Energy in balance

Accelerate the future, preserve the present

We live in an era of significant challenges and opportunities. We must be prompt and decisive in our actions, while remaining conscious of the impact we make.

We envision a future where progress and sustainability go hand in hand. For us, progress is not just about moving forward, but about doing so with purpose – ensuring that every step is thoughtful, balanced, and responsible.

Our mission is clear: to build a more sustainable future without compromising the present. Therefore, we will continue to thrive, always valuing natural resources, respecting communities, and protecting the well-being of all people.

Every decision we make is a step towards a world where energy is synonymous with balance, innovation, and respect for the environment, the community, and its people.

Therefore, let's create a future that always respects the needs of the present.

Let's accelerate the future while preserving the present.

Let's create energy in balance.

Access all of REN's information on its applications.

REN Investidores

REN Energia

THE NETWORK OF ALL NETWORKS

www.ren.pt

REN

Energy in balance

I Integrated management report

II Consolidated and individual accounts

III Corporate governance report

Annexes

I Integrated management report

Accelerating with purpose

Towards the energy transition, we continue to surpass all our targets. By 2030, we will achieve a 60% reduction in emissions, while continuing to invest in the communities where we operate. With determination, nothing is left behind.

Energy in balance.

About the report

REN's Integrated Report consolidates financial and non-financial reporting, including sustainability information of an economic, social, and environmental (ESG) nature, as well as corporate governance for all REN Group companies. By consolidating the ESG information considered to be most relevant for the company and our stakeholders, together with our corporate governance practices, the report provides a transparent picture of REN's commitments and legal obligations in these areas.

This report, covering the period from 1 January to 31 December 2024, follows the Integrated Reporting (IR) guidelines for the preparation of integrated reports and consists of four main parts:

- The integrated management report, which includes the description of activity, strategy, commitments, risk management, governance, and sustainability statement, aligned with the requirements of the European Sustainability Reporting Standards (ESRS) developed under the Corporate Sustainability Reporting Directive (CSRD);
- Consolidated and individual accounts;
- Corporate governance report, which also includes the remuneration report; and
- Annexes, including alignment with sustainability reporting standards/guidelines.

ESRS 2 BP-1 | ESRS 2 BP-2 | GRI 2-2 | GRI 2-3 | GRI 2-4 | GRI 2-5

The consolidated and individual financial statements for the financial year and the social and environmental content of this report were approved by the Board of Directors at their meeting of 21 March 2025. It is the Board of Directors' opinion that this information accurately and suitably reflects the financial position of the Group and its different subsidiary companies and provides a balanced overview of its policies, organization, practices, and operating results in areas of sustainability considered to be most relevant, in compliance with the reference Standards and Directives as implemented.

Reporting of sustainability information

REN has prepared its reporting of sustainability/ ESG information in accordance with a series of internationally recognized standards and guidelines:

- European Sustainability Reporting Standards (ESRS) developed under the Corporate Sustainability Reporting Directive (CSRD);
- Principles of the United Nations Global Compact (UNGC - United Nations Global Compact);
- GRI (Global Reporting Initiative) standards, an international standard for the development of sustainability reporting;
- SASB Standards (Sustainability Accounting Standards Board);
- TCFD Recommendations (Task Force on Climate-related Financial Disclosure), on the disclosure of financial information related to climate risks and opportunities;
- CMVM (Portuguese Securities Market Commission) reporting model for the disclosure of non-financial information, in accordance with Decree-Law No 89/2017, of 28 July; and
- EU Environmental Taxonomy (Regulation No 2020/852).

The sustainability information was audited by EY, (Ernst & Young, Audit & Associados, SROC, S.A.), in accordance with Standard ISAE 3000 (International Standard on Assurance Engagements 3000) and with reference to the European Sustainability Reporting Standards (ESRS), under the Corporate Sustainability Reporting Directive (CSRD) and GRI standards (Version 2021), the SASB standards, CMVM, TCFD and European Taxonomy, providing a limited level of assurance with respect to reliability.

Reporting of financial information

The consolidated financial statements were drawn up on the assumption that operations are to continue using the accounting books and records of the companies included in the consolidation See part II – Consolidated and individual accounts, This accounting information is maintained in accordance with accountancy standards in effect in Portugal, adjusted during the consolidation process so that the consolidated financial statements are in accordance with International Standards on Financial Reporting as implemented throughout the European Union, in effect for financial years starting on 1 January 2024.

REN is committed to adopting the best practices in financial, sustainability and corporate governance reporting.

Both the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the International Accounting Standards (IAS), issued by the International Accounting Standards Committee (IASC) and respective interpretations – IFRIC and SIC, issued by the International Financial Reporting Interpretation Committee (IFRIC) and Standard Interpretation Committee (SIC), which have been implemented in the EU, should be understood as forming part of the Financial Reporting Standards.

The individual financial statements were drawn up in accordance with Portuguese law, including Decree-Law No 158/2009 of 13 July 2009, updated by Decree-Law No 98/2015 of 2 June 2015, Decree-Law No 192/2015 of 11 September 2015 and Decree-Law No 73/2023 of 23 August 2023, and by Ministerial Implementing Order No 220/2015 of 24 July 2015, and also in accordance with the structural concept, accountancy standards, financial reporting (NCRF) and other requirements applicable to the financial year ending 31 December 2024 See part II – Consolidated and individual accounts.

The accounts were also audited by Ernst & Young, Audit & Associados, SROC, S.A.

Corporate governance reporting

The information for reporting on corporate governance is drawn up in accordance with that set out in legislation and in the regulations to which REN is subject and as a company issuing shares traded on the regulated market.

The report was drawn up in accordance with the recommendations set out in regulations in force and in the Code of Corporate Governance of the Portuguese Institute of Corporate Governance (IPCG). In this regard, the report also includes an analysis of compliance with the IPCG code, providing details of the terms of implementation for each recommendation.

Message from the Chairman

Gonçalo Morais Soares
CFO AND MEMBER OF THE EXECUTIVE COMMITTEE

Rodrigo Costa
CHAIRMAN OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

João Faria Conceição
COO AND MEMBER OF THE EXECUTIVE COMMITTEE

Energy in balance

Accelerate the future, preserve the present

Message from the Chairman

It was another year of almost unsurpassable levels of service where we were able, once again, to achieve our goals.

REN is a company with a clear mission, but at the same time a very complex and demanding one. We don't just transport energy with our two public service concessions, one for the transmission of very high voltage electricity and the other for the transmission of high-pressure gas. We must do so safely and with responsibility for the development, maintenance and management of all its systems, from physical infrastructure to IT applications.

To successfully fulfil its mission, REN has now a team of more than 700 employees, 75% of whom have higher education in areas such as electrical engineering, chemistry, environment, economy, management, psychology, and several other specialties. It's a highly diverse team, well prepared and aware of the responsibility that public service concession contracts entail.

In this team, our work is uninterrupted. Our supervisory centres ensure that power – whether electricity or gas – is always flowing. We're constantly ready to deal with unforeseen events, but are well aware that in certain circumstances, such as natural disasters, control of the situation requires even more preparation, more attention and greater effort.

This is one of the reasons why we're an organization that can never stop and that always works under considerable pressure.

And now, in 2024. We're pleased to present the final figures set out in this report.

On 31 December, renewable energy production in Portugal reached 70% and we know that we're one of the main agents behind this achievement.

It was another year of almost unsurpassable levels of service where we were able, once again, to achieve our goals, always meeting the responsibilities we have in all the areas where we operate.

The progress we made in Sustainability was of special note and is reflected in the recognitions we received, mentioned in the chapter "Our Year", and by the increases in the respective ratings (with improvement in 4 out of 5 indexes). These results underline that our approach to sustainability, in line with the principles of the United Nations Global Compact, reinforces our strategy and key role in the energy transition, allowing REN to build a more sustainable future and generate a positive impact, for both present and future generations.

GRI 2-22

REN was named by the Financial Times as one of Europe's climate leaders, highlighting the impact of our initiatives.

A significant milestone was the 300-million-euro green bond issue, demand for which outstripped supply sevenfold, reflecting market recognition of the importance that REN places on Sustainability. Another highlight was the work carried out with our suppliers, focusing on their training for topics in this area, through the launch of the Sustainability Academy.

Also in 2024, REN was named by the Financial Times as one of Europe's climate leaders, highlighting the impact of our initiatives. We continued to work with the local communities where we operate and collaborate closely with key partners, particularly through initiatives to support firefighters.

However, in 2024 we also faced difficulties, which we sought to overcome with our usual commitment. Our business involves risks and we must not forget the most difficult moments, which were faced with great concern for our process areas, and the investment needed to improve our way of working and continued development.

Coming times will continue to be very demanding. As we all know, we're planning to significantly strengthen our very high-voltage electricity infrastructure and to adapt gas infrastructure to the transmission and storage of renewable gases, including green hydrogen. We also aim to continue developing our investment in Chile.

The reinforcements that are planned in Portugal are vital for the implementation of new renewable energy projects and will be a catalyst for the development of the national economy: datacentres, sustainable fuel production, including green gases, use of new minerals together with several other high-energy consumption industrial projects, including the development of electric mobility.

We have a lot of work ahead of us and a team that has been strengthening solidly. In 2024, many of our senior employees moved on to a well-deserved new stage in their lives. I would like to express a word of thanks and appreciation for the dedication they have shown over decades of service. We have always put people first and that remains unchanged. We want to continue to be a benchmark company on all fronts.

With this in mind, our Board of Directors has played a very important role in defining our strategy and monitoring implementation. We continue to receive excellent support from our shareholders, which encourages us to continue giving our best.

We'll remain very focused on our priorities, on meeting all the requirements of the public service concessions we operate, and on collaborating with all the companies and organizations we interact with and who work with us on a permanent basis.

Our mission is to contribute with our best effort and wisdom to achieve safe, fair, and efficient energy transition.

I think we can say we had another good year! We're a great team, with another year of mission accomplished.

Thank you,
Rodrigo Costa

Value creation

	Inputs	Outputs	SDG
Financial performance Financial resources to support, develop and maintain the system and infrastructure	368 M€ INVESTMENT (CAPEX) 69 M€ SALARIES AND BENEFITS	8 M€ PAID TAXES (INCLUDES CESE) 153 M€ NET INCOME	08 DECENT WORK AND ECONOMIC GROWTH 09 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Supply chain management Follow-up and monitoring of the supply chain in order to support its sustainable development	522 M€ TOTAL VOLUME OF PURCHASES 160 NO OF QUALIFIED SUPPLIERS	96% PURCHASES FROM LOCAL SUPPLIERS	08 DECENT WORK AND ECONOMIC GROWTH 13 CLIMATE ACTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Innovation and Development Processes, procedures, information systems and infrastructure for business development, more specifically, in energy transition and the decarbonization of the sector	1.9 M€ AVERAGE INVESTMENT IN INNOVATION AND DEVELOPMENT	35 NO OF RDI PROJECTS IN PORTFOLIO 8 NO OF SCIENTIFIC ARTICLES	07 AFFORDABLE AND CLEAN ENERGY 09 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION 15 LIFE ON LAND 17 PARTNERSHIPS FOR THE GOALS

Value creation

	Inputs	Outputs	SDG
Communities Recognising communities as an active agent, seeking their involvement in the different phases of projects	550 K€ INVESTMENT IN THE COMMUNITY 1,881 VOLUNTEER HOURS	19 ENTITIES SUPPORTED THROUGH REN'S PARTICIPATORY BUDGETING 6 MASTER'S THESES AWARDED	04 QUALITY EDUCATION 09 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 15 LIFE ON LAND 17 PARTNERSHIPS FOR THE GOALS
Human capital Skills and experience of employees, necessary to achieve REN's strategic objectives	775 NO OF EMPLOYEES 25% WOMEN	86% LEVEL OF ENGAGEMENT 100% TRAINED EMPLOYEES	03 GOOD HEALTH & WELL-BEING 04 EDUCAÇÃO DE QUALIDADE 05 GENDER EQUALITY 08 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
Natural capital Respect for the characteristics and richness of the land on which we operate and adaptation of the business model to support the energy transition	64% GREEN ENERGY IN OPERATIONS 461 ha (RE)FORESTED AREA	62% ELECTRIFIED FLEET 81% INSTALLED POWER IN THE ELECTRICITY SYSTEM FROM RENEWABLE SOURCES	13 CLIMATE ACTION 15 LIFE ON LAND 17 PARTNERSHIPS FOR THE GOALS

Activity model

Electricity

46.1 TWh

ENERGY TRANSMITTED BY RNT

2.39%

AVERAGE INTERRUPTION TIME

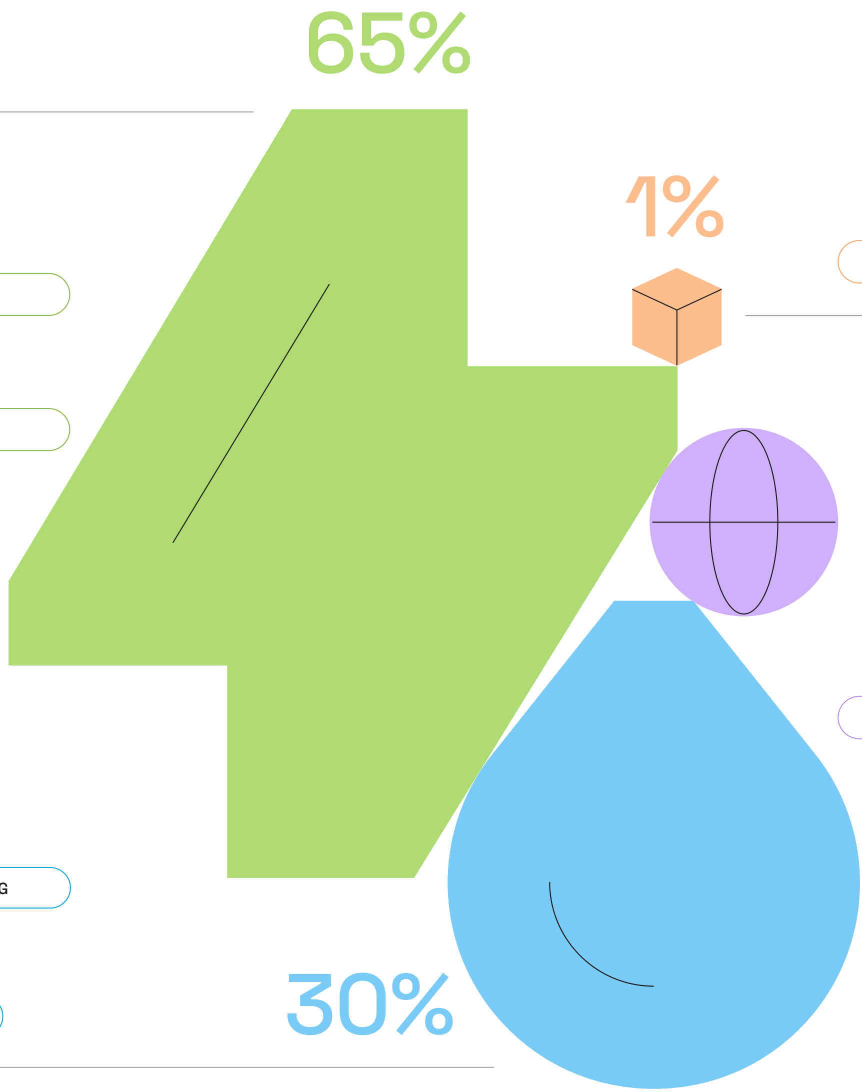
Gas

49.9 TWh

ENERGY TRANSMITTED BY RNTG

100%

AVAILABILITY RATE



Other activities

8,100 Km

RENTELECOM FIBRE OPTIC CABLE

International

331.6 M€

INVESTMENT (ACQUISITIONS)

The percentages of the activity model were calculated based on EBITDA.

REN's strategic pillars

Reinforce sustainability commitments and promote a culture of excellence.

Facilitate the energy transition by reinforcing investments in electricity and green gases.

Ensure sustainable and profitable growth, guaranteeing an attractive return for shareholders.

Our year 2024

Jan

Approval of the Circular Economy
Strategy and Roadmap

Renewable generation
supplied 81% of electricity consumption in January

Feb

Improvement of the CDP Climate Change
and Supplier Engagement ratings from B to A-

REN issues green bonds with demand
seven times higher than supply

Mar

REN Improves its Sustainalytics ESG risk rating
from 18.5 to 15.1 and maintains its MSCI ESG AAA rating

Apr

REN and the Portuguese Fire Fighting League
organize a session on forest fires and electrical infrastructure security

Renewables supply 95%
of electricity consumption

EU Approves List of Common Interest Energy
Transportation Projects Including Three National Proposals

May

Publication of the Integrated Report 2023
honoured in national and international awards

REN awarded the "Healthy Workplaces
(Level I)" seal from the Portuguese Psychologists Association

REN's Strategic Plan 2024-2027
focuses on the energy transition, increased investment and strengthened sustainability commitments, maintaining financial solidity and operational excellence

Jun

REN awarded Gold
in the Cybersecurity Digital Maturity Seals

Enagas, GRTgaz and Teréga, in cooperation with OGE, sign a joint agreement to develop the BarMar hydrogen infrastructure

Jul

REN and Siemens Energy sign agreement for the international licensing of the SPEED-E electric mobility solution

REN, as an EEGO, initiated the Guarantee of Origin System for Renewable Gases

Publication of REN Sustainability Policy

Solar power reaches historic high in monthly electricity consumption at 15%

Aug

REN recognized by the Financial Times as one of the leading climate companies in Europe

Sep

Second event “Encontros com Futuro” (Meetings with Future) in partnership with Jornal Público

Launch of the Sustainability Academy to empower REN suppliers

REN supports fire fighter corporations, in collaboration with the Portuguese Fire Fighting League, by providing essential goods

Oct

REN's infrastructures certified to transport, distribute and store hydrogen-natural gas blends

SPEED-E wins Best Green Technology Pioneer award at the ESG GRIT Awards

REN's Health and Well-being Strategy recognized at the Wellbeing Awards

Nov

REN signs the European Commission Pact for Engagement to promote the crucial role of networks in the energy transition

Renewable energy production reaches historic highs in Portugal

Dec

REN distinguished for the reduction in methane emissions, receiving the "Gold Standard Reporting" award

REN and European companies join the Alliance for the H2med Southwestern Hydrogen Corridor

Record renewable energy production supplies 70% of electricity consumption in 2024

01 Our activity

Our activity

1.1 CONTEXT

1.7%

Estimated GDP growth
in Portugal in 2024

2.7%

HICP in Portugal
in 2024

6.4%

Estimated unemployment rate in Portugal
in 2024

ECONOMIC ENVIRONMENT[1]

World Economy

Global growth remained relatively stable in 2024, despite varying economic dynamics across regions, against a background of Russia's prolonged war of aggression against Ukraine and the intensification of conflict in the Middle East. The stability of global growth led to a slight recovery in advanced economies, while emerging markets and developing economies saw a slowdown in Gross Domestic Product (GDP). Economic growth in the United States was driven by the resilience of non-residential investment and consumption, benefiting from the increase in real wages.

[1] Source of information presented in the Chapter: European Commission - European Economic Forecast, Autumn 2024, except when a different source is indicated.

THREE-MONTH EURIBOR RATES

START OF 2024: 3.905%

END OF 2024: 2.714%

SIX-MONTH EURIBOR RATES

START OF 2024: 3.861%

END OF 2024: 2.568%

In Japan, the economy slowed down reflecting temporary disruptions in supply and the disappearance of one-off factors that drove the economy in 2023, such as the increase in tourism. In China, the contraction of the real estate sector and weak consumption by households continued to halt growth in the region.

The process of global deflation, which started at the end of 2022, continued its downward course driven mainly by non-energy goods and food products, although inflation with respect to services remained high in many regions.

Financial markets and monetary policies

Financing conditions remained restrictive during 2024. To ensure that inflation returned to its medium-term target of 2%, the European Central Bank lowered its target interest rates four times during 2024. In December 2024, interest rates on the deposit facility, principal refinancing operations and the marginal lending facility were reduced to 3.00%, 3.15% and 3.40%, respectively.

In September 2024, the United States Federal Reserve initiated its easing cycle with a 0.5% rate reduction. At the end of the year, after two additional cuts, the US interest rate stood at 4.75%.

Euribor rates returned to positive values in late February 2022, after the Russian invasion of Ukraine and the rise in inflation, and continued to increase until the third quarter of 2023. Since then, they have continued to fall generally. The three and six-month Euribor rates that started 2024 at 3.905% and 3.861%, respectively, stood at 2.714% and 2.568%, respectively, on 31 December.

The long-term interest rates fall in the euro area was more moderate, reflecting an adjustment to monetary policy expectations. The 10-year German bonds yield, i.e., the euro area reference value, has fallen by approximately 40 bps since 30 April, reaching around 2.40% at the end of October 2024. Similarly, Portuguese Republic treasury bonds have seen a downward fall since the third quarter of 2023, reaching 2.54% at the end of November.

Euro Zone

After a period of prolonged and widespread stagnation, growth in the euro area economy resumed in the first quarter of 2024, continuing to expand steadily, albeit moderately, over the second and third quarters, against a background of lower inflationary pressures.

Disposable household income continued to grow at a healthy pace in the first half of the year, supported by growth in employment and an ongoing recovery in real wages. Nevertheless, private consumption was limited, with the savings rates of households above the pre-pandemic long-term average. Investment was also low, with deep and widespread contraction in most Member States in the first half of 2024.

Overall, real GDP growth is expected to reach 0.8% in the eurozone, with a slowdown in economies such as Germany and Italy. Growth in this period was mainly driven by net exports, where the expansion of exports, especially services, and the weak increase in imports were of note.

Inflation in the euro area is expected to decline from 5.4% in 2023 to 2.4% in 2024.

The labour market remained strong, with a historically low level of unemployment. In October, the unemployment rate in the European Union (EU) reached a new historical minimum of 5.9%, supported by

2.4%

Average annual inflation
in 2024

5.4% In 2023

1.7%

Economic growth in Portugal (estimated)
in 2024

2.5% In 2023

6.1%

Unemployment rate in the EU
in 2024

6.5% In the Euro area

6.4%

Unemployment
in Portugal

6.5% In 2023

both strong demand for labour and supply. In 2024, the unemployment rate in the EU is expected to be 6.1% (6.5% in the Euro area).

Portuguese Economy

Economic growth in Portugal slowed in 2024, and is expected to stand at 1.7% (2.5% in 2023), against a background of moderate external demand with respect to investment and exports, and the impact of more restrictive financing conditions. However, private consumption accelerated in the second quarter of the year, supported by wage growth.

Across the main business sectors, services and particularly tourism, continued to support the economy, despite some moderation. On the other hand, manufacturing faced significant difficulties mainly due to weak external demand for goods.

The dynamism of disposable income reflected the favourable evolution in the labour market. Unemployment is expected to fall to 6.4% in 2024, compared to the year-average of 6.5% in 2023.

Average annual inflation, measured by the Harmonized Index of Consumer Prices (HICP), fell from 5.3% in 2023 to 2.7% in 2024, according to data from the National Institute of Statistics.

However, the service index remained above the general rate, mainly due to the increase in accommodation and catering prices.

Chile[2]

The Chilean economy is expected to grow by 2.3% in 2024, driven primarily by an increase in net exports, but also by the recovery of public and private consumption.

Inflation, measured by the Consumer Price Index, is expected to fall to 3.9% in 2024, compared to 7.3% in 2023, reflecting energy and food prices.

During 2024, the Central Bank of Chile employed flexible monetary policy to ensure that inflation returned to its medium-term target of 3%, having lowered its reference interest rate seven times during the year, until it reached 5.0% in December.

² Source of information on Chile: Cuentas Nacionales de Chile, Central Bank of Chile, and Monetary Policy Report, December 2024, Central Bank of Chile.

In 2024, there was the second highest annual consumption ever in the national electricity system

51.4 TWh
Electricity consumption in 2024

+1.3%
Over the previous year

9,739 MW
Maximum power requested in 2024

150 MW
Below the historical maximum recorded in 2021

SECTORAL ENVIRONMENT

Electricity demand and production

In 2024, electricity consumption supplied by the public network totalled 51.4 TWh, representing an increase of 1.3% over the previous year, or 2% when adjusted for temperature effects and the number of working days. This is the second highest annual consumption ever in the national electricity system, only 1.6% less than the historical maximum of 2010.

Since the end of the pandemic, there has been a sustained recovery of consumption supplied by the public network, despite the increase in self-consumption photovoltaic production units, which are replacing part of public network consumption. It is estimated that in 2024, self-consumption from photovoltaic production already represented around 3.5% of national consumption.

The maximum power requested in 2024 from the national electricity system took place on 8 January at 19:45, with 9,739 MW, around 150 MW below the historical maximum recorded in 2021, as a result of exceptionally low temperatures that year.

↘ Electricity consumption (TWh)

	CONSUMPTION	VARIATION	CORRECTED
2024	51.4	1.3%	2.0%
2023	50.7	0.7%	0.5%
2022	50.3	1.7%	2.3%
2021	49.5	1.3%	1.6%
2020	48.8	-3.0%	-3.6%

12,082 MW

Maximum national power production in 2024

100 MW

Below the historical maximum

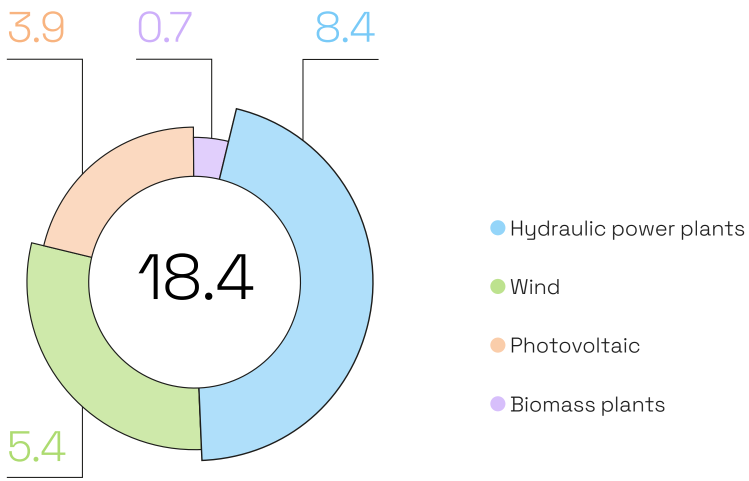
22.8 GW

National system's installed power in 2024

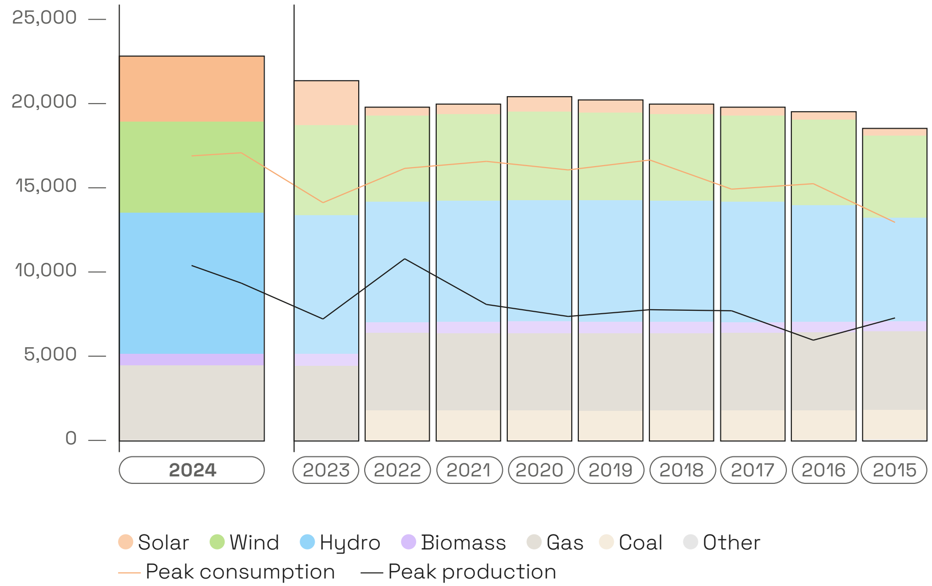
81%

Renewable energy sources

Renewable installed power (GW)



Evolution of installed power (MW)

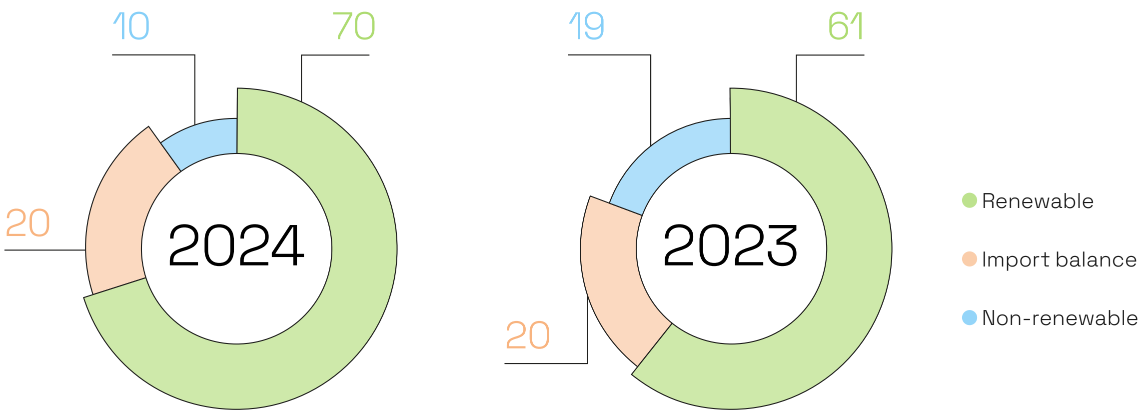


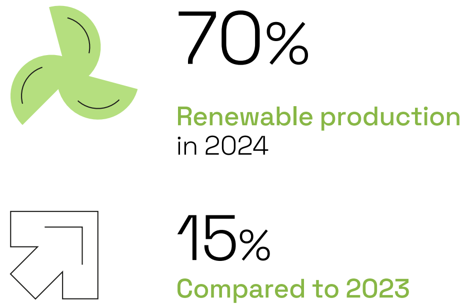
Maximum national power production in 2024 was on 12 January at 18:30, which saw Portuguese plants producing 12,082 MW, only less than 100 MW below the historical maximum recorded in 2023. This maximum of 2024 was reached at a time when the national system registered consumption of 9,133 MW, with the remaining 2,948 MW being destined for export.

Installed power in the national electricity production system continued to grow in 2024, driven mainly by the addition of 1,250 MW from new photovoltaic plants, raising installed capacity from approximately 2,600 MW to around 3,850 MW.
With regard to other technologies, it is worth to mention the addition of 160 MW of hydro power, corresponding to the Alto Tâmega project, which completes Iberdrola's Tâmega power production complex, totalling 1,158 MW. Both wind and biomass saw only slight increases this year.

The national system now has a total installed power of 22.8 GW, the highest value ever, where 18.4 GW come from renewable energy sources (RES).
Among renewables, in addition to the 3.9 GW from photovoltaic plants, also of note are hydro plants with installed power of 8.4 GW, wind with 5.4 GW and biomass plants with 0.7 GW. Non-renewable power plants, almost all gas-powered, account for 4.4 GW, of which 3.8 GW come from combined-cycle power plants and 0.6 GW from cogeneration facilities.
Most production facilities are connected to the transmission grid, accounting for 15.9 GW, while the remaining 6.9 GW are connected to the distribution grid.

↘ Renewable and non-renewable production (%)



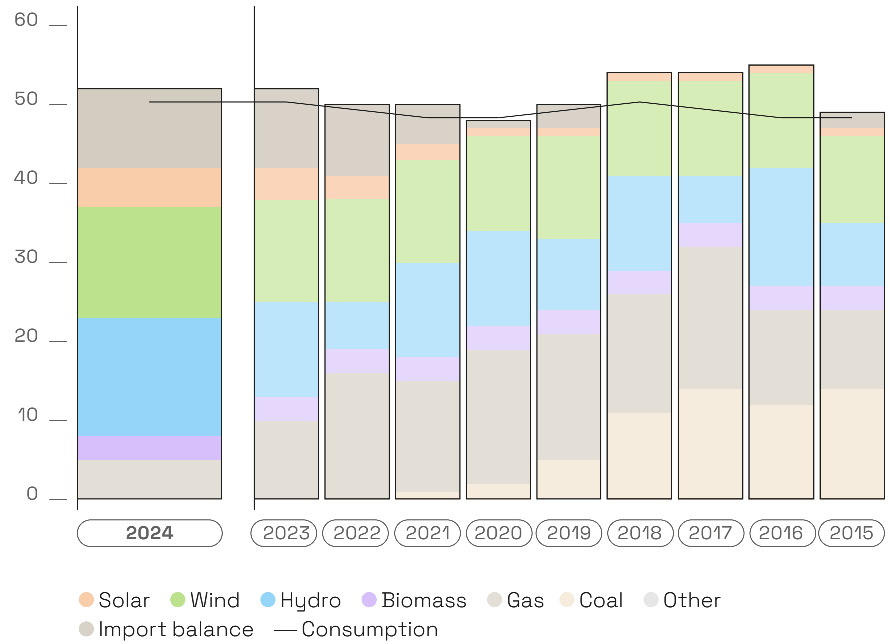


In 2024, renewable production supplied slightly more than 70% of consumption, compared to 61% recorded in the previous year, due mainly to improved hydrological and wind conditions and the increase in photovoltaic as a result of new plants coming online. Under weather conditions close to the expected average values, it is estimated that national renewable production represents around 65% of national consumption.

Hydro generation saw a significant increase in 2024, driven by a capability factor of 1.16, making it the most relevant renewable source, with a 28% share of consumption. Wind power generation also increased, to 27%, benefiting as well from better than average conditions, with a capability factor of 1.06. With respect to other renewable sources, photovoltaic had a capability factor of 0.94 and a share of 9%, while biomass accounted for 6% of consumption. In non-renewable production, which supplied 10% of consumption, there was production of only 5 TWh, including combined-cycle gas plants and cogeneration units. Despite being the lowest value since 1979, gas plants continue to play a critical and relevant role in the safety of the National Electricity System, still supplying a significant part of consumption and covering the variability of renewable sources.

With regard to foreign countries exchanges, an import balance was recorded for the sixth consecutive year. For a consumption of 51.4 TWh and a national production of 45.6 TWh, the import balance stood at 10.5 TWh (as a result of imports of 14.4 TWh and exports of 3.9 TWh). Pumping operations are also playing an increasingly important role in the integration of renewables and guarantee of supply and accounted for consumption of 4.7 TWh, which is the highest figure ever.

↘ Meeting demand (TWh)



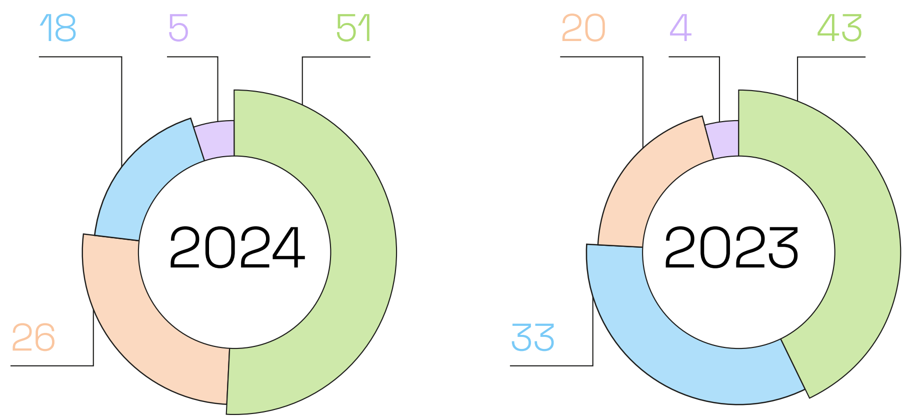
40.5 TWh
Gas consumption in 2024

7.2 TWh
Electricity production in 2024

17%
Compared to 2023

56%
Compared to 2023

Consumption (%)



Gas demand and supply

In 2024, gas consumption maintained the downward trend seen in recent years, totalling 40.5 TWh, which represents a fall of 17% compared to the previous year, mainly resulting from the sharp contraction in the electricity production segment. Total consumption recorded this year was the lowest since 2003, standing at around 40% less than the historical maximum of 2017.

Gas consumption (TWh)

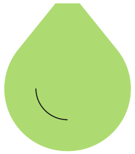
	CONVENTIONAL MARKET	VARIATION	ELECTRIC MARKET	VARIATION	TOTAL CONSUMPTION	VARIATION
2024	33.4	2.1%	7.2	-56.1%	40.5	-17.3%
2023	32.7	-3.0%	16.3	-42.0%	49.0	-20.7%
2022	33.7	-18.8%	28.1	25.9%	61.8	-3.2%
2021	41.5	-1.6%	22.3	-9.7%	63.8	-4.6%
2020	42.2	-4.5%	24.7	3.8%	66.9	-1.6%

In the conventional segment, the market registered a growth of 2%, marking the first increase after four consecutive years of contraction. With a consumption of 33.4 TWh, this segment represented 82% of total gas consumption.

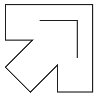
In the electricity production segment, consumption was 7.2 TWh, a drop of 56% compared to the previous year.
This fall was mainly due to the increased availability of renewable energy throughout the year, reinforced by high levels of electricity imports.
Consumption by electrical power stations represented 18% of total gas consumption.

The maximum hourly consumption of the year was seen on 9 January between 20:00 and 21:00 with 12.8 GWh, 1.6 GWh above the previous year's maximum, but still 2.3 GWh below the historical maximum recorded in 2021.

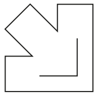
The Sines LNG terminal remained the primary supply source for the national system in 2024, as it has been since 2017. Inputs from interconnections with Spain continued to be minimal. At Sines, 53 ships were unloaded, three less than the previous year, corresponding to 48 TWh and providing 99% of all gas imported by the national system. Regasification totalled 47 TWh, a reduction of 8% compared to the previous year, with a terminal occupancy rate of about 64%.



0.7 TWh
Imports
Campo Maior
and Valença



8.9 TWh
Exports
with the greatest
use ever



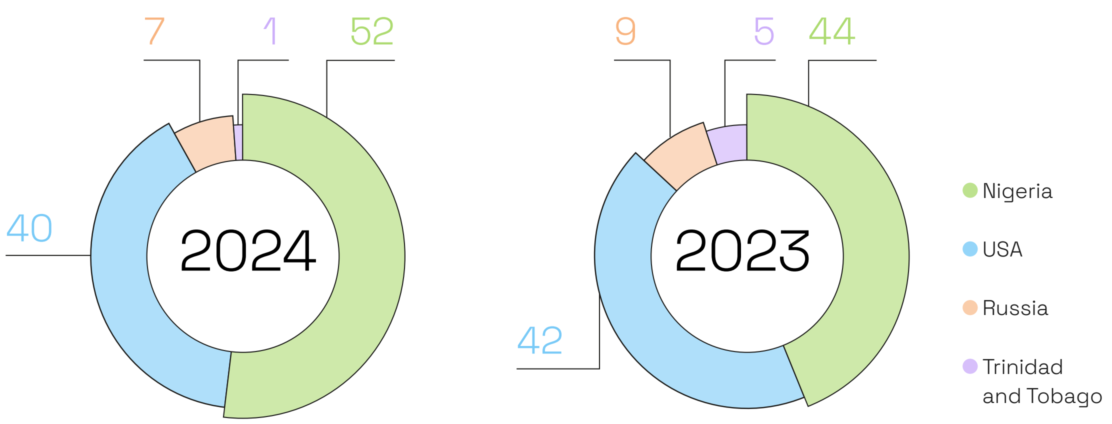
75%
Less than 2023

0.7 TWh was imported through the Campo Maior and Valença interconnections, which is 75% less than the previous year, and less than 1% of all gas entering the national system, the lowest quota ever.

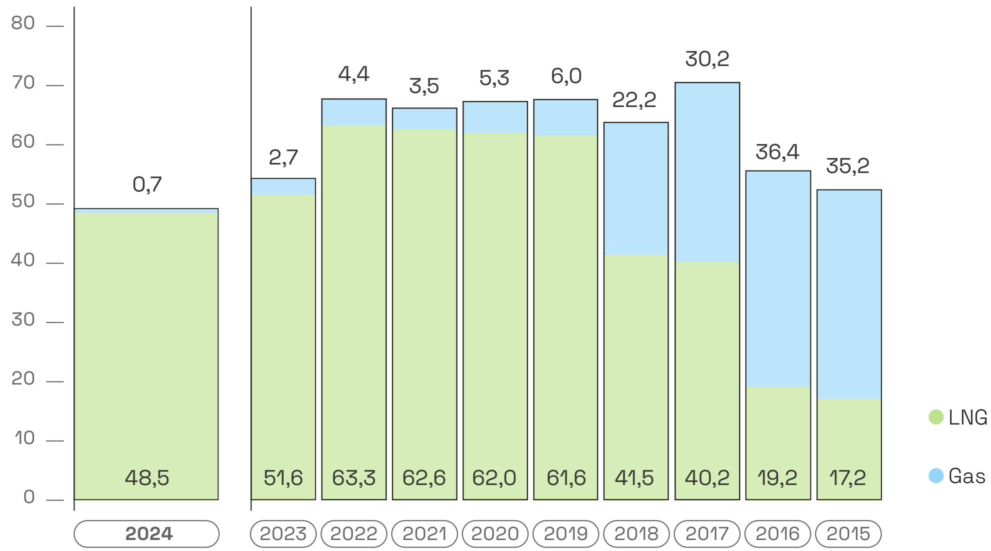
On the export side, the interconnections saw the greatest use ever with respective operations totalling 8.9 TWh.

Nigeria and the USA remained as the main sources of gas received at the Sines LNG terminal in 2024, as has been the case in previous years, representing 52% and 40% of the total unloaded, respectively.

Source of LNG (%)



Supply (TWh)



The new European Electricity Market model will impact on REN's activities, in particular on the global technical management of the system.

REGULATORY FRAMEWORK

European energy policy

Elections to the European Parliament in June, the re-election of Ursula von der Leyen for president of the European Commission (EC) and the formation of the new team of Commissioners for the 2024-2029 period significantly limited the legislative activity of the European Union (EU) in 2024. The first semester focused on the closing of the files which were on a final stage, while the second semester sought to establish new decision-making bodies. The electoral agenda also had an impact on energy and climate legislation, with the following developments being of note:

Package for the revision of the European Electricity Market Design

Started in March 2023, the revision of the European Electricity Market design was completed just over a year with the adoption in May of the Directive EU/2024/1711 and the Regulation EU/2024/1747, the publication in June in the Official Journal of the EU and the subsequent entry into force in July 2024. This Directive and this Regulation introduce amendments to several laws (Regulation (EU) 2019/943, Directive (EU) 2019/944, Regulation (EU) 2019/942 and Directive (EU) 2018/2001) with the aim of accelerating the implementation of electricity generation projects from renewable energy sources (RES), enhancing the security of energy supply of the European Union by reducing imported fossil fuels reliance and by mitigating the volatility of European consumer prices.

The introduction of instruments such as PPAs (Power Purchase Agreements) and CfDs (Contracts for Differences) to ensure stable returns on RES investment and prevent high costs in future energy crises were also of note. Moreover, more diversified electricity contracts are being promoted, including fixed price or dynamic pricing options, with clear information and specific protection against unexpected price increases, as well as increased transparency and market monitoring.

The new European Electricity Market model will impact on REN's activities, in particular on the global technical management of the system: system operation, system service market management, network planning and energy planning. The introduction of mechanisms that promote large-scale RES integration and consumer participation in markets, as well as security of supply monitoring under the European Resource Adequacy Assessment (ERAA) framework, will require changes and further developments of processes by Transmission System Operators (TSOs). This will provide them with greater capacity for flexible management of their grids and resource adequacy in the electrical system.

Also in this regard, the regulation on Energy Market Integrity and Transparency – REMIT (Regulation (EU) 2024/1106, amending Regulation (EU) 1227/2011), which entered into force in May 2024, introduced new measures to protect EU consumers, citizens, and businesses from abuse in energy markets.

Completion of Fit for 55 package

Following the highly significant developments seen in 2023, reflected by the implementation of the majority of the legislation that make up the Fit for 55, in 2024 the remaining legislative processes under this package were completed, with the exception of the revision of the Energy Taxation Directive.

