengthen its relations with stakeholders, as described in section 1.1.4 *Strategy and business model*; b) *Interests and views of stakeholders SBM-2* of this report. The aim is to align its strategy and business model with stakeholders' expectations, ensuring that they are taken into account.

Specifically, in accordance with Royal Decree 1955/2000, Order ECO 797/2002, and operation procedure 9, Redeia has drawn up an **immediate communication protocol with the relevant distributor in the affected area** in the event of a supply interruption in the transmission grid to gather detailed information on the impact. This guarantees that the interests of all parties are considered. The information includes:

- The transmission, distribution and/or electricity system components involved and affected, along with the duration of the outage, specifying whether the data are recorded or estimates.
- The direct impact on end consumers for each affected grid connection point, including the name of the consumer or distributor, location, type of demand (urban, semi-urban, concentrated rural, or dispersed rural), number of affected customers, interrupted demand, energy not supplied, and duration of the outage.
- The impact on generation, specifying the affected groups, the interrupted generation capacity (in MW) and duration of the outage, specifying whether the data are recorded or estimates, as well as any confirmed damage.

This approach ensures that all stakeholders' needs and concerns are considered, thereby promoting efficient and responsible electricity system management.

In addition, Red Eléctrica has a **Customer Service Portal**, which can be used to submit enquiries related about those services. It includes a specific category which consultations related to transmission network service quality.

For more general questions, there is the **DÍGAME service**, which has been providing professional services since 2008, handling general enquiries related to Red Eléctrica from external stakeholders using a variety of communication channels (telephone, email, web form, post, or registered post). The service is manned by employees of Fundación Juan XXIII Roncalli, a non-profit entity that facilitates the workplace integration of people with disabilities.

b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3

The outcome of the process to identify impacts, risks and opportunities in the double materiality assessment performed in 2024 led to the identification of one positive impact, as presented in chapter 1.2 *Materiality assessment*, section 1.2.4 *Material impacts, risks and opportunities*. SBM-3.

Impacts

| Impact | Position in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | Interaction of the impact with strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|--|-----------------------------|---------------------|---------------------|------------------|--|---|--|--|--|
| Guarantee of the quality of electricity supply | Own operations | P | Current | S | Implementation of measures to ensure security of supply | Security of supply is a key element of economic and social development. | Guaranteeing supply is part of Redeia's purpose. | Redeia implements measures to ensure security of supply | Redeia's purpose includes guaranteeing electricity supply, so its strategy revolves around this. |

*Time horizon: S (Short term), M (Medium term), L (Long term).

The identified impact, "**Guarantee of the quality of electricity supply**", falls under the specific topic "*Security of supply*". This impact arises from the strategic priority of ensuring that users receive reliable and continuous electricity supply. Redeia offers high quality service by maintaining robust and reliable infrastructure, and adequately managing the operation of the electricity system.

11.4.2.2 Impact, risk and opportunity management

a. Policies adopted to manage service quality. MDR-P

Redeia is actively involved in the development of the **Transmission Network Development Plan 2021-2026**, approved and published by the Ministry for the Ecological Transition and the Demographic Challenge (MITERD). This plan outlines the necessary developments in the electricity transmission grid to ensure that Spain's electricity supply remains secure, high-quality, and increasingly renewable. This plan prepares and adapts the size of the transmission grid so that it not only meets current demand, but is also capable of addressing new consumption and serve as a facilitator of the ecological transition. The plan is available on the website: [Network Development Plan](#). (Note: the additional disclosures included in the links are outside the scope of EY's assurance).

The planning process covers a period of six years, as stipulated in current legislation (Law 24/2013) and involves the General Statement Administration, through MITERD as the planning authority, regional governments, the National Markets and Competition Commission, and Red Eléctrica (as the system operator), along with other electricity sector stakeholders. It also has representation from civil society.

Red Eléctrica assesses the needs and expectations of key stakeholders through a comprehensive process that includes consultations and dialogue with regulators, customers, local communities, shareholders, and employees, among others. Consultation and participation mechanisms were implemented in drawing up the Network Development Plan 2021–2026 to ensure that the interests and concerns of these groups were considered. This approach guarantees that the procedures are balanced, sustainable and aligned with the expectations of all parties involved, thereby fostering mutual trust and cooperation.

Key features of the Network Development Plan 2021–2026:

- New infrastructure projects in the transmission grid to ensure electricity supply while upholding principles of economic efficiency and financial sustainability of the electricity system.
- Physical, technological, and environmental feasibility.
- Development of interconnections between electrical systems.
- Greater utilisation of the existing network.

- Greater integration of renewable generation.

Due to its importance, the plan includes a specific annex on quality of service of the transmission network (Annex 3, Section 6) covering key aspects regarding topology and meshing of the transmission network, and degree of support from the distribution network, and reflecting their impact on service quality, especially continuity of supply.

In addition planning, guaranteeing electricity supply implies complying with technical regulations applicable to various system installations, which are detailed in existing European and national legislation, as well as third-party standards or initiatives that the Company undertakes to respect. Note that, because of the technical specificity, operating procedures are essential for the system to function. These procedures are published in Spain's Official State Gazette (BOE) and are available for consultation on Red Eléctrica's website: [Operating procedures](#). *(Note: the additional disclosures included in the links are outside the scope of EY's assurance).*

Regarding organisational structure, the Operations Department of Red Eléctrica is the primary body in charge of system operation. Under Article 30.2(a) of the Spanish Electricity Sector Act, the system operator's functions include forecasting and controlling the short- and medium-term security of supply levels in both the mainland and non-mainland systems.

According to article 26.3 of Royal Decree 1955/2000, governing system quality and operation, the system operator and transmission network manager is responsible for issuing operational instructions to owners of electrical installations regarding system operation. It must also manage the necessary ancillary services to ensure overall system quality.

Article 19.4 of that Royal Decree states that transmission service quality must be ensured at both a general level and at each grid connection point and each installation. According to article 27.1, the transmission operator's service quality is measured using the Availability Index (AI) of its facilities.

b. Actions and resources in relation to service quality. MDR-A

Red Eléctrica carries out transmission network development and maintenance activities to guarantee secure and reliable electricity supply. These measures are designed to prevent, mitigate, and remediate both negative impacts and risks, thereby ensuring that a high standard of service quality is maintained. These contribute directly to the targets defined in section 4.2.3 *Metrics and targets; a) Metrics in relation to service quality. MDR-M* in this chapter.

Key actions in 2024

| Action | Expected outcomes and progress | Time horizons | Geographical scope |
|--|--|---|--------------------|
| Capacity increases | Work to raise pylons, as increasing span heights enables transmission lines to operate at higher temperatures, thereby increasing the transmission capacity of existing lines. | Network Development Plan 2021–2026 | Spain |
| Reactances | Actions to resolve technical constraints associated with voltage control. The 2021-2026 Network Development Plan includes actions that fall under the category of Operational Requirements, consisting of the installation of 14 new reactances between 2021 and 2026. | Network Development Plan 2021–2026 | Spain |
| Renewal of transmission network assets | Actions included in the 2021-2026 Network Development Plan, under Operational Requirements, amounting to 346 million euros with the aim of ensuring security and continuity of supply in light of the gradual ageing, technological obsolescence and spare part shortages, while fostering the integration of renewable sources of energy and avoiding any adverse effects on the environment. | Network Development Plan 2021–2026 | Spain |
| Accesses | Commissioning of new bays to evacuate renewable energy, feeding the railway axis and connections of eligible consumers. | Network Development Plan | Spain |
| Galicia-Portugal Interconnection | Reinforcement of interconnection capacity with Portugal for the Iberian Electricity Market (MIBEL), helping to integrate both existing and future renewable energy in the Iberian Peninsula to deliver the targets set by the European Union. | Commissioning in 2024 and 2025 | Spain |
| Puerto del Rosario-Gran Tarajal | Reinforcement of the Fuerteventura network, as well as integration of renewables and resolution of technical constraints. In November 2023, the Gran Tarajal was commissioned, as well as the 132/66 transformer for connection to the existing 66 kV park. The Pto. del Rosario-Gran Tarajal line, with 88.6 km of circuit, entered into operation in October 2024. | Commissioning in 2023 and 2024 | Spain |
| Interconnection with France (Bay of Biscay) | Axis to continue raising interconnection capacity with France and deliver the EU energy objectives, enabling access to sustainable, competitive, and secure energy. | Commissioning of the first link expected in 2027 and the second in 2028 | Spain |
| Interconnection between Mainland Spain and Ceuta | Improved security and quality of electricity supply in Ceuta is the goal of this initiative by integrating its grid with the mainland system. | Commissioning expected in 2025 | Spain |
| La Gomera – Tenerife interconnection | Works to link up the electricity systems of both islands. The quality and security of supply will be increased and production costs lowered by improving power generation efficiency and enabling greater integration of renewable energy. | Commissioning in 2024 and 2025 | Spain |
| Support to distribution | Actions to improve the security of supply of demand, support vegetative growth, create new transmission-distribution supports and facilitate the evacuation of renewables in the distribution network. | Network Development Plan 2021–2026 | Spain |

Regarding financial resource allocation, both transmission and electricity system operation are capital-intensive activities, with investments maturing over a long period. In addition, these assets are remunerated over long periods of time. This is why the Group's debt is primarily long-term and fixed-rate. Execution of the current Network Development Plan 2021–2025 envisages a total investment of 5,000 million euros. Approximately 75% is earmarked for the transmission grid, international interconnections, storage and system operation. So far, 2,943.8 million euros have been invested (sum of 2021 to 2024), with 976.3 million euros of capital expenditures (CapEx) and 356.3 million de operational expenditures (OpEx) in 2024 related to maintenance of transmission network assets in Spain.

11.4.2.3 Metrics and targets

a. Metrics in relation to service quality. MDR-M

Redeia has defined a series of metrics to monitor the efficiency of its actions and ensure the effectiveness of its initiatives.

