REN - Redes Energéticas Nacionais

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

.

09/05/2024, 08:35 am

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ EUR

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Privately owned organization

(1.3.3) Description of organization

REN - Redes Energéticas Nacionais operates in two major business areas, Electricity and Gas and a secondary business of Telecommunications: i) The transmission of very high voltage electricity and overall technical management of the National Electricity System (REN – Rede Eléctrica Nacional, S.A.); ii) The transmission of high-pressure natural gas and overall technical management of the National Natural Gas System (REN Gasodutos, S.A), guaranteeing the reception, storage, and regasification of LNG (REN Atlântico – Terminal de GNL, S.A), underground storage of natural gas (REN Armazenagem, S.A) and promoting, developing and carrying out projects and developments in the gas sector (REN Gás, S.A.). REN also has an operation of natural gas distribution network in the northern coastal region of Portugal (REN Portgás Distribuição). Due to Portugal's commitment to renewable energy, the Portuguese government granted REN the concession to operate a pilot area for generating electricity from sea waves to Enondas - Energia das Ondas. S.A., which is 100% owned by REN. REN also operates in the telecommunications business via RENTELECOM, which includes a range of services, such as infrastructure, managed services, and consultancy.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/31/2023	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

651760000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

PTREL0AM0008

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

759657109

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

RENE PL

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

B233HR5

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

549300FR1FN48IGHR915

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Chile

☑ Portugal

(1.16) In which part of the electric utilities value chain does your organization operate?

Electric utilities value chain

☑ Transmission

Other divisions

☑ Gas storage, transmission and distribution

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Through an effective strategy of responsible supply chain management, we identify and manage associated risks and opportunities, fostering the creation of shared and sustainable value that extends beyond our operations. Our supply chain management model is based on the principles of competition, equal treatment, and opportunities for all potential REN suppliers and on clear and objective rules and criteria with the aim of gauging the real capacity of each potential supplier. The supplier management model has a robust structure and well-defined responsibilities which ensure the proper separation of functions, from economic and financial analysis to technical analysis, with a view to assessing full compliance with defined requirements, and where the approval model is based on risk management. Through this model, we ensure across-the boards integration of values of diligence and transparency in supplier management processes so that the organization acquires the necessary resources in an efficient, economic, and ethical manner, thus contributing to our successful operation and ability to achieve objectives. In relation to the approval of suppliers, and to ensure the capacity and adequacy of suppliers to company requirements, the qualification model is divided into three levels, depending on the complexity, criticality, and representativeness of the expenditure, in accordance with the following information. Level 1 (base) (An analysis of a series of issues is included to evaluate capacity to comply with minimum requirements regarding financial, legal, and compliance aspects. For approval purposes, customer/ project references are required); Level 2 (relevant) (In addition to the level 1 questions, an analysis of a broader series of questions is included to evaluate the technical capacity of the supplier) and level 3 (strategic) (This includes the analysis of a broader series of issues to evaluate the technical capacity of a supplier in greater detail, which can be complemented by audits and/ or technical certifications.).
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ No, but we plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☑ Judged to be unimportant or not relevant

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

According to our materiality analysis, the topic of use/disposal of plastics/packaging is not a relevant topic for REN. On the other hand, given the nature of REN's activities, no significant quantities of plastic are used/deposited, as REN provides services (e.g. transmission of electricity and gas mostly) and does not produce any physical products. Additionally, within the scope of waste production, REN has established a goal of zero single-use plastics by 2025. Furthermore, REN has developed a circular economy strategy and roadmap, reinforcing our carbon neutrality ambition. To drive a transition based on principles of sustainability, it is also necessary to foster a circular economy, an economic model that seeks to preserve the added value of products as long as possible and minimize the production of waste by restoring and regenerating. The transition to a circular economy involves rethinking and redesigning production and consumption systems to minimize waste and maximize the use of resources. The goal is to expand this approach whereby products are designed to be durable, reusable, repairable, and recyclable, in order to extend their working life. This methodology provides an opportunity to reconcile economic growth with environmental sustainability and includes a reduction in GHG emissions and the consequent mitigation of climate change. To help define this strategy, a benchmarking exercise was conducted (using national and international references), the patterns of use of resources were validated, design thinking sessions were held and a tool to analyse the material flows of REN's main assets was developed. A Material Circularity Indicator (MCI) was also calculated based on the methodology developed by the Ellen MacArthur Foundation. This work involved participation by several areas of the company, as well as several suppliers. Furthermore, an Environmental Product Declaration Sheet (EPDS) was developed and tested for gradual introduction into procurement processes. This circular economy strategy and roadmap are based on five axes (three vertical and two transversal) and include clearly scheduled initiatives, as well as indicators and metrics. The first vertical axe is Circular purchasing Ensure that REN procurement processes comply with measurable and specific circularity and sustainability criteria; and ensure that we encourage accountability and awareness throughout the value chain. [Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

REN considers its short-term period as being defined between the yearly financial report and the three-year regulatory cycle.

Medium-term

(2.1.1) From (years)

4

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

REN considers this medium-term interval while it stands for the Business plan lifetime.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:
☑ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

REN considers more than 5 years (e.g. up to 50) as its long-term period, as it represents the average mean lifetime of some of REN's assets. The 50-year period also represents the duration of REN's concession agreement for the electricity and gas transmission grid management and operation and distribution gas operation.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations
☑ Upstream value chain
☑ Downstream value chain

(2.2.2.4) Coverage

Select from:
☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply
☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:
☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:
☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply
☑ Short-term
☑ Medium-term
☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

☑ ISO 31000 Risk Management Standard

International methodologies and standards

☑ Environmental Impact Assessment

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Databases

☑ Nation-specific databases, tools, or standards

☑ Regional government databases

Other

☑ Scenario analysis

☑ Desk-based research

☑ External consultants

☑ Materiality assessment

☑ Internal company methods

☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Wildfires
☑ Heat waves
☑ Cold wave/frost
☑ Cyclones, hurricanes, typhoons
☑ Heavy precipitation (rain, hail, snow/ice)
☑ Flood (coastal, fluvial, pluvial, ground water)
☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)
☑ Changing temperature (air, freshwater, marine water)
☑ Changing wind patterns
☑ Heat stress
☑ Increased severity of extreme weather events

Policy

☑ Carbon pricing mechanisms
☑ Changes to international law and bilateral agreements
☑ Changes to national legislation

Market

☑ Availability and/or increased cost of raw materials
☑ Changing customer behavior
☑ Uncertainty in the market signals

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

REN Group's management and supervisory bodies prioritize internal control and risk management systems development, impacting activities. This approach aligns with national and international recommendations, the company's size, business, and risk complexity. REN adopted NP EN ISO 31000 standard in 2022 for risk management system implementation, supporting integrated management system for all Group companies. The risk classification process involves three stages: identifying risks, analyzing their probability and impact, and selecting priority risks for treatment. Risk Owners categorize risks, while the REN Corporate Risk Management Committee (RMC) monitors more serious threats. The RMC assesses potential risks based on severity, probability of occurrence, and external and internal contexts. This process determines REN's risk profile and the risks to be monitored and followed up. The RMC also applies preventive and protective measures through the formulation of a priority plan and by developing an action plan based on risk severity and disseminating best practices in risk management. REN's Risk Management Committee (RMC) reports and communicates the results of its analysis to the Executive Committee (EC) and Audit Committee (AC). AC advises EC on internal control, risk management, audits, compliance, and departmental reports on accountability, conflicts, and irregularities. The risk management process aims to ensure compliance with the Board of Directors' strategy and objectives, identify risk factors, consequences, and mechanisms for managing and minimizing risks. It aligns admissible risk with the REN Group strategy, ensures information reliability, produces, reports, and discloses comprehensively, and operates an appropriate management system. The RMC also ensures asset safeguarding, prudent valuation, and efficient resource use. To disclose the company's governance around climate-related risks and opportunities and the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning, REN used the TCFD framework over the short, medium, and long term. Climate risks are also included into the analysis, and a Group-Wide climate risk mapping was established to describe the potential impact of climate related risks and opportunities. Accordingly, REN works with the aim of being able to face both the physical changes associated with climate parameters (physical risks: acute and chronic) and other changes associated with the

fight against climate change (transition risks: policy; market; reputation; technology; liability). REN identified key people to assess risks and opportunities, obtaining an exhaustive list of internal and external factors affecting business ability using REN's risk management methodology, with several tools/methods used combined (e.g. EIA, IPCC projections, ISO 14001, LCA, national/regional databases, desk-based research, materiality assessment, scenario analysis, among others). The company has suitable mechanisms and structures that guarantee correct monitoring of the main risks to which we are exposed on a regular basis. There are three levels of action regarding internal control and their respective management, Operational, provided by those in charge (Risk Owners), Tactical, provided by the EC, assisted by the RMC and Strategic, includes the Board of Directors (BOD) as the management body of the company's business, which is assisted by the AC.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

At REN, we recognize the critical interconnectedness between environmental factors and our transmission system operations. We employ a comprehensive assessment approach that analyses environmental dependencies, impacts, risks, and opportunities across our entire value chain. We identify environmental elements that our transmission system relies upon, such as stable weather conditions for infrastructure integrity and operational efficiency. This includes assessing dependencies on water resources for cooling equipment and potential climate change impacts on these resources or biodiversity issues, as power lines can disrupt the migration patterns of birds or other wildlife and REN as a TSO need to consider these dependencies when designing and constructing infrastructure to minimize ecological impacts. We also evaluate the environmental footprint of our transmission system, including greenhouse gas emissions associated with energy consumption during operations and maintenance. We also assess potential impacts on biodiversity and ecosystems arising from our infrastructure. Regarding environmental Risks, we proactively identify and manage environmental risks that could disrupt our operations or business continuity. This includes risks associated with extreme weather events (e.g. storms, heavy rain, wind, wildfires, among others) and transition risks (e.g. policy/legal; market, reputation, technology and liability). At the same time, we explore opportunities to minimize our environmental footprint and capitalize on positive environmental trends. This involves investing in renewable energy integration, implementing energy efficiency measures to reduce operational emissions, collaborating with stakeholders to promote sustainable grid development, among others. Through this comprehensive assessment approach, we gain a holistic understanding of the environmental context surrounding our transmission system and this knowledge empowers us to make informed decisions that promote long-term environmental sustainability alongside efficient and reliable grid operations. Additionally, we continuously refine our assessment methodologies based on the latest scientific knowledge and best practices. We are committed to transparency and actively engage with stakeholders to share our environmental performance data and improvement goals.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas important for biodiversity

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

For REN, biodiversity is one of the most important environmental descriptors considered in the systematic assessment of possible impacts of our activities on the different phases of the life cycle of our infrastructure. In this regard, REN has structured an approach that allows effective action to be taken to prevent and mitigate negative impacts. This takes place by identifying the impacts of the activity, assessing risks, minimizing negative impacts, establishing partnerships, supporting nature conservation initiatives, and through the engagement of employees, suppliers, and service providers. REN defined 4 lines of action for biodiversity strategy: 1. Mitigation and monitoring of impacts on biodiversity: integrate the preservation of biodiversity in all our activities and in the different development stages of the project. In accordance with the "mitigation hierarchy", REN will ensure that impacts on biodiversity are managed by prioritizing prevention and minimizing any impact, ensuring ultimately that impacts that cannot be mitigated in their entirety are offset. 2. Promotion and restoration of biodiversity: promote biodiversity beyond the obligations arising from environmental legislation, in a proactive logic of conservation and, where possible, the ecological restoration and increase in resilience of the territories where we operate. 3. Research, development and technological innovation: promote Research, Development, and Innovation (RDI) in the field of biodiversity, particularly in relation to the impact of our operations and infrastructure, by promoting scientific studies and the testing of technological solutions applied to REN work. 4. Communication, dissemination, and transfer of knowledge: promote the communication, dissemination, and transfer of knowledge with respect to our different stakeholders. Includes the promotion of dialogue and partnerships with stakeholders, awareness raising, training and environmental education, dissemination of results, and promotion of scientific and technical knowledge, both internally and externally. REN has areas important to biodiversity occupied by its infrastructure (e.g. stations/facilities, gas pipelines, lines). however, the occupation of these areas by REN infrastructure is essentially due to historical reasons (the

infrastructure was installed prior to the classification of these areas as protected) as well as the need to enable or reinforce the flow of renewable energy from production plants located in these sensitive areas. Whenever these facilities are modified, such changes are optimized to reduce the impact on biodiversity.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we do not have a list/geospatial map of priority locations

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ EBITDA

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The assessment of risks inherent to REN's activities, as well as to the Internal Control System, is carried out according to several principles. Following the identification and assessment of inherent risks, the definition of the strategy, the risk management policy, the objectives, and the degree of risk acceptance (risk appetite) are established by the Bord of Directors and implemented by the Executive Committee, after collecting the different contributions from Risk Owners, relevant commissions, and committees. A substantive financial or strategic effect (quantitative) would correspond to one from medium to very high impact (5,000k to 25,000k) in damage and losses or in positive impact (opportunity). The reference value of the maximum level of financial impact is defined based on 5% of the average value of EBITDA for the last three years (% defined following the good practices in the definition of materiality). REN also consider other qualitative effects (non-financial), related to image and reputation (social contestation or negative publicity of a persistent nature), environmental (negative impacts), health and safety (negative impacts on people) and conformity (legal and regulatory non-compliance).

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ EBITDA

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The assessment of risks inherent to REN's activities, as well as to the Internal Control System, is carried out according to several principles. Following the identification and assessment of inherent risks, the definition of the strategy, the risk management policy, the objectives, and the degree of risk acceptance (risk appetite) are established by the Bord of Directors and implemented by the Executive Committee, after collecting the different contributions from Risk Owners, relevant commissions, and committees. A substantive financial or strategic effect (quantitative) would correspond to one from medium to very high impact (5,000k to 25,000k) in damage and losses or in positive impact (opportunity). The reference value of the maximum level of financial impact is defined based on 5% of the average value of EBITDA for the last three years (% defined following the good practices in the definition of materiality). REN also consider other qualitative effects (non-financial), related to image and reputation (social contestation or negative publicity of a persistent nature), environmental (negative impacts), health and safety (negative impacts on people) and conformity (legal and regulatory non-compliance).
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

According to our materiality analysis, the topic of use/disposal of plastics/packaging is not a relevant topic for REN. On the other hand, given the nature of REN's activities, no significant quantities of plastic are used/deposited, as REN provides services (e.g. transmission of electricity and gas mostly) and does not produce any physical products. Additionally, within the scope of waste production, REN has established a goal of zero single-use plastics by 2025. Furthermore, REN has developed a circular economy strategy and roadmap, reinforcing our carbon neutrality ambition.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Changes to national legislation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Portugal

(3.1.1.9) Organization-specific description of risk

Regulation of existing products and services: the growing concern about fluorinated gases, arising from national and EU legislation (e.g. Fluorinated Gases Regulation), in particular changes in regulations related to the use of sulphur hexafluoride - SF6 may represent a risk for REN. SF6 is a gas used as an electrical insulator (dielectric) in various high and very high voltage equipment. It has a very high Global Warming Potential (GWP) (23,500 times the CO_2 GWP), and the European Commission proposed that SF6 should be banned from most new electrical equipment in the future. Following the recent F-gas agreement between the European Parliament, the European Council, and the European Commission, reached in 2023 to reduce the use of fluorinated gases, it became clear that it was necessary to define a strategy to phase out by 2050 the use of SF6 as an insulating gas in electrical equipment used in the RNT (National Transport Network). The agreement stipulates a ban on the use of SF6 in 60 kV electrical equipment as of 1 January 2028 and in higher voltage equipment from 1 January 2032. The risk of

increased regulatory requirements will impact the implementation of criteria for reducing the leakage rates of assets containing SF6, and the necessary CAPEX/OPEX for the introduction of improvements, changes to maintenance/monitoring methodologies and/or the gradual replacement of equipment.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Following the recent F-gas agreement between the European Parliament, the European Council, and the European Commission, reached in 2023 to reduce the use of fluorinated gases, it became clear that it was necessary to define a strategy to phase out by 2050 the use of SF6 as an insulating gas in electrical equipment used in the RNT (National Transport Network). The agreement stipulates a ban on the use of SF6 in 60 kV electrical equipment as of 1 January 2028 and in higher voltage equipment from 1 January 2032. The risk of increased regulatory requirements will impact the implementation of criteria for reducing the leakage rates of assets containing SF6, and the necessary CAPEX/OPEX for the introduction of improvements, changes to maintenance/monitoring methodologies and/or the gradual replacement of equipment. To this end, REN has an investment project underway for new equipment or equipment that needs to be replaced. However, this investment in modern equipment (without SF6, with modern technology) has a significant increase compared to conventional equipment (with SF6, mature technology). The potential financial impact of the risk corresponds to the cost of replacing the equipment in order to meet REN's more or less accelerated decarbonization standard.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

18000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

18000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

68000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

103000000

(3.1.1.25) Explanation of financial effect figure

The figures presented refer to the increased capital costs that REN will incur in the medium term (around 18M, 2030) and long term (around 68M-103M, 2040) associated mainly with the replacement of equipment. The investment values were estimated considering several relevant assumptions to make the estimate as accurate as possible. A forecast was made for the reduction of SF6 by 2040, quantified in terms of the mass of SF6 and the replacement investment required, taking into account equipment in service containing SF6 (e.g. circuit breakers and shielded facilities) and also equipment that will enter into service until 2030. For the replacement cost figure, an additional premium was considered, corresponding to the extra cost of new technology for replacing SF6.

(3.1.1.26) Primary response to risk

Diversification

☑ Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

100000

(3.1.1.28) Explanation of cost calculation

In 2023 REN had a cost of around 100k in the management of this risk

(3.1.1.29) Description of response

Following the recent F-gas agreement between the European Parliament, the European Council, and the European Commission, reached in 2023 to reduce the use of fluorinated gases, it became clear that it was necessary to define a strategy to phase out by 2050 the use of SF6 as an insulating gas in electrical equipment used in the RNT (National Transport Network). The agreement stipulates a ban on the use of SF6 in 60 kV electrical equipment as of 1 January 2028 and in higher voltage equipment from 1 January 2032. Accordingly, and in line with this trend, in 2023 REN acquired the first equipment without SF6 consisting of three voltage transformers to supply auxiliary services for the future Ponte de Lima substation, thus avoiding the increase of SF6 stock. It is also planned to acquire a further 12 voltage SF6-free transformers in 2024. REN has also reviewed the technical specification for some equipment for all new voltage transformers which supply auxiliary substation services to be SF6 free. Progress in extending the review of technical specifications to ban the use of SF6 will be made, bearing in mind that set out in the agreement as well market availability of equipment allowing procurement under a competitive regime. In 2023, SF6 leaks remained at low levels (0.12%). The effort to reduce SF_6 leakage can be seen in the results which are considered technically very positive on an international level.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Tornado

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Portugal

(3.1.1.9) Organization-specific description of risk

Extreme weather events (wind, storms, ice formation, others): according to the Intergovernmental Panel on Climate Change (IPCC) (e.g. 6th Assessment Report), a generalized increase in the probability of occurrence, frequency and severity of impact of extreme climate events (acute) is expected for Portugal, and this is a risk with a potentially significant impact on REN's assets, in particular the electrical infrastructure (National Transport Network). Strong winds (tornados) and storms (extreme precipitation), both with higher probability, and the formation of ice sleeves, with lower probability, are the main factors that can affect the very high voltage pylons and cables, damaging these assets all over Portugal and potentially affecting the integrity and security of supply. We have already experienced this type of event in the past, incurring in economic and financial losses (OPEX/CAPEX).

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Strong winds (tornados) and storms (extreme precipitation) and the formation of ice sleeves are the main factors that can affect the very high voltage pylons and cables, damaging these assets all over Portugal and potentially affecting the integrity and security of electricity supply. We have already experienced this type of event in the past, incurring in economic and financial losses (OPEX/CAPEX). The financial effect on the financial position of this climate risk derives from the increasing frequency and severity of the impact of these extreme weather events. These events impact REN, particularly with damage to its assets and infrastructures and financially impacting REN through increased OPEX/CAPEX. The financial impact estimate was based on historical data (past events) of damage caused by this type of event, applying for the forecast of financial impacts for the medium- and long-term multiplicative factors of likelihood of occurrence/severity of impact of these acute extreme weather events, retired from credible references on climate risks (e.g. IPCC; EEA; others).

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

12000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

15000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

14000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

18000000

(3.1.1.25) Explanation of financial effect figure

The financial effect on the financial position of this climate risk derives from the increasing frequency and severity of the impact of these extreme weather events. These events impact REN, particularly with damage to its assets and infrastructures and financially impacting REN through increased OPEX/CAPEX combined (e.g.

12M-15M, 2030; 14M-18M 2050). The financial impact estimate was based on historical data (past events) of damage caused by this type of event in REN's electrical infrastructure, applying for the forecast of financial impacts for the medium- and long-term, multiplicative factors of likelihood of occurrence/severity of impact (impact projections) of these acute extreme weather events, retired from several credible references (e.g. IPCC; EEA; others).

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Establish and improve end-of-life infrastructure and/or technology

(3.1.1.27) Cost of response to risk

12600000

(3.1.1.28) Explanation of cost calculation

In 2023 REN had a cost of around 12.6M caused by the implementation of an investment plan for the Resilience and Adaptation to Climate Change of PDIRT (Plan For Development And Investment Of The National Transport Network) infrastructure.

(3.1.1.29) Description of response

In relation to the process to adapt to climate change, we have analysed the effects on the electricity and gas transmission and distribution infrastructures, especially with respect to vulnerability to extreme weather phenomena, minimizing the risks. Under the National Climate Change Adaptation Strategy (ENAAC 2020), a working group for the energy sector was formed, which identified measures and actions to adapt, minimize and prevent the vulnerabilities encountered in the infrastructures of energy companies. As such, PDIRT 2022-2032 (National Transmission Network Development and Investment Plan) submitted by REN, has integrated several initiatives into the Base Projects which will lead to increased infrastructure resilience with regard to climate change effects. This work focuses on the infrastructure, with reinforcements of metal structures and their foundations, and upgrading of conductor cables and guards to converge with the European and Portuguese NP EN 50341 standard. As gas infrastructures are mostly underground, they are more immune to certain types of climate phenomena.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Wildfires

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Portugal

(3.1.1.9) Organization-specific description of risk

Extreme climate events (wildfires): according to the IPCC (6th Assessment Report), changes in weather conditions (increased temperatures and water scarcity) are expected to intensify desertification in Portugal, leading to an increase in the probability of fires and the respective impacts, mainly in areas with vegetation, affecting REN's electric infrastructure of the National Transportation Network is located all over Portugal. Furthermore, sharp temperature increases cause changes to the properties of the conductors, reducing their electrical transmission capacity, leading to a potential increase in the risk of fires on REN lines and at technical facilities (e.g., electricity substations, regulating and metering stations and underground gas storage), with consequences in terms of repair costs and jeopardizing the quality and security of supply.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

For the Mediterranean area, it is recognized in the literature (e.g. IPCC, specialized European studies, among others) that there is a growing trend towards an increase in the frequency of wildfires as a result of climate change (e.g. reduction in relative humidity and/or drier climate, vegetation under water stress, etc.). As a large part of REN's activities are present all over Portugal, and some of them are present in forest areas, REN may incur financial impacts in the future, as happened in the last decade. The financial impact is OPEX related to costs of repairs to be carried out on the National Transport Network (RNT) and the estimate was based on historical data (past events) of damage caused by this type of event, applying for the forecast of financial impacts (for the medium- and long-term) multiplicative factors for potential increase in the frequency of forest fire events (resulting from natural causes), retired from credible references on climate risks (e.g. IPCC; EEA; others).