- **HYDROGEN AND DECARBONIZED GAS MARKETS**
  The hydrogen (H_2) and decarbonized gas market package consists of the Directive (EU) 2024/1788 and the Regulation (EU) 2024/1789, and was agreed in May and published in the Official Journal of the EU in June 2024. With very few exceptions,

The main purpose of the package related to Hydrogen (H2) and Decarbonized Gas is to create conditions to reduce the carbon footprint of the gas market.

EU Member States have until mid-2026 to transpose Directive (EU) 2024/1788 into national law. The Directive and the Regulation amend a series of laws (Directive (EU) 2012/27, Directive (EU) 2023/1791, Regulation (EU) 1227/2011, Regulation (EU) 2017/1938, Regulation (EU) 2019/942, Regulation (EU) 2022/869 and Decision (EU) 2017/684) and repeal Directive (EU) 2009/73 and Regulation (EU) 2017/2009.

The main purpose of this package is to create conditions to reduce the carbon footprint of the gas market by transitioning from natural fossil gas to renewable and low carbon gases, driving its implementation in the EU by 2030 (by 2050, these renewable and low carbon gases are expected to cover two-thirds of all gaseous fuels in the energy mix), strengthening security of supply and reducing dependence on fossil fuels imported into the EU while also promoting H_2 as vital component in the decarbonization of the European economy.

Of note are topics such as the setting up of a new European entity bringing together operators under the European Network of Network Operators for Hydrogen (ENNOH), which will be independent of the current gas (ENTSOG) and electricity (ENTSO-E) counterparts, but will drive cooperation between the three sectors. Every national regulator will have the autonomy to establish their own network tariffs, but with the obligation to consult the regulators of neighbouring countries and to submit the proposal to the European Union Agency for the Cooperation of Energy Regulators (ACER). Discounts may be applied to network access tariffs applicable to biomethane (indicative target of 35 bcm by 2030) and a regime will be set up to separate intra and inter-sector activities with derogations that create conditions to build-up and improve the efficiency of the hydrogen market.

On 11 December 2024, the future operators of Hydrogen Transmission Networks established a temporary and voluntary cooperation agreement to jointly define the activities required for ENNOH to meet all the legal and regulatory obligations set out in the Hydrogen and Gas Decarbonized Package in 2025 and 2026.

The transposition of Directive (EU) 2024/1788 into national law is of utmost importance to enable the regulatory body for the sector to be indicated and for the official certification of Hydrogen Transmission Network Operators (HTNO) under this Gas Package, which are critical for the development of hydrogen infrastructure, in particular H2med Corridor projects.

ENERGY PERFORMANCE OF BUILDINGS DIRECTIVE (EPBD)

In order to boost the potential for improving energy performance of buildings, the EU has established a legislative framework which, in addition to the new Energy Efficiency Directive (EU/2023/1791), includes the revision of the Energy Performance of Buildings Directive ((EU) 2018/844). The revised Directive (EU/2024/1275) entered into force in all EU countries on 28 May 2024 and aims to increase the buildings renovation rate (responsible for around

40% of total EU energy consumption), prioritizing buildings with the worst performance in each country, and contributing to the greenhouse gas (GHG) emissions reduction goals of at least 60% by 2030 (compared to 2015) and achieving decarbonized building infrastructure with zero-emissions by 2050.

The new EPBD provides for the phasing out of new gas boilers by 2025 and a plan for the total replacement of such equipment by 2040. It also contains measures to improve air quality and to promote the digitalization of energy systems in buildings and the implementation of infrastructure for sustainable mobility. Recognizing the differences between EU countries with regard to existing buildings, geography and climate, the Directive allows governments to decide on the renewal measures which are most appropriate to their specific national context.

ENERGY TAXATION DIRECTIVE (ETD)
Directive 2003/96/EC on Energy Taxation sets the minimum rates of special tax on fuels (used in engines and heating) and electricity to be applied throughout the EU. Since its entry into force in 2003, the Directive has not been amended, despite the ambitious climate targets set by the EU and advances in clean energy production technologies. In order to align this instrument with

-60%

Greenhouse gas (GHG) emissions reduction
by 2030, compared to 2015

EU climate and energy policy, in July 2021 the EC submitted a proposal to revise the ETD under the Fit for 55 package. This proposal aims to incorporate information on new technologies and eliminate tax exemptions that are now out of date to ensure that special EU energy taxes actually promote low-carbon or zero-carbon solutions.

Unlike the other laws making up the Fit for 55 package, this Directive is subject to a special legislative procedure, requiring unanimous support in the Council after consultation with the European Parliament, the European Economic and Social Committee and the Committee of the Regions. In June 2024, the Council analysed again the status of the dossier. The Belgian Presidency of the Council submitted several compromise texts, providing for long transitional periods and the possibility for Member States to grant partial exemptions for certain sectors. However, it was concluded that the positions were still divergent, requiring more work to reach agreement.

Net Zero Industry Act (NZIA)

Regulation (EU) 2024/1735, published in June, creates a series of measures to strengthen the European ecosystem for the manufacture of carbon-neutral technology and products. Framed under the EU climate neutrality target to be achieved by 2050 and the reduction of net GHG emissions by at least 55% by 2030 compared to 1990 levels, the NZIA aims to promote investment in the manufacturing capacity of products essential to achieving EU climate neutrality targets, simplify the legal framework for EU-based zero impact industries, achieve annual CO_2 capture and storage capacity in the EU by 2030 of at least 50 Mt and supply at least 40% of requirements via the internal production of a series of eight zero-impact key technologies, where electricity networks form part.

Key technologies

- Solar photovoltaic and solar thermal
- Electrolysers and fuel cells
- Onshore wind and offshore renewables
- Sustainable biogas/ biomethane
- Batteries and storage
- Carbon capture and storage
- Heat pumps and geothermal energy
- Grid technologies

EU Action Plan for Grids

Under the heading "The Grids Action Plan to address the missing links of the clean energy transition", at the end of 2023, the EC published the EU Grids Action Plan, proposing seven lines of action to make electricity grids stronger, smarter, more digitalized and cyber-resilient. For its part, the European Council, in its conclusions of May 2024, called on Member States to commit to their rapid implementation.

On 4 November 2024, as part of the "5th PCI Energy Days" event, several European energy sector stakeholders, including REN, signed the EC "Pact for Engagement". This commitment made by TSOs, Distribution System Operators and sector associations, among others, establishes the early, regular, and significant involvement of stakeholders in the network development.

Lines of action

- **Accelerating the implementation of Projects of Common Interest** through political steering, reinforced monitoring and more project proposals.
- Improving the **long-term planning of grids** to accommodate **more renewables** and **electrified demand** in the energy system.
- **Introducing regulatory incentives** through anticipatory investments and offshore cross-border cost sharing.
- **Improving grid supply chains** by harmonising industry manufacturing requirements.
- Incentivising **a better usage of the grids** with enhanced transparency and improved network tariffs for more smart grids network efficiency and innovative technologies.
- **Stimulating faster permitting** for grids deployment by providing technical support for authorities and guidance on **better engaging stakeholders and communities.**
- **Improving access to finance** by increasing visibility on EU funding programmes for smart grids and modernisation of distribution grids.

CO_2

A binding target for reducing CO_2 emissions by 2040 has consequences for all energy sector agents. With respect to REN's activities, aspects with particular relevance include:

- Incentives for the electrification and total decarbonization of the European electricity production system by 2040 (RES electricity in final energy consumption is expected to double by 2040, from 25% to 50%, and RES, complemented by nuclear energy, are expected to generate more than 90% of electricity in the EU) place even greater emphasis on the role of grids, flexibility needs, storage, security and resilience of the electrical system;
- The decarbonization of road transport, strongly supported by the "full integration of the sector into the electricity grid", requires investment in infrastructure for fast and high-power charging;
- The development of the CO_2 value chain, in particular Carbon Capture, Utilization, and Storage infrastructure;
- The lowest requirement that should be applied to the agricultural sector will have consequences in the sharing of effort with other sectors, and energy may be subject to negative CO_2 emissions up to 2040; and
- Innovative financing mechanisms will enable solutions to be created for investment in the energy sector (e.g. the EIB's recent counter-guarantee scheme).

Incentives for the electrification and total decarbonization of the European electricity production system by 2040 place even greater emphasis on the role of grids.

Europe's climate road map up to 2040

Further to the European Climate Law, which requires the submission of a legislative proposal for a climate target for 2040 within six months after the overall review of the Paris Agreement (December 2023), on 6 February 2024 the EC submitted the Communication COM(2024) 63 final "Securing our future - Europe's 2040 climate target and path to climate neutrality by 2050 building a sustainable, just and prosperous society" with the goal of creating a bridge with the next Commission, proposing a political framework for post-2030 which will allow the path to be continued so as to achieve climate neutrality by 2050. The 2040 target will also support future contributions determined at a national level in the post-2030 period, which all parties must submit to the United Nations Framework Convention on Climate Change (UNFCCC) by 2025. Due to the electoral timetable, the political and legislative decision on the 2040 target will be taken by the new Commission.

In this Communication, the EC recommends that the EU set a target to reduce net GHG emissions by 90% for 2040 (compared to 1990 levels), in accordance with scientific advice. Meeting the 90% target by 2040 will require a number of political conditions, including full implementation of the agreed framework for 2030, the competitiveness of European industry, greater emphasis on fair transition (leaving no one behind), fair competition conditions with international partners and a strategic dialogue on the post-2030 framework, particularly with industry and the agricultural sector.

90%

Reduction of net GHG emissions for 2040
compared to 1990

In April 2024, the 6th List of Projects of Common Interest (PCI) was published, which introduces a new category of Projects of Mutual Interest (PMI).

Speeding up of licensing procedures for energy sector projects

In line with and in addition to emergency licensing measures designed to shorten and accelerate licensing procedures for RES projects and related infrastructure implemented under REPowerEU, and the provisions of the new Red III Directive on acceleration areas for the implementation of RES and maximum deadlines, an additional set of specific measures was implemented in May 2024, more specifically:

- recommendation EC guidance on the design of RES auctions;
- platform EU-wide RES auctions, consolidating information on planned auctions in all EU countries;
- EC recommendation and updated guidelines on speeding up licensing procedures for RES projects and related infrastructures; and; and
- guidance on the designation of RES acceleration zones.

Publication of the 6th List of Projects of Common Interest and Application for the Connecting Europe Facility (CEF-E 2024)

In April 2024, the 6th List of Projects of Common Interest (PCI) was published, including projects 9.1.1 ('PT H2 Backbone') and 9.1.2 ('H2med CelZa'), which brings to an end the support for fossil fuel infrastructure and introduces a new category of Projects of Mutual Interest (PMI). The list includes a total of 166 projects, 85 of which are related to the development of electricity infrastructure and 65 to hydrogen and electrolyser infrastructures. According to the EC communication accompanying the publication of this 6th PCI list, hydrogen and electrolyser projects are an important contribution to the EU's efforts to establish a hydrogen market in Europe and worldwide. These projects will allow the export and/ or transmission of renewable hydrogen to neighbouring Member States, permitting the EU's main industries to decarbonize while at the same time enabling them to be competitive and thus remain in Europe.

Forming part of the PCI package for hydrogen interconnection infrastructure in Western Europe (Group 9), the Portugal - Spain - France - Germany corridor (9.1) consists of the following projects (jointly designated as "H2med"):

- 9.1.1 Internal infrastructure for hydrogen in Portugal (referred to as "PT H2 backbone");
- 9.1.2 Hydrogen interconnection between Portugal and Spain (referred to as "H2med/ CelZa");
- 9.1.3 Internal infrastructure for hydrogen in Spain;
- 9.1.4 Hydrogen interconnection between Spain and France (referred to as "BarMar");
- 9.1.5 Internal hydrogen infrastructure in France connected to Germany (referred to as "HyFen"); and
- 9.1.6 Internal hydrogen infrastructure in Germany connected to France (referred to as "H2Hercules South").

One of the benefits from PCI classification is the eligibility to financial assistance by the Connecting Europe Facility (CEF), in the form of a non-refundable grant, both for the study phase as well as the construction phase.

The application period to CEF-E was between April and October 2024, and REN Gasodutos, as promoter of the 9.1.1 projectn ("PT H2 backbone") and co-promoter of the 9.1.2 project (H2Med/ CelZa"), submitted the respective processes to request financial assistance for the study phase.

Domestic energy policy

In 2024, several initiatives were of note on a national level to promote the use of RES, such as the setting up of the Mission Structure for the Licensing of Renewable Energy Projects and the Working Group to develop alternative fuel infrastructure (AFIR Working Group), in line with Regulation (EU) 2023/1804. The review of PNEC 2030 was concluded, reinforcing the RES ambition, and public consultation on the draft partial transposition of the RED III Directive was launched. Other relevant measures include the Action Plan for Biomethane 2024-2040, auctions for the centralized purchase of biomethane, green hydrogen and energy storage, as well as the approval of the Monitoring Reports on Security of Electricity and Gas Supply.

Review of the National Energy and Climate Plan 2030

Regulation (EU) 2018/1999 on the governance of the Energy and Climate Action Union established the National Energy and Climate Plans (NEC 2030) as instruments for action and monitoring of Member State strategies which, as a whole, set the EU's objectives and targets for 2030 and the longer term, in line with the 2015 Paris Climate Change Agreement. The first version of PNEC 2030 was implemented in 2020 and each Member State is required to submit a progress report every two years. Furthermore, Article 14 of the Regulation provides for periodic updates of PNEC 2030, where the first is required to be concluded and implemented by the end of 2024.

Following the actions carried out in 2023 regarding the initial proposal to revise PNEC 2030 and the guidelines received from the EC, in July 2024 the public consultation of the final draft for the revision of the PNEC 2030 was launched. This proposal set goals, objectives, lines of action and measures that, in addition to a greater reduction in GHG emissions (set at the upper limit of the target band in the previous version of PNEC, 55%) and the increase to 51% of the quota of RES in gross final energy consumption by 2030, also support a roadmap to climate neutrality by 2045, in line with the objective set out in Climate Framework Law.

The update/ revision of PNEC 2030 was published in the Portuguese Official Journal (Diário da República) of 30 October further to Council of Ministers Resolution No 149/2024 and was approved by the Parliamentary Committee on Environment and Energy on 3 December 2024.
Member States are required to notify the EC on the status of implementation of their PNEC by means of an integrated national progress report on energy and climate, covering the five areas of the Energy Union. This integrated report is to be issued every two years (the next will be in 2025).

Portugal's national goals for 2030 horizon set out in PNEC (2020 version and 2024 revision)

National Targets PNEC 2030	Version 2020	Revision 2024
EMISSIONS (without LULUCF; compared to 2005)	-45% a -55%	-55%
ENERGY EFFICIENCY (primary energy reduction and consumption target)	35%	16,711 ktep
ENERGY EFFICIENCY (final energy consumption target)	-	14,371 ktep
RENEWABLES (in gross final energy consumption)	47%	51%
RENEWABLES IN TRANSPORT	20%	29%
RENEWABLES IN HEATING AND COOLING	46%	63%
RENEWABLES IN ELECTRICITY (without H_2 production)	80%	93%
ELECTRICITY INTERCONNECTIONS	15%	15%

Mission Structure for the Licensing of Renewable Energy Projects 2030

In March, through Council of Ministers Resolution No 50/2024, the government set up the Mission Structure for the Licensing of Renewable Energy Projects (EMER 2030), seeking two main objectives: To ensure centralized performance with respect to the proposal's objectives of the revised PNEC 2030 and to accelerate the implementation of RES projects by simplifying and increasing the transparency of the procedures for the licensing of such projects.

After the Mission Structure was formed in May, Council of Ministers Resolution No 113/2024 extended the scope of the tasks of this structure to include the monitoring of the integration of RES into the National Electricity System and the proposed measures to safeguard the energy and financial sustainability of energy transition.

EMER 2030 held a public consultation during 2024 on the main challenges of energy transition in Portugal, whose summary report of the 400 civil participations and respective preliminary recommendations was published at the end of October 2024.

Partial transposition of the RED III Directive

With the aim of accelerating the energy transition in the EU under the Fit for 55 package, Directive (EU) 2018/2001 on the promotion of renewable energy was revised by Directive (EU) 2023/2413 (RED III Directive), which entered into force in November 2023. This new Directive reinforces the commitment of Member States to increase the share of gross final consumption of energy from RES from 32% to a minimum of 42.5% by 2030 (with the aim of reaching a 45% share). To achieve this goal, the RED III Directive introduces new obligations in the electricity and the renewable fuels of non-biological origin sectors, impacting on the current legislative framework, more specifically, Decree-Law No 15/2022 of 14 January 2022, in its current wording.

By 1 July 2024, Member States are required to transpose provisions concerning the licensing of RES projects and network projects necessary for their integration, set maximum deadlines and classify them as being of "relevant public interest". Member States should also complete the transposition of remaining matters by 21 May 2025. To bring the transposition process of the RED III Directive into operation, by means of the Order No 6757-A/2024, the government created a Working Group, which prepared the draft for the partial transposition, submitted to public consultation in September. REN participated in this consultation, reinforcing the need to explicitly include the network projects necessary to integrate RES (new overhead lines and substations projects) in the procedures for streamlining licensing, in order to allow connection to the grid in due time of the new RES electricity capacity. As a result, Decree-Law No 99/2024 of 3 December 2024 was published, amending Decree-Law No 151-B/2013 of 31 October 2013 and Decree-Law No 15/2022 of 14 January 2022.

Forming of the AFIR Working Group

Regulation (EU) 2023/1804, which replaces Directive 2014/94/EU, entered into force on 13 April 2024, setting mandatory targets for Member States in the creation of alternative fuel infrastructure for road vehicles, ships, and parked aircraft. It also sets out technical specifications, payment requirements and data availability for this infrastructure.

In order to implement the Regulation, the AFIR Working Group (Alternative Fuels Infrastructure) was created by Order No 10559/2024, and is responsible for preparing the National Action Framework, identifying transport needs, setting targets and measures to promote these infrastructures, especially in areas outside the TEN-T main network and in rural areas, ensuring accessibility and territorial cohesion.

Recognizing the relevance of electricity and gas transmission infrastructure, REN has been designated as member of the AFIR WG, participating in subgroups dedicated to electric mobility, electricity supply in ports and infrastructure for hydrogen, liquefied methane and other fuels.

18.6%

Replacing gas with biomethane by 2040

Biomethane Action Plan 2024-2040

In March, via Council of Ministers Resolution No 41/2024, the government approved the Biomethane Action Plan 2024-2040. The plan frames and promotes biomethane as part of the solution to reduce natural gas imports, decarbonize the economy and promote circularity and attract green industries, contributing to carbon neutrality, job creation, territorial cohesion, and sustainable economic growth. With the aim of replacing 18.6% of gas with biomethane by 2040, the Biomethane Action Plan sets out a strategy to reduce GHG emissions and combat external dependence. It also sets internal production targets for Portugal, more specifically, 2.7 TWh by 2030 and 5.6 TWh by 2040. The Biomethane Action Plan provides for two phases of development in this market with different time lines and a transversal approach:

Horizon 2024-2026

Creation of a regulatory framework promoting the implementation of new projects, the conversion of existing biogas plants for production and injection of biomethane into gas networks, the collection of bio-waste by municipalities and the use of biomethane in transport and industry.

Horizon 2027-2040

Consolidate the biomethane market and increase the level of production, encouraging waste water sector management entities to use and maximize anaerobic sludge digestion and the use of livestock and agro-industrial effluents, diversifying the technological base of biomethane production, accelerating the licensing of gasification and methane production units, reinforcing the financing of RDI projects and encouraging the creation of biomethane communities and virtual gas pipelines to facilitate the production and injection of biomethane into gas networks.

Transversal approach

Focused on the social and environmental sustainability of the biomethane market, it promotes the use of sustainable vehicles in the collection and transport of waste, the use of digested waste in agricultural fields and the implementation of the European strategy to reduce methane emissions, thus ensuring that targets are met by the agro-industrial and waste sectors.

150 GWh/ year
Renewable gas acquisition
Biomethane

62 €/ MWh
Basic maximum prices
Biomethane

120 GWh/ year
Renewable gas acquisition
Renewable H_2

127 €/ MWh
Basic maximum prices
Renewable H_2

Auction for the centralized purchase of biomethane and hydrogen

Pursuant to Decree-Law No 62/2020 in its current wording, the member of the government responsible for the energy area may set specific procurement regimes for certain gases of renewable origin or low-carbon gases, after consulting ERSE and the National Gas Transmission System Operator (RNTG). As such, Ministerial Implementing Order No 15/2023 established the centralized procurement system, by the Gas Supplier of last Resort (CURg), of biomethane and hydrogen produced by electrolysis from water, using electricity from renewable energy sources, also establishing the opening of a competitive procedure, after approval of the respective items by the member of the government responsible for energy.

Through Order No 5971-A/2024, the government opened the procedure and approved the respective items. The maximum quantities for the contracting of renewable gas acquisition were 150 GWh/ year (PCS) for biomethane and 120 GWh/ year[3] (PCS) for renewable H_2, and bidding proposals were accepted limited to the basic maximum prices of 62 euro/ MWh (PCS) for biomethane and 127 euro/ MWh (PCS) for renewable H_2. State support for projects takes the form of a variable premium under a bilateral contract for differences, to be established for a period of ten years. The Jury, consisting of a president and members of Energy Services Regulatory Authority (ERSE) and Directorate-General for Energy and Geology (DGEG), received 25 applications, with nine being accepted for the bidding phase (four for renewable H_2 in the transmission network and four for renewable H_2 in the distribution network, and only one for biomethane) and 16 were excluded.

Energy storage auction

On 31 July, the government launched the first auction to promote flexibility and storage in the Public Service Electrical Network (RESP). The measure aims to maximize the use of the injection capacity available at RESP and enhance the use of RES, helping decarbonize energy systems and meet the national targets set out in the PNEC 2030. The aim is to develop new electricity storage projects, based on batteries with at least 1 MW and that are capable of charging and discharging at maximum power for at least two hours. These systems must be associated with RES plants (> 1 MW) directly connected to the electric grid.

Under the procedure, which closed on 9 September, 76 applications were received, representing a storage capacity almost three times higher than that of the quota submitted to tender (500 MW). Support for applications that may be selected takes the form of a non-refundable subsidy of up to 20% of eligible costs, a maximum amount per company and per project of up to 30 million euros and with a maximum total amount of around 100 million euros available from the Recovery and Resilience Plan (PRR). Projects to be selected are required to be completed by the end of December 2025.

76 applications
ENERGY STORAGE AUCTION

[3] 60 GWh for injection at RNTG and 60 GWh for injection at RNDG.

The Monitoring Reports on Securityof Electricity and Gas Supply are highly relevant in the assessment of security of supply conditions.

Monitoring reports on security of electricity and gas supply

The Monitoring Reports on Security of Electricity and Gas Supply (RMSA-E and RMSA-G, respectively) are prepared and published by DGEG, with the contribution of REN. These reports are based on a series of assumptions supported by European and national energy policies, which set out the development perspectives of the National Electricity and the National Gas Systems for the medium and long-term.

The technical support required to prepare both reports is a complex and highly relevant exercise for electrical and gas systems, which gives REN a central role in the assessment of security of supply conditions, identifying critical situations in the supply of electricity and gas, defining measures to mitigate these situations and providing input to carry out further analyses and studies, such as: Investment Plans in Electricity and Gas Networks (PDIRT and PDIRG), integration with the European Resource Adequacy Assessment (ERAA) methodology, studies on the flexibility needs of electricity and gas systems (e.g. identification of energy storage needs to avoid renewable energy waste), etc.

The Monitoring Report on Security of Supply of the National Electricity System for the period 2024-2040 (RMSA-E 2023) was published by DGEG on 22 December 2023, having previously been submitted to the member of the government responsible for energy and to ERSE. The EC was also notified, as provided for in article 247 of Decree-Law No 15/2022 of 14 January 2022.

The Monitoring Report on Security of Supply of the National Gas System for the period 2024-2040 (RMSA-G 2023) was approved by official order of 15 October 2024 issued by the Minister for the Environment and Energy, and the EC and ERSE were notified.

Both documents can be found on the DGEG website.

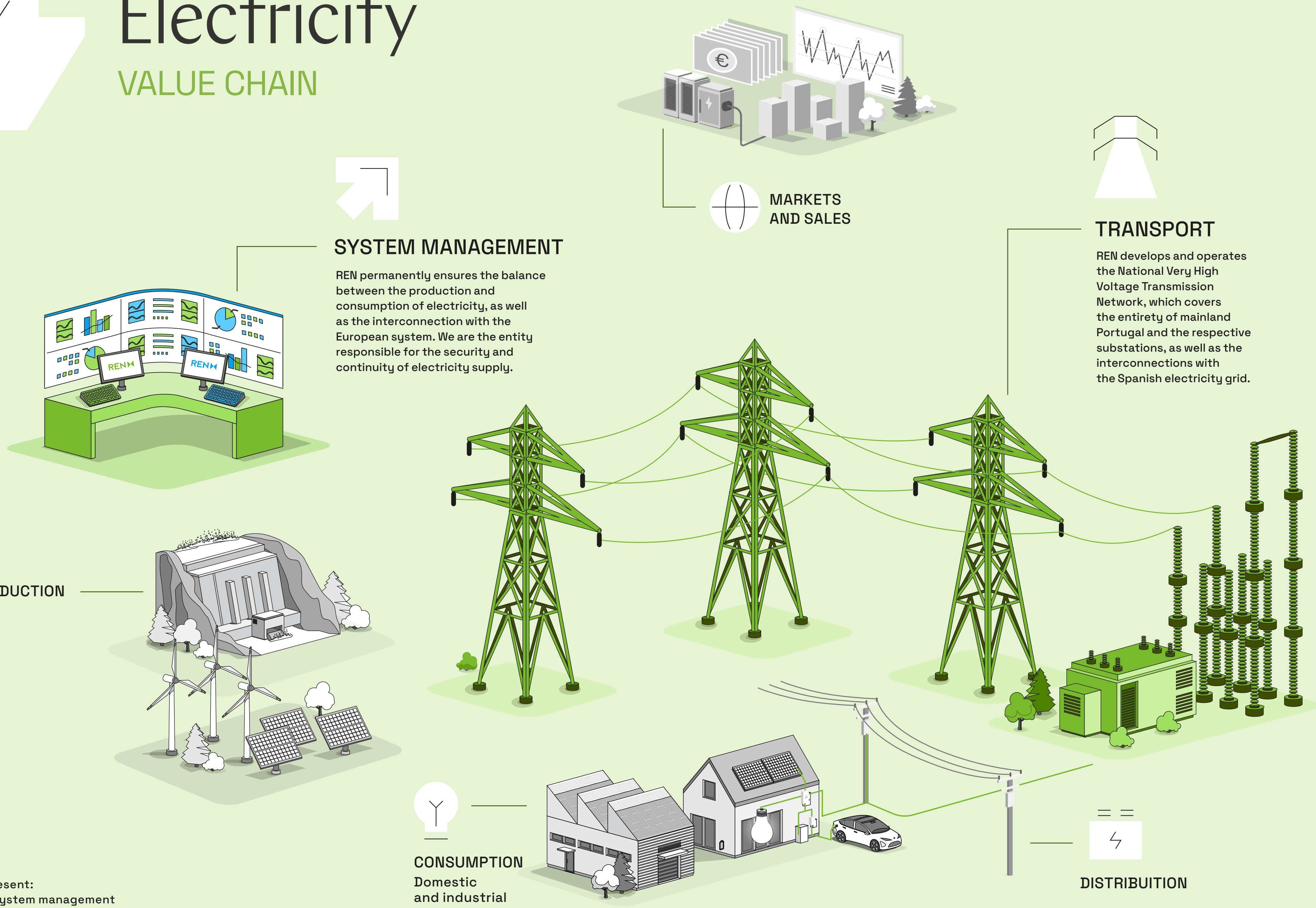
Our activity

1.2 ELECTRICITY

REN's mission is to ensure the uninterrupted supply of electricity, meeting quality and safety criteria, maintaining a real-time balance between supply and demand and ensuring system conditions that make the energy market viable. Further goals are to contribute to the development of communities and improve the quality of life of people living in Portugal.

4 Electricity

VALUE CHAIN



SYSTEM MANAGEMENT

REN permanently ensures the balance between the production and consumption of electricity, as well as the interconnection with the European system. We are the entity responsible for the security and continuity of electricity supply.

TRANSPORT

REN develops and operates the National Very High Voltage Transmission Network, which covers the entirety of mainland Portugal and the respective substations, as well as the interconnections with the Spanish electricity grid.

Where REN is present:
Transmission | System management

4.4%

Initial base remuneration rate in Electricity

Main performance indicators

TRANSMISSION	UN	2024	2023	2022	2021	2020
Consumption	TWh	51.4	50.7	50.4	49.5	48.8
Annual variation in consumption	%	1.3	0.6	1.8	1.4	-3
Installed power	MW	22,813	21,362	20,675	19,157	20,412
Installed power of Renewable Energy Sources (RES)	%	81	79	78	77	69
Energy transmitted by the National Transmission Network (RNT)	TWh	46.1	44.8	43.6	42.3	42.8
Length of lines	km	9,661	9,409	9,424	9,348	9,036
Transformation power	MVA	40,729	40,027	39,517	39,221	38,463
Losses in energy transmission	%	2.39	2.26	1.83	1.98	1.84
Equivalent Interruption Time	min	0.01	28.00	0.08	0.05	0.03

Regulated assets

Regulation of activities

Through REN - Rede Eléctrica Nacional, S.A., the REN Group performs two activities regulated by the Energy Services Regulatory Authority (ERSE):

- General System Management (GSM); and
- Transmission of Electrical Power (TEP).

The revenue allowed from GSM and TEP business is received by applying two regulated tariffs: the tariff for the General Use of the System and the tariff for the Use of the Transmission Network, respectively. Both tariffs are defined annually by ERSE based on demand, costs, revenue, and investment. The regulatory period underway started in 2022 and ends in 2025.

In the current regulatory period which started in 2022, the mechanism for indexing the annual remuneration rate to the annual arithmetic average of the daily trading yield on 10-year Portuguese Republic Treasury Bonds (TB) was maintained.

The respective parameters were reviewed:

- the starting point was set at 0.302% for an initial base remuneration rate of 4.4%;
- a variation of 1 p.p. in TB yields requires a variation of 0.3 p.p. in the base rate; and
- variation limits for base remuneration are between 3.7% and 7.0%. For 2024, the base remuneration rate was 5.23%.

The incentive regulation model was maintained, but in transmission activity, the application of incentives changed. Previously, operating expenditure (Opex) and capital expenditure (Capex) were applied separately. Now, both types of expenditure are applied in an integrated manner, based on the concept of Totex (Total Expenditure), which combines Capex and Opex, enabling more efficient management and alignment with our strategic objectives. This change favours more efficient economic management as it allows greater flexibility in the choice between operational and capital investment, optimizing the respective use of resources and decisions to repair or replace. Accordingly, once certain efficiency premises are met, regulation based on incentives with respect to Totex leads network operators to base their decisions within a more flexible regulatory environment, with the aim of ensuring good overall economic performance of the activities carried out.

In addition to this regulation methodology, a symmetric mechanism for sharing gains or losses was also introduced, which is activated only above certain yield thresholds. This mechanism seeks to ensure a profitability band that will result from its application to the portion of the Totex cost base subject to efficiency targets.
The goal is to limit deviations in the profitability of the business when they are significant when compared to a reference. This mechanism, which is calculated one year after the end of the regulatory period to which it applies, reflects the integrated profitability of that period. Furthermore, the regulatory period is now four years, providing a broader and more strategic view of the company's performance and operations.

Electricity business

In the regulatory period of 2022-2025, in general system management business, the previous incentive model for the remuneration of the asset base and Opex incentive was maintained. As there are growing European obligations imposed on Transmission System Operators (TSOs), which are beyond their control, a portion of costs not subject to efficiency targets is provided for, to accommodate costs of this nature not foreseen by the regulator when the cost basis for the regulatory period was calculated.

In 2024 it is estimated that the incentive to improve technical performance is 18.5 million euros.

49 M€

The average RAB for GSM business stood in 2024

In the electricity transmission business, a regulation methodology based on revenue cap type incentives applied to total controllable costs (Opex + Capex) started to be applied, with an efficiency factor of 1.5% in a number of its components.

With respect to the 2022-2025 regulation period, this new methodology corresponds to the application of efficiency targets to a series of previously defined costs, which incorporate capital costs and operating costs, with the simultaneous introduction of a mechanism for sharing gains and losses between companies and consumers, that is activated only after certain profitability thresholds have been reached. Additionally, the incentive to improve technical performance (IITP) was introduced, which replaced the previous incentive for the economic rationalization of investment (IREI).

The goal of IITP is to encourage the operator of the National Electricity Transmission Network (RNT) to improve their technical performance. The technical performance of the RNT consists of the joint assessment of the transmission network's response to needs in terms of:

- equipment availability, measured through a combined availability rate for RNT elements;
- service quality level, measured via the equivalent interruption time; and
- the international interconnection capacity made available to the market, measured by the capacity made available for interzonal trade within demanding parameters defined gradually for each year of the regulatory period.

In 2024 it is estimated that the incentive to improve technical performance is 18.5 million euros.

The electricity regulated assets base (RAB) consists of the assets net of amortisations and subsidies allocated to the TEP and GSM businesses.

In GSM business, the principle of RAB valuation is based on historical costs. In these cases, the abovementioned indexed remuneration rate is applied.

In 2024, the average RAB for GSM business stood at 49 million euros. Assets used in this business also include land in the public water domain used in hydro power production, in the sum of 162 million euros, remuneration for which, in accordance with Ministerial Implementing Order No 301-A/2013 of 14 October, depends on the classification allocated to the performance of the RNT concession holder by a group formed especially for this purpose, with the rate varying between -1.5% and +1.5%. As no performance reports have been issued since 2015, ERSE stated that the rate would be zero with retroactive effects to 2017. Therefore, the value considered for 2024 was 0%.

With regard to the TEP, with the aim of promoting more efficient behaviour by the TSO in investment, the reference costs mechanism was introduced into the 2009-2011 regulatory period.

This mechanism was published in September 2010 through Official Order No 14 430/2010 of 15 September, with retroactive application to investment transferred to operations since 2009. The first update was in 2015 with the entry into force of ERSE Directive No 3/2015 of 29 January.

In the current regulatory period, this incentive no longer applies to assets that entered operation after 1 January 2022, but remains for assets that entered operation in the 2019-2021 period, which are remunerated at the base rate plus a premium of 75 p.p.

In 2024, the remuneration rate for these assets was 5.98%.

The following graph shows the RAB for the different asset groups.

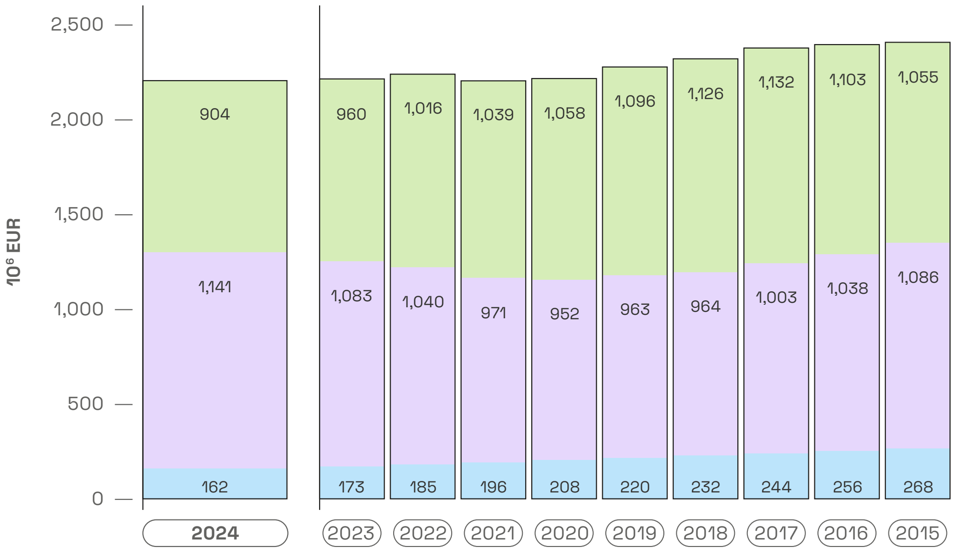
The tariffs set by ERSE also reflect tariff deviations which, after two years, reconcile (to the extent they are justified and accepted by ERSE) the forecast and real values of income and costs, and differences in demand.

The adjustments arising from the differences are recovered or returned two years after they have occurred. This sum is remunerated at a regulated rate equal to the 1-year Euribor average seen each year, plus a spread published annually by ERSE for the year in question.

Technical infrastructures

At the end of 2024, the RNT consisted of 9,661 km of line circuits, 70 transformer substations and 19 switching and transition stations. The RNT ensures the flow of electrical power from power plants to the transformer sub-stations where connections are made, either directly to consumers at very high voltage or at high voltage between the RNT and the national distribution network, and transmission with respect to interconnections from and to Spain. It also ensures transmission of the electrical power injected by the National Electricity Distribution Network (RND) into the transmission network.

↘ RAB for the different asset groups (10^6 EUR)



↘ The National Electricity Transmission Network

	2024	2023	VAR. 24/ 23
Length of lines in service (km)	9,661	9,409	2.68%
400 kV	3,242	3,080	5.26%
220 kV	3,886	3,849	0.96%
150 kV	2,533	2,480	2.14%
Transformation power in service (km)	40,729	40,027	1.75%
Autotransformation (MVA)	15,370	14,920	3.02%
400/ 220 kV	8,100	7,650	5.88%
400/ 150 kV	6,440	6,440	-
220/ 150 kV	830	830	-
Transformation (MVA)	25,359	25,107	1.00%
400/ 60 kV	5,270	5,270	-
220/ 60 kV	13,071	13,071	-
150/ 60 kV	6,558	6,306	4.00%
150/ 130 kV	140	140	-
220/ 30 kV	320	320	-

The RNT also connects to the European transmission system via nine interconnection points (220 and 400 kV circuits) with the Spanish transmission network. This interconnection is provided by three 220 kV circuits at Douro International and by six 400 kV circuits, two between Minho and Galicia, one at Douro International, one at Tejo International, one between the Alentejo and the Estremadura and one between the Algarve and Andalusia.

3,090 MW

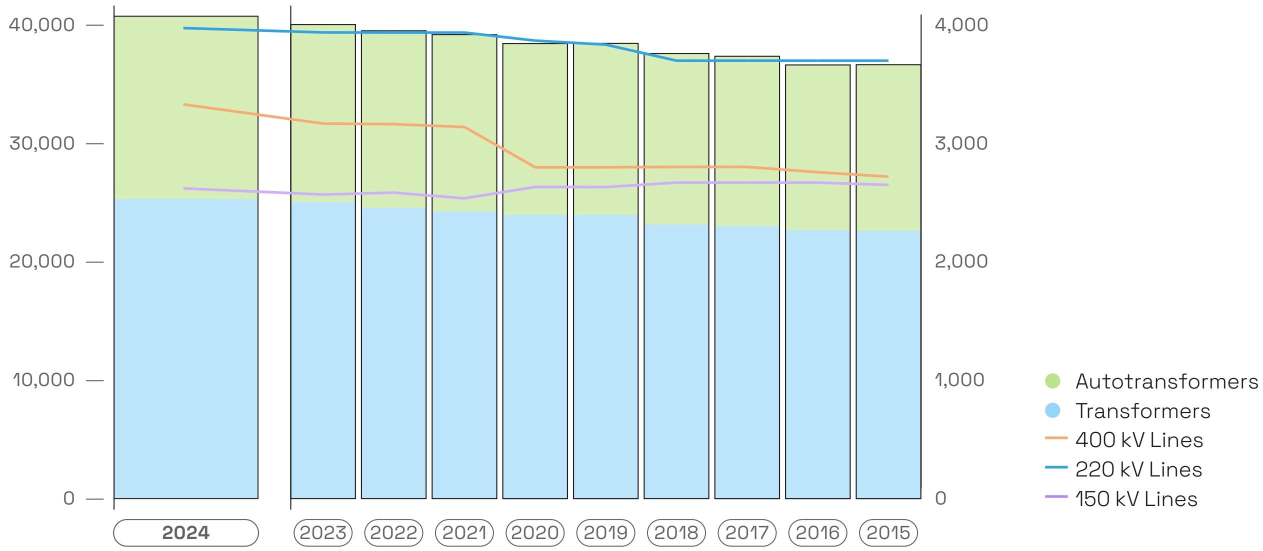
Average export capacity in 2024

3,712 MW

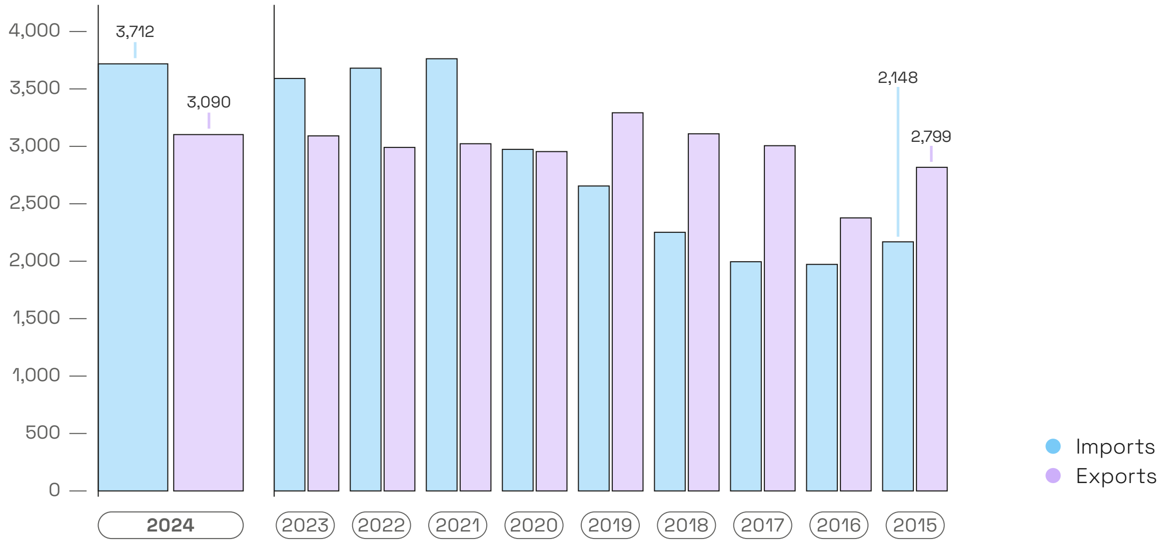
Average import capacity in 2024

The RNT also connects to the European transmission system via nine interconnection points with the Spanish transmission network.