Service quality standards for Spain's Electricity Transmission Network are established in Royal Decree 1955/2000 (RD 1955/2000) of 1 December 2022 and CNMC Circular 5/2019 of 5 December 2019. Additional technical details were included in the draft Ministerial Order approving supplementary technical instructions on service quality index and the procedure for calculating and measuring service quality in the transmission network, and setting out the responsibilities of transmission agents and the system operator. This draft Order was submitted by Red Eléctrica on 26 November 2003 to the relevant ministry, which at the time, was the Ministry of Economy.

For measuring continuity of supply, article 26 of RD 1955/2000 establishes the following overall quality indicators in the transmission network:

- **Energy not supplied (ENS):** measures the energy cut from the system (MWh) during the year due to service interruptions in the grid. For these purposes, only interruptions lasting over a minute are recorded.
- **Average interruption time (AIT):** the relation between the energy not supplied and the average power of the system, expressed in minutes.

The indicators are obtained broken down by the various electricity systems comprising the Spanish electricity system where there is a transmission network and Red Eléctrica is both system operator and transmission network manager. Data are reported for the following groups of systems: the Spanish mainland electricity system (SEPE), the Canary Islands electricity systems (SEC), and the Balearic electricity system (SEB).

The system operator uses the **Service Quality Management (GCS)** application to record, calculate, and quantify quality of supply indicators. This system aggregates all necessary data for calculations, ensuring integrity and auditability.

The data are audited annually by an independent firm, which issues a findings report to the CNMC, MITERD, and regional governments, available on Red Eléctrica's website (<https://www.ree.es/en/datos/transmission>). (Note: The additional disclosures included in the links are outside the scope of EY's assurance).

| | 2024 | 2023 |
|--|-------|-------|
| Mainland transmission grid* | | |
| Grid availability (%) | 97.97 | 97.61 |
| Energy not supplied (ENS) in MWh | 29.49 | 127.8 |
| Average interruption time (AIT) in minutes | 0.067 | 0.293 |
| Balearic Islands transmission grid* | | |
| Grid availability (%) | 98.55 | 97.84 |
| Energy not supplied (ENS) in MWh | 0.27 | 5.01 |
| Average interruption time (AIT) in minutes | 0.024 | 0.439 |
| Canary Islands transmission grid | | |
| Grid availability (%) | 98.80 | 98.93 |
| Energy not supplied (ENS) in MWh | 2.10 | 24.05 |
| Average interruption time (AIT) in minutes | 0.126 | 1.442 |

* Data for the overall transmission grid, including assets not owned by Red Eléctrica.

b. Tracking effectiveness of policies and actions through targets. MDR-T

For service quality indicators, Royal Decree 1955/2000 establishes reference thresholds that define the targets Red Eléctrica must meet as Spain's TSO, with the current year as the base year. By accepting the regulator-defined thresholds, the Company ensures that these targets consider stakeholders' expectations.

- **Energy not supplied (ENS):** 1.2×10^{-5} of electricity demand at power station busbars (determined based on annual demand at power station busbars of each year studied).
- **Average interruption time (AIT):** 15 minutes/year.

These reference levels must be met annually, with no interim targets. Notably, over the past 20 years, the results for these indicators—taking the entire transmission grid—have remained below the thresholds established in the Royal Decree.

If the required ENS and AIT thresholds are not met, the system operator and transmission network manager will analyse the causes behind the shortfall. Where it is due to structural weaknesses in the transmission grid, the appropriate measures to achieve the quality demanded must be included in a transmission network development plan. Redeia monitors these metrics on a monthly basis.

Beyond the regulatory limits set for the main continuity of supply indicators (ENS and AIT), Red Eléctrica implements initiatives to the minimise impact outages on end consumers. Thanks to this commitment the Company's service quality levels are significantly better than regulatory baseline values in service quarterly (e.g., AIT levels well below the 15-minute reference threshold in RD 1955/2000).

Historical trend of Average Interruption Time (AIR) in Spain's electricity system



11.4.3 INNOVATION AND TECHNOLOGY APPLIED TO THE BUSINESS

11.4.3.1 Strategy

Elewit was founded in 2019 to offer solutions to the new challenges in the electricity and telecommunications sectors. Since then, it has continued to roll out all the necessary tools to capture and bring to fruition initiatives and projects at any stage of maturity that could further improve innovation at Redeia.

Elewit's innovation model is underpinned by four key pillars. Two of these are interrelated (enhancing Redeia's operational efficiency and fostering a culture of innovation within Redeia), one is structural (strengthening Elewit's economic and financial sustainability), and the fourth is a governance pillar:

- **Enhancing Redeia's operational efficiency:** during 2024, Elewit aligned its focus on technological innovation with the business objectives and resources projected to 2030. Together with Redeia, it drew up and agreed upon a single technological roadmap across all Redeia business units and developed an industrialisation and deployment model to accelerate the adoption of innovative solutions.
- **Fostering a culture of innovation within Redeia:** the focus was on converting Elewit into a talent attraction hub for Redeia, expanding its internal mobility programmes and considering them in employees' career development pathways. Additionally, it reformulated the scope and frequency of the intrapreneurship programme, aligning them with Redeia's challenges with a vision to 2030.
- **Strengthening Elewit's economic and financial sustainability:** during 2024, Elewit worked on reinforcing its economic and financial sustainability, unlocking the value of investments supporting innovation with a 2030 horizon, reviewing and defining return-based items, and integrating success fee schemes with milestone payments. A new cost model was also developed for Elewit, serving as the basis for an economic model that ensures financial sustainability for innovation within Redeia.
- **Governance:** the governance of the innovation process was reviewed with the aim of simplifying and streamlining decision-making on innovation, while maintaining transparency, integrity, and accountability.

a. Interests and views of stakeholders

At Elewit, the purpose of its stakeholder engagement is to foster active and ongoing collaboration that enables it to effectively identify and address challenges and opportunities in the electricity and telecommunications

sectors. This engagement helps to align innovation initiatives with the needs and expectations of our partners, customers, and society at large, ensuring that technological solutions generate a positive and sustainable impact.

Over the course of 2024, Elewit continued to develop and unlock the value of the technological innovation ecosystem built up over the past five years. The company currently has a network of over 100 partners and collaborators, including entrepreneurs, universities, technology centres, other corporations, and institutions, classified according to their specialisation in the various technological verticals. This ensures that there is a continuous source of new ideas and knowledge, while also identifying opportunities for project development and investment.

This way, Elewit embeds stakeholder engagement into its decision-making process, incorporating their opinions and suggestions in the development and improvement of its innovation projects. For instance, the ideas and feedback received at meetings with universities and technology centres are used to fine-tune and optimise its technological solutions, ensuring that they address both real market needs and the needs of society.

With a view to correctly managing and measuring the value contributed by these external partners, in 2024 an impact measurement model was devised for tracking the various collaboration mechanisms rolled out by Elewit. The aim was to help quantify the contribution of these collaboration mechanisms, evaluate their effectiveness, and support strategic decision-making based on their productivity through an annual report. As part of this initiative, a calculation methodology was developed to measure the induced benefits of the technological solutions adopted up to the end of 2023. The measurement model is based on two key pillars:

- Measuring the tangible benefit of the solutions adopted by Redeia within the Group through its different business cases where profitability and impact are measured.
- Measuring the intangible benefit, by assessing the qualitative impact of solutions that do not have a direct financial impact, e.g., employee health and safety, emissions reductions within Redeia's operations, and translating it into economic terms.

According to the result of this assessment, Elewit generated induced benefits amounting to 50.1 million euros from Elewit to Redeia, with a tangible benefit of 43.9 million euros and an intangible benefit of 6.2 million euros.

Elewit's governing, management, and supervisory bodies are primarily organised around the Innovation Steering (IST) Committee, with additional oversight by Redeia's Board of Directors. These entities are briefed regularly on stakeholder opinions and needs through continuous communications, ensuring that strategic decisions are made with a holistic view of our stakeholders' concerns and expectations.

Elewit gains insight into the interests and views of its key stakeholders regarding its strategy and business model through in-depth assessments carried out as part of its due diligence processes and the assessment of the sustainability context as part of its materiality assessment. These efforts enable it to identify and prioritise stakeholder expectations and concerns, ensuring that strategic and operational decisions are aligned with stakeholders' needs and contribute to the company's sustainable development.

b. Material impacts, risks and opportunities and their interaction with strategy and business model

Redeia pursues a systematic approach to identifying and assessing the material impacts, risks and opportunities in relation to innovation, as described in chapter 1.2 *Materiality assessment*. Section 1.2.4 *Market impacts, risks and opportunities*. *SBM-3* in that chapter presents the positive impact and opportunity identified in this chapter.

Impacts

| Impact | Position in the value chain | Positive / Negative | Current / Potential | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | How the impacts affect people and the environment | Interaction of the impact with strategy and business model | Link between impacts and business activities and relationships | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|---|-----------------------------|---------------------|---------------------|------------------|---|--|---|--|--|
| Innovation and advances in technology or digitalisation linked to Redeia's business activities that enhance the services provided | Own operations | P | Current | S | Innovation and advances in technology or digitalisation linked to Redeia's business activities that enhance the services provided | Innovation and technological advances in energy and connectivity drive the economic and social development of people, while contributing to environmental protection | As a core pillar of Redeia's 2021-2025 Strategic Plan, innovation and technology and therefore an essential aspect of the management approach | Development of innovation and technological advances in energy and connectivity allows for significant improvements in Redeia's business operations: | The 2021-2025 Strategic Plan integrates innovation and technology as key elements |

*Time horizon: S (Short term), M (Medium term), L (Long term).

Opportunities

| Description of the cause of the opportunity | Position in the value chain | Time horizon (*) | Current/anticipated effects on the business model, value chain, strategy and decision-making | Current financial effects that arise from opportunities. | Assessment of the resilience of the strategy and business model regarding its capacity to address material impacts |
|--|-----------------------------|------------------|--|---|---|
| Adaptation to and/or anticipation of market demands by implementing technological advances | Own operations | S | Greater adaptation to and/or anticipation of market demands by implementing technological advances | Identification of business opportunities and efficiency of operations | Adaptation to and/or anticipation of market demands by implementing technological advances imply having a more resilient business model |

*Time horizon: S (Short term), M (Medium term), L (Long term).

This process begins with the identification of risks and opportunities through a comprehensive assessment of the value chain, covering both its own operations and interactions with direct and indirect external stakeholders. The Company uses risk assessment tools and engages with stakeholders to gain a holistic view of potential impacts. The assessment process considers the Group's entire value chain in order to identify and assess impacts that could arise outside its own operations.

Redeia ensures adequately visibility across its value chain through technological monitoring, which in 2024 was transformed into a more concrete and coordinated process led by Elewit. The primary objective is to create technology-driven business opportunities, particularly where they only fit the needs of those business areas. It continuously updates technology radars to achieve this. These target the most important technologies (classified in accordance with Redeia's areas of operation): their potential impact on operations, internal assessment status, and level of technological maturity. The radars track both existing technologies and their

development, and desirable or aspirational technologies or developments, which still lack practical applications. Prospecting is performed on these technologies, leveraging insights from suppliers and relevant industries, scientific research, and internal experts. Deliverables are updated in the innovation ecosystem with new companies and proposals, in addition to different types of publications, from informative, to technical topic-specific publications targeting specialists in each field.

Taking the results of the double materiality assessment and applying the quantitative thresholds described in detail in the corresponding chapter, Redeia identified a set of material impacts, risks, and opportunities (IROs), as follows:

Opportunity

- **Adaptation to and/or anticipation of market demands by implementing technological advances:** the Company is committed to the development of innovations and technological advances, especially in the area of digitalisation, to enhance the provision of its services. Redeia considers this opportunity as a positive impact that is already being seen on the Company's own operations and a material impact in the short term.

Impact

- **Innovation, technological development, advances in digitalisation associated with Redeia's business activities that enhance the services provided:** by implementing innovative services and leveraging opportunities for digitalisation, the Group can boost its efficiency, productivity and competitiveness. This not only helps meet evolving customer needs but also ensures the Company remains a key player in a rapidly changing business landscape, maximising new growth opportunities.

This positive impact already occurs on the Company's own operations, with a short-term time horizon. Financially, this opportunity has the potential to boost profits, improve cash flows, and strengthen market positioning. It may also lower cost of capital and improve access to finance, highlighting the Company's ability to secure financial services.

11.4.3.2 Impact, risk and opportunity management

a. Policies related to innovation and technology

Redeia has an **Innovation Policy** designed to enhance technological leadership and promote innovation, allowing Redeia to move forward into the future in a sustainable manner. This policy is related to material impacts, risks and opportunities in relations to sustainability. Compliance is monitored in accordance with the principles and conduct guidelines set forth in Redeia's Code of Conduct and Ethics.

Key principles of the Innovation Policy include:

- To innovate so that Redeia sustainably fulfils its mission of being useful to society and its stakeholders.
- To promote big changes, but starting with small lessons.
- To promote innovation continuously and promptly, through iteration.
- To foster a culture of open innovation and creativity.
- To ensure that innovative solutions generate value for Redeia as well as other participants in the ecosystem.
- To be alert to changes in the environment and technological advancements.
- To drive innovative entrepreneurship and buy into innovative companies and technology funds.

- To guarantee the protection of industrial and intellectual property generated by innovation processes and projects.

This Policy is applicable to all companies in which Redeia has a controlling interest and all of the operations of the organisation in all geographies where the Company operates. At investees over which Redeia does not have effective control, principles aligned with those enshrined in this policy are encouraged. Affected stakeholders include employees, business partners, and society at large.

The most senior level in Redeia's organisation that is accountable for implementation of the Innovation Policy is the Executive Committee, which approved the second version of the Innovation Policy on 22 June 2021.

To ensure that the policy is inclusive and relevant, Redeia took account of the interests of its key stakeholders, including employees, business partners, and society at large. This document is made available to both potentially affected stakeholders and stakeholders that need help implementing it through official publications, as well as internal and external communications.

b. Actions and resources related to innovation and technology

The Company carries out a range of initiatives designed to leverage opportunities arising from adaptation and/or anticipation of market demands by implementing technological advances and leveraging the positive impact of innovation and advances in technology or digitalisation linked to the Company's business activities that enhance the services provided.

Actions in 2024 related to the generation and monitoring of new business logics

Elewit continued to work on consolidating its open innovation tools as a source for generating startups and new business logics/models, as well as a driver of Redeia's cultural transformation. These include the existing intrapreneurship (DESPEGA) and Venture Client programmes, and the launch of the New Ventures programme.

The DESPEGA programme included four innovative projects aimed at developing a minimum viable project. The four projects had up to six months of additional time for development.

- Interference Detection (HISPASAT).
- SafeLightning – Additional safety in earthing (Red Eléctrica Northern Regional Branch).
- Downloads App (Red Eléctrica Northern Regional Branch).
- Spare Parts Marketplace (Redeia's Procurement Dept.).

The new Venture Client programme focuses on testing and integrating startup technologies that significantly contribute to delivery of the sustainability goals, enhance critical infrastructure resilience, contribute to business sustainability, or increase process efficiency. Examples include:

- DeNexus: Development and evaluation of a tool for managing cyber risks in the electricity transmission grid.
- Ocean Ecostructures: Adapting micro-reefs for the generation of marine biodiversity.
- Navgar. Streamlining business project management through digital platforms.
- Asset Cool: Evaluation of electricity conductor coating to boost power transmission capacity.

Actions in 2024 related to adoption of innovative technological solutions and induced benefits

- Development of renewable generation forecasting models (CONVOL Project), employing various methods and algorithms to enhance prediction accuracy. It uses simple neural networks to evolve and improve existing models, as well as deep convolutional neural networks (CNNs) image recognition for application in wind energy forecasting, achieving excellent results.

- Enhancement to self-consumption electricity forecasting (TERRAL and ETESIAN projects), aimed at achieving the most accurate consumption pattern as possible, as this is essential for the electricity system operation by modelling the impact of self-consumption on demand, and identifying photovoltaic self-consumption based on consumption pattern data through the estimation of installed photovoltaic capacity for identified self-consumption.
- Enhancement of predictive analysis for inter-area oscillation damping (TALOS project), with the development of an AI system that detects patterns to predict damping, enabling us to anticipate risk of the damping factor falling to inadequate levels and implement preventive measures tailored to each situation. A new solution was also developed (SIROCO project / enhancement of GridCal and Newton solutions) that replaces the commercial applications used currently to perform planning studies based on new load flow or system optimisation studies.
- Development of innovation projects in the satellite sector, aimed at improving integration with terrestrial networks, developing new use cases via satellite, and overcoming industry-related niche barriers, e.g., interoperability across platform providers and adoption of terrestrial industry components as part of the 5G – 6G strategy.

All these programmes enable the systematic generation of ideas and expand the vision and knowledge of the technological ecosystem. This enables us to understand and assess, with greater accuracy, the impact of disruptive technologies on Redeia's various businesses and operations, as well as the generation and assessment of new business logics. These actions are planned to be completed within a short- and medium-term time horizon, with regular evaluations to ensure their proper development.

11.4.3.3 Metrics and targets

a. Targets related to innovation and technology

Regarding the disclosure of related metrics, in 2019 Redeia established 11 sustainability goals for 2030 covering the entire Group, aligned with the Strategic Plan. The preparation in 2022 of the 2023–2025 Sustainability Plan made it possible to define interim targets to achieve Redeia's ambition by 2030 and, as a result, to redefine and/or specify the 11 existing goals.

Redeia specified two primary objectives, described below. These goals, validated by the Sustainability Steering Committee, the Executive Committee, and the Board Sustainability Committee, and approved by the Board of Directors contribute directly to the achievement of the UN Sustainable Development Goals.

The following goals were set in the area of innovation and technology:

| Objective for 2030 | Objective for 2025 | Progress in 2024 |
|--|---|---|
| Be a benchmark in technological innovation. Adopt 64 technological solutions at Redeia that provide solutions to the Group's key challenges by delivering both tangible and intangible | Adopt 24 technological solutions at Redeia that provide solutions to the Group's key challenges by delivering both tangible and intangible value. | Adoption of 25 technological solutions at Redeia that provide solutions to the Group's key challenges by delivering both tangible and intangible value. |

These goals are quantitative, measurable, and absolute, with 2019 as the base year. They were defined without the use of any scientific methodologies or evidence. Although stakeholders were not involved in this process, their interests were considered and both goals are aligned with EU sustainable innovation policies.

b. Related metrics

For disclosure of metrics related to energy transition and connectivity, Elewit managed a portfolio of 64 innovation projects carried out in 2024 and 13 innovative technological solutions adopted by Redeia's various business units in 2024.

During the year, Redeia oversaw 63 innovation projects, resulting in innovation spend of 8.23 million euros. It also launched startup investment processes totalling 3.66 million euros, bringing the total investment in innovation and technological development to 11.89 million euros.

These metrics were not subject to third-party assurance and did not require the use of significant estimates or assumptions.

11.5 APPENDICES

11.5.1 APPENDIX 1

a. Information on labour and employee-related issues

Number of employees by employee category

| Redeia | 2024 | | | 2023 | | |
|-----------------|-------|-------|-------|-------|-------|-------|
| | Men | Women | Total | Men | Women | Total |
| Management team | 105 | 62 | 167 | 104 | 59 | 163 |
| Qualified staff | 1,605 | 537 | 2,142 | 1,592 | 513 | 2,105 |
| Administrative | 58 | 122 | 180 | 66 | 143 | 209 |
| Total | 1,768 | 721 | 2,489 | 1,762 | 715 | 2,477 |

Data include Hispasat's activity. Hispasat had 541 employees in 2024.