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

80000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

95000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

240000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

330000

(3.1.1.25) Explanation of financial effect figure

The financial effect is related to OPEX, costs of repairs to be carried out on the National Transport Network (RNT) and the estimate (80k-95k 2030; 240k-330k 2050) was based on historical data (past events) of damage caused by this type of event, applying for the forecast of financial impacts (for the medium- and long-term) multiplicative factors for potential increase in the frequency of forest fire events (resulting from natural causes), retired from credible references on climate risks (e.g. IPCC; EEA; others).

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with local communities

(3.1.1.27) Cost of response to risk

8000000

(3.1.1.28) Explanation of cost calculation

In 2023 REN had a cost of around 8M in vegetation management and associated initiatives.

(3.1.1.29) Description of response

REN has developed a series of instruments and practices to manage firebreaks and areas adjacent to technical facilities, in line with the new National Plan for the Integrated Management of Rural Fires, in order to provide greater security in the operation of our infrastructure, through greater resilience to rural fires. With the setting up of the National System of Forest Defence against Fires (SNDFCI), Fuel Management Firebreak Networks were also created, where our infrastructure forms part of the so-called secondary network. As gas infrastructures are mostly underground, they are more immune to certain types of climate phenomena. REN plays a key role in the strategic planning of vegetation management in access corridors. Moreover, REN has adopted new methodologies such as obtaining information from LIDAR (Light detection and grading) flights which allows 3D representation of vegetation in access corridors with the goal of planning vegetation management. Strategy considers the different levels of priority and the risk to infrastructure. In addition to this information, it also allows trees to be identified which could impact on power lines. REN is one of the companies that most contributes to the protection and recovery of native forest and 66% of our access corridors is located in forests.

For this reason, management and mitigation of fire risks is a permanent concern. By keeping the corridors clean, we increase resilience to fire and provide access to Civil Protection agents. With respect to helping prevent and combat forest fires, the innovative rePLANT project, which involves installing cameras (video, thermal and optical), together with a weather station and a specific algorithm, provides real-time images to monitor, protect and anticipate the impact of rural fires on the forest. This project also allowed a new purpose to be given to REN electrical infrastructure as the equipment is installed in VHV network pylons, also using fibre optic communications, which
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

429000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 61-70%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

648321000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 91-99%

(3.1.2.7) Explanation of financial figures

Revenues from electricity segment are considered to be vulnerable to the substantive effects of transition risks and represent 66% of total revenues. Revenues from electricity and gas segments are considered to be vulnerable to the substantive effects of physical risks and represent 99.5% of total revenues.
[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ No, and we do not anticipate being regulated in the next three years

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Portugal

(3.6.1.8) Organization specific description

Development and/or expansion of low-carbon products and services: the development of the existing network to facilitate energy transition, through new investment in the transmission network, is the most relevant opportunity for REN. More specifically, the possibility exists to invest in new facilities and infrastructures with improved sustainability criteria in the short, medium, and long-term. REN has the public service concession for very high voltage (VHV) transmission and the Global Technical Management (GTM) of the national electricity system. As REN is a regulated entity, where remuneration is set in accordance with our regulated asset base, the increase in investment through the construction and adaptation of new lines and substations is a relevant opportunity, seeking to integrate new Renewable Energy Sources (RES) into the National Electricity System (SEN), and supporting the electrification and decarbonization of the economy. Cooperation with Spain in the implementation of the cross-border connections required for the proper functioning of energy markets is another opportunity in this area.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

This opportunity means an increase in revenues associated with higher demand for products and services due to growth in the regulated asset base - REN investment in the National Transport Network (RNT) and the integration of renewable energy sources (RES), either in the present and in the future, as REN is remunerated in accordance with its regulated asset base and has made investments in the past that are creating financial effect on the present and will make investments (e.g. up to 2030, aligned with the electricity projects approved until the last PDIRT submission) that will create financial effect on the future.

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

This opportunity means an increase in revenues associated with higher demand for products and services due to growth in the regulated asset base - REN investment in the National Transport Network (RNT) and the integration of renewable energy sources (RES), either in the present and in the future, as REN is remunerated in accordance with its regulated asset base and has made investments in the past that are creating financial effect on the present and will make investments (e.g. up to 2030, aligned with the electricity projects approved until the last PDIRT submission) that will create financial effect on the future.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

240000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

242000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

258000000

(3.6.1.23) Explanation of financial effect figures

The financial effect is related to the revenue that REN will earn due to the investments made on the National Transport Network (RNT)/ National Electricity System (SEN) for the integration of renewable energy sources (RES). As stated, REN has the public service concession for very high voltage (VHV) transmission and the Global Technical Management (GTM) of the national electricity system. This means that, due to the investments made in the past, as the remuneration is set in accordance with our regulated asset base, REN was allowed to earn 240M in the reporting year (2023). Regarding the anticipated financial effects of the opportunity in the medium term, REN is entitled to an estimated minimum of 242M/year (minimum value for the period 2024-2030) and maximum of 258M/year (maximum value for the period 2024-2030). average value per year is estimated at 250M/year. Note: remuneration set in accordance with our regulated asset base considers several complex variables.

(3.6.1.24) Cost to realize opportunity

187000000

(3.6.1.25) Explanation of cost calculation

For enabling the integration of additional renewable energy capacity into the system and accelerating its decarbonisation, REN invested an annual average domestic electricity amount of 187M/year over the period 2021-2023 and has approved the investment plan for the period 2024-2027, raising the bar to 240-280M/year. These investments are related to: i) modernization, resilience and climate change adaptation; ii) solar agreements; and iii) grid expansion.

(3.6.1.26) Strategy to realize opportunity

Regarding the energy transition, REN plays a facilitator role in Portugal and, as such, we have an ambitious annual investment programme to carry out a wide range of initiatives with the goal of supporting public policy. The targets established in the National Energy and Climate Plan (PNEC 2030) have recently been raised. To increase RES in the SEN to achieve 85% in the energy mix by 2030, along with the incorporation of new renewable capacity, which depending on different scenarios,

could double current renewable capacity, will require proportional investment. An increase of 45% in average annual Capex is expected (domestic and international) in the 2021- 2024 period (compared to 2018-2020). This investment is made in network connections for RES projects and in strengthening the quality and resilience of the current network. REN is also reinforcing the interconnection capacity between Portugal and Spain. In the last three years, from 2021 to 2023, RES capacity in the Mainland Portugal National Electricity System, compared to total power installed, grew by 2 p.p. (from 77% to 79%), corresponding to an increase of 2,208 MW. If we compare the same figure in the last five years (2019 to 2023), the result is even more expressive (from 69% to 79%, an increase of 3,038 MW), thus showing significant development in the decarbonization of the SEN. The emission factor from electricity transmitted in the RNT, through power produced in mainland Portugal and imports from mainland Spain, has also seen a significant reduction in the last five years (-58%, evolving from 213 gCO2/ kWh in 2019 to 90 gCO2/ kWh in 2023). We have maintained a sustainable trajectory in the gradual incorporation of endogenous renewable sources, with new maximum values recorded in 2023 while also maintaining our primary objectives of supply security and quality of service. Under the Strategic Plan and the Development and Investment Plan for the Electricity Transmission Network, as referred REN has a robust investment plan helping achieve the 80% target of renewable energy sources in the SEN by 2026 and 85% by 2030.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Portugal

(3.6.1.8) Organization specific description

Development and/or expansion of low-carbon products and services: regarding the gas segment, REN is exclusively responsible in Portugal for high-pressure transmission and for the Global Technical Management of the Portuguese National Gas System, and of other high-pressure activities of the NGS. These include the reception, storage, and regasification of liquefied natural gas and the underground storage of gas, under public service concessions, that companies (REN Gasodutos, REN Atlântico – Terminal de GN Land REN Armazenagem) have held since 2006 (and for 40 years). Being responsible for the current reception, storage, transmission and distribution infrastructure, makes REN to play an important role in allowing the introduction, distribution and consumption of renewable gases in the different sectors of the economy, allowing increasing levels of renewable energies (RES) to be incorporated into final energy consumption. Included in plans for European cooperation in the creation of a green hydrogen transmission infrastructure is the development of continent-wide initiatives such as H2Med which will make it possible to interconnect Portugal, Spain, France, and Germany. The decarbonization of the gas system will be further strengthened through the Hydrogen and Decarbonized Gas Markets Package, which aims to reduce the carbon footprint of the gas market by passing from fossil natural gas to renewable and low-carbon gases, driving its implementation throughout the European Union (E

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

This opportunity means an increase in revenue associated with increased demand for services due to growth in the regulated asset base (REN investment in the RNTIAT (Rede Nacional de Transporte, Infraestruturas de Armazenamento e Terminais de GNL) and the integration of renewable energy sources (RES), either in the present and in the future, as REN is remunerated in accordance with its regulated asset base and has made investments in the past that are creating financial effect on the present and will make investments (e.g. up to 2030, aligned with the H2 adaptation projects approved until the last PDIRG submission) that will create financial effect on the future.

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

This opportunity means an increase in revenue associated with increased demand for services due to growth in the regulated asset base (REN investment in the RNTIAT (Rede Nacional de Transporte, Infraestruturas de Armazenamento e Terminais de GNL) and the integration of renewable energy sources (RES), either in the present and in the future, as REN is remunerated in accordance with its regulated asset base and has made investments in the past that are creating financial effect on the present and will make investments (e.g. up to 2030, aligned with the H2 adaptation projects approved until the last PDIRG submission) that will create financial effect on the future.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

80000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

286000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

17500000

(3.6.1.23) Explanation of financial effect figures

The financial effect is related to the revenue that REN will earn due to the investments made on the RNTIAT for the integration of renewable energy sources (RES) – renewable gases. As stated, in the Gas sector, REN is exclusively responsible for high-pressure transmission and for the Global Technical Management of the Portuguese National Gas System, and of other high-pressure activities of the NGS. These include the reception, storage, and regasification of liquefied natural gas

and the underground storage of gas, under public service concessions, that companies (REN Gasodutos, REN Atlântico – Terminal de GN Land REN Armazenagem) have held since 2006 (and for 40 years). This means that, due to the investments made in the past, as the remuneration is set in accordance with our regulated asset base, REN was allowed to earn 79k in the reporting year (2023). Regarding the anticipated financial effects of the opportunity in the medium term, REN is entitled to an estimated minimum of 286k/year (minimum value for the period 2024-2030) and maximum of 17.5M/year (maximum value for the period 2024-2030). Average value per year is estimated at 10.4M/year. Note: remuneration set in accordance with our regulated asset base considers several complex variables.

(3.6.1.24) Cost to realize opportunity

51000000

(3.6.1.25) Explanation of cost calculation

REN is committed to ensuring security supply through targeted investments in system efficiency and reliability, while developing/adapting infrastructure for green gases to accelerate decarbonization of key industrial sector. REN will be strengthening the gas infrastructure to ensure security of supply and be ready to enable green hydrogen and biomethane ramp-up. REN invested an annual average domestic electricity amount of 51M/year over the period 2021-2023 and has approved the investment plan for the period 2024-2027, raising the bar to 105-115M/year. These investments are related to: i) green gases; ii) gas distribution and transport. More than 50% of investment is allocated to green gases infrastructure. The investment plan for green gases carries some degree of uncertainty despite domestic energy policies, yet with limited financial impact, underscoring the resilience of the plan.

(3.6.1.26) Strategy to realize opportunity

In the 2021-2024 period, REN is investing more than 50 million euros in infrastructure adaptation projects for H2. We also intend to build a valley, while a project is also underway to build two new underground caverns which are fully H2 compatible. Regarding distribution, REN Portgás has started a project to ensure the full compatibility of its infrastructures with 100% hydrogen. The first phase seeks to achieve up to 20% compatibility and work with other partners in the value chain for the introduction of biomethane. In-depth analysis through a study on the technical limits of the infrastructure and to identify the necessary investment, as well as the potential consequences for the operation and maintenance of the infrastructure and the impacts on different users arising from the incorporation of green hydrogen, will constitute relevant steps forward in the strategy to drive the introduction of hydrogen. The company is also working to ensure the management and operation of gas transmission and distribution systems, with the injection of mixtures from renewable energy sources and is seeking projects on a national level while also participating in important European projects. In this regard, working with Enagás, GRTgaz and Teréga, REN has signed the "Green2TSO" agreement to drive the transformation of the gas network into a hydrogen network, employing open innovation. REN is also part of the Oil and Gas Methane Partnership (OGMP 2.0) which aims to reduce methane emissions. For the future, regarding green hydrogen, we are: pursuing the development of regional H2 valleys (15km Sines H2 valley dedicated pipeline); developing 2 new H2-ready storage caverns to ensure security of supply (1.2 TWh gas storage capacity); adapting the grid infrastructure for H2 blending (10% target H2 blending); assessing Portugal's integration into the H2Med corridor. Regarding Biomethane, we are on track to connect Portugal's first biomethane plants to the grid this year (0.4 TWh of biomethane capacity connected to the grid by 2027) and actively seeking for partnerships to connect producers and support them throughout their project development phase. REN also held a meeting with national and international market agents, with the aim of promoting guarantees of origin for renewable gases.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Portugal

(3.6.1.8) Organization specific description

In the process to accelerate energy transition, REN has the opportunity to promote electric mobility, entering this emerging market through the development of an innovative and patented solution on a European and USA level (underway in other markets) for charging electric vehicles directly through the very high voltage (VHV) network that only REN operates in Portugal. This solution aims to complement traditional solutions, helping to speed up electric mobility, by providing a direct access solution to the VHV network, characterized by greater power availability and nationwide coverage. This way, REN can position itself as a promoter in the energy transition, in a complementary manner, providing support in the decarbonization of the transport sector by using the existing transmission network to meet high power needs, as is the case with fast and very fast charging, large charging points hubs, and heavy electric vehicles for passengers and goods.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

This opportunity means an increase in revenue associated with increased demand for services, namely the revenues associated with the Speed-E project implementation and execution. Two different business models were identified, according to the geographic implementation of the solution. In the case of Portugal, the business model aims for a monthly payment model, where the implementer has an estimated monthly cost for access to the infrastructure. In the international case, the model is one-off, with an estimated cost for each implementation.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

2000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

3500000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

9000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

15000000

(3.6.1.23) Explanation of financial effect figures

The financial effect is related to the revenue that REN will earn due to the implementation and execution of the SPEED-E solution. Two different business models were identified, according to the geographic implementation of the solution. In the case of Portugal, the business model aims for a monthly payment model, where the implementer has an estimated monthly cost for access to the infrastructure. In the international case, the model is one-off, with an estimated cost for each implementation. For the medium term (2030), minimum and maximum annual revenues range between 2M/year and 3.5M/year. These amounts sum the revenues of the two different business models (national and international). Average revenues are estimated at 2.6M/year. For the long term (2050), minimum and maximum annual revenues range between 9M/year and 15M/year. Average revenues are estimated at 12M/year. Estimations for the two different business models take into account different variables. As example, for estimating the revenues, variables considered and assumptions made are related to the forecast of number of units sold, average cost of access to infrastructure (/unit), among others.

(3.6.1.24) Cost to realize opportunity

1000000

(3.6.1.25) Explanation of cost calculation

Investment in the solution SPEED-E amounts for 1M (e.g. R&D, development, patents).

(3.6.1.26) Strategy to realize opportunity

REN has developed an innovative grid connection solution that allows the direct transformation from VHV grid circuits to low voltage circuits. This goal of Speed-E is to supply high-power electric vehicle charging stations directly from the VHV grid. The SPEED-E solution is synergic within a National Electricity System and positions itself as complementary to the mainstream charging infrastructure in the urban centres. It can also be applied in other contexts, such as decarbonization of forestry machinery, river docks, energy supply to military facilities, industrial or rural zones and remote temporary facilities, through the development of a mobile solution. SPEED-E's differentiating factors comprise enabling nationwide coverage for widespread use; overcome grid constraints; virtually unlimited power availability in each site; transmission grid service quality level; providing high flexibility for charging needs, avoiding the need for peak shaving in grid management. SPEED-E positions

REN a player in the energy transition supporting the decarbonisation of the transport sector in a competitive way by using the existing grid specially in situations in which high power is key, such as highway service stations with faster and multiple charger sites, large parking hubs, heavy-duty EV and public transport electrification, implying non-traditional high power charging solutions. The speed-E has the great advantage of providing high power, as it is connected to the transport network, with a presence throughout Portugal, thus allowing the offer of the charging infrastructure to be extended to a network of more than 9,000 km that REN operates. Recently, a Memorandum of Understanding was signed with Atlante to develop five pilot projects in Portugal, and REN continues to develop commercial contacts to find new markets and partners.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

648321000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 91-99%

(3.6.2.4) Explanation of financial figures

Revenues from electricity and gas segments are considered to be aligned with substantive effects of climate opportunities and represent 99.5% of total revenues.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The Selection and Diversity Policy of REN establishes the guiding principles followed by REN's Nominations and Appraisals Committee in assisting with the process to identify and select potential candidates for REN's Board of Directors. The responsibilities of the Nominations and Appraisals Committee particularly include drawing up recommendations on the qualifications, knowledge, independence, and professional experience required for members of the Board of Directors under the terms of its Regulations. This Selection and Diversity Policy provides a reference for drawing up and understanding the recommendations issued, without prejudice to the law and the Articles of Association, in particular regarding incompatibilities, independence and conflicts of interest. The aim is thus to ensure compliance with the best

corporate governance practices, embodied in a guiding selection policy that integrates and reconciles individual attributes with diversity requirements (with special focus on gender diversity), as a key driver in the professional development, efficiency and competitiveness of the organization.

(4.1.6) Attach the policy (optional)

REN_Selection and Diversity Policy.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair
☑ Director on board
☑ Board-level committee
☑ Chief Operating Officer (COO)

☑ Chief Executive Officer (CEO)
☑ Chief Financial Officer (CFO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply
☑ Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:
☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply
☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Approving corporate policies and/or commitments
☑ Overseeing reporting, audit, and verification processes
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring supplier compliance with organizational requirements
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Overseeing and guiding public policy engagement
☑ Reviewing and guiding innovation/R&D priorities
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures
☑ Monitoring the implementation of the business strategy

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

REN's Board of Directors (BoD), assisted by the Audit Committee (AC) that comprises three independent board members and Executive Committee (EC), that comprises three members (CEO, CFO and COO), is responsible for overseeing every aspect of REN activities, namely defining, implementing, and overseeing REN business strategies, including environmental and other sustainable aspects, where climate and biodiversity related issues are also included. It includes oversight over targets, policies, and other measures put into place to address environmental issues raised (including climate change and biodiversity) to the board by management, and the progress of these. The board ensures that environmental issues are considered when overseeing strategy, financial planning (e.g. including annual budgets as well as major capital expenditures, acquisitions, and divestitures), and risk management. also, the board has oversight over policy engagement activities relating to environmental issues. REN EC approves the strategic plan which includes the commitment of GHG emissions reduction, and both assess and monitors its implementation. In 2021, REN's BoD formed a Sustainability Committee (SC), whose main objective is the strategic analysis of the evolution of commitments to ESG (Environmental, Social and Governance) objectives (including climate change and other environmental issues), supervision of the respective implementation and decisions on current and new actions within the BoD and EC. This new governance structure is directed at ESG and aims to achieve broader organization in the implementation of the action plan and communication with respect to sustainability. The SC consists of the current three members of the REN EC (CEO, CFO and COO), and two (non-executive) members of the BoD. Several examples of climate-related decisions have been made within the last two years. We issued our first green bond (with a value of 300 million euros), thus taking an important step towards aligning the company's financing and climate strategies. The SC meets at least three times a year, and extraordinarily, whenever convened by its Chairman, at his own initiative or at the request of the Board of Directors or any member of the Sustainability Committee. Last year, REN decided to increase the weight of calculation ESG KPIs in variable remuneration (form 10% to 15%), including a specific KPI related to the reduction of GHG emissions, which reinforces the importance of ESG in top management. The terms of the environmental monetary incentives policies are approved or overseen by the board.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Director on board

☑ Board-level committee

☑ Chief Executive Officer (CEO)

☑ Chief Financial Officer (CFO)

☑ Chief Operating Officer (COO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Approving corporate policies and/or commitments
☑ Overseeing reporting, audit, and verification processes
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring supplier compliance with organizational requirements
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
☑ Overseeing and guiding public policy engagement
☑ Reviewing and guiding innovation/R&D priorities
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures
☑ Monitoring the implementation of the business strategy

(4.1.2.7) Please explain

REN's Board of Directors (BoD), assisted by the Audit Committee (AC) that comprises three independent board members and Executive Committee (EC), that comprises three members (CEO, CFO and COO), is responsible for overseeing every aspect of REN activities, namely defining, implementing, and overseeing REN

business strategies, including environmental and other sustainable aspects, where climate and biodiversity related issues are also included. It includes oversight over targets, policies, and other measures put into place to address environmental issues raised (including climate change and biodiversity) to the board by management, and the progress of these. The board ensures that environmental issues are considered when overseeing strategy, financial planning (e.g. including annual budgets as well as major capital expenditures, acquisitions, and divestitures), and risk management. also, the board has oversight over policy engagement activities relating to environmental issues. REN EC approves the strategic plan which includes the commitment of GHG emissions reduction, and both assess and monitors its implementation. In 2021, REN's BoD formed a Sustainability Committee (SC), whose main objective is the strategic analysis of the evolution of commitments to ESG (Environmental, Social and Governance) objectives (including climate change and other environmental issues), supervision of the respective implementation and decisions on current and new actions within the BoD and EC. This new governance structure is directed at ESG and aims to achieve broader organization in the implementation of the action plan and communication with respect to sustainability. The SC consists of the current three members of the REN EC (CEO, CFO and COO), and two (non-executive) members of the BoD. Several examples of climate-related decisions have been made within the last two years. We issued our first green bond (with a value of 300 million euros), thus taking an important step towards aligning the company's financing and climate strategies. The SC meets at least three times a year, and extraordinarily, whenever convened by its Chairman, at his own initiative or at the request of the Board of Directors or any member of the Sustainability Committee. Last year, REN decided to increase the weight of calculation ESG KPIs in variable remuneration (form 10% to 15%), including a specific KPI related to the reduction of GHG emissions, which reinforces the importance of ESG in top management. The terms of the environmental monetary incentives policies are approved or overseen by the board.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

☑ Course certificate (relating to environmental issues), please specify :Sustainable Energy from MIT; Energy with Environmental Constraints from Harvard

Experience

☑ Executive-level experience in a role focused on environmental issues

☑ Management-level experience in a role focused on environmental issues

☑ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The CEO has the responsibility of defining, overseeing, and coordinating all policies relating to REN's activities (environmental related such as climate and biodiversity), including several environmental responsibilities related to: dependencies, impacts, risks and opportunities; engagement; policies, commitments and targets; strategy and financial planning; other (providing employee incentives related to environmental performance). The CEO is also chairman of the Sustainability committee and of the Executive Committee and reports to REN's Board of Directors whenever necessary and at least every three months.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The CEO has the responsibility of defining, overseeing, and coordinating all policies relating to REN's activities (environmental related such as climate and biodiversity), including several environmental responsibilities related to: dependencies, impacts, risks and opportunities; engagement; policies, commitments and targets; strategy and financial planning; other (providing employee incentives related to environmental performance). The CEO is also chairman of the Sustainability committee and of the Executive Committee and reports to REN's Board of Directors whenever necessary and at least every three months.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Financial Officer (CFO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

REN's CFO is responsible mainly for overseeing risk management policies and financial management, in which climate related risks and green financing opportunities are included, among other environmental responsibilities related to: dependencies, impacts, risks and opportunities; engagement; policies, commitments and targets; strategy and financial planning. The CFO chairs the Risk Committee and is a member of the Sustainability Committee. In addition to the risk management procedure, the REN Investment Plans considers climate change in the cost-benefit analysis. The CFO reports to REN's Board of Directors whenever necessary and at least every three months.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments
☑ Setting corporate environmental targets

Strategy and financial planning
☑ Developing a climate transition plan
☑ Implementing a climate transition plan
☑ Conducting environmental scenario analysis
☑ Managing annual budgets related to environmental issues
☑ Implementing the business strategy related to environmental issues
☑ Developing a business strategy which considers environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ More frequently than quarterly

(4.3.1.6) Please explain

The COO oversees all the aspects that may have an impact on REN's operational activities, including several environmental responsibilities related to: dependencies, impacts, risks and opportunities; engagement; policies, commitments and targets; strategy and financial planning. The COO is also responsible for the implementation of REN's investment plans and is a member of the Sustainability Committee. The COO reports to REN's Board of Directors whenever necessary and at least every three months.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

15

(4.5.3) Please explain

The Remuneration Policy of the Members of the Corporate Bodies preconizes variable remuneration of top management, related to the fulfilment of predefined objectives, based on the KPI indexed to metrics of the strategic plan of REN. REN's strategic plan assumes the compromise of increasing ESG weight in executive management performance metrics. As so, the ew strategic plan 2021-2024 for the REN Group places ESG at the centre of its priorities and foresees that, during this period, REN commits to the strictest ESG standards and to the sustainable development goals of the United Nations. Thus, two KPI were introduced regarding ESG indicators with the intention of guiding management towards the best ESG practices. These indicators were giving a weighting of 15% in 2023 (comparing to the 10% of 2022) and ESG KPIs include a specific KPI related to the reduction of GHG emissions, aligned with disclosed strategic goals.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Board/Executive board

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Reduction in absolute emissions in line with net-zero target

Emission reduction

☑ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The Remuneration Policy of the Members of the Corporate Bodies preconizes variable remuneration of top management, related to the fulfilment of predefined objectives, based on the KPI indexed to metrics of the strategic plan of REN. REN's strategic plan assumes the compromise of increasing ESG weight in executive management performance metrics. As so, the strategic plan 2021-2024 for the REN Group places ESG at the centre of its priorities and foresees that, during this period, REN commits to the strictest ESG standards and to the sustainable development goals of the United Nations. Thus, two KPI were introduced regarding ESG indicators into variable remuneration of the Executive Committee, with the intention of guiding management towards the best ESG practices. ESG KPI have a weight of 15% in the variable component of the Executive Directors remuneration. ESG KPIs include specific KPI related to the reduction of GHG emissions (e.g. performance based on fleet electrification indicators and on the implementation of initiatives aimed at reducing GHG emissions in relation to previously established goals), aligned with recently disclosed strategic goals, such as achieve more than 50% reduction of GHG emissions by 2030 (scope 1 and 2), 25% for scope 3 (by 2030), achieve carbon neutrality by 2040, and 100% of new bonds issued as green bonds.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The remuneration policy has contributed towards the Company's business strategy, its long-term interests and, consequently, its future sustainability. Sustainability is integrated into REN's strategy, so compliance with the strategic plan is also a sustainability KPI; the fact that remuneration has a medium/long-term component and

disincentives from taking on excessive risk contributes to the company's long-term sustainability. The remuneration of the executive directors, including the CEO, contains a fixed component and a variable component. The variable component consists of a parcel, which seeks to remunerate short-term performance, and another with the same objective based on medium/long-term performance. The amount of variable remuneration is determined based on meeting predefined objectives, compliance with KPIs, including ESG indicators, with the purpose of guiding management towards the best environmental, social and good governance practices. ESG KPI have a weight of 15% in the variable component of the Executive Directors remuneration and include specific KPI related to the reduction of GHG emissions, aligned with recently disclosed strategic goals, such as achieve more than 50% reduction of GHG emissions by 2030 (scope 1 and 2), 25% for scope 3 (by 2030), achieve carbon neutrality by 2040, and 100% of new bonds issued as green bonds. Total remuneration must be competitive and equitable and in line with the best practices in Portugal and in Europe, based on objective criteria that reward performance, incorporating a reasonable variable component in relation to the fixed component, without encouraging excessive risk-taking and, fostering the alignment of the executive members' interests with those of the Company.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change
☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(4.6.1.4) Explain the coverage

REN's Sustainability Policy aims to establish the principles of sustainability, in the ESG areas, which guide REN's activities towards a responsible business management model from a long-term perspective. The Policy was developed based on the sustainability lines of action defined by REN, which are aligned with the results of its stakeholder consultation and double materiality analysis. Compliance with the principles contained in the Policy contributes to achieving the Group's business and strategic objectives, in line with its values, vision and mission. In addition, it aims to strengthen contributions to the SDG set by the UN. The Policy is applicable to all REN Group companies, covering all recipients and under the terms and conditions set out in the REN Group Code of Conduct, including employees and members of the governing bodies of REN and companies in which it holds, directly or indirectly, a majority stake in the share capital, more than half of the voting rights or the possibility of appointing at least half of the members of the management or supervisory body, regardless of whether their headquarters are in Portugal or abroad. In line with these guidelines and REN's sustainability lines of action, the Board of Directors commits to apply several principles, namely: i) Energy transition and climate change; ii) Natural capital management; ii) valuing our people; iv) Creating value for stakeholders; v) Responsible governance.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to avoidance of negative impacts on threatened and protected species

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

☑ Commitment to not funding climate-denial or lobbying against climate regulations

☑ Other climate-related commitment, please specify **:**to be a facilitating agent through the integration of renewable energy sources into the energy transmission networks

Social commitments

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to promote gender equality and women's empowerment

☑ Commitment to respect internationally recognized human rights

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

☑ Yes, in line with the Kunming-Montreal Global Biodiversity Framework

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

REN_Sustainability Policy.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Science-Based Targets Initiative (SBTi)

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ UN Global Compact

☑ Other, please specify :Act4Nature

(4.10.3) Describe your organization's role within each framework or initiative

REN is a member of the UN Global Compact and a committed partner, through our high impact accelerator programmes. REN is also a signatory to the principles of the United Nations Global Compact. REN has undertaken several work related to the integration of TCFD recommendations into processes for strategy and management of climate-related risks and opportunities, and in greater depth, in the analysis of climate scenarios, quantification of risks and formulation of adaptation plans. REN had also its near-term GHG emission reduction targets approved by the Science Based Targets Initiative (SBTi). REN is committed to reducing scope 1 2 CO2 emissions by 55.3% by 2030, compared to the reference year of 2019, improving the previous target for reducing emissions. This goal is aligned with REN's strategy and with the most ambitious temperature target set by the Paris Agreement (scenario 1.5C). REN is also committed (and approved by SBTi) to reducing indirect scope 3 emissions by 25% and scope 3 category 11 (use of sold products – gas transmitted) by 42%, both by 2030, based on the reference year of 2021. As part of its commitment to sustainability, REN joined act4nature Portugal, with the aim of strengthening its actions in favour of preserving biodiversity. REN's membership in act4nature Portugal reflects the importance given to the preservation of biodiversity, with it being one of the most relevant environmental descriptors in the evaluation of the possible impacts of our activities. For this reason, the company's performance in this matter is structured according to several lines of action: identifying the impacts of its activity on biodiversity, involving employees, suppliers and service providers, assessing risks and adopting measures to minimise impacts and supporting nature conservation initiatives. The commitments defined under act4nature Portugal enable the consolidation and enhancement of the biodiversity management strategy across all of the company's activities, thus contributing to the promotion of biodiversity and ecosystem services.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

REN_Annual Report 2023_EN.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Voluntary government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

EU transparency register

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

REN's engagement process with policymakers and other institutions regarding action on mitigation and/or adaptation to climate change is achieved with different stakeholders, both at national and international levels. At a national level, REN has always cooperated with the Portuguese Government, namely through the Energy Directorate General and ERSE (the Portuguese Energy Regulatory Body), maintaining a close dialogue in themes related to energy and climate change. REN created in its corporate structure the Cabinet for the European Agenda. This corporate area has as main responsibilities: To monitor developments in the production of energy related legislation by the EU institutions and relevant lobby groups, and analyse and report on their impact to the Group's business; To ensure REN's

updating at the measures taken and to influence developments at international institutions; Centralizing REN's representation in the institutions of the EU and regional fora, ensuring strategic alignment of REN's interests in the several international working groups, such as ENTSO-E and EURELECTRIC.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Regulatory framework for a Plan for biomethane in Portugal

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables
☑ Alternative fuels

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:
☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply
☑ Portugal

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Ad-hoc meetings

☑ Discussion in public forums

☑ Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

REN participated in the Portuguese Biomethane Action Plan 2024-2040 ("BAP"), published 15 March, that establishes a strategy to develop the biomethane market as a sustainable way to reduce greenhouse gas emissions and combat external dependence on natural gas, with the aim of replacing natural gas with biomethane by up to 10% in 2030 and 18.6% by 2040. A strategic vision for the production and consumption of biomethane, with four key objectives: i) decarbonize the gas sector; ii) empower strategic sectors to harness the potential of biogas to implement a domestic biomethane market; iii) onsolidate the development of the national biomethane market as a strategic vector for decarbonization and the bioeconomy and iv) build a sustainable sector from social and environmental perspectives. This relevant as REN Portgás has the aim to improve distribution assets while also enhancing the development of new consumption hubs in order to ensure a fair energy transition, with high resilience, quality of service and integration with the electricity sector. This strategy is based on the national aim of allowing gas distribution infrastructure to act as vehicles for local resources of renewable origin, which can enable industrialization and generate value for the country, where gas distribution infrastructures play a relevant role in implementing national and European directives, on a path to carbon neutrality. Based on this strategy, REN Portgás has launched projects to ensure the compatibility of its infrastructures with 100% of renewable gases, more specifically, hydrogen and biomethane and has invested in several projects to determine the actions necessary to ensure the transmission of gases of renewable origin, biomethane and hydrogen in the infrastructure.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Regulatory framework for a the gas sector - Gas Decarbonization Package

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Alternative fuels

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ Regional

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Portugal

☑ Europe

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

REN has been engaged in the Hydrogen and Decarbonised Gas Market Package’ (gas package). The new package updates the rules for gas network and market operation, aligning the gaseous energy sector with the wider aims of the EU Green Deal and Climate Law. This gas package is the fourth iteration of comprehensive legislation in the sector, following most recently the so-called ‘Third Energy Package’ of 2009. The two components of the package are an update of the Regulation on ‘the internal markets for renewable gas, natural gas and hydrogen’ (Gas Regulation), and an update of the Directive on ‘common rules for the internal markets for renewable gas, natural gas and hydrogen’ (Gas Directive). This relevant as REN Portgás has the aim to improve distribution assets while also enhancing the development of new consumption hubs in order to ensure a fair energy transition, with high resilience, quality of service and integration with the electricity sector. This strategy is based on the national aim of allowing gas distribution infrastructure to act as vehicles for local resources of renewable origin, which can enable industrialization and generate value for the country, where gas distribution infrastructures play a relevant role in implementing national and European directives, on a path to carbon neutrality. Based on this strategy, REN Portgás has launched projects to ensure the compatibility of its infrastructures with 100% of renewable gases, more specifically, hydrogen and biomethane and has invested in several projects to determine the actions necessary to ensure the transmission of gases of renewable origin, biomethane and hydrogen in the infrastructure.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 3

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Working group for planning and operation of power plants based Reduce methane emissions from the gas sector

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Other

☑ International agreement related to climate change adaptation

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ Regional

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Portugal

☑ Europe

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Ad-hoc meetings

☑ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The EU’s methane strategy sets Europe’s ambition that reinforces the EU’s global leadership in the fight against climate change. It aims to stop the avoidable release of methane into the atmosphere and to minimise leaks of methane by fossil energy companies operating in the EU. REN belongs to OGMP 2.0 (Oil and Gas Methane Partnership) and the rules introduced by the regulation include improved measurement, reporting and verification of energy sector methane emissions an immediate reduction in emissions through mandatory leak detection and repair and a ban on venting and flaring practices, which involve the release of methane directly into the atmosphere a methane transparency requirement on imports, collecting information on whether and how exporter countries/companies are measuring, reporting and abating methane emissions, with a view to establish a methane intensity profile of those entities. EU rules on the measurement and reporting of methane emissions build on the Oil and Gas Methane Partnership 2.0 (OGMP 2.0) framework to help understand the exact locations and volumes of methane emitted, allowing a shift from estimates to direct measurements of methane emissions, checked by independent verifiers. The urgency to tackle methane emissions is reflected in the rules on mitigation that aim to deliver reductions soon after the legislation enters into force.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 4

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Working Group for the planning and operation of power plants based on renewable energy sources of ocean origin or location in Portugal

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Electricity grid access for renewables

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Portugal

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Neutral

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

☑ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The Working Group (WG) for the planning and operation of power plants based on renewable energy sources of ocean origin or location, which REN – Rede Eléctrica Nacional, S.A. integrates, presented its report to the members of the Portuguese Government responsible for the areas of the Sea, Energy and Infrastructures, according to the Government's Statement 11 July 2023. The objective is to propose priority areas in the ocean for projects implementation and a development plan for grid and ports infrastructure in regard the complete value chain. The significant increase in interest in the exploration of renewable energy offshore in Portugal, as well as the fostering movement that has been driving the development of renewable energy, which have led the Government to announce that floating offshore wind auctions will be held in 2024.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 5

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Exceptional procedure for allocating grid connection capacity ("Procedure") to High-Demand Zone ("HDZ") in Sines

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Electricity grid access for renewables

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Portugal

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

☑ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The territorial area of Sines served by the Portuguese National Electricity Transmission Grid (by REN), associated with the current Sines substation, as a High-Demand Zone ("HDZ") subject to the exceptional procedure for allocating grid connection capacity ("Procedure"). New exceptional procedure for allocating connection capacity to the Very High Voltage Transmition Network for electricity consumption facilities in areas of high demand and it aims to boost the conditions of access to the network necessary for new strategic industrial investments in mainland of Portugal which may comprise five phases: (i) expression of interest and determination of unused capacity; (ii) determination of demand; (iii) provision of a security deposit; (iv) provision and assignment of capacity and assessment of demand; and (v) auction for the allocation of available capacity.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 6

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Grid Codes and European Resource Adequacy Assessment

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Electricity grid access for renewables

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Portugal

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

☑ Participation in working groups organized by policy makers

☑ Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The ERAA (European Resource Adequacy Assessment) is a pan-European monitoring assessment of power system resource adequacy of up to 10 years ahead. The ERAA is a leap forward in system modelling and is led by ENTSO-e who REN belongs and participate activley.It is based upon state-of-the-art methodologies and probabilistic assessments, aiming to model and analyse possible events which can adversely impact the balance between supply and demand of electric power. It will be an important element for supporting qualified decisions by policy makers on strategic matters such as the introduction of capacity mechanisms (CMs).

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ GRI

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Value chain engagement

☑ Dependencies & Impacts

☑ Biodiversity indicators

☑ Emissions figures
☑ Risks & Opportunities
☑ Public policy engagement
☑ Content of environmental policies

(4.12.1.6) Page/section reference

Please find all content and pages/section reference on REN's Annual Report 2023: Strategy & Risk management: pages 75-97; Governance: pages 98-112; Risks & Opportunities: pages 92-94; 426-428; 510; 498-502; Emission figures & targets: 186-197; Biodiversity indicators: 206-212; Value chain engagement: 124-133; Other: all over the report.

(4.12.1.7) Attach the relevant publication

REN_Annual Report 2023_EN.pdf

(4.12.1.8) Comment

Please find all content and pages/section reference on REN's Annual Report 2023: Strategy & Risk management: pages 75-97; Governance: pages 98-112; Risks & Opportunities: pages 92-94; 426-428; 510; 498-502; Emission figures & targets: 186-197; Biodiversity indicators: 206-212; Value chain engagement: 124-133; Other: all over the report.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios
☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:
☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

☑ Consumer attention to impact

Regulators, legal and policy regimes

☑ Global regulation

☑ Political impact of science (from galvanizing to paralyzing)

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Employing TCFD recommendations to model physical impacts, REN based the analysis on the scenarios developed by the IPCC. To model impacts of the transition to a low carbon economy, the scenarios developed by the International Energy Agency (IEA) were consulted. While these sources provided the main reference points, they were not exclusive or unique. In terms of the trajectory for temperature increase, two main scenarios were considered (increase of 1,5ºC or lower and increase of 4,0ºC or above). Relating the sources/scenarios with the trajectories, REN defined the following scenarios: an increase of 1.5ºC (decarbonization scenario - Go Green) and an increase of 4.0ºC (fossil fuel scenario – Business as Usual), aligned with the main references: IEA-WEO (Net zero [1,5ºC] and STEPS [4ºC]); IPCC (RCP/ SSP-2.6 [1.5ºC] and RCP/ SSP-8.5 [4ºC]). With respect to timelines, whenever possible, the diagnosis of climate risks and opportunities analysed the current timeline (2030), the medium term (2030) and the long term (2050). The above-mentioned scenarios provide a better understanding of climate impacts for REN under two possible distinct future frameworks: • an ambitious reduction in GHG emissions, through political drivers (e.g., climate regulation and legislation), technological, reputational, and behavioural drivers, where the main climate risks of transition have greater preponderance; and • a situation where there is little consensus on climate policies to reduce emissions, little pressure or interest from consumers or other stakeholders, and slow technological development, resulting in higher GHG emissions where physical (acute and chronic) climate risks are clearly evident. Scenario analysis With respect to projections, REN also analysed

possible ways to reduce CO2 emissions based on the evolution of Public Policy. This is achieved in the scenarios set out in the National Energy and Climate Plan (PNEC 2030), the Electricity and Gas Supply Security Monitoring Reports, and REN initiatives. The analysis included three different time horizons: current (2023), medium-term (2030) and long-term (2050) and revealed that REN faces potential impacts associated with physical risks arising from the effects of climate change on our activity due to extreme weather conditions and also transition risks related to policy/legal/regulation.

(5.1.1.11) Rationale for choice of scenario

Employing TCFD recommendations to model physical impacts, REN based the analysis on the scenarios developed by the IPCC. To model impacts of the transition to a low carbon economy, the scenarios developed by the International Energy Agency (IEA) were consulted. While these sources provided the main reference points, they were not exclusive or unique. In terms of the trajectory for temperature increase, two main scenarios were considered (increase of 1,5ºC or lower and increase of 4,0ºC or above). Relating the sources/scenarios with the trajectories, REN defined the following scenarios: an increase of 1.5ºC (decarbonization scenario - Go Green) and an increase of 4.0ºC (fossil fuel scenario – Business as Usual), aligned with the main references: IEA-WEO (Net zero [1,5ºC] and STEPS [4ºC]); IPCC (RCP/ SSP-2.6 [1.5ºC] and RCP/ SSP-8.5 [4ºC]). With respect to timelines, whenever possible, the diagnosis of climate risks and opportunities analysed the current timeline (2030), the medium term (2030) and the long term (2050). The above-mentioned scenarios provide a better understanding of climate impacts for REN under two possible distinct future frameworks: • an ambitious reduction in GHG emissions, through political drivers (e.g., climate regulation and legislation), technological, reputational, and behavioural drivers, where the main climate risks of transition have greater preponderance; and • a situation where there is little consensus on climate policies to reduce emissions, little pressure or interest from consumers or other stakeholders, and slow technological development, resulting in higher GHG emissions where physical (acute and chronic) climate risks are clearly evident. Scenario analysis With respect to projections, REN also analysed possible ways to reduce CO2 emissions based on the evolution of Public Policy. This is achieved in the scenarios set out in the National Energy and Climate Plan (PNEC 2030), the Electricity and Gas Supply Security Monitoring Reports, and REN initiatives. The analysis included three different time horizons: current (2023), medium-term (2030) and long-term (2050) and revealed that REN faces potential impacts associated with physical risks arising from the effects of climate change on our activity due to extreme weather conditions and also transition risks related to policy/legal/regulation.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

☑ Consumer attention to impact

Regulators, legal and policy regimes

☑ Global regulation

☑ Political impact of science (from galvanizing to paralyzing)

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Employing TCFD recommendations to model physical impacts, REN based the analysis on the scenarios developed by the IPCC. To model impacts of the transition to a low carbon economy, the scenarios developed by the International Energy Agency (IEA) were consulted. While these sources provided the main reference points, they were not exclusive or unique. In terms of the trajectory for temperature increase, two main scenarios were considered (increase of 1,5ºC or lower and increase of 4,0ºC or above). Relating the sources/scenarios with the trajectories, REN defined the following scenarios: an increase of 1.5ºC (decarbonization scenario - Go Green) and an increase of 4.0ºC (fossil fuel scenario – Business as Usual), aligned with the main references: IEA-WEO (Net zero [1,5ºC] and STEPS [4ºC]); IPCC (RCP/ SSP-2.6 [1.5ºC] and RCP/ SSP-8.5 [4ºC]). With respect to timelines, whenever possible, the diagnosis of climate risks and opportunities analysed the current timeline (2030), the medium term (2030) and the long term (2050). The above-mentioned scenarios provide a better understanding of climate impacts for REN under two possible distinct future frameworks: • an ambitious reduction in GHG emissions, through political drivers (e.g., climate regulation and legislation),

technological, reputational, and behavioural drivers, where the main climate risks of transition have greater preponderance; and • a situation where there is little consensus on climate policies to reduce emissions, little pressure or interest from consumers or other stakeholders, and slow technological development, resulting in higher GHG emissions where physical (acute and chronic) climate risks are clearly evident. Scenario analysis With respect to projections, REN also analysed possible ways to reduce CO2 emissions based on the evolution of Public Policy. This is achieved in the scenarios set out in the National Energy and Climate Plan (PNEC 2030), the Electricity and Gas Supply Security Monitoring Reports, and REN initiatives. The analysis included three different time horizons: current (2023), medium-term (2030) and long-term (2050) and revealed that REN faces potential impacts associated with physical risks arising from the effects of climate change on our activity due to extreme weather conditions and also transition risks related to policy/legal/regulation.

(5.1.1.11) Rationale for choice of scenario

Employing TCFD recommendations to model physical impacts, REN based the analysis on the scenarios developed by the IPCC. To model impacts of the transition to a low carbon economy, the scenarios developed by the International Energy Agency (IEA) were consulted. While these sources provided the main reference points, they were not exclusive or unique. In terms of the trajectory for temperature increase, two main scenarios were considered (increase of 1,5ºC or lower and increase of 4,0ºC or above). Relating the sources/scenarios with the trajectories, REN defined the following scenarios: an increase of 1.5ºC (decarbonization scenario - Go Green) and an increase of 4.0ºC (fossil fuel scenario – Business as Usual), aligned with the main references: IEA-WEO (Net zero [1,5ºC] and STEPS [4ºC]); IPCC (RCP/ SSP-2.6 [1.5ºC] and RCP/ SSP-8.5 [4ºC]). With respect to timelines, whenever possible, the diagnosis of climate risks and opportunities analysed the current timeline (2030), the medium term (2030) and the long term (2050). The above-mentioned scenarios provide a better understanding of climate impacts for REN under two possible distinct future frameworks: • an ambitious reduction in GHG emissions, through political drivers (e.g., climate regulation and legislation), technological, reputational, and behavioural drivers, where the main climate risks of transition have greater preponderance; and • a situation where there is little consensus on climate policies to reduce emissions, little pressure or interest from consumers or other stakeholders, and slow technological development, resulting in higher GHG emissions where physical (acute and chronic) climate risks are clearly evident. Scenario analysis With respect to projections, REN also analysed possible ways to reduce CO2 emissions based on the evolution of Public Policy. This is achieved in the scenarios set out in the National Energy and Climate Plan (PNEC 2030), the Electricity and Gas Supply Security Monitoring Reports, and REN initiatives. The analysis included three different time horizons: current (2023), medium-term (2030) and long-term (2050) and revealed that REN faces potential impacts associated with physical risks arising from the effects of climate change on our activity due to extreme weather conditions and also transition risks related to policy/legal/regulation.
[Add row]

(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

As a strategic energy infrastructure concessionaire tasked with achieving public policy objectives, REN is fully aware of and maps the challenges and uncertainties which could impact on business, more specifically, those arising from climate-related risks and opportunities. Given the current environment and the relevance of the topic, REN identified, characterized, prioritized and quantified the most relevant climate-related risks and opportunities. The need for considerable investment in infrastructure is an opportunity, however, current or future regulation which places constraints on the use of such assets and extreme weather events constitute general risks. Accordingly, REN works with the aim of being able to face both the physical changes associated with climate parameters (physical risks) and other changes (e.g., political, technological, reputational) associated with the fight against climate change (transition risks). The climate-related scenario analysis showed that REN faces potential impacts associated to physical risks from the effects of climate change on its business, including extreme weather, as well as potential impacts related to transition risks, associated with the shift to a low-carbon economy including future policies and regulations. The increasing frequency and severity of impact of extreme weather events (strong winds, floods and extreme precipitation and freezing rain could impact REN, particularly with damage to its assets and infrastructures and financially impacting REN through increased operating costs (OPEX). Also, severe increases in temperature cause changes in the properties of conductors, reducing their electrical transport capacity, leading to a potential increase in the risk of fires in REN lines and in technical installations (e.g. electrical substations, gas regulation and measurement stations and storage gas underground), with consequences in terms of repair costs and putting the quality and security of supply at risk. There is a growing trend towards an increase in the frequency of forest fires as a result of climate change (e.g. reduced relative humidity and/or drier climate, vegetation under water stress, etc.). As a large part of REN's activities are present in Portugal, and some of them are present in forest areas, REN may incur financial impacts in the future, similar to what happened in the last decade. Of note, from a risk perspective, is the emergence of new regulations to reduce the carbon footprint of equipment and/ or good practices in terms of operation and maintenance, such as the recent F-gas Agreement. This agreement between the European Parliament, the European Council and the European Commission seeks to reduce the use of fluorinated gases in electricity transmission network infrastructure, with the goal of eliminating sulphur hexafluoride (SF6) as an insulating gas. Changes in regulations, mainly related to the use of sulfur hexafluoride - SF_6 may represent a risk for REN. SF_6 is a gas used as an electrical insulator (dielectric) in various high and very high voltage equipment. It has a very high GWP (22,800 times that of CO_2), and there is a proposal to gradually eliminate it in all new equipment for transporting electricity by 2031, in accordance with European legislation. It is expected that, in 2028, the European Commission will launch legislation that requires that new equipment that is acquired later does not contain SF6. In the area of gas, ever more demanding guidelines are being seen regarding the reduction of methane emissions.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

REN's sustainability strategy is intrinsically linked to fulfilling REN's mission of being an active agent in the energy transition. We are committed to creating sustainable value and making a tangible positive impact, both in communities and the ecosystems surrounding us and REN is guided by the vision of building a greener and more resilient future. Being a facilitator by integrating renewable energy sources into the grids while maintaining a commitment to a secure supply and decarbonization of its activities. REN is fully committed to several government projects as part of the National Energy and Climate Plan 2030. REN reported an increase of 45% in the average annual Capex (domestic and international) in the 2021/2024 period (compared to 2018/ 20), exceeding 900 million euros. In the Capital Markets Day 2024 REN communicate that will set-up our investment up to 70% annual average investment (2024-2027) versus 2021-2023 cycle. This total amount will be invested in the connection to the Renewable Energy Sources (RES) project network, reinforcement of the National Transmition Network with respect to the shutting down of production at the Sines coal-fired thermal power plant, reinforcement of the interconnection capacity between Portugal and Spain and in strengthening the quality and resilience of the current electricity network and in making the gas network compatible with the injection of gases from renewable sources. Regarding the National Gas System, REN has continued the technical studies started in 2022 under the H2REN programme, where five million euros has already been invested in the Asset Compliance Programme, that will enable the certification of the gas transmission and distribution infrastructure to carry hydrogen. This certification identifies the adaptations and investment required that will enable the injection of up to 10% hydrogen mixed with natural gas in the National Gas Transmission Network (RNTG) and up to 20% in the distribution network operated by REN Portgás. In terms of adaptation, REN addressed the initiatives in infrastructures to climate change and considered new infrastructure projects that aim to adjust their functionality to risk factors and make them less vulnerable to extreme weather phenomena such as those that have occurred in recent years in mainland Portugal.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ Our climate transition plan is voted on at Annual General Meetings (AGMs)

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

The main assumptions and dependencies is the implementation of the targets of National Energy and Climate Plan and the correspondent investments. Comprehensive revision and implementation of Member States' National Energy and Climate Plans (NECP) will play a key role in achieving higher climate and energy ambition in the EU by 2030. The NECPs need to be further update to guarantee alignment, allowing the implementation of the EU's higher climate and energy ambition. In Portugal, it is important to note the publication of the National Electric System (NES) Law and the Regulations for the activities of the National Gas System (SNG), the National Transmission and Distribution Network, the Liquefied Natural Gas (LNG) Reception, Storage and Regasification Terminal and the Underground Gas Storage in Natural Saline Formations. It is worthwhile to mention the approval of measures to simplify procedures for the production and storage of energy from renewable sources (RES). The Portuguese authorities have been working on the revision of NECP for submission by 2024 focused on higher climate and energy ambition and increased the target for electricity installed capacity (40GW and 85% of RES in the consumption in 2030). REN will further enhance and expand the electricity and gas grid in Portugal, recognizing its critical role. In electricity side for example it is important enhancing the ability to manage flexibility by developing innovative solutions and advanced grid planning to reduce curtailment. In gas infrastructure REN is committed to be ready to enable green hydrogen and biomethane ramp-up. We are taking concrete steps to address and mitigate risks (i) reinforcement of procurement long-term strategic agreements for 2026 onwards (ii) lean tendering processes to ease pressure on suppliers (iii) forward-looking, inflation-indexed contracts to reserve critical materials and equipment (iv) engaging with key stakeholders to address issues and streamline processes.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

RES capacity in the mainland Portugal National Electricity System, compared to total power installed, grew by 2 p.p. (from 77% (2021) to 79% (2023)), corresponding to an increase of 2,208 MW, thus showing significant development in the decarbonization of the Electricity System. The emission factor from electricity transmitted in the RNT, through power produced in mainland Portugal and imports from mainland Spain, has also seen a significant reduction in the last five years (-58%, evolving from 213 gCO2/ kWh in 2019 to 90 gCO2/ kWh in 2023). REN has a huge contribution to this pathway - sustainable trajectory in the gradual incorporation of endogenous renewable sources, with new maximum values recorded in 2023. In Gas side, REN started the development of the H2G Backbone project under the H2 Green Valley agenda, an application approved as part of the Recovery and Resilience Plan. The main objective of the project is to create a shared access infrastructure for producers and consumers of 100% green hydrogen in the Sines region, enhancing the development of the first hub of this type in Portugal and the continue to conduct studies of asset compliance to allow the injection of hydrogen in existent infrastructure. REN has a phased programme to install photovoltaic and thermal self-consumption power units, both in electricity as well as gas infrastructure. In 2023, important projects were completed for the installation of photovoltaic (in Sines and Ermesinde with total installed power of 1.25 MW) and thermal solar in three GRMS (0.3 MW). Also in 2023, construction of another photovoltaic project started in Riba de Ave (2 MW), and solar thermal at four more GRMS (0.5 MW). REN in CMD Capital Markets Day 2024 commit to the commissioning of a total of 15 MW by 2030. Respect of decarbonization of mobility the process is ongoing renewal and electrification of the fleet (BEV Battery Electric Vehicles and PHEV - Plug in Hybrid Electric Vehicles) stood at 49% at the end of 2023. This represents a growth of 15 p.p. over 2022 (34%), which combined with the development of charging infrastructure. REN recognizes the growing challenges faced by the supply chain with respect to ESG issues and we are fully committed to helping address these challenges and seek to play a training and leadership.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

REN_Annual Report 2023_EN.pdf,REN_Capital Markets Day 2024.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate change risks and opportunities have influenced our strategy, namely our products/services. REN acknowledges that, as a transmission system operator (TSO), its responsibility in tackling climate change is a subject that must be considered when developing its strategy for the development of the National Transmission Grid (RNT), constituting one of the main drivers associated to the grid's expansion. Although REN is not responsible for the energy production, our indirect emissions, especially emissions related to transmission losses, which represented most of our emissions, are much dependent from our activities and management. REN's main role in contributing to a cleaner energy model that tackles the effects of climate change is to be a sufficiently flexible energy transmission system operator for easy incorporation of renewable sources. In accordance with legislation in force, REN is required to prepare and deliver to the Directorate-General for Energy and Geology and the Energy Services Regulatory Authority the new proposals for the Development and Investment Plan for the National Transmission Network, Storage Infrastructures and Gas Terminals and for the Development and Investment Plan for the Electricity Transmission Network, for the 2024-2033 period. On that respect, climate change and sustainability criteria in general, are considered on the cost benefit analysis of the Investment Plan and as a critical decision factor. The other assessment criterion is the network and infrastructure adaptive capability such as transport and network vulnerability to exceptional climatic events and prevention mechanisms associated with exceptional climatic events. REN's is aware of the possible consequences that climate change can produce to its assets, reason why it dedicates resources and time to understand and forecast the implications of these risks and implement mitigation and adaptation measures starting by new design guidelines. The drawing up of these plans requires the Environmental Impact Assessment that is a preventive instrument by nature and is based on conducting studies and consultations, with effective public participation and analysis of possible alternatives, identification, and forecasting of the environmental effects of certain projects and the proposing of measures to avoid, minimize or compensate such effects. The aims are to reach a decision on the feasibility of implementing such projects along with a respective post-assessment.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate change risks and opportunities have influenced our strategy, namely our value chain. REN always considered climate risks and opportunities in the strategy of upstream/downstream value chain. REN recognizes that knowledge of our suppliers and partners can be decisive in the effective management of associated risks. As such, REN ranks suppliers on different levels, breaking them down into type, size and geographical location and in addition to a supplier's maturity study in terms of ESG and the new Supplier Code of Conduct where ESG topics were extended. REN has also promoted a series of alignment and awareness meetings on the need to reduce the carbon footprint of the supply chain. Last year, the company launched the new REN supplier management platform: SOURCE 360º, which seeks to meet the growing need to consolidate knowledge on partners and provide support for decision-making and risk management. Source 360º is a single platform containing all the useful information on REN's partners, including economic financial and compliance data, as well as relevant technical information, depending on the criticality of the category in the current supplier risk management model. This platform guarantees that Group practices are standardized with all suppliers, ensuring the traceability of processes, as well as greater efficiency in information management. With this engagement REN intends to positively influence its suppliers, improving and developing their performance and, indirectly, REN's performance in terms of GHG emissions. In 2023, 21 awareness raising sessions were held involving more than 70 companies from the different categories of REN purchases, representing more than 70% of REN's annual purchasing. Around 200 people (internal and external) participated in these sessions. In addition to sessions with suppliers on the "the challenge of sustainability at organizations and its importance in contract management" with the aim of engaging and raising awareness with respect to their role in achieving REN objectives, individual sessions with the main suppliers were also held. These sessions served to analyse their proposed roadmap to achieve decarbonization. Finally, an information session was also held with the aim of addressing issues such as SBT and Environmental Product Declarations (EPD), the main ratings, benchmarks and ESG guidelines, the circular economy, natural capital, and sustainable purchasing. Also, during the year, the procedure for reporting by suppliers of primary data (to calculate GHG emissions) resulting from the provision of services or supply of goods/ equipment was published and is now compulsory in procurement processes.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate change risks and opportunities have influenced our strategy, namely our investment in R&D. In line with its mission, the Energy Research Centre, REN-State Grid, SA (R&D NESTER), where the REN Group has a 50% stake, has focused its work on the research, development, demonstration, and innovation of new solutions in energy systems, while also taking into account the creation of sustained value for its shareholders. R&D Nester maintains a vast portfolio of Research, Development and Innovation projects of different types, sizes, and objectives, which cover sector requirements and are in line with the European strategic priorities of decarbonizing the economy and energy transition. The Energy Research Centre was recognized by the Portuguese Government as a suitable entity in terms of R&D for solutions in the field of energy networks. Projects underway cover several areas of research such as: Network Planning, Flexibility, Storage, Renewable Production Forecasting, TSO/DSO Grid operators, digitization, Markets and integration of electricity with other sectors such as gas, hydrogen and mobility and data analytic. In 2023, the R&D Nester project portfolio consisted of around 13 projects, developed internally and/ or in close collaboration with the Scientific System (universities), other R&D Centres, industrial partners and other sector entities, both nationally as well as internationally. REN also has an Operational Innovation Area that manages a portfolio of more than 20 Research, Development and Innovation projects. Projects that have different scopes and impact, both in gas and electricity activities. Although a greater number of projects relate to electricity transmission, it is expected that the number of projects in the field of gas will increase due to the extensive transformation that this sector is expected to undergo with the introduction of hydrogen and renewable gases into the infrastructure. The REN Innovation Programme, more than just a series of initiatives, this programme has its own identity – "RENenergy for tomorrow", aligned with the organization's values and innovation strategy, focusing on the culture of innovation, value creation and connection with the ecosystem. In 2023 it was concluded the The GIFT project, an innovation action to decarbonize the energy mix of European islands. Several innovative solutions were developed to increase the penetration rate of renewable energy sources in the network, thus reducing greenhouse gas emissions directly related to energy production and use. The consortium brought together 17 partners from 7 countries, including an industrial partner, nine small and medium-sized enterprises, two municipalities, three research centres and two universities. The aim of this consortium was to provide sustainable solutions with solid market acceptance along with plans to disseminate these solutions on a wide-ranging basis, as well as replicate them on all relevant islands both inside and outside the EU.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate change risks and opportunities have influenced our strategy, namely our operations. REN's strategy of action for sustainability reflects the Group's commitment to sustainability. The ESG commitments include, among others, a 55.3% reduction of our scope emissions 1 and 2 by 2030, a 25% reduction of our scope emissions 3 by 2030, a carbon neutrality by 2040 and 100% of new bonds issued as green bonds. REN aligned to the Hydrogen National Strategy is working to implement the objective of the H2 network representing between 1 and 5% in 2025 and at least 10% in 2030. Moreover, with regard to methane emission reductions, of note is our participation in the OGMP (Oil & Gas Methane Partnership) and the target set to reduce methane emissions by at least 30% in 2025, comparing to 2018. Regarding the decarbonization of infrastructure, at REN, we play the role of facilitators in the energy transition, recognizing that it is vital to maximize gas and electricity infrastructure to achieve the targets set by the national energy policy. In the last three years, from 2021 to 2023, RES capacity in the Mainland Portugal National Electricity System, compared to total power installed, grew by 2 p.p. (from 77% to 79%), corresponding to an increase of 2,208 MW see 1.2 Electricity. The emission factor from electricity transmitted in the RNT, through power produced in mainland Portugal and imports from mainland Spain, has also seen a significant reduction in the last five years (from 213 gCO2/ kWh in 2019 to 90 gCO2/ kWh in 2023). Regarding the National Gas System, REN has continued the technical studies under the H2REN programme, where five million euros has already been invested in the Asset Compliance Programme, that will enable the certification of the gas transmission and distribution infrastructure to carry hydrogen. This certification identifies the adaptations and investment required that will enable the injection of up to 10% hydrogen mixed with natural gas in the National Gas Transmission Network (RNTG) and up to 20% in the distribution network operated by REN Portgás. Regarding the decarbonization of mobility, the ongoing renewal and electrification of the fleet (BEV Battery Electric Vehicles and PHEV - Plug in Hybrid Electric Vehicles) stood at 49% at the end of 2023. This represents a growth of 15 p.p. over 2022 (34%), which combined with the development of charging infrastructure will allow the emissions per kilometre travelled to be gradually reduced. Regarding the decarbonization of administrative buildings, technical facilities, and infrastructure REN has a phased programme to install photovoltaic and thermal self-consumption power units (UPAC), both in electricity as well as gas infrastructure. In 2023, important projects were completed for the installation of photovoltaic UPAC (in Sines and Ermesinde with total installed power of 1.25 MW) and thermal solar in three GRMS (0.3 MW).
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Direct costs

☑ Indirect costs

☑ Capital expenditures

☑ Access to capital

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Climate change R&O have affected our financial planning. Climate change presents an opportunity in the company's financing strategy, given its sustainability profile and performance. Significant work was carried out to ensure several green bond issuing. This possibility reflects the alignment of the company's financial strategy with the company's sustainability strategy, based on the 17 SDG and demonstrates the company's commitment to environmental, social and governance issues. Access to capital: the first issue of Green Bonds took place, at a fixed rate, with a value of 300 million euros and maturity in 2029. Through this issue of green debt, REN took an important step towards aligning the company strategies of financing and sustainability. REN also has the commitment of 100% of new bonds issued as green bonds. On February 2024, REN issued again green bonds, in the amount of 300,000 thousand euros, with a maturity of 8 years and a yield of 3.614% equivalent to the 8-year mid swap rate plus 90 bps. The issue is carried out within the scope of the REN's Green Finance Framework and reflects the alignment of the Group's financing and sustainability policies. Revenues/turnover/capex: given the current state of development of the Taxonomy Regulation, which is geared toward more carbon-intensive industries, REN has measured the proportion of its economic activities that are eligible under the taxonomy. In this sense, 66.2% of turnover (651.8 m), 84.7% of CAPEX (301.5 m) and 70.7% of OPEX (17.1 m) are taxonomy eligible. We will invest 1.5-1,7 bn in the cycle 2024-27 for enabling the energy transition, enabling the integration of additional renewable energy capacity into the system and accelerating its decarbonization. REN's strategy of action for sustainability reflects the Group's commitment to sustainability. In 2022, the reinforcement of our Environmental, Social and Governance (ESG) commitments continue to be a REN's main goal. These commitments include our goals to achieve, among others, a 55.3% reduction of our emissions 1 and 2 by 2030, a 25% reduction of our emissions 3 by 2030, a carbon neutrality by 2040 and 100% of new bonds issued as green bonds. REN aligned to the Hydrogen National Strategy is working to implement the objective of the H2 network representing between 1 and 5% in 2025 and at least 10% in 2030.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☑ Yes	*Select all that apply* ☑ A sustainable finance taxonomy	*Select from:* ☑ At the organization level only

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:

☑ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

426741524

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

65

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

65

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

65

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

66

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

34

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

During fiscal 2021, REN released a detailed analysis on the compliance of our operations with EU climate targets. In 2022, we extended this assessment to include three key aspects: Substantial contribution to climate change mitigation; observance of the 'Do No Significant Harm' criteria (DNSH); and compliance with the established minimum safeguards. In fiscal year 2023, REN reassessed the the Climate Delegated Act and conducted an assessment of the Environmental Delegated Act, to identify which of our economic activities could be considered eligible. Regarding the Climate Delegated Act, the analysis was carried out for the purpose of mitigating climate change. The overall result obtained was as follows: Mitigation 4.9 - Transmission and distribution of electricity: REN operates the RNT that

connects producers to consumption centres at very high voltage, covering the entirety of mainland Portugal and with interconnections to the Spanish network. Mitigation 4.14 - Transmission and distribution networks for renewable and low-carbon gases: REN has a series of projects to adapt the gas transmission and storage infrastructure to hydrogen. Mitigation 6.5 - Transport by motorbikes, passenger cars and light commercial vehicle: Investment associated with the mobile fleet (light vehicles, mostly electric and/ or hybrid vehicles). Mitigation 7.4 - Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings): Investment associated with the installation of charging systems to support REN's electric mobility. Mitigation 7.6 - Installation, maintenance and repair of renewable energy technologies: Investments made in the acquisition and installation of panels to produce electrical and thermal power. Mitigation 8.1- Data processing, hosting and related activities: Through RENTELECOM, housing services are provided at the datacenters of Lisbon, Sacavem, Ermesinde and Riba de Ave. The proportion of turnover is calculated as the part of annual net turnover derived from products or services, including intangibles, associated with taxonomy-aligned economic activities (numerator) divided by net turnover (denominator) as defined in Article 2(5) of Directive 2013/34/EU. The turnover shall cover the revenue recognised pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008. In 2023, the denominator for the proportion of turnover consists of our total sales and services as presented in the consolidated income statement, excluding construction income on concession assets. The numerator corresponds to the amount of the denominator resulting from taxonomy aligned economic activities.

Row 2

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

250217379

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

83

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

83

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

83

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

85

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

15

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

During fiscal 2021, REN released a detailed analysis on the compliance of our operations with EU climate targets. In 2022, we extended this assessment to include three key aspects: Substantial contribution to climate change mitigation; observance of the ‘Do No Significant Harm’ criteria (DNSH); and compliance with the established minimum safeguards. In fiscal year 2023, REN reassessed the the Climate Delegated Act and conducted an assessment of the Environmental Delegated Act, to identify which of our economic activities could be considered eligible. Regarding the Climate Delegated Act, the analysis was carried out for the purpose of mitigating climate change. The overall result obtained was as follows: Mitigation 4.9 - Transmission and distribution of electricity: REN operates the RNT that

connects producers to consumption centres at very high voltage, covering the entirety of mainland Portugal and with interconnections to the Spanish network. Mitigation 4.14 - Transmission and distribution networks for renewable and low-carbon gases: REN has a series of projects to adapt the gas transmission and storage infrastructure to hydrogen. Mitigation 6.5 - Transport by motorbikes, passenger cars and light commercial vehicle: Investment associated with the mobile fleet (light vehicles, mostly electric and/ or hybrid vehicles). Mitigation 7.4 - Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings): Investment associated with the installation of charging systems to support REN's electric mobility. Mitigation 7.6 - Installation, maintenance and repair of renewable energy technologies: Investments made in the acquisition and installation of panels to produce electrical and thermal power. Mitigation 8.1- Data processing, hosting and related activities: Through RENTELECOM, housing services are provided at the datacenters of Lisbon, Sacavem, Ermesinde and Riba de Ave. The proportion of capital expenditure is defined as taxonomy-aligned Capex (numerator) divided by total Capex (denominator). Pursuant to the Delegated Act under Article 8 of the taxonomy, total Capex consists of the value of additions to tangible and intangible assets during the year, including business combinations, before considering depreciation, amortization and any re-measurements, including those resulting from revaluations and impairments, and excluding fair value changes. Additions of fixed tangible assets (IAS 16), fixed intangible assets (IAS 38), right-of-use assets (IFRS 16), investment property (IAS 40) and biological assets (IAS 41) are included. Goodwill additions are not included. The numerator corresponds to the portion of capital expenditure included in the denominator that: a) Is related to assets or processes associated with taxonomy-aligned economic activities; b) Is part of a plan to expand taxonomy-aligned economic activities or allow taxonomy eligible economic activities to become taxonomy-aligned; or c) Is related to the purchase of output from taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, provided that these measures are implemented and operational within 18 months. In 2023, the denominator of our Capex KPI consisted of total annual additions to tangible and intangible fixed assets, including right-of-use assets.

Row 3

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:

☑ OPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

12065316

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

71

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

71

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

71

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

71

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

29

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

During fiscal 2021, REN released a detailed analysis on the compliance of our operations with EU climate targets. In 2022, we extended this assessment to include three key aspects: Substantial contribution to climate change mitigation; observance of the ‘Do No Significant Harm’ criteria (DNSH); and compliance with the

established minimum safeguards. In fiscal year 2023, REN reassessed the the Climate Delegated Act and conducted an assessment of the Environmental Delegated Act, to identify which of our economic activities could be considered eligible. Regarding the Climate Delegated Act, the analysis was carried out for the purpose of mitigating climate change. The overall result obtained was as follows: Mitigation 4.9 - Transmission and distribution of electricity: REN operates the RNT that connects producers to consumption centres at very high voltage, covering the entirety of mainland Portugal and with interconnections to the Spanish network. Mitigation 4.14 - Transmission and distribution networks for renewable and low-carbon gases: REN has a series of projects to adapt the gas transmission and storage infrastructure to hydrogen. Mitigation 6.5 - Transport by motorbikes, passenger cars and light commercial vehicle: Investment associated with the mobile fleet (light vehicles, mostly electric and/ or hybrid vehicles). Mitigation 7.4 - Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings): Investment associated with the installation of charging systems to support REN's electric mobility. Mitigation 7.6 - Installation, maintenance and repair of renewable energy technologies: Investments made in the acquisition and installation of panels to produce electrical and thermal power. Mitigation 8.1- Data processing, hosting and related activities: Through RENTELECOM, housing services are provided at the datacenters of Lisbon, Sacavem, Ermesinde and Riba de Ave. The proportion of operating expenditure is defined as taxonomy aligned Opex (numerator) divided by total Opex: (denominator). Pursuant to Article 8 of the taxonomy, total Opex consists of direct non-capitalized costs during the year that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and other direct expenditures relating to the day-today servicing of tangible fixed assets necessary to ensure the continued and effective functioning of such assets. The numerator corresponds to the portion of operating expenditure included in the denominator that: a) Is related to assets or processes associated with taxonomy-aligned economic activities, including training and other human resources adaptation needs b) Is part of a plan to expand taxonomy aligned economic activities or to enable taxonomy-eligible economic activities to become taxonomy-aligned; or c) Is related to the purchase of output from taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, provided that these measures are implemented and operational within 18 months. In 2023, our Opex KPI denominator includes 17.1 million Euros in maintenance and repair expenditure, recognized in accordance with the accounting policy.
[Add row]

(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Row 1

(5.4.2.1) Economic activity

Select from:

☑ Transmission and distribution of electricity

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☑ Taxonomy-aligned

[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

The proportion of turnover is calculated as the part of annual net turnover derived from products or services, including intangibles, associated with taxonomy-aligned economic activities (numerator) divided by net turnover (denominator) as defined in Article 2(5) of Directive 2013/34/EU. The turnover shall cover the revenue recognised pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008. The proportion of capital expenditure is defined as taxonomy-aligned Capex (numerator) divided by total Capex (denominator). Pursuant to the Delegated Act under Article 8 of the taxonomy, total Capex consists of the value of additions to tangible and intangible assets during the year, including business combinations, before considering depreciation, amortization, and any re-measurements, including those resulting from revaluations and impairments, and excluding fair value changes. Additions of fixed tangible assets (IAS 16), fixed intangible assets (IAS 38), right-of-use assets (IFRS 16), investment property (IAS 40) and biological assets (IAS 41) are included. Goodwill additions are not included. The proportion of operating expenditure is defined as taxonomy aligned Opex (numerator) divided by total Opex: (denominator). Pursuant to Article 8 of the taxonomy, total Opex consists of direct non-capitalized costs during the year that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and other direct expenditures relating to the day-today servicing of tangible fixed assets necessary to ensure the continued and effective functioning of such assets.

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:

☑ Yes

[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:

☑ Yes

(5.5.2) Comment

Innovation and development are essential for the evolution of REN. We believe that the excellence of the quality and continuity of service that we provide is the result of our technological, innovative and sustainable vision, focused on a culture of innovation that challenges and promotes our teams. With tomorrow's energy in mind, the REN innovation strategy is based on four strategic pillars that demonstrate the company's focus on finding new ideas to create value and impact: 1. Quality and business continuity; 2. Smart and digital operations and networks; 3. Sustainable development; and 4. New business models. The REN Group innovation strategy, supported by its Research, Development, and Innovation Policy, is based on fostering a culture of innovation that not only adds value to the Group, but also generates new business. As example, REN has developed an innovative grid connection solution that allows the direct transformation from very high voltage grid circuits to low voltage circuits. This goal of Speed-E is to supply high-power electric vehicle charging stations directly from the VHV grid. The sustainable Speed-E solution works in synergy with the SEN since it allows a new use for an existing infrastructure, positioning itself in a complementary way as a complement to the conventional charging infrastructure in urban centres. It can also be applied in other situations, such as the decarbonization of forest machines, river docks, energy supply to military installations, industrial or rural areas and remote temporary facilities, through the development of a mobile solution. The granting of the patent brings the total number of countries where the patent has already been obtained to 33, and allows us, as a TSO, to operate as a facilitator in the transition to sustainable mobility, complementing existing solutions and supporting the decarbonization of the mobility sector in an economically advantageous manner. Recently, a Memorandum of Understanding was signed with Atlante to develop five pilot projects in Portugal, and REN continues to develop commercial contacts to find new markets and partners.
[Fixed row]

(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Row 1

(5.5.7.1) Technology area

Select from:

☑ Smart grid integration

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0.02

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

5000

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

1

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

OPTIVEG – Sustainable optimization of vegetation management operations; Development of an innovative technological solution to support operational planning with a view to increasing the sustainability of vegetation management operations. Incorporate augmented reality into this project to enable the viewing of access corridors and any limiting factors. Promote the implementation of electric drive motors in Portuguese forestry operations Carry out studies and action plans to accelerate the electrification of forestry operations in Portugal. This allow the reduction of carbon foot-print per hectare of management vegetation (REN annually "cleans" 8,000 ha).

Row 2

(5.5.7.1) Technology area

Select from:

☑ Smart grid integration

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

1

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

109000

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

36

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

CENTRODEC – Decision Support Centre with multi-sensory data for forest protection: Implementation of a decision support centre with multi-sensory data to help protect REN infrastructure, and the respective land and surrounding infrastructure against extreme weather phenomena (fire and other events); and Scale-up under the rePLANT project, more specifically, infrastructure and respective land monitoring systems.

Row 3

(5.5.7.1) Technology area

Select from:

☑ Smart grid integration

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Full/commercial-scale demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

10

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

SPEED-E; REN and ATLANTE establish partnership to develop five projects using the speed-E grid connection solution. Atlante, the company of NHOA Group dedicated to electric vehicles (EVs) fast and ultra-fast charging network, signed a Memorandum of Understanding for the development of five projects in Portugal using the speed-E grid connection solution, developed and patented by REN, in selected Atlante fastcharging stations. Speed-E is an innovative solution that enables the charging of electric vehicles through a direct connection to the electricity transmission network, i.e. Very-High-Voltage transmission lines. By enabling a direct connection to the transmission network, in addition to providing significant power for electric vehicle charging purposes, the solution paves the way to the expansion of charging infrastructures to locations where the transmission network is present. The solution developed by REN has been repeatedly recognized by entities in the energy and mobility sectors. In 2022, the speed-E solution won the "Good Practice of the Year" award in the "Technological Innovation and System Integration" category, bestowed by the Renewables Grid Initiative. It also emerged as the winner in the "Charging & Energy" category of the sixth edition of eMove360º, one of the biggest mobility 4.0 mobility fairs in the world. REN also signed a memorandum of understanding with Siemens Energy for the creation of a technical and commercial partnership for the speed-E project. This memorandum of understanding will make Siemens Energy the technical partner of REN in speed-E, and will enable the development of multiple projects in Portugal, and also internationally, by leveraging the German company's global presence".

Row 4

(5.5.7.1) Technology area

Select from:

☑ Other, please specify **:**Reduce Methane leakages by sensing technology

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

2

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Pipeline monitoring using distributed fibre sensing; the pilot project seeks to test an innovative sensing technology using the fibre optics already in pipelines, with the aim of detecting methane leaks and possible external interference. This initiative will allow the capabilities of this technology to be evaluated for future large-scale implementation in the gas pipeline network, which is already equipped with fibre optics. The goal is to increase the sensor and monitoring capacity of gas pipelines, thus reducing GHG emissions from methane losses and improving the detection of possible defects that may compromise integrity and safety.
[Add row]

(5.7.1) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Row 1

(5.7.1.1) Products and services

Select from:
☑ Other, please specify **:**Expansion

(5.7.1.2) Description of product/service

Expansition of network to accommodate new renewable resources (Electricity Capex)

(5.7.1.3) CAPEX planned for product/service

143200000

(5.7.1.4) Percentage of total CAPEX planned for products and services

47

(5.7.1.5) End year of CAPEX plan

2024

Row 2

(5.7.1.1) Products and services

Select from:

☑ Other, please specify **:**modernization, resilience and climate change adaptation

(5.7.1.2) Description of product/service

Modernization, resilience and climate change adaptation (Electricity Capex)

(5.7.1.3) CAPEX planned for product/service

96500000

(5.7.1.4) Percentage of total CAPEX planned for products and services

32

(5.7.1.5) End year of CAPEX plan

2024

Row 3

(5.7.1.1) Products and services

Select from:

☑ Other, please specify :digitalization

(5.7.1.2) Description of product/service

Digitalization (Electricity Capex)

(5.7.1.3) CAPEX planned for product/service

8700000

(5.7.1.4) Percentage of total CAPEX planned for products and services

3

(5.7.1.5) End year of CAPEX plan

2024

Row 4

(5.7.1.1) Products and services

Select from:

☑ Other, please specify :H2 projects

(5.7.1.2) Description of product/service

Gas Capex transmission dedicated to invest in green H2 projects

(5.7.1.3) CAPEX planned for product/service

5000000

(5.7.1.4) Percentage of total CAPEX planned for products and services

2

(5.7.1.5) End year of CAPEX plan

2024

Row 5

(5.7.1.1) Products and services

Select from:
☑ Other, please specify :Gas other projects

(5.7.1.2) Description of product/service

Gas Capex transmission dedicated to invest in other green Gases projects

(5.7.1.3) CAPEX planned for product/service

48200000

(5.7.1.4) Percentage of total CAPEX planned for products and services

16

(5.7.1.5) End year of CAPEX plan

2024
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization’s internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Drive low-carbon investment

☑ Identify and seize low-carbon opportunities

☑ Navigate regulations

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Alignment to international standards

☑ Alignment to scientific guidance

☑ Alignment with the price of allowances under an Emissions Trading Scheme

☑ Benchmarking against peers

☑ Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

REN followed the prices of Stated Policies Scenario - European Union of the IEA - International Energy Agency

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

For the 2040 horizon, the value of the scenario Stated Policies Scenario - European Union of the IEA - International Energy Agency, World Energy Outlook was assumed of 52/t (USD 2019), converted to euros based on the average euro/dollar quotation verified in 2019. Values for intermediate years were obtained by linear interpolation: Year: 2021 2022 2023 2024 2025 2026 2027 2030 2035 2040 Price: 43.5 43.5 43.5 43.5 43.9 44.2 44.5 45.1 46.0 47.0

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

43.5

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

47

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Capital expenditure

☑ Operations

☑ Risk management

☑ Opportunity management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for all decision-making processes

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

100

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

REN use the economic internal evaluation analysis the shadow price of carbon because we believe that setting a price on the carbon use of the organization, can better manage transition risk. Furthermore, an internal carbon fee is a useful tool to influence decision making across the organization. REN also uses the Guideline for Cost Benefit Analysis of Grid Development Projects of ENTSO-E which use the "Long-term societal cost of CO2 emissions". This encompasses the cost of CO2 as included in the generation costs may understate (or overstate) the full long-term societal value of avoiding CO2, a sensitivity analysis could be performed for this indicator, under which CO2 is valued at a long-term societal price too perform this sensitivity with or without carbon effect. Furthermore, in the Development and Investment Plan for the Electricity and Gas Transmission Grid REN use a project assessment combined cost-benefit and multi-criteria analysis which one of the criteria is the avoidance of CO2.So REN.has always to consider carbon pricing as an input to the planning procedure, using future prices adjusting them to the planning horizons (usually 10 to 30 years), provided by the several trading platforms. In a more operational way REN also uses carbon pricing as an economic input, when evaluating alternatives to several projects (e.g. to evaluate motorization alternatives for an natural gas compression station, to be built near Carregado in Portugal).

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

REN is focusing on carrying out several climate change-related engagements with its most relevant stakeholders, especially those who contribute most to its GHG emissions inventory, particularly scope 3 emissions, both upstream (suppliers) and downstream (customers), in order to reduce GHG emissions and meet the defined objectives: SBT (S1S2S3), carbon neutrality and netzero. However, REN is currently evaluating new ways on engaging with other stakeholders, in order to promote the climate transition in society.
[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 1-25%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

REN defined the criteria for assessing suppliers regarding impacts as their contribution to supplier related scope 3 emissions. In this sense, the threshold was defined at a contribution greater than or equal to 5% of the total GHG emissions (relevant).

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

7

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☑ Business risk mitigation

☑ Procurement spend

☑ Supplier performance improvement

(5.11.2.4) Please explain

REN defined the contribution to GHG emissions related to suppliers as a criterion for prioritizing suppliers with a substantive impact (Scope 3 – Category 1). REN asks for a mandatory report of scope 1 and 2 GHG emissions during the contracts and strengthen decision-making criteria when selecting and monitoring the performance of current partners in such matters.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

By subscribing to the Supplier Code of Conduct (REN has released in 2024 a new Supplier Code of Conduct, featuring enhanced ESG standards), REN's suppliers and partners accept REN's right to conduct audits and inspections to ensure compliance with the Code. This Code also addresses the topic of ESG (encouraging the

efficient and sustainable use of resources, increased circularity of products and/or services, the implementing of more efficient and environmentally friendly technologies, as well as the minimization of potential negative impacts on biodiversity). REN asks for a mandatory report of scope 1 and 2 GHG emissions during the contracts and strengthen decision-making criteria when selecting and monitoring the performance of current partners in such matters. In terms of scope 3, the two main categories C1 and C2 represent 76% of the scope 3. In those categories REN did the calculation and have the materiality of each supplier in terms of GHG emissions. The conclusion is that the most relevant suppliers are related to infrastructure construction, maintenance, inspection & equipment and material suppliers. For those, REN promoted an alignment and awareness meetings and now it is mandatory an additional information requested during procurement processes, that includes the reporting of GHG emissions (S1S2) from the service provided and the setting of rules and maximum emission limits aligned with the type of services contracted.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Disclosure of GHG emissions to your organization (Scope 1 and 2)

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ First-party verification

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 26-50%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 26-50%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ None

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

☑ Re-integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities

(5.11.6.12) Comment

REN asks for a mandatory reporting of scope 1 and 2 GHG emissions during the contracts and strengthen decision-making criteria when selecting and monitoring the performance of suppliers. In terms of supplier related scope 3 GHG emissions, this is asked for suppliers of infrastructure construction, maintenance, inspection and equipment and material suppliers (the most intensive). For those, it is mandatory an additional information requested during procurement processes includes the reporting of carbon footprint from the service provided and the setting of rules and maximum emission limits. By procurement spend, 48% of suppliers were required to comply with this requirement, of which 48% of this universe of procurement spend is complying. These suppliers represent 15% of total GHG emissions from scope 3 Category 1. Purchased goods and services (required and in compliance). So far, all suppliers requested complied with this request. Nevertheless, REN applies several procedures to engage non-compliants suppliers, such as: i) Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics; ii) Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance; iii) Providing information on appropriate actions that can be taken to address non-compliance; and iv) Re integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:
☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building
☑ Provide training, support and best practices on how to measure GHG emissions
☑ Provide training, support and best practices on how to mitigate environmental impact
☑ Provide training, support and best practices on how to set science-based targets
☑ Support suppliers to develop public time-bound action plans with clear milestones
☑ Support suppliers to set their own environmental commitments across their operations

Information collection
☑ Collect climate transition plan information at least annually from suppliers
☑ Collect GHG emissions data at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 1-25%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

REN has held several meetings with contractors and service providers which are most relevant in terms of ESG impacts. The aims of these meetings were to reiterate our commitments to sustainability, provide updates on progress and new commitments, and emphasise the importance of supplier collaboration in the achievement of these goals. Suppliers were also invited to present their commitments to sustainability, as well as ongoing or planned actions to achieve these objectives. REN carried out several actions throughout 2023 (alignment, awareness raising meetings and training sessions – development of GHG inventory, establishing of Science Based Targets (SBT) and decarbonization plans, and the development of environmental product declarations (EPD), with key suppliers and most representative in terms of GHG emissions. Success is measured through the participation of suppliers (threshold over 50%) and the feedback provided. REN had a high attendance on the sessions in Lisbon and Porto and a very positive feedback (achieving success). This engagement had positive impact on suppliers, as is the starting point for allowing them to initiate, continue or evolve on their decarbonization journey (development of GHG emissions inventory, definition of SBT and decarbonization plan, among others), accompanying REN in its own climate transition journey, as they are fundamental to the good performance of REN. REN also published a procedure and provided training to use and report the carbon footprint emissions. REN launched a more global training initiative in the Academia Sustainability which will provide a broad approach of support and best practices on how to measure GHG emissions, on how to set science-based targets, on how to design and implement a robust decarbonization roadmap, etc.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**Disclose annually on scopes 1 and 2 GHG emissions and on setting SBT.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Other education/information sharing, please specify **:**Webinars

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

☑ Engage with stakeholders to advocate for policy or regulatory change

☑ Run a campaign to encourage innovation to reduce environmental impacts

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 26-50%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Less than 1%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

The energy sector is facing unprecedented challenges in helping tackling climate change and in achieving a fast and fair transition. These challenges including the increase the injection of renewable gases into the transmission and distribution networks, namely green hydrogen and biomethane. REN, under the H2REN programme, involved the value chain and five million euros has already been invested in the Asset Compliance Programme, that will enable the certification of the gas to carry hydrogen. The potential for biomethane is relevant in Portugal and REN promotes the wider adoption and push to the implementation of biomethane projects. REN carried out several actions throughout 2023 (e.g. webinars, meetings) with clients and potential clients to discuss this issue and how REN will increase the injection of renewable gases into the transmission and distribution networks, namely green hydrogen and biomethane. Further goals include increasing renewable energy sources (RES) in the electricity system and the continued electrification of the different sectors of the economy.

(5.11.9.6) Effect of engagement and measures of success

Success is measured through the participation of clients (threshold over 25%) and the feedback provided. REN had a high attendance on the sessions and very positive feedback (achieving success). This engagement had positive impact on clients, as is the starting point for allowing them to initiate, continue or evolve on their decarbonization journey (execution of its decarbonization plans through the purchase/consumption of renewable gases), accompanying REN in its own climate transition journey, as they are fundamental to the good performance of REN.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 51-75%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 51-75%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

REN accelerated its commitment to enabling the Energy Transition by pursuing a more ambitious investment plan, reinforcing its dedication to sustainability, while delivering sustainable profitable growth effect and measures of success. Annually, REN runs its Capital Markets Day, where shareholders and investors are invited and where REN shares its strategy and share information on environmental initiatives, progress, and achievements. Regarding enabling the energy transition, REN shared and discussed the acceleration of its commitment to enable the energy transition and foster economic growth by stepping-up our investment plan to enable growth in renewables, strengthen infrastructure for green gases and consolidate its footprint in Chile through stable organic growth, whilst ensuring a leading operational performance and preparing for the offshore wind opportunity. REN also issued green bonds for 300 M, with a maturity of 8 years. This issue was made within the scope of the company's Green Finance Framework and reflects the alignment of the Group's financing and sustainability policies. On Capital Markets Day REN involved the community of investors, the main suppliers and another relevant shareholders to provide and share first-hand information of our future journey, the strategic plan and the reinforcing of REN sustainability commitments.

(5.11.9.6) Effect of engagement and measures of success

Success is measured through the participation of shareholders and investors (threshold over 50%) and the feedback provided. REN had a high attendance on the sessions and very positive feedback (achieving success). This engagement had positive impact on shareholders and investors, as they are well informed after the session on REN's plans over its role on the energy transition, being able to make better informed investment decisions. REN is a facilitator in the energy transition, as REN actively contributes to shaping a socially responsible future, thereby generating substantial positive impacts for both the community and our diverse stakeholders.

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

We consider the financial control as REN has financial control over the operations, meaning having the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from the activities. In assessing the economic substance of the relationship between REN and its operation, the impact of potential voting rights, including both those held by REN and those held by other parties, is also taken into account. This criterion is consistent with international financial accounting standards; therefore, REN has financial control over an operation for GHG, plastics and biodiversity accounting purposes if the operation is considered as a group company or subsidiary for the purpose of financial consolidation, i.e., if the operation is fully consolidated in financial accounts. All group companies/subsidiaries are considered in the scope of reporting (GHG emissions, plastics and biodiversity).

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

We consider the financial control as REN has financial control over the operations, meaning having the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from the activities. In assessing the economic substance of the relationship between REN and its operation, the impact of potential voting rights, including both those held by REN and those held by other parties, is also taken into account. This criterion is consistent with international financial accounting standards; therefore, REN has financial control over an operation for GHG, plastics and biodiversity accounting purposes if the operation is

considered as a group company or subsidiary for the purpose of financial consolidation, i.e., if the operation is fully consolidated in financial accounts. All group companies/subsidiaries are considered in the scope of reporting (GHG emissions, plastics and biodiversity).

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

We consider the financial control as REN has financial control over the operations, meaning having the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from the activities. In assessing the economic substance of the relationship between REN and its operation, the impact of potential voting rights, including both those held by REN and those held by other parties, is also taken into account. This criterion is consistent with international financial accounting standards; therefore, REN has financial control over an operation for GHG, plastics and biodiversity accounting purposes if the operation is considered as a group company or subsidiary for the purpose of financial consolidation, i.e., if the operation is fully consolidated in financial accounts. All group companies/subsidiaries are considered in the scope of reporting (GHG emissions, plastics and biodiversity).
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply
☑ Yes, a change in methodology

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

We have updated the latest GWP data (replacement of the IPCC AR5 for the AR5) and made a slight methodological improvement when calculating the emission factor of power transmitted in the Electric Transmission Network. However, for reasons of accuracy, it was decided to correct the 2022 figures published last year. [Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ No, because the impact does not meet our significance threshold

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

We have a base year recalculation policy that adheres to the GHG Protocol guidelines and SBTi criteria. It outlines the circumstances under which we would recalculate our base year emissions, e.g. structural changes (mergers, acquisitions, changes in operational boundary), errors found, changes in methodology, etc. Regarding the significance threshold, we will recalculate our base year emissions if any change (e.g. structural change, change in methodology, errors found) to our operations occurs that meets or exceeds a 5% change in our total reported emissions, aligned with SBTi criteria (C27 – Triggered target recalculation). This threshold ensures we maintain data integrity while focusing recalculations on material changes.

(7.1.3.4) Past years' recalculation

Select from:

☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*We are reporting a scope 2 figure for market-based and location-based.*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

23005

(7.5.3) Methodological details

We measure fuel consumption (e.g. natural gas, diesel, petrol, propane) from administrative buildings, technical and process facilities, fleet, through different forms (e.g. on-site meters, supplier invoices, other) and utilize well-established emission factors (e.g. IPCC, APA, DEFRA) to convert activity data into GHG emissions. We also consider Fluorinated GHG gases losses, SF6 losses (from technical and process facilities) and natural gas losses, applying again well-established emission factors.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

177025

(7.5.3) Methodological details

We measure electricity consumption from administrative buildings, technical and process facilities, self-consumption, fleet and losses, through different forms (e.g. on-site meters, supplier invoices, other) and utilize well-established emission factors (market-based and location-based emission factors) to convert activity data into GHG emissions.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

235720

(7.5.3) Methodological details

We measure electricity consumption from administrative buildings, technical and process facilities, self-consumption, fleet and losses, through different forms (e.g. on-site meters, supplier invoices, other) and utilize well-established emission factors (market-based and location-based emission factors) to convert activity data into GHG emissions.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

16469

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

56245

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

9263

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

534

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

204

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

66

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

556

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable. No upstream leased assets.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable. REN does not sell physical products. Emissions associated to energy transmission (service) are already included in Scope 2.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable. REN does not sell physical products.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

13026147

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable. REN does not sell physical products.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable. No downstream leased assets.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable. REN do not have franchises.

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

8374

(7.5.3) Methodological details

We employ a combination of primary data collection (e.g., supplier surveys) and industry-standard emission factors to quantify emissions from our value chain (all applicable scope 3 categories), applying these emission factors to activity data. We make reasonable assumptions based on available data and industry best practices.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

No other relevant scope 3 upstream emissions identified.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

No other relevant scope 3 downstream emissions identified.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

29437

(7.6.3) Methodological details

We measure fuel consumption (e.g. natural gas, diesel, petrol, propane) from administrative buildings, technical and process facilities, fleet, through different forms (e.g. on-site meters, supplier invoices, other) and utilize well-established emission factors (e.g. IPCC, APA, DEFRA) to convert activity data into GHG emissions. We also consider Fluorinated GHG gases losses, SF6 losses (from technical and process facilities) and natural gas losses, applying again well-established emission factors.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

103228

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

112479

(7.7.4) Methodological details

We measure electricity consumption from administrative buildings, technical and process facilities, self-consumption, fleet and losses, through different forms (e.g. on-site meters, supplier invoices, other) and utilize well-established emission factors (market-based and location-based emission factors) to convert activity data into GHG emissions.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

8818

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These are GHG emissions associated with the acquisition of goods and services. REN uses the spend-based method, applying specific EF for each type of good/service purchased (e.g. kg CO2e per purchased). These emissions represented 12.2% of total Scope 3 emissions in 2023, excluding ‘C11. Use of sold products’, that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

46143

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These are GHG emissions associated with the acquisition of capital goods. REN uses the spend-based method, applying specific EF for each type of capital good acquired (e.g. kg CO2e per purchased). These emissions represented 63.8% of total Scope 3 emissions in 2023, excluding 'C11. Use of sold products', that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

7539

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These are GHG emissions associated with the extraction, production and transport of fuels and energy acquired not accounted for in scope 1 or scope 2. REN uses the average data method, applying specific EF for each type of energy to activity data in scope 1 (fuel consumption) and 2 (electricity consumption). These emissions represented 10.4% of total Scope 3 emissions in 2023, excluding 'C11. Use of sold products', that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

385

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These are GHG emissions associated with the upstream transport and distribution of goods and materials (e.g. equipment, others). REN uses the distance-based method. The determination of GHG emissions was based on the quantity of materials transported (t) and the distance travelled (km), by road, air and sea, through the application of emission factors (t.km) by type of transport. These emissions represented 0.5% of total Scope 3 emissions in 2023, excluding 'C11. Use of sold products', that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

127

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These are GHG emissions associated with waste generation, including: GHG emissions associated with the treatment of waste generated by REN's operations in third-party facilities; GHG emissions associated with the transport of REN waste to the final treatment or disposal destination; GHG emissions associated with wastewater treatment. REN uses the waste type specific method, by applying specific EF (kg CO2e/t), by type of treatment and type of waste. For waste transport it is applied specific EF (t.km), by type of transport, for the quantity of waste transported. For wastewater treatment, it is applied specific EF (kg CO2e/m3) for the treatment of discharged wastewater. These emissions represented 0.2% of total Scope 3 emissions in 2023, excluding 'C11. Use of sold products', that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1019

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These GHG emissions associated with: i) transportation of employees in commercial activities in vehicles owned or operated by third parties (e.g. air, rail and road travel); ii) hotel stays for commercial activities. REN mainly uses the distance-based method, applying specific EF for air travel (type of flight, type of ticket and distance travelled) and different country-specific EF for hotel stays. These emissions represented 1.4% of total Scope 3 emissions in 2023, excluding 'C11. Use of sold products', that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the

owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

886

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These GHG emissions are associated with the transport of employees between their home and their workplace at REN facilities, as well as emissions associated with teleworking. REN mainly uses the distance-based method, applying specific EF for each transport method, considering the distance travelled when commuting (home-work-home). Primary and secondary transport is considered, as well as one round trip per day. The working/teleworking days per week of each employee were also considered. Activity/base data was collected through a commuting survey, carried out specifically for this purpose. These emissions represented 1.2% of total Scope 3 emissions in 2023, excluding 'C11. Use of sold products', that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable, no upstream leased assets identified.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable. REN's main activities are related to the transmission of both electricity and natural gas, natural gas distribution, the underground storage of natural gas, the reception, regasification, and emission in the LNG terminal and therefore REN's services are not abridged by this category. REN does not transport or distribute physical products.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable. REN's main activities are related to the transmission of both electricity and natural gas, natural gas distribution, the underground storage of natural gas, the reception, regasification, and emission in the LNG terminal and therefore REN's services are not abridged by this category. REN does not sell physical products neither can be processed.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9998808

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These GHG emissions are associated with the use of natural gas (combustion by end users) that is transported/transmitted by REN. REN mainly uses the fuel-based method, applying specific combustion EF for all natural gas transported/transmitted by REN. These emissions are reported separately from the rest of the scope 3 inventory for specific reasons, and it is aligned with SBTi when the SBT was approved. REN does not sell gas to end users neither REN is the owner of the product, however we have to account for GHG emissions associated to the use of all natural gas transmitted/transported by REN, according to SBTi criteria.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable. REN's main activities are related to the transmission of both electricity and natural gas, natural gas distribution, the underground storage of natural gas, the reception, regasification, and emission in the LNG terminal and therefore we consider REN's services are not abridged by this category. There are no physical products sold.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable. No downstream leased assets identified.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable. REN has no franchises.

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

7356

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Investment-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3 emissions are calculated according to the Corporate Value Chain (Scope 3) Standard - GHG Protocol. These GHG emissions are associated with the REN's investments in the reference year, not included in scopes 1 or 2, being applied the case of equity investments. REN uses the investment-specific method, accounting for proportional scope 1 and scope 2 emissions of equity investments. REN applies specific EF to energy consumption/GHG emissions (scope 1 and 2) activity data and subsequent application of the percentage of equity investment. These emissions represented 10.2% of total Scope 3 emissions in 2023, excluding 'C11. Use of sold products', that for specific reasons and aligned with SBTi (when the SBT was approved) we are reporting this category (C11) separately, as REN does not sell natural gas to end users neither REN is the owner of the product. However, we have to account for GHG emissions associated to the use (combustion by end users) of all natural gas transmitted/transported by REN.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable. No other upstream activities identified.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable. No other downstream activities identified.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.1.4) Attach the statement

REN_Annual Report 2023_EN.pdf

(7.9.1.5) Page/section reference

The document attached is the REN Annual Report 2023. This document has attached within the Independent Limited Assurance Report, issued by an independent external entity (EY). Scope 1 GHG emissions (GRI indicator 305-1) are reported in p. 192-194 and 486 and the Independent Limited Assurance Report, covering the sustainability information (including scope 1 GHG emissions) is on pages 520-521.

(7.9.1.6) Relevant standard

Select from:

☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

REN_Annual Report 2023_EN.pdf

(7.9.2.6) Page/ section reference

The document attached is the REN Annual Report 2023. This document has attached within the Independent Limited Assurance Report, issued by an independent external entity (EY). Scope 2 GHG emissions (GRI indicator 305-2) are reported in p. 192-194 and 486 and the Independent Limited Assurance Report, covering the sustainability information (including scope 2 GHG emissions) is on pages 520-521.

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

REN_Annual Report 2023_EN.pdf

(7.9.2.6) Page/ section reference

The document attached is the REN Annual Report 2023. This document has attached within the Independent Limited Assurance Report, issued by an independent external entity (EY). Scope 2 GHG emissions (GRI indicator 305-2) are reported in p. 192-194 and 486 and the Independent Limited Assurance Report, covering the sustainability information (including scope 2 GHG emissions) is on pages 520-521.

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Investments
☑ Scope 3: Capital goods
☑ Scope 3: Business travel
☑ Scope 3: Employee commuting
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

REN_Annual Report 2023_EN.pdf

(7.9.3.6) Page/section reference

The document attached is the REN Annual Report 2023. This document has attached within the Independent Limited Assurance Report, issued by an independent external entity (EY). Scope 3 GHG emissions (GRI indicator 305-3) are reported in p. 192-195 and 486 and the Independent Limited Assurance Report, covering the sustainability information (including scope 1 GHG emissions) is on pages 520-521.

(7.9.3.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

532

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.3

(7.10.1.4) Please explain calculation

*In 2023, absolute scope 1 and 2 GHG emissions combined decreased 14.2% compared to previous year (from 165,475 t CO2e to 141,916 t CO2e, reduction of 23,560 t CO2e). A 14.2% decrease equals to (23,560/165,475)*10014.2%. This reduction was mainly due to 3 reasons, namely: (i) Change in renewable energy consumption, (ii) Other emission reduction activities and (iii) Other. Disaggregating this decrease (14.2%) by reason, emissions were: (i) Change in renewable energy consumption: reduced 0.3% (approx. 532 tCO2e (532/165,475*1000.3%), due to renewable energy consumption, such as the installation of photovoltaic self-consumption power units both in electricity as well as gas infrastructure and the installation of renewable energy sources thermal self-consumption power units in gas infrastructure to heat the gas, in opposition to burn natural gas to heat the gas. (ii) Other emissions reduction activities: reduced 13.7% (approx. 22,654 tCO2e (22,654/165,475*10013.7%), due to emission reduction activities, such as: the ongoing renewal and electrification of the fleet (BEV and PHEV); improvements in procedures and more frequent systematic leakage research in the REN Portgas and Transemel; investments made in new lines to connect new power Renewable Energy Sources power plants, reinforcement of the interconnection capacity between Portugal and Spain, new and expanded substations, that allowed REN to reduce its scope 2 GHG emissions related to electricity losses; among others. (iii) Other: decreased 0.2% (approx. 373 tCO2e (373/165,475*1000.2%), due to other reasons, such as slight change in GWPs and EF of power transmitted in the Electric Transmission Network and other minor reasons. Thus, a 14.2% reduction (approx. 23,560 tCO2e) equals to: (i) reduction of -0.3% (approx. 532 tCO2e) plus (ii) reduction of -13.7% (approx. 22,654 tCO2e) plus (iii) reduction of -0.2 (approx. 373 tCO2e). Thus, -14.2% -0.3% - 13.7% - 0.2% -14.2%.*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

22654

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

13.7

(7.10.1.4) Please explain calculation

*In 2023, absolute scope 1 and 2 GHG emissions combined decreased 14.2% compared to previous year (from 165,475 t CO2e to 141,916 t CO2e, reduction of 23,560 t CO2e). A 14.2% decrease equals to (23,560/165,475)*10014.2%. This reduction was mainly due to 3 reasons, namely: (i) Change in renewable energy consumption, (ii) Other emission reduction activities and (iii) Other. Disaggregating this decrease (14.2%) by reason, emissions were: (i) Change in renewable energy consumption: reduced 0.3% (approx. 532 tCO2e (532/165,475*1000.3%), due to renewable energy consumption, such as the installation of photovoltaic self-consumption power units both in electricity as well as gas infrastructure and the installation of renewable energy sources thermal self-consumption power units in gas infrastructure to heat the gas, in opposition to burn natural gas to heat the gas. (ii) Other emissions reduction activities: reduced 13.7% (approx. 22,654 tCO2e (22,654/165,475*10013.7%), due to emission reduction activities, such as: the ongoing renewal and electrification of the fleet (BEV and PHEV); improvements in procedures and more frequent systematic leakage research in the REN Portgas and Transemel; investments made in new lines to connect new power Renewable Energy Sources power plants, reinforcement of the interconnection capacity between Portugal and Spain, new and expanded substations, that allowed REN to reduce its scope 2 GHG emissions related to electricity losses; among others. (iii) Other: decreased 0.2% (approx. 373 tCO2e (373/165,475*1000.2%), due to other reasons, such as slight change in GWPs and EF of power transmitted in the Electric Transmission Network and other minor reasons. Thus, a 14.2% reduction (approx. 23,560 tCO2e) equals to: (i) reduction of -0.3% (approx. 532 tCO2e) plus (ii) reduction of -13.7% (approx. 22,654 tCO2e) plus (iii) reduction of -0.2 (approx. 373 tCO2e). Thus, -14.2% -0.3% - 13.7% - 0.2% -14.2%.*

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

373

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.2

(7.10.1.4) Please explain calculation

*In 2023, absolute scope 1 and 2 GHG emissions combined decreased 14.2% compared to previous year (from 165,475 t CO2e to 141,916 t CO2e, reduction of 23,560 t CO2e). A 14.2% decrease equals to (23,560/165,475)*10014.2%. This reduction was mainly due to 3 reasons, namely: (i) Change in renewable energy consumption, (ii) Other emission reduction activities and (iii) Other. Disaggregating this decrease (14.2%) by reason, emissions were: (i) Change in renewable energy consumption: reduced 0.3% (approx. 532 tCO2e (532/165,475*1000.3%), due to renewable energy consumption, such as the installation of photovoltaic self-consumption power units both in electricity as well as gas infrastructure and the installation of renewable energy sources thermal self-consumption power units in gas infrastructure to heat the gas, in opposition to burn natural gas to heat the gas. (ii) Other emissions reduction activities: reduced 13.7% (approx. 22,654 tCO2e (22,654/165,475*10013.7%), due to emission reduction activities, such as: the ongoing renewal and electrification of the fleet (BEV and PHEV); improvements in procedures and more frequent systematic leakage research in the REN Portgas and Transemel; investments made in new lines to connect new power Renewable Energy Sources power plants, reinforcement of the interconnection capacity between Portugal and Spain, new and expanded substations, that allowed REN to reduce its scope 2 GHG emissions related to electricity losses; among others. (iii) Other: decreased 0.2% (approx. 373 tCO2e (373/165,475*1000.2%), due to other reasons, such as slight change in GWPs and EF of power transmitted in the Electric Transmission Network and other minor reasons. Thus, a 14.2% reduction (approx. 23,560 tCO2e) equals to: (i) reduction of -0.3% (approx. 532 tCO2e) plus (ii) reduction of -13.7% (approx. 22,654 tCO2e) plus (iii) reduction of -0.2 (approx. 373 tCO2e). Thus, -14.2% -0.3% - 13.7% - 0.2% -14.2%.*
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

16648

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

10230

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

2063

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

497

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)
[Add row]

(7.15.3) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

Fugitives

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

497

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

365

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0.09

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

12789

(7.15.3.5) Comment

CH4 emissions Encompasses natural gas leaks and venting in the transmission and underground system, LNG terminal and distribuition. SF6 leakage in VHV equipment (gas insulated switchgears). CO2 emissions encompasses leaks of fluorinated gases (converted to CO2e).

Combustion (Electric utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

REN does not operate combustion facilities for energy generation.

Combustion (Gas utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

14007

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

Encompasses emissions from self consumption in the natural gas heating process. This process is needed for reducing the natural gas pressure in order to enable its delivery to the natural gas distribution system operator.

Combustion (Other)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

2641

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

Encompasses the use of fuel used in emergency generators, as well in the vehicles that belong to REN's fleet. Includes buildings consumption.

Emissions not elsewhere classified

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

Emissions not elsewhere classified.
[Fixed row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Chile	*233*	*4466*	*4348*
Portugal	*29204*	*98762*	*108010*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*REN - Rede Eléctrica Nacional*	*3934*
Row 2	*REN Gasodutos*	*13290*
Row 3	*REN Armazenagem*	*3650*
Row 4	*REN Atlântico*	*858*
Row 5	*REN Portgás*	*7472*
Row 6	*Transemel*	*233*

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Electric utility activities	*4168*	*Scope 1 emissions related to REN - Rede Eléctrica Nacional and Transemel*

[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*REN - Rede Elétrica Nacional*	*93001*	*92245*
Row 2	*REN Gasodutos*	*319*	*888*
Row 3	*REN Armazenagem*	*120*	*271*
Row 4	*REN Atlântico*	*5297*	*14657*
Row 5	*REN Portgás*	*25*	*69*
Row 6	*Transemel*	*4466*	*4228*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

29437

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

103228

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

112479

(7.22.4) Please explain

GHG emissions from parent organization and its consolidated subsidiaries.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

No other entities included (no associates, joint ventures or unconsolidated subsidiaries).
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ No

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

78809

(7.30.1.4) Total (renewable and non-renewable) MWh

78809

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

100765

(7.30.1.4) Total (renewable and non-renewable) MWh

100765

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

302

(7.30.1.4) Total (renewable and non-renewable) MWh

302

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

302

(7.30.1.3) MWh from non-renewable sources

179574

(7.30.1.4) Total (renewable and non-renewable) MWh

179876
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No sustainable biomass consumed.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No other biomass consumed.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No other renewable fuels (e.g. renewable hydrogen) consumed.

Coal

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No coal consumed.

Oil

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No oil consumed.

Gas

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

71755

(7.30.7.8) Comment

Total gas consumed.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

7054

(7.30.7.8) Comment

Total other non-renewable fuels consumed.

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

78809

(7.30.7.8) Comment

Total fuel consumed.
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

302

(7.30.9.2) Generation that is consumed by the organization (MWh)

302

(7.30.9.3) Gross generation from renewable sources (MWh)

302

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

302

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:
☑ Portugal

(7.30.14.2) Sourcing method

Select from:
☑ Other, please specify **:**REN has accounted 302 MWh from renewable energy (Solar).

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

302

(7.30.14.6) Tracking instrument used

Select from:

☑ No instrument used

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Portugal

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

REN has accounted 302 MWh from renewable energy (Solar).
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Chile

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Portugal

(7.30.16.1) Consumption of purchased electricity (MWh)

82854

(7.30.16.2) Consumption of self-generated electricity (MWh)

302

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

83156.00
[Fixed row]

(7.33) Does your electric utility organization have a transmission and distribution business?

Select from:

☑ Yes

(7.33.1) Disclose the following information about your transmission and distribution business.

Row 1

(7.33.1.1) Country/area/region

Select from:

☑ Portugal

(7.33.1.2) Voltage level

Select from:

☑ Transmission (high voltage)

(7.33.1.3) Annual load (GWh)

44800

(7.33.1.4) Annual energy losses (% of annual load)

2.26

(7.33.1.5) Scope where emissions from energy losses are accounted for

Select from:

☑ Scope 2 (market-based)

(7.33.1.6) Emissions from energy losses (metric tons CO2e)

87410

(7.33.1.7) Length of network (km)

9409

(7.33.1.8) Number of connections

9

(7.33.1.9) Area covered (km2)

89015

(7.33.1.10) Comment

Values indicated valid at 12/31/2023. The values indicated for the area covered by the electricity transmission network is the Portuguese mainland area.

Row 2

(7.33.1.1) Country/area/region

Select from:
☑ Chile

(7.33.1.2) Voltage level

Select from:
☑ Transmission (high voltage)

(7.33.1.3) Annual load (GWh)

2688

(7.33.1.4) Annual energy losses (% of annual load)

0.7

(7.33.1.5) Scope where emissions from energy losses are accounted for

Select from:

☑ Scope 2 (market-based)

(7.33.1.6) Emissions from energy losses (metric tons CO2e)

4348

(7.33.1.7) Length of network (km)

92

(7.33.1.8) Number of connections

5

(7.33.1.9) Area covered (km2)

209000

(7.33.1.10) Comment

Values indicated valid at 12/31/2023. The values indicated for the area covered by the electricity transmission network is the Chilean tuguese mainland area.
[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.000218

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

141916

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

651760000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

23

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

(7.45.9) Please explain

In this performance metric decreased 22.6% compared to previous year (from 0.000281 to 0.000218). Global scope 12 GHG emissions had a 14.2% decrease (from 165,494 t CO2e to 141,916 t CO2e) and total revenues (sales and services provided) had a 10.8% increase (from 588,226,000 to 651,760,000). Thus, 141,916/651,760,0000.000218. This decrease is mainly explained due to emission reduction activities and also change in renewable energy consumption. Regarding scope 1, REN had lower methane losses (REN has ongoing improvement in procedures and more frequent systematic leakage research in the REN Portgás distribution network, which in 2022 and 2023 went from five to four years and, as of 2024, will be every three years) and lower gas consumption at technical and processing facilities (efficiency measures). Regarding scope 2, REN had lower emissions from electricity transmitted in the National Electric System, resulting from the ongoing integration of renewable energy sources into the National Transport Network (Rede Nacional de Transporte). REN also developed a series of projects, which are currently being implemented, to produce renewable electricity for self-consumption. These projects include the installation of solar thermal panels at GRMS, and photovoltaic panels at the LNGT and other technical installations.

Row 2

(7.45.1) Intensity figure

189.7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

141916

(7.45.3) Metric denominator

Select from:

☑ full time equivalent (FTE) employee

(7.45.4) Metric denominator: Unit total

748

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

17.6

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

(7.45.9) Please explain

In this performance metric decreased 17.6% compared to previous year (from 230.1 to 189.7). Global scope 12 GHG emissions had a 14.2% decrease (from 165,494 t CO2e to 141,916 t CO2e) and total FTE had a 4.0% increase (from 719 to 748). Thus, 141,916/748189.7. This decrease is mainly explained due to emission reduction activities and also change in renewable energy consumption. Regarding scope 1, REN had lower methane losses (REN has ongoing improvement in procedures and more frequent systematic leakage research in the REN Portgás distribution network, which in 2022 and 2023 went from five to four years and, as of 2024, will be every three years) and lower gas consumption at technical and processing facilities (efficiency measures). Regarding scope 2, REN had lower emissions from electricity transmitted in the National Electric System, resulting from the ongoing integration of renewable energy sources into the National Transport Network (Rede Nacional de Transporte). REN also developed a series of projects, which are currently being implemented, to produce renewable electricity for self-consumption. These projects include the installation of solar thermal panels at GRMS, and photovoltaic panels at the LNGT and other technical installations.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Other, please specify **:**Emission intensity (t CO2e) per energy (GWh) transported)

(7.52.2) Metric value

1.3

(7.52.3) Metric numerator

141916

(7.52.4) Metric denominator (intensity metric only)

108928

(7.52.5) % change from previous year

7.5

(7.52.6) Direction of change

Select from:
☑ Decreased

(7.52.7) Please explain

This performance metric decreased 7.5% compared to previous year (from 1.41 to 1.30). Metric denominator is total energy transported (GWh, PortugalChile)mt that includes all natural gas transported (REN Gasodutos and REN Portgás) and all electricity transported (REN Rede Elétrica Nacional and Transemel).
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply
☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

REN Near-Term Target Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

06/30/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

12/31/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

23005

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

235720

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

258725.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

55.3

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

115650.075

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

29437

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

112479

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

141916.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

81.64

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers scopes 12 GHG of REN. Operations of Transemel is excluded form target as this company was recently acquired when SBT was set by REN and the company was gathering the adequate data for inclusion on REN's GHG inventory. REN estimated at the time that S1S2 emissions from Transemel represented 0.97% of total S1S2 emissions of REN (0.22% of S1 0.75% of S2 0.97% S1S2). This operation was immaterial, as length of lines (km) (for electricity transmission) of Transemel represent less than 1% of total length lines operated by REN in Portugal. At present time (end of 2023), GHG emissions from Transemel are fully integrated in REN's GHG emissions inventory and still representing less than 5% of total GHG emissions (threshold defined by SBTi and by REN to amend the SBT submitted and approved).

(7.53.1.83) Target objective

2023 was a relevant year regarding the approval of our near-term greenhouse gas (GHG) emission reduction targets under the Science Based Targets (SBTi). REN is committed to reducing scopes 1 2 GHG emissions by 55.3% by 2030, compared to the reference year of 2019, improving the previous target for reducing emissions by 50%. This goal is aligned with REN's strategy and with the most ambitious temperature target set by the Paris Agreement (scenario 1.5C). REN is also committed to reducing indirect value chain scope 3 emissions (categories 1-Purchased goods and services, 2-Capital goods and 3-Fuel and energy related activities not included in scopes 1 or 2) by 25% and scope 3 category 11(use of sold products-gas transmitted) by 42%, both by 2030, based on the reference year of 2021.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

REN will reduce its Scope 1 GHG emissions mainly through the following initiatives: i) Electrification of the fleet; ii) Program to control methane emissions; iii) Reduction of gas consumption in GRMS; among others. REN will reduce its scope 2 GHG emissions mainly through the following initiatives: i) Autonomous production of renewable electricity (solar); ii) Increased energy efficiency; iii) Reduction of emissions associated with electricity losses through the construction of new lines to implement the National Energy and Climate Plan targets of renewables in the National Electric System; among others. REN will reduce its scope 3 GHG emissions mainly through the following initiatives: i) Work together with specific suppliers (C1) to reduce their carbon footprint (primary data collection, implementation GHG emission reduction initiatives, establishment of SBT); ii) Acquisition of less carbon-intensive capital goods (C2); ii) Application of measures to reduce emissions from scopes 12 and therefore scope 3 (C3); iv) For C11, REN launched a project to ensure the compatibility of its infrastructure with growing percentages of

renewable gases (e.g. hydrogen). It should be noted that the current infrastructure is already 100% compatible with biomethane. In the 2021-2024 period, REN intends to invest more than 50 million euros in infrastructure adaptation projects for H2. We also intend to build a valley, while a project is also underway to build two new underground caverns which are fully H2 compatible. Regarding distribution, REN Portgás has started a project to ensure the full compatibility of its infrastructures with 100% hydrogen. The first phase seeks to achieve up to 20% compatibility and work with other partners in the value chain for the introduction of biomethane; among others.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

REN Near-Term Target Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

06/30/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 1 – Purchased goods and services

☑ Scope 3, Category 2 – Capital goods

☑ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)

(7.53.1.11) End date of base year

12/31/2021

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

16469

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

56245

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

9263

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

81977.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

81977.000

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

89

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

89

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

25

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

61482.750

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

8818

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

46143

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

7539

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

62500.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

62500.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

95.04

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers REN's scope 3 GHG emissions of REN. 89% of scope 3 emissions were included in the target (included categories C1. Purchased goods and services, C2. Capital goods and C3. Fuel and energy related activities (not included in scopes 1 or 2)). No exclusions made for the coverage selected. Note: target for Category 11, according to SBTi criteria, was reported separately.

(7.53.1.83) Target objective

2023 was a relevant year regarding the approval of our near-term greenhouse gas (GHG) emission reduction targets under the Science Based Targets (SBTi). REN is committed to reducing scopes 1 2 GHG emissions by 55.3% by 2030, compared to the reference year of 2019, improving the previous target for reducing emissions by 50%. This goal is aligned with REN's strategy and with the most ambitious temperature target set by the Paris Agreement (scenario 1.5C). REN is also committed to reducing indirect value chain scope 3 emissions (categories 1-Purchased goods and services, 2-Capital goods and 3-Fuel and energy related activities not included in scopes 1 or 2) by 25% and scope 3 category 11(use of sold products-gas transmitted) by 42%, both by 2030, based on the reference year of 2021.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

REN will reduce its Scope 1 GHG emissions mainly through the following initiatives: i) Electrification of the fleet; ii) Program to control methane emissions; iii) Reduction of gas consumption in GRMS; among others. REN will reduce its scope 2 GHG emissions mainly through the following initiatives: i) Autonomous production of renewable electricity (solar); ii) Increased energy efficiency; iii) Reduction of emissions associated with electricity losses through the construction of new lines to implement the National Energy and Climate Plan targets of renewables in the National Electric System; among others. REN will reduce its scope 3 GHG emissions mainly through the following initiatives: i) Work together with specific suppliers (C1) to reduce their carbon footprint (primary data collection, implementation GHG emission reduction initiatives, establishment of SBT); ii) Acquisition of less carbon-intensive capital goods (C2); ii) Application of measures to reduce emissions from scopes 12 and therefore scope 3 (C3); iv) For C11, REN launched a project to ensure the compatibility of its infrastructure with growing percentages of renewable gases (e.g. hydrogen). It should be noted that the current infrastructure is already 100% compatible with biomethane. In the 2021-2024 period, REN intends to invest more than 50 million euros in infrastructure adaptation projects for H2. We also intend to build a valley, while a project is also underway to build two new underground caverns which are fully H2 compatible. Regarding distribution, REN Portgás has started a project to ensure the full compatibility of its infrastructures with 100% hydrogen. The first phase seeks to achieve up to 20% compatibility and work with other partners in the value chain for the introduction of biomethane; among others.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 3

(7.53.1.1) Target reference number

Select from:

☑ Abs 3

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

REN Near-Term Target Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

06/30/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 11 – Use of sold products

(7.53.1.11) End date of base year

12/31/2021

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

13026147

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

13026147.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

13026147.000

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

42

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

7555165.260

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

9998808

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

9998808.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

9998808.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

55.33

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers REN's Category 11 (use of sold products) scope 3 GHG emissions. 100% of these emissions were included in the target and are related to the transmission of gas.

(7.53.1.83) Target objective

2023 was a relevant year regarding the approval of our near-term greenhouse gas (GHG) emission reduction targets under the Science Based Targets (SBTi). REN is committed to reducing scopes 1 2 GHG emissions by 55.3% by 2030, compared to the reference year of 2019, improving the previous target for reducing emissions by 50%. This goal is aligned with REN's strategy and with the most ambitious temperature target set by the Paris Agreement (scenario 1.5C). REN is also committed to reducing indirect value chain scope 3 emissions (categories 1-Purchased goods and services, 2-Capital goods and 3-Fuel and energy related activities not included in scopes 1 or 2) by 25% and scope 3 category 11(use of sold products-gas transmitted) by 42%, both by 2030, based on the reference year of 2021.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

REN will reduce its Scope 1 GHG emissions mainly through the following initiatives: i) Electrification of the fleet; ii) Program to control methane emissions; iii) Reduction of gas consumption in GRMS; among others. REN will reduce its scope 2 GHG emissions mainly through the following initiatives: i) Autonomous production of renewable electricity (solar); ii) Increased energy efficiency; iii) Reduction of emissions associated with electricity losses through the construction of new lines to implement the National Energy and Climate Plan targets of renewables in the National Electric System; among others. REN will reduce its scope 3 GHG emissions mainly through the following initiatives: i) Work together with specific suppliers (C1) to reduce their carbon footprint (primary data collection, implementation GHG emission reduction initiatives, establishment of SBT); ii) Acquisition of less carbon-intensive capital goods (C2); ii) Application of measures to reduce emissions from scopes 12 and therefore scope 3 (C3); iv) For C11, REN launched a project to ensure the compatibility of its infrastructure with growing percentages of renewable gases (e.g. hydrogen). It should be noted that the current infrastructure is already 100% compatible with biomethane. In the 2021-2024 period, REN intends to invest more than 50 million euros in infrastructure adaptation projects for H2. We also intend to build a valley, while a project is also underway to build two new underground caverns which are fully H2 compatible. Regarding distribution, REN Portgás has started a project to ensure the full compatibility of its infrastructures with 100% hydrogen. The first phase seeks to achieve up to 20% compatibility and work with other partners in the value chain for the introduction of biomethane; among others.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to reduce methane emissions

☑ Net-zero targets

☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 1

(7.54.2.2) Date target was set

12/31/2022

(7.54.2.3) Target coverage

Select from:

☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Methane reduction target

☑ Total methane emissions in CO2e

(7.54.2.7) End date of base year

12/31/2018

(7.54.2.8) Figure or percentage in base year

12893

(7.54.2.9) End date of target

12/31/2030

(7.54.2.10) Figure or percentage at end of date of target

9025

(7.54.2.11) Figure or percentage in reporting year

10230

(7.54.2.12) % of target achieved relative to base year

68.8469493278

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

This target aligns with our ABS1 target of reducing our scope 12 GHG emissions by 55.3% until 2030 (reference 2019).

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ Other, please specify **:**Is part of the Oil and Gas Methane Partnership (OGMP 2.0)

(7.54.2.18) Please explain target coverage and identify any exclusions

This is a company-wide target, covering the gas activities, as methane leak emissions are not applicable to the electricity business. There are no exclusions.

(7.54.2.19) Target objective

REN reduced methane losses by 13% in 2023 compared to 2022, which corresponds to emissions avoided of 1,594 tCO2eq. This result is in line with the 2022 commitment to reduce methane emissions by at least 30% in RNTG infrastructure, underground storage, and the LNG terminal, when compared to 2018. There is also ongoing improvement in procedures and more frequent systematic leakage research in the REN Portgás distribution network, which in 2022 and 2023 went from five to four years and, as of 2024, will be every three years.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

REN has defined two targets for reducing methane emissions: 20% by 2025 and 30% by 2030 (in absolute methane emissions). To achieve this target, REN has developed and has in its investment pipeline several projects to reduce methane leakage in its activities. Several examples of this include: The implementation of Leak Detection and Repair methodologies, which have an aerial inspection campaign in 100% of the pipeline network and stations, using laser technology to detect and measure CH4 emissions, and subsequent field confirmation in the detected points using infrared technology detectors, in order to identify the material sources and repair the confirmed leakages; In the underground natural gas storage, REN will develop a project with the main goal of avoiding venting during the starts and stops of the compressor units. At the LNG Terminal (in Sines, Portugal), REN will measure the demand for LNG based on software that integrates an online flowmeter and pilots installed in the loco. At the Distribution System Operator level (Portgás, north of Portugal), REN decided to reduce the period between leakage inspections from five years (legal obligation) to every four years (in 2022 and 2023) and to every three years after 2023 and implemented sensors on regulation metering stations on relief valves to measure and repair potential problems, avoiding continuous methane emission to the atmosphere. Also, REN has membership and active participation in several associations and recognized international initiatives of the sector (e.g. HyLab; Hydrogen Europe and the European Clean Hydrogen Alliance; OGMP; ENTSO-G; GTBI; LNGBI). Regarding REN's participation in the OGMP, which is part of the United Nations Environmental Programme, REN obtained the Gold Standard for our commitment to reduce methane emissions by at least 20% in 2025, and also developed a pilot project to implement a network of CH4 sensors and a remote monitoring system of concentration levels in battery and process rooms. To meet targets, we have implemented programs to reduce CH4 emissions in RNTG, US, and LNGT operations, developed in accordance with the Oil and Gas Methane Partnership standard. The ongoing improvement of procedures and the increase in frequency of systematic investigation of leaks in the Portgás distribution network in 2022 from five to four years and from 2024 to three years, contribute to the gradual reduction of CH4 leaks from this infrastructure.

Row 2

(7.54.2.1) Target reference number

Select from:

☑ Oth 2

(7.54.2.2) Date target was set

12/31/2021

(7.54.2.3) Target coverage

Select from:

☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Methane reduction target

☑ Total methane emissions in CO2e

(7.54.2.7) End date of base year

12/31/2018

(7.54.2.8) Figure or percentage in base year

12893

(7.54.2.9) End date of target

12/31/2025

(7.54.2.10) Figure or percentage at end of date of target

10314

(7.54.2.11) Figure or percentage in reporting year

10230

(7.54.2.12) % of target achieved relative to base year

103.2570763862

(7.54.2.13) Target status in reporting year

Select from:

☑ Achieved

(7.54.2.15) Is this target part of an emissions target?

This target aligns with our ABS1 target of reducing our scope 12 GHG emissions by 55.3% until 2030 (reference 2019).

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ Other, please specify **:**Is part of the Oil and Gas Methane Partnership (OGMP 2.0)

(7.54.2.18) Please explain target coverage and identify any exclusions

This is a company-wide target, covering the gas activities, as methane leak emissions are not applicable to the electricity business. There are no exclusions.

(7.54.2.19) Target objective

REN reduced methane losses by 13% in 2023 compared to 2022, which corresponds to emissions avoided of 1,594 tCO2eq. This result is in line with the 2022 commitment to reduce methane emissions by at least 30% in RNTG infrastructure, underground storage, and the LNG terminal, when compared to 2018. There is also ongoing improvement in procedures and more frequent systematic leakage research in the REN Portgás distribution network, which in 2022 and 2023 went from five to four years and, as of 2024, will be every three years.

(7.54.2.21) List the actions which contributed most to achieving this target

REN has defined two targets for reducing methane emissions: 20% by 2025 and 30% by 2030 (in absolute methane emissions). To achieve this target, REN has developed and has in its investment pipeline several projects to reduce methane leakage in its activities. Several examples of this include: The implementation of Leak Detection and Repair methodologies, which have an aerial inspection campaign in 100% of the pipeline network and stations, using laser technology to detect and measure CH4 emissions, and subsequent field confirmation in the detected points using infrared technology detectors, in order to identify the material sources and repair the confirmed leakages; In the underground natural gas storage, REN will develop a project with the main goal of avoiding venting during the starts and

stops of the compressor units. At the LNG Terminal (in Sines, Portugal), REN will measure the demand for LNG based on software that integrates an online flowmeter and pilots installed in the loco. At the Distribution System Operator level (Portgás, north of Portugal), REN decided to reduce the period between leakage inspections from five years (legal obligation) to every four years (in 2022 and 2023) and to every three years after 2023 and implemented sensors on regulation metering stations on relief valves to measure and repair potential problems, avoiding continuous methane emission to the atmosphere. Also, REN has membership and active participation in several associations and recognized international initiatives of the sector (e.g. HyLab; Hydrogen Europe and the European Clean Hydrogen Alliance; OGMP; ENTSO-G; GTBI; LNGBI). Regarding REN's participation in the OGMP, which is part of the United Nations Environmental Programme, REN obtained the Gold Standard for our commitment to reduce methane emissions by at least 20% in 2025, and also developed a pilot project to implement a network of CH4 sensors and a remote monitoring system of concentration levels in battery and process rooms. To meet targets, we have implemented programs to reduce CH4 emissions in RNTG, US, and LNGT operations, developed in accordance with the Oil and Gas Methane Partnership standard. The ongoing improvement of procedures and the increase in frequency of systematic investigation of leaks in the Portgás distribution network in 2022 from five to four years and from 2024 to three years, contribute to the gradual reduction of CH4 leaks from this infrastructure.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

06/01/2024

(7.54.3.3) Target Coverage

Select from:
☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Abs1

☑ Abs2

☑ Abs3

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

Target is aligned with Business Ambition 1.5ºC and SBTi criteria and with the commitment of REN to be netzero by 2040. The target covers REN Group (no exclusions).

(7.54.3.11) Target objective

REN has is seeking committed to seek validation from SBTi to its netzero target, covering its scope 1, 2 and 3 emissions.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ Yes, and we have already acted on this in the reporting year

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

REN plans to neutralize unavoidable emissions through the forest. To this end, REN has a Corridors Reforestation Program, as 60% of our infrastructure is located in forested areas. To ensure the safety conditions of energy infrastructures, we implement an active approach in the management of protection/servitude corridors. This initiative brings benefits to the owners, the forest, society and contributes to the prevention of fires. Reforestation actions are carried out in partnership with local authorities (municipalities), schools and other civil society entities (associations, NGOs). Among other initiatives, we have successfully carried out reforestation actions in Gouveia, Porto, Trofa and Pedrógão Grande in Portugal and supported projects related to forest protection such as the Common Forest Program and LIFE Elia. The process of reconverting a protection corridor involves changing the use of the land, for example for agriculture (vineyards, pastures, orchards), and replacing existing forest species with species that allow compliance with minimum safety distances. Reforestation fundamentally depends on the edaphoclimatic conditions of the station, the risk of fire and its compatibility with the presence of the line. Through our access corridor reforestation programme, REN has already planted more than 4,092 ha of trees in recent years (2010-2023) and involved more than 22,000 landowners. In 2023, a total of 47,378 trees were planted in an area of approximately 171 hectares. REN has also set itself the goal of neutralize the footprint of its events and making them carbon neutral. The aim is to neutralize the carbon emissions produced at each event, calculated through the individual replies of participants to a questionnaire. At the end of every year, neutrality will be ensured via reforestation promoted by the company or in collaboration with the local community.

(7.54.3.16) Describe the actions to mitigate emissions beyond your value chain

REN plans to neutralize unavoidable emissions through the forest. To this end, REN has a Corridors Reforestation Program, as 60% of our infrastructure is located in forested areas. To ensure the safety conditions of energy infrastructures, we implement an active approach in the management of protection/servitude corridors. This initiative brings benefits to the owners, the forest, society and contributes to the prevention of fires. Reforestation actions are carried out in partnership with local authorities (municipalities), schools and other civil society entities (associations, NGOs). Among other initiatives, we have successfully carried out reforestation actions in Gouveia, Porto, Trofa and Pedrógão Grande in Portugal and supported projects related to forest protection such as the Common Forest Program and LIFE Elia. The process of reconverting a protection corridor involves changing the use of the land, for example for agriculture (vineyards, pastures, orchards), and replacing existing forest species with species that allow compliance with minimum safety distances. Reforestation fundamentally depends on the edaphoclimatic conditions of the station, the risk of fire and its compatibility with the presence of the line. Through our access corridor reforestation programme, REN has already planted more than 4,092 ha of trees in recent years (2010-2023) and involved more than 22,000 landowners. In 2023, a total of 47,378 trees were planted in an area of approximately 171 hectares. REN has also set itself the goal of neutralize the footprint of its events and making them carbon neutral. The aim is to neutralize the carbon emissions produced at each event, calculated through the individual replies of participants to a questionnaire. At the end of every year, neutrality will be ensured via reforestation promoted by the company or in collaboration with the local community.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

REN shall review all active targets, at a minimum, every 5 years to ensure consistency with the latest SBTi criteria. If targets do not meet SBTi criteria, then target shall be updated and revalidated. Target shall be recalculated and revalidated when significant changes occur that could compromise the existing target. The following changes shall trigger a target recalculation: i) Changes in the consolidation approach chosen for the GHG inventory; ii) Emissions of exclusions in the inventory or target boundary change significantly; iii) Significant changes in company structure and activities (e.g., acquisition, divestiture, merger, insourcing or outsourcing, shifts in goods or service offerings); iv) Adjustments to data sources or calculation methodologies resulting in significant changes to an organization's total base year emissions or the target boundary base year emissions (e.g., discovery of significant errors or a number of cumulative errors that are collectively significant); v) Other significant changes to projections/assumptions used in setting the targets.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*9*	*34400*
Implementation commenced	*7*	*17872*
Implemented	*6*	*23186*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

471

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

132125

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

1057000

(7.55.2.7) Payback period

Select from:
☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 16-20 years

(7.55.2.9) Comment

Decarbonization of administrative buildings and technical facilities. REN has a phased programme to install photovoltaic self-consumption power units both in electricity as well as gas infrastructure. REN install two small power plants in two facilities with total capacity of 1,25 MW peak.

Row 2

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Solar heating and cooling

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

62

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

1184000

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

Decarbonization of administrative buildings and technical facilities. REN has a phased programme to install RES thermal selfconsumption power units in gas infrastructure to heat the gas, in opposition to burn natural gas to heat the gas. With installation of solar thermal energy production systems at GRMS (Gas Regulation and Metering Station), REN reduce the need for gas to be used in GRMS due Joule-Thomson effect.

Row 3

(7.55.2.1) Initiative category & Initiative type

Transportation

☑ Company fleet vehicle replacement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

50

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

110950

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

283321

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

Ongoing renewal and electrification of the fleet (BEV Battery Electric Vehicles and PHEV - Plug in Hybrid Electric Vehicles) to 49% in 2023 comparing to 34% in 2022

Row 4

(7.55.2.1) Initiative category & Initiative type

Fugitive emissions reductions

☑ Oil/natural gas methane leak capture/prevention

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

688

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

50000

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

REN has ongoing improvements in procedures and more frequent systematic leakage research in the REN Portgas distribution network, which in 2022 and 2023 went from five to four years and, as of 2024, will be every three years. During 2023, REN Portgás also joined the OGMP (Oil and Gas Methane Partnership).

Row 5

(7.55.2.1) Initiative category & Initiative type

Fugitive emissions reductions

☑ Oil/natural gas methane leak capture/prevention

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

84

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

50000

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ <1 year

(7.55.2.9) Comment

REN as a specific improving programs in place to continue reducing the leak rate (%) specially in Chile where the leak rate is higher comparing to the Portugal operation. There was a huge reduction in the leakage rate in Transemel operations (0.69% in 2023 vs. 0.99% in 2022).

Row 6

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Other, please specify :Reduction of losses

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

21832

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Mandatory

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

248400000

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ >30 years

(7.55.2.9) Comment

REN has a duty for the development of infrastructure necessary for the energy transition at the different REN companies, to contribute significantly to the energy transition. In the last three years, from 2021 to 2023, renewable energy soruces capacity in the Mainland Portugal National Electricity System, compared to total power installed, grew from 77% to 79%, corresponding to an increase of 2,208 MW, due to the investments made by REN in the infrastructure. REN investment in electricity achieved 243,3 M in REN Eletrica (Very High Voltage Transmission in Portugal) plus 5,1 M in Transemel (Very High Voltage in Chile) related to new lines to connect new power Renewable Energy Sources power plants, reinforcement of the interconnection capacity between Portugal/Spain, new and expanded substations, etc]. This allows REN to reduce its scope 2 emissions due to less losses in the electricity system. Note that the model of the concession contract ensures the contractual equilibrium, in the conditions of an efficient management, through the recognition of investment costs, operation and maintenance costs and adequate remuneration of the concession assets, to be reflected in the tariffs applicable to the operator. REN has an obligation, during the concession period, to maintain the assets and related means a good operating performance, maintenance and security of the assets and related means, carrying out all the repairs, renewals and adaptations necessary to maintain the assets.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

REN has a dedicated budget for energy efficiency. Some of the main measures are: - Priority investment in the transmission network to connect around 78% of installed power in the electricity system from renewable sources. - Electrification of the fleet. Electric motors have an efficiency of over 90% compared to traditional heat engines, which range from 30 to 35%. In this context, REN has a fleet electrification strategy underway, with the objective of exceeding 50% by 2024. - Monitoring the operation and maintenance of facilities and technical approach of administrative buildings, national offices and Data Centres with a view to improving the resilience and efficiency of these facilities; - REN Award, which received more than 350 Applications until 2023, is awarded annually to the master's theses that best contribute to the development of the energy sector.

Row 2

(7.55.3.1) Method

Select from:

☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Both the activities related with the energy efficiency in buildings and in REN Atlântico and REN Armazenagem facilities were developed to comply with national laws. In addition to those, REN has started the phased refurbishment of its headquarters building, in order to modernize it and improve energy efficiency.
[Add row]

(7.58) Describe your organization’s efforts to reduce methane emissions from your activities.

REN has defined a target for reducing methane emissions, thus strengthening its commitment and the company's action regarding the reduction of these emissions. The reinforcement in 2022 involves a reduction of at least 30% in methane emissions, when compared to 2018, thus increasing 2021's objective, which included a 20% reduction over 2018. To achieve this target, REN has developed and has in its investment pipeline several projects to reduce methane leakage in its activities: i) The implementation of LDAR Leak Detection and Repair methodologies, which have an aerial inspection campaign in 100% of the pipeline network and stations, using laser technology to detect and measure CH4 emissions, and subsequent field confirmation in the detected points using infrared technology detectors, in order to identify the material sources and repair the confirmed leakages; ii) In the underground natural gas storage, REN will develop a project with the main goal of avoiding venting during the starts and stops of the compressor units. iii) At the LNG Terminal (in Sines, Portugal), REN will measure the demand for LNG based on software that integrates an online flowmeter and pilots installed in loco. iv) The International Observatory on Methane Emissions, presented the MARS (Methane Alert and Response System) program, which aims to the construction of a system for monitoring and alerting methane emissions on a global scale. MARS, an initiative resulting from collaboration with the International Energy Agency and the Coalition for Climate and Clean Air, is the first global system to provide data on methane emissions, initially focusing on very large point sources and using high resolution satellites. Officially starting in January 2023, MARS includes a 6-month system testing phase. During the initial phase, MARS data will remain open only to IMEO and partners, including participants in UNEP's OGMP 2.0 (Oil and Gas Methane Partnership) initiative, of which REN is a member. The public launch of the system took place, at which point MARS will alert governments and companies about large methane emissions, allowing the entity responsible for the emission, once recognized by the system, to identify the cause and measures occurrence mitigation measures. This information will subsequently be made publicly available. v) at DSO Distribution System Operator level (Portgás, north of Portugal), REN decided to reduce the period between leakage inspections from five years (legal obligation) to every four years in 2022 and 2023 and every three years after 2023 and implemented sensors on regulation metering stations on relief valves to measure and repair potential problems, avoiding continuous methane emission to the atmosphere. vi) With regard to distribution, REN Portgas launched a project to ensure the full compatibility of its infrastructures with 100% of renewable gases, more specifically, hydrogen and biomethane. At the same time, it is working to ensure the management and operation of gas distribution systems, with the injection of mixtures of renewable energy sources, while also searching for projects and increasing its partner base. vii) Another relevant approach is the membership and active participation in several associations and recognized international initiatives of the sector to follow the best practices of methane reductions and also the introduction of renewable gases in the activities. These institutions and laboratories are: HyLab, a collaborative laboratory for the implementation of the green hydrogen economy; member of both Hydrogen Europe and the European Clean Hydrogen Alliance; ENTSO-G (European Network of Transmission System Operators for Gas); OGMP 2.0 (Oil and Gas Methane Partnership); GTBI (Gas Transmission Benchmarking Initiative); and LNGBI (LNG Receiving Terminals Benchmarking Initiative). On a

European level, REN Portgás is taking part in the round tables of the European Clean Hydrogen Alliance, and as a member of Eurogas, Ready4H2 and Innoenergy (Gold Partner). REN is also part of the European Hydrogen Backbone (EHB), an initiative bringing together 29 European energy infrastructure operators in the common goal of accelerating the decarbonization of Europe through a thriving market for renewable and low-carbon hydrogen. Since its creation in 2020, EHB has contributed to the development of a European hydrogen market, publishing maps and vision studies for a pan-European hydrogen transmission infrastructure that demonstrate that this project is technically viable and economically accessible. REN also participated in the benchmarking study on "Decarbonization to Net Zero", the main objective of which was to identify and analyse the practices adopted by operators belonging to the GTBI (Gas Transmission Benchmarking Initiative), with a view to implementing solutions for decarbonization. REN was classified as a leading company in the "Methane Emissions & Leak Detection and Repair" area.

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ Green Bond Principles (ICMA)

(7.74.1.3) Type of product(s) or service(s)

Systems integration

☑ Other, please specify **:**Transmission and distribution of electricity; Data processing, hosting and related activities

(7.74.1.4) Description of product(s) or service(s)

Concerning the electricity sector infrastructures, there is a permanent need to adapt and develop transmission network infrastructures to guarantee the security of supply. The investments carried out by REN in the construction of new infrastructure needed to receive and integrate new renewable generation and the necessary adaptation to guarantee the quality and security of supply, are crucial to enable the goals of the energy transition, namely the progressive reduction of GHG emissions in the energy sector. Examples of 2023 are: i) Caniçada – Fafe 2 overhead line, reinforcing the 150 kV power supply to the Fafe substation with the connection to the Caniçada substation; ii) 71 connection processes to the Portuguese National Electricity Transmission Grid (RNT); iii) The connection process of three photovoltaic plants with a total of 331.9 MVA of connection power to the Portuguese National Electricity Transmission Grid; among others. In addition, REN developed projects to uprate and modernize assets at their end-of-life, with emphasis on the conclusion of the uprating of 400 kV Palmela-Sines and Alcochete – Fanhões overhead lines (OHL), as well as the completion of several substations and switching stations refurbishments.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

74

Row 2

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify **:**Transmission and distribution of electricity

(7.74.1.4) Description of product(s) or service(s)

EU Taxonomy eligible and aligned revenue from Electricity transmission, more specifically companies operating in electricity transmission such as REN Eléctrica, which operates in Portugal, and Transemel, which operates in the Chilean market. REN operates the RNT that connects generators to consumption centres at very high voltage, covering the entirety of mainland Portugal and with interconnections to the Spanish network, REE - Red Eléctrica de España. Regarding Transemel, the activities carried out had the objective of building/ installing infrastructure with the main goal of increasing the production or use of electricity produced from renewable sources.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

64

Row 3

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify **:**Data processing, hosting and related activities

(7.74.1.4) Description of product(s) or service(s)

EU Taxonomy eligible and aligned revenue from provision of hosting services, data processing, information hosting and related activities, from RENTELECOM. Through RENTELECOM, housing services are provided at the Lisbon, Sacavém, Ermesinde and Riba de Ave datacentres.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ No

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Land/water management

☑ Species management

☑ Education & awareness

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☑ Yes, we use indicators	*Select all that apply* ☑ State and benefit indicators ☑ Pressure indicators

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
		☑ Response indicators

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

Natura 2000 network of protected areas – Zonas de Proteção Especial & Sítios de Importância Comunitária. The occupation of these areas by REN infrastructure is essentially due to historical reasons (the infrastructure was installed prior to the classification of these areas as protected) as well as the need to enable or reinforce the flow of renewable energy from production plants located in these sensitive areas. In addition to historical reasons, there are recent lines/substations that had to be in sensitive areas from the point of view of nature conservation due to the lack of a viable alternative.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

UNESCO World Heritage site – Reserva da biosfera. The occupation of these areas by REN infrastructure is essentially due to historical reasons (the infrastructure was installed prior to the classification of these areas as protected) as well as the need to enable or reinforce the flow of renewable energy from production plants located in these sensitive areas. In addition to historical reasons, there are recent lines/substations that had to be located in sensitive areas from the point of view of nature conservation due to the lack of a viable alternative.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

NA

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

Convenção de Ramsar/Convenção de Zonas Húmidas (Sítios Ramsar)) – Rede Nacional de Áreas Protegidas & Sítios Ramsar. The occupation of these areas by REN infrastructure is essentially due to historical reasons (the infrastructure was installed prior to the classification of these areas as protected) as well as the need to enable or reinforce the flow of renewable energy from production plants located in these sensitive areas. In addition to historical reasons, there are recent lines/substations that had to be located in sensitive areas from the point of view of nature conservation due to the lack of a viable alternative.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ No

(11.4.2) Comment

NA

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ No

(11.4.2) Comment

NA
[Fixed row]

(11.4.1) Provide details of your organization’s activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply
☑ Legally protected areas

(11.4.1.3) Protected area category (IUCN classification)

Select from:

☑ Unknown

(11.4.1.4) Country/area

Select from:

☑ Portugal

(11.4.1.5) Name of the area important for biodiversity

Zonas de Proteção Especial & Sítios de Importância Comunitária

(11.4.1.6) Proximity

Select from:

☑ Overlap

(11.4.1.7) Area of overlap (hectares)

0

(11.4.1.8) Briefly describe your organization's activities in the reporting year located in or near to the selected area

The occupation of these areas by REN infrastructure is essentially due to historical reasons (the infrastructure was installed prior to the classification of these areas as protected) as well as the need to enable or reinforce the flow of renewable energy from production plants located in these sensitive areas. In addition to historical reasons, there are recent lines/substations that had to be in sensitive areas from the point of view of nature conservation due to the lack of a viable alternative.

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Site selection

☑ Project design

☑ Scheduling

☑ Operational controls

☑ Restoration

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Changes are optimized to reduce the impact on biodiversity. Despite the significance of aspects relating to biodiversity, only a low percentage of infrastructure can be found in sensitive areas of the countries. The sites where the infrastructure of the National Transmission Network (RNT) is located are potentially the habitat for classified species on the Red List of the International Union for the Conservation of Nature (IUCN). For more than twenty years, REN has monitored and controlled the nesting patterns of the white stork population in our infrastructure, creating conditions for this bird in favourable habitats and installing devices that minimize the risk of electrical accidents. A priority at REN is the correct management and conversion of land use and we fully recognize the importance of reducing direct impact on flora and land use caused by our activities, more specifically, when creating or maintaining the protection corridors for power lines and gas pipelines. REN implements the measures/ monitoring and compensation programmes resulting from the EIA processes, when applicable. Additionally, it also implements measures resulting from recommendations from additional studies carried out on a voluntary basis within the scope of its Biodiversity Strategy.

Row 2

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☑ UNESCO World Heritage sites

(11.4.1.4) Country/area

Select from:

☑ Portugal

(11.4.1.5) Name of the area important for biodiversity

Reserva da Biosfera

(11.4.1.6) Proximity

Select from:

☑ Overlap

(11.4.1.7) Area of overlap (hectares)

0

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

The occupation of these areas by REN infrastructure is essentially due to historical reasons (the infrastructure was installed prior to the classification of these areas as protected) as well as the need to enable or reinforce the flow of renewable energy from production plants located in these sensitive areas. In addition to historical reasons, there are recent lines/substations that had to be located in sensitive areas from the point of view of nature conservation due to the lack of a viable alternative.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Site selection

☑ Project design

☑ Scheduling

☑ Operational controls

☑ Restoration

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Changes are optimized to reduce the impact on biodiversity. Despite the significance of aspects relating to biodiversity, only a low percentage of infrastructure can be found in sensitive areas of the countries. The sites where the infrastructure of the National Transmission Network (RNT) is located are potentially the habitat for classified species on the Red List of the International Union for the Conservation of Nature (IUCN). For more than twenty years, REN has monitored and controlled the nesting patterns of the white stork population in our infrastructure, creating conditions for this bird in favourable habitats and installing devices that minimize the risk of electrical accidents. A priority at REN is the correct management and conversion of land use and we fully recognize the importance of reducing direct impact on flora and land use caused by our activities, more specifically, when creating or maintaining the protection corridors for power lines and gas pipelines. REN implements the measures/ monitoring and compensation programmes resulting from the EIA processes, when applicable. Additionally, it also implements measures resulting from recommendations from additional studies carried out on a voluntary basis within the scope of its Biodiversity Strategy.

Row 3

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☑ Ramsar sites

(11.4.1.4) Country/area

Select from:

☑ Portugal

(11.4.1.5) Name of the area important for biodiversity

Rede Nacional de Áreas Protegidas & Sítios Ramsar

(11.4.1.6) Proximity

Select from:

☑ Overlap

(11.4.1.7) Area of overlap (hectares)

0

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

The occupation of these areas by REN infrastructure is essentially due to historical reasons (the infrastructure was installed prior to the classification of these areas as protected) as well as the need to enable or reinforce the flow of renewable energy from production plants located in these sensitive areas. In addition to historical reasons, there are recent lines/substations that had to be located in sensitive areas from the point of view of nature conservation due to the lack of a viable alternative.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Site selection

☑ Project design

☑ Scheduling

☑ Operational controls

☑ Restoration

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Changes are optimized to reduce the impact on biodiversity. Despite the significance of aspects relating to biodiversity, only a low percentage of infrastructure can be found in sensitive areas of the countries. The sites where the infrastructure of the National Transmission Network (RNT) is located are potentially the habitat for classified species on the Red List of the International Union for the Conservation of Nature (IUCN). For more than twenty years, REN has monitored and controlled the nesting patterns of the white stork population in our infrastructure, creating conditions for this bird in favourable habitats and installing devices that minimize the risk of electrical accidents. A priority at REN is the correct management and conversion of land use and we fully recognize the importance of reducing direct impact on flora and land use caused by our activities, more specifically, when creating or maintaining the protection corridors for power lines and gas pipelines. REN implements the measures/ monitoring and compensation programmes resulting from the EIA processes, when applicable. Additionally, it also implements measures resulting from recommendations from additional studies carried out on a voluntary basis within the scope of its Biodiversity Strategy.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

☑ Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Disclosure of risks and opportunities

☑ Financial effect of environmental opportunities

☑ Financial effect of environmental risks

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

All the data referred to as verified are related to sustainability disclosures that are reported in the Annual Integrated Report 2023, which is overall verified by an external independent entity. An external independent entity issues a limited assurance report over the sustainability disclosures contained in the Annual Integrated Report 2023. The responsibility of the auditor is to examine the Sustainability Information prepared by REN and to issue a limited assurance report based on the evidence obtained. The engagement is conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information – ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (Ordem dos Revisores Oficiais de Contas). These standards require that the auditor plans and performs the engagement to obtain limited assurance about whether, in all material respects, the Sustainability Information is prepared in accordance with the Criteria. The data referred to as verified is all over the Annual Integrated Report 2023 and the Independet Limited Assurance Report (issued by EY) is on pages 520-521.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

REN_Annual Report 2023_EN.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

☑ Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Business strategy

☑ Sustainable finance taxonomy aligned spending/revenue

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

All the data referred to as verified are related to sustainability disclosures that are reported in the Annual Integrated Report 2023, which is overall verified by an external independent entity. An external independent entity issues a limited assurance report over the sustainability disclosures contained in the Annual Integrated Report 2023. The responsibility of the auditor is to examine the Sustainability Information prepared by REN and to issue a limited assurance report based on the evidence obtained. The engagement is conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information – ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (Ordem dos Revisores Oficiais de Contas). These standards require that the auditor plans and performs the engagement to obtain limited assurance about whether, in all material respects, the Sustainability Information is prepared in accordance with the Criteria. The data referred to as verified is all over the Annual Integrated Report 2023 and the Independet Limited Assurance Report (issued by EY) is on pages 520-521.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

REN_Annual Report 2023_EN.pdf

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

☑ Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Fuel consumption
☑ Methane emissions
☑ Base year emissions
☑ Progress against targets
☑ Electricity/Steam/Heat/Cooling generation
☑ Electricity/Steam/Heat/Cooling consumption
☑ Year on year change in absolute emissions (Scope 3)
☑ Year on year change in absolute emissions (Scope 1 and 2)

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS
☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

All the data referred to as verified are related to sustainability disclosures that are reported in the Annual Integrated Report 2023, which is overall verified by an external independent entity. An external independent entity issues a limited assurance report over the sustainability disclosures contained in the Annual Integrated Report 2023. The responsibility of the auditor is to examine the Sustainability Information prepared by REN and to issue a limited assurance report based on the evidence obtained. The engagement is conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information – ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (Ordem dos Revisores Oficiais de Contas). These standards require that the auditor plans and performs the engagement to obtain limited assurance about whether, in all material respects, the Sustainability Information is prepared in accordance with the Criteria. The data referred to as verified is all over the Annual Integrated Report 2023 and the Independet Limited Assurance Report (issued by EY) is on pages 520-521.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

REN_Annual Report 2023_EN.pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

	Additional information	Attachment (optional)
	For any further information please consult REN Annual Integrated Report 2023.	*REN_Annual Report 2023_EN.pdf*

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

CEO and Chairman

(13.3.2) Corresponding job category

Select from:

☑ Chief Executive Officer (CEO)

[Fixed row]