↘ Line length and transformation power (MVA/ Km)



↘ Average import and export capacity (MW)



Operation

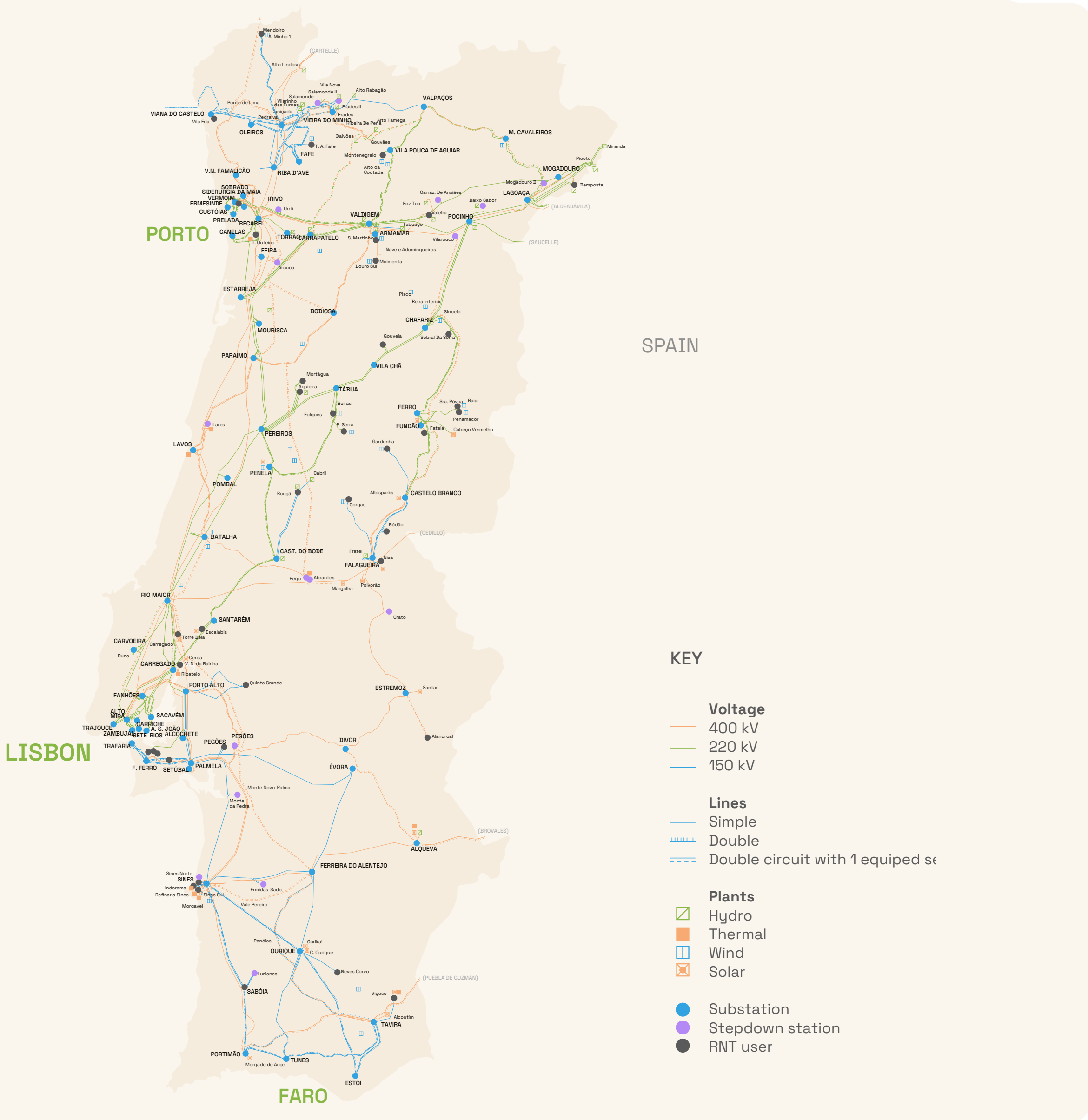
Use of transmission system

In 2024, the RNT transmitted 46.1 TWh, representing an increase of 2.8% compared to the previous year. This was the second highest figure in the last decade. Maximum power in the network reached 9,489 MW on 12 January at 18:30, around 400 MW below the historical maximum registered on 5 December 2023.

Power plants connected to the RNT injected 28.4 TWh, in line with the previous year. Power plants connected to the distribution network produced 16.5 TWh, 3.3 TWh of which was injected into the transmission network, due to lack of consumption on a distribution level. This injection into the transmission network was the highest figure ever in the national system, although the respective peak of 1,492 MW was 70 MW lower than the maximum recorded in the previous year.

Transmission network losses totalled 1,102 GWh, representing 2.39% of energy transmitted, higher than the 2.26% recorded in the previous year. More information can be found in chapter 4.2.2 Climate change. This figure confirms the upward trend in losses in recent years, mainly due to the increasing integration of renewable energy sources (RES) into the mainland Portugal electricity system. This impact is caused by the operating profile of the power plants, characterized by high dependence on hydro and wind production, and increasingly by photovoltaic production. The latter has a particularly pronounced effect on RNT power losses, since large thermal

↘ NATIONAL ELECTRICITY TRANSMISSION NETWORK



power plants, with increasingly smaller contributions, are mostly located near the coast, close to main consumption zones. Water and wind plants are mainly concentrated in the north and inland, and photovoltaic is mostly in the centre and south, distributed in a more granular manner, on a smaller scale and away from large consumption centres. Therefore, wet weather, greater use of the 150 kV network or high levels of wind or solar production, which require the transmission of power over longer distances, lead to higher losses in the network.

In 2024, the average interconnection capacities available in the daily wholesale market were 3,712 MW in the import direction, and 3,090 MW in the export direction, with small increases over 2023 of 130 and 10 MW, respectively. In 2024, the national system continued to import heavily, with the highest balance ever. This led to congestion in the daily market in the import direction in 5.0% of periods, the highest value since 2012. Congestion was less significant in exports, occurring during less than 1.3% of periods.

↘ Transmission system balance (TWh)

	2024	2023
Energy intake into the network	46.1	44.8
Power plants	28.4	28.3
Interconnections	14.4	13.7
Distribution network	3.3	2.9
Energy output by the network	45.0	43.8
Power plants/ direct customers	7.0	5.8
Interconnections	3.9	3.4
Distribution network	34.1	34.6
Own consumption	0.0	0.0
Losses	1.1	1.0
Losses (%)	2.39%	2.26%

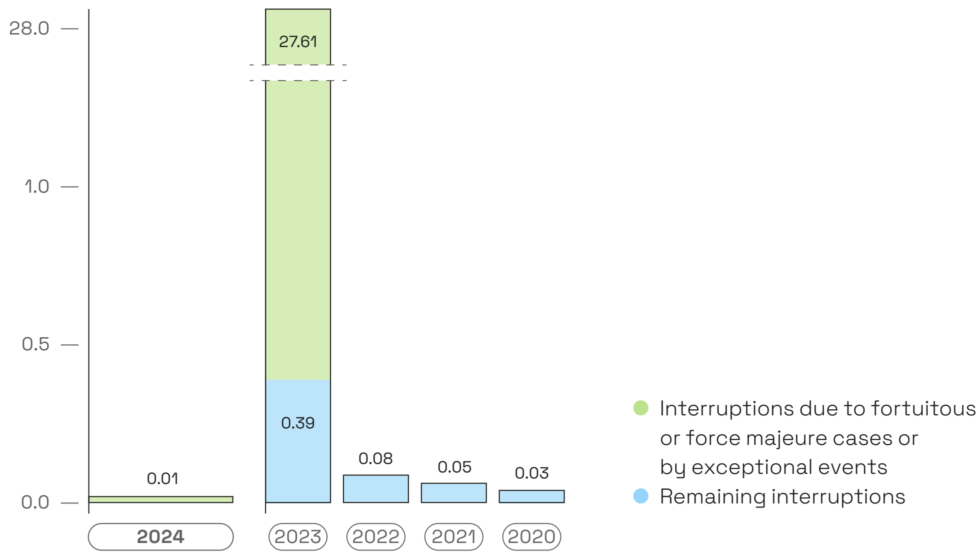
Quality of service

The quality of service in the RNT was marked in 2024 by an interruption which lasted more than three minutes at the Estremoz delivery point, due to damage caused by an animal. This interruption resulted in non-supplied power of 0.5 MWh. Despite this, the quality of technical service provided - understood as being security and continuity of supply of electrical power with the necessary technical characteristics - was positive - consolidating the suitable performance of the RNT. General service continuity indicators, set out in the Quality of Service Regulations, recorded generally positive figures, in line with that seen in the previous year. In this regard, the policies and strategies implemented for electrical power transmission have promoted the suitability and efficiency of RNT operation.

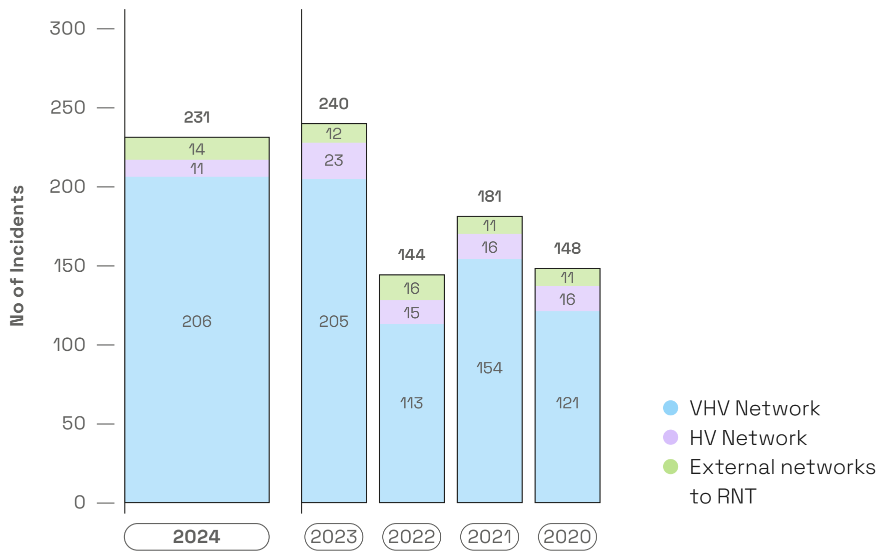
Equivalent Interruption Time (EIT), an indicator of overall performance commonly used by electrical utility firms, attributed directly to REN, was only 0.6 seconds. This corresponds to 0.5 MWh of unsupplied energy. This overall EIT figure represents what would be a practically uninterrupted supply of electrical power (99.99999% of the time) to a single 'equivalent' consumer (in mainland Portugal), with power and energy which would represent all the different delivery points to the national electricity distribution network and consumers directly connected to the RNT.

General service continuity indicators, set out in the Quality of Service Regulations, recorded generally positive figures, in line with that seen in the previous year.

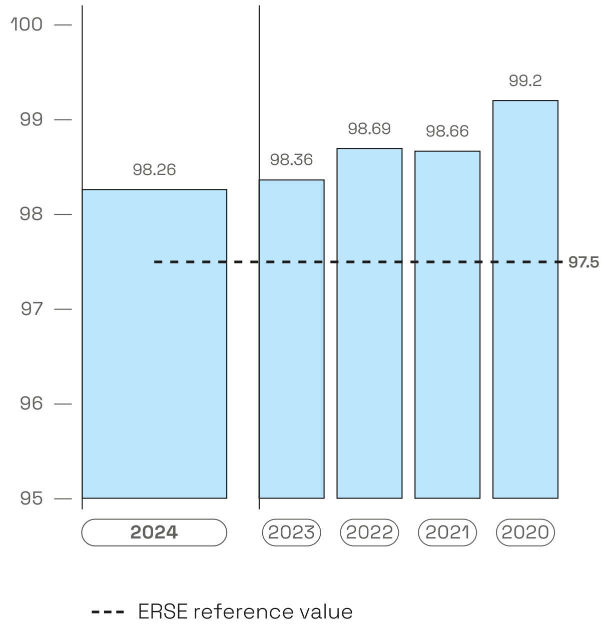
↘ Equivalent interruption time (minutes)



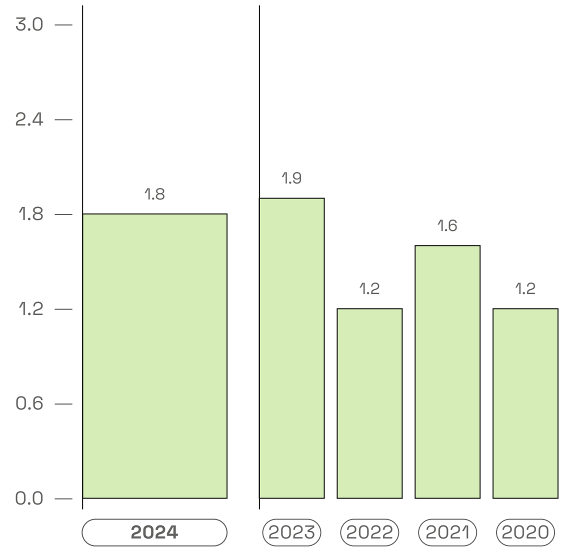
↘ Evolution in the number of incidents



↘ Combined availability rate (%)



↘ Evolution in the number of faults originating in RNT lines per 100 km of circuit



-3.8%

Total number of incidents compared to 2023

98.26%

Combined availability rate in 2024

In 2024, we continued to monitor the voltage waveform quality at delivery and interconnection points on the RNT. The measurements carried out continue to show results that fall within the standardised values in the Quality of Service Regulation, with a small number of exceptions of specific and localised cases.

In 2024, the total number of incidents decreased by 3.8% compared to 2023. In 2024, there were a total of 231 incidents (240 in 2023), 206 of which originated in the Very High Voltage Network (VHV), 11 in the High Voltage Network (HV) and 14 in other networks but impacting on VHV networks and HV equipment in the grid. Only three incidents (1.3% of the total) actually caused interruptions to customers electricity supply, having caused three interruptions at delivery points.

Asset performance

Availability

The combined availability rate - an indicator defined by ERSE which analyses the availability of RNT transformers and lines - was 98.26% in 2024. This figure is slightly lower than in 2023 (98.36%). The following graph shows the annual evolution of this indicator over the last five years. This performance represents effective coordination and programming of grid outages during the period in question and, to a certain extent, the reliability of RNT assets.

Performance of the lines and substation equipment

In general, substations and their respective equipment and systems recorded suitable performance during operations. The number of power transformer failures increased slightly compared to 2023, while there was a reduction in circuit breaker failures when compared to the previous year. These subjects are analysed in greater detail and more technical depth in the annual report on quality of service issued by REN, available on the company website.

Despite this decrease, stork related issues saw an increase of 112% over 2023. On the other hand, lightning discharge issues fell by 65%, compared to the previous year.

In general, the substations, their equipment and the installed systems showed adequate performance during their operation in service.

51.4 TWh
Energy consumption in 2024

+1.3% compared to 2023

70% of the total
Energy consumption from RES in 2024

+9% compared to 2023

Network behaviour

In general, the RNT behaviour during 2024 was suitable, with maintenance activities, remodelling, and the construction of network infrastructure taking place normally.

The main congestion seen in the RNT during the year related to outages of network elements. These situations were resolved by implementing topological changes to the network or by applying restrictions on power generation and pumping.

In this regard, of note were the outages seen in the north of Lisbon caused by remodelling work on 400 kV lines, with the aim of increasing transmission capacity. This work required the implementation of topological changes in the 400 kV network, using interim lines, in order to ensure continuity of the connecting corridors between the north and south of the transmission network.

Also of note was the outage due to corrective maintenance work on an autotransformer at the Ferreira do Alentejo Substation. This repair required that a special topology be implemented in the 400 kV network of that facility to minimize restrictions on power generation and pumping.

System operation

In 2024, consumption in mainland Portugal grew by +1.3 % over the previous year, totalling 51.4 TWh. Energy consumption from renewable sources stood at 70% of the total, marking an increase of approximately 9% compared to 2023.

Market operation

In 2024, following the publication of Directive No 19/2023 of 26 December, approving the new Procedures Manual for General Management of the Electrical Sector System (MPGGS), the national implementation of the platform to facilitate the cross-border exchange of power for frequency restoration reserves with manual activation (mFRR) was concluded. Subsequently, on 17 December, the first cross-border exchange of mFRR was conducted. Additionally, in March 2024, the harmonized methodology for quantifying and calculating deviations was implemented.

On 13 June 2024, as a result of the work carried out by market operators and TSOs, pan-European intraday auctions began.

Investment

Projects concluded in 2024

Projects completed in 2024 in the RNT played a key role in strengthening supply on the RND and creating new connections, particularly with respect to increasing new production reception capacity.

These projects also contributed significantly to the internal security and reliability of the network and the overall operation of the National Electricity System (SEN). In this regard, of note were the following projects:

- Panóias station and the Panóias - Tavira and Ferreira do Alentejo - Panóias 400 kV lines;
- Strengthening of transformation at the Ourique substation, with the second and third 150/ 60 kV (126 MVA) unit, and at the Fundão substation, with the second 400/ 220 kV (450 MVA) unit; and
- Conclusion of the new line panels at the following substations: Ferro, Porto Alto, Tavira, Tunes, Pego and Divor, to enable new renewable production to be connected to the RNT.

In addition to the network development projects mentioned above, investment was also made in uprating the transmission capacity and modernizing assets at the end of working life. This work included remodelling of the Batalha Ribatejo line at 400 kV, Pocinho Chafariz 1, Pocinho Chafariz 2 and Estarreja Mourisca lines, all at 220 kV, as well as the conclusion of remodelling work on protection equipment and systems and automation and control equipment at the Pocinho, Pereiros, Valdigem and Palmela substations.

Projects of Common Interest for Electricity (PCI)

In November 2023, the European Commission implemented the 1st PCI/ PMI List (Projects of Common Interest/ Projects of Mutual Interest) including the project for the new 400 kV interconnection between the Portuguese and Spanish transmission networks between Ponte de Lima (Minho) and Fontefria (Galicia).

Development and Investment Plan for the Electricity Transmission Network (PDIRT)

The new draft of the Development and Investment Plan for the Electricity Transmission Network for the 2025-2034 period (PDIRT 2025-2034) was sent to the Directorate General of Energy and Geology (DGEG) and ERSE in early December 2024. In January 2025, ERSE opened public consultation on PDIRT 2025-2034, which will be followed by the issue of reports and reasoned opinions by DGEG and ERSE, which will assist the TSO in the preparation of the final draft of PDIRT 2025 -2034.

Main investments underway

Of note are the main investments underway:

Connection of large hydro-plant to the RNT
400 kV line between the Feira and Ribeira de Pena substations to enable the connection of stages 1 and 3 and full integration of new power generation throughout the Tâmega River hydro area (around 1,150 MW of installed power).

Connection to the RNT of production other than large hydro or thermal power
Studies on new RNT infrastructure and reinforcement of the transmission capacity of some infrastructure to provide additional capacity to receive new solar photovoltaic production as a result of the competitive procedures for awarding reservation of injection capacity into the Public Service Electricity Network (RESP) and connection requests under the agreement between the applicant and the RESP operator, as is the case between the transmission network operator and promoters of new power production centres.

Feeding of consumption centres in distribution networks and VHV clients
Introduction of RNT/ RND transformation or reinforcing of existing power, more specifically, at the Divor substation to meet supply security requirements and adapt to regulatory standards. In terms of feeding to large industrial consumption centres, new network reinforcements in the south stand out, further to the recognition of the network zone for the existing Sines RNT substation as a High Demand Area, pursuant to Decree Law No 80/2023 of 6 September establishing an exceptional procedure to award connection capacity to RESP when demand exceeds network capacity.

Reinforcement of the RNT with respect to the shutting down of production at the Sines coal-fired thermal power plant
Development of the RNT 400 kV lines, as part of RNT reinforcement work in Lisbon and southern Portugal, which will help structurally adapt the performance of the network given the termination of production at the Sines coal-fired power plant, in particular the Fanhões - Rio Maior line, also at 400 kV.

Reinforcement of the interconnection capacity between Portugal and Spain
New 400 kV interconnection between the future substations of Ponte de Lima, on the Portuguese side, and Fontefría, on the Spanish side, to reinforce commercial exchange capacity between Portugal and Spain. Construction for this project is currently underway.

Remodelling and uprating of equipment and systems at the end of working life
Several projects for modernizing transmission network assets and replacing high and very high voltage equipment in substations, protection systems, automation and control equipment, power transformers and overhead lines included the and the Tunes, Recarei, Palmela and Ferreira do Alentejo substations.

We are also conducting studies to integrate renewable sources, particularly to produce hydrogen in accordance with the guidelines of the Granting State in matters of energy policy.

This will then be sent to DGEG in accordance with the procedure set out in Article 125 of Decree-Law No 15/2022 of 14 January. The PDIRT 2025-2034 draft took into account the National Energy and Climate Plan 2021-2030 (PNEC 2030), 2024 version, and the monitoring report on the supply security of the electricity sector (RMSA-E) published in December 2023.
PDIRT 2025-2034 follows on from PDIRT 2022-2031, approved in December 2022 (PDIRT 2022-2031 can be consulted on our website).

As part of our duties, we are also conducting studies with a view to meeting national objectives to integrate the production of electricity from renewable sources, as well as to connect multiple consumption projects, particularly to produce hydrogen in accordance with the guidelines of the Granting State in matters of energy policy.

Network connections

With respect to connections to RESP, REN participates in connection and integration procedures for consumer and producer facilities which connect directly to RNT, so as to ensure the respective safety and quality of service and the effective integration of RES into the SEN.

Decree-Law No 15/2022 of 14 January, in its current wording, sets out the rules for access to the RESP by power production plants, with injection power into the RESP greater than 1 MW, through three methods for awarding reservation of RESP injection capacity:

- The general regime, for existing reservation of reception capacity;
- The competitive procedure, under terms to be defined by the Portuguese State; and

689.52 MVA

Total connection power of seven photovoltaic plants, concluded the process to connect to the RNT

74

Procedures for connection to the RNT were underway by the end of 2024

- An agreement between the applicant and the RESP operator (Agreement) to build new infrastructure not provided for in the respective grid development and investment plans, aiming to create intake capacity to enable connection by the power production plant in question (in this case, the investment cost will be taken on by the applicant).

Under the new general regime framework, up to the end of December 2024, REN issued 16 Capacity Reserve Rights (CRR), corresponding to 1,257 MVA.

In 2021, the Portuguese State launched two competitive procedures impacting on the RTN: one for the capacity which had been previously intended for the Pego coal-fired power plant (Pego Auction 2021) and another for connecting floating solar plants (Auction 2021 - Floating Solar). The respective Capacity Reservation Rights were issued by REN in 2022, corresponding to 70 MVA under the 2021 Floating Solar Auction (relating to the floating power plant to be connected to the RNT) and 224 MVA under the 2021 Pego Auction. Accordingly, under the new competitive procedure framework, up to the end of December 2024, REN issued 19 CRR, corresponding to 1,899 MVA.

In February 2020, total capacity requested through the agreement scheme to connect mainly photovoltaic plants to the RNT stood at around 129 GVA. In the same month, DGEG published the Terms of Reference (ToR) setting out the criteria to classify and order agreement applications for connection to the RNT and RND, allowing network reinforcements to be studied in power packages, thus maximizing their efficient and sustainable integration into RESP.

The list with the classification and final ordering, in accordance with the ToR, involves 78 agreement applications with REN and 17 GVA, was published by DGEG on 6 July 2021. On 27 July 2023, a new reordered list was published by DGEG, following the entry into force of Decree-Law No 72/2022 of 19 October, and REN is currently processing the agreement applications selected pursuant to the notice issued on 28 July 2023 by the Ministry of Environment and Climate Action and under the guidelines of the Granting State.

With regard to the agreement applications covered by the ToR, 11 agreements were concluded in 2023, with total injection power into the RESP of 3,185 MVA corresponding to power plants connecting to the RNT. In 2024, seven agreements were signed with the Distribution System Operator to enable power reception capacity in the RND, corresponding to 360 MVA. Also, in relation to the agreement applications covered by the ToR, 23 agreement requests to connect 5,083 MVA to the RNT and a number of agreement requests to connect 976 MVA to the RND are being studied.

Connections underway in 2024

At the end of 2024, 74 procedures for connection to the RNT were underway (51 production facilities and 23 consumption facilities).

Also in 2024, seven photovoltaic plants with a total of 689.52 MVA connection power and one wind farm with 25 MVA connection power, concluded the process to connect to the RNT. The connection of a hydro plant part of the Tâmega Power Production System with connection power of 180 MVA was also concluded.

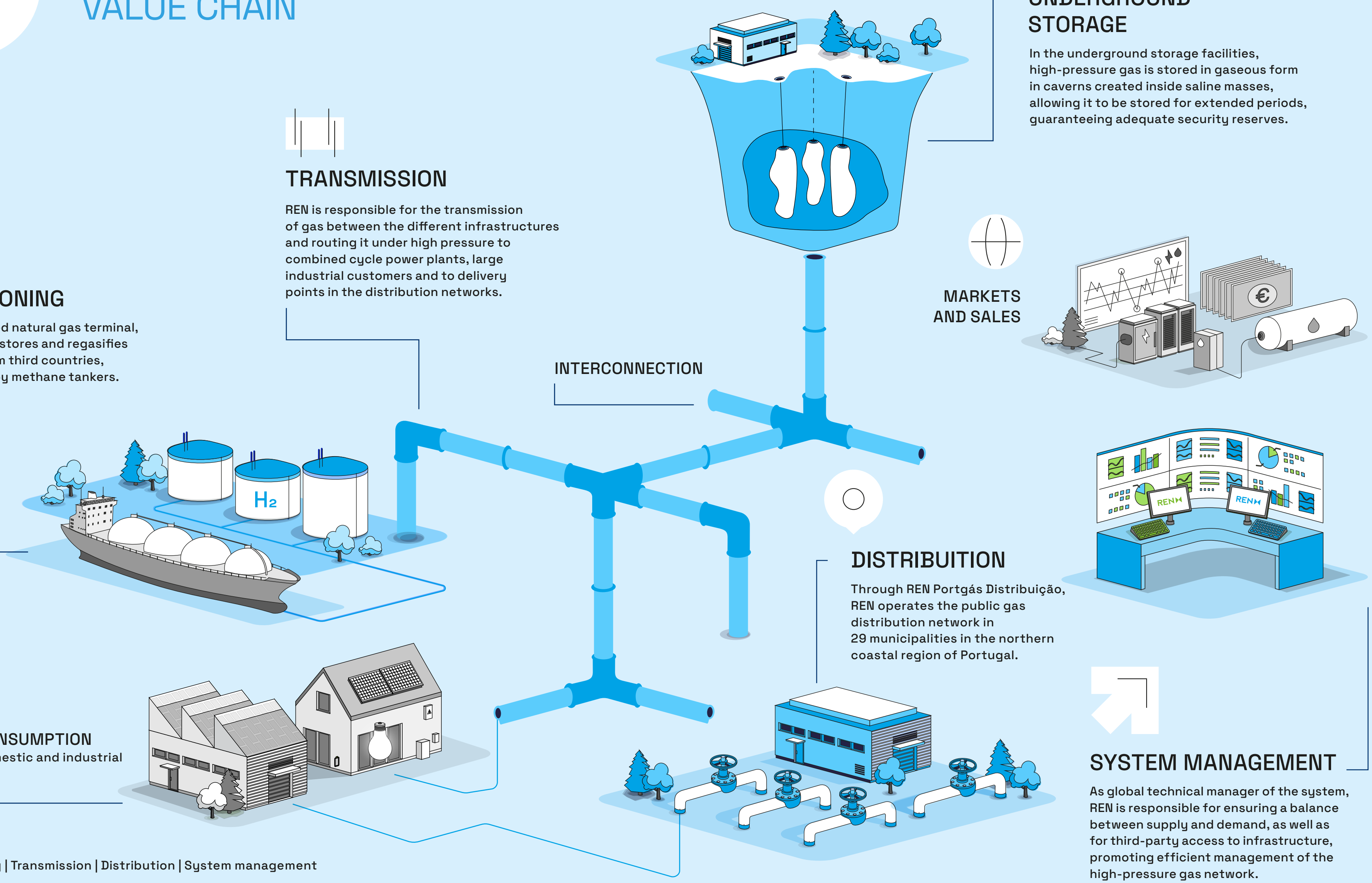
Our activity

1.3 GAS

REN's mission is to guarantee an uninterrupted supply of gas and ensure supply security, managing the National Gas Transmission Network (RNTG), the interconnections with the Spanish network, the Liquefied Natural Gas Terminal (LNGT), the underground gas storage facilities and part of the Gas Distribution Network through REN Portgás. This mission requires ongoing effort and dedication based on values such as impartiality and the promotion of competition, seeking to create efficient solutions that minimize investment and operating costs, without losing sight of medium and long-term strategic evolution, which involves the decarbonization of infrastructure and balanced architecture in the National Gas System (SNG).

Gas

VALUE CHAIN



UNDERGROUND STORAGE

In the underground storage facilities, high-pressure gas is stored in gaseous form in caverns created inside saline masses, allowing it to be stored for extended periods, guaranteeing adequate security reserves.

TRANSMISSION

REN is responsible for the transmission of gas between the different infrastructures and routing it under high pressure to combined cycle power plants, large industrial customers and to delivery points in the distribution networks.

PROVISIONING

At the liquefied natural gas terminal, REN receives, stores and regasifies deliveries from third countries, transported by methane tankers.

MARKETS AND SALES

DISTRIBUITION

Through REN Portgás Distribuição, REN operates the public gas distribution network in 29 municipalities in the northern coastal region of Portugal.

CONSUMPTION

Domestic and industrial

SYSTEM MANAGEMENT

As global technical manager of the system, REN is responsible for ensuring a balance between supply and demand, as well as for third-party access to infrastructure, promoting efficient management of the high-pressure gas network.

Where REN is present:
Reception | Provisioning | Transmission | Distribution | System management

5.7%

Initial base remuneration rate for gas distribution

5.3%

Remaining activities

Main performance indicators

	UN	2024	2023	2022	2021	2020
TRANSMISSION AND STORAGE						
Consumption	TWh	40.5	49.0	61.8	63.8	66.9
Annual variation in consumption	%	-17.3	-20.7	-3.2	-4.6	-1.6
Gas transmitted by the RNTG	TWh	49.9	55.6	65.6	69.0	68.9
Ships unloaded at the LNGT	No	53	58	71	64	62
Length of gas pipelines	km	1,375	1,375	1,375	1,375	1,375
Underground storage capacity	TWh	3.8	3.8	3.8	3.8	3.8
Average duration of interruptions	DIPS[4]	0.00	0.00	0.00	0.00	0.00
DISTRIBUTION						
Consumption supplied	TWh	5.7	5.7	6.0	7.6	7.3
Length of primary and secondary networks	km	6,627	6,485	6,316	6,118	5,897
Average duration of interruptions	min/ p[5]	2.6	5.80	4.26	3.88	3.85

Regulated assets

Regulation of activities

The following REN activities are subject to economic regulation by the Energy Services Regulatory Authority (ERSE):

- The high-pressure transmission of gas – through REN Gasodutos. S.A.;
- General technical management of the SNG – through REN Gasodutos, S.A.;
- Reception, storage, and regasification of LNG – through REN Atlântico Terminal de GNL, S.A.;
- Underground storage of gas – through REN Armazenagem, S.A.; and
- Gas distribution - through REN Portgás Distribuição, S.A.

The new regulatory period which started in January 2024 (2024-2027) did not undergo any substantial changes in relation to the 2020-2023 period, and only the regulatory parameters were updated, more specifically: i) those relating to the recovery of operating costs (fixed costs, variable costs, and efficiency factors per activity); (ii) the incentive to recover electricity costs at the Terminal; and (iii) the reference remuneration rates.

The incentive to Optimise Demand Forecasts was introduced into Distribution with the aim of signalling to distribution network operators that they should make economically rational investment decisions from a long-term systemic perspective. The goal is to hold them responsible for their assumptions with respect to the evolution of gas demand (energy and number of customers), which serve as the basis for the investment considered in the approved Gas Network Development and Investment Plans (PDIRDG).

In this new period, the indexing of the remuneration rate is maintained at the annual arithmetic mean of the daily trading yield on 10-year Portuguese Republic Treasury Bonds.

The starting point now stands at 3.177% for an initial base remuneration rate of 5.7% for gas distribution business and 5.3% for remaining activities. Limits to the remuneration base rate indexed to the 2024-2027 period were changed to 3.5% and 7.8% for distribution business and 3.1% and 7.4%, for remaining activities.

The efficiency targets to apply to Opex vary between 1% and 3% per year.

[4] Average interruption time per output point.

[5] Minutes per customer.

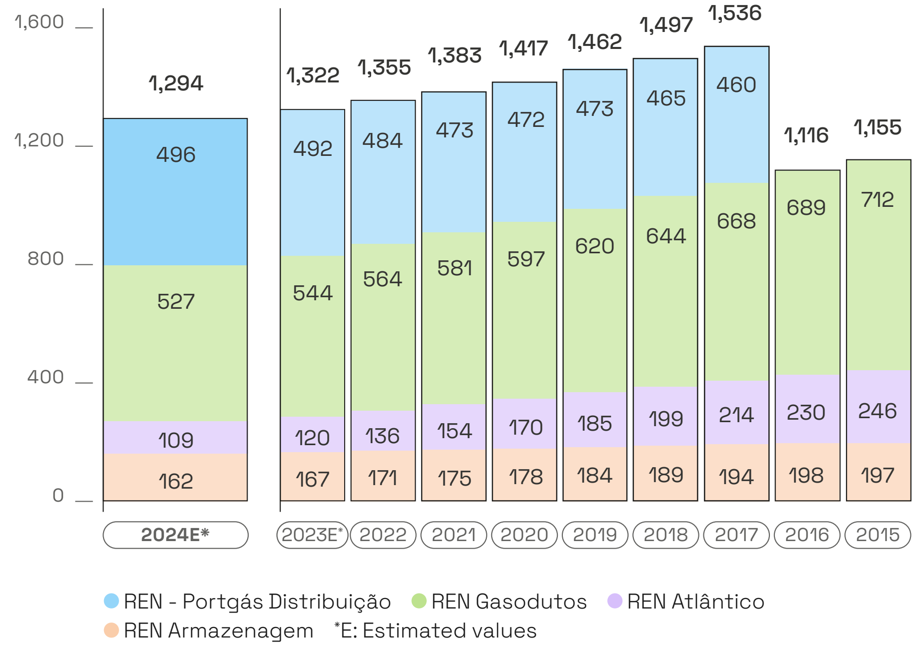
5.64%

Remuneration rate applied to the regulated asset base in Gas Distribution

5.24%

In remaining business

Evolution of the regulated asset base (M€)



Gas business in 2024

Currently, for activities regulated under the incentive model, the calculation of accepted income incorporates a well-defined operating cost structure. This structure consists not only of a fixed parcel, but also variable components. The latter are adjusted according to specific cost inductors, which are previously recognized and validated by ERSE. This approach allows them to be adapted to the unique requirements of each type of infrastructure, ensuring a balance between operational efficiency and regulatory compliance.

In the first year of the current regulatory period, the approved amount for operating expenses (Opex) is established as a basis. In subsequent years, this value is adjusted in accordance with the efficiency targets defined and disclosed by ERSE. Furthermore, the rate of variation in the price index implicit in Gross Domestic Product (GDP) is considered, thus ensuring evolution aligned with both industry efficiency standards and broader economic trends.

The variable associated with the consumption of electricity at the LNG terminal (energy) evolves in line with the average annual variation in the price of electricity on the spot market and with the efficiency target set by ERSE. The gains/ losses of this incentive are limited to 10% of the real cost.

The efficiency targets for the current regulatory period vary between 1% and 2.5% per year.

Income relating to invested capital stems from the return on fixed assets in operation, net of amortisations and subsidies (RAB), at a rate set by the Regulator at the start of every regulatory period, plus the corresponding amortisations. In 2024, the remuneration rate applied to the regulated asset base was 5.64% in Gas Distribution business and 5.24% in remaining business.

The evolution of the regulated asset base of gas companies up to the end of 2024 is shown in the chart above.

Tariffs are set based on estimates of quantity and the total income permitted as calculated for each business. They include remuneration on assets, the recovery of the value of amortizations and established operating costs, by business. Tariff adjustments from previous years are also included.

The adjustments are recovered or returned on a transitional basis every year based on estimates. The real value of adjustments arising from the differences is recovered or returned two years after they have occurred based on possible provisional adjustments. This sum is remunerated at a regulated rate equal to the 12-month Euribor average seen each year, plus a spread published annually by ERSE for the year in question.

At the end of 2024, the balance of differences was 39.6 million euros to be recovered by REN.

Technical infrastructure

Transmission and storage

RNTIAT (National Transmission, Storage Infrastructure and LNG Terminals) consists of all the infrastructure for receiving and transmitting gas by gas pipeline, underground storage and reception, storage, and regasification of liquefied natural gas.

The three infrastructures that make up the RNTIAT are:

- The National Gas Transmission Network (RNTG);
- The Sines Natural Liquefied Natural Gas Terminal (LNGT); and
- The Carriço Underground Storage (US).

↘ Length of the HP RNTG

	LOCATIONS	Diameter (mm)	Length (km)	GRMS	JCT	BV	ICJCT	CTS
RNTG		150-800	174	85	66	45	5	2
Batch 1	Setúbal – Leiria	700	164	24	16	11	3	
	Leiria – Gondomar	700	50					
Batch 2	Gondomar – Braga	500	19	32	27	6	2	
	Bidoeira - Carriço	700	220					
Batch 3	Campo Maior – Leiria	700	74	8	5	7		1
Batch 4	Braga – Valença	500	184	4	4	5		1
Batch 5	Monforte – Guarda	300	68	6	1	8		
Batch 6	Mealhada – Viseu	500	87	5	3	6		
Batch 7	Sines – Setúbal	800	29	6	8			
Batch 8	Celorico – Guarda	300	48		2	2		
	Mangualde – Celorico	700	258					
	High-pressure branch lines	150-700	258					

The National Gas Transmission Network

The RNTG is the infrastructure used to receive, transmit and deliver gas under high-pressure, from the injection points to the withdrawal points. In order to carry out these tasks, the RNTG incorporates the following main equipment:

1,375 km — **Of main high-pressure gas pipeline and branches,** varying in diameter from 150 to 800 mm for the transmission of gas;

85 — **Gas Regulation and Metering Station (GRMS)** at the delivery points used to regulate pressure and then meter the gas delivered at high-pressure to distribution networks and high-pressure customers;

66 — **Junction Stations (JCT) for sectioning** the main gas transmission pipeline and/ or respective take off branch;

45 — **Block Valve (BV) stations** for sectioning the main gas transmission pipeline;

5 — **T Interconnection junctions (ICJCT, T-Interconnection Station)** for "T" take off from the main gas transmission pipeline thus allowing the sectioning of only the respective associated branch line; and

2 — **Custody Transfer Stations (CTS) for metering** and transferring custody to the interconnected Spanish network.

1,375 km

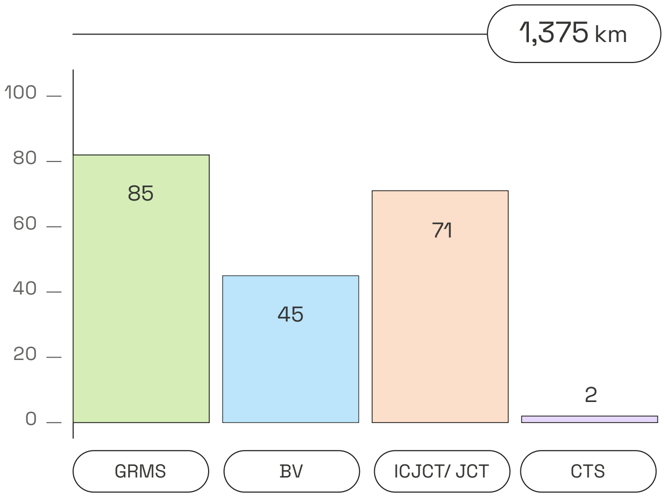
Stabilization of the total length of the RNTG from 2013

From 2013, the total length of the RNTG has stabilized at 1,375 km.

The RNTG is supervised from a national dispatch centre using redundant fibre-optic technology telecommunication systems, which connect the gas pipeline stations, the Sines LNGT and the Carriço Underground Storage facility. All systems are equipped with digital communication, especially with regard to alarms and the reading of network input and output flows. This allows for the best international practices to be adopted both in relation to information quality and supervision response.

In 2024, the maximum values of available capacities for commercial purposes at the relevant points of the RNTG are shown in the following table.

↘ RNTG – characteristics



LENGTH OF GAS PIPELINES

2013-2024
The characteristics of the RNTG have remained unchanged since 2013.

↘ Available capacity of relevant points for commercial purposes

	GWh/ day	Mm³(n)/ day
INPUT		
Sines	200	17
Carriço (withdrawal US)	85.7	7
Iberian[6] – VIP	144	12
OUTPUT		
Sines[7]	-	-
Carriço (Injection US)	24	2
VIP – Iberian	80	7
Total delivery points	**95**	**-**

[6] Iberian VIP: virtual interconnection point between the Portuguese and Spanish gas systems which includes the capacities of both the existing physical interconnections, more specifically, Badajoz/ Campo Maior and Valença do Minho/ Tuy.
[7] Daily stated capacity, considering the forecast operating conditions for each day.

The Sines Natural Liquefied Natural Gas Terminal

The Sines LNG Terminal includes all of the infrastructure for receiving and dispatching methane carrier vessels, storage and regasification of LNG to the transmission network. It also loads tanker trucks with LNG which supply the Autonomous Gas Units (AGUs). The capacity for each of these activities is shown on the right.

The TLNG infrastructure also enables full or partial loading of methane carrier vessels.

2,569 GWh

LNG storage capacity corresponding to two 120,000 m³ tanks

321 GWh/ d

Nominal issue capacity of the LNGT

RECEPTION AND UNLOADING OF METHANE CARRIER VESSELS

The port facility includes a mooring quay, articulated unloading arms and unloading lines and LNG vapour recirculation and return lines. Unloading capacity is 10,000 m³/ h of LNG for methane carrier vessels with volumes from 40,000 to 216,000 m³ of LNG.

LNG STORAGE

After unloading, the LNG is stored in tanks where it is kept at a temperature of -160°C and a pressure close to atmospheric pressure. Storage capacity is 2,569 GWh, corresponding to two 120,000 m³ tanks of LNG and one tank of 150,000 m³ of LNG.

REGASIFICATION TO THE RNTG

Regasification is a physical process to vaporise LNG which uses heat exchange of the gas with sea water in high-pressure vaporisers. The nominal issue capacity of the LNGT is 321 GWh/ d (equivalent to 1,125,000 m³(n)/ h), with a peak hourly capacity of 1,350,000 m³(n)/ h).

LNG FILLING BAYS

The TLNG allows tanker trucks and cryogenic LNG tank containers to be loaded, ensuring the supply of AGUs located in areas of Portugal not served by the National Gas Distribution Network (RNDG). The terminal has three filling bays with total capacity of 195 m³/ h of LNG (36 tanker trucks/ day).

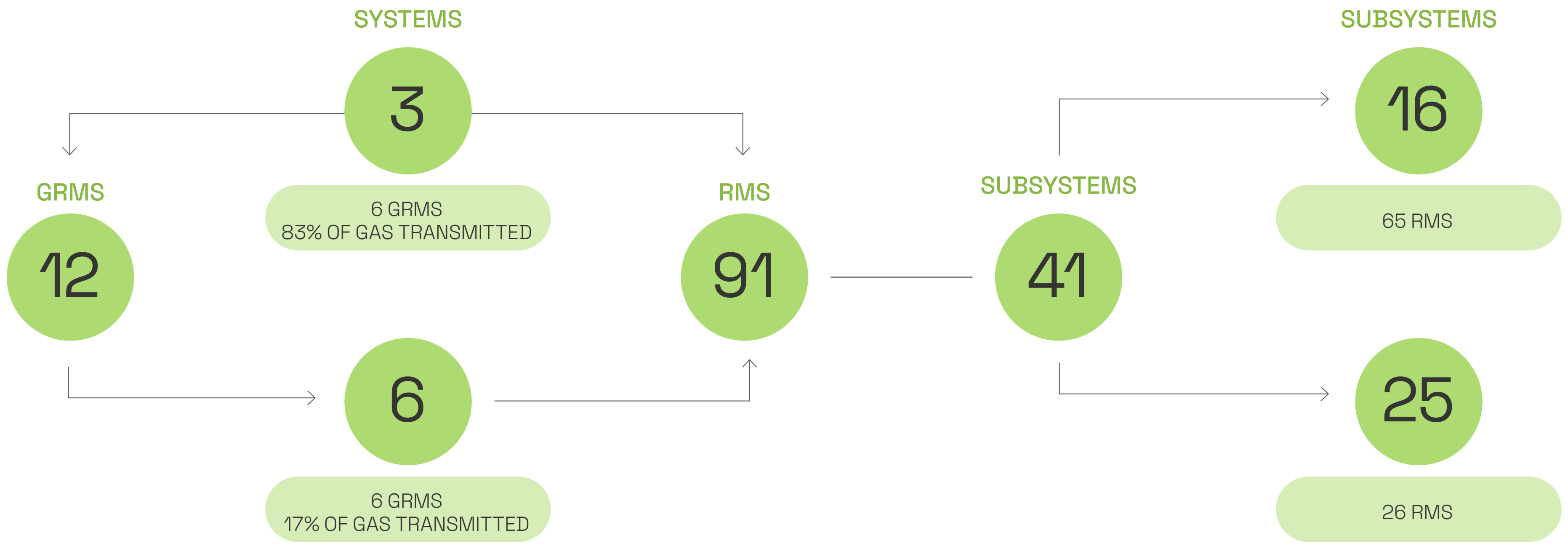
Carriço underground storage infrastructure

At the Carriço underground storage facility, gas is stored at high-pressure in cavities cut out of the saline massif, at depths of more than 1,000 metres. The six cavities currently in operation use the same surface gas station which allows bi-directional flow, in other words, the injection of gas from the transmission network into the cavities and withdrawal from the cavities to the transmission network.

