



Double materiality analysis

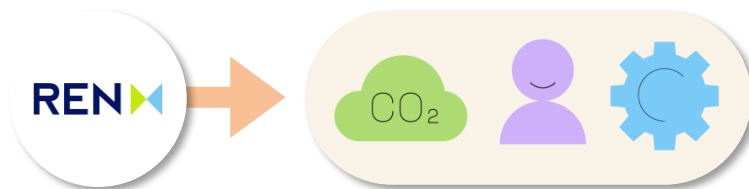
Double materiality analysis

CONCEPT OF DOUBLE MATERIALITY

According to the requirements of the CSRD, ESRS standards and EFRAG's Materiality Guidance, a sustainability impact, risk or opportunity (IRO) is **'material'** when it meets the criteria defined for **impact materiality** (positive or negative impacts) or for **financial materiality** (risks and opportunities) **or both**.

Impact materiality

The company can have an impact on the environment and society



Impacts: impact of the company on environmental and social issues. Assessed in terms of scale, scope, probability and irreversibility for negative impacts.

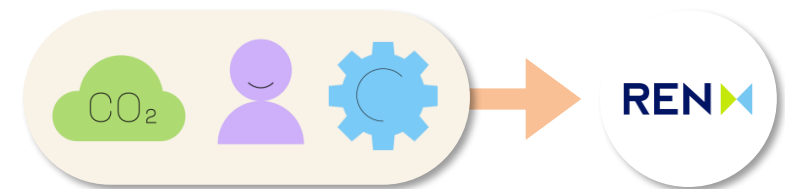
Impact Materiality
(inside-out)

Financial Materiality
(outside-in)

The IROs with scores above 3.42 for impact materiality and 3.46 for financial materiality were identified as material.

Financial materiality

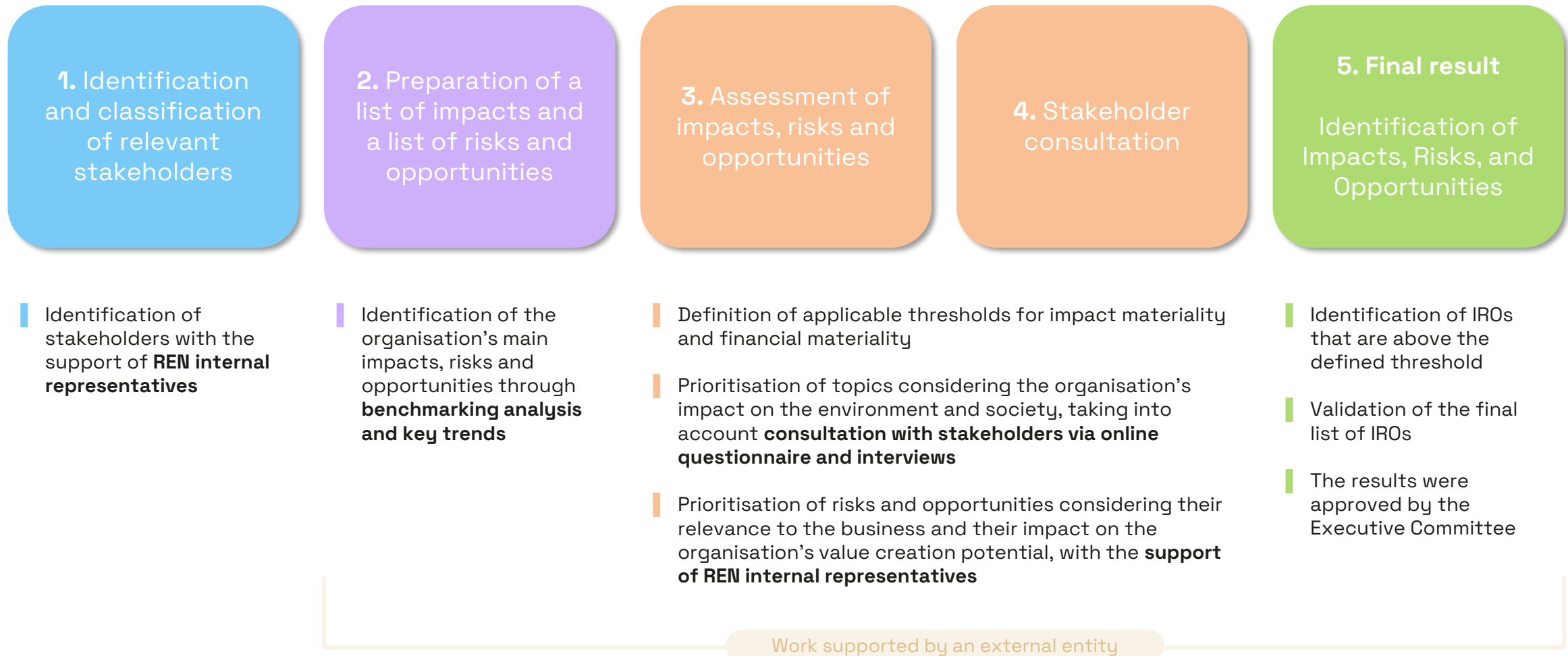
The environment and society can have an impact on the company



Risks and opportunities: financial effects for the company arising from sustainability issues. Assessed in terms of magnitude and probability.

Double materiality analysis

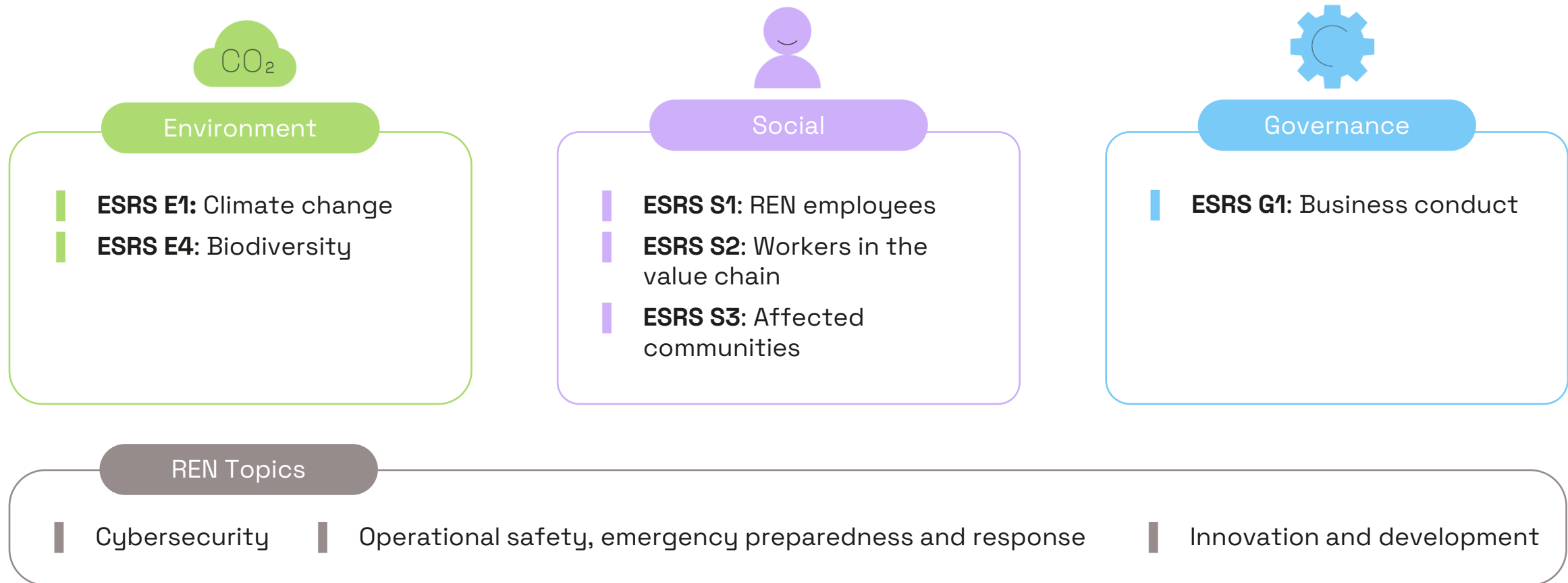
PROCESS



Double materiality analysis

RESULTS

From the double materiality analysis, 38 impacts, risks and opportunities (IROs) were identified, divided into nine themes, in the environmental, social and governance pillars. Specific themes related to REN's activity were also identified:



Double materiality analysis

RESULTS

Results:

- I (+) Positive impact
- I (-) Negative Impact
- O Opportunity
- R Risk



Environment

ESRS E1 Climate change

- I (+) Contribution to a net-zero economy
- I (-) GHG emissions from REN’s activities and its value chain
- I (-) Delays in project delivery
- O Development and/or expansion of low-carbon products and services
- O Use of green financing techniques (e.g. green bonds)
- R Occurrence of extreme climate events
- R Slower-than-expected growth in connections to renewable energy sources

ESRS E4 Biodiversity

- I (+) Protection, conservation, and restoration of land biodiversity
- I (-) Infrastructure and operations’ impact on biodiversity and ecosystems

Double materiality analysis

RESULTS

Results:

- I (+) Positive impact
- I (-) Negative Impact
- O Opportunity
- R Risk



Social

**ESRS S1
REN employees**

- I (+) Remuneration above the minimum living wage
- I (+) Development of a safety culture
- I (+) Employee training and skills development
- I (-) Occurrence of work accidents
- O Stability and quality of employment
- O Development of skills through employee training
- R Difficulty in attracting and retaining talent

**ESRS S2
Workers in the
value chain**

- I (+) Training and skills development for workers in the value chain
- I (-) Forced labour in the value chain
- I (-) Inadequate health and safety conditions in the value chain
- O Selection of suppliers with good labour and human rights practices
- O Implementation of human rights and environmental due diligence in the supply chain
- R Occurrence of work accidents in the value chain
- R Impact on REN's operations resulting from inadequate working conditions in the value chain
- R Impact on REN's operations resulting from the existence of forced labour in the value chain

**ESRS S3 Affected
communities**

- I (+) Community benefits through the development of partnerships
- I (+) Creation of local jobs and training opportunities
- R Balanced relationship with the local community during the development of new projects

Double materiality analysis

RESULTS



Governance

**ESRS G1
Business
conduct**

- I (+) Protection of whistleblowers through anti-retaliation policies and procedures

- I (+) Timely payment to suppliers

- I (+) Benefits generated through responsible supply chain practices

- O Increased stakeholder confidence through robust whistleblowing mechanisms

- O Reputational value associated with the promotion of sustainable practices in the supply chain

- R Non-compliance with the contract and/or the supplier's code of conduct

Results:

- I (+) Positive impact
- I (-) Negative Impact
- O Opportunity
- R Risk

REN Topics

Cybersecurity

- I (-) Cyber attacks on REN's infrastructure and systems

- R Occurrence of cyber attacks

Operational safety, emergency preparedness and response

- I (-) Societal damage due to interruptions in energy T&D

- R Reputational damage due to interruptions in energy T&D

Innovation and development

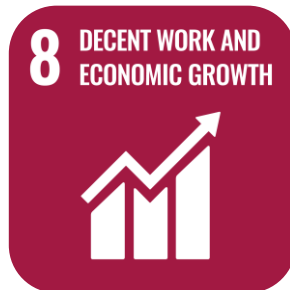
- I (+) Operational innovation

Double materiality analysis

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

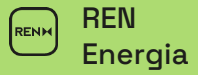
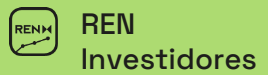
Based on the impact of our activities, as well as the results of stakeholder consultations, we **reaffirm our commitment to the SDGs** identified as priority and relevant:

PRIORITY



RELEVANT





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