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European Green Bond Pre-Issuance Review

REN S.A. European Green Bond Factsheet

Oct. 17, 2025

Location: Portugal

Sector: Utility networks

Alignment Summary

Aligned = ✓ Conceptually aligned = ○ Not aligned = ✕

✓ European Green Bond Regulation (EuGBR)

EuGB factsheet Shade: ■ Dark green

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Dark green

Activities that correspond to the long-term vision of a low-carbon climate resilient future.

Our [Shades of Green Analytical Approach](#) >

Strengths

Investing in electricity transmission is essential for Portugal's and the EU's decarbonization targets. Through its activities under the financing, REN enables the transmission of electricity from renewable energy sources and reduces dependence on fossil fuels.

Weaknesses

No weaknesses to report.

Areas to watch

REN has not disclosed the estimated environmental impacts of the European Green Bonds (EuGBs) in its factsheet. The issuer explains that this is due to the complexities in estimating this impact, which is influenced by several factors, including the high variability in output linked to certain renewable generation technologies, particularly hydropower. As required by the EuGB regulation, REN will publish, after full allocation, at least one impact report summarizing the actual environmental impacts of the EuGB proceeds.

Shades of Green Projects Assessment Summary

Over the three years following issuance of the financing, REN expects to allocate all proceeds to the Renewable Energy project category. This category falls under EU Taxonomy activity 4.9 Transmission and distribution of electricity. The issuer expects all proceeds to be allocated to refinancing.

Based on the project category's Shades of Green detailed below, the expected allocation of proceeds, and consideration of environmental ambitions reflected REN's European Green Bond Factsheet, we assess the factsheet Dark green.

Renewable Energy	 Dark green
REN intends to allocate proceeds to related activities, using the Technical Screening Criteria (TSC) applicable at the time of the bond's issuance:	
- Activity 4.9 Transmission and distribution of electricity (NACE code D35.11)*	

*Economic activities also assessed in the EuGB Pre-issuance Review.

See [Analysis Of Eligible Projects](#) for more detail.

European Green Bond (EuGB) Pre-Issuance Review Summary

We believe REN's EuGB factsheet has been completed in line with Articles 4 to 8 and Annex 1 of EuGBR. The proceeds will be tracked, monitored, and managed according to a portfolio approach.

The issuer intends to use the EuGB proceeds to refinance a portfolio of EU Taxonomy-aligned fixed assets for the transmission of electricity (activity 4.9 -transmission and distribution of electricity) in Portugal. These projects are part of the interconnected European system, and we consider them aligned with the substantial contribution criteria for the EU environmental objective of climate change mitigation and with the do no significant harm (DNSH) criteria. We also believe that REN's procedures meet the four elements of the minimum safeguards.

Projects undergo mandatory environmental impact assessments per EU and Portuguese laws. The issuer has conducted an assessment to identify physical climate risks that could impact its operations, in line with the DNSH adaptation criteria.

REN aims to reduce its scope 1 and 2 emissions from operations by 55.3% by 2030 versus 2019, and to reduce its scope 3 emissions (from purchased goods and services, capital goods, and fuel- and energy-related activities) by 25%, by 2030 from a 2021 baseline year. REN further commits to reduce by 42% absolute scope 3 greenhouse gas emissions from use of sold products covering transmitted gas within the same timeframe. To meet these objectives, REN intends to increase investments by up to 70% for the 2024-2027 period compared with 2021-2023. Investments will primarily focus on expanding the electricity grid, enabling the incorporation of renewable energy sources into the national electricity system. The EUGBs will support REN's climate transition through investments in assets that contribute to electricity transmission and renewable energy integration.

REN's factsheet states that allocation reports will be published annually, until full allocation. Regarding impact reporting, the issuer will, on a best effort basis, include estimated environmental impacts in its annual reporting. As required by the EUGB regulation, REN will also publish, after full allocation, at least one impact report summarizing the actual environmental impacts of the EUGB proceeds.

Alignment opinion	EuGB pre-issuance review
✓	EuGB factsheet completed as per Annex I of the EuGBR
✓	Article 4: Use of the proceeds of EuGB

Article 4 summary table

Economic activity	Technical screening criteria (TSC)				
	Expected allocation by 2028	Substantial contribution	Do no significant harm	Minimum safeguards (Issuer level)	Overall alignment
4.9 Transmission and distribution of electricity - NACE code: D35.11*	100%	✓	✓	✓	✓
N.A.	Article 5: Flexibility in the use of the proceeds of EuGBs				
N.A.	Article 6: Financial assets				
N.A.	Article 7: Capital expenditure (capex) plan				
✓	Article 8: Application of the TSC and grandfathering				

*For activities not included in the EU Taxonomy, we use our “[Analytical Approach: Shades Of Green Assessments](#)” to assess whether the activity is making a substantial contribution, without significantly harming any of the other objectives.