The main features of the Carriço underground gas storage complex are as follows:

- Total of six cavities in operation with total storage capacity of 3,839 GWh (322.6 $Mm^3(n)$);
- 24 GWh/ d injection capacity (equivalent to 83,000 $m^3(n)$/ h); and
- Withdrawal capacity of 129 GWh/ d (equivalent to 450,000 m^3 (n)/ h) with operating volume of gas in cavities greater than 60% and 71 GWh/ d (equivalent to 250,000 m^3 (n)/ h) with operational volume of gas in cavities less than 60%.

↘ THE NATIONAL GAS TRANSMISSION NETWORK



Distribution

REN Portgás Distribuição (Portgás) is a public service concessionaire gas distribution company, operating in 29 municipalities along the northern coastal region of Portugal, in the districts of Porto, Braga and Viana do Castelo.

In demographic terms, the concession zone corresponds to 4,365 km² in area, divided into 29 municipalities with 840 wards, which have a resident population of approximately 2,627,000 people, representing around 1,257,000 dwellings.

The goals of Portgás are to ensure transparent and non-discriminatory treatment of customers, have a clear policy of investment in projects to connect new supply points throughout the network to expand existing infrastructure, and develop new areas. The company is also working to prepare the infrastructure for the introduction of renewable gases to help in the decarbonization of the economy and ensuring return on investment in the SNG.

Portgás infrastructure is supplied by 12 GRMS that inject gas into medium-pressure networks, which, in turn, supply 91 network Reduction and Metering Stations (RMS). There are six GRMS interconnected by primary network ring systems (medium-pressure) while the other six GMRS are isolated, ensuring the supply of the secondary network sub-systems (low-pressure).

The six interconnected GRMS supply the network systems of the Porto Metropolitan Area, Vale do Ave and Vale do Cávado. In addition to these three systems which consist of two GRMS each, there are a further two sub-systems in Valença and Ponte de Lima which are fed directly by the REN Gasodutos high-pressure network, as there is practically no medium-pressure distribution network. In Viana do Castelo, Paredes de Coura, Vila Nova de Gaia and Avintes, Portgás has built a primary network with some extension lines up to the supply of RMS.

With respect to the secondary network, the 91 RMS are distributed throughout the concession area and are concentrated in the large urban areas – Metropolitan Porto and Braga – and in Vale do Ave, where there is a high concentration of industrial clients. A significant number of the RMS are interconnected, with a total of 41 network sub-systems, 25 of which are isolated and 16 in ring formation.

410 km
Medium-pressure gas pipelines

6,216 km
Low-pressure network

At the end of 2024, Portgás gas distribution infrastructures included assets consisting of:

- 12 interconnection points with the transmission network;
- 410 km medium-pressure gas pipelines;
- 657 block valve stations in the medium-pressure network;
- 91 regulating and metering stations;
- 6,216 km of low-pressure in the network; and
- 54,777 block valve stations in the low-pressure network.

Up to the end of 2024, the safe and continuous supply of gas was ensured to the 29 municipalities in the concession area, supported by a distribution network with a total length of 6,627 km and with 409,000 active supply points, corresponding to a penetration rate of 33%. Around 5.7 TWh of gas was transmitted during the year.

Technical indicators

	2024	2023	2022	2021	2020
Gas distributed (TWh)	5.7	5.7	6.0	7.6	7.3
Network length (km)	6,627	6,485	6,316	6,118	5,897
No of supply branch lines	155,969	151,739	147,149	141,457	135,115
Active supply points	408,562	406,209	402,754	395,353	385,969
Active penetration rate (%)	33%	32%	32%	32%	31%
Supply points/ km of secondary network, accumulated	73.15	74.41	75.88	76.99	78.12

Operation

Quality of service

The indicators set out in the Natural Gas Quality of Service Regulations (QSR) had the following annual figures.

The remaining indicators for gas supply and features fell within the limits set by the QSR.

The cumulative frequency indicator of gas leakage incidents, calculated per 1,000 km of exposed infrastructure, per year and for a moveable period covering the last five years, was 0.00 in 2024. This compares with the equivalent indicator of the European Gas Pipeline Incident Data Group (EGIG), which was 0.10 in the last published report.

In 2024, there was an availability rate of 100% in LNGT operation. This figure reflects the high levels of reliability and availability of the infrastructure over more than 20 years of operation.

GENERAL QUALITY OF SERVICE INDICATORS FOR REN GASODUTOS

ZERO
Average No of interruptions per output point[8]

ZERO min/ p
Average time of interruptions per output point[9]

ZERO min/ p
Average duration of interruption[10]

GENERAL QUALITY OF SERVICE INDICATORS FOR THE CARRIÇO US FACILITY

100%
Compliance with nominations for gas withdrawal[11]

100%
Compliance with nominations for gas injection[12]

100%
Compliance with energy storage[13]

GENERAL INDICATORS FOR THE QUALITY OF SERVICE OF THE LNGT

100%
Compliance with commercial service nominations

99.93%
Gas injected into the network/ requested

100%
Availability of facility

[8] Average No of interruptions per output point: ratio between the total number of interruptions at output points during a specific period, divided by the total number of output points at the end of the period under consideration.
[9] Average duration of interruptions per output point: ratio between the sum of interruption durations at output points during a specific period, divided by the total number of output points at the end of the period under consideration.
[10] Average duration of interruption: ratio between the sum of interruption durations at output points, divided by the total number of interruptions at output points, in the period under consideration.
[11] Compliance with nominations for gas withdrawal: the ratio between the number of nominations complied with and the total number of nominations.
[12] Compliance with nominations for gas injection: the ratio between the number of nominations complied with and the total number of nominations.
[13] Compliance with energy storage: determined based on the root mean square error of the energy withdrawn and injected into the underground storage relative to the energy withdrawn and injected.

↘ QSR Indicators - Technical

	2024	2023	2022	2021	2020
Average number of interruptions per thousand customers, accidental non-controllable	14.80	9.6	7.5	9.4	8.2
Average number of interruptions per thousand customers, non-controllable forecast	0.2	0.0	0.0	0.0	0.0
Average number of interruptions per thousand customers, controllable forecast	0.0	0.0	0.0	0.5	0.9
Average number of interruptions per thousand customers, accidental controllable	0.0	0.0	0.8	0.7	1.4
Average duration of interruptions per customer, accidental non-controllable (min.)	3.2	1.8	1.0	1.6	1.5
Average duration of interruptions per customer, non-controllable forecast (min.)	0.0	0.0	0.0	0.0	0.0
Average duration of interruptions per customer, controllable forecast (min.)	0.0	0.0	0.0	0.0	0.2
Average duration of interruptions per customer, accidental controllable (min.)	0.0	0.0	0.2	0.1	0.2
Average duration of interruptions, accidental non-controllable (min.)	213.9	189.2	140.7	170.2	184.4
Average duration of interruptions, non-controllable forecast (min.)	142.0	0.0	90.2	0.0	0.0
Average duration of interruptions, controllable forecast (min.)	0.0	120.0	0.0	96.0	187.6
Average duration of interruptions, accidental controllable (min.)	0.0	240.0	212.5	132.0	161.9
Number of interruptions (totals)	107	98	107	108	99

↘ QSR Indicators - Commercial

	STANDARDS	2024	2023	2022	2021	2020
Percentage of in-person call-outs with response time up to 20 min.	85%	98.3%	100%	100%	96%	99%
Percentage of telephone calls for fault and emergency reporting, with waiting time up to 60 sec.	85%	95.3%	95%	96%	96%	96%
Percentage of commercial telephone calls, with waiting time up to 60 sec.	85%	94.5%	93%	94%	94%	93%
Percentage of readings with interval compared to previous reading less than or equal to 64 days (frequency of readings)	98%	98.3%	98%	98%	99%	86%
Percentage of emergency situations with response time up to 60 min.	85%	99.1%	98.9%	98.7%	98.3%	98.7%

49,896 GWh

Transmitted through the RNTG

With respect to use of capacity at RNTG entry points, in 2024 a level equivalent to 85% was recorded of the maximum aggregate value.

System operation

In 2024, gas intake into the infrastructure operated by the RNTG concessionaire was predominantly from the Sines LNG Terminal (93.3%). The Campo Maior intake contributed with 1.0% and the entry point in the network via the Carriço US corresponded to 4.5%. The Valença do Minho intake also contributed with 1.1% of total intake into the infrastructure.

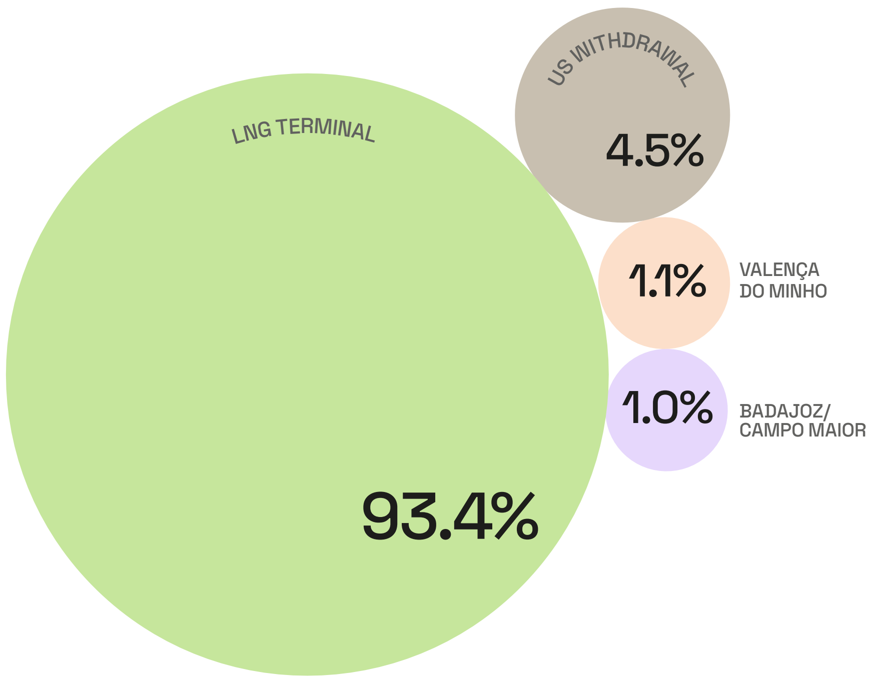
The side graph shows the breakdown of intakes into the transmission system.

In 2024, the 49,896 GWh (around 4.19 bcm) transmitted through the RNTG included high-pressure national consumption, with a total of 38,438 GWh (3.23 bcm), the withdrawal of 9,220 GWh (around 0.77 bcm) of gas to Spain, the injection of gas into the Carriço US facility, which reached 2,160 GWh (0.18 bcm) and the withdrawal of 78 GWh (around 0.01 bcm) from the national system through the Valença do Minho-Tuy interconnection.

With regard to the use of system capacity, in 2024 the maximum daily intake figure for the RNTG through the Virtual Interconnection Point (VIP), Campo Maior and Valença do Minho, was 76.2 GWh, recorded on 10 January, and 203 GWh through Sines on 12 December.

With respect to use of capacity at RNTG entry points, in 2024 a level equivalent to 85% was recorded of the maximum aggregate value made available commercially to the market at the three entry points in the transmission network, the Sines LNG Terminal, the Iberian VIP (between Portugal and Spain) and the Carriço US facility. This figure was slightly above the value recorded in 2023 (84%).

↘ Transmission system intake (%)



53

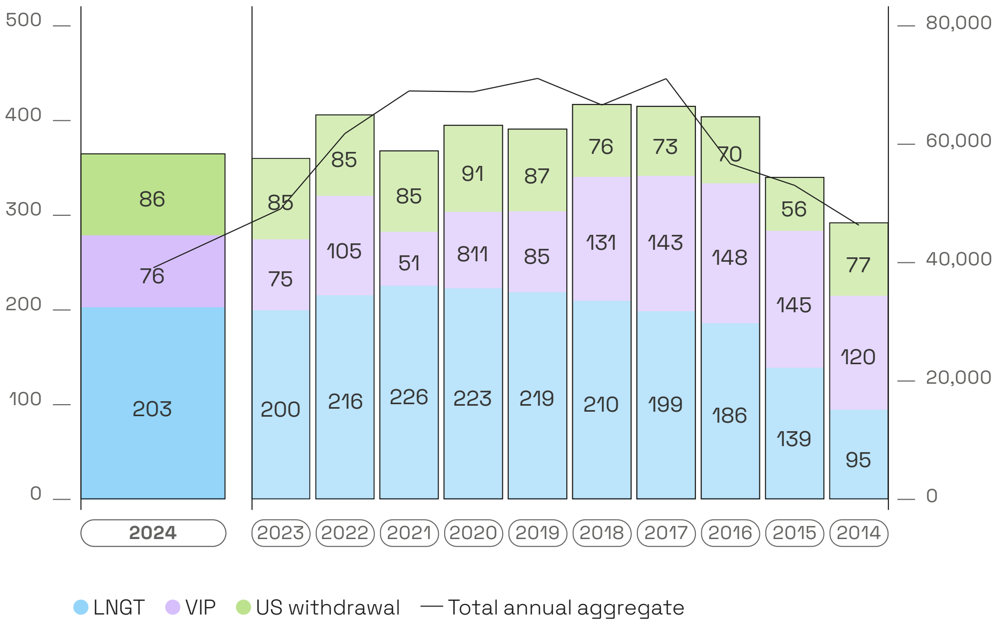
Methane tanker unloading operations in 2024

9%

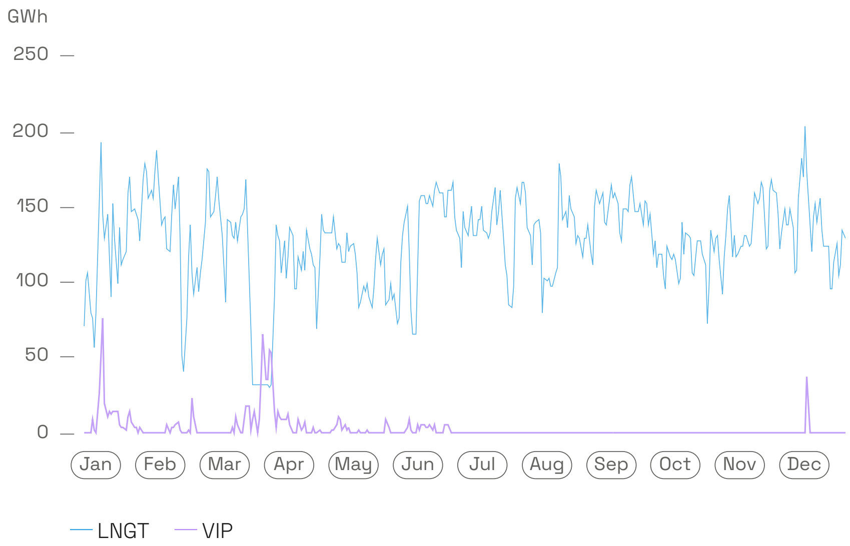
Fall in the number of unloading operations compared to 2023

The increase in the use of the Sines LNG Terminal in relation to the Iberian VIP is based on a market logic followed since the start of the second half of 2018 and stems from the international situation, namely the greater supply of LNG from shale gas from the United States of America and the current supply shortage in Europe resulting from the military conflict in Ukraine. The following graph shows the daily use of each of the abovementioned infrastructures.

↘ Maximum intakes to RNTG: VIP + LNGT + US withdrawal (GWh)



↘ RNTG supply: Sines Terminal vs. Iberian VIP (GWh)

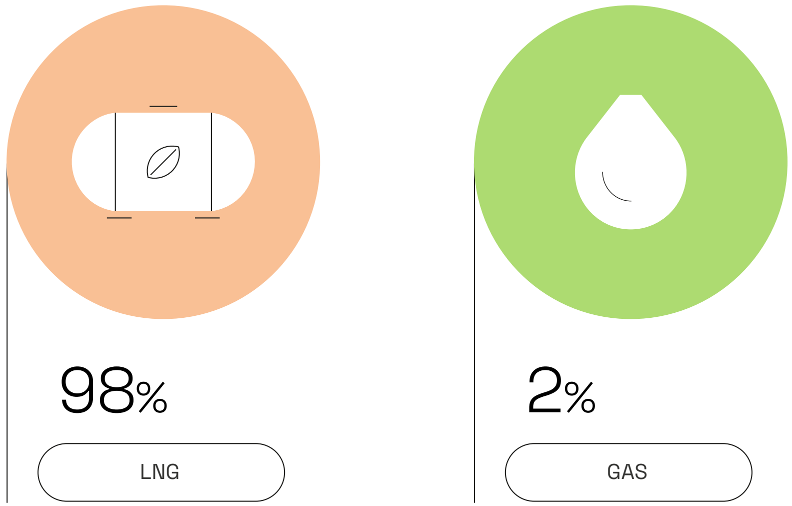


At the Underground Storage infrastructure, maximum daily withdrawal reached 86.3 GWh on 25 March while injection reached 36.1 GWh on 24 August.

In 2024, 53 methane tanker unloading operations took place at the Sines LNG Terminal to supply the National Gas System (SNG). There was a fall in the number of unloading operations with respect to the previous year of 9%. Taking into account the amounts actually unloaded, the final variation in energy terms corresponded to - 8.3%. At the end of 2024, the total number of tanker reception operations since the infrastructure opened stood at 877.

In 2024, annual accumulated figures for gas intakes into the transmission network broken down into the Sines LNG Terminal, to supply LNG to the national gas network, and gas through the Iberian VIP, were 98% and 2%, respectively.

↘ Use of LNG in Portugal



Since 2021, with the entry into operation of the Organized Gas Market, there has been an increase in the number of market agents registered at MIBGAS.

System Management activity, consists of the supervision and control of the National Gas Transmission Network, from the Dispatch Center. Normal operation takes place from the centre located in Bucelas, while emergency operation is located in Pombal. Activity also includes the General Technical Management of the National Gas System (SNG), which includes the LNG Terminal and Underground storage, and coordination among the different entities with impact on the system. Of note in 2024:

- Systemic coordination of SNG infrastructure, ensuring integrated and balanced operation, as well as the safety and continuity of gas supply in the short, medium, and long-term, including the management of interconnections, monitoring of security reserves, and monitoring of gas quality;
- Adaptation of operating conditions to any restrictions, with a view to carrying out intervention work to ensure infrastructure integrity, including support for the interconnected network operator;
- Implementation of the new operation programming platform (Progop), which supports intraday operation of the system; and
- Evolution of Dispatch IT systems to ensure correct monitoring of gas composition and quality parameters.

Market operation

Since 2021, with the entry into operation of the Organized Gas Market, there has been an increase in the number of market agents registered at MIBGAS. At the end of 2024, there were 27 agents registered on the platform (three more than in the previous year). There were no changes to the short-term gas product offers that may be traded in the abovementioned market, with delivery in Portugal, and it is still possible to transact intraday, daily and weekend products.
In 2024, a total of 632,855 MWh of gas were traded on the MIBGAS platform, which represents 462,410 MWh more than that recorded in 2023, corresponding to growth of around +271%.

This growth represents a significant increase in the liquidity of the organized market in the VTP, with the entry into force of Order No 7310/2023, which sets out the conditions applicable to SNG dominant operators in the performance of the market creation service. The implementation of this order in 2024 was clearly influential in this increase in liquidity.

With respect to network code for network balancing, a significantly more comprehensive role was seen for infrastructure users. Users have a key responsibility to ensure continuous balance between incoming and outgoing flows in transmission networks. Moreover, it is the responsibility of the General Technical Manager to perform balancing actions on the network whenever necessary. In order to achieve this, transactions conducted on the organized market platform are employed, thus ensuring the efficiency and stability of the system. The General Technician Manager carried out 44 network balancing actions at MIBGAS for the purchase of gas, totalling 91,160 MWh and 38 network balancing actions for the sale of gas in a total of 88,990 MWh.

With regard to market agents qualified to operate in high-pressure infrastructure, 2024 ended with a total of 51 suppliers with signed contracts of which 35 were active in the SNG. Contributing to this number were six new market agents during 2024.

With respect to coordination responsibilities regarding information of a commercial nature, the response to information requests

	Month	MWh	Average purchase value €/ MWh
No OF PURCHASING ACTIONS			
6	January	12,000	32.57
3	March	5,500	27.60
3	April	1,850	32.27
2	May	3,500	35.61
2	June	3,500	35.48
7	July	12,260	34.69
7	August	14,100	39.13
7	September	13,000	37.09
4	October	6,450	41.32
3	December	19,000	46.78
No OF SALES ACTIONS			
2	January	6,000	31.09
3	February	4,100	23.07
3	April	3,600	27.17
1	May	2,000	31.18
7	June	6,269	33.90
4	August	5,325	37.48
5	September	16,939	37.00
7	October	22,315	38.85
1	November	6,000	36.51
5	December	16,442	44.29

345

Information requests received by REN Gasodutos in 2024

-53

Compared to 2023

60

Complaints in 2024

-8

Compared to 2023

and complaints plays an important role in ensuring the ongoing satisfaction of infrastructure users.

In 2024, REN Gasodutos received 345 information requests and 60 complaints, corresponding to 53 fewer requests and eight fewer complaints than last year. In 2023, information requests were processed with an average response time of 2.2 days and complaints with an average response time of 0.5 days, figures with slight differences to the average times recorded for 2023 of 1.1 days and 0.7 days, respectively.

REN Atlântico received two information requests and five complaints, one more information request and three fewer complaints than in 2023. Information requests were processed with an average response time of 0.0 days, a much lower figure than the previous year of 11.0 days. Complaints were processed with an average response time of 0.6 days, a slightly slower time than the average seen in the previous year of 0.5 days.

As was the case in 2023, no requests for information or complaints were made to REN Armazenagem in 2024.

In addition to programmes for the technological updating and analysis of metering systems, end-of-life asset remodelling programmes were also followed up.

↘ Total unloaded energy (TWh)

48.461
In 2024

51.58
In 2023

46.645 TWh
NG issue

+2.161 TWh
LNG shipped by road

Network operation

National Gas Transmission Network (REN Gasodutos)

In 2024, the RNTG infrastructures was operated with dedication and competence to ensure the continuity of supply security and network operations.

Multi-annual asset integrity management programmes were also continued where in-line inspections, coating inspections, defect characterization, and anti-corrosion treatment were of note.

In addition to programmes for the technological updating and analysis of metering systems, end-of-life asset remodelling programmes were also followed up. These programmes focused on energy efficiency, restoration and upgrading, instead of indiscriminate replacement.

Solar energy panels (thermal and photovoltaic) were also installed at GRMS, in line with the decarbonization objectives for this type of asset.

Remodelling work in 2024 included the upgrading of temporary stations, transformation points, self-consumption meters and, valve actuators.

Also of note was the emergency work to replace a damaged tube caused by unauthorized third-party interference on line 10001 (the Portalegre/ Guarda gas pipeline - Batch 5). This work was performed using the cold cut method, without any interruption to supply of SNG consumers.

Sines Liquefied Natural Gas Terminal (REN Atlântico)

In 2024, the LNG Terminal maintained a high rate of use and unloaded a total of 53 LNG tanker vessels, corresponding to total unloaded energy of 48.461 TWh. This represents a reduction of 8.6% in vessels and 6.1% in terms of energy. NG issue stood at 46.645 TWh plus a further 2.161 TWh of LNG shipped by road.

In the same period, 7,332 tanks were loaded, corresponding to a total of 2.161 TWh, which represents an activity increase of around 7.7%.

The maximum daily issue from the Terminal into the network was on 12 December, with a total of 203 GWh.

Further to the commitment to ensure the availability and safety of facilities, the terminal operation team conducted a range of work on specific assets in 2024. This work included the extensive remodelling of the LNG pumping system and the replacement of the marine loading arms. It should be noted that this last project was carried out in such a manner that the reception of methane tankers was not affected.

REN Atlântico conducted five audits, all with positive results

1. One external audit (APA) and two internal audits under the SEVESO Directive;
2. One external audit (APCER) and one internal audit for the verification of the Integrated Quality, Environment, Safety and Occupational Health Management System;
3. One audit conducted by a third party under the APS concession contract;
4. One audit relating to the quality of service for Natural Gas; and
5. One audit with respect to compliance with the ISPS code.

In 2024, REN Atlântico also performed three drills:

1. One safety drill (PEI-SEVESO), with the involvement of external entities;
2. One relating to the application of self-protection measures; and
3. One for the protection (ISPS) of the LNG Terminal.

Carriço Underground Storage Infrastructure (REN Armazenagem)

During 2024, this infrastructure has continued its key role in ensuring supply security and in managing peak demand efficiently. Total gas transmitted, in energy terms, resulted in 4,408 GWh, divided into 2,247 GWh withdrawn and 2,160 GWh injected, an increase of 12.8% and 17.3%, respectively. Overall own consumption by the gas station in 2024 corresponded to 17 GWh.

At the end of the year, compared with 2023, the following balance of stocks was seen:

↘ Balance of stored amounts[14]

	2024	2023	2022	2021
Gas stocks at REN Armazenagem (GWh)[15]	3,530	3,624	3,696	2,439
Average daily level of gas stocks at REN Armazenagem (GWh)	3,450	3,502	3,306	1,780

The average level of gas stocks in the US infrastructure during 2024 had a small variation of -4% compared to the previous year. This figure reflects the use of stocks by the trading agents, distributed over the year, and with lower activity in the last quarter. However, injection always compensated for withdrawal, which allowed reserves to be kept stable throughout 2024. The variation in stocks seen at the US throughout 2024 was very low (3% compared to 2023), and the reserve levels that ensure supply security were never compromised. High levels of stocks made it possible not only to guarantee that consumption needs were covered during the winter, but also to provide availability of gas to meet fluctuations in electricity production and to prevent contingencies caused by possible supply disruptions through the usual channels due to market uncertainties.

[14] Figures indicated do not include cushion gas (permanent volume of gas maintained in caverns in order to safeguard their structural stability).
[15] The figures indicated do not include cushion gas.

With regard to environmental sustainability, a photovoltaic power production unit was installed for self-consumption, in line with the policy to decarbonize assets.

6,627 km

In the distribution network in 2024

In addition to concession contract activities, REN Armazenagem continued its upgrading and renewal programs, in cases of obsolescence of assets at end-of-life. Assets works, in 2024, included anti-corrosion treatment, uninterrupted power supplies, safety valves, and firefighting control.

With regard to environmental sustainability, the control and reduction of methane emissions were strengthened and a photovoltaic power production unit was installed for self-consumption, in line with the policy to decarbonize assets.

Distribution operation (REN Portgás)

The distribution network, with a total length of more than 6,627 km in 2024, requires ongoing management, monitoring, diagnostics and maintenance. One of the company's priorities is to increase the overall quality of the natural gas distribution system, maintaining a high level of safety and reliability in the operation of the distribution network.

On 4 August 2024, the new European Regulation 2024/1787 on the reduction of methane emissions in the energy sector entered into force. This regulation will have considerable impact on Portgás operations as leak detection is now required every three years, requiring more frequent and more detailed emission reporting, as well as an obligation to reduce overall emissions.

To increase detection over greater network length in a shorter time so as to comply with the new regulation, a new experimental method of leak detection was employed with the use of a vehicle. The leak detection vehicle covered all of five municipalities and also completed a sixth municipality which had already been partially checked on walk-throughs. The strengths of this method include speed, as it can cover around 75 to 80 km per week in contrast to the 25 to 30 km per week of detection on foot, and its high efficiency in detecting network leaks. A disadvantage is that it is less effective in detecting leaks in general trip boxes. Based on the new regulation, the general trip boxes fall outside the scope of what is considered network and are therefore excluded from the leakage testing requirement. However, given that Portgás is fully committed to customers and safety, leak detection will always involve a walk-through survey of general trip boxes after vehicle searches in the network.

As a result of the new regulation, there was an increase in the systematic search for leaks from the distribution network conducted in 2024. Leak detection covered a total of 2,722 km, of which 2,456 km were secondary network and 266 km primary network, broken down over 18 concession municipalities. 1,928 leaks were detected, 189 of which were in the network and 1,739 were in customer general trip boxes or RPM. The ratio of leakage per km in the secondary network was 7.7 leaks/ 100 km, higher than the figure for the previous year (5.9 leaks/ 100 km).

The insulation of steel piping is a passive protection measure for this asset and the integrity of the steel contributes decisively to its good condition. As such, insulation failure detection aims to locate insulation failures via indirect inspection and assessment of the severity of insulation failure, identifying areas where corrosion may have occurred or is occurring, in order to ensure infrastructure integrity and safety.

In 2024, insulation failure detection was carried out on 79 km of network installed in the municipalities of Viana do Castelo, Trofa, Vila Nova de Gaia, and Vila Nova de Famalicão, where 159 failures requiring repair were detected. Isolation failure ratio was 2.01 insulation failures/ km, higher than the average of the last four years (1.80 failures/ km).

From a commercial development perspective, at the end of 2024, 408,562 supply points were connected.

1,201 GWh
The "Upper Low-Pressure" segment

-1%
Compared to 2023

3,344 GWh
The "medium-pressure" segment

-3%
Compared to 2023

From a commercial development perspective, at the end of 2024, 408,562 supply points were connected, 2,353 more than at the end of the previous year. This is the result of ongoing effort to create infrastructure and adapt buildings enabling them to use natural gas.

Considering the segmentation based on annual consumption and type of connection to the network, the total number of supply points is concentrated in the "Lower Low-Pressure" segment, billing with annual consumption of up to 10,000 m^3, with 406,789 supply points, corresponding to 99.6% of total active supply points. This segment grew 0.6% in relation to 2023, with the addition of 2,318 new supply points.

The "Higher Low-Pressure" segment - points billed at low pressure with annual consumption exceeding 10,000 m^3/ year, corresponds to 0.4% of the total, with 1,647 active supply points at the end of 2024. This represents growth of 2.6% over the previous year with an increase of 42 supply points.

The "Medium-Pressure" segment - supply points billed as medium-pressure, represents the smallest weighting in total supply points, with 126 active at the end of 2024, seven fewer than in 2023.

Active supply points essentially consist of residential and small services customers connected at low pressure. Large-scale consumers, connected at both low as well as medium-pressure, represent only 0.4% of all supply points.

At the end of 2024, the total of supply points in the infrastructure and ready-to-receive natural gas stood at 478,118, of which 69,556 are available for contracting on the market. In other words, at the end of 2024, around 15% of the total available did not have an active supply contract with a trader.

In a market development perspective, energy delivered in 2024 in the Portgás distribution network stood at 5,678 GWh of natural gas in the three concession area districts. With respect to the previous year, this represents a fall of 0.7% in distributed energy, corresponding to a decrease of 38 GWh.

The contribution of the different market segments to this decrease in energy varied.

The segment referred to as "Lower Low-Pressure" accounted for 1,133 GWh – 20% of the total of distributed energy, falling by 8% over figures for 2023
The "Upper Low-Pressure" segment accounted for 1,201 GWh – 21% of the total, with a decrease of 1% compared to 2023.
The "medium-pressure" segment provided 3,344 GWh – 59% of the total, a fall of 3% compared to the previous year.

The high consumption segment (>10,000 m^3/ year), connected both at medium and low pressure, absorbed 80% of the gas transmitted in the network, corresponding to 4.5 TWh, confirming the relevance of this segment in the distribution of natural gas.

63,853

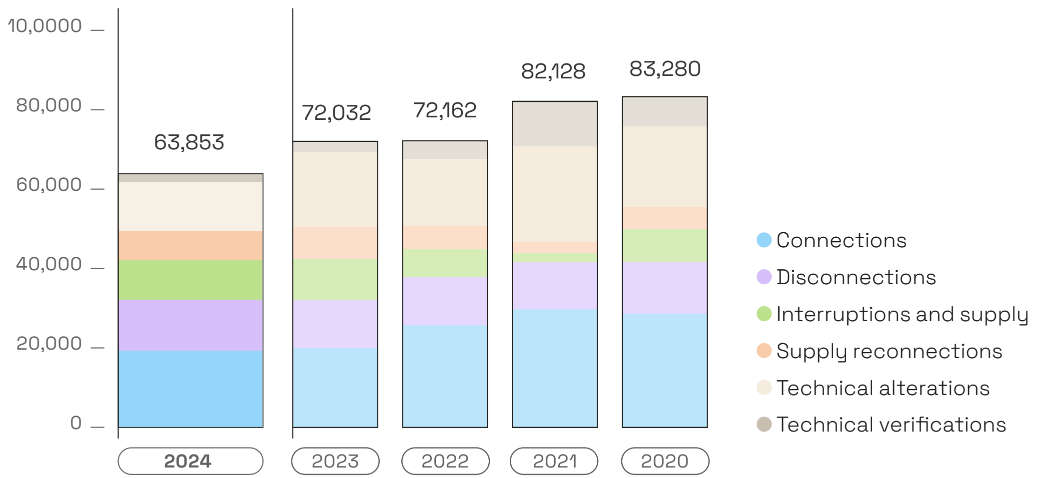
Operations carried out at consumption points in 2024

-11.4%

Compared to 2023

In 2024, around 64,000 operations were carried out at consumption points, 11.4% less than in 2023. This reduction was mainly caused by a 34% reduction in orders for technical alterations. Despite this reduction in supply activations (4% less than in 2023), this type of operation has greater expression in the total, representing 30% of all operations at consumption points, with a total of 19,000 activations. In 2024, 12,400 technical alteration orders were carried out, representing a reduction of 34% compared to 2023. Included in this type of operation at consumption points was the planned replacement of approximately 4,800 volumetric membrane meters as part of a campaign to scrap meters at the end of working life.

↘ Operations at consumption points



↘ Interventions at supply points due to emergencies and breakdown line

5,374

EMERGENCY INTERVENTIONS

3,334

TECHNICAL ASSISTANCE INTERVENTIONS

2,040

-0.8%
Compared to 2023

In 2024, a total of 5,374 emergency interventions and breakdown requests were dealt with at consumption points, representing a reduction of around 0.8% over 2023. In this work, 3,334 (62%) were considered as emergency work while the remainder 2,040 (38%) was considered as technical assistance. The indicator number of interventions per thousand supply points remained in line with figures for the previous year.

In 2024, there was a slight increase in average response times, both for emergencies as well as technical assistance, when compared to the previous year. The average emergency response time increased by half a minute (from 29 to 29.5 minutes) and the response time for technical assistance increased by 1.2 minutes (from 39.3 to 40.5 minutes). Although there was a slight increase compared to the previous year, greater effort has been made to raise awareness among partners, combined with improved allocation of resources.

The main threat to the security and integrity of the REN Portgás natural gas distribution network comes from work undertaken in the immediate surroundings of the infrastructure by external entities. During 2024, there were 86 network and branch ruptures, a new annual maximum for this type of occurrence, representing an increase of 18% compared to the previous year.

In 2024, REN Portgás continued a programme of demanding audits which sought to involve the entire organisation, using different means, so as to provide a critical and comprehensive analysis of its business processes. As such, in December 2024, APCER carried out an integrated external audit to monitor benchmarks for Quality (ISO 9001), the Environment (ISO 14001), Occupational Safety (ISO 45001), Business Continuity (ISO 22301), Asset Management (ISO 55001) and R&DI (NP 4457).

↘ Emergency and breakdown line

	2024	2023	2022	2021	2020
No of calls	24,713	25,523	24,764	27,805	27,979
No of interventions at supply points	5,374	5,415	5,706	5,756	5,253
No of interventions/ 1,000 supply points	13.2	13.3	14.2	15.0	14
No of emergencies	3,334	3,318	3,538	3,784	3,195
Average emergency response time (min.)	29.5	29.0	27.2	29.1	30
No of technical assistance operations	2,040	2,097	2,168	1,972	2,058
Average call-out response time (min.)	40.5	39.3	38.0	41.5	44

↘ Network ruptures

	2024	2023	2022	2021	2020
Ruptures	86	73	78	79	75
Km of network	6,627	6,485	6,316	6,118	5,897
Ruptures / 1,000 km	13	11	12	13	13

In November 2023, the European Commission implemented the 1st European Union List of Projects of Common Interest (PCI) and Projects of Mutual Interest (PMI).

Investment

Common Interest Projects for Hydrogen

In November 2023, the European Commission implemented the 1st European Union List of Projects of Common Interest (PCI) and Projects of Mutual Interest (PMI), which includes two national projects for 100% hydrogen that make up the H2med corridor: the Celorico da Beira - Zamora interconnection ('CelZa') and the remaining national hydrogen transmission network.

In 2024, REN submitted the abovementioned projects for European funding through the CEF - Connecting Europe Facility, and results are expected to be published in early 2025.

Additionally, in partnership with other organizations involved in the H2med project, a Call for Interest was launched to the market on 7 November 2024, with the aim of quantifying interest in the use of infrastructure in this corridor. The results of this initiative were made public in February 2025.

In November 2024, REN submitted an application for the 100% Hydrogen Celorico da Beira – Zamora interconnection ("CelZa") and the national hydrogen transmission axis to the 2nd European Commission list for PCI/ PMI, the results of which are expected at the end of 2025.

Development and Investment Plan for the Gas Transmission Network (PDIRG)

The final draft of PDIRG 2024-2033 was delivered to DGEG in November 2023. At the end of 2024, work was started on the preparation draft plan for the 2026-2034 period (PDIRG 2026-2035).

Adaptation of RNTIAT to mixtures with renewable gases

During 2024, the National Gas Transmission Network (RNTG) infrastructure was certified by an independent third party, for the transmission of mixtures of up to 10% hydrogen with natural gas, in accordance with the decarbonization targets set out in the National Energy and Climate Plan (PNEC 2030). This certification requires an Action Plan, the implementation of which is awaiting approval from the Granting State.

REN Gasodutos, REN Armazenagem and REN Atlântico

Throughout 2024, several investment projects were completed in order to ensure the safety, resilience, sustainability and operability of RNTIAT facilities in service, in accordance with regulatory criteria and in compliance with obligations for concessionary activities. Investment also took into consideration the assessment carried out by RNTIAT operators on the status of assets in operation.

Several projects were completed to remodel and modernize assets in service, which included the remodelling of heating systems, the reconditioning of station roofs, the upgrading of video surveillance systems and the installation of photovoltaic and solar thermal panels in the GRMS for pre-heating water in heating systems. These actions contributed to the decarbonization of the assets by reducing self-consumption of natural gas in boilers and the electric energy required to operate the assets. At the Sines LNG Terminal, an important project to replace the marine unloading/ loading arms was completed. These arms were installed when the Terminal was built in 2003 and could no longer ensure reliability of operation. This is critical equipment and unavailability would make it impossible to carry out operations with tankers.

At REN Portgás Distribuição, the investment plan is implemented in compliance with infrastructure growth strategy based on two pillars:

- distribution of required volumes of gas, on time and under suitable pressure in the network; and
- optimized capture of new supply points to ensure the profitability and sustainability of the gas distribution system.

Investment in the distribution network led to an increase of 126.3 km in the secondary network and 15.7 km in branch lines.

126.3 km
Increase in the secondary network

15.7 km
Branch lines

3,466
New supply points with interior network for natural gas supply

1,649
Facilities adapted for gas consumption

To this end, the investment made in 2024 resulted in the implementation of various investment projects spread across the 29 municipalities in the concession area. Investment in the distribution network led to an increase of 126.3 km in the secondary network and 15.7 km in branch lines.
To ensure the interconnection of the natural gas distribution networks to customer premises, 4,230 branch lines were built, corresponding to a ratio of 1.5 supply points per branch line.

In 2024, focus on the densification of the supplied areas continued, with the ongoing aim to maximize the use of existing infrastructure. However, with the advance made into more peripheral areas and due to the greater dispersion of housing stock, even greater effort is required to achieve this objective. For this reason, careful selection of network layout and deciding on the best investment opportunities become even more critical if our goals are to be achieved.

Throughout the year, ongoing work to capture new supply points resulted in interior network for natural gas supply being provided for 3,466 dwellings, while 1,649 facilities were adapted. Additionally, 1,200 new supply points were acquired in the new market, i.e. homes already equipped for natural gas, and 55 new supply points for large-scale consumption, which made it possible to reach a total of 6,370 new supply points in the year. Investment in supply points required the installation of around 547 regulators and the installation of around 22,000 meters.
Of these, around 8,000 refer to renovation in compliance with the legal requirement to replace metering equipment after 20 years in operation.

As part of the decarbonization and digitalization strategy for REN Portgás assets, several energy transition projects were carried out for gas distribution, providing for the injection of renewable gases into the infrastructure.

In line with the recommendations of the PDIRD of recent years, REN Portgás has focused on implementing various digitalisation and decarbonisation projects. These projects enhance the carbon neutrality of the activity carried out, either by integrating new solutions into its activity or by injecting gases of renewable origin into infrastructures. This approach contributes to the company's vision of being a benchmark utility in the creation of value, innovation, and sustainability, with a greater positive impact on society.

In order to comply with legislation (Decree-Law No 62/2020 of 28 August) and regulations in force (Order No 806-B/2022 of 19 January), Portgás has carried out a range of projects to determine the actions required to ensure the transmission of gases of renewable origin, biomethane and hydrogen in the infrastructure. These projects address different issues relating to the transmission of hydrogen in a gas mixture and 100% pure, such as: compatibility of existing assets, identification of possible changes, requirements to be applied to future assets to be acquired, changes in operating procedures and adaptation/ creation of IT systems that ensure quality control of the gas transmitted and correct energy billing to end customers.

The following projects, carried out within the scope of the transmission of renewable origin gases during 2024, stand out

- Study of the impact of injecting hydrogen into low-pressure networks which concluded that mixtures of up to 20% hydrogen could be transmitted.
- Adjudication of the implementation of the Gas Quality Control System.
- Installation of the first chromatography unit in the infrastructure.
- Installation of the first smart meters, capable of obtaining data with time details and NBIoT communication system that will allow the consumption profile of end customers to be improved.
- Study of the potential of biomethane in the concession area.

In 2024, the installation of a self-consumption unit (UPAC) was started in the Portgás building.

Further to the completion of the project to evaluate the compatibility of the medium-pressure network for hydrogen transmission in 2023, a report by the scientific partner was drawn up and suitability certificates were issued for the transmission of hydrogen in the medium-pressure infrastructure; during 2024 a study was concluded for the transmission of mixtures of up to 20% of hydrogen with natural gas in the low-pressure network. The documents drawn up for these projects were sent to the Directorate General for Energy and Geology (DGEG) to request authorization to carry hydrogen in medium and low-pressure infrastructure, based on an investment plan which was determined as necessary to ensure the correct delivery of gas mixtures with 20% hydrogen with natural gas, and for the transmission of 100% hydrogen.

In 2024, the installation of a self-consumption unit (UPAC) was started in the Portgás building, with the goal of reducing scope 2 emissions from its activity.

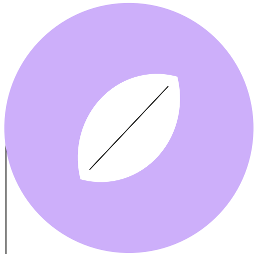
In this UPAC project, the electricity requirements of the building were calculated, including the installed power of electric car chargers, and an additional reserve was included for the possibility of producing green hydrogen.

In 2023, the implementation of new REN Portgás core systems began, a project that will continue until 2026. In 2024, of note were several activities underlying this project which led to the preparation of Low-Level Design documents in accordance with stated requirements. It should also be noted that this project, named "ENTER", aims to achieve the extensive replacement of Portgás core systems with the goal of increasing their resilience and reliability. Emphasis is on processes to update and integrate with other systems while carrying out all the necessary preparations for future integration with other tools that can further leverage the business. The target is to provide a more effective and efficient response for SNG customers and other stakeholders.