Number of dismissals by gender, age and employee category

| | | 2024 | 2023 |
|----------------------|--------------------------|------|------|
| By age | Under 30 | 1 | 1 |
| | 30 to 50 | 7 | 12 |
| | Over 50 | 5 | 6 |
| | Total | 13 | 19 |
| By gender | Women | 6 | 4 |
| | Men | 7 | 15 |
| | Total | 13 | 19 |
| By employee category | Management team | 4 | 1 |
| | Qualified staff | 8 | 15 |
| | Administrative personnel | 1 | 3 |
| | Total | 13 | 19 |

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 subject to a business relationship.

Average pay and trend broken down by gender, age, employee category or equivalent metric

| 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 team | N/A | 131,978 | 182,794 | N/A | 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 |

N/A: Not applicable.

| 2024* | 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 team | N/A | 131,903 | 195,179 | N/A | 151,803 | 191,220 | 151,294 | 171,512 | 164,050 |
| Qualified staff | 44,224 | 57,304 | 70,031 | 35,273 | 60,357 | 75,489 | 58,381 | 62,128 | 61,190 |
| Administrative personnel | 20,527 | 29,555 | 46,543 | 30,211 | 33,072 | 54,432 | 34,637 | 39,773 | 36,292 |
| Total | 39,169 | 60,493 | 77,801 | 35,041 | 63,730 | 87,766 | 62,359 | 67,953 | 66,334 |

* As of 2024, the calculation of median remuneration starts from the same wage items as for the gross pay gap, i.e., "gross annual remuneration".

N/A. Not applicable

Total hours of training by employee category

| Redeia | 2024 | | | 2023 | | |
|-----------------|--------|--------|--------|--------|--------|--------|
| | Men | Women | Total | Men | Women | Total |
| Management team | 4,511 | 3,362 | 7,874 | 6,583 | 4,012 | 10,595 |
| Qualified staff | 57,306 | 18,417 | 75,724 | 58,791 | 17,990 | 76,781 |
| Administrative | 1,261 | 2,346 | 3,607 | 2,002 | 2,721 | 4,723 |
| Total | 63,079 | 24,125 | 87,204 | 67,377 | 24,723 | 92,100 |

Number of hours of absenteeism

| | Men | | Women | | Total | |
|--|--------|--------|--------|--------|---------|---------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Hours lost to work-related accidents/ill health ⁽¹⁾ | 2,517 | 1,595 | 680 | 1,113 | 3,197 | 2,708 |
| Hours lost to non-work-related ill health ⁽²⁾ | 51,304 | 52,899 | 23,554 | 26,425 | 74,858 | 79,323 |
| Hours lost to occupational health and safety ⁽³⁾ | 53,822 | 54,494 | 24,233 | 27,538 | 78,055 | 82,031 |
| Hours lost to absenteeism ⁽⁴⁾ | 89,847 | 96,219 | 44,187 | 52,718 | 134,035 | 148,937 |
| Hours lost to unexcused absences ⁽⁵⁾ | 1,072 | 2,403 | 453 | 1,327 | 1,525 | 3,730 |

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

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

(3) Hours lost 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 to 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.

Total number and distribution of employees by gender, age, country and employee category.

ESRS do not include the breakdown by employee category but include the breakdown by countries where the undertaking has at least 50 employees.

Workforce by country, gender, age and employee category

| Workforce in Germany | Women | | | | | | Men | | | | | | Total | |
|--------------------------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|----------|----------|-----------|-----------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Management team | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Qualified staff | 0 | 0 | 1 | 1 | 1 | 1 | 0 | 2 | 8 | 9 | 7 | 6 | 17 | 19 |
| Administrative personnel | 1 | 1 | 6 | 5 | 2 | 2 | 0 | 0 | 3 | 2 | 2 | 3 | 14 | 13 |
| Total | 1 | 1 | 7 | 6 | 3 | 3 | 0 | 2 | 11 | 11 | 9 | 9 | 31 | 32 |

| Workforce in Argentina | Women | | | | | | Men | | | | | | Total | |
|--------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| 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 | 1 | 2 | 0 | 0 | 2 | 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 | 1 | 2 | 0 | 0 | 2 | 3 |

| Workforce in Brazil | Women | | | | | | Men | | | | | | Total | |
|--------------------------|----------|----------|-----------|-----------|----------|----------|----------|----------|-----------|-----------|----------|----------|-----------|-----------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Management team | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 2 | 2 |
| Qualified staff | 0 | 0 | 12 | 10 | 2 | 2 | 3 | 1 | 14 | 13 | 5 | 6 | 36 | 32 |
| Administrative personnel | 6 | 6 | 2 | 2 | 1 | 1 | 3 | 5 | 8 | 5 | 2 | 2 | 22 | 21 |
| Total | 6 | 6 | 14 | 12 | 3 | 3 | 6 | 6 | 23 | 19 | 8 | 9 | 60 | 55 |

| Workforce in Chile | Women | | | | | | Men | | | | | | Total | |
|--------------------------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|----------|----------|-----------|-----------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Management team | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 4 | 0 | 0 | 3 | 4 |
| Qualified staff | 0 | 1 | 7 | 6 | 1 | 0 | 0 | 2 | 23 | 24 | 3 | 4 | 34 | 37 |
| Administrative personnel | 0 | 0 | 2 | 3 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 3 | 4 |
| Total | 0 | 1 | 9 | 9 | 1 | 0 | 0 | 2 | 27 | 29 | 3 | 4 | 40 | 45 |

| Workforce in Colombia | Women | | | | | | Men | | | | | | Total | |
|--------------------------|-----------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|-----------|----------|----------|------------|------------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Management team | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Qualified staff | 2 | 3 | 19 | 19 | 1 | 1 | 18 | 21 | 57 | 54 | 0 | 0 | 97 | 98 |
| Administrative personnel | 8 | 10 | 21 | 20 | 1 | 1 | 2 | 2 | 10 | 11 | 0 | 0 | 42 | 44 |
| Total | 10 | 13 | 40 | 39 | 2 | 2 | 20 | 23 | 67 | 65 | 0 | 0 | 139 | 142 |

| Workforce in Ecuador | Women | | | | | | Men | | | | | | Total | |
|--------------------------|----------|------|----------|------|---------|------|----------|------|----------|------|---------|------|-------|------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| 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 | 1 | 2 | 0 | 0 | 2 | 3 |
| Administrative personnel | 0 | 0 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Total | 0 | 0 | 3 | 3 | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 0 | 4 | 5 |

| Workforce in Spain | Women | | | | | | Men | | | | | | Total | |
|--------------------------|----------|------|----------|------|---------|------|----------|------|----------|------|---------|------|-------|-------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Management team | 0 | 0 | 37 | 39 | 25 | 20 | 0 | 0 | 41 | 41 | 55 | 51 | 158 | 151 |
| Qualified staff | 46 | 54 | 298 | 288 | 114 | 95 | 70 | 61 | 864 | 880 | 423 | 402 | 1,815 | 1,780 |
| Administrative personnel | 0 | 0 | 13 | 22 | 42 | 52 | 0 | 0 | 0 | 0 | 14 | 18 | 69 | 92 |
| Total | 46 | 54 | 348 | 349 | 181 | 167 | 70 | 61 | 905 | 921 | 492 | 471 | 2042 | 2023 |

| Workforce in the United States | Women | | | | | | Men | | | | | | Total | |
|--------------------------------|----------|------|----------|------|---------|------|----------|------|----------|------|---------|------|-------|------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| 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 | 2 | 2 | 2 |
| 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 | 2 | 2 | 2 |

| Workforce in the United Kingdom | Women | | | | | | Men | | | | | | Total | |
|---------------------------------|----------|------|----------|------|---------|------|----------|------|----------|------|---------|------|-------|------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Management team | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Qualified staff | 0 | 0 | 1 | 2 | 1 | 0 | 0 | 0 | 2 | 2 | 0 | 0 | 4 | 4 |
| Administrative personnel | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 1 | 2 | 1 | 0 | 0 | 0 | 2 | 2 | 0 | 0 | 4 | 4 |

| Workforce in Luxembourg | Women | | | | | | Men | | | | | | Total | |
|--------------------------|----------|------|----------|------|---------|------|----------|------|----------|------|---------|------|-------|------|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| 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 | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Management team | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Qualified staff | 0 | 0 | 3 | 2 | 0 | 0 | 2 | 2 | 9 | 9 | 2 | 1 | 16 | 14 |
| Administrative personnel | 0 | 1 | 5 | 4 | 0 | 0 | 1 | 3 | 7 | 5 | 0 | 0 | 13 | 13 |
| Total | 0 | 1 | 8 | 6 | 0 | 0 | 3 | 5 | 16 | 14 | 2 | 1 | 29 | 27 |

| Workforce in Peru | Women | | | | | | Men | | | | | | Total | | |
|--------------------------|----------|------|----------|------|---------|------|----------|------|----------|------|---------|------|-------|------|---|
| | Under 30 | | 30 to 50 | | Over 50 | | Under 30 | | 30 to 50 | | Over 50 | | | | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | |
| Management team | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 | 2 | 4 | 4 | 6 |
| Qualified staff | 1 | 1 | 25 | 25 | 0 | 0 | 8 | 5 | 72 | 75 | 10 | 6 | 116 | 112 | |
| Administrative personnel | 0 | 0 | 9 | 10 | 1 | 1 | 0 | 0 | 4 | 7 | 1 | 2 | 15 | 20 | |
| Total | 1 | 1 | 34 | 35 | 1 | 1 | 8 | 5 | 78 | 84 | 13 | 12 | 135 | 138 | |

Total number and breakdown of employees by contract type and average annual number of permanent, temporary and part-time contracts by gender, age and employee category

ESRS do not include total number and breakdown of contracts by employee category and age, or average contracts by age and employee category.

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

| | | Permanent contracts | | Temporary contracts | |
|----------------------|-----------------|---------------------|-------|---------------------|------|
| | | 2024 | 2023 | 2024 | 2023 |
| By age | Under 30 | 155 | 159 | 17 | 23 |
| | 30 to 50 | 1,594 | 1,601 | 1 | 9 |
| | Over 50 | 722 | 685 | 0 | 0 |
| | Total | 2,471 | 2,445 | 18 | 32 |
| By gender | Women | 715 | 701 | 6 | 14 |
| | Men | 1,756 | 1,744 | 12 | 18 |
| | Total | 2,471 | 2,445 | 18 | 32 |
| By employee category | Management team | 167 | 163 | 0 | 0 |
| | Qualified staff | 2,124 | 2,078 | 18 | 27 |
| | Administrative | 180 | 204 | 0 | 5 |
| | Total | 2,471 | 2,445 | 18 | 32 |

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

| | | 2024 | | 2023 | |
|----------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | Average permanent contracts | Average temporary contracts | Average permanent contracts | Average temporary contracts |
| By age | Under 30 | 147.30 | 16.15 | 140.13 | 20.3 |
| | 30 to 50 | 1,637.67 | 1.03 | 1,631.80 | 9.2 |
| | Over 50 | 668.72 | 0.00 | 645.81 | 0.0 |
| By gender | Women | 714.06 | 5.99 | 686.67 | 13.71 |
| | Men | 1,738.94 | 11.88 | 1,728.96 | 17.84 |
| By employee category | Management team | 162.60 | 0.00 | 160.81 | - |
| | Qualified staff | 2,097.24 | 17.77 | 2,042.07 | 26.51 |
| | Administrative personnel | 193.26 | 0.00 | 212.57 | 5.21 |

In 2024 and 2023, the workforce did not include any part-time personnel.

Workplace accidents, in particular their frequency and severity, and occupational diseases, broken down by gender:

ESRS do not require the breakdown by gender and the calculation formulas are different

| | 2024 | | | 2023 | | |
|---------------------------------------|------|-------|-------|------|-------|-------|
| | Men | Women | Total | Men | Women | Total |
| Number of accidents | 10 | 1 | 11 | 5 | 0 | 5 |
| Fatal accidents | 0 | 0 | 0 | 0 | 0 | 0 |
| Days lost to accidents ⁽¹⁾ | 532 | 22 | 554 | 66 | 0 | 66 |
| Injury frequency rate ⁽²⁾ | 3.19 | 0.78 | 2.49 | 1.66 | 0.00 | 1.14 |
| Accident severity rate ⁽³⁾ | 0.17 | 0.02 | 0.13 | 0.02 | 0.00 | 0.02 |

(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 to occupational accidents + incapacity scale, per thousand hours worked.

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

Implementation of disconnection policies:

ESRS request policies regarding employees that could include disconnection measures. Those standards do not explicitly require right-to-disconnect measures but if companies have them or a related policy, they will be included.

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 Disconnection 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 our employees, means that employees can enjoy a healthy balance between their personal and professional lives.

Employees with disabilities:

ESRS require the percentage of employees with disabilities, whereas Law 11/2018 requires the number of employees with disabilities. Reporting the information in one or the other way does not provide the reader with additional insight. In addition, the total number of employees is always published where it can be calculated.

| | 2024 | 2023 |
|---------------------------------------|------|------|
| Persons with disabilities (total no.) | 27 | 24 |

Average remuneration of directors and managers, including variable remuneration, per diem allowances, severance pay, long-term retirement plans and any other amounts received, broken down by gender

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.

Total remuneration accrued by senior management personnel in 2024 amounted to 3,794 thousand euros, recognised under employee benefits expense in the consolidated statement of profit or loss. Note that there

were organisational changes and changes in the consolidation scope that affected the number of key management personnel and the composition and members of that team in 2024. On a like-for-like basis, i.e., only analysing remuneration for the professionals who were part of the Group's key management personnel for all of 2023 and 2024, the year-on-year increase in their remuneration narrows to 2.32%.

b. Information on social issues

The Company's commitments to sustainable development

Contributions to foundations and non-profit organisations.

In 2024, contributions to foundations and non-profit organisations totalled 2,125,000 euros (2023: 1,730,000 euros). This figure includes contributions made under institutional or academic collaboration agreements, membership fees to national and international organisations, and donations for social purposes.

Association and sponsorship actions

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).

Subcontracting and suppliers

Supervision and audit systems and their outcomes

The supplier classification and qualification process requires companies applying to become suppliers to accept the Code of Conduct for Suppliers. Through the platform supporting this process, they 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, *inter alia*, 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.

Depending on the type of supply, should compliance with further environmental and social criteria be required (beyond those required for approval), these are duly conveyed by the technical areas as part of the technical specifications as part of the contractual documentation.

The continuous monitoring process is there to ensure that the supplier is able to perform the contracts signed with Redeia 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).

Where a risk or non-compliance with ESG requirements is identified, Redeia may perform audits, using the findings to draw up action plans for minimising the identified risks.

Tax information

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 2024 and for the fifth year running, the Group topped the tax responsibility transparency ranking of IBEX 35 companies, earning a 't*** 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 Conduct and Ethics 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: 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.

Set out below is information on country-by-country profit (loss), country-by-country income tax paid, and public aid received, as disclosed in the consolidated financial statements. Figures do not include the Hispasat subgroup classified within discontinued operations in accordance with IFRS 5 – "Non-current assets held for sale and discontinued operations".

Country-by-country profit (loss)

Profit/(loss) before income tax from continuing operations encompasses consolidated profit (loss).

| Country-by-country profit (loss) before income tax (million euros) ⁽¹⁾ | 2024 | 2023 |
|---|------|------|
| Spain | 620 | 819 |
| Brazil | 45 | 47 |
| Luxembourg | 16 | 16 |
| Peru | 9 | 10 |
| Chile | -14 | -7 |
| Other ⁽²⁾ | - | - |
| TOTAL | 676 | 885 |

⁽¹⁾ Country-by-country profit (loss) before income tax for 2023 was restated excluding the Hispasat subgroup for comparability with the consolidated financial statements and with comparative information for the current reporting period. Subgroup Hispasat reported a loss before tax in 2024 of 95 million euros (2023: 25 million euros).

⁽²⁾ Europe includes France and Denmark, with amounts under 1 million euros.

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 517 million euros in 2024, of which 194 million euros related to taxes paid by other entities and 323 million euros to taxes collected on behalf of others.

Corporate income tax paid in each country in 2024 and 2023 is as follows: This table does not include income taxes paid by companies consolidated using the equity method (mainly located in Brazil and Chile).

| Income tax paid (million euros) ⁽¹⁾ | 2024 | 2023 |
|--|------------|------------|
| Spain ⁽²⁾ | 124 | 187 |
| Peru | 5 | 5 |
| Other ⁽³⁾ | - | - |
| Total | 129 | 192 |

(1) Country-by-country income tax paid for 2023 was restated excluding the Hispasat subgroup for comparability with the consolidated financial statements and with comparative information for the current reporting period. Income tax paid by subgroup Hispasat in 2024 amounted to 1 million euros (2023: 14 million euros).

(2) The figure for 2024 does not include the amount collected in 2024 of the 2022 income tax refunded on application of the minimum payment rule when calculating instalment payments.

(3) Europe includes France and Luxembourg and America includes Chile and Brazil with amounts under 1 million euros.

Government grants received

In 2024, a total of 209 million euros was received in grants from official bodies, the bulk of which related to the amount received by Red Eléctrica to fund the electricity interconnection between Spain and France through the Bay of Biscay.

| Government grants received (millions of euros) ⁽¹⁾ | 2024 | 2023 |
|---|------------|----------|
| Spain | 209 | - |
| Total | 209 | - |

(1) The amount of government grants received in 2023 was restated excluding the Hispasat subgroup for comparability with the consolidated financial statements and with comparative information for the current reporting period. Government grants received by subgroup Hispasat amounted to 42 million euros in 2023.

c. Information on environmental matters

Waste generated by type (kg)

| | 2024 | 2023 |
|--------------------------|---------|-----------|
| Hazardous waste (kg) | 579,086 | 3,877,443 |
| Non-hazardous waste (kg) | 654,650 | 683,734 |
| Recycled waste (%) | 94.28 | 98.4 |

Direct and indirect energy consumption

| | 2024 | 2,023 |
|--|--------|--------|
| Electricity consumption (MWh) | 19,546 | 20,835 |
| Fuel consumption (MWh) | 10,602 | 10,889 |
| Consumption of energy from renewable sources as a percentage of total energy consumption (%) | 63 | 61 |

Fuel consumption is primarily from fleet vehicles, generators and heating. The share of renewable energy consumption in total energy consumption (including both electricity and fuels) does not include the share of renewable energy corresponding to national energy mixes (only that acquired contractually) or the share of biofuel contained in automotive fuel.

11.5.2 APPENDIX 2. Context index required under Law 11/2018

| Disclosures required by Law 11/2018 | Materiality | Location in the report | Reference to relevant DR in | Explanation of rationale |
|---|-------------|--|--|--------------------------|
| General disclosures | | | | |
| A brief description of the undertaking's business model, including disclosures relating to its business environment, organisation and structure | Material | a. Strategy, business model and value chain. SBM-1. | (ESRS 2) SBM-1 | |
| Markets where they operate | Material | a. Strategy, business model and value chain. SBM-1. | (ESRS 2) SBM-1 | |
| The undertaking's objectives and strategy | Material | a. Strategy, business model and value chain. SBM-1. | (ESRS 2) SBM-1 MDR-P MDR-A MDR-T | |
| Main trends and factors that may affect their future development | Material | b. Views and interests of stakeholders. SBM-2. | (ESRS 2) SBM-2 SBM-3 IRO-1 IRO-2 | |
| Reporting framework relied upon | Material | a. General basis for preparation. BP-1. b. Disclosures in relation to specific circumstances. BP-2. | ESRS 1 ESRS 2 | |
| Materiality principle | Material | b. Views and interests of stakeholders. SBM-2. 1.2.4 Material impacts, risks and opportunities. SBM-3. | (ESRS 2) SBM-2 SBM-3 IRO-1 IRO-2 | |
| Environmental matters | | | | |
| Management approach: description and results of policies related to environmental matters | Material | a. Strategy, business model and value chain. SBM-1. | (ESRS 2) SBM-1 MDR-P MDR-A MDR-T | |
| Detailed general disclosures | | | | |
| Detailed information on the current and expected effects of the activities on the environment and health | Material | b. Material impacts, risks and opportunities and their interaction with strategy and business model — Climate change. ESRS 2 / SBM-3 a. Transition plan and consideration of biodiversity and ecosystems in strategy and business model. E4-1 | (ESRS 2) SBM-3 IRO-1 E1-1 E2-1 E3-1 E4-1 E5-1 | |

| | | | | |
|---|----------|--|---|--|
| Environmental assessment and certification processes | Material | <p>a. Actions and resources in relation to climate change policies. E1-3 / MDR-A.</p> <p>b. Policies related to biodiversity and ecosystems. E4-2</p> <p>a. Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities ESRS 2 - IRO 1</p> | <p>E4-2 AR (17 d)</p> <p>E1-2</p> <p>E2-2</p> <p>E3-2</p> <p>E4-2</p> <p>E5-2</p> | |
| Resources allocated to preventing environmental risks | Material | <p>b. Policies related to climate change mitigation and adaptation. E1-2 MDR-P</p> | <p>(ESRS 2)</p> <p>SBM-3</p> <p>E1-9</p> <p>E2-5</p> <p>E3-5</p> <p>E4-6</p> | |
| Application of the precautionary principle | Material | <p>b. Policies related to resource use or circular economy. E5 - 1 + MDR-P</p> | <p>(ESRS 2)</p> <p>SBM-3</p> <p>E1-9</p> <p>E2-5</p> <p>E3-5</p> <p>E4-6</p> | |
| Amount of provisions and guarantees for environmental claims | Material | <p>c. Actions and resources related to resource use and circular economy. E5 - 2 + MDR-A</p> | <p>(ESRS 2)</p> <p>SBM-3</p> <p>E1-9</p> <p>E2-5</p> <p>E3-5</p> <p>E4-6</p> | |
| Pollution | | | | |
| Measures to prevent, reduce or repair emissions that affect the environment | Material | <p>a. Actions and resources in relation to climate change policies E1-3 / MDR-A</p> | <p>E2-2</p> | |

| | | | | |
|---|--------------|--|-----------------------|--|
| Includes noise and light pollution | Not material | <p>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 measures to enable facilities to be shut down at night, thereby limiting light pollution as much as possible, while also achieving significant energy savings</p> | Not applicable | |
| Circular economy and waste prevention and management | | | | |
| Waste generated | Material | <p>ii. Resource outflows. E5 - 5 + MDR – M</p> <p>5. Appendix 1</p> | E5-5 (37a) E5-5 39 | |
| Measures for the prevention, recycling, reuse and other recovery and disposal of waste. | Material | <p>Actions and resources related to resource use and circular economy. E5 - 2 + MDR-A.</p> <p>ii. Resource outflows. E5 - 5 + MDR – M</p> | E5-2 E5-5 | |
| Actions to combat food waste. | Not material | | Not applicable | |
| Sustainable use of resources | | | | |
| Water consumption and supply in accordance with local limits | Not material | <p>Water is not a material topic for Redeia. In own operations, water supplied to all workplaces—for both processes and consumption—is from authorised, public supply networks. In addition, all supply is from areas with low or no water stress.</p> | E3-2 E3-4 | |
| Consumption of raw materials and measures to improve efficiency | Material | <p>Actions and resources related to resource use and circular economy. E5 - 2 + MDR-A.</p> <p>i. Resource inflows. E5 - 4 + MDR – M</p> | E5-2 E5-4 | |

| | | | | |
|---|----------|--|-------------------------------------|--|
| Direct and indirect energy consumption | Material | <p>i. Energy consumption and mix. E1-5</p> <p>b. Policies related to climate change mitigation and adaptation. E1-2 MDR-P</p> <p>5. Appendix 1</p> | <p>E1-5 (37)</p> <p>E1-5 (38)</p> | |
| Measures taken to improve energy efficiency | Material | <p>i. Energy consumption and mix. E1-5</p> <p>b. Policies related to climate change mitigation and adaptation. E1-2 MDR-P</p> | <p>E1-2</p> <p>E1-5</p> | |
| Use of renewable energies | Material | <p>i. Energy consumption and mix. E1-5</p> | <p>E1-5 (37)</p> <p>E1-5 (39)</p> | |
| Climate change | | | | |
| Greenhouse gas emissions generated as a result of the undertaking's activity, including through use of the goods and services it produces | Material | <p>ii. Gross Scopes 1, 2, 3 and Total GHG emissions. E1-6.</p> | <p>E1-6</p> | |
| Measures taken to adapt for the consequences of climate change | Material | <p>a. Transition plan for climate change mitigation. E1-1.</p> <p>a. Actions and resources in relation to climate change policies. E1-3 / MDR-A</p> | <p>E1-1 (SBM-3)</p> <p>E1-3</p> | |
| Medium- and long-term GHG emission-cutting targets voluntarily adhered to and the measures implemented to that end | Material | <p>a. Transition plan for climate change mitigation. E1-1.</p> <p>b. Targets related to climate change mitigation and adaptation. E1-4 / MDR-T</p> | <p>E1-1</p> <p>E1-4</p> | |
| Biodiversity protection | | | | |
| Measures taken to preserve or restore biodiversity | Material | <p>a. Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities. ESRS 2 IRO-1</p> <p>c. Actions and resources related to biodiversity and ecosystems E4-3</p> <p>b. Impact metrics related to biodiversity and ecosystems change.</p> | <p>E4-1</p> <p>E4-3</p> <p>E4-5</p> | |

| | | | | |
|--|----------|--|--|--|
| Impacts caused by activities or operations in protected areas | Material | <p>a. Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities. ESRS 2 IRO-1</p> <p>c. Actions and resources related to biodiversity and ecosystems E4-3</p> <p>b. Impact metrics related to biodiversity and ecosystems change.</p> | <p>E4-1 (SBM-3) E4-1 (IRO-1) E4-3 E4-5</p> | |
| Social and employee-related matters | | | | |
| Management approach: description and results of the policies addressing these matters and of the principal risks related to matters linked to the group's operations | Material | a. Strategy, business model and value chain. SBM-1. | <p>(ESRS 2) SBM-1 MDR-P MDR-A MDR-T</p> | |
| Employment | | | | |
| Total number and breakdown of employees by country, gender, age and employee category | Material | <p>a. Information on social and employee-related matters</p> <p>5. Appendix 1</p> | <p>S1-6 (50 a, b) S1-9 (66 b)</p> <p>** Total number and breakdown of employees by employee category Indicator not included in ESRS</p> | <p>Information reported under the CSRD does not match the EMP indicators in Law 11/2018 as it includes different breakdowns, precluding verification of the same information. Based on the conclusions of the analysis, this indicator is classified as "partially covered in ESRS" as under CSRD requirements, the "Total number and breakdown of employees by employee category" indicator is not included in this group of indicators required by the CSRD.</p> |

| | | | | |
|---|-----------------|--|--|---|
| <p>Total number and breakdown by contract category and average annual number of permanent, temporary and part-time contracts by gender, age and employee category</p> | <p>Material</p> | <p>a. Information on social and employee-related matters 5. Appendix 1</p> | <p>Indicator not included in ESRS</p> | <p>Information reported under the CSRD does not match the EMP indicators in Law 11/2018 as it includes different breakdowns, precluding verification of the same information.</p> <p>The CSRD does not require disclosures of information regarding annual averages and breakdowns. It only refers to averages in the description of the methodologies in S1-6 (50 d ii), where it mentions the possibility of its use as a methodology for calculating and compiling data to obtain the information.</p> |
| <p>Number of dismissals by gender, age and employee category</p> | <p>Material</p> | <p>a. Information on social and employee-related matters 5. Appendix 1</p> | <p>Indicator not included in ESRS</p> | <p>Information to be reported under the CSRD does not require a breakdown of the total number of dismissals or breakdowns by gender, age and employee category)</p> |
| <p>Average pay and trend broken down by gender, age, employee category or equivalent metric</p> | <p>Material</p> | <p>a. Information on social and employee-related matters 5. Appendix 1</p> | <p>Indicator not included in ESRS</p> | <p>Information to be reported under the CSRD does not require a breakdown of average pay of employees or trend broken down by gender, age or employee category.</p> |
| <p>Pay gap, remuneration for the same work or work of equal value</p> | <p>Material</p> | <p>vii. Compensation metrics (pay gap and total compensation). S1-16 and MDR-M</p> | <p>S1-16</p> | |

| | | | | |
|---|----------|---|--|--|
| Average remuneration of directors and managers, including variable remuneration, per diem allowances, severance pay, long-term retirement plans and any other amounts received, broken down by gender | Material | a. Information on social and employee-related matters 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require the breakdown of average pay of directors and managers. |
| Implementation of disconnection policies | Material | a. Policies related to own workforce. S1-1 and MDR-P | S1-1 | |
| Number of employees with disabilities | Material | v. Persons with disabilities. S1-12 and MDR-M | S1-12 | |
| Organisation of work | | | | |
| Organisation of working time | Material | d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A | S1 (SBM-3) S1-1 S1-8 S1-11 S1-15 | |
| Number of hours of absenteeism | Material | a. Information on social and employee-related matters 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require disclosure of the number of hours of absenteeism. |
| Measures designed to facilitate work-life balance and sharing of responsibilities | Material | d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A. b. Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3 | S1-4 S1-15 | |
| Health and safety | | | | |
| Health and safety conditions at work | Material | a. Policies related to own workforce. S1-1 and MDR-P. vi. Health and safety metrics. S1-14 and MDR-M | S1-1 S1-14 | |

| | | | | |
|--|----------|---|--|---|
| Work-related accidents, frequency, severity and work-related ill health | Material | a. Information on social and employee-related matters 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require the breakdown by gender of information on the number of work-related accidents and the formulas for calculating rates are different to those required under Law 11/2018. Also not required is disclosure of information on the number of cases of work-related ill health. |
| Management-employee relations | | | | |
| Organisation of social dialogue including procedures on worker communication, consultation and negotiation | Material | b. Processes for engaging with own workers and workers' representatives about impacts. S1-2 | S1-2 S1-2 AR (24, 25) S1-3 S1-2 AR (28, 29) | |
| Percentage of employees covered by collective bargaining agreements by country | Material | ii. Collective bargaining coverage and social dialogue. S1-8 and MDR-M | S1-8 S1-8 AR | |
| List of collective bargaining agreements, particularly with respect to occupational health and safety | Material | ii. Collective bargaining coverage and social dialogue. S1-8 and MDR-M | S1-8 S1-14 (88a) | |
| Mechanisms and procedures that the Company has in place to promote the involvement of workers in its management in terms of information, consultation and participation. | Material | a. Policies related to own workforce. S1-1 and MDR-P. b. Processes for engaging with own workers and workers' representatives about impacts. S1-2 c. Processes to remediate negative impacts and channels for own workers to raise concerns. S1-3 | S1-1 S1-2 S1-3 | |
| Training | | | | |
| Policies implemented in the area of training | Material | a. Policies related to own workforce. S1-1 and MDR-P. | S1-1 S1-1 AR (17 a, c, f, h) S1-13 | |

| | | | | |
|--|--------------|---|---|---|
| Total training hours by employee category | Material | a. Information on social and employee-related matters 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not match the training indicators of Law 11/2018, as the breakdowns are different and do not include breakdowns by employee category. In addition, the calculation methodology is different (average hours vs. total hours). |
| Universal accessibility | | | | |
| Universal accessibility for people with disabilities. | Not material | 5. Appendix 1 | S1-1 AR (17 d) S2-2 (23) S4-2 (21) S4-5 AR (44) S4 (SBM-3 10 c) | |
| Equality | | | | |
| Measures taken to foster equal treatment of and opportunities for men and women | Material | Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3. a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S1-5 and MDR-T | S1-2 S1-3 S1-4 S1-15 S1-16 | |
| Equality plans, measures taken to foster employment, anti-sexual/gender harassment protocols | Material | Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3. a. Policies related to own workforce. S1-1 and MDR-P. d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A | S1-1 (20, 24 a,b,c) S1-1 AR (14, 17 b) S1-17 (102, 103) S1-17 AR (104 b,c) | |
| Integration and universal accessibility for people with disabilities. | Not material | | S1-1 AR (17 d) S2-2 (23) S4-2 (21) S4-5 AR (44) S4 (SBM-3 10 c) | |

| | | | | |
|---|----------|--|--|--|
| Policies against all kinds of discrimination and, as the case may be, diversity management. | Material | d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A. Policies related to own workforce. S1-1 and MDR-P. | S1-1 S1-2 S1-3 S1-4 | |
| Respect for human rights | | | | |
| Management approach: description and results of the policies addressing these matters and of the principal risks | Material | 2.1.4 Minimum social safeguards. a. Policies related to own workforce. S1-1 and MDR-P | (ESRS 2) SBM-1 MDR-P MDR-A MDR-T | |
| Implementation of due diligence processes | Material | | (ESRS 2) GOV-4 (ESRS 2) MDR-P S1-1 S1-17 S2-1 S3-1 | |
| Implementation of due diligence processes in relation to human rights and prevention of risks of human rights violations and, as applicable, measures to mitigate, manage and redress any such violations | Material | d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A. a. Policies related to own workforce. S1-1 and MDR-P | (ESRS 2) MDR-A (ESRS 2) MDR-T S1-2 / S1-3 / S1-4 S2-2 / S2-3 / S2-4 S3-2 / S3-3 / S3-4 S4-2 / S4-3 / S4-4 | |
| Reported human rights violations. | Material | viii. Incidents, complaints and severe human rights impacts. S1-17 and MDR-M | S1-17 S2-4 (36) S3-4 (36) S4-4 (35) | |
| Promotion and compliance with provisions in ILO fundamental conventions covering the freedom of association and right to collective bargaining | Material | viii. Incidents, complaints and severe human rights impacts. S1-17 and MDR-M. a. Policies related to own workforce. S1-1 and MDR-P | S1-8 | |

| | | | | |
|--|----------|--|--|--|
| Elimination of discrimination in employment and occupation | Material | <p>a. Policies related to own workforce. S1-1 and MDR-P.</p> <p>b. Material impacts, risks and opportunities and their interaction with strategy and business model. ESRS 2 SBM-3.</p> <p>a. Policies related to own workforce. S1-1 and MDR-P.</p> <p>d. Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. S1-4 and MDR-A</p> | S1-1 (24) S2-1 (17) | |
| Elimination of child labour or forced labour | Material | <p>a. Policies related to value chain workers S2-1, MDR-P.</p> <p>a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S2-5, MDR-T</p> | S1-1 (22) S2-1 (18) S3-1 (16) S4-1 (16) | |
| Effective eradication of child labour | Material | <p>a. Policies related to value chain workers S2-1, MDR-P.</p> <p>a. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. S2-5, MDR-T</p> | S1-1 (22) S2-1 (18) S3-1 (16) S4-1 (16) | |
| Anti-corruption and bribery | | | | |
| Management approach: description and results of the policies addressing these matters and of the principal risks related to matters linked to the undertaking's operations | Material | <p>Prevention and detection of corruption and bribery. G1-1, G1-3.</p> <p>a. Confirmed incidents of corruption or bribery</p> | (ESRS 2) SBM-1 MDR-P MDR-A MDR-T | |
| Information on the fight against corruption and bribery | | | | |
| Measures taken to prevent corruption and bribery | Material | Prevention and detection of corruption and bribery. G1-1, G1-3. | G1-1 G1-3 G1-4 | |
| Anti-money laundering measures. | Material | Prevention and detection of corruption and bribery. G1-1, G1-3. | G1-1 G1-3 G1-4 | |

| | | | | |
|--|----------|--|---|--|
| Contributions to foundations and non-profit organisations. | Material | V. Information on social issues 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require a list of economic contributions to foundations and non-profit organisations. |
| Information on social issues | | | | |
| Management approach: description and results of the policies addressing these matters and of the principal risks related to matters linked to the group's operations | Material | a. Policies related to affected communities. S3-1, MDR-P | (ESRS 2) SBM-1 MDR-P MDR-A MDR-T | |
| The Company's commitments to sustainable development | | | | |
| Impact of the undertaking's activity on employment and local development | Material | The impact of the Company's activities on local employment not considered material. The impact of the Company's activities on local development is disclosed in: b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3 | S3-1 S3-2 S3-3 S3-4 S3-5 | |
| Impact of the undertaking's activity on local populations and the local area | Material | b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3 | S3-1 S3-2 S3-3 S3-4 S3-5 | |
| Relations with local community players and types of dialogue | Material | b. Material impacts, risks and opportunities and their interaction with strategy and business model. SBM-3 | S3-1 S3-2 S3-3 S3-4 S3-5 | |
| Associations and sponsorship actions | | V. Information on social issues 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require the list of memberships of non-profit associations and sponsorship actions of social or environmental |
| Subcontracting and suppliers | | | | |
| Inclusion in the purchasing policy of social, gender equality and environmental matters | Material | c. Management of relationships with suppliers. G1-2. | SBM-1 (42) MDR-P (65 b) S2-1 18 S2-4 AR (30) S3-4 AR (27) | |

| | | | | |
|--|--------------|---|---|--|
| Contemplation of social and environmental performance in supplier and subcontractor engagement | Material | c. Management of relationships with suppliers. G1-2. | SBM-1 (42) MDR-P (65 b) S2-1 18 S2-4 AR (30) S3-4 AR (27) | |
| Supervision and audit systems and their outcomes | Material | c. Management of relationships with suppliers. G1-2. 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require the breakdown of the number of audits performed or other schemes of supervision performed on suppliers or the findings. |
| Consumers | | | | |
| Measures to guarantee consumer health and safety | Not material | | S4-1 S4-2 S4-3 S4-4 | |
| Consumer claims, complaints and grievance systems | Not material | | S4-3 S4-4 | |
| Tax information | | | | |
| Country-by-country profits | Material | V. Information on social issues 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require the breakdown of country-by-country |
| Income tax paid | Material | V. Information on social issues 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require the breakdown of country-by-country income tax paid. |
| Government grants received | Material | V. Information on social issues 5. Appendix 1 | Indicator not included in ESRS | Information to be reported under the CSRD does not require the breakdown of country-by-country government grants |
| Regulation (EU) 2020/852 - Taxonomy | | | | |
| Qualitative information | | | | |
| Accounting policy | Material | 2.1.5 Key performance indicators: Turnover, CapEx and OpEx associated with Taxonomy-aligned activities. | Regulation (EU) 2020/852 Regulation (EU) 2021/2178 | |
| Assessment of compliance with Regulation (EU) 2020/852 | Material | 2.1 EU TAXONOMY INFORMATION | Regulation (EU) 2020/852 Regulation (EU) 2021/2178 | |

| | | | | |
|--|----------|-----------------------------|---|--|
| Contextual Information | Material | 2.1 EU TAXONOMY INFORMATION | Regulation (EU) 2020/852 Regulation (EU) 2021/2178 | |
| Quantitative information | | | | |
| Taxonomy-eligibility and alignment of turnover | Material | 2.1 EU TAXONOMY INFORMATION | Regulation (EU) 2020/852 Regulation (EU) 2021/2178 Regulation (EU) 2021/2139 Regulation (EU) | |
| Taxonomy-eligibility and alignment of CapEx | Material | 2.1 EU TAXONOMY INFORMATION | Regulation (EU) 2020/852 Regulation (EU) 2021/2178 Regulation (EU) 2021/2139 Regulation (EU) | |
| Taxonomy-eligibility and alignment of OpEx | Material | 2.1 EU TAXONOMY INFORMATION | Regulation (EU) 2020/852 Regulation (EU) 2021/2178 Regulation (EU) 2021/2139 Regulation (EU) | |

Independent Limited Assurance Report on
the Consolidated Non-Financial Information Statement and
Sustainability Information for the year ended
December 31st, 2024

REDEIA CORPORACIÓN, S.A. AND SUBSIDIARIES

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT AND SUSTAINABILITY INFORMATION

(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.:

Conclusion of limited assurance

In accordance with article 49 of the Commercial Code, we have performed a limited verification engagement on the Consolidated Non-Financial Information Statement ("NFIS") for the year ended December 31st, 2024, of REDEIA CORPORACIÓN, S.A. (the "Entity") and subsidiaries (the "Group"), which is part of the Group's Consolidated Management Report.

The content of the NFIS includes information in addition to that required by prevailing company law in respect of non-financial information, specifically the Sustainability Information prepared by the Group for the year ended December 31st, 2024 (the "Sustainability Information") in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, as regards corporate sustainability reporting (the "CSRD"). The Sustainability Information was also subject to limited verification.

Based on the procedures applied and the evidence obtained, nothing has come to our attention that causes us to believe that:

- a) The Group's NFIS for the year ended on December 31st, 2024, has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria selected in European Sustainability Reporting Standards ("ESRS"), as well as other criteria described as explained for each subject matter in Appendix 2 "Context index required under Law 11/2018" of the NFIS.
- b) The Sustainability Information, taken as a whole, has not been prepared, in all material respects, in accordance with the sustainability reporting framework applied by the Group and identified in section "Changes in preparation or presentation of Sustainability Information", including:
 - That the description of the process for identifying the Sustainability Information to be disclosed included in section 1.2 "Materiality assessment" is consistent with the process implemented and that it enables the identification of the material information to be disclosed in accordance with the requirements of ESRS.
 - Compliance with ESRS.
 - Compliance of the disclosure requirements included in section 2.1 "EU Taxonomy Information" on the environment in the Sustainability Information with Article 8 of 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.

Basis of conclusion

We have performed our limited verification engagement in accordance with generally accepted professional standards applicable in Spain and specifically with the guidelines contained in the Guidelines 47 (revised) and 56 issued by the Spanish Institute of Chartered Accountants on non-financial information assurance engagements and considering the contents of the note issued by the Spanish Accounting and Auditing Institute (ICAC) on December 18, 2024 (the "generally accepted professional standards").

The procedures performed in a limited verification engagement are less in extent than for a reasonable verification engagement. Consequently, the level of assurance obtained in a limited verification engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under those regulations are further described in the *Practitioner's responsibilities* section of our report.

We have complied with the independence and other ethics requirements of the International Code of Ethics for Professional Accountants (including international standards on independence) of 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 (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.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors

The preparation of the NFIS included in the Group's Consolidated Management Report is the responsibility of the directors of REDEIA CORPORACIÓN, S.A. The NFIS has been prepared in accordance with the content required by prevailing company law and the criteria selected in ESRS, as well as other criteria described as explained for each subject matter in Appendix 2 "Context index required under Law 11/2018" of the NFIS.

This responsibility also includes the design, implementation, and maintenance of such internal control as considered necessary to ensure that the NFIS is free of material misstatement, whether due to fraud or error.

The directors of REDEIA CORPORACIÓN, S.A. are also responsible for defining, implementing, adapting, and maintaining the management systems from which the necessary information for preparing the NFIS is obtained.

In relation to the Sustainability Information, the entity's directors are responsible for developing and implementing a process for identifying the information to be included in the Sustainability Information in accordance with the CSRD, the ESRS and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020, and for disclosing information about this process in the Sustainability Information itself in section 1.2 "Materiality assessment". This responsibility includes:

- Understanding the context in which the Group carries out its activities and business relationships, as well as its stakeholders, in relation to the Group's impact on people and the environment.
- Identifying the actual and potential impacts (both negative and positive), as well as risks and opportunities that could affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to financing, or cost of capital in the short, medium or long term.
- Assessing the materiality of the identified impacts, risks and opportunities.
- Making assumptions and estimates that are reasonable under the circumstances.

The directors are also responsible for the preparation of the Sustainability Information, which includes the information identified by the process, in accordance with the sustainability reporting framework used, including compliance with the CSRD, the ESRS, and compliance of the disclosure requirements included in section 2.1 "EU Taxonomy Information" of the section on the environment in the Sustainability Information with Article 8 of 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.

This responsibility includes:

- Designing, implementing and maintaining such internal control as the directors consider relevant to enable the preparation the Sustainability Information that is free from material misstatement, whether due to fraud or error.
- Selecting and applying appropriate methods for the presentation of Sustainability Information and the basis of assumptions and estimates that are reasonable, considering the circumstances, about specific disclosures.

Inherent limitations in the preparation of the information

In accordance with ESRS, the entity's directors are required to prepare forward-looking information on the basis of assumptions and hypothetical assumptions, which must be included in the Sustainability Information, about potential future events and possible future actions, if any, that the Group could take. Actual results may differ significantly from estimated results, as the reference is to the future and future events frequently do not occur as expected.

In determining the disclosures in the Sustainability Information, the entity's directors interpret legal and other terms that are not clearly defined and that may be interpreted differently by others, including the legal conformity of such interpretations, and, accordingly, are subject to uncertainty.

Practitioner's responsibilities

Our objectives are to plan and perform the verification engagement to obtain limited assurance about whether the NFIS and Sustainability Information are free from material misstatement, whether due to fraud or error, and to issue a limited verification report that includes our conclusions. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this information.

As part of a limited verification engagement, we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Design and perform procedures to assess whether the process for identifying the disclosures to be included in the NFIS and Sustainability Information is consistent with the description of the process followed by the Group and enables, where appropriate, the identification of the material information to be disclosed as required in the ESRS.
- Perform risk procedures, including obtaining an understanding of internal control relevant to the engagement, to identify disclosures where material misstatements are more likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.
- Design and perform procedures responsive to disclosures in the NFIS and Sustainability Information where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary from the work performed

A limited verification engagement involves performing procedures to obtain evidence as a basis for our conclusions. The nature, timing and extent of procedures selected depend on professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the NFIS and Sustainability Information.

Our work consisted of making inquiries of management and of the Group's various business units and components that participated in the preparation of the NFIS and Sustainability Information, reviewing the processes used for compiling and validating the information presented in the NFIS and Sustainability Information, and applying certain analytical procedures and performing tests of details on a sample basis as described below:

For verification of the NFIS:

- Holding meetings with Group personnel to obtain an understanding of the business model, the policies and management approaches applied, and the main risks related to these matters and to gather the information needed to perform the independent assurance work.
- Analyzing the scope, relevance and completeness of the content of the 2024 NFIS based on the materiality assessment performed by the Group and described in section 1.2 "Materiality assessment" of the NFIS, considering the content required in prevailing company law.
- Analyzing the processes used to compile and validate the data presented in the 2024 NFIS.

- Reviewing the disclosures relating to the risks, policies and management approaches applied with respect to the material matters presented in the 2024 NFIS.
- Checking, through sample testing, the information underlying the content of the 2024 NFIS and whether it has been adequately compiled based on data provided by information sources.

For verification of the Sustainability Information:

- Making inquiries of Group personnel:
 - To understand the business model, the policies and management approaches applied, and the main risks related to these matters and to gather the information needed to perform the independent assurance work.
 - To know the source of the information used by management (e.g., interaction with stakeholders, business plans and documents on strategy) and review the Group's internal documentation on its process.
- Obtaining, through inquiries of Group personnel, insight into the entity's processes for gathering, validation, and presenting information relevant for the preparation of its Sustainability Information.
- Assessing whether the evidence obtained in our procedures on the process implemented by the Group for determining the disclosures to be included in the Sustainability Information is consistent with the description of the process included in that information, as well as assessing whether that process implemented by the Group enables identification of the material information to be disclosed in accordance with the requirements of the ESRS.
- Assessing whether all the information identified in the process implemented by the Group for determining the disclosures to be included in the Sustainability Information is effectively included.
- Evaluating whether the structure and presentation of the Sustainability Information is consistent with ESRS, and the rest of the sustainability reporting framework applied by the Group.
- Performing inquiries of relevant personnel and analytical procedures on the disclosures in the Sustainability Information, considering those where material misstatements are likely to arise, whether due to fraud or error.
- Performing, as appropriate, substantive procedures through sampling of selected disclosures in the Sustainability Information, considering those where material misstatements are likely to arise, whether due to fraud or error.
- Obtaining, as appropriate, reports issued by accredited independent third parties accompanying the Consolidated Management Report in response to the requirements of European regulations and, in relation to such information and in accordance with generally accepted professional standards, verification, exclusively, of the accreditation of the practitioner and that the scope of the report issued corresponds to that required by European regulations.

- Obtaining, as appropriate, the documents containing the information incorporated by reference, the reports issued by auditors or practitioners on such documents and, in accordance with generally accepted professional standards, verification, exclusively, that in the document to which the information incorporated by reference refers, the requirements described in ESRS for the incorporation by reference of information in the Sustainability Information are met.
- Obtaining a representation letter from the directors and management regarding the NFIS and Sustainability Information.

Other information

The persons in charge of the entity's governance are responsible for the other information. The other information comprises the consolidated financial statements and the rest of the information included in the Consolidated Management Report but does not include either the auditors' report on the consolidated financial statements or the assurance reports issued by accredited independent third parties required by European Union law on specific disclosures contained in the Sustainability Information and attached to the Consolidated Management Report.

Our verification report does not cover the other information, and we do not express any form of verification conclusion on it.

Our responsibility in connection with our engagement to verify the Sustainability Information is to read the other information identified and consider whether it is materially inconsistent with the Sustainability Information or the knowledge we have obtained during the verification engagement that could indicate material misstatements in the Sustainability Information.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

David Ruiz-Roso Moyano

February 26th, 2025