Aligned = ✓ Not aligned = ✗ Not covered by the technical screening criteria = — Not applicable = N.A.

See [EuGB Pre-Issuance Review](#) for more detail.

Issuer Sustainability Context

This section provides an analysis of the issuer's sustainability management and the embeddedness of the financing framework within its overall strategy.

Company Description

Redes Energéticas Nacionais (REN) is a Portuguese company whose core business is the transmission of electricity and gas. REN is responsible for very-high-voltage transmission and the global technical management of the Portuguese national electricity system on an exclusive basis under a 50-year public service concession running until 2057. At year-end 2024, the national electricity transmission network comprised 9,661 km of line circuits, 70 transformer substations, and 19 switching and transition stations. Additionally, REN is exclusively responsible for high-pressure transmission and for the global technical management of the Portuguese national gas system (NGS), 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 40-year public service concessions running until 2046. REN also owns Portgás, the second-largest natural gas distributor in Portugal, which operates the public gas distribution network in the northern coastal region (concession running until 2048). In 2024, 65% of REN's EBITDA came from the national electricity business, while gas originated 30% of EBITDA.

REN is also present in Chile, where it has a 45% stake in the company Electrogas, and fully owns Empresa de Transmisión Eléctrica Transemel. REN's operations in Chile will not be eligible for financing or refinancing as part of this EuGB factsheet.

State Grid Corporation of China, a Chinese state-owned electric utility company and the world's largest utility company, owns 25% of REN. Other shareholders include the Spanish company Pontegadea Inversiones (12%), Lazard Asset Management (7.4%), Fidelidade – Companhia de Seguros (5.4%), Corporación Masaveu (5%), and Redeia Corporacion (5%).

Instruments under this factsheet will be issued by REN S.A.

Material Sustainability Factors

Climate transition risk

Climate transition risks are highly material to stakeholders but tend to have more bearing on electricity networks, given their critical role in energy delivery and direct exposure to upstream generators, a leading cause of greenhouse gas emissions. These factors make the sector highly susceptible to growing public, political, legal, and regulatory pressure to accelerate climate goals and are highly relevant for stakeholders globally. We expect the energy sector's ongoing decarbonization to triple its reliance on renewable power, necessitating substantial grid expansion. In the electricity network sector, continued focus on reducing reliance on fossil fuel-based power generation could reshape growth prospects, making it essential to effectively manage regulatory risk. Portugal is striving for carbon neutrality by 2045. In 2024, the country revised its National Energy and Climate Plan for 2021-2030 (NECP 2030), now aiming for 93% of its electricity to come from renewable sources by 2030, up from the previous target of 85%. In 2024, renewable production supplied more than 70% of consumption, compared with 61% recorded in the previous year, with hydro accounting for 28%, wind 27%, and solar 9%, while biomass accounted for 6%.

Physical climate risk

Networks operate fixed assets spanning large service territories, making them highly exposed to physical climate risks. Climate events can cause network service disruptions for large populations. Wildfires, hurricanes, and winter storms have impaired issuers globally. During these events, the utility can incur higher costs, which typically leads to higher leverage. Both Portugal and Chile face significant climate risks, including more frequent droughts, intense floods, and an increasing number of wildfires, which have caused considerable damage in recent years. Rising sea levels threaten the countries' extensive coastline, endangering coastal communities and infrastructure. These changes can affect grid stability and increase operational and repair costs.

Biodiversity and resource use

Alongside climate risk, loss of biodiversity is one of the major global challenges. The U.N. has designated 2021-2030 as the world's decade for the restoration of ecosystems. Transmission electricity activities involve interventions in nature and, given that it has infrastructure throughout Portugal, and also in Chile, reducing REN's land use and biodiversity impacts is crucial. A lack of biodiversity considerations can lead to habitat loss, landscape fragmentation, and disruptions to species, undermining biodiversity and ecosystem services.

Impact on communities

Community impacts can be acute for stakeholders, given the proximity of networks to people's homes and workplaces, and the essential role energy services play in community health and wellbeing globally. Stakeholders can be affected by the construction and siting of lines, especially in areas unaccustomed to industrial development. Construction of electricity networks is accelerating to meet climate goals and in some cases local governments have legal power to expropriate private land for energy activities.

Access and affordability

The affordability and reliability of energy networks are under pressure from climate-related risks, increasing their importance for stakeholders. Energy is an essential service supporting health, well-being, and global economic development. The energy transition and physical climate risk are likely to amplify service disruptions and steep price increases. These can affect households' purchasing power and the competitive strengths of local industries. Despite these challenges, the reliability of energy networks remains high, and we expect this to continue, given that energy utilities engage in long-term planning that accounts for these risks. Moreover, while utility bills are rising, they tend to increase less than inflation.

Issuer And Context Analysis

The eligible project category addresses climate transition risk, which is a key material sustainability factor for REN. The eligible project category, Transmission and distribution of electricity, will improve connections to renewable sources, helping to further decarbonize the Portuguese grid, in line with the country's carbon neutrality goals. Physical climate risks are also relevant because transmission and distribution lines, particularly overhead, which represent the majority, are highly exposed to the effects of climate change. REN has implemented stringent policies and procedures to tackle its exposure to physical climate risks, as well as to mitigate the impact of its operations on biodiversity and local communities.

Investing in electricity transmission is essential for Portugal's decarbonization plan, as it enables the distribution of renewable energy sources and reduces dependence on fossil fuels. Portugal aims to achieve carbon neutrality by 2045 and is taking steps to support this objective. In 2024, the country updated its National Energy and Climate Plan for 2021-2030 (NECP 2030), now setting a goal for 93% of its electricity to be generated from renewable sources by 2030, an increase from the earlier target of 85%. As of 2024, about 76% of electricity originated from renewable sources, in particular hydro (30% of total generation), wind (27%), and solar (10%). The integration of diverse generation sources into the grid highlights the strategic importance of transmission system operators (TSOs), distribution system operators, and generators. On April 28, 2025, a massive blackout struck the Iberian Peninsula, affecting tens of millions of people. The system's recovery was gradual, taking up to 24 hours for the last of the customers to have power restored. An investigation into the causes of the blackout is still ongoing. However, preliminary reports indicate that the blackout originated from two consecutive generation loss events in southwestern Spain.

REN has set science-based, near-term emissions reduction targets. The issuer has set targets to reduce its scope 1 and 2 emissions from operations by 55.3% by 2030 versus 2019, and to reduce its scope 3 emissions by 25%, by 2030 from a 2021 baseline year. REN further commits to reduce by 42% absolute scope 3 greenhouse gas emissions from use of sold products covering transmitted gas within the same timeframe. We expect the company to increase the ambition of these scientifically validated targets, in line with what it has communicated via capital markets day updates. The scope 3 target comprises emissions from purchased goods and services, capital goods, and fuel- and energy-related activities, as well as use of sold products (covering transmitted gas). REN's targets to reduce near-term greenhouse gas emissions were approved by the Science Based Targets (SBTi) initiative, in line with the goal to limit global warming to 1.5°C (in accordance with the Paris Agreement). However, REN has not set a long-term net zero SBTi target, which would be a more advanced practice. REN also aims for carbon neutrality by 2040, which only includes direct operations (scope 1 and 2). The issuer prioritizes the reduction of greenhouse gas emissions, including methane and sulfur hexafluoride (SF6), which it monitors and publishes through its annual reporting. REN has achieved a reduction in its SF6 leakage by 41%, from 0.12% in 2023, to 0.065% in 2024, through specific monitoring and action plans. We view this positively, as leakage of SF6 is an important source of direct emissions for electricity TSOs. In 2024, REN improved its methodologies and processes for calculating methane emissions, in line with the requirements of the recent EU regulation 2024/1787. Due to this enhancement and increased precision in measuring, REN reported an increase in 115% in its methane emissions, compared with 2023. The issuer expects that this trend will reverse in the short term, as a result of the various initiatives underway and the close monitoring of this issue at REN.

Physical climate risks may affect REN's operations due the fixed nature of its assets. REN has performed physical risk assessments, using climate scenarios developed by the Intergovernmental Panel on Climate Change (IPCC). The issuer put emphasis on two scenarios: an increase in average temperatures of about 1.5°C and an increase of about 4.0°C. The scenarios considered also different timelines: medium term (until 2030), and long term (until 2050), which also aligns with the long lifetime of REN's assets. For Portugal, the

key physical risks identified include extreme rain/floods, formation of ice sleeves due to extreme weather patterns, and increased fire risks due to higher temperatures and water scarcity. REN is reinforcing the metal structures and foundations of its infrastructure and upgrading conductor cables and guards. REN's gas infrastructure is mostly underground, and therefore less susceptible to extreme weather than its electricity transmission infrastructure. REN plays a key role in the strategic planning of vegetation management in access corridors and has adopted new methodologies such as obtaining information from Light detection and ranging (LiDAR) flights.

Biodiversity is a priority area of action for REN, which is working on the identification of nature-related risks linked to its operations. This assessment will investigate the potential impacts and dependencies of REN in relation to nature. In 2024, REN launched its "Natural Capital Strategy and Management Plan" to evaluate how its business affects and relies on nature, using a range of tools such as the Science-Based Targets for Nature (SBTN), Taskforce on Nature-Related Financial Disclosures (TNFD), and Exploring Natural Capital Opportunities, Risks, and Exposure (ENCORE).

Accelerated grid expansion may lead to conflicts with local communities regarding land usage and potential negative social and environmental impacts from REN's operations. REN engages with stakeholders, including communities, and monitors potential impacts in the areas surrounding its operations. For instance, REN monitors noise and electromagnetic fields, ensuring compliance with national and European regulations. The issuer also ensures that communities are involved in the consultation processes, as part of the licensing processes for the construction of new infrastructure.

Analysis Of Eligible Projects

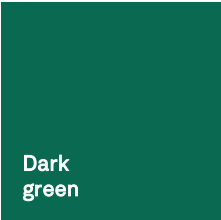
This section provides details of our analysis of eligible projects, based on their environmental benefits and risks, using the "[Analytical Approach: Shades Of Green Assessments](#)".

Overall Shades of Green assessment

Over the three years following issuance of the financing, REN expects to allocate all of proceeds to the Renewable Energy project category.

The issuer expects all proceeds to be allocated to refinancing.

Based on the project category's Shades of Green detailed below, the expected allocation of proceeds, and consideration of environmental ambitions reflected REN S.A.'s European Green Bond Factsheet, we assess the factsheet Dark green.



Dark green

Activities that correspond to the long-term vision of a low-carbon climate resilient future.

Our [Shades of Green Analytical Approach](#) >

EuGB factsheet Shade:  **Dark green**

Green project categories

Renewable energy

Assessment	Description
 Dark green	REN intends to allocate proceeds to related activities, using the Technical Screening Criteria (TSC) applicable at the time of the bond's issuance: - activity 4.9 Transmission and distribution of electricity (NACE code D35.11)

Analytical considerations

- Reliable and efficient electricity transmission networks are essential for supporting electrification and achieving a low carbon economy. Investments in making transmission grids more flexible, enhancing their resilience to physical risks, and minimizing technical losses are necessary. At the same time, these networks must be managed carefully to avoid disrupting habitats and harming biodiversity, particularly in areas of high ecological value.
- Through this project category, the issuer will invest in the expansion of the electricity grid, necessary for integrating new renewable energy sources into the Portuguese electricity overground system. New infrastructure in Portugal is intended to connect new renewable capacity to the grid, with an average estimated grid emission factor below 100 grams of carbon dioxide equivalent per kilowatt hour (gCO₂eq/kWh). We assess this activity as Dark green, considering the necessity of electrifying the economy to achieve a low-carbon and climate-resilient future and given the high percentage of renewable energy currently being transmitted through the grid in the country.
- In Portugal, the share of electricity generation originating from fossil fuels is less than 25%, with most renewable electricity coming from hydro and wind power (source: IEA). Portugal is targeting carbon neutrality by 2045. In 2024, the country revised its National Energy and Climate Plan 2021-2030 (NECP 2030), now aiming for 93% of electricity to come from renewable sources in 2030, compared with a previous target of 85%. According to REN's 2024 annual report, the average grid emission factor for electricity consumed in the Portuguese network in 2024 was 52 gCO₂/kWh, indicating a relatively high degree of decarbonization. We also view positively Portugal's consistent progress in reducing its average electricity emission factor, which decreased by around 68% between 2020 and 2024, thereby reinforcing our assessment
- REN conducts EIAs covering impacts on biodiversity, pollution, and physical climate risks. The EIAs comply with both national and international regulations to assess and mitigate impacts on ecosystems. REN evaluates the biodiversity-related impacts and risks caused by its operations and the construction of new grid infrastructure, including elements

such as the use and depletion of natural resources, and the interactions with species throughout the development. We view positively that the company is consistently looking to improve its methods to assess biodiversity impacts. For instance, in 2024, it started using tools based on international standards such as the SBTN, to strengthen its assessments. For further details, please see our EU Taxonomy Assessment below.

- With respect to physical climate risks, the issuer identifies and evaluates the impact of climate change on its operations and implements measures to mitigate these. REN performed a scenario analysis on the physical climate risks faced by its operations. This analysis comprised three timeframes: the present (2024), medium term (2030), and long term (2050). Two primary temperature rise scenarios were examined: approximately 1.5°C (decarbonization scenario) and around 4.0°C (fossil fuel scenario), in accordance with references from the IEA-WEO and IPCC. To comply with national regulations regarding forest fires, REN employs LiDAR technology and has established integrated surveillance systems. For further details, please see our EU Taxonomy Assessment below.

S&P Global Ratings' Shades of Green

Assessments					
 Dark green	 Medium green	 Light green	 Yellow	 Orange	 Red
Description					
Activities that correspond to the long-term vision of an LCCR future.	Activities that represent significant steps toward an LCCR future but will require further improvements to be long-term LCCR solutions.	Activities representing transition steps in the near-term that avoid emissions lock-in but do not represent long-term LCCR solutions.	Activities that do not have a material impact on the transition to an LCCR future, or, Activities that have some potential inconsistency with the transition to an LCCR future, albeit tempered by existing transition measures.	Activities that are not currently consistent with the transition to an LCCR future. These include activities with moderate potential for emissions lock-in and risk of stranded assets.	Activities that are inconsistent with, and likely to impede, the transition required to achieve the long-term LCCR future. These activities have the highest emissions intensity, with the most potential for emissions lock-in and risk of stranded assets.
Example projects					
 Solar power plants	 Energy efficient buildings	 Hybrid road vehicles	 Health care services	 Conventional steel production	 New oil exploration

Note: For us to consider use of proceeds aligned with ICMA Principles for a green project, we require project categories directly funded by the financing to be assigned one of the three green Shades.

LCCR--Low-carbon climate resilient. An LCCR future is a future aligned with the Paris Agreement; where the global average temperature increase is held below 2 degrees Celsius (2°C), with efforts to limit it to 1.5°C, above pre-industrial levels, while building resilience to the adverse impact of climate change and achieving sustainable outcomes across both climate and non-climate environmental objectives. Long term and near term--For the purpose of this analysis, we consider the long term to be beyond the middle of the 21st century and the near term to be within the next decade. Emissions lock-in--Where an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes (often fossil fuel use and its corresponding greenhouse gas emissions) that are not aligned with, or cannot adapt to, an LCCR future. Stranded assets--Assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities (as defined by the University of Oxford).

European Green Bond Regulation

Pre-Issuance Review

This section provides an opinion on whether the issuer's pre-issuance European Green Bond (EuGB) factsheet is complete and aligns with the requirements of the [Analytical Approach: European Green Bond External Review](#).

Alignment Summary

Aligned = ✓ Not aligned = ✗

✓ European Green Bond Regulation (EuGBR)

Alignment Assessment

Aligned = ✓ Not aligned = ✗ Not applicable = **N.A.**

✓ EuGB factsheet completed as per Annex I of the EuGBR

In our view, REN's EuGB factsheet is complete and includes all the information required in Annex 1 of the EuGBR.

The factsheet lays out the company's environmental strategy and explains why it aims to issue green bonds labeled as EuGBs. In accordance with the portfolio approach, REN aims to issue an EuGB for refinancing (100%) of fixed assets that are related to EU Taxonomy-aligned electricity transmission and distribution activities under category 4.9, transmission and distribution of electricity. These activities are located in Portugal, and therefore, integrated within the interconnected European system.

Through the issuance of EuGBs under the factsheet, REN aims to support the environmental objective of climate change mitigation. REN's EuGBs will support the implementation of its sustainability strategy, outlined in REN's strategic plan for 2024-2027, by facilitating investments in the expansion and modernization of electricity grid assets, mainly for integrating new renewable energy sources into the national electricity system. REN aims for carbon neutrality in its operations by 2040. The issuer has also set targets to reduce its scope 1 and 2 emissions from operations by 55.3%, and its scope 3 emissions by 25%, by 2030 from a 2019 and 2021 base year, respectively.

REN states all proceeds will be allocated to enabling activities under category 4.9, transmission and distribution of electricity. Therefore, we understand that no proceeds will be allocated to transitional activities or to taxonomy-aligned projects related to fossil gas or nuclear energy, in line with Articles 10(2) and 11(3) of Regulation (EU) 2020/852.

REN will not allocate funds toward activities for which no technical screening criteria have entered into force (Article 5 of the EuGBR). Issuance costs will not be deducted from the bond proceeds.

The factsheet outlines the process to select and approve eligible projects and assets. REN's Sustainable Financing Working Group (SFWG) is responsible for identifying and selecting eligible assets. The SFWG comprises representatives of different teams within the company, including finance, sustainability, and operations. Projects and assets are selected and evaluated based on the eligibility criteria described within REN's Integrated Sustainable Financing Framework (and aligned with the EU Taxonomy), their contribution to the reduction of greenhouse gas emissions, and satisfactory completion of relevant EIAs, as mandated by Portuguese law. REN also manages the projects' and assets' perceived environmental and social risks by following European and international regulations, as well as internal sustainability policies and risk management practices.

The factsheet indicates that 100% of EuGB issuances will be used to refinance a portfolio of EU Taxonomy-aligned eligible green fixed assets. Since REN intends to follow the portfolio approach for EuGB allocation, we do not expect the bond proceeds to contribute directly to the issuer's key performance indicators for Taxonomy-aligned, turnover, capital expenditure, and operating expenditure.

REN will include in its annual report the anticipated environmental impacts of bond proceeds, and will publish at least one post issuance impact report, after full allocation. The impact indicator to be reported on is the estimated CO₂ emissions avoided, when operating at normal load.

REN will not provide estimates of anticipated environmental impact prior to the issuance, due to the complexities in estimating this impact, which is influenced by variabilities in the mix of generation technologies contributing electricity to the grid, the high variability in output linked to certain renewable generation technologies, particularly hydropower, and periodic updates to the relevant conversion factors for electricity production.

REN commits to publish an allocation report annually until the date of full allocation of the proceeds of the EuGB. This report will adhere to the requirements outlined in Annex II of the EuGBR. The factsheet states the full allocation of bond proceeds is forecast within two years from the year of issuance.

REN intends to follow a portfolio approach to manage the allocation. In our view, the level of detail needed under the portfolio approach provides less transparency and granularity to the market and we would see a commitment to report more granular and detailed information as a stronger practice.

✓ Article 4: Use of the proceeds of EuGBs

We believe REN's factsheet is aligned with article 4 of the EuGBR.

The issuer commits to allocating all proceeds to the refinancing of fixed assets aligned with the EU Taxonomy activity 4.9 Transmission and distribution of electricity (NACE codes D35.11). These activities are aligned with the substantial contribution and DNSH criteria, as well as the minimum safeguards of the EU Taxonomy (see our “EU Taxonomy alignment analysis” below). The issuer follows the portfolio approach and confirms that the bonds are not securitization bonds.

EU Taxonomy alignment analysis

Aligned = ☒

Not aligned = **X**

4.9 Transmission and distribution of electricity - NACE code: D35.11

The issuer expects to allocate 100% of net proceeds refinance fixed assets aligned to this EU Taxonomy activity. All fixed assets are in Portugal.

Opinion	Key findings
Unreliable – The audit firm is not independent, as it has a financial interest in the company. The audit firm is not qualified to perform the audit, as it does not have the necessary resources and expertise. The audit firm has not followed the applicable auditing standards.	The audit firm has not followed the applicable auditing standards. The audit firm has not obtained sufficient evidence to support its conclusions. The audit firm has not disclosed all relevant information to the users of the financial statements.

Substantial contribution: Technical screening criteria assessment

We consider REN's financing related to the transmission and distribution of electricity to be aligned with the TSC for a substantial contribution to the EU's climate mitigation objective.

- The projects are in Portugal, which is part of the interconnected European electricity system, meeting the eligibility criteria of the EU Taxonomy. The proceeds will be used to refinance the expansion of the electricity grid that is essential for integrating new renewable energy sources into the national electricity system.
- REN confirmed the average emissions factor of the existing system network (five-year moving average) is below the threshold value of 100 gCO₂e/kWh, measured on a life cycle basis. New infrastructure in Portugal is intended to connect new renewable capacity to the grid, with an average grid emission factor also estimated to be below 100 gCO₂eq/ kWh.
- The proceeds will also not be used to finance or refinance the installation of metering infrastructure that does not meet the requirement of smart metering requirements of Article 20 of Directive (EU) 2019/944.

Do no significant harm (DNSH): Technical screening criteria assessment

According to the EU Taxonomy, this activity does not significantly harm EU climate adaptation, circular economy, pollution prevention, and biodiversity objectives. We consider the issuer's activity aligned with the DNSH TSC for climate adaptation, circular economy, pollution prevention, and biodiversity.

- To address the climate adaptation DNSH, REN regularly evaluates climate risks--both acute and chronic--through its Risk Management System. Acute risks, like forest fires and floods, can affect transmission lines, while chronic risks such as rising sea levels and heat waves, may damage equipment. REN's analysis of physical risks is based on IPCC scenarios RCP/SSP-2.6 and RCP/SSP-8.5 and covers short-term (current), medium-term (~2030), and long-term (~2050) horizons. REN has planned adaptation initiatives to enhance the resilience of existing infrastructure against climate change, including upgrades to metal

structures and conductor cables in line with European and Portuguese NP EN 50 341 standards. These standards ensure that the conductor cables meet certain safety requirements in terms of distance to other buildings, or the ground, and also that the cables are strong enough to handle environmental stresses such as strong winds.

- To address pollution prevention and control risks, including exposure to electromagnetic fields, REN's EIAs comply with the principles of the IFC General Environmental, Health, and Safety Guidelines. Occupational health and safety risks are managed through ISO 45001 certified systems. In addition, REN screens employees particularly exposed to electromagnetic fields, in accordance with the Portuguese law, to ensure that measures to restrict exposure are adequately applied. REN has confirmed it does not use polychlorinated biphenyls (PCBs) in its operations. PCBs are categorized in the EU as toxic, persistent, and bio accumulative substances and are covered under the Stockholm Convention, which bans the production of PCBs and prevents any new uses.
- REN meets the EU Taxonomy requirement for circular economy DNSH through the implementation of a waste management plan that ensures maximum reuse or recycling at end-of-life. At the end of 2023, REN approved a Circular Economy Roadmap and Strategy to achieve carbon neutrality and integrate circular economy principles by 2040, and in 2024, established the Circular Economy Working Group (GTEC) to ensure effective implementation. The roadmap includes the implementation of metrics to monitor the performance on specific circularity indicators, and ensure the procurement process takes into consideration circularity.
- To meet the biodiversity DNSH criteria, REN carries out EIAs in line with Directive 2011/92/EU334. Specifically, REN complies with the Portuguese Decree-Law No. 151-B/2013, which establishes the legal framework for EIA in Portugal and transposes Directive 2011/92/EU into national law. These assessments help identify, evaluate, and mitigate any impacts on adjacent ecosystems. During operation and maintenance, monitoring ensures compliance with the provisions of environmental impact statements. In 2024, monitoring actions took place for different infrastructure, covering aspects such as water resources, flora, and birdlife. To enhance the visualization of the impact of specific projects, REN is using augmented reality, carried out within EIA processes. In 2024, REN launched the "Natural Capital Strategy and Management Plan" to evaluate its business' impacts and dependencies on nature, using tools like Taskforce on Nature-Related Financial Disclosures (TNFD), and Science-Based Targets For Nature Initiative (SBTN).

Minimum safeguards assessment at issuer level Aligned = ✓ Not aligned = ✗

Opinion Key findings

- ✓
- REN has in place a human rights due diligence process which follows international standards, including the Universal Declaration of Human Rights, the Conventions of the International Labor Organization, and OECD Guidelines for Multinational Enterprises. The company's Code of Conduct mirrors these principles, and is complemented by REN's Integrity Policy, which defines principles of action and duties applicable to all employees, and other partners. REN's Supplier Code of Conduct describes the principles that suppliers are required to follow, to respect human rights and promote fair labor practices. REN is increasingly incorporating environmental, social, and governance criteria within its tender requests, requiring suppliers to commit to its sustainable procurement standards and ensure their own supply chain complies with REN's Supplier Code of Conduct. In 2024, REN began developing a formal due diligence process, based on the EU's upcoming Corporate Sustainability Due Diligence Directive (CS3D), to prevent, mitigate, and remedy impacts on human rights and the environment throughout its operations and value chain. This was done in a proactive manner, since the CS3D is not yet applicable to REN.
 - REN has a zero-tolerance approach to bribery and corruption. In addition to the Code of Ethics, further policy controls against corruption are represented by its Prevention Plan of Corruption Risks and Related Offenses. This plan includes an overview of the corruption risks faced by REN, considering the type of activities it carries out, as well as a set of preventive and corrective measures. The plan is subject to internal controls twice a year and is reviewed every three years, or more frequently if there is a relevant change in the group's structure which justifies it. In 2023, the issuer updated the contents of its training on prevention of corruption risks and mandated that all employees complete it every two years. In 2024, approximately 92.7% of personnel participated in the training. REN has also established a whistleblower mechanism, through which both internal and external stakeholders can communicate potential breaches of policies and irregularities.
 - REN confirms its tax risk management is aligned with OECD guidelines, ensuring transparency, accuracy and consistency through country-by-country reporting and aligning transfer pricing practices with Portuguese law and OECD recommendations. Furthermore, REN has indicated that there were no cases or convictions found that would indicate a failure in its management of the risks related to human rights, corruption, taxation, and fair competition.
 - REN's Code of Conduct explicitly states the issuer's commitment to maintaining effective competition in the markets in which it operates. To promote fair competition, REN requires all employees, including new hires and interns, to complete and regularly renew online training covering competition issues, as part of its Ethics and Code of Conduct training.

- Following the European Commission's recommendations on minimum safeguards and by the company's confirmation, REN has not been convicted under any of the four core topics of the minimum safeguards. In 2024, one of the members of REN's executive committee, João Faria Conceição, was accused by the public prosecutor's office with an offence of passive corruption. As of the date of this report, the investigation into this case is ongoing. We acknowledge that REN is not a defendant in the proceedings and is not facing any charges. Additionally, REN has expressed its willingness to fully cooperate with the authorities and is ready to provide any further information needed.

N.A. Article 5: Flexibility in the use of the proceeds of EuGBs

REN's factsheet states that it will not make use of the flexibility in the use of proceeds as per Article 5 of the regulation. All proceeds will be allocated to economic activities that are aligned with the EU Taxonomy. We consider article 5 is not applicable for this factsheet.

N.A. Article 6: Financial assets

REN's factsheet does not include any allocation to financial assets; therefore, we consider article 6 is not applicable.

N.A. Article 7: Capital expenditure plan

The issuer plans to allocate an amount equivalent to the nominal proceeds to the refinancing of activities that are already fully aligned with the EU Taxonomy using the portfolio approach, therefore we consider Article 7 is not applicable.

✓ Article 8: Application of the TSC and grandfathering

We consider that REN meets the Article 8 requirements. Since REN follows a portfolio approach, it will allocate the proceeds only to activities that are already fully aligned with the EU Taxonomy at the time of issuance and also at any point during the seven years prior to the publication of the relevant allocation report.

Other Pre-Issuance Review Contents

General information

Date of issuance of the bond(s) or tranches of the bond(s): Not available

Date of publication of the EuGB factsheet: Oct. 17, 2025

Legal name of the issuer: REN S.A.

Legal entity identifier of the issuer: 549300FR1FN48IGHR915

Name of the bond(s) assigned by the issuer: REN European Green Bonds

International securities identification numbers (ISIN) of the bond(s) and its/their tranches: Not available

Identity and contact details of the external reviewer:

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- 4th Floor, Styne House, Upper Hatch Street, Dublin 2, Ireland
- <https://www.spglobal.com/ratings/en/index>

The name of the competent authority that has approved the bond prospectus(es): Central Bank of Ireland

Lead analyst in a given assessment activity: Rita Ferreira, Senior Analyst, Sustainable Finance

Person primarily responsible for approving the review: Luisina Berberian, Director, Sustainable Finance

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Introductory statements, sources, assessment methodologies, and key assumptions

For the EuGB Pre-Issuance Review, we apply our Analytical Approach: European Green Bond External Reviews, which describes S&P Global Ratings' analytical approach for providing an external review of a European Green Bond (EuGB), specifically pre-issuance reviews under Regulation (EU) 2023/2631 of the European Parliament and of the Council (EuGBR). Our pre-issuance, post-issuance, and impact report external reviews are point-in-time analyses and are not surveilled. Additionally, they rely on the accuracy, timeliness, and completeness of the information provided by the issuer. Our pre-issuance review of an EuGB factsheet's alignment with the EuGBR does not automatically apply to all transactions under the factsheet.

The EuGBR requires reviewers to state, "this review represents an independent opinion of the external reviewer and is to be relied upon only to a limited degree." Although we do not provide any assurance regarding the information provided to us, we assess whether the issuer has demonstrated how it meets the requirements of the EuGBR. Our EuGB external reviews are not credit ratings, do not assess credit quality, and do not factor into our credit ratings.

The document we assess is the issuer's EuGB pre-issuance factsheet. We review the issuer's rationale in the factsheet as to why its financed economic activities meet the EU Taxonomy's requirements. Nevertheless, we may require additional information from the issuer to make an assessment, given the potential length and specificity of the technical screening criteria and minimum safeguards requirements.

Other information

Within the analysis of this SPO, we believe there are relevant aspects that complement the alignment analysis with the EuGBR and provide greater transparency to investors. Please refer to the following sections of the report:

- Issuer Sustainability Context--Our opinion on how the financing contributes to addressing what we consider to be the issuer's most material sustainability factors.
- Shades of Green assessment--Our qualitative assessment of how consistent an economic activity or financial investment is with a low-carbon, climate-resilient future.
- Alignment Assessment--Our opinion on whether the financing documentation aligns with certain third-party published sustainable finance principles and guidelines identified by the issuer.

Related Research

- [FAQ: Applying Our Integrated Analytical Approach For Second Party Opinions](#), March 6, 2025
- [Analytical Approach: European Green Bond External Reviews](#), Oct. 31, 2024
- [FAQ: Applying Our Analytical Approach For European Green Bond External Reviews](#), Oct. 31, 2024
- [Analytical Approach: EU Taxonomy Assessment](#), Oct. 31, 2024
- [Analytical Approach: Shades Of Green Assessments](#), July 27, 2023
- [S&P Global Ratings ESG Materiality Maps](#), July 20, 2022

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European Green Bond Pre-Issuance Review: REN S.A. European Green Bond Factsheet

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