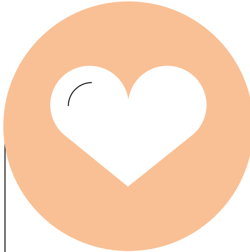
Innovation and sustainability

Sustainability is one of the key pillars of the REN strategy, which is based on five areas of action:

ENERGY TRANSITION AND CLIMATE CHANGE

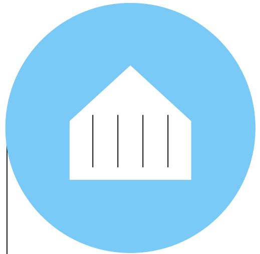


NATURAL CAPITAL MANAGEMENT



INVESTING IN OUR PEOPLE

CREATING VALUE FOR STAKEHOLDERS



RESPONSIBLE GOVERNANCE

With this in mind, environmental protection and the implementation of practices that conserve and protect ecosystems and biodiversity, while also reducing greenhouse gas emissions, are priority objectives.
REN has taken on the role of facilitator in the energy transition and decarbonization of the energy sector, more specifically, in the gas sector, aligning the company with global sustainability goals and actively contributing to a more sustainable future.

As part of decarbonization initiatives, REN is promoting the reduction of methane emissions by implementing programmes aligned with the good practices of OGMP 2.0 (Oil & Gas Methane Partnership 2.0) and increasing the frequency of detection, monitoring and reducing the time between identifying and correcting leaks.

REN has implemented the UNEP (United Nations Environment Programme) OGMP 2.0 framework which is considered the most demanding and comprehensive for reporting methane emissions. This framework requires accurate and detailed reporting of all sources of emission, ensuring the credibility necessary to validate results with stakeholders. For the fourth consecutive year, REN Gasodutos, REN Armazenagem and REN Atlântico were awarded the Gold Standard Reporting Award by OGMP 2.0, in recognition of the company's commitment and exemplary performance in reducing methane emissions.

In 2024, REN continued the LDAR (Leak Detection and Repair) campaign which began in 2023, reinforcing actions for leak detection and repair. In the case of Portgás, the frequency of systematic leakage detection activities in the medium and low-pressure network was followed up, consolidating the commitment to reducing emissions.

Furthermore, REN adopted Regulation (EU) 2024/1787, which lays down the rules for measuring, quantifying, monitoring, reporting, and verifying methane emissions.

To find out more on REN's performance, see chapter 4.2.2 Climate change.

The strategy of the REN Portgás Distribuição Innovation Policy is to improve distribution assets while also enhancing the development of new consumption hubs 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 a vehicle for local resources of renewable origin to drive industrialization and generate value for the country, where gas distribution infrastructure plays a relevant role in implementing national

As such, in accordance with the Prior Registration Procedure, during 2024 DGEG sent the RNTG operator a total of 13 requests for decisions to connect green hydrogen production projects to the RNTG.

and European directives, on a path to decarbonization and carbon neutrality. Based on this very strategy, REN Portgás Distribuição has launched projects to ensure the compatibility of its infrastructure with 100% of renewable gases, more specifically, hydrogen and biomethane.

Connections to RNTG

With regard to connecting new renewable gas production plants, more specifically, "green" hydrogen and biomethane, as part of our General Technical Management of the National Gas System, REN is responsible for coordinating injection conditions and entry into the system. The goal is to maximize the intake capacity of renewable or low-carbon gases into the National Transmission Network (RNTG), while maintaining quality and safety conditions.

As such, in accordance with the Prior Registration Procedure, during 2024 DGEG sent the RNTG operator a total of 13 requests for decisions to connect green hydrogen production projects to the RNTG and one request for a decision to connect a biomethane project to the RNTG.

Our activity

1.4 OTHER ACTIVITIES

RENTELECOM

RENTELECOM – Comunicações, S.A. (RENTELECOM), established in 2002, is the REN Group Information and Communication Technologies (ICT) company. RENTELECOM promotes its services using the telecommunications networks which are vital for the transmission of gas and electricity, providing fibre optic services, connectivity, telecommunications projects as well as datacenter services.

RENTELECOM provides access to the optical fibres of the largest and most stable neutral trunk network in Portugal, including the largest number of interconnections between Portugal and Spain. In partnership with counterpart companies in the Spanish market, RENTELECOM has established itself as a benchmark supplier in this sector. This joint Iberian offer supports a significant part of internet and data traffic on the Iberian Peninsula, where RENTELECOM plays a key role in the digital transformation of the economy.

As part of this digital transformation process, RENTELECOM provides datacenter services through four hubs in Portugal, with emphasis on the Ermesinde and Riba de Ave datacentres, consolidating the company's position as the main neutral provider of datacenter services in the country.

With respect to connectivity and other ICT services, RENTELECOM provides tailor-made services such as: design, implementation and operation of telecommunications systems.

With a unique know-how as a result of our vast experience in the operation of critical networks and an in-depth knowledge of the market gained over decades, RENTELECOM supports clients and partners in creating differentiating value. Its work is especially relevant in the utilities, telecommunications operators and IT integrators, working with a national and international customer base.

RENTELECOM provides access to the optical fibres of the largest and most stable neutral trunk network in Portugal.

Public telecommunications networks operator

100%

OWNED BY REN

52%

TELECOMMUNICATIONS OPERATORS REVENUE

48%

CORPORATE MARKET REVENUE

9%
Increase
in turnover

Following the strategic review study on its activity, and as planned, the RENTELECOM team was strengthened throughout 2024, with the aim of exploring, qualifying, and implementing growth opportunities in the fibre optic and datacenter markets.

With respect to financial performance in 2024, RENTELECOM saw a significant increase in turnover (+9%), with revenues divided between the corporate market (48%) and telecommunications operators (52%).

Growth was achieved in revenue from datacenter services (+1%) and fibre optic rental (+6%), reinforcing the company's position as a reference supplier in this market. The optical fibre rental business in particular has a solid portfolio of proposals and strong prospects for short-term growth.

In the circuit rental segment, revenue remained stable compared to the previous year (+1%), as a result of the continuity of existing contracts. In the area of design and management and maintenance services, significant growth was seen (+57%) further to the implementing of key telecommunications projects at power plants (especially solar power production plants).

In 2025, RENTELECOM will continue to strengthen its activities, with special focus on fibre optic rental and datacenter services.

57%
Growth in the area of design and management and maintenance services
especially solar power production plants

CONCESSION INTENDED FOR THE PRODUCTION OF WAVE ENERGY

100%

OWNED BY REN

MANAGED THE POWER PURCHASE AGREEMENTS (PPA)

100%

OWNED BY REN

ENONDAS

ENONDAS– Energia das Ondas, S.A. (ENONDAS), a company fully owned by REN, was created under a concession granted by the Portuguese State in 2010, intended exclusively for the production of wave energy, in a pilot area north of São Pedro de Moel. The 45-year concession also includes authorization to build the infrastructure required to connect to the public power grid.

In 2024, ENONDAS maintained its policy of promoting and advertising the pilot zone and attended conferences and seminars with special focus on wave power, the only sector of maritime power covered by the current concession.

With regard to commercial activity, ENONDAS has maintained contacts with potential clients and sector companies, with the aim of keeping their interest active in the Portuguese Pilot Zone.

In accordance with the ENONDAS legal framework and as there have been no amendments to the provisions of Council of Ministers Resolutions No 81-A/2016 and No 12/2018, investment in 2024 was nil.

REN TRADING

REN Trading S.A. (REN Trading), a company 100% owned by REN, managed the Power Purchase Agreements (PPA) not subject to early termination. In the management of the respective PPAs, REN Trading acquired all the power and system services from the Tapada do Outeiro Power Plant (Turbogás, S.A.).

In March 2024, with the end of the Turbogás PPA (and the TEJO Energia PPA having terminated on 30 November 2021), REN Trading's operational activity ceased, which led to the incorporation of REN Trading into REN ELÉCTRICA, through a merger process.

The merger by incorporation of REN Trading into REN ELÉCTRICA was completed in the last quarter of 2024.

Production from the non-terminated Power Purchase Agreement (PPA) from the Turbogás thermal power plant was placed on the market (MIBEL) by REN Trading.

The difference between the contract cost under the PPA and the income from the sale of power and system services supplied by the power plant, plus the operating costs, was incorporated into the General System Use tariff, paid by power consumers.

In the performance of its regulated activity as a Commercial Agent, REN Trading was a company that played an active role in the challenges presented by climate change. The management of the Turbogás plant which held the PPA was conditioned by

With regard to REN Trading's activity in the CO_2 license futures market, purchases of around 209 thousand tons of licences were recorded.

CO_2

85%

Purchases of licences
compared to 2023

the rules of the European Union Emissions Trading Scheme (EU ETS).

It was the responsibility of REN Trading to acquire CO_2 emission licenses in line with the environmental requirements of the PPA plant, which required buying European Union Allowance licenses (EUA).

REN Trading's strategy to market the electricity production from the PPA plant in the market always took into consideration the latest CO_2 emissions forecasts and the respective costs, calculated based on the market share of EUA licences.
Thus, through the EU ETS mechanism, there is a direct impact on the operation of the electricity market, reflected in this case on the emissions of the plant and the planning of its electricity production operation.
In general terms, the activity of the Turbogás plant in 2024 was impacted by a significant reduction in the spot price on the electricity market (OMIE) with respect to 2023 figures.

With regard to REN Trading's activity in the CO_2 license futures market, purchases of around 209 thousand tons of licences were recorded, representing a reduction of 85% compared to 2023. Furthermore, the decrease in the price of CO_2 licenses contributed to a reduction of 10% in the cost of production at the Turbogás thermal power plant.

REN Trading was a regulated company whose allowed operating earnings stemmed from the accepted operating costs for 2022, 2023 and 2024. The company's operating results in 2024 correspond to the sum of REN Trading's operating costs.

REN Trading's income comes from the recognition of the entity's costs and remuneration on assets defined by Energy Services Regulatory Authority (ERSE).
For 2024, the remuneration rate was 5.23%.

In 2024, the balance of the tariff difference account from the purchase and sale of electrical power, within the scope of PPA management, was 12 million euros to be received.

The sale of electricity on the market is mainly through the:

Iberian Electricity Market (MIBEL)

Placement of daily and intraday sale and repurchase orders on the OMIE (Iberian Energy Market Operator) exchange platform.

System Services Market (Market Operated By The Global System Manager)

During 2024, active participation in the system services market decreased significantly due to a reduction in sales activity in this market to three months and a decrease in prices.
The decrease in prices was caused by the increase in renewable electricity production. In this field, in addition to the Gas Consumption Management Agreement established with GALP Gás Natural, S.A. (GALP), REN Trading also accompanied the fuels markets (oil and gas) and their respective price indexes.

In 2025, engineering consultancy in Portugal is expected to continue, driven by the acceleration of the energy transition and the consequent connection of new power generation projects to the transmission grid.

ENGINEERING CONSULTANCY

REN provides specialized engineering services in electricity, gas and telecommunications. Its expertise stems from an extensive experience and knowledge in operating and managing electricity and gas transmission systems, reinforced by a continuous focus on training and innovation.

In 2024, the key engineering consultancy activities included:

- Actively promoting the engineering consultancy activity, by engaging with promoters of renewable generation projects connecting directly to the transmission grid;
- Preparing technical and commercial proposals for clients; and
- Providing consultancy services in Portugal, including advisory support for establishing right-of-way corridors for transmission lines linked to renewable generation projects and large consumers, as well as technical design supervision and right-of-way and environmental advisory support for pipelines connecting to the gas transport network.

In 2025, engineering consultancy activities in Portugal are expected to continue, driven by the acceleration of the energy transition and the consequent increasing connection of new power generation projects to the transmission grid.

Our activity

1.5 INTERNATIONAL

The REN Group's international presence reflects a prudent growth strategy, focused on investments aligned with the core business in Portugal, focusing on markets that offer favourable economic, institutional, regulatory and legal conditions, such as Chile.

INTERNATIONAL

CHILE

ELECTROGAS

In February 2017, REN completed the purchase of a 42.5% stake in the share capital of Electrogas S.A., for 169 M€.

42.5%
Stake in Electrogas

169M€
Acquisition value

166 KM
Reversible gas pipelines

CHILE

TRANSEMEL

On 1 October 2019, REN acquired the entire share capital of Empresa de Transmisión Eléctrica Transemel, S.A., for €155M.

100%
Stake in Transemel

155M€
Acquisition value

92 KM
Electricity transmission

5
Substations

MOZAMBIQUE

CAHORA BASSA

Located in Tete province, central-west Mozambique, the Cahora Bassa dam is operated by Hidroeléctrica de Cahora Bassa, S.A. (HCB). Created in February 1970 and started operations in 1977.

7.5%
Financial participation
since July 2012

92 km

Electricity transmission lines

5

Substations in the northern and central regions of Chile

The northern region of Chile, has registered significant growth in electricity generation projects from renewable sources.

TRANSEMEL

The Empresa de Transmisión Eléctrica (Transemel), whose share capital was 100% acquired by REN in 2019, was established in 1999 and owns and operates 92 km of electricity transmission lines and five substations in the northern and central regions of Chile.

The acquisition of Transemel was REN's second inorganic investment in the Chilean market. Like the acquisition of Electrogas, the operation was part of REN's strategy of prudent growth in the international market.

REN is now fully responsible for managing and operating the company's assets, with a dedicated local team established to oversee this activity. Approximately 90% of Transemel income is regulated, corresponding to perpetual licences.

As part of an organic growth strategy in Chile, Transemel was awarded three new electricity transmission concessions in 2022 and 2023, as part of the public tender for new concessions carried out by the Coordinador Eléctrico Nacional de Chile. The projects include the construction and operation of four electrical substations (Buenavista, Buli, Las Delicias and Coiquén) and an electricity transmission line of around eight kilometres. It is expected that the construction of these assets will be concluded by mid-2028.

The northern region of Chile, where most of the company's assets are located, is noted for the strong presence of the mining industry, with one of Transemel's substations located near the world's largest copper mine in Calama. This region has also registered significant growth in electricity generation projects from renewable sources, mainly photovoltaic, benefiting from the high levels of sunlight in this area.

Quality of service

The company has shown a good quality of service, with an asset availability rate of 100% in 2024 (average rate over the last 3 years was 99.8%). Furthermore, as part of the execution of the company's expansion and operation projects, there were no accidents involving either internal or subcontracted personnel.

The Electrogas business model is based on solid Take-or-Pay gas transmission.

42.5%
Stake in the capital
of Electrogas

166 km
Gas
transmission system

3.2 bcm
Average transmitted
gas per year

ELECTROGAS

REN acquired a 42.5% stake in the capital of Electrogas, S.A. (Electrogas), in 2017. This acquisition allowed REN to achieve one of the main goals set out in the strategic plan for the period 2015-2018, more specifically that of an international investment project.

Electrogas owns and operates a gas transmission system located in central Chile consisting of around 166 km which connects the Quintero LNG Terminal to the Santiago metropolitan area, to a branch line feeding power plants and refineries and the GasAndes gas pipeline which connects the gas systems of Chile and Argentina.

The remaining shareholder structure of Electrogas is composed of Colbun S.A. (42.5%) and the Empresa Nacional del Petróleo (ENAP) (15%), a company wholly owned by the Chilean State. The relationship between the parties is governed by a shareholders' agreement. As a shareholder of Electrogas, REN actively participates on the company's Board of Directors and at General Meetings, contributing to strategic, financial, and operational decision making.

As the sole infrastructure in the region, the Electrogas gas pipeline is vital for supplying the power plants providing electricity to central Chile as well as to the gas distributor companies in the Santiago and Valparaíso regions. The gas pipeline is technically reversible, allowing both the export and import of gas to neighbouring Argentina.

The Electrogas business model is based on solid Take-or-Pay gas transmission contracts, with no volume risk. The tariffs are indexed to the evolution of specific USA and Chilean price indexes and are updated every six months. The company's main clients include key electrical power generation companies (ENEL and Colbún), industrial organizations (ENAP) and gas distributors (Metrogas and GasValpo).

Quality of service

In the last four years, Electrogas has transmitted an average of 3.2 bcm of gas per year. According to an annual customer satisfaction survey, the company's level of service is characterized as excellent, and in 2024, as in previous years, there were no interruptions in the supply of gas in the Electrogas transmission system.

2,075 MW

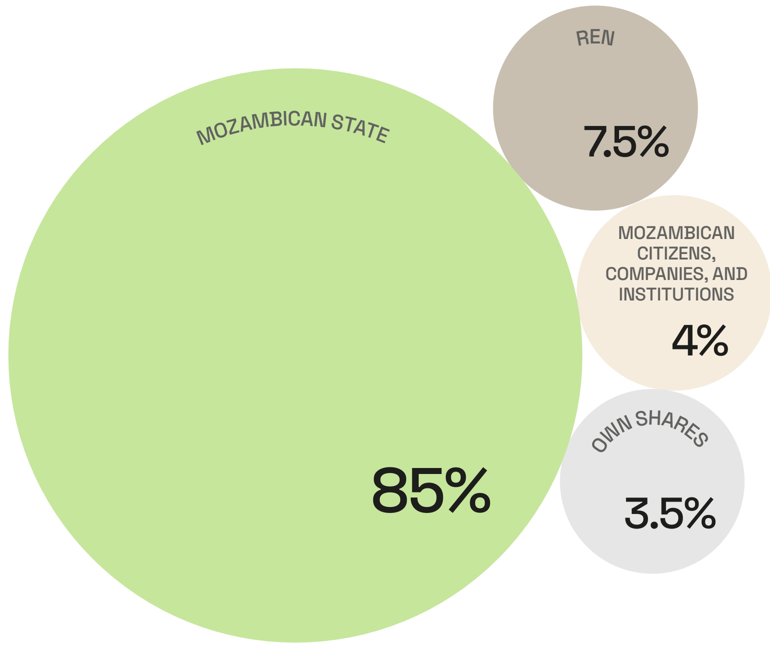
Hydroelectric power plant with installed generating capacity

15,754 GWh

Total production of electricity in 2024

1,400 km

High voltage direct current



CAHORA BASSA HYDRO PLANT

Since 2012, REN has held a stake of 7.5% in the share capital and voting rights of Hidroeléctrica de Cahora Bassa, S.A. (HCB), a Mozambican company that manages the hydroelectric power of the Cahora Bassa Dam, one of the largest hydroelectric plants in Africa, located in the Tete province, central-west Mozambique.

HCB holds the concession for the management, operation, and maintenance of the facility, which consists of a hydroelectric power plant with installed generating capacity of 2,075 MW, two substations, 1,400 km of high voltage direct current (HVDC), and high voltage alternating current (HVAC) lines. Additionally, HCB maintains and operates a 400 kV transmission line in Zimbabwe, owned by EDM.

The company started operations in 1977, supplying electricity to Mozambique, South Africa, Zimbabwe, and other member countries of the Southern African Development Community.

In addition to REN, the company's shareholder structure is made up of the Mozambican State, which holds 85% of share capital, and Mozambican citizens, companies, and institutions, with 4% of share capital, with a further 3.5% of capital held by the company itself through own shares.

HCB remains committed to its mission to contribute to the expansion of Mozambique's energy potential and to the implementing of its investment plan, referred to as Capex Vital 10 Years, with the aim of improving its performance in the areas of power generation, conversion, and transmission.

In 2024, the company achieved a total production of 15,754 GWh, despite the adverse effects of severe drought, influenced by the El Niño phenomenon in Southern Africa, whose negative impact led to the adoption and implementation of management measures for the operation of the reservoir, aimed at safeguarding the hydraulic-operational safety of the dam and related infrastructures.

REN plays an active role in the management of the company and its future development, and is represented on the Board of Directors, while also assisting in the training of Mozambican staff and development of local skills.

02 Strategy and risk management

Strategy and risk management

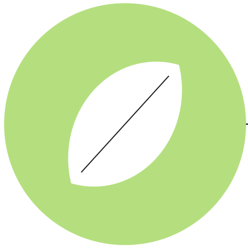
2.1 STRATEGY

Recognising its role as a critical player in Portugal's energy transition, REN is committed to actively contributing to a sustainable future, generating benefits for the environment, society and its various stakeholders.

Strategic Plan 2024-2027

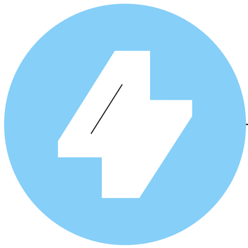
In May 2024, following the successful implementation of the strategic guidelines for 2021-2024, REN presented its new Strategic Plan for 2024-2027. This plan comes in response to increasing investment requirements to meet the objectives of the energy transition.
Acknowledging the vital role of energy networks in facilitating the decarbonization of the economy, REN reinforced its commitment to sustainability, the necessary investments for the energy transition and a business plan focused on sustainable and profitable growth.

↘ The new plan is built on three pillars



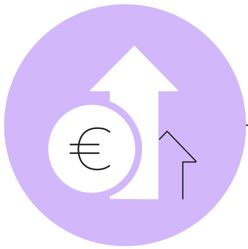
1

REINFORCE OUR SUSTAINABILITY COMMITMENTS
Including ESG objectives and the promotion of an internal culture of excellence.



2

ENABLE THE ENERGY TRANSITION
By advancing electricity transmission growth, unlocking the role of green gases, and consolidating growth in Chile.



3

DELIVER SUSTAINABLE, PROFITABLE GROWTH
Through the sustainable increase of our asset base, maintaining credit metrics consistent with an Investment Grade credit rating, and ensuring attractive returns for shareholders.

1. REINFORCE OUR SUSTAINABILITY COMMITMENTS

GREENHOUSE GAS EMISSIONS

REN was recognized by the Financial Times as one of the leading companies in climate responsibility in Europe in 2024. In 2024, REN reduced scope 1+2 emissions by 21%.

RENEWABLE ENERGY

Renewable energy accounted for 70% of Portugal's electricity consumption.

HUMAN CAPITAL

The Association of Portuguese Psychologists recognized REN as one of the healthiest workplaces in Portugal, with the Healthy Workplaces Award (Level I). The NÓS Programme was recognized by the Wellbeing Awards and the Portuguese Association of Business Ethics.

BIODIVERSITY

REN renewed its commitment to the protection, promotion, and restoration of biodiversity up to 2025, as a signatory of act4nature Portugal.

SUPPLIERS

REN established the Sustainability Academy to provide ESG training for suppliers and organised awareness sessions on decarbonization and environmental product declarations. Moreover, the Supplier Code of Conduct was also updated to reinforce ESG standards.

RATINGS

REN improved its ESG performance across multiple benchmarks, including an increase in Sustainalytics (from 18.5 to 15.1), in the S&P Corporate Sustainability Assessment (from 60 to 63), in ISS, where REN maintained our Prime status, in CDP (A- to A) and in the EthiFinance ESG rating (from 70 to 76). In addition, REN also retained MSCI's AAA ESG rating, the highest score awarded.

ELECTRICITY PRODUCTION FOR SELF-CONSUMPTION

REN installed self-consumption capacity of 4.7 MW, of which 2.8 MW installed in 2024.

GOVERNANCE

REN strengthened its regulatory compliance structure by creating a Compliance Department. The 2023 Integrated Report earned five awards, including two international and three national distinctions.

2. ENABLE THE ENERGY TRANSITION

INTEGRATION OF RENEWABLE ENERGY
Facilitate the growing integration of renewable energy, meeting the revised 2024 targets of the PNEC 2030, which calls for an increase of 150% in renewable installed capacity, compared to 2022.

QUALITY OF SERVICE
REN maintains high levels of service quality, with an average of 0.01 minutes of electricity supply interruption and a 100% combined availability rate for gas infrastructure.

INNOVATION
Enabling the charging of electric vehicles through the electricity transmission network using REN's patented solution, SPEED-E, in partnership with Siemens Energy. REN has also signed a memorandum of understanding with Atlante to develop five projects in Portugal.

HYDROGEN AND RENEWABLE GASES
REN's infrastructure is certified for the transmission, distribution, and storage of mixtures of hydrogen and natural gas, complying with the decarbonization targets defined by the Portuguese Government. The certification confirms REN's technical capacity to handle hydrogen blends up to 10% in the National Gas Transmission Network and in the Carriço Underground Storage, and up to 20% in the National Gas Distribution Network operated by REN Portgás.

INVESTMENT
Increase in annual Capex by approximately 51% compared to the 2021-2023 annual average (from 244 million euros to 368 million euros), driven largely by investments in Portugal's electricity grid to integrate new renewable energy production centers.

3. DELIVER SUSTAINABLE, PROFITABLE GROWTH

CREDIT METRICS
REN will continue to maintain credit metrics aligned with an Investment Grade credit rating from the three major rating agencies – Moody's, Fitch, and S&P.

BUSINESS INDICATORS
REN remains on track to meet its communicated P&L and net debt targets.

ISSUANCE OF GREEN BONDS
In February 2024, REN successfully issued 300 million euros in green bonds for the second time, with demand reaching 2.050 billion euros, approximately seven times the available amount.

9 places

in the Merco ESG responsibility ranking of the most responsible companies in Portugal

In the gas sector, REN is committed to promoting the role of renewable gases.

To ensure that the objectives set out in the Strategic Plan for environmental, social and corporate governance sustainability are met, REN will continue to promote initiatives seeking to reduce and monitor emissions, taking an active role in protecting the environment and natural capital. At the same time, REN undertakes to invest in human capital and to generate value for all stakeholders, adhering to international best practices in ethics and corporate governance. As a result of this work, in 2024, REN rose nine places in the Merco ESG responsibility ranking, which highlights the most responsible companies in Portugal. REN was also recognized in the 1.st edition of the Caixa ESG Awards, promoted by the Portuguese bank, Caixa Geral de Depositos, in the category of Transparency & Performance. This category distinguishes Portuguese companies that effectively incorporate and excel in ESG management, showing a commitment to transparency and the Sustainable Development Goals (SDGs).

At a national level, as a company responsible for providing an essential service to society and the country's economy, REN is committed to ongoing and proactive collaboration with public and private bodies responsible for analysing, defining, and implementing solutions that promote the introduction of renewable production. In 2024, the new version of the PNEC 2030 was presented, establishing a significant increase in installed renewable energy capacity, aiming to reach 44 GW by 2030, compared to 17 GW in 2022. This growth will be mainly driven by the expansion of installed solar energy capacity, which is expected to rise from 3 GW in 2022 to 21 GW in 2030. To meet this objective, REN has entered into direct agreements with solar promoters to connect 3.5 GW by 2026, with an additional 3.5 GW expected by 2029. In 2024, Portugal reached a new milestone in solar power production, matching the solar output of 2023 by 5 September. In the gas sector, REN is committed to promoting the role of renewable gases, having certified all infrastructure for the transmission, distribution, and storage of mixtures of hydrogen and natural gas.

In Chile, REN has sought opportunities for organic growth by participating in competitive auctions for electricity transmission concessions. In the 2022 and 2023 auctions, Transemel was awarded three new concessions with an estimated total capex of approximately 90 million euros.

With regard to sustainable and profitable growth, and as REN enters a phase of increased investment, Capex increased in 2024 by 22% compared to 2023. In parallel, REN remains focused on operational and financial efficiency to protect results and deliver a suitable return for shareholders.

Recognized in the 1.st edition of the Caixa ESG Awards, promoted by the Portuguese bank, Caixa Geral de Depositos, in the category of Transparency & Performance, which distinguishes Portuguese companies that effectively incorporate and excel in ESG management.

Strategy and risk management

2.2 COMMITMENTS

The definition and disclosure of specific commitments and targets reinforces transparency on the performance of our strategy. At REN, we set ambitious goals, together with indicators that allow us to measure our commitments. In this report, we provide information on the progress achieved, ensuring communication of our strategic performance and progress against the targets set

1

REINFORCE OUR SUSTAINABILITY COMMITMENTS

COMMITMENTS	BASE YEAR	TARGET YEAR	2024	PERFORMANCE AGAINST THE TARGET
Reduction of scope 1 and 2 emissions by 60%[16]	2019	2030	-21%	95%
Reduction of scope 3 emissions by 30%	2021	2030	-9%	93%
Achieve carbon neutrality in operations	-	2040	on track	on track
Electrification of 80% of the fleet	-	2030	62%	76%
Reduction of SF_6 emissions by 50%	2023	2030	-41%	82%
Reduction of CH_4 emissions by 30%	2023	2030	115%[19]	0%
Installation of 15 MW of renewable capacity for self-consumption	-	2030	2.8 MW	31%
Procuring 50% of total volume from SBTi aligned suppliers	-	2030	22%	55%
Have more than 1/3 of first-line management positions held by women	-	2030	46%	√
Have 100% of employees with ESG training	-	2030	98%	98%
Investing 3 M€[17] in communities	2024	2027	0.6 M€	18%
Implement sustainability goals as a performance metric for all employees	2024	-	√	√
Guarantee 100% green debt	-	2030	on track	on track
Invest 2 M€ in training	2024	2027	0.7 M€	35%
Remain in the top tier of employee satisfaction[18]	-	-	√	√

[16] Target updated from 55.3% to 60%.
[17] Not including compensation measures.
[18] >75% of employees responded positively to the question "I am happy working at REN".
[19] The adoption of more rigorous methodologies and more frequent monitoring campaigns resulted in an increase in emissions in 2024, a trend that is expected to decrease due to the set of initiatives already underway.

2

ENABLE THE ENERGY TRANSITION

COMMITMENTS	2024
Capex in electricity transmission of 240-280 M€/ year (vs. 187 M€)	305 M€
Capex in gas transmission and distribution of 105-115 M€/ year (vs. 51 M€)	50 M€
Growth of up to +7x of the average annual Capex of Transemel vs. last strategic cycle (from 6 M€/ year to 30-40 M€/ year)	13 M€

3

DELIVER SUSTAINABLE, PROFITABLE GROWTH

COMMITMENTS	2024
EBITDA of 500-540 M€	506 M€
Recurrent net profit of 105-120 M€	112 M€
Net debt of 2.6-2.5 (B€)	2.5 B€

Strategy and risk management

Contribution to the SDG

08 DECENT WORK AND ECONOMIC GROWTH
09 INDUSTRY, INNOVATION AND INFRASTRUCTURE

2.3 RISK MANAGEMENT

REN faces significant risks in its activities, requiring effective management aligned with best industry practices. To ensure operational continuity and efficiency, REN is committed to comprehensive risk management and adopts an integrated approach to improve performance, seize opportunities, create and protect value, and foster innovation.

Key actions

- REVIEW OF **RISK INDICATOR** METRICS
- ASSESSMENT OF THE MATURITY LEVEL OF THE **RISK MANAGEMENT SYSTEM**
- CREATION OF THE **COMPLIANCE DEPARTMENT**

Main targets

EVOLUTION OF THE MATURITY LEVEL OF THE **CORPORATE RISK MANAGEMENT SYSTEM**

Key metrics

8

RISKS (OF GREATER SEVERITY) MONITORED **USING 34 KEY RISK INDICATORS**

About the future

OPTIMIZATION OF THE **INTERNAL CONTROL SYSTEM**

Governance

The internal control system, vital for the efficient management of REN's critical activities, ensures ongoing analysis of risk exposure and control, compliance, supervision, and oversight. This system consists of three key functions: Risk management and control, compliance, and internal audit. In 2024, the setting up of the compliance department, in addition to the internal audit and risk management and insurance departments, reinforced the robustness of this system.

As such, the governance model, in addition to ensuring the three fundamental functions for the solid performance of the internal control system, also promotes a more consolidated structure in the different lines of defence.
It operates on three levels:

1 **Operational**
Provided by those in charge (Risk Owners) from the different areas of Group companies.

2 **Tactical**
Provided by the Executive Committee assisted by the Risk Management Committee.

3 **Strategic**
Includes the Board of Directors as the managing body of the company which has the Audit Committee as an independent supervisory and control body.

> In 2024, the setting up of the compliance department reinforced the robustness of the risk management system.

The strategy, the risk management policy, the objectives, and the degree of risk acceptance ("risk appetite") are established by the Board of Directors and implemented by the Executive Committee, after taking into consideration the different contributions from Risk Owners, relevant commissions and committees and verification of compliance by the Compliance department.

As an independent supervisory body, the Audit Committee plays the vital role of advising the Executive Committee in the analysis of the integrity and efficiency of the systems and mechanisms implemented at the different levels and the lines of defence established. This work includes submitting proposals for improving the performance of the Executive Committee and adjusting to identified needs, thereby promoting the effectiveness of the implementation of the governance and internal control model.

The Audit Committee further verifies, with the cooperation of the risk management and compliance departments, compliance with legal provisions and other obligations by Group companies, particularly compliance with concession contracts and internal directives. More specifically, this involves matters relating to the environment, sustainability, governance, due diligence, reporting of accounts, identification, and resolution of conflicts of interest and the detection of potential irregularities to ensure that the risks actually incurred are consistent and do not impact negatively on our strategy or the goals set by the Board of Directors.

Risk management process

To ensure effective risk management, REN has adopted the NP EN ISO 31000 standard for the implementation of the risk management system as a support process for the integrated management system. This process is backed by the corporate risk management methodology in force, which applies to all Group companies.

This process involves the following stages:

1 **CONTEXT ASSESSMENT**
(external and internal) in which the company works.

2 **RISK ASSESSMENT**
based on context assessment:
- Identification of risks by category, subcategory, and nature;
- Analysis of the likelihood of occurrence and magnitude of impact; and
- Assessment and prioritization of risks for treatment.

3 **RISK TREATMENT**
through the implementation of strategies to eliminate or control them (mitigation, transfer, etc.).

4 **MONITORING**
and follow-up of risk evolution, as well as a correction of any deviation and readjustment of treatment strategies.

5 **REGISTRATION AND REPORTING**
to ensure traceability and quality of information for decision-making.

REN characterizes the risks to which the company is exposed, defining a risk profile and criteria to specify the magnitude.

Based on a context assessment (external and internal) and the specificities under which operations take place, REN characterizes the risks to which the company is exposed, defining a risk profile and criteria to specify the magnitude and type of risks we may or may not take on (level of acceptance of risk or "risk appetite") and suitable treatment thereof.

Risk characterization allows i) risks to be identified by category, subcategory, and nature, the likelihood of occurrence and the magnitude of the impact to be established; and ii) priority risks for handling and the respective control and mitigation strategies to be determined.
These activities are undertaken on an annual basis and follow three stages:

1. The risks are first analysed by the heads of the different business departments ("Risk Owners");
2. The REN Corporate Risk Management Committee is notified of the risks of greater severity, which are then monitored by this committee; and
3. REN's Corporate Risk Management Committee reports them to the Executive Committee and the Audit Committee.

The risk management process is audited periodically by the internal audit department and every year under the Integrated Management System and by the Statutory Auditor.

The severity or level of risk (low, moderate or high) is assessed based on the analysis of the likelihood and severity of occurrence of potential risks. Likelihood is appraised as the possibility of a situation occurring during a specific period of time and classified as one of five levels **(1 – Very Low; 2 – Low; 3 – Medium; 4 – High; 5 – Very high)**. The impact is based on the consequences of the risk and reflects the extent of the damage caused by the effect of a risk actually taking place. It is analysed from five different perspectives (Financial, Image and Reputation, Environment, Health and Safety and Compliance) and is also classified as one of five levels **(1 – Very Low; 2 – Low; 3 – Medium; 4 – High; 5 – Very High)**. The Risk Management Committee also assesses the potential impact on business continuity. Accordingly, the Risk Management Committee evaluates REN's risk profile and the risks that will be monitored in accordance with the following principles (including those relating to ESG and due diligence):

Principles for determining the REN risk profile:

- Alignment with defined strategy and objectives;
- Adequacy of control measures according to appetite, tolerance limits and resilience to risk;
- Strengthening and improvement of effectiveness and efficiency in the use of resources;
- Resolution of vulnerabilities and assets protection;
- Preventing and detecting irregularities, fraud, and other associated offences;
- Analysis of the system for producing, handling, and processing of information;
- Checking the reliability and accuracy of financial, accounting, and other kinds of information;
- Checking for compliance of the Group's operations and business with applicable legal and regulatory provisions, as well as with general policies and company regulations; and
- Promoting of operational effectiveness and efficiency.

After identifying and assessing the risks, the Risk Management Committee identifies suitable measures to eliminate, mitigate or control such risks and notifies the Executive Committee and the Audit Committee of the results of its analysis. The Risk Management Committee further seeks to apply preventive, control, and mitigation measures, by drawing up an action plan with priorities established in accordance with the degree of risk, while monitoring its implementation and verifying the effectiveness of the respective control measures.

Risk reassessment is based on the regular analysis of identified and/ or emerging risks, carried out by Risk Owners.
This process assesses the external and internal contexts in which REN operates, among other relevant factors.
Based on this characterization, the risks are managed and monitored by the respective departments, according to their assigned competences. Risks are reported to the Risk Management Committee.
The Risk Management Committee then updates REN's overall risk profile whenever necessary. The risk management process is audited periodically by the internal audit department and every year under the Integrated Management System and by the Statutory Auditor.

Through the risk management process and the methodology adopted, REN aims to ensure compliance with the strategy and objectives defined by the Board of Directors, legal compliance, internal policies and the management of stakeholder expectations. This process allows risk factors, the consequences, severity, and mitigation mechanisms to be identified, aligning the permissible risk with the REN Group strategy.

Moreover, the process guarantees the quality, reliability, and integrity of information, while also promoting the prudent operation of assets and improving efficiency in the use of resources. It also results in timely and full reporting and disclosure of critical information, including due diligence and accounting and financial data, thus contributing to a robust internal control and management system.

Risk Management training

The e-learning training course on the risk management process implemented at REN aims to inform on the risk management process, how to implement it correctly and equip employees with the necessary skills enabling them to use the REN Risk Management Tool. It is a mandatory course for operational risk managers (Risk Owners) and other employees who are involved either directly or indirectly in the management and control of risks of the different areas. The course is held every year and is also offered optionally to other REN employees.

Two years after the implementation of this course, it is now considered essential to review and update the content and make the necessary adjustments. Feedback from employees who have completed the course will also be considered, as well as incorporating recommendations to enhance the maturity level of REN's risk management system.

All Non-Executive Directors who form part of REN Committees receive regular training, ensuring the ongoing reinforcement of their competences in matters relating to risk management.

At REN, there is an integrated approach to risk management in all areas of activity and in the development of new projects.

Incorporation of risk analysis in company business

At REN, there is an integrated approach to risk management in all areas of activity and in the development of new projects, covering financial, regulatory, operational, and ESG risks. With a risk management framework aligned with the ISO 31000 standard, the company ensures that risks are identified, assessed, and effectively mitigated.

Financial impacts and economic viability are analysed in parallel with compliance with national and European regulations, such as in Environmental Impact Assessment processes.

Furthermore, ESG factors are incorporated into risk criteria, ensuring the evaluation and mitigation of the social and environmental impacts of projects.

Engagement with stakeholders, including local communities, regulators and suppliers promotes the integration of social and reputational risk criteria into decision-making processes, reinforcing the company's sustainability and responsibility.

Risk categories at REN

1

RISK CATEGORY 1
SURROUNDING ENVIRONMENT

1.1 External context
RISK NATURE

- Sovereign/ political
- Legal
- Regulatory
- Industry
- Energy markets (electricity and natural gas)
- Financial markets
- Availability of capital
- Relationships with shareholders
- Technological innovation
- Stakeholder needs and expectations
- Natural phenomena and disasters (climate change)
- Social
- Public health

2

RISK CATEGORY 2
PROCESSING

2.1 Operational
RISK NATURE

- Interruption of service/ business
- Service quality
- Investment projects
- Sourcing (procurement)
- Partners
- Efficiency of operations
- Technology and information security
- Asset security
- Health and Safety
- Environment
- Client satisfaction
- Image and reputation

2.2 Human resources
RISK NATURE

- Leadership/ authority/ delegation of powers
- Knowledge / competence
- Communication
- Workplace climate

2.3 Compliance
RISK NATURE

- Laws and regulations
- Concession contracts
- Financial contracts
- International agreements and standards
- Fraud and related offences

2.4 Financial
RISK NATURE

- Credit quality
- Liquidity
- Base interest rate (market index)
- Credit spread
- Exchange rate
- Capital
- Financial Instruments
- Price of commodities
- Collateral risk

3

RISK CATEGORY 3
QUALITY OF INFORMATION FOR DECISION MAKING

3.1 Processes
RISK NATURE

- Performance indicators
- Cost/ price of products/ services
- Contract management
- Alignment

3.2 Reporting
RISK NATURE

- Accounting/ tax
- Employee benefits
- Reporting to regulatory bodies
- Evaluation of investments

3.3 Surrounding environment/ strategy
RISK NATURE

- Analysis of surrounding environment
- Business model and portfolio
- Valuation
- Organizational structure
- Resource allocation

Main risks and opportunities

We adopt a conservative and preventive stance with regard to controlling and mitigating risk, maintaining a prudent approach to "risk appetite", which is reflected in the low level of risk that we are willing to take on or retain in the pursuit of our objectives.

In 2024, the Risk Management Committee reassessed the different risks to which we are exposed leading to the redefinition of indicator monitoring metrics, with the aim of looking forward so as to provide quality information for early decision making and the creation of value from the potential opportunities identified. This analysis was carried out with the support of Risk Owners and other relevant bodies in the internal control system, considering the current external and internal context (including regulatory aspects, financial markets, interest rates, and critical processes) and other factors related to the development of our work and responsibility in compliance with established targets, ESG objectives, and due diligence.

The main risks to which REN is exposed, according to their category, subcategory, and nature, are as follows:

GRI 2-25

1

RISK CATEGORY 1
SURROUNDING ENVIRONMENT

External context

NATURE OF THE RISK	RISK EVENT
Regulatory	1. Changes to the regulatory model and parameters
Financial markets	2. Evolution of REN's rating

2

RISK CATEGORY 2
PROCESSES

Operational

NATURE OF THE RISK	RISK EVENT
Investment projects	3. Delay in the execution of investment plans (due to licensing) 4. Delay in project execution
Interruption of business	5. Network disruption
Health and safety	6. Occurrence of serious work accidents
Technology and Information security	7. Unavailability of information systems 8. Occurrence of events in information security – Cybersecurity

Description and management of risks with greater severity

1

RISK CATEGORY 1
SURROUNDING ENVIRONMENT

1. CHANGES TO THE REGULATORY MODEL AND PARAMETERS

DESCRIPTION

As most REN activities are regulated, the risk associated with the impact resulting from changes to the regulatory model and/ or decisions by the regulator may affect the company's ability to manage operations efficiently.

MANAGEMENT

This risk is managed by systematically monitoring the progress of the regulatory strategy as well as European regulatory trends in relation to REN operations to prevent/ analyse the impacts of possible changes. It is important to note that, following the change to the regulatory model for the electricity sector and its impact on REN's activity, the indicators associated with this risk were reviewed and the metrics which back them up were adjusted accordingly so as to reconcile our strategic objectives with the model in force during the current regulatory period.

Likelihood: High

Impact: Very High

Level of risk: High

2. EVOLUTION OF REN'S RATING

DESCRIPTION

REN's rating may be affected by our financial performance and business, by the international environment, and by the rating of the Portuguese Republic.

The fluctuation of interest rates and credit spreads can impact on remuneration from regulated assets and on the cost servicing REN's debt.

MANAGEMENT

REN manages this risk by building a solid position of liquidity and the efficient management of our financing requirements based on the prospective evolution of the associated indicators and perceived knowledge. Risk exposure to the evolution of interest rates and credit spreads is managed by contracting financial derivatives and the appropriate selection of financial instrument maturity and the timing of financing, in order to obtain a balance between fixed and variable interest rates and adequate debt maturities which is suitable for the duration of the regulatory periods. The goals are firstly to achieve a relevant degree of immunity of results, and secondly, to ensure the sustained minimization of the financial burden over the medium and long-term.
These measures are normally accompanied by communication and consultation actions with the market and different financial agents.

Likelihood: Medium

Impact: High

Level of risk: Moderate

2

RISK CATEGORY 2 PROCESSES

3. DELAY IN THE EXECUTION OF INVESTMENT PLANS (due to licensing)

DESCRIPTION

Processes to obtain authorizations, environmental licensing or actions involving protective measures brought by third parties may compromise the entry into operation of assets within the deadlines planned for projects covered by investment plans.

MANAGEMENT

REN has adopted preventive management procedures with regard to this risk that involve ongoing monitoring actions with the competent authorities, as well as with the local communities and other entities involved in the licensing processes concerning investment projects and network reinforcement.

Likelihood: High
Impact: Very High
Level of risk: High

4. DELAY IN PROJECT EXECUTION

DESCRIPTION

Delays in the approval of either our investment plans or execution plans by the respective authority or other responsible entities, together with financial/operational difficulties experienced by service providers and suppliers to ensure compliance with outsourced services or sub-contract work, could cause significant temporary hold ups in the entry into operation of new infrastructure, impacting on the level of the quality of service provided, compliance with agreements signed with promoters and in meeting the goals of decarbonization and combating climate change. Impacts could also be seen on the remuneration value of regulated assets.

MANAGEMENT

To minimize the impact of this risk, based on prospective indicators and mitigation measures, REN promotes a series of actions with the competent entities and other bodies involved in these processes in order to obtain the necessary approvals and promote the timely execution of projects for development and reinforcement of networks.

Likelihood: High
Impact: Very High
Level of risk: High

5. NETWORK DISRUPTION

DESCRIPTION

The infrastructures supporting REN's operations are exposed to a series of conditions (pollution, atmospheric conditions, natural events, bird damage, rural fires, and events associated with international interconnections, etc.), which could cause interruptions to service. The company's performance could be influenced by the occurrence of events causing disruption to the electricity and/or gas supply service and by any difficulty in restoring the service in a timely manner.

MANAGEMENT

The actions taken to minimize the potential impact of this risk include the development and implementation of the business continuity plan (internally and with other European operators), and other technological and network monitoring measures. Effectiveness is tested by conducting simulations to verify responsiveness to emergency and crisis situations, activating of recovery plans, and subsequent restoring of normal operations, should an incident take place.

Likelihood: Low
Impact: Very High
Level of risk: Moderate

6. OCCURRENCE OF SERIOUS WORK ACCIDENTS

DESCRIPTION

Non-compliance with safety and operational procedures for equipment could result in the occurrence of serious work accidents with harm to people and property during work organized by REN.

MANAGEMENT

This risk is managed through continuous awareness-raising, monitoring, and effective implementation of the occupational safety management system, involving all employees, REN service providers, and other stakeholders.
Specific training is provided for operations involving associated risks.
In this regard, corrective and preventive actions are also implemented, based on lessons learned, resulting from the investigation and detailed analysis of incidents that have occurred, in order to avoid recurrence.

Likelihood: High
Impact: High
Level of risk: High

2

RISK CATEGORY 2
PROCESSES

7. UNAVAILABILITY OF INFORMATION SYSTEMS

DESCRIPTION

REN's activities rely heavily on the information systems and technologies used within the Group. Therefore, the availability of information systems and their capacity to meet company needs is crucial to the work carried out by REN.

MANAGEMENT

This risk is managed through the continuous updating of systems, communication networks and the respective support services. This periodic review and integrated update of network and security configurations is key to ensuring business continuity and quality of service. At the same time, performance testing and measures are in place which ensure the availability of systems deemed to be critical, such as the existence of redundant communications and the shielding of such systems from potentially dangerous traffic/ access.

Likelihood: Low
Impact: High
Level of risk: Moderate

8. OCCURRENCE OF EVENTS IN INFORMATION SECURITY – CYBERSECURITY

DESCRIPTION

In the current environment of far-reaching technological disruption, REN, as an operator of essential services and critical infrastructure in the energy sector is required to reinforce information security capability, particularly due to the increased complexity of system architectures, but also the areas in which REN operates.

MANAGEMENT

REN has built capacity to manage these risks, investing in good cybersecurity practices both in terms of resilience as well as prevention, using specific systems, processes, and controls to identify vulnerabilities and promote the implementation of solutions that ensure that systems are resilient and information is protected.

Likelihood: High
Impact: High
Level of risk: High

Certifications

REN has prioritized the certification of management systems, aiming to establish excellence principles that exceed legal requirements. We currently have seven Management System standards: Research, Development, and Innovation (NP 4457); Quality (ISO 9001); Environment (ISO 14001); Occupational Health and Safety (ISO 45001); Business Continuity (ISO 22301); Information Security (ISO 27001) and Asset Management (ISO 55001).

Furthermore, the legal verification required by some certification processes ensures regular monitoring of the main requirements, an exercise that proves to be essential in areas where the legal framework is diverse and complex, as is the case with areas such as the environment and health and safety. As a positive aspect, of note are the regular audits, both internal and external, which provide constant monitoring of practices and ensure greater engagement by employees, who are now fully aware of the management system principles.

In 2024, the follow-up audit of the REN Integrated Management System was completed, ensuring compliance with the ISO 9001, ISO 14001, and ISO 45001 standards, reaffirming the company's commitment to high management and performance standards. The Integrated Management System has demonstrated that it is clearly capable of achieving the desired results, defined in accordance with the reference standards. Objectives and targets are regularly monitored, measured, and evaluated, with corrective actions being promptly implemented whenever deviations are detected.

Also in 2024, REN renewed the NP 4457:2021 certification for several Group companies, reinforcing our commitment to innovation and ongoing improvement. In the case of Portgás, the ISO 14001 and NP 4457 certifications were upgraded, maintaining existing certification in the other four references.

With the exception of ISO 27001, which was certified by SGS (Societé Générale de Surveillance), all other management systems were certified by APCER – the Portuguese Certification Association.

The following table shows the year in which each of the REN Group companies obtained their certification. All certifications are valid as of 31 December 2014.

CERTIFIED REN GROUP COMPANIES

AS OF 31 DECEMBER 2024

COMPANIES	NP 4457	ISO 9001	ISO 14001	ISO 45001	ISO 22301	ISO 27001	ISO 55001
REN Rede Eléctrica Nacional	2021	2020	2003	2020		2023	
REN Serviços	2021	2008	2008	2020		2023	
REN Gasodutos	2021	2009	2009	2020			
REN Atlântico	2021	2009	2009	2020			
REN Armazenagem	2021	2010	2010	2020			
REN Telecom		2010	2010	2020			
R&D Nester	2015	2014	2014	2020			
Enondas		2014	2014	2020			
REN PRO		2019	2019	2020			
REN Portgás	2019	2012	2006	2019	2021		2023

03 Governance

Governance

Contribution to the SDG

05 GENDER EQUALITY
08 DECENT WORK AND ECONOMIC GROWTH
13 CLIMATE ACTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

3.1 GOVERNANCE STRUCTURE

Our governance structure is fundamental to REN's performance. It provides a solid foundation to our strategic decision-making processes, fostering transparency and driving conscious and responsible growth. This, in turn, instils confidence in our investors, shareholders, and other stakeholders, helping ensure the sustainability of the company and our long-term operations.

Key actions

- REVIEW OF **THE REMUNERATION POLICY**
- REVIEW OF THE **NOMINATIONS AND APPRAISALS COMMITTEE** REGULATION
- REVIEW OF THE **CORPORATE GOVERNANCE AND ETHICS COMMITTEE** REGULATION
- REVIEW OF THE **BOARD OF DIRECTORS** REGULATION
- REVIEW OF THE **SUSTAINABILITY COMMITTEE** REGULATION

Key metrics

15%

KPI ESG
IN THE VARIABLE COMPONENT OF EXECUTIVE DIRECTORS REMUNERATION

About the future

ONGOING REINFORCEMENT
OF THE SUSTAINABILITY ROLE

REN faces several challenges in the energy sector, which can have significant impact on our activities. Therefore, they are addressed to ensure the resilience of the Group, more specifically, through our organizational structure.

REN's governance structure follows the Anglo Saxon model and consists of the following governing bodies elected by the General Shareholder Meeting:

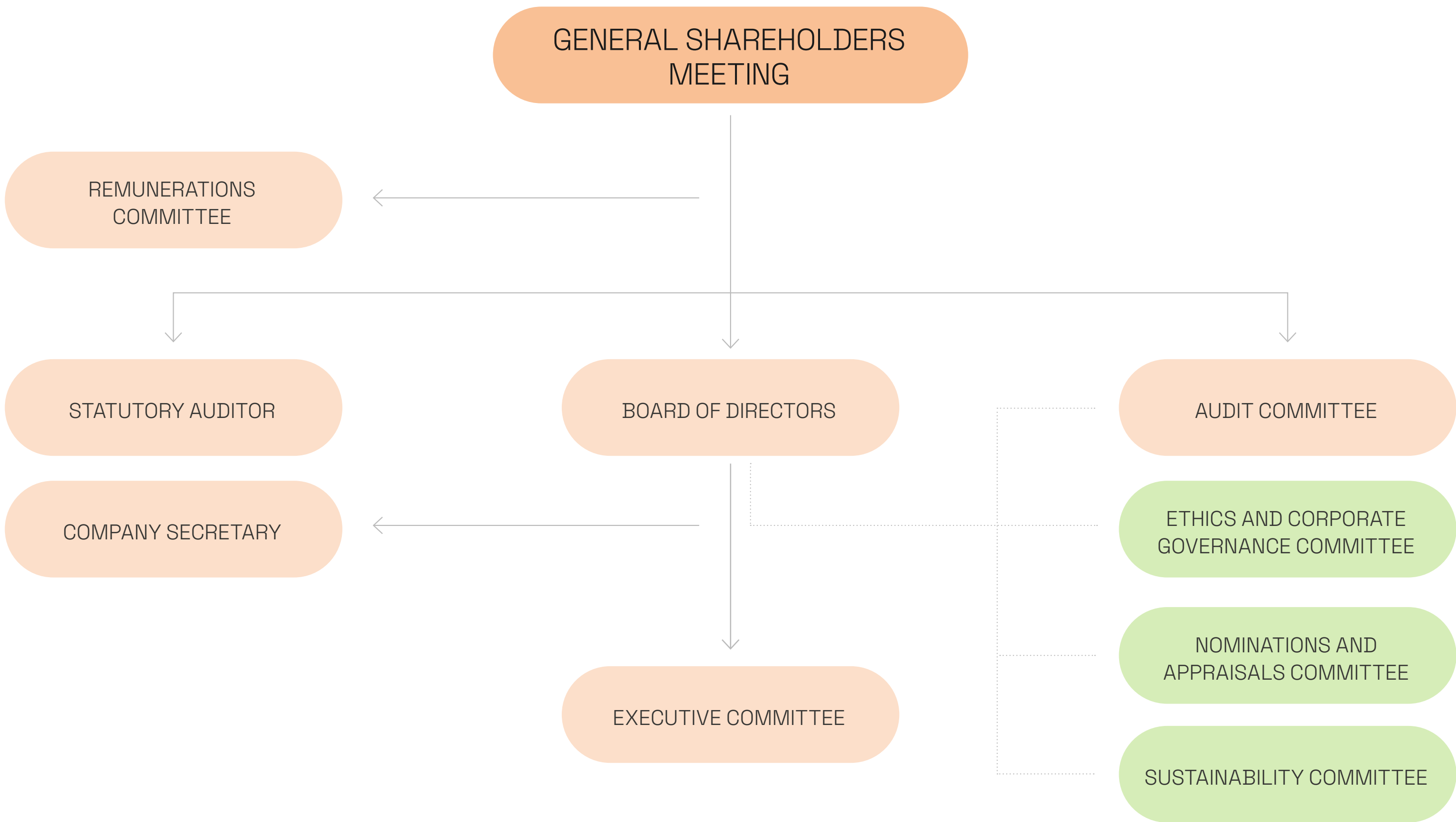
- **Management body**
  The Board of Directors (BD), which delegates the day-to-day management of the company to the Executive Committee (EC) and is supported by three specialized internal committees; and
- **Supervisory Bodies**
  The Audit Committee (composed exclusively of non-executive directors) and the external statutory auditor.

The General Shareholder Meeting also elects a Remuneration Committee, consisting exclusively of independent external members, to which it delegates part of its powers relating to the remuneration of the corporate bodies.

For a detailed description of the powers of each of REN's corporate bodies and committees, see part III – Corporate governance report.

Composition of corporate bodies

REN's corporate bodies are diverse in composition in order to include members with different perspectives and considering the specificities of the company and the group. The diversity of members of corporate bodies provides greater discussion and better decisions, with a view to furthering the objectives of efficiency, excellence, innovation, and dynamism within the REN Group. The members of corporate bodies must have recognized integrity and ethical credibility and are guaranteed conditions that enable decisions to be made that are independent of any external influences or conflicts of interest. To this end, REN is governed by the Corporate Governance Code of the Portuguese Institute of Corporate Governance (IPCG), on which our Code of Conduct and regulations were based for the different bodies and committees.



At 31 December 2024, REN's organizational structure was as follows:

15 MEMBERS OF THE BOARD OF DIRECTORS

66% Men

33% Women

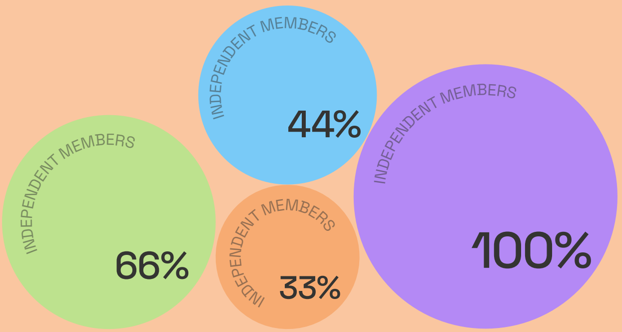
3 EXECUTIVE DIRECTORS

12 NON-EXECUTIVE DIRECTORS

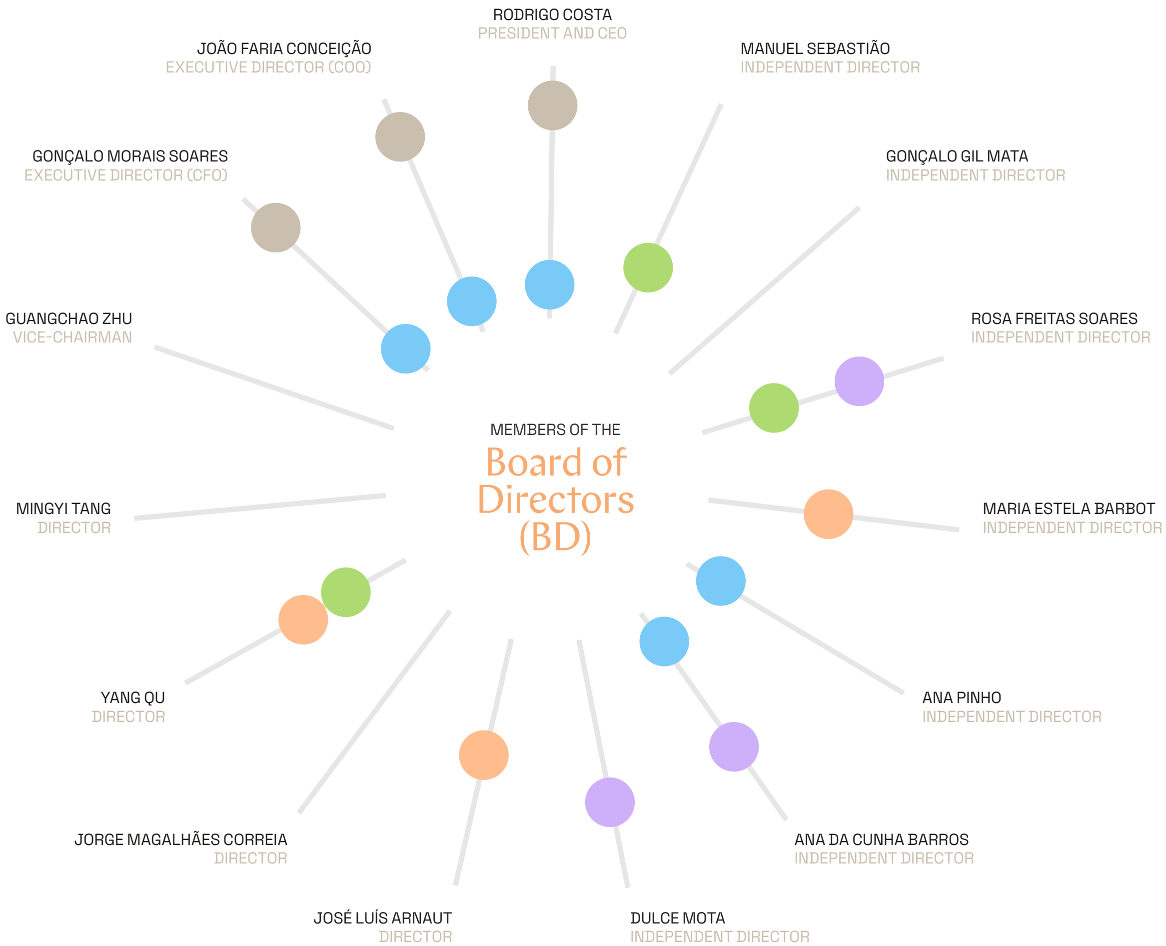
0.5 GENDER DIVERSITY RATIO*

47% INDEPENDENT MEMBERS

7.4 Years AVERAGE TERM OF OFFICE



*Gender diversity ratio = No of women on the BD/ No of men on the BD. Equivalent to 33% of women.



EXECUTIVE COMMITTEE
AUDIT COMMITTEE
ETHICS AND CORPORATE GOVERNANCE COMMITTEE
NOMINATIONS AND APPRAISALS COMMITTEE
SUSTAINABILITY COMMITTEE

Remunerations Committee: João Duque (Independent); João Galamba de Oliveira (Independent); Fernando Neves de Almeida (Independent).
Statutory auditors: Ernst & Young, Audit & Associados, SROC, S.A.; Suplente - Pedro Miguel Borges Marques.

Selection and Diversity Policy

It is the task of the Nominations and Appraisals Committee to draw up recommendations on the qualifications, knowledge and professional experience required for the members of this body, as well as to assist the Board in identifying and selecting potential candidates.

Accordingly, REN approved a Selection and Diversity Policy, which sets out the guiding principles followed by the Nominations and Appraisals Committee to support the process to identify and select potential candidates for the Board of Directors.

In 2024, a new Board of Directors was elected at the General Shareholders Meeting and appointment was subject to prior opinion from the Nominations and Appraisals Committee.

Review of the Corporate Bodies and Commissions operating Regulation

In 2024, REN reviewed the different regulations governing bodies and committees, a process which takes place regularly and usually at the beginning of each mandate. As part of this review, some operating procedures were streamlined and the competences of the Ethics and Corporate Governance Committee and the Sustainability Committee were revised and extended, and the possibility of using artificial intelligence mechanisms was also provided for, as a means to assist the decision-making process under certain conditions.

In 2024, REN reviewed the different regulations governing bodies and committees, a process which takes place regularly and usually at the beginning of each mandate.

Remuneration Policy

With the aim of aligning the Remuneration Policy with our strategic objectives, REN has defined an adjusted remuneration policy that reflects the Group's strategic priorities. With regard to the remuneration components of the executive members of the Board of Directors, including the CEO, REN's Remuneration Policy is based on several principles:

- Alignment of the interests of the executive directors with those of the company;
- Sustainability and the generation of long-term value, including the indexing of medium/ long-term remuneration to the evolution of the price of REN shares;
- Competitiveness, taking into account the practices of the Portuguese market;
- Objective, uniform, consistent, fair, and balanced criteria that reward performance;
- Performance assessment in accordance with duties and level of responsibility, as well as effective performance, assumption of suitable levels of risk and compliance with the rules applicable to REN's activity;
- Incorporation of a variable remuneration component that is reasonable overall in relation to the fixed remuneration component, without encouraging the taking of excessive risks; and
- Variable remuneration indexed to REN's actual performance, measured against specific, unambiguous, and measurable objectives in line with REN's interests.

The remuneration of executive directors, including the CEO, contains a fixed component and a variable component. The variable component consists of a portion which seeks to remunerate short-term performance and another with the same objective based on medium/ long-term performance.

ESRS 2 GOV-3 | GRI 2-18 | GRI 2-19 | GRI 2-20

ESG Indicators

15% ESG

3.75% GENDER DIVERSITY

3.75% HEALTH AND SAFETY

3.75% PERFORMANCE RATINGS

3.75% REDUCTION OF GHG EMISSIONS

The variable remuneration amount is determined based on meeting defined targets, where compliance is based on Key Performance Indicators (KPIs), including ESG indicators, with the purpose of guiding management towards the best environmental, social, and good governance practices.

With regard to the consideration of sustainability in remuneration, it is worth highlighting that:

Sustainability is part of REN's strategy, so compliance with the strategic plan is also a sustainability KPI;

The fact that remuneration has a medium and long-term component and a disincentive mechanism to avoid taking on excessive risk, contributes to the company's long-term sustainability; and

The Remuneration Committee consists exclusively of independent members who are external to the company.

The strategic plan 2024-2027, as with the 2021-2024 plan, places sustainability at the core of its priorities.

With the amendment approved in 2024, the assessment will continue to be carried out from three macro perspectives, financial, operational and ESG. ESG indicators include health and safety, gender diversity, the reduction of Greenhouse Gas Emissions (GHG), and performance ratings.

For a more detailed description of the assessment process and the Remuneration Policy, see part III - Corporate governance report and the respective Annex.

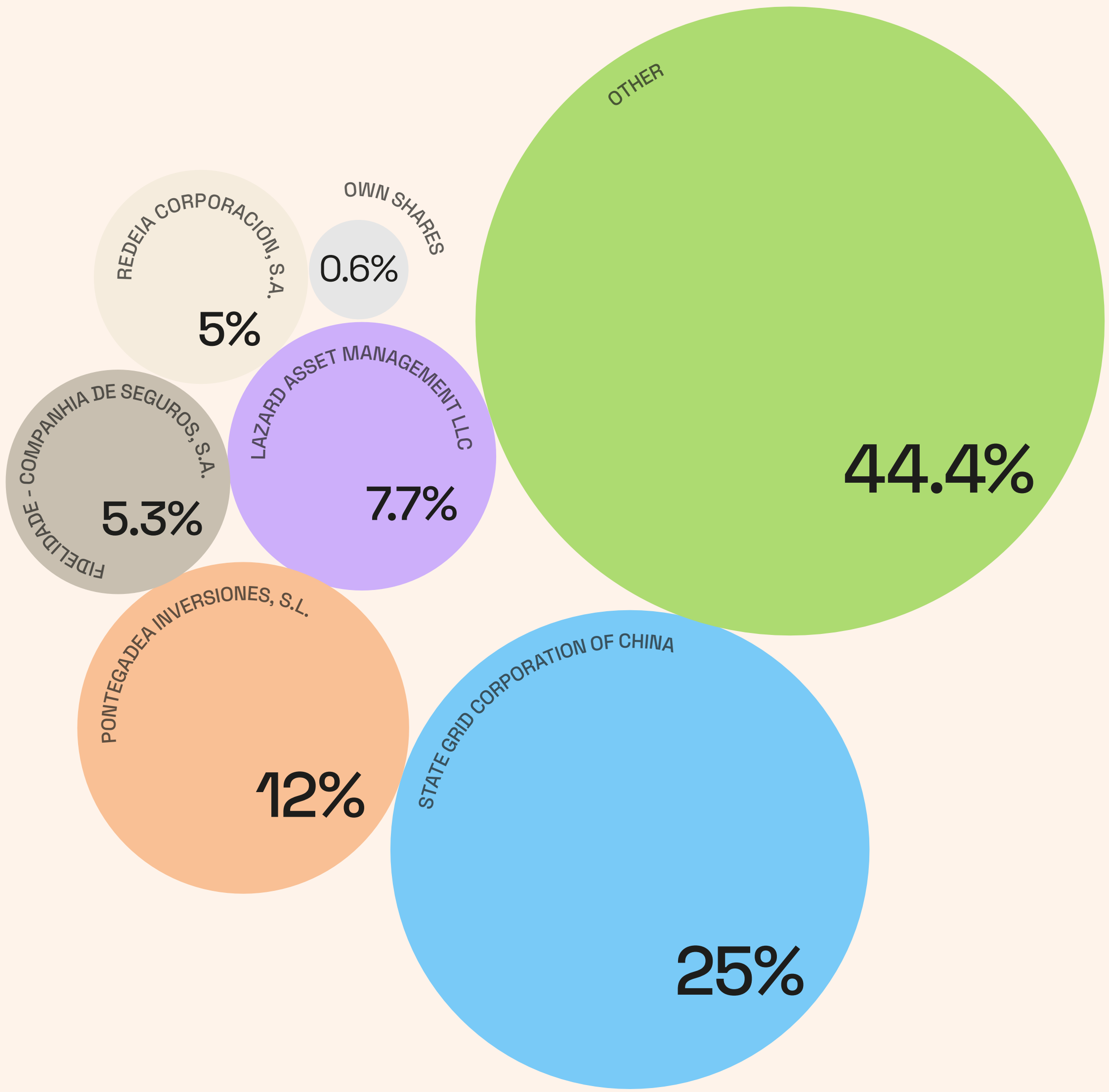
Review of the Compensation Policy

In 2024, REN approved the review of the Remuneration Policy, which focused primarily on the inclusion of malus and clawback clauses in order to link the variable remuneration of executive officers to the absence of intentional unlawful acts, which result in conviction, requiring reformulation of the company's accounts (with recorded decreases in assets), and the possibility of written commitments being established with executive officers relating to non-competition and reservation of information acquired during the performance of duties.

Governance

3.2 SHAREHOLDER STRUCTURE

At 31 December 2024:



04 Sustainability statement

Sustainability statement

4.1 GENERAL INFORMATION

Basis of preparation

REN's Sustainability Statement for the 2024 fiscal year (1 January 2024 to 31 December 2024) is prepared based on the Corporate Sustainability Reporting Directive (CSRD) and the applicable European Sustainability Reporting Standards (ESRS).

The Sustainability Statement reflects the results of our strategic approach to sustainability, based on a Double Materiality Assessment (DMA) carried out in accordance with the requirements set out in the CSRD and ESRS. The declaration covers topics relevant to our stakeholders or required by applicable national regulations. In addition, we have included key aspects of the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), SASB standards, CMVM, TCFD and EU Taxonomy, ensuring comprehensive and transparent disclosure.

REN reports information related to our direct operations in the different business segments, both in Portugal and Chile, as well as our value chain. In this context, REN actively manages its impacts, risks, and opportunities, continuously updating its corporate and sustainability strategy, as well as its risk management model, thereby contributing to the identification of the company's strategic priorities.

ESRS 2 BP-1

4.1.1 SUSTAINABILITY APPROACH

REN's sustainability approach is intrinsically linked to fulfilling our mission of being an active agent and enabler of the energy transition. We are committed to creating sustainable value and having a tangible positive impact, both on communities and ecosystems around us.
We take on a conscious and responsible leadership, aimed at building a greener and more resilient future.
With respect to the review of our sustainability approach, conducted at the end of 2023, and focusing on the strategic cycle 2024-2027, we have defined five priority areas that reflect our commitment to sustainability.

ENERGY TRANSITION AND CLIMATE CHANGE

AIM

To be a facilitator by integrating renewable energy sources into networks, maintaining our commitment to security of supply, quality of service and the decarbonization of our activities.

MATERIAL TOPICS*

- Integration of renewable energies
- Energy efficiency
- Climate change

NATURAL CAPITAL MANAGEMENT

AIM

To be recognized as an environmentally responsible company, acting in accordance with the best environmental management practices and playing an active role protecting the environment and natural capital.

MATERIAL TOPICS*

- Biodiversity and forestry

VALUING OUR PEOPLE

AIM

To value our employees through training, earnings, and protection, ensuring a working environment that is inclusive, safe, and focused on well-being.

MATERIAL TOPICS*

- Management of human capital and training
- Occupational health and safety
- Diversity, equality, and inclusion
- Respect for human rights

CREATING VALUE FOR STAKEHOLDERS

AIM

To promote the engagement and support of stakeholders, while also ensuring safety, reliability, quality and supply of electricity and gas, acting in a socially responsible manner.

MATERIAL TOPICS*

- Health and safety of surrounding communities
- Community engagement and support
- Respect for human rights

RESPONSIBLE GOVERNANCE

AIM

To base our work on the best international practices in ethics and governance, promoting a culture of fighting corruption and risk management.

MATERIAL TOPICS*

- Anti-corruption
- Ethics and conduct
- Operational safety, emergency preparedness, and response
- Risk and crisis management

*TRANSVERSAL TOPICS: Operational excellence | Economic performance | Sustainable supply chain

We develop initiatives with the different REN departments, promoting the participation of everyone to achieve shared objectives.

Our sustainability approach reinforces and operationalizes sustainability as a REN strategic pillar, reflecting a solid approach, based not only on the size of the company, but also on the external environment.

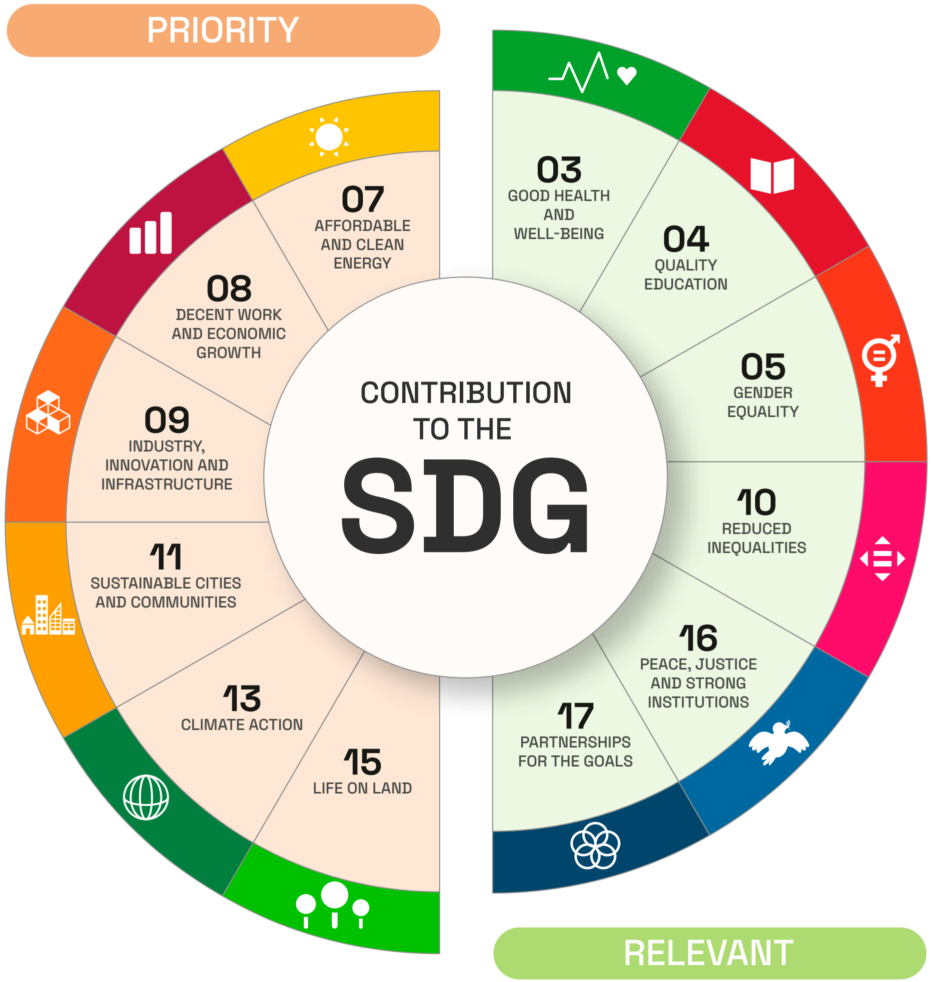
REN's greater accountability in meeting ESG objectives, as detailed in chapter 2.2 Commitments, requires the Group to strengthen and adapt, ensuring that initiatives and projects are implemented allowing us to achieve excellent performance and established goals.

In order to promote the alignment and integration of sustainability into the company's business, a sustainability management model was established, described in chapter 4.1.4 Sustainability governance, setting out specific responsibilities to define, coordinate and monitor our sustainability approach.

In 2024, we defined an Action Plan to implement our sustainability approach, where we established KPIs for monitoring commitments made in each strategic area. Initiatives are developed in collaboration with the different REN departments, promoting the active participation of everyone in order to achieve the shared objectives.

Contribution to Sustainable Development Goals

Our sustainability strategy is directly linked to the Sustainable Development Goals (SDGs), created in 2015 by the United Nations, to define the priorities and aspirations of global sustainable development for 2030. Based on the impact of our activities, as well as on the results of stakeholder consultations, we have defined priority and relevant SDGs:



Sustainability Policy

In 2024, REN published the Sustainability Policy that establishes the principles of sustainability, in the environmental, social, economic and governance 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 priority areas defined by REN, which includes the identification and management of the respective impacts, risks, and opportunities, aligned with the results of its stakeholder consultation and double materiality analysis. Compliance with the principles of this Policy contributes to achieving the Group's business and strategic objectives, respecting the 1.5ºC scenario of the Paris Agreement, in line with our values, vision and mission, as well as with the principles and guidelines established in our Code of Conduct. Furthermore, our Sustainability Policy aims to strengthen contributions to the SDGs set by the United Nations.

CO_2

1.5ºC

Business and strategic objectives, according to the Paris Agreement

The Policy establishes the principles of sustainability, in the environmental, social, economic and governance areas.

The Policy is applicable to all REN Group companies, in both the downstream and upstream value chain, covering all recipients and under their terms and conditions set out in the REN Group Code of Conduct, including employees and members of the corporate bodies of REN – Rede Energéticas Nacionais, SGPS, S.A. 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. It is also applicable, disclosed and promoted to attorneys, agents, contractors and suppliers who are in any way authorized to act on behalf of and/ or represent any REN Group company. Other suppliers of any REN Group company are also invited to adhere to the principles of this Policy.

REN's Sustainability Policy is reviewed by the Sustainability Committee and approved by the Board of Directors at each strategic three-year cycle, except in the case of legislative, regulatory or strategic changes requiring early review. The Sustainability Committee collaborates on the sustainability strategy and monitors the company's ESG performance, while the Board of Directors oversees all sustainability-related policies. The Sustainability and Communication Department is responsible for defining, updating, and coordinating the implementation of the Sustainability Policy.

The REN Group promotes internal awareness of this policy through the process of integration, training, and internal communication, as well as publicly disclosing it on its website and intranet.
Progress in sustainability is reported annually and audited by an independent external entity.

ESRS 2 MDR-P | ESRS S1-1 | ESRS S2-1 | ESRS S3-1 | ESRS E1-2 | ESRS E4-2

In line with these guidelines and REN's sustainability priority areas, the Board of Directors commits to apply the following principles in all its activities:

ENERGY TRANSITION AND CLIMATE CHANGE

We implement decarbonization and energy efficiency initiatives to help mitigate climate change, in line with the 1.5ºC scenario of the Paris Agreement. We also carry out actions to assist in adaptation, thus increasing the resilience of assets and the territory where we operate.

The principles of our Statement of Social Responsibility Policy relating to our role as a catalyst for the development of alternative energies are also applied, together with the principles mentioned in our Quality, Environment and Safety Policy Statement to minimize environmental impacts arising from our activities. More information can be found in chapter 4.2.2 Climate change.

NATURAL CAPITAL MANAGEMENT

REN applies the principles set out in our Statement of Social Responsibility Policy relating to the company's interaction with the environment, as well as the principles identified in our Quality, Environment and Safety Policy Statement relating to minimizing the environmental impacts arising from our activities. More information can be found in in chapter 4.2.3 Biodiversity.

VALUING OUR PEOPLE

REN commits to ensure effective respect for the principles of the Universal Declaration of Human Rights, the main conventions of the International Labour Organization on Labour Standards and the United Nations Global Compact Initiative. The Group also applies the remaining principles set out in our Statement of Social Responsibility Policy on Human and Labour Rights, equal opportunities, and the professional development of employees, as well as the principles stated in our Quality, Environment and Safety Policy Statement on health and safety at work. More information can be found in chapter 4.3.1 REN employees.

CREATING VALUE FOR STAKEHOLDERS

We apply the principles identified in our Stakeholder Relationship Policy. More information can be found in chapter 4.3.3 Communities.

RESPONSIBLE GOVERNANCE

In addition to our Code of Conduct and the Standard Compliance Programme, we also apply the principles and guidelines of our Integrity Policy. More information can be found in chapter 4.4.1 Ethical culture and fight against corruption.

In the Suppliers' Code of Conduct, REN sets out the principles that suppliers are required to follow, adopting practices to minimize environmental impact, respect human rights, and promote fair labour practices. More information can be found in chapter 4.3.2 Supply chain management.

In addition to the abovementioned principles, the REN Board of Directors undertakes to apply the remaining principles established in the different policies and Supplementary Regulations of the Group, available on our website.

The principles described above support the management and mitigation of the ESG (Environmental, Social, and Governance) impacts, risks, and opportunities to which REN is exposed. For these risks and impacts, REN Group implements measures, processes, and control tools aimed at reducing and minimizing their potential associated impacts.

At REN, we seek to build solid and constructive relationships that meet the needs and expectations of our stakeholders.

4.1.2 MATERIALITY

Stakeholder engagement

At REN, we seek to build solid and constructive relationships that meet the needs and expectations of our stakeholders, in order to ensure the continuity and sustainability of our business.

The relationship with each group of stakeholders is tailored to their needs and their impact on the company's activities. Communication channels are used according to the needs and expectations of each group. We have also defined relationship processes for the main groups, using specific departments which are responsible for ensuring effective management in alignment with our sustainability commitments. More information can be found on our website.

Recognizing the importance of stakeholders for REN's business, we hold stakeholder consultation processes every two years. These processes directly influence our sustainability approach, guiding initiatives to meet identified needs and reinforce REN's commitment to responsible practices.

The sustainability issues submitted to stakeholders' consideration are defined from a benchmarking analysis with national and international companies of reference, complemented by the main industry trends, regulations, ratings and voluntary reporting frameworks and the results of previous consultations. Since 2011, we have held six consultation processes, with the next scheduled for 2025. The topics identified are discussed and approved by the Executive Committee and incorporated into the REN sustainability approach.

ESRS 2 SBM-2

How we engage with the stakeholders

SHAREHOLDERS
General Meeting, roadshows, Investor Day, Investor Relations Office, REN Website, and Integrated Report.

COMMUNITIES
Meetings and working groups, conferences and workshops, employment fairs, study visits, REN website, clarification sessions, Green number, Integrated Report, periodic publications, and Environmental Impact Assessment procedures.

EMPLOYEES
Meetings and working groups, REN website, clarification sessions, Integrated Report, satisfaction and organizational climate surveys, REN TV Channel, REN Intranet, social events, and human resources platform.

FINANCIAL SECTOR
General Meeting, meetings and working groups, conferences and workshops, Investor Day, Investor Relations Office, REN website, and Integrated Report.

INFRASTRUCTURE CUSTOMERS AND USERS
Joint committees, meetings and working groups, REN website, CMVM website, Integrated Report, and perceived quality assessment survey.

SUPPLIERS AND SERVICE PROVIDERS
Meetings and working groups, REN website, Electronic Purchasing Platform, clarification sessions, Integrated Report and Supplier Performance Assessment.

OFFICIAL ENTITIES
General Meeting, meetings and working groups, REN website, CMVM website, Energy Services Regulatory Authority (ERSE) Website, clarification sessions, Integrated Report, periodic publications, Environmental Impact Assessment procedures, and perceived quality assessment survey.

ASSOCIATION AND STRATEGIC PARTNERS
Meetings and working groups, and REN website.

I Integrated management report
II
III

The stakeholder relationship policy defines the guiding principles to maintain a mutually positive relationship.

The relevance of this engagement has also led to the development of a Stakeholder Relationship Policy. This policy aims to strengthen REN's commitment by defining the guiding principles to maintain an ethical, integral, and mutually positive relationship with all stakeholders.

Furthermore, and with the aim of ensuring that every stakeholder has proper follow-up, since 2022 we have provided a contact, opinion, and complaint mechanism, which is publicly accessible on the REN website. The form provided has predefined categories and contact topics, allowing communications to be handled efficiently as they are forwarded direct to the respective REN department.

CONTACT MECHANISM

CATEGORIES:

- Information
- Opinion/ suggestion
- Complaint

SUBJECTS/ SUBCATEGORIES:

- Environment
- Communication
- Local communities
- Statistical information;
- Innovation
- Media
- Investor relations
- Owners and Rights-of-Way

Double materiality analysis

Every two years, we conduct a materiality review, a relevant process to identify material issues, both for the purposes of reporting non-financial information and for defining our sustainability approach.
In 2023, a new stakeholder consultation process was conducted, the result of which proved to be essential for the review of materially relevant topics, in alignment with the concept of double materiality.
The result of this review is publicly available on our website.

In 2024, we adjusted the double materiality analysis, bring it into alignment with the methodology of the European Financial Reporting Advisory Group (EFRAG) – "Implementation Guidance Materiality Assessment", while also meeting the requirements of the European Sustainability Reporting Standards (ESRS) of the Corporate Sustainability Reporting Directive (CSRD). Accordingly, a comprehensive analysis of impacts, risks, and opportunities (IROs) was carried out for the ten topics of the ESRS standards and their subtopics, as well as for specific REN topics, reflecting the nature of our business. The identified IROs have influence on or are influenced by our strategy and business model.

The double materiality assessment process consists of different stages, specifically:

1

IDENTIFICATION AND MAPPING OF POTENTIAL TOPICS AND MATERIAL IROs

IROs are identified via a comprehensive and systematic analysis which brings together external and internal sources of information, such as results of the stakeholder consultation held in 2023, analysis of trends and context, sector references, peer benchmarking, ratings, risk assessments and business opportunities, as well as an analysis of climate scenarios and other relevant sources.

Mapping of different potentially material IROs by topic, sub-topic or sub-sub-topic of sustainability, in alignment with the ESRS.

2

FILTERING THE EXTENSIVE LIST OF IROs

Review, discussion and validation of potentially material IROs to define a final draft of potentially material main IROs, broken down into topic, sub-topic or sub-sub-topic of the ESRS, for analysis and evaluation.

3

EVALUATION OF MATERIAL IROs

Definition of the thresholds for impact materiality (impacts) and financial materiality (risks and opportunities) and evaluation of the materiality of the different IROs.

Analysis and processing of information to determine the results of double materiality.

Calibration of the results and internal validation of the material IROs by top management.

ESRS 2 SBM-3 | ESRS 2 IRO-1 | ESRS 2 IRO-2 | ESRS 2 GOV-2 | GRI 3-1 | GRI 3-2 | GRI 3-3

The IROs evaluation followed the methodology set out by EFRAG, assessing impacts through two parameters, severity or magnitude (either negative or positive impact) and the likelihood of occurrence. In turn, the severity parameter was broken down into three sub-parameters for negative aspects (scale, scope and irremediability) and two for positive impacts (scale and scope). With respect to the assessment of risks and opportunities, both were evaluated for the magnitude of the financial impact and the likelihood of occurrence. All scales consider an assessment from 1 to 5 (1 - lowest impact/ risk/ probability and 5 - highest impact/ risk/ probability). Topics above the average of the IROs evaluated were considered material. In line with the guide, any topic that contains at least one impact, risk, or material opportunity makes the topic material, either from an impact perspective or from a financial perspective. In each specific section, the materially relevant IROs will be presented, together with REN actions to deal with each.

As a result of the analysis of the 80 IROs evaluated, REN identified 42 as being materially relevant, which were grouped into nine priority topics (six general topics and three specific topics). These include climate change, biodiversity and ecosystems, own workforce, employees in the value chain, affected communities, business conduct, cybersecurity, innovation and interruptions to power transmission and distribution.

Topics related to pollution, water and marine resources, the circular economy and consumers/ end users were not considered materially relevant to REN's business. None of the IROs associated with these topics reached the threshold of defined materiality, and were therefore excluded.

As a result of the analysis of the 80 IROs evaluated, REN identified 42 as being materially relevant, which were grouped into nine priority topics.

ENVIRONMENT

Thematic standard/ topic	Impact materiality	Financial materiality	Relation to the material topics identified in the priority axes	Section
ESRS E1 Climate change	Material	Material	○ Climate change ○ Energy efficiency ○ Integration of renewable energies	4. Sustainability statement: 4.2.2 Climate Change
ESRS E2 Pollution	Non material	Non material	-	-
ESRS E3 Water and marine resources	Non material	Non material	-	-
ESRS E4 Biodiversity and ecosystems	Material	Non material	○ Biodiversity and forestry	4. Sustainability statement: 4.2.3 Biodiversity
ESRS E5 Circular economy	Non material	Non material	-	-

Material Non material

SOCIAL

Thematic standard/ topic	Impact materiality	Financial materiality	Relation to the material topics identified in the priority axes	Section
ESRS S1 Own workforce	●	●	○ Respect for human rights ○ Occupational health and safety ○ Diversity, equality, and inclusion ○ Management of human capital and training	4. Sustainability statement: 4.3.1 REN employees
ESRS S2 Workers in the value chain	●	●	○ Respect for human rights ○ Sustainable supply chain	4. Sustainability statement: 4.3.2 Supply chain management
ESRS S3 Affected communities	●	●	○ Respect for human rights ○ Community engagement and support ○ Health and safety of surrounding communities	4. Sustainability statement: 4.3.3 Communities
ESRS S4 Consumers and end users	⊘	⊘	-	-

GOVERNANCE

Thematic standard/ topic	Impact materiality	Financial materiality	Relation to the material topics identified in the priority axes	Section
ESRS G1 Business Conduct	●	●	○ Ethics and conduct ○ Anti-corruption	4. Sustainability statement: 4.4.1 Ethical culture and fight against corruption

REN | SPECIFIC TOPICS

Thematic standard/ topic	Impact materiality	Financial materiality	Relation to the material topics identified in the priority axes	Section
01 Cybersecurity	●	●	-	4. Sustainability statement: 4.5.2 Cybersecurity
02 Innovation	●	●	-	4. Sustainability statement: 4.5.1 Innovation
03 Power T&D interruptions	⊘	●	○ Operational safety, emergency preparedness, and response	1. Our activity: 1.2 Electricity 1.3 Gas

● Material ⊘ Non material

The materially relevant IROs are broken down by topic in the following tables:

ENVIRONMENT

Thematic standard/ topic	Type of IRO	IRO Description	Type of impact (Actual/ potential/ ST/ MT/ LT)		Impact on the value chain (OP/ U/ D/ U&D)
ESRS E1 Climate change	-	GHG emissions from REN activities and value chain	Actual	ST	OP/ U&D
	+	Contribution to a Net-Zero economy	Potential	LT	OP/ U&D
	+	Measures to reduce, absorb and/ or offset GHG emissions from the value chain	Potential	ST	OP/ U&D
	R	Occurrence of extreme climate events	Actual	MT/ LT	OP
	R	Slower-than-expected growth in connections to renewable energy sources	Potential	MT/ LT	OP/ U
	O	Development and/ or expansion of low-carbon products and services	Potential	MT/ LT	OP
	O	Use of green financing techniques (e.g., Green Bonds)	Actual	ST	OP
	O	Hydrogen infrastructure	Potential	MT/ LT	OP/ U&D
ESRS E4 Biodiversity and Ecosystems	+	Protection, conservation, and restoration of land biodiversity	Actual	ST	OP/ U&D

+ Positive impact - Negative impact R Risk O Opportunity

ST – Short-term MT – Medium-term LT – Long-term

OP – Own operations U– Upstream D – Downstream

SOCIAL

Thematic standard/ topic	Type of IRO	IRO Description	Type of impact (Actual/ potential/ ST/ MT/ LT)		Impact on the value chain (OP/ U/ D/ U&D)
ESRS S1 Own workforce	-	Work accidents	Actual	ST/ MT	OP
	+	Remuneration above the minimum subsistence limit	Actual	ST/ MT	OP
	+	Employee satisfaction and motivation survey	Actual	ST/ MT	OP
	+	Development of a safety culture	Actual	ST/ MT	OP
	+	Employee training and skill development	Actual	ST/ MT	OP
	+	Diversity and inclusion	Actual	ST/ MT	OP
	R	Talent attraction and retention	Actual	ST/ MT	OP
	R	Work accidents	Actual	ST/ MT	OP
	O	Employment reputation	Actual	ST/ MT	OP
	O	Stability and quality of employment	Actual	ST/ MT	OP
	O	REN's commitment to employees training	Actual	ST/ MT	OP
ESRS S2 Workers in the value chain	-	Occupational health and safety in the value chain	Actual	ST/ MT	U
	+	Training and skill development of employees in the value chain	Actual	ST/ MT	U
	R	REN operations can be compromised by inadequate working conditions in the value chain	Actual	ST/ MT	U
	R	Work-related accidents relating to workers in the value chain	Actual	ST/ MT	U
	R	Forced labour in the value chain	Actual	ST/ MT	U
	O	Implementation of Human Rights and Environmental Due Diligence in the supply chain	Potential	MT	OP/ U
	O	Selection of suppliers with good labour and human rights practices	Potential	ST/ MT	U
ESRS S3 Affected communities	+	Development of partnerships with the community	Actual	ST/ MT	U&D
	R	Safety of local communities	Actual	ST/ MT	U&D
	R	Balanced relationship with the local community	Actual	ST/ MT	U&D

GOVERNANCE

Thematic standard/ topic	Type of IRO	IRO Description	Type of impact (Actual/ potential/ ST/ MT/ LT)		Impact on the value chain (OP/ U/ D/ U&D)
ESRS G1 Business Conduct	+	Protection of whistleblowers through anti-retaliation policies and procedures	Actual	ST/ MT	OP/ U&D
	+	Timely payment to suppliers	Potential	ST/ MT	U
	+	Responsible management of the supply chain	Potential	ST/ MT	U
	R	Non-compliance with the contract and/ or the supplier's code of conduct	Actual	ST/ MT	U
	R	Anti-fraud, corruption, and bribery	Actual	ST/ MT	OP/ U
	O	Whistleblowing	Actual	ST/ MT	OP/ U&D
	O	Sustainable supply chain management	Actual	ST/ MT	OP/ U

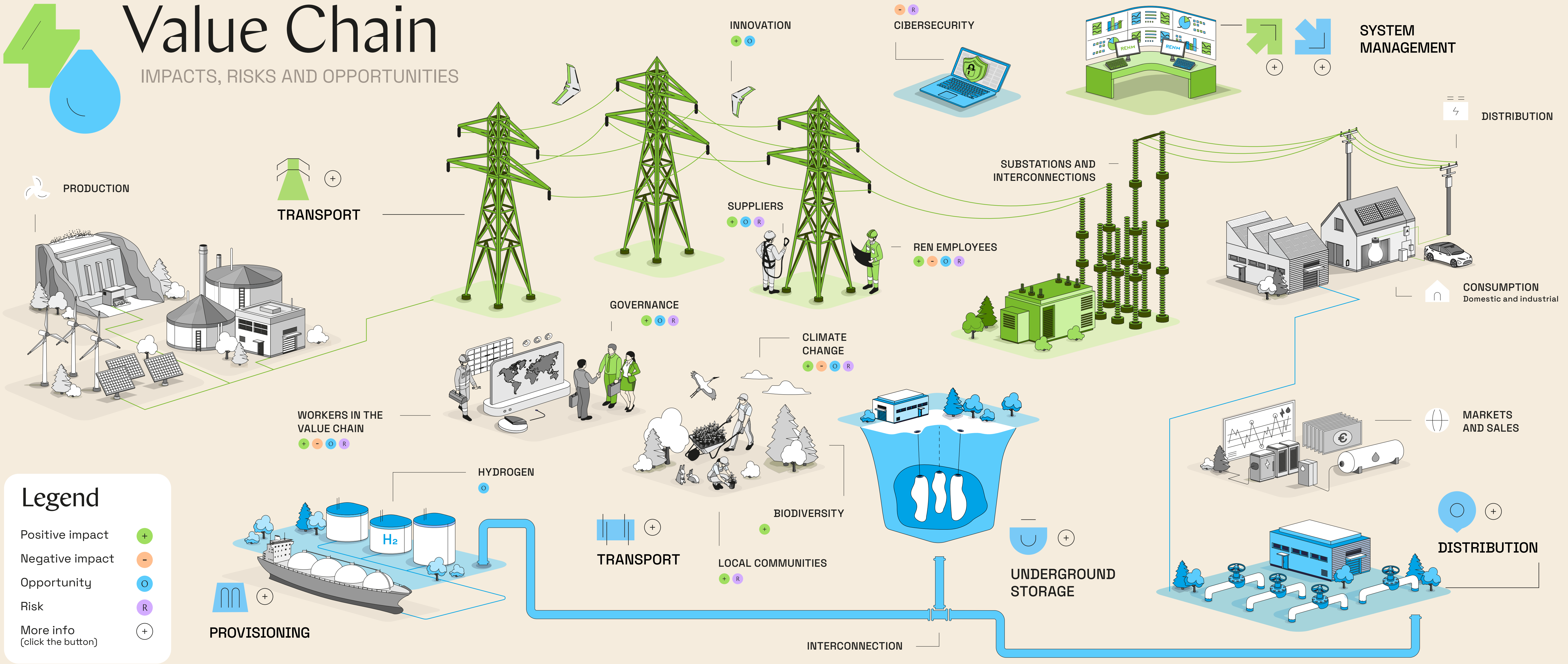
REN | SPECIFIC TOPICS

Thematic standard/ topic	Type of IRO	IRO Description	Type of impact (Actual/ potential/ ST/ MT/ LT)		Impact on the value chain (OP/ U/ D/ U&D)
Cybersecurity	-	Cyberattacks on REN infrastructure and systems	Potential	ST/ MT	OP/ D
	R	Occurrence of cyberattacks	Actual	ST/ MT	OP
Innovation	+	Operational innovation	Actual	ST/ MT	OP
	O	Innovative projects	Actual	ST/ MT	OP/ U&D
Power T&D interruptions	R	Power T&D interruptions	Actual	ST/ MT/ LT	OP/ D

+ Positive impact - Negative impact R Risk O Opportunity
ST – Short-term MT – Medium-term LT – Long-term
OP – Own operations U– Upstream D – Downstream

Value Chain

IMPACTS, RISKS AND OPPORTUNITIES



4.1.3 DUE DILIGENCE PROCESS

With regard to the sustainability statement, information on due diligence can be found in the following chapters:

A. EMBEDDING DUE DILIGENCE IN GOVERNANCE, STRATEGY AND BUSINESS MODEL

- 3.1 Governance structure ESRS 2 GOV-3
- 4.1.2 Materiality ESRS 2 SBM-3
- 4.1.4 Sustainability governance ESRS 2 GOV-2

B. ENGAGING WITH AFFECTED STAKEHOLDERS IN ALL KEY STEPS OF THE DUE DILIGENCE

- 4.1.1 Sustainability approach ESRS 2 MDR-P
- 4.1.2 Materiality ESRS 2 SBM-2, ESRS 2 IRO-1
- 4.1.4 Sustainability governance ESRS 2 GOV-2

C. IDENTIFYING AND ASSESSING ADVERSE IMPACTS

- 4.1.2 Materiality ESRS 2 SBM-3, ESRS 2 IRO-1

D. TAKING ACTIONS TO ADDRESS THOSE ADVERSE IMPACTS

- 4.2 Environment ESRS 2 MDR-A, ESRS E1-3, ESRS E4-3
- 4.3 Social ESRS 2 MDR-A, ESRS S1-4, ESRS S2-4, ESRS S3-4
- 4.4 Governance ESRS 2 MDR-A

E. TRACKING THE EFFECTIVENESS OF THESE EFFORTS AND COMMUNICATING

- 2.2 Commitments ESRS 2 MDR-T
- 4.2 Environment ESRS 2 MDR-M, E1-4, E4-4
- 4.3 Social ESRS 2 MDR-M, S1-5, S2-5, S3-5
- 4.4 Governance ESRS 2 MDR-M, G1-4, G1-5, G1-6

We recognize the importance of implementing robust due diligence procedures as an integral part of our commitment to sustainability, ensuring that negative impacts on human rights and the environment are identified, prevented, mitigated, and remediated in all our operations and value chain.

The Corporate Sustainability Due Diligence Directive (CS3D), which entered into force in July 2024, requires the existence of robust processes for the management of potential or actual negative impacts caused by the company's operations and/ or its value chains in environmental and human rights matters. Although CS3D is not yet directly applicable to REN, we made the strategic decision to carry out an in-depth alignment analysis based on several steps, including an initial diagnosis to identify gaps, the prioritisation of measures and a roadmap of next steps.

As this is a multi-year plan, it is important to note that steps have already been taken in several areas to move towards voluntary alignment with the guidelines. This positioning reflects REN Group's long-term sustainability vision, recognising the advantages of strengthening the commitment to sustainable practices, ensuring better risk management, improving control over the value chain and anticipating future regulatory requirements.

As a result of this work, and based on the assessment of REN's initial alignment with the guidelines of the CS3D Directive, 43 alignment items were identified, divided into four groups:

- **POLICIES AND GOVERNANCE**
  Integration of due diligence principles into the company's strategy;
- **RISK AND MITIGATION**
  Diagnosis of the current situation, risk assessment, and definition of procedures to minimize negative impacts;
- **COMPLAINTS AND REPORTING**
  Channels for reporting concerns or irregularities; and
- **COMMUNICATION AND TRANSPARENCY**
  Clear and detailed disclosure of practices and results relating to due diligence.

As a result of this comprehensive process, involving the various areas of the company, the creation and/ or revision of documents is being analysed with the aim of strengthening the resilience and sustainability of operations and the value chain.

ESRS 2 GOV-4

The Sustainability Committee has the following competences:

→ Collaborate in defining, updating, and reviewing the REN Group sustainability approach.

→ Provide an opinion on the necessary resources and to monitor the implementation of the sustainability approach and the management of its impacts, risks, and opportunities (IROs).

→ Monitor and report to the BD the application of policy and company performance in economic, social, and environmental indicators.

→ Perform other duties or tasks in matters of sustainability delegated to the Sustainability Committee by the BD.

→ Issue opinions on any sustainability related topic, at the request of the BD or at its own initiative.

→ Collaborate in the development of the Integrated Report, which includes sustainability information.

4.1.4 SUSTAINABILITY GOVERNANCE

Given the increasingly important role of sustainability, the REN structure has been strengthened to ensure effective management at management level and in key decisions in such matters.
We consider it essential to employ an approach to sustainability which is aligned and integrated into our business plan and ensures that the necessary structures exist to comply accordingly, including the following:

- The Board of Directors (BD);
- The Sustainability Committee;
- The Sustainability and Communication Department; and
- The Operational Sustainability Department.

The company strategic lines and business plan, which incorporate sustainability issues, are defined by the Board of Directors. In order to support and advise the Board of Directors on the integration of sustainability principles into the REN Group decision-making and management process, a Sustainability Committee was established within the Board of Directors, composed of five members: the three members of the Executive Committee and two independent members from the Board of Directors.
This advisory committee is governed by regulations which are available on the company's website detailing its powers and operating standards.

In 2024, the Sustainability Committee met three times to further analyse topics such as sustainability reporting, environmental, social and governance performance, review the sustainability approach and approve the Sustainability Policy, to conduct a gap analysis against ESRS requirements, within the scope of CSRD, sustainability due diligence, analysis of initiatives aimed at decarbonization, management of natural capital, as well as performance in ESG ratings and impact, risk, and opportunity management.

Additionally, reporting by the Executive Committee to REN's Board of Directors – monthly, quarterly, half-yearly and annually – covers information on sustainability issues, both with respect to this body's meetings as well as through periodic management reports. Following these reports and based on the information provided by the different areas, the Board of Directors approves the sustainability report and the financial and non-financial information to be disclosed by the company to stakeholders and the market in general.

The management, monitoring, and general strategic coordination of the sustainability approach is the responsibility

ESRS 2 GOV-1 ESRS 2 GOV-2 GRI 2-12 GRI 2-13 GRI 2-14 GRI 2-17 of the Sustainability and Communication Department. The focus is to ensure that sustainability practices are aligned with the company's strategic objectives, ensuring implementation, as well as transparency. At the same time, the Operational Sustainability Department is responsible for implementing the sustainability strategy in Group operations, ensuring its practical application in company business.

Preparation of the sustainability statement

When preparing the sustainability statement, a series of internal controls are implemented to guarantee the reliability and accuracy of the data reported, thus mitigating the main risks identified. The information to be reported includes the stakeholder consultation, the double materiality analysis, and the identification of impacts, risks, and opportunities (IROs), which cover the material topics that REN addresses with respect to sustainability.

Every year, sustainability information is subject to external verification, and any recommendations for improvement arising from this process are integrated into future reports. The process also includes context analysis, trends, benchmarking, and applicable regulations, as well as considerations of the ratings in which REN is evaluated, such as the S&P CSA, MSCI, CDP, Sustainalytics and ISS.

The structure of the Sustainability statement is approved by the Sustainability Committee. Further work involves requests for information from the relevant internal areas, and all information received is subject to a number of review processes. Quantitative information is also reported on the internal sustainability platform which centralizes and monitors reported data, as well as via other tools.

After internal validation, the information is subject to independent external verification. See Independent Limited Assurance Report. Risk assessment for sustainability reporting is integrated throughout the process, mitigating the risks identified through controls such as iterative internal reviews, multi-stage validations and via the independent external audit process, ensuring the robustness and consistency of information.

The final document is submitted to the Board of Directors for approval, then sent to the General Meeting and published in the CMVM as an integral part of the REN Integrated Report.

ESRS 2 GOV-5

Sustainability statement

4.2 ENVIRONMENT

4.2.1 EUROPEAN ENVIRONMENTAL TAXONOMY

Background

The implementation of the European Union's (EU) taxonomy of environmentally sustainable activities (Regulation No 852/2020) represents an important milestone in sustainable financing. The EU's response to the challenge of mitigating the impacts of climate change is a priority, and the taxonomy is an essential tool to achieve this goal. The aim is to guide investment toward sustainable activities, establishing clear performance criteria and reducing the risk of greenwashing.

At REN, sustainable development is more than a fundamental value - it is a commitment that permeates all our activities. We observe strict and quantifiable sustainability criteria, seeking not only operational excellence, but also a positive impact on the communities and ecosystems where we operate. In fact, sustainability is one of the pillars of our Strategic Plan for 2024-2027, as detailed in section 2.1 Strategy. Accordingly, the alignment of our activities with the EU taxonomy plays a key role in strengthening our position as a committed agent in the transition to a more sustainable and resilient economy.

The first step in responding to the taxonomy is to identify eligible activities which are identified in the Environmental and Climate Delegated Acts. For an eligible activity to be considered environmentally sustainable, it must contribute to at least one of the six environmental objectives, do no significant harm to any of the other five and comply with minimum social safeguards.

The six environmental objectives of the Taxonomy:

1 **MITIGATION** of climate change

2 **ADAPTATION** to climate change

3 **SUSTAINABLE USE AND PROTECTION** of water and sea resources

4 **PREVENTION AND CONTROL** of pollution

5 **TRANSITION** to a circular economy

6 **PROTECTION AND RESTORATION** of biodiversity and ecosystems

In 2024, we revisited the list of eligible activities as well as their technical criteria.

REN started analysing its activities within the scope of the taxonomy in 2021 identifying the proportion of eligible economic activities. In 2022 this analysis became more robust, detailing eligibility and alignment with the first two environmental objectives included in the Climate Delegated Act as required by the respective Regulation. In 2023, with the publication of the Environmental Delegated Act, a new analysis of eligibility and alignment was carried out for the remaining four objectives and for updates to the Climate Delegated Act. In 2024, we revisited the list of eligible activities as well as their technical criteria.

To assess the alignment of our activities, REN analyses the criteria for substantial contribution and the criteria for no significant harm (DNSH) set out in the Environmental and Climate Delegated Acts, as well as compliance with minimum social safeguards.

Eligibility analysis

Regarding the Climate Delegated Act, the analysis was carried out for the objective of climate change mitigation. With respect to the Environmental Delegate Act, the analysis concluded that there are no activities within the current scope of REN work. The overall result obtained was as follows:

Objective	Activity		Description of REN activity
Mitigation	4.9	**Transmission and distribution of electricity**	REN operates the RNT that connects producers to consumption centres at very high voltage, covering all mainland Portugal and interconnections to the Spanish network.
	4.14	**Transmission and distribution networks for renewable and low-carbon gases**	REN has a series of projects to adapt the gas transmission, distribution, and storage infrastructure to hydrogen, including investment to connect biomethane producers.
	6.5	**Transport by motorbikes, passenger cars, and light commercial vehicles**	Investment in the mobile fleet (light vehicles, mostly electric and/ or plug-in hybrid vehicles).
	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.
	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.
	8.1	**Data processing, hosting and related activities**	Through RENTELECOM, housing services are provided at the datacenters of Lisbon, Sacavém, Ermesinde and Riba de Ave.

REN's activity for gas transmission, distribution, the technical management of the National Gas System, and the underground storage of gas, were considered as ineligible activities, given that they are not included in the Climate Delegated Act and are not listed in Regulation 2022/ 2014 regarding economic activities in certain energy sectors.

Activity 7.4 - Installation, maintenance, and repair of charging stations for electric vehicles in buildings is eligible. However, there are no figures to report for Revenue, Capex or Opex in 2024. We decided to keep the report, since in the KPI Disclosure section we present a table with data from 2023 that includes information on this activity.

Alignment analysis

Substantial Contribution (SC) and Do No Significant Harm (DNSH)

REN analysed all the technical criteria of "Substantial Contribution" and "Do No Significant Harm" set out in the Climate Delegated Act, Annex I - Mitigation, for eligible activities in accordance with the tables beside:

ACTIVITY: 4.9

TRANSMISSION AND DISTRIBUTION OF ELECTRICITY

SC/ DNSH criteria	Description of the criteria (non-exhaustive)	Alignment analysis
SC	The infrastructure or equipment for the transmission and distribution of electricity meets at least one of the following criteria: 1) forms part of the interconnected European system; 2) More than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 g CO_2eq/ kWh (measured on a life cycle basis); and 3) The average emission factor of the network is below the limit value of 100 CO_2eq/ kWh (measured on a life cycle basis). Additionally, the consumption metering infrastructure complies with the requirements applicable to smart metering systems forest out in Article 20 of Directive (EU) 2019/944.	The entire REN electricity transmission network is located in Portugal (connected to the European system). New infrastructure in Portugal is intended to connect new renewable capacity to the grid, with an average grid emission factor below 100g CO_2eq/ kWh (estimated). With regard to Transemel, the activities carried out focused on building/ installing infrastructure with the main goal of increasing the production or use of electricity produced from renewable sources. **SC criteria complied with.**
DNSH	Climate change adaptation.	See analysis of application of appendix A below.
DNSH	Transition to a circular economy.	REN follows the best waste management practices by applying a waste management plan that ensures maximum reuse or recycling at the end of life. In our Quality, Environment and Safety Policy Statement, we undertake to minimize the impacts arising from our work by promoting the rational use of natural resources. At the end of 2023, REN approved the Circular Economy Roadmap and Strategy, a document that sets out the way to achieve carbon neutrality and apply the principles of the circular economy by 2040. In 2024, the Circular Economy Working Group (CEWG) was established, integrating representatives from different operational areas, with the aim of ensuring the implementation of the roadmap and strategy, as detailed in section 4.2.4 Resources – Circular economy. **DNSH criteria complied with.**
DNSH	Pollution prevention and control.	REN complies with the rules and regulations applicable to electromagnetic waves. REN is certified in accordance with the ISO 45001 standard: Health and Safety Management Systems. REN activities do not involve the use of PCBs. **DNSH criteria complied with.**
DNSH	Protection and restoration of biodiversity and ecosystems.	See analysis of application of appendix D below.

ACTIVITY: 4.14

TRANSMISSION AND DISTRIBUTION NETWORKS FOR RENEWABLE AND LOW-CARBON GASES

SC/ DNSH criteria	Description of the criteria (non-exhaustive)	Alignment analysis
SC	The activity covers the subsector to adapt transmission and distribution networks to allow hydrogen and other low-carbon gases to be integrated, including activities to increase the mixture of hydrogen or other low-carbon gases in the gas transmission and distribution networks.	In 2024, the main investments made focused on completing the certification process for REN's infrastructures, complying with the Portuguese government's plan (hydrogen injection of up to 10% in the National Transmission Network and Underground Storage and up to 20% in the distribution network). Specific projects related to the injection of renewable gases into existing infrastructures were also developed. **SC criteria complied with.**
DNSH	Climate change adaptation.	See analysis of application of appendix A below.
DNSH	Sustainable use and protection of water and marine resources.	See analysis of application of appendix B below.
DNSH	Pollution prevention and control.	The investment made is in accordance with the requirements in this regard. **DNSH criteria complied with.**
DNSH	Protection and restoration of biodiversity and ecosystems.	See analysis of application of appendix D below.

ACTIVITY: 6.5

TRANSPORT BY MOTORBIKES, PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

SC/ DNSH criteria	Description of the criteria (non-exhaustive)	Alignment analysis
SC	For vehicles in categories M1 and N1, up to 31 December 2025, specific CO_2 emissions were less than 50 gCO_2/ km.	The fleet acquired by REN essentially consists of hybrid plug-in and electric vehicles. **SC criteria complied with.**
DNSH	Climate change adaptation.	See analysis of application of appendix A below.
DNSH	Transition to a circular economy.	Vehicles comply with Directive 2005/64/EC, and are up to 85% reusable or recyclable and up to 95% recoverable. Furthermore, in the usage phase, we apply waste management measures, including the reuse and recycling of batteries and electronic components, through dealers designated by the brands, which ensure sorting and routing to authorized destinations. After the depreciation period, vehicles are donated or sold to institutions or employees, allowing them to continue in circulation until the end of their life thus also promoting the circular economy. **DNSH criteria complied with.**
DNSH	Pollution prevention and control.	Requirements associated with the approval of light vehicles with regard to emissions, requirements for external noise and the provisions of Regulation (EU) No 540/2014 of the European Parliament and of the Council. It was not possible to identify sufficient supporting information to reasonably assess this criterion. **DNSH criteria not complied with.**

ACTIVITY: 7.6
INSTALLATION, MAINTENANCE AND REPAIR OF RENEWABLE ENERGY TECHNOLOGIES

SC/ DNSH criteria	Description of the criteria (non-exhaustive)	Alignment analysis
SC	Installation, maintenance, and repair of solar collectors to heat water and auxiliary technical equipment.	REN has acquired and installed solar collectors in buildings to produce thermal power as part of our approach to energy efficiency, as detailed in section 4.2.2 Climate change. SC criteria complied with.
DNSH	Climate change adaptation.	See analysis of application of appendix A below.

ACTIVITY: 8.1
DATA PROCESSING, HOSTING AND RELATED ACTIVITIES

SC/ DNSH criteria	Description of the criteria (non-exhaustive)	Alignment analysis
SC	Economic operators have adopted all the relevant practices listed in the "expected practices" list in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency. The global warming potential (GWP) of refrigerants used in the datacentre cooling system does not exceed 675.	RENTELECOM operates the datacentres of REN - Redes Energéticas Nacionais, S.A., through hosting activities. As such, RENTELECOM only manages and controls such datacentres. The datacenters are owned by REN - Rede Energética Nacionais, S.A. and not RENTELECOM. SC criteria not complied with.
DNSH	Climate change adaptation.	See analysis of application of appendix A below.
DNSH	Sustainable use and protection of water and marine resources.	See analysis of application of appendix B below.
DNSH	Transition to a circular economy.	Requirements associated with Directive 2009/125/EC regarding servers and products for data storage and waste management plan. The datacenters are owned by REN - Rede Energética Nacionais, S.A. and not RENTELECOM. It was not possible to identify sufficient supporting information to reasonably assess this criterion. DNSH criteria not complied with.

Relevant climate risks are periodically assessed by REN with regard to activities in Portugal through a Risk Management System.

Application of Appendix A - Climate change adaptation

Risks

Relevant climate risks (acute and chronic physical risks) are periodically assessed by REN with regard to activities in Portugal through a Risk Management System (further information on this subject can be seen in subchapter 2.3 Risk management).

Acute physical risks relating to climate (such as forest fires, heavy rain or floods) can affect transmission lines, particularly electricity transmission lines, as well as other infrastructure managed by REN and the entire value chain, thus affecting the economic performance. In the case of the acute risk "Forest Fires", the potential financial impact with regard to TCFD was detailed and quantified (see Annex 6. TCFD recommendations).

Chronic physical risks refer to long-term changes in climate patterns, such as rising sea levels or chronic heat waves, and can damage REN equipment (for example, the increase in average temperature can affect external equipment that has a certain maximum operating temperature defined by the manufacturer).

Scenario analysis

With regard to projections, REN analysed possible ways to reduce CO_2 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 timelines: current (2024), 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 (for more detail on the scenario analysis, see subchapter 4.2.2 Climate change). For physical risks, REN based the analyses on the scenarios developed by the IPCC. In terms of the trajectory for temperature increase, two main scenarios were considered (increase of ~1,5ºC and increase of ~4,0ºC). 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 - BAU), aligned with the main references: IEA-WEO (NetZero [~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).

REN seeks to generate a positive impact on the environment through its efforts and work to restore biodiversity in the ecosystems.

Application of appendix B - Sustainable use and protection of water and marine resources

The Environmental Impact Assessment (EIA) is an assessment tool which applies to some of the public utility infrastructure projects promoted by REN, used to obtain an operating license (more details on EIA can be found in subchapter 4.2.3 Biodiversity - Environmental management). With regard to the sustainable use and protection of water and marine resources, the EIA includes an assessment of the impact of projects on water resources. For new projects, REN assesses whether the physical changes in surface water bodies, or whether the change in water table levels in groundwater bodies, resulting from the implementation of the projects, are permanent and cause a change in the state of water bodies and allow the objectives of the Water Framework Directive as transposed by the Water Law (WFD/ WL) to be achieved.

Application of appendix D - Protection and restoration of biodiversity and ecosystems

During network operation and maintenance, monitoring and supervision actions are carried out to ensure compliance with attenuation, mitigation and monitoring measures provided for in the Environmental Impact Statement (EIS) and in the Execution Project Environmental Compliance Report (RECAPE).

The planning and design of execution projects and environmental studies is carried out with the premise of minimizing the impact on sensitive areas. However, where over interference in these areas proves to be necessary, because there is no viable alternative, REN guarantees compliance with the regulations applicable to protected areas, and in the environmental study phase, and then safeguards the characterization of the ecological values present, as well as birdlife targets and monitoring during the operation phase. In relation to priority habitats, field surveys of the ecological component also ensure that the implementation project and the distribution of supports avoids affecting areas with greater biodiversity values.

On the other hand, recognizing the impacts and dependencies related to biodiversity is vital for managing risks and opportunities relating to natural capital. In this regard, in 2024 REN started the project "Natural Capital Strategy and Management Plan" with the goal of assessing the potential impacts and material dependencies of business in relation to nature and mapping the activities of our value chain. To achieve this, tools recognized on an international level are used such as the Taskforce on Nature-related Financial Disclosure (TNFD) to help identify impacts and dependencies relating to nature by sector of activity, the materiality analysis tool of the Science-Based Targets for Nature Initiative (SBTN 2024) and Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE 2024). We have also established new commitments under act4Nature and actively collaborate with the Renewable Grid Initiative (RGI) association.

REN seeks to generate a positive impact on the environment through its efforts and work to restore biodiversity in the ecosystems surrounding operations, such as reforestation of access corridors, integrated vegetation management and the inclusion of native species, preservation of the land we manage, conservation of habitats and anti-collision devices and the use of platforms on high tension lines for nesting.

Since 2015, the Group has run a research and knowledge transfer program called the "REN Chair in Biodiversity", a partnership between CIBIO - Research Centre in Biodiversity and Genetic Resources at the University of Porto (CIBIO-InBIO) and the FCT (Foundation for Science and Technology). This protocol has been successively renewed, and the current protocol for 2024-2026, between REN and CIBIO-InBIO includes a specific research programme for birdlife and scientific consultancy to develop our natural capital strategy (further detail on the REN Chair can be found in subchapter 4.2.3 Biodiversity).

I Integrated management report
II
III

Minimum safeguards

In accordance with Article 3 of the Taxonomy Regulation, published in 2020, for an activity to be considered sustainable it must comply with the minimum safeguard requirements.

The Final Report on Minimum Safeguards, published by the European Commission's Sustainable Finance Platform in October 2022, identifies four main topics where compliance with minimum safeguards must be defined: Human Rights, Corruption, Taxation and Fair Competition. Accordingly, compliance with Minimum Safeguards is ensured by Article 18 of the Taxonomy Regulation together with the Final Report on Minimum Safeguards and the information set out in the European Commission Notice on the interpretation and application of certain legal provisions of the EU Taxonomy Regulation.

Human Rights

REN recognises its role in respecting human rights, labour practices, environmental protection and anti-corruption.

To ensure the protection and prevention of these issues, the Integrity Policy was approved in 2021, which aims to define the principles of action and duties applicable to employees of REN Group companies and other partners, in order to prevent the practising of illicit acts, such as crimes of corruption, money laundering and terrorist financing, and to promote ethics, integrity and transparency in our work, ensuring compliance with legislation and regulations in force. The Integrity Policy is also reflected in the REN Group Code of Conduct which sets out the rules of ethics and professional conduct to be observed by all employees and members of governing bodies.

In the Code of Conduct, a commitment is made to repudiate child labour or forced labour in the form of slavery, promoting respect for human rights, labour and freedom of association and actively participating in social and cultural initiatives, promoting more active and responsible citizenship. Additional information on the commitments taken on in this regard can be found in subchapter 4.4.1 Ethical culture and fight against corruption.

REN expects its suppliers to pledge to observe the Conventions of the International Labor Organization (ILO), declaring and guaranteeing that their workers fully enjoy all the rights and duties set out in national legislation and in International Conventions, without any restriction. No kind of abuse or violation of fundamental human rights by suppliers is tolerated, nor is any tolerance on their part for possible abuses or violations they witness. REN Group suppliers undertake to make their best efforts to implement sustainability policies and to promote levels of requirement equivalent to those of the Supplier Code of Conduct in relation to their suppliers, service providers and subcontracted entities. Failure to comply with the Supplier Code of Conduct may result in termination of our relationship with the supplier, depending on the severity of the violation and the specific circumstances. By adhering to this code, the supplier accepts REN's right to carry out audits at its facilities, both with regard to the Supplier Code of Conduct and the REN Group Social Responsibility Policy (further detail can be found on the supplier management model in subchapter 4.3.2 Supply chain management).

In 2024, REN continued working on implementing a formal Due Diligence process. Although the Due Diligence Directive (CSDDD) is not directly applicable to REN, the Group opted to carry out an in-depth gap analysis and established an action plan to ensure progressive alignment with the directive. See more information in chapter 4.1.3 Due diligence process.

Corruption, Taxation and Fair Competition

The REN Group believes in a free market with a competitive and transparent environment for the provision of our services. Accordingly, at REN there is zero tolerance for any situation of corruption, influence peddling, receiving undue advantages or paying any benefits contrary to the laws and regulations of the Group and the sector (further detail on our commitment to comply with Anti-Corruption, Taxation and Fair Competition policies can be found in subchapter 4.4.1 Ethical culture and fight against corruption). In 2024, REN created the Compliance area, complementing internal auditing and risk management, strengthening its commitment to compliance, both internal and external.

In none of these areas were cases or convictions identified that represented a failure in the way REN manages the risks associated with Human Rights, Corruption, Taxation and Fair Competition.

The Final Report on Minimum Safeguards, published by the European Commission's Sustainable Finance Platform in October 2022, identifies four main topics where compliance with minimum safeguards must be defined: Human Rights, Corruption, Taxation and Fair Competition.

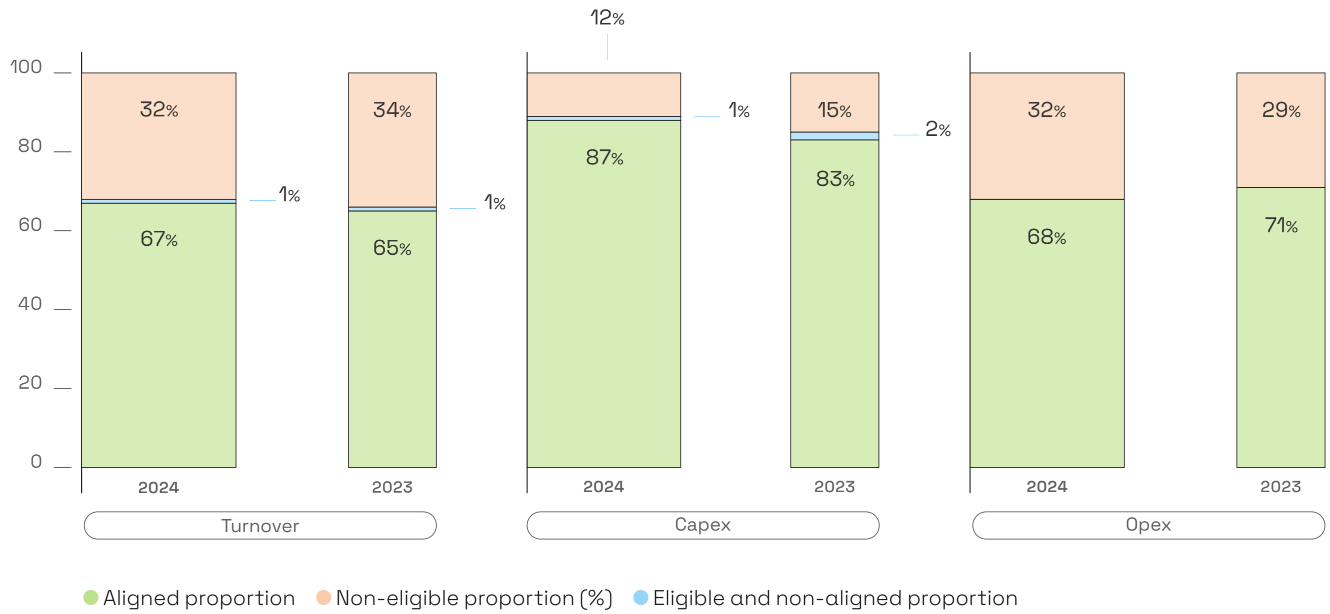
Disclosure of KPIs

The Taxonomy Regulation defines Key Performance Indicators (KPIs) for economically sustainable activities that should be reported by non-financial companies.

These include the proportion of turnover related to environmentally sustainable activities (Turnover KPI), the proportion of capital investment (Capex KPI) and the proportion of operational expenditure (Opex KPI) linked to these activities. Furthermore, companies are required to detail the accounting policies adopted to calculate these KPIs.

The chart below summarizes KPIs associated with REN's business in 2024, which are later detailed in the tables required by Article 8 of the Delegated Act:

↘ KPIs related to REN's activities in 2024



The table below shows the weighting of eligible activities in the abovementioned KPI in comparison with previous years:

↘ Weight of eligible activities by KPI

	TOTAL (M€)			PROPORTION OF ECONOMIC ACTIVITIES ELIGIBLE IN THE TAXONOMY (%)			PROPORTION OF ECONOMIC ACTIVITIES NON-ELIGIBLE IN THE TAXONOMY (%)		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Turnover	628.5	651.8	588.2	67.9	66.2	64.3	32.1	33.8	35.7
Capex	368.4	301.5	201.5	88.2	84.7	79.1	11.8	15.3	20.9
Opex	16.3	17.1	17.8	67.8	70.7	74.7	32.2	29.3	25.3

↘ Turnover

FINANCIAL YEAR 2024			YEAR	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DO NO SIGNIFICANT HARM)									
Economic activities (1)	Code (2)	Absolute turnover (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or elegible proportion of turnover (A.2), year 2023 (18)	Category — enabling activity (19)	Category — transitional activity (20)
		€	%	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCM 4.9 /CCA 4.9	421,832,699 €	67.1%	Y	N	N/ EL	N/ EL	N/ EL	N/ EL	Y	Y	Y	Y	Y	Y	Y	63.5%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A1)		**421,832,699 €**	67.1%	67%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	64.3%		
Of which, enabling		421,832,699 €	67.1%	67%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	63.5%	E	
Of which, transitional		- €	0.0%	0%						Y	Y	Y	Y	Y	Y	Y	0.8%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data processing, hosting and related activities	CCM 8.1 / CCA 8.1	5,044,716 €	0.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**5,044,716 €**	0.8%	1%	0%	0%	0%	0%	0%								0.0%		
A. Turnover of Taxonomy-eligible (A.1+A.2)		426,877,415 €	67.9%	68%	0%	0%	0%	0%	0%								64.3%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible (B)		201,587,057 €	32.1%																
Total (A + B)		**628,464,472 €**	**100.0%**																

Acronyms:
CCM: Climate change mitigation.
CCA: Climate change adaptation.
Y: Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective.
N: No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective.
N/ EL: Not eligible, Taxonomy non-eligible activity for the relevant environmental objective.

In 2024, 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.

Definition and reconciliation

The proportion of turnover is calculated as the share 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 2024, 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 denominator can be reconciled to the total income presented in Note 24 of the Notes to the consolidated financial statements, and the respective accounting policies are detailed in Note 3 (Revenue).

The numerator corresponds to the amount of the denominator resulting from taxonomy-aligned economic activities, detailed in the point Alignment analysis.

Additional information

Our annual turnover analysis covers only the economic activities associated with the revenue from sales and services provided to third parties, since intra-group transactions are removed when the consolidated accounts are prepared.

Annual turnover was allocated to taxonomy-aligned economic activities as follows:

- Included under activity 4.9 Transmission and distribution of electricity: the turnover of Group companies operating in the transmission of electricity, which involves REN Eléctrica, which operates in Portugal, and Transemel, which operates in the Chilean market.

Similarly, annual turnover was allocated to eligible economic activity which is not taxonomy-aligned as follows:

- Included under activity 8.1 Data processing, hosting and related activities: the turnover of RENTELECOM with regard to the provision of housing services.

The numerator is calculated using a sequential approach, where allocation to activities takes place in two stages: firstly, at company level, and secondly, at nature of service level. This process ensures that each combination of company and nature of service is assigned exclusively to a single activity, avoiding any duplication.

As detailed in the table above, we have considered the amounts included in the numerator according to their contribution to environmental objective 1. Climate change mitigation. There were no additional amounts to be included in the numerator solely according to environmental Objective 2. Adaptation to climate change.

↘ Capex

FINANCIAL YEAR 2024		YEAR		SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DO NO SIGNIFICANT HARM)									
Economic activities (1)	Code (2)	Capex (3)	Proportion of Capex, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or elegible proportion of turnover (A.2), year 2023 (18)	Category — enabling activity (19)	Category — transitional activity (20)
		€	%	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	317,675,791 €	86.2%	Y	N	N/ EL	N/ EL	N/ EL	N/ EL	Y	Y	Y	Y	Y	Y	Y	78.4%	E	
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14 / CCA 4.14	3,943,719 €	1.1%	Y	N	N/ EL	N/ EL	N/ EL	N/ EL	Y	Y	Y	Y	Y	Y	Y	0.5%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	- €	0.0%	Y	N	N/ EL	N/ EL	N/ EL	N/ EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	1,455,584 €	0.4%	Y	N	N/ EL	N/ EL	N/ EL	N/ EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Capex of environmentally sustainable activities (Taxonomy-aligned) (A1)		**323,075,094 €**	87.7%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	78.4%		
Of which, enabling		319,131,375 €	86.6%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	78.4%	E	
Of which, transitional		- €	0.0%	0%						Y	Y	Y	Y	Y	Y	Y	0.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	1,912,992 €	0.5%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A2)		**1,912,992 €**	0.5%	1%	0%	0%	0%	0%	**0%**								0.7%		
A. Capex of Taxonomy-eligible activities (A.1+A.2)		**324,988,086 €**	88.2%	88%	0%	0%	0%	0%	**0%**								79.1%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy non-eligible activities (B)		43,380,072 €	11.8%																
Total (A + B)		**368,368,158 €**	**100.0%**																

Acronyms:
CCM: Climate change mitigation.
CCA: Climate change adaptation.
Y: Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective.
N: No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective.
N/ EL: Not eligible, Taxonomy non-eligible activity for the relevant environmental objective.

Definition and reconciliation

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 to 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 2024, the denominator of our Capex KPI consisted of total annual additions to tangible and intangible fixed assets, including right-of-use assets.
The denominator can be reconciled to the total income presented in Note 8 of the Notes to the consolidated financial statements, and the respective accounting policies are detailed in Note 3 (tangible and intangible fixed assets and leasing operations).

In 2024, the numerator corresponded to the portion of the denominator associated with our taxonomy eligible and aligned economic activities detailed above in the point Alignment analysis, including activities for internal consumption by the Group, and the acquisition of the output of taxonomy eligible and aligned economic activities.

Additional information

In order to be included in the numerator, the denominator values are first analysed with respect to our economic activities which are eligible or taxonomy-aligned. Only when they do not qualify as such, are they assessed individually as to whether they result from purchase or production of an economic activity which is eligible or taxonomy-aligned, to avoid allocating them to more than one economic activity.

For eligible amounts resulting from the acquisition of the output of economic activities, we analysed the investments for which the suppliers provided us with the necessary information to confirm that the respective economic activity is taxonomy-aligned, including compliance with DNSH criteria and minimum safeguards, or otherwise we considered what could be directly assessed.

In 2024, annual Capex was allocated to taxonomy-aligned economic activities as follows:

- It was allocated to activity 4.9 Transmission and distribution of electricity: The total capex of the Group companies that operate in Electricity Transmission, more specifically, REN Eléctrica, whose business is in Portugal, and Transemel, which operates in the Chilean market. It was allocated in activity 7.6 Installation, maintenance, and repair of renewable energy technologies: The Capex of REN Gasodutos and REN Atlântico relating to the acquisition of panels to produce thermal and electrical power; and

- Included under activity 4.14 Transmission and distribution networks for renewable and low-carbon gases: The Capex of REN Portgás, REN Gasodutos and REN Armazenagem and REN Portgás relating to studies, equipment, and platforms for projects to prepare the infrastructure for the injection of renewable gases.

Similarly, annual Capex was allocated to eligible economic activities which are not taxonomy-aligned, as follows:

- Included under Activity 6.5 Transport by motorbikes, passenger cars and light commercial vehicles: The Group's Capex relating to the acquisition of vehicles through financial leasing contracts, which result from the acquisition of the output of eligible economic activities. These figures exclude those that have already been considered in the abovementioned activities.

  Of the investment in this activity which is included in the numerator, it was not possible to determine alignment with the Taxonomy.

The numerator is calculated through a sequential approach, where allocation to activities takes place in two stages: firstly, at company level, and secondly at the level of the investment project or direct acquisition. This process ensures that each combination of company and project/ nature of acquisition is assigned exclusively to a single activity, avoiding any duplication.

In 2024, the main investment included in the numerator of our Capex KPI associated with our aligned economic activities was 323.1 million euros in activities 4.9, 4.14 and 7.6, where the principal types of investment were the remodelling and construction of new lines and substations (241 million euros).

↘ Opex

FINANCIAL YEAR 2024			YEAR	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DO NO SIGNIFICANT HARM)									
Economic activities (1)	Code (2)	Opex (3)	Proportion of Opex, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or elegible proportion of turnover (A.2), year 2023 (18)	Category — enabling activity (19)	Category — transitional activity (20)
		€	%	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y; N; N/ EL	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCM 4.9 /CCA 4.9	11,019,640 €	67.8%	S	N	N/ EL	N/ EL	N/ EL	N/ EL	Y	Y	Y	Y	Y	Y	Y	74.7%	E	
Opex of environmentally sustainable activities (Taxonomy-aligned) (A1)		11,019,640 €	67.8%	68%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	74.7%		
Of which, enabling		11,019,640 €	67.8%	68%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	74.7%	E	
Of which, transitional		- €	0.0%	0%						Y	Y	Y	Y	Y	Y	Y	0.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A2)		-	0.0%	0%	0%	0%	0%	0%	0%								0.0%		
A. Opex of Taxonomy-eligible activities (A.1+A.2)		11,019,640 €	67.8%	68%	0%	0%	0%	0%	0%								74.7%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy non-eligible activities (B)		5,232,076 €	32.2%																
Total (A + B)		**16,251,717 €**	**100.0%**																

Acronyms:
CCM: Climate change mitigation.
CCA: Climate change adaptation.
Y: Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective.
N: No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective.
N/ EL: Not eligible, Taxonomy non-eligible activity for the relevant environmental objective.

Definition

The proportion of operating expenditure is defined as taxonomy-aligned Opex (numerator) divided by total Opex: (denominator). Pursuant to the Taxonomy Delegated Act Article 8, total Opex consists of direct costs not capitalized during the year relating to research and development, building renovation measures, short-term leases, maintenance and repair, and other direct expenditure relating to the day-to-day 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 allow taxonomy-eligible economic activities to become taxonomy-aligned; or

C) is related to the acquisition of the 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 2024, our Opex KPI denominator included 16.3 million euros in maintenance and repair expenditure, recognized in accordance with the accounting policy detailed in Note 3 (Fixed tangible and intangible assets) of the Notes to the consolidated financial statements.

The amounts above are included in our consolidated statement of income under “External supplies and services” (Note 27 of the Notes to the consolidated financial statements). Amounts under the heading “Personnel costs” are not included, since they do not incorporate costs of natures that meet the definition of total Opex in the taxonomy.

In 2024, the numerator corresponded to the portion of the denominator associated with our taxonomy-aligned economic activities, detailed above in the point Alignment Analysis, including activities for internal consumption by the Group. Training costs are not included in the Opex KPI, as such inclusion is not provided for in the denominator.

Pursuant to the Taxonomy Delegated Act Article 8, total Opex consists of direct costs not capitalized during the year relating to research and development, building renovation measures, short-term leases, maintenance and repair, and other direct expenditure relating to the day-to-day servicing of tangible fixed assets necessary to ensure the continued and effective functioning of such assets.

Additional information

In order to be included in the numerator, the denominator values are first analysed with respect to our economic activities which are eligible or taxonomy-aligned. Only when they do not qualify as such, are they assessed individually as to whether they result from the acquisition of the output from a taxonomy-aligned economic activity, so as to avoid allocating them to more than one economic activity.

Annual Opex was allocated to taxonomy-aligned economic activities as follows:

The numerator is calculated using a sequential approach, where the allocation to activities takes place in two stages: firstly, at company level, and secondly, at nature of expense level. This process ensures that each combination of company and nature of expense is assigned exclusively to a single activity, avoiding any duplication.

Included under activity 4.9 Transmission and distribution of electricity is the Opex of Group companies working in the transmission of electricity, involving REN Eléctrica, which operates in Portugal and Transemel, which operates in the Chilean market.

↘ Eligibility and alignment by environmental objective and KPI

PROPORTION OF TURNOVER/ TOTAL TURNOVER		
	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	67.1%	67.9%
CCA	0%	67.9%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

PROPORTION OF CAPEX/ TOTAL CAPEX		
	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	87.7%	88.2%
CCA	0%	88.2%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

PROPORTION OF OPEX/ TOTAL OPEX		
	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	67.8%	67.8%
CCA	0%	67.8%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

↘ D. Model 1 of the Complementary Delegate Act (activities related to nuclear energy and fossil gas)

The Taxonomy Regulation, through Delegated Act Article 8, also requires non-financial entities to disclose the templates associated with activities related to nuclear energy and fossil gas. REN does not carry out activities related to these activities and discloses below the Model 1 required by the aforementioned Delegated Act.

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

Sustainability statement

Contribution to SDG

13 CLIMATE ACTION
15 LIFE ON LAND
17 PARTNERSHIPS FORTHE GOALS

4.2 ENVIRONMENT

4.2.2 CLIMATE CHANGE

Fully aware of our role in the energy transition, REN is committed to contribute to a fair and sustainable transition, adopting good environmental practices that reduce emissions in its operations and throughout the value chain, as well as promoting Natural Capital.

Main actions

REINFORCING THE EMISSIONS REDUCTION TARGETS FOR SCOPES 1, 2 AND 3

INSTALLATION OF 2.8 MW OF SELF-CONSUMPTION SYSTEMS PHOTOVOLTAIC AND SOLAR THERMAL

CERTIFICATION OF THE INFRASTRUCTURE TO TRANSMIT, DISTRIBUTE AND STORE MIXTURES OF HYDROGEN WITH NATURAL GAS

ONGOING STRENGTHENING OF ALIGNMENT AND TRAINING FOR SUPPLY CHAIN

Main targets

-60% **SCOPE 1 AND 2 EMISSIONS BY 2030** (COMPARED TO 2019)

-30% **SCOPE 3 EMISSIONS BY 2030** (COMPARED TO 2021)

CARBON NEUTRALITY IN OPERATIONS BY 2040[20]

REDUCTION IN ENERGY CONSUMPTION BY 35% BY 2030[21] (COMPARED TO 2021)

REDUCTION IN WATER CONSUMPTION BY 40% BY 2030 (COMPARED TO 2022)

[20] Scope 1 and 2.

[21] Excluding energy losses in very high voltage transmission lines and self-consumption from RES.

Key metrics

112,167 tCO_2eq **EMISSIONS** (SCOPES 1 AND 2)

65,951 tCO_2eq **EMISSIONS** (SCOPE 3)

1,280,746 MWh **ENERGY CONSUMED** 172.980 MWH ENERGY CONSUMED EXCEPT RNT LOSSES AND SELF-CONSUMPTION (RES)

17,328 m^3 **OF WATER CONSUMED**

About the future

STRENGTHENING OF OUR INVOLVEMENT AND COMMITMENT IN THE SUPPLY CHAIN DECARBONIZATION AND ALIGNMENT WITH SCIENCE BASED TARGETS

ACHIEVE 5 MW OF INSTALLED POWER AT SELF-CONSUMPTION FACILITIES BY 2025 AND REINFORCEMENT OF DECARBONIZATION INITIATIVES IN ELECTRICITY AND GAS ASSETS

IMPLEMENTATION OF THE FIRST COMMERCIAL SPEED-E ELECTRIC MOBILITY SOLUTION IN 2025

FIRST INJECTION OF BIOMETHANE IN 2025 INTO GAS INFRASTRUCTURE

Impacts, Risks and Opportunities (IROs)

In our business, and due to climate change, REN can contribute to positive and negative impacts and be subject to risks and opportunities:

IMPACT

POSITIVE

Contribution to a Net-Zero economy	REN plays an active role in the energy transition, promoting the electrification of the economy and the integration of renewable energy sources into the grid, with the aim of transmitting and distributing clean energy which is free of greenhouse gas (GHG) emissions. The installed capacity of Renewable Energy Sources (RES) in the mainland Portugal National Electricity System (SEN) increased by 2 p.p. in 2024 (from 79% to 81%) and the production of electricity from RES, with respect to final consumption, increased from 61% in 2023 to 70% in 2024. With respect to renewable gases, in 2024 REN concluded the process to certify the transmission, distribution and storage infrastructure for mixtures of hydrogen with natural gas, meeting the decarbonization objectives set by the Portuguese Government (mixtures of hydrogen with natural gas, up to 10% in the National Gas Transmission Network (RNTG) and in the Carriço underground storage facility (Carriço US), and up to 20% in the National Gas Distribution Network operated by REN Portgás. In 2024, REN also developed initiatives with potential bio-methane promoters to assess injection conditions and concluded the process, as an entity issuing Guarantees of Origin (EEGO), which allows certificates for gases of renewable origin to be issued, as is already the case with electricity.
Measures to reduce, absorb, and/ or offset GHG emissions from the value chain	As part of our decarbonization strategy, we prioritize the reduction of GHG emissions, including reducing methane and SF_6 emissions. For emissions that cannot be eliminated, we focus on offsetting through projects which focus on the absorption and/ or offsetting of GHG emissions. For the head office, Guarantees of Origin were acquired for all the electricity consumed - 1,250 MWh. SAF (Sustainable Aviation Fuels) were also used, offsetting 1,851 kg of CO_2 when travelling by plane.

NEGATIVE

GHG emissions from REN activities and value chain	REN is committed to a reduction of 60% in emissions from operations (scope 1 and 2) by 2030, and a reduction in scope 3 emissions of 30%. A further aim is to achieve carbon neutrality of operations in 2030.

RISKS

Occurrence of extreme climate events	Since extreme weather events (river and coastal flooding, fires, landslides, high winds, etc.) are increasingly recurrent, REN may see an increase in Opex and/ or Capex for the repair, maintenance and replacement of assets. As part of our strategy, we consider adaptation measures that include forest management practices for fuel breaks and areas adjacent to technical facilities in alignment with the new National Plan for the Integrated Management of Rural Fires. We are also adapting infrastructure, reinforcing metallic structures and their foundations, as well as cables and guards. We have also implemented an integrated surveillance system to protect REN and forestry assets in areas adjacent to equipment and are developing a decision support centre (CENTRODEC) providing multi-sensory data to protect both the forest and REN infrastructure.
Slower-than-expected growth in connections to renewable energy sources	The slower-than-expected growth of renewable electricity production and renewable gases may pose a risk to REN and may result in delays in investment in the National Electricity Transmission Network (RNT) infrastructure and the National Gas Transmission Network (RNTG), impacting on revenue. Moreover, delays in the approval of both investment and implementation plans by the granting entity or other responsible entities may impact on compliance with agreements established with promoters. Delays could also impact on decarbonization and goals to combat climate change, in particular on the emission reduction targets set out in the National Energy and Climate Plan 2030 (PNEC 2030) and targets set by REN.

OPPORTUNITIES

Development and/ or expansion of low-carbon products and services	Increasing demand for low-carbon products and services could lead to an increase in revenue due to growth in the regulated asset base, through investments in the RNT and RNTG and the integration of renewable energy sources into the grid.
Use of green financing techniques (e.g., Green Bonds)	Opportunities arising from the use of green financing instruments, such as the issuance of green bonds, to obtain more favourable financing to develop projects such as those relating to renewable energy, energy efficiency, green buildings and clean mobility. See sustainable financing framework.
Hydrogen infrastructure	The development of activities related to renewable gases, such as hydrogen, represents a strategic opportunity for REN. So much so that its strategy includes two pillars: adapting existing infrastructures to integrate green hydrogen and developing infrastructures exclusively dedicated to hydrogen. In 2024, REN completed the independent third-party certification process for the transmission, distribution and storage infrastructures for hydrogen and natural gas mixtures. In addition to existing infrastructure, REN is also currently developing and certifying the roadmap for conversion to 100% hydrogen (H_2). This will place the National Gas System (SNG) infrastructure at the service of the goal to decarbonize the economy. REN is also developing the H2 Green Valley Agenda, which provides for the construction of H_2 transmission, compression, and injection infrastructure in the RNTG with the aim of developing the first 100% H_2 green hub in the Sines Industrial and Logistics Zone. We are also developing H2med which is a transnational initiative involving Portugal, Spain, France, and Germany to interconnect the Iberian Peninsula hydrogen network to Northwest Europe.

The development of activities related to renewable gases, such as hydrogen, represents a strategic opportunity for REN.

Management of climate-related impacts, risks, and opportunities

Climate scenario analysis

REN addresses climate risks and opportunities in line with several international references, including recommendations from the Task-Force on Climate-related Financial Disclosures (TCFD). The process to diagnose climate-related risks and opportunities was conducted in 2023 and revised in 2024. The goals are to identify, characterize, prioritize and quantify the most relevant climate-related risks and opportunities with a potential financial impact on the business. To provide a more holistic analysis of context, and on the basis that European electricity and gas transmission system operators, although with the natural geographical and political specificities of their countries, are in general working to contribute to the green energy transition, a benchmarking analysis was carried out on operators which we believe are similar. This analysis allowed us to calibrate our findings.

The relevant risks were identified based on historical and future trends as well as through the collaboration of internal and external experts.

Energy policy and GHG reduction targets are set for the medium and long-term, so even if there are changes that will impact on energy systems, such as recent regulations to reduce fluorinated gases (particularly SF_6 in the case of electrical infrastructure) or methane emissions in relation to gas infrastructures, they remain reasonably up to date. However, periodic analysis and review may be required due to possible changes in physical risks, energy policy or technological developments.

The relevant risks were identified, based on historical and future trends, as well as through the collaboration of internal and external experts. Risks and opportunities were classified in accordance with TCFD recommendations and relevance was based on an assessment of the "likelihood of occurrence" and the "magnitude of impact" of each risk. The first is the likelihood of the risk taking place and the second is the quantification of the damage that the risk could cause to REN, based on internal (financial) assessment criteria set out in the REN Corporate Risk Management Methodology. There is also a hierarchy related to risk management - risk owner - and periodic supervision of risks. See chapter 2.3 Risk management.

In accordance with TCFD recommendations to model physical impacts, REN based the analysis on the scenarios developed by the IPCC (2021) - Climate Change 2021: The Physical Science Basis. The Working Group I Contribution to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change and to model the impacts of transition to a low-carbon economy, the scenarios developed by the International Energy Agency - World Energy Outlook (IEA 2024), the PNEC 2030 (National Energy and Climate Plan) and the NRA 2100 (National Roadmap for Adaptation 2100) 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 and increase of ~4,0ºC - compared to the pre-industrial era. These two trends correspond to the two REN scenarios, which were aligned with the main references, the 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 timeframes, whenever possible, the diagnosis of climate risks and opportunities analysed the current timeframe, the medium-term (~2030) and the long-term (~2050).

These scenarios provide a better understanding of climate impacts for REN under two possible distinct future frameworks:

- The continued ambitious trajectory to reduce GHG emissions, through political (e.g., public commitments, climate regulation and legislation), technological, financing, reputational, and behavioural drivers, where the main climate risks of transition have greater preponderance; and
- A lowering of public policy in relation to the efforts required to reduce GHG emissions, together with insufficient funding for climate policies, low pressure and reduced consumer interest, slow technological development with a consequent increase in physical climate risks (acute and chronic).

Risks and opportunities affecting REN business

As the concessionaire of strategic energy infrastructure to attain public policy objectives, and based on the current framework, REN mapped out the challenges and uncertainties potentially impacting on our activity, more specifically, impacts arising from climate-related risks and opportunities. Through this process we identified, characterized, prioritized, and quantified the most relevant risks and opportunities. Portugal's commitments to reduce GHG will involve considerable investment in electricity and gas infrastructure and provide an important opportunity. However, possible new regulations and restrictions (transition risks) and more frequent and extreme weather events (physical risks) pose general risks.

Set out right are the climate risks and opportunities that affect REN's business, based on the current environment (further details on risks and opportunities as well as the main measures for adapting to and mitigating such risks and managing and realizing opportunities are available in Annex 6 - TCFD recommendations).
In addition to the qualitative component, this process, carried out in accordance with TCFD recommendations and methodology, also presents the financial quantification of the impacts associated with climate-related risks and opportunities.

Despite the targets set by PNEC 2030, there is still some uncertainty surrounding challenges relating to the pace of growth in electricity consumption, potential drivers of continued and strong investment in new renewable power, incentives for the development of renewable gases, the speed of construction/ adaptation of infrastructure, and the construction of dedicated infrastructure

	RISK/ OPPORTUNITY CATEGORY	AGENT OF RISK/ OPPORTUNITY	POTENTIAL IMPACT			TIMEFRAME
				MINIMUM	MAXIMUM	
TRANSITION RISKS	**Political/ legal:** Current/ emerging regulations **Activity:** Electricity	**Regulations of existing products and services:** Regulation on Fluorinated Gases, which leads to the future discontinuation of the use of SF_6.	Increase in Capex (replacement of equipment containing SF_6).	🟢	🟠	Medium-term
	Political/ legal: Emerging regulations **Activity:** Gas	**Mandates and regulations for existing products and services** Depreciation of RNTG assets should the decarbonization process in the gas sector, through the introduction of renewable gases, be slow and low-scale.	Reduction in the value/ useful life of assets leading to their depreciation or early withdrawal.	🟢	🟢	Long-term
PHYSICAL RISKS	**Severe:** Extreme climate events **Activity:** Electricity and Gas	**Extreme weather events** (wind, storms, ice formation, etc.), with physical impact on REN's assets, in particular the RNT infrastructure.	Increase in Opex/ Capex in repair, maintenance, and replacement of assets.	🟢	🟢	Current, medium and long-term
	Severe: Extreme climate events **Activity:** Electricity and Gas	**Extreme weather events** (fires), with physical impact on REN assets, in particular on the RNT infrastructure.	Increase in Opex/ Capex in repair, maintenance, and replacement of assets.	🟢	🟢	Current, medium and long-term
CLIMATE-RELATED OPPORTUNITIES	**Products and services** **Activity:** Electricity	**Development and/ or expansion of low-carbon products and services:** development and new investment in the RNT to enable the energy transition (integration of RES).	Increased revenue associated with higher demand for products and services: increased annual revenue due to growth in the REN regulated asset base (REN investment in the RNT to integrate RES).	🟠	🟠	Medium-term
	Products and services **Activity:** Gas	**Development and/ or expansion of low-carbon products and services:** development and new investment in gas concessions to enable the energy transition (integration of RES - renewable gases such as H_2 and biomethane).	Increased revenue associated with higher demand for products and services: increased annual revenue due to growth in the regulated asset base (REN investment in the RNTIAT and the Distribution Network to integrate RES).	🔵	🟠	Medium-term
	Mercados: Access to new markets **Activity:** Electricity	**Access to new markets (unregulated business)** development of new solutions promoting decarbonization (SPEED-E).	Increased revenue associated with increased demand for products and services: increased revenue associated with the SPEED-E project.	🟢	🟢	Medium and long-term

Caption of potential financial impact: 🟢 <25 M€ 🟣 25-50 M€ 🔵 50-75 M€ 🟠 > 75 M€

for 100% hydrogen or even different climate scenarios. In addition to our commitments to decarbonization which have a positive impact on sustainable financing policy, REN also actively participates in the main national and international forums where major trends are addressed and discussed, adapting investment plans to the needs of public policy and regulations.

Climate change and integration of renewable energy sources

We recognize the complexity of the challenges we face against a background of unprecedented climate and environmental crisis, where climate change is exacerbating social inequality. Therefore, we are committed, within our sphere of action, to promoting an energy transition that is fair and balanced, contributing to sustainable solutions that benefit society as a whole.

The need to accelerate the energy transition, vital if we are to mitigate climate change, puts the energy sector at the forefront of the challenges to develop and adapt to this transition. The aim is to limit global warming to 1.5°C, improving resilience and security in supply and promoting the country's energy independence.
As a facilitator of the energy transition, REN contributes to an integrated approach as a concession manager in the two energy systems (electricity and gas) and actively collaborates in the national goal to decarbonize energy. Our work also focuses on meeting Group commitments to reduce our own emissions. With this in mind, REN is implementing a robust investment plan aligned with the targets set out in nationally determined contributions (NDCs), covering electricity and gas systems.

> The need to accelerate the energy transition, essential for mitigating climate change, places the energy sector at the forefront of this challenge.

This plan includes strategic initiatives to:

i) increase the injection of renewable gases, such as green hydrogen and biomethane, into gas transmission and distribution networks;

ii) facilitate the integration of new RES capacity into the electrical system;

iii) adapt infrastructure to climate change;

iv) reduce emissions, both direct as well as those in the value chain; and

v) increase energy efficiency measures.

ESRS E1-1

In line with the public policy objectives set out in the National Energy and Climate Plan 2030 (PNEC 2030), the implementation of this plan faces significant challenges, including authorization to execute projects and ensure the availability of the materials, equipment and service providers required for the high volume of investment.
The supply chain decarbonization becomes an additional challenge, especially as investment increases. To mitigate this risk, REN has launched the Sustainability Academy with the aim of accelerating our suppliers decarbonization and has also made it mandatory for relevant suppliers to report emissions (primary data) and provide environmental product declarations (EPDs) or the Environmental Product Declaration Form (EPDF).

REN is also developing initiatives within the circular economy, promoting increased incorporation of recycled materials into the equipment acquired, helping reduce the carbon footprint. Decarbonization initiatives target REN's assets with different perspectives, timeframes and challenges. For example, equipment with SF_6 (sulphur hexafluoride) has been the target of operational programmes through strict monitoring and repair of leaks. Replacement of this equipment is in line with the new regulations for fluorinated gases. For gas assets, in addition to the detection, quantification and repair of methane leaks, we have implemented Self-consumption production unit (UPAC) installation programme to reduce gas consumption, covering gas regulating and metering (GRMS), underground storage and the Liquefied Natural Gas Terminal (LNGT). Moreover, energy efficiency programmes are also underway in gas assets, particularly with regard to the GRMS, through the replacement of boilers at the end-of-life cycle with leak-proof boilers and water pumps with more efficient variable-speed equipment.
There is also increased monitoring of these assets via sensors to quantify the impact of the energy efficiency measures.
REN's fleet has also been the target of improved energy and environmental efficiency. When assets are replaced, electric or plug-in hybrid vehicles are acquired.

Despite this challenging scenario, we believe that the emissions reduction targets for the medium and long-term will not be compromised. With respect to emissions, from losses in electricity and gas systems, the increasing incorporation of RES, especially in the electrical system, and the robust programme for monitoring and repairing potential methane emissions, should allow our emission reduction targets to be met.

ESRS E1-2

The NTND and (PDIRT) for 2022 and 2024, submitted by REN, outline several adaptation initiatives aimed at enhancing infrastructure resilience to the impacts of climate change.

Policies related to climate change mitigation and adaptation

In line with the Paris Agreement, REN aims to contribute to the goal to limit global warming to 1.5°C, and to increase the resilience of infrastructure and the land we use for Right-of-Way and locating facilities.

REN acts as a facilitator in the energy transition, integrating renewable energy sources into the energy transmission and distribution networks, maintaining our commitment to security of supply, quality of service and the decarbonization of our activities.

The Sustainability Policy reflects our sustainability areas of action, particularly with regard to adapting to and mitigating the effects of climate change. The Group also applies the principles set out in our Social Responsibility Policy Declaration on our role as a catalyst for the development of RES. We also apply the principles in our Quality, Environment, and Safety Policy on the minimization of environmental impacts arising from our activities, promoting the rational use of natural resources, prevention of pollution and support for the development of renewable energies sources.

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, the National Transmission Network Development and Investment Plan (PDIRT) for 2022 and 2024, submitted by REN, includes several adaptation initiatives, the implementation of which will lead to increased infrastructure resilience with regard to the effects of climate change.

These adaptation measures focus on the infrastructure, with reinforcements of metal structures and their foundations, and upgrading of conductor cables and shields guards so as to converge with the European and Portuguese NP EN 50 341 standard.

Furthermore, REN adaptation policies consider forestry management practices for fuel breaks 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 creation of the National Forest Fire Defence System, Fuel Break Management Networks were established where REN plays an active role in keeping corridors clean, thus helping increasing the resilience of this land.

REN also prioritizes reforestation with native species, which is more adapted and resilient to the local environment.

With the use of LIDAR (Light Detection and Ranging) flights, which allow three-dimensional representations of vegetation in Right-of-Way to be created, we have improved and implemented new methodologies that facilitate the planning of vegetation management based on different levels of priority and risk for infrastructure. Additionally, innovative initiatives have been developed such as the rePLANT project involving the installation of cameras (video, thermal and optical), which together with a weather station and specific algorithms, enables real-time imaging to monitor, protect and anticipate the impacts of rural forest fires.

ESRS E1-2

Decarbonization initiatives

As part of the 2024 Capital Markets Day (CMD), we reinforced our decarbonization objectives and presented an ambitious plan that foresees an increase of up to 70% in investment for the period 2024-2027, compared to 2021-2023. This investment will be mainly in the expansion of the electricity grid, essential for integrating new renewable energy sources into the national electricity system. This plan is complemented by the modernization, resilience and adaptation of infrastructure, but also by adapting current gas infrastructures for the introduction of green hydrogen and the construction of dedicated H_2 infrastructure, and the introduction of biomethane.

The gradual implementation of the Circular Economy Strategy has a potential impact on areas three, four and five and the ongoing strengthening of nature-based initiatives in areas three and five.

The results of these actions vary according to the relevance of each initiative in REN's carbon inventory and in relation to the uncertainty of some of the initiatives. This uncertainty stems from external factors, such as increased production of renewable gases and the availability of possible incentives for production. Uncertainty also arises in relation to the decarbonization of the supply chain, which depends on the technological progress of more efficient and heavy vehicles and equipment which are available at competitive prices.

REN defines initiatives in five decarbonization areas:

AREA	INITIATIVES	COMMITMENTS 2030
1) NATIONAL ELECTRICAL SYSTEM	1.1) contribute to the reduction of the emission factor (gCO_2eq/ kWh) of transmitted electrical energy[22] through an investment programme to construct, expand, and remodel the electricity transmission infrastructure, allowing increased integration of new RES, in line with the PNEC targets and, as such, to reduce emissions from losses in electricity transmission.	Reduction of more than 80% of the emission factor, compared to 2021
2) NATIONAL GAS SYSTEM	2.1) integration of renewable gases into the National Gas System (SNG), through the development of hydrogen valleys and the adaptation of infrastructures for blending hydrogen mixtures with natural gas and interconnection projects with the European grid.	Facilitator in the integration of projects, in alignment with the schedule of promoters
	2.2) connection of biomethane producers to the transmission and distribution infrastructure, based on requests for connection to the network and the Biomethane Action Plan.	
3) ADMINISTRATIVE BUILDINGS, TECHNICAL AND PROCESSING FACILITIES, INFRASTRUCTURE AND OPERATIONS	3.1) reduction of methane emissions through the implementation of programmes aligned with the good practices of the OGMP 2.0 (Oil & Gas Methane Partnership 2.0), with the obligations arising from the European regulation on the reduction of methane emissions and improvement of current methodologies and processes, and increasing the frequency of monitoring and reducing the time between the identification and repair of leaks.	Reduction of 30% compared to 2023
	3.2) in addition to the purchase of new SF_6 free equipment, mitigate of SF_6 emissions through monitoring and repair programmes.	Reduction of 50% compared to 2023
	3.3) installation of self-consumption systems in administrative buildings and technical installations.	Installation of 15 MW of renewable capacity
	3.4) reduction of energy consumption at REN (except for RNT losses and renewable energy produced for self-consumption), including energy efficiency measures.	Reduction of 35% compared to 2021
	3.5) reduction of water consumption in administrative buildings and technical facilities.	Reduction of 40% compared to 2022
4) MOBILITY	4.1) reduction of fleet emissions per km travelled through the gradual electrification and/ or incorporation of renewable fuels.	Reduction of 50% compared to 2021
5) SUPPLY CHAIN	5.1) implementation of the Sustainability Academy for suppliers, providing knowledge and skills to calculate carbon inventory and the respective support tools, ensuring alignment with REN objectives.	100% participation in relation to companies whose purchases are eligible
	5.2) higher level of requirement in tenders for decarbonization, particularly with regard to the obligation to report primary emissions, the installation of "green" sites and the gradual introduction of more decarbonized vehicles, machinery and equipment.	90% of primary emissions from eligible purchases

ESRS E1-1 ESRS E1-3 ESRS E1-4

[22] The Electricity Emission Factor transported by the RNT is calculated taking into account emissions from domestic production and energy imports and is used to calculate emissions resulting from losses in the RNT.

I Integrated management report
II
III

In this scenario, the results forecast for 2030 will be updated in future years as more up-to-date information becomes available.

REN recognizes that the integrated adaptation of gas and electricity infrastructure is crucial for promoting the country's energy decarbonization.

Decarbonization of infrastructures

The electricity and gas sectors face unprecedented challenges, not only in the urgency of decarbonization, but also in responding to increasingly demanding environmental requirements, and community and supply chain engagement.

REN, as a concessionaire of key energy infrastructure plays a core role in meeting the targets set by national energy policy, including those set out in PNEC 2030. Aware of this role, REN recognizes that the integrated adaptation of gas and electricity infrastructure is crucial for promoting the country's energy decarbonization and for achieving Group commitments to reduce emissions.

The fast pace of the energy transition requires that new infrastructure be built and that existing infrastructure be adapted, while also ensuring the uninterrupted supply of power throughout the country. For REN, this mission is intrinsically linked to our commitment to engage and promote the development of the communities where we work, meeting high standards of environmental protection, conservation and restoration, consolidating our role as an environmentally responsible company.

At the same time, REN invests in the ongoing development of innovation projects, some of which focus on emerging areas such as sustainability, the circular economy, hydrogen and renewable gases, digitalization, and cybersecurity. These initiatives, implemented in several Group companies, play a vital role in achieving the energy transition. REN prioritizes solutions to improve land resilience, such as reforestation with native species in Right-of-Way, the use of nature-based solutions and the engagement of the supply chain in our decarbonization strategy. We also revisit basic engineering projects, reinforcing adaptation and mitigation measures that promote decarbonization.

In accordance with the PNEC 2030, it is expected that RES will account for 93% of electricity consumption (compared to 61% in 2023 and 70% in 2024) and 10% of biomethane in the conventional gas market. Also expected is the development of hydrogen hubs and the injection of H_2 into the gas transmission and distribution infrastructures.

As an entity issuing Guarantees of Origin (EEGO), REN concluded the process which allows certificates for gases of renewable origin (hydrogen and methane) to be issued, as is already the case with electricity. In 2024, the gas sector joined the Association of Issuing Bodies (AIB), allowing the import and export of these Guarantees of Origin within Europe. In 2025, Guarantees of Origin for low-carbon off-grid and non-renewable gases are expected to start. Auctions of Guarantees of Origin for gases of renewable origin are also expected.

93%

RES expected
in electricity consumption by 2030

10%

Biomethane
in the conventional gas market by 2030

150 M
Guarantees of Origin issued in Portugal since 2020

+2,166 MW
RES capacity in the SEN between 2022-2024

70%
Of RES in electricity consumption in 2024

9 p.p.
higher than in 2023

EEGO started activity in March 2020 and currently has more than 445 companies registered in its system (including producers, traders and brokers) and 1,104 facilities that certify their electricity production on a monthly basis. Since 2020, more than 150 million Guarantees of Origin have been issued in Portugal.

In relation to the National Electric System, in July 2021, auctions of Guarantees of Origin for production benefiting from a subsidized remuneration regime were started, and since then a total of 84.6 million Guarantees of Origin have been auctioned, resulting in net total revenue for Portuguese consumers of around 198 million euros.

Decarbonization of the electric sector
In the last three years, from 2020 to 2024, RES capacity in the Mainland Portugal National Electricity System, compared to total power installed, grew by 2 p.p. (from 79% to 81%), corresponding to an increase of 2,166 MW see sub-chapter 1.2 Electricity.

If we compare this figure with the last five years (2019 to 2024), the result is even more impressive (from 69% to 81%, an increase of 4,345 MW), thus confirming the speed of introduction of renewable power into the SEN.

The emission factor for electricity transmitted in the RNT from electricity produced in mainland Portugal and imports from mainland Spain has also seen a significant reduction over the last five years (-68%, from 162 gCO_2/ kWh in 2020 to 52 gCO_2/ kWh in 2024). This is also the case in the last ten years (-80%, from 257 gCO_2/ kWh in 2014).

Portugal has maintained a sustainable trajectory in the gradual incorporation of local renewable sources, with new maximum figures recorded in 2024 see sub-chapter 1.2 Electricity, more specifically, the 70% of RES in electricity consumption (9 p.p. greater than in 2023). Our primary objectives of supply security and quality of service were also maintained.

Despite the increase in new solar and wind power plants and the diversification of renewable sources, the path to the decarbonization of the national electricity system remains highly dependent on annual hydro production, which in the last decade alone varied between 5.6 TWh in 2017 (Hydro Production Index[23] of 0.74) (representing 11% of consumption) and 14.5 TWh in 2024 (Hydro Production Index of 1.16) (representing 28% of consumption). With the effects of climate change, and although a sharp annual increase in renewable power is expected, this dependence can lead to significant variations in total renewable production in dry years (HPI well below 1).
In very dry years, the reduction in renewable production, coupled with an increase in consumption, can result in a higher emission factor and emissions from network losses. However, from a medium and long-term perspective, it is expected that the trend towards lower emissions from losses will continue, typically described as a 'straight' downward slope, but with a 'sawtooth' pattern, where the peaks correspond to dry years and the troughs to wet years, reflecting the impact of hydro variability.

[23] HPI - Hydro Production Index.

Decarbonization of the gas sector (renewable gases)
REN's strategy for renewable gases is based on two main pillars: The adaptation of existing infrastructures to transmit renewable gases, either mixed with natural gas or 100% H_2 or biomethane, and the development of infrastructure exclusively for hydrogen to meet the needs of a still emerging market. In 2024, REN completed the independent third-party certification process for the transmission, distribution and storage infrastructure for hydrogen and natural gas mixtures, complying with the decarbonization targets set by the Portuguese Government to be able to integrate hydrogen mixtures of up to 10% into the National Gas Transmission Network (RNTG) and in the Carriço underground storage (Carriço US), and up to 20% in the National Gas Distribution Network (NDG Gas).

As the public service concessionaire for this infrastructure, the REN Group, through this certification, complies with the provisions of Decree-Law No 62/2020, of 28 August 2020, the National Gas Transmission Network Regulations (Order No 806-C/2022), the National Gas Distribution Network Regulations (Order No 806-B/2022) and the Regulations on the Underground Storage of Gas in Natural Salt Caverns (Order No 1112/2022).
Also, with regard to existing infrastructure, REN is currently developing and certifying the roadmap for conversion to 100% H_2, a process that is expected to be completed in 2025. This will place the SNG infrastructure at the service of the goal to decarbonize the economy.

As part of the 100% H_2 infrastructure pillar, REN is developing two projects:

The **H2 Green Valley Agenda**, funded by the Recovery and Resilience Plan (PRR), provides for the construction of H_2 transmission, compression and injection infrastructure in the RNTG with the purpose of developing the first 100% H_2 green hub at the Sines Industrial and Logistics Zone.

This Agenda is led by REN with the participation of other relevant partners. The main objective is to create a shared access infrastructure between the multiple 100% green hydrogen production and consumption projects and the development of a pilot project to assess the technical and economic viability of the supply of 100% H_2. Also addressed is the entire R&D support component, such as sensors, simulation and development of the equipment which is vital to the planning and operation of this type of infrastructure.

Moreover, REN is also assessing the technical and economic viability of developing other valleys in other industrial areas in the country. We are also developing the H2med project with a view to promoting the possible export of green H_2 produced in Portugal to central Europe via Spain.

H2med is a transnational initiative by Portugal, Spain, France and Germany to connect the hydrogen networks of the Iberian Peninsula to North-West Europe. It aims to develop the existing potential for competitive green hydrogen production in the Iberian Peninsula for export to central Europe and to contribute to the creation of physical conditions for Europe to meet the decarbonization and reindustrialization objectives set for 2030.

The H2med corridor consists of a range of infrastructure, including:

- The hydrogen interconnection between Portugal and Spain, CelZa (Celorico da Beira - Zamora), with transmission capacity of up to 0.75 Mt/year; and
- Sea pipeline, BarMar (Barcelona - Marseille), to connect Spain with France, with a capacity of 2 Mt/year.

This infrastructure will be complemented by the national networks (referred to as backbones), providing for the transmission of hydrogen to these interconnections, allowing connection to the corridor between France and Germany.

The projects that form part of the corridor were included in the list of Projects of Common Interest (PCI) published on 8 April 2024.

While infrastructure plays a central role in the development of the renewable gas market and is prepared or in active preparation to transmit these gases, the speed of decarbonization remains uncertain and is heavily dependent on the evolution of production and consumption. This includes the availability of infrastructure and incentives for the production of hydrogen and biomethane and the respective demand. REN has an investment plan supported by technical studies which were submitted to the competent entities. The studies are in alignment with the public policy objectives set out in PNEC 2030 for the decarbonization of the gas sector.

In Portugal, the Corridor H2med provides for the conversion of the existing pipeline between Cantanhede, Celorico da Beira and Monforte to 100% H_2 and the construction of a new 100% H_2 pipeline between Cantanhede and the Figueira da Foz area. There will also be a new interconnection with Spain, providing access to green H_2 produced via solar and wind power (on-shore and off-shore).

Also, with regard to the H2med project, in November 2024 members launched a market consultation to quantify expressions of interest by the market (H_2 supply and demand) in this corridor, either for the export of H_2 to Europe or for national production and consumption. Around 170 companies responded with more than 500 projects reported, demonstrating strong interest in the proposed infrastructure and confirming the role of H2med in achieving the goals of European stakeholders to decarbonize and reindustrialize.

Furthermore, a multi-sector alliance has been created that will bring together countries such as France, Germany, Portugal and Spain, along with companies and infrastructure operators, with the aim of strengthening the foundations for setting up a single hydrogen market. Also involved will be hydrogen production, storage and consumption projects, helping accelerate the decarbonization of industry and promote a competitive, resilient and sustainable European industry, while also contributing to national and European decarbonization goals and to the safety and resilience of the energy system.

This joint, transversal, multi-regional and multi-sector effort will be key to creating a solid foundation that will drive hydrogen supply and demand, create more favourable conditions for the development of strategic projects and facilitate collaboration and communication between members in the different segments of the value chain (production, technology, consumption, distribution, etc.). Through this alliance, participants will develop a joint cooperation structure, helping develop the South-West Hydrogen Corridor, which consists mainly of the H2med, HY-FEN gas pipeline projects (GRTgaz South-North hydrogen connection) and HySoW, the Portuguese and Spanish pillars, connected to the OGE gas pipelines that form part of the main German hydrogen network, recognized as (or applicants to) Projects of Common Interest (PCI) by the European Union.

In relation to biomethane, and after the publication of the Biomethane Action Plan 2024-2040, there has been an increase in requests for new production connection for both the transmission and distribution networks. The first projects are expected to be implemented in the short and medium-term. In this regard, REN expects that it will be necessary to develop new technical connection solutions to capture the potential of the interior of the country in areas where there is no network infrastructure or where existing infrastructure does not have the capacity to accept this production. As such, REN has conducted a series of studies and proposals for action which are currently being submitted to the competent entities.

System Management has an extensive adaptation programme in development to deal with the increased complexity caused by the integration of renewable gases into the National Gas System. Thus, the SNG Dispatch Centre has a number of initiatives underway as part of the Technical Management of the System, more specifically: (i) the adaptation of data exchange processes with infrastructure operators to integrate future production points; (ii) the evolution of the system operation programming processes and supervision of new gas quality variables, in compliance with the provisions of the Service Quality Regulations and (iii) the development of simulation models to improve the accuracy of gas tracking results.

170

Companies responded to a market consultation, over H_2 supply and demand, in 2024

500

Projects reported in 2024

Decarbonization of administrative buildings, technical facilities, and infrastructure

REN is committed to installing 15 MW of power generation units for self-consumption (UPAC) by 2030. This will involve both photovoltaic and solar thermal in electricity and gas infrastructure.

In 2024, 18 installations were built and entered into service where total power stands at 2.8 MW, almost doubling the accumulated value compared to 2023. The total at the end of 2024 was 4.7 MW.

Energy from RES produced by REN for self-consumption grew from 0.3 GWh in 2023 to 3.3 GWh in 2024, increasing by a factor of 10, corresponding roughly to 3% of the energy that REN needs for operations (excluding losses in the electricity transmission network).

Also in 2024, contracts for the acquisition of new UPAC were awarded and new units for self-consumption are projected for construction in 2025 and coming years. It is estimated that in 2025, accumulated installed photovoltaic and solar power will exceed 5 MW.

15 MW

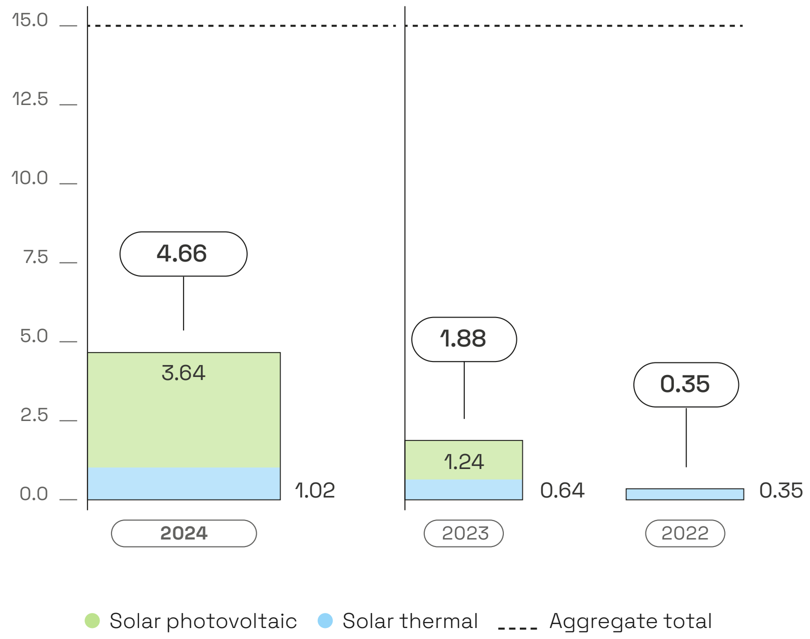
Renewable capacity installation for self-consumption

TARGET 2030

Sustainable substation

This innovative project referred to as a sustainable substation, implemented at the Carvoeira substation, consists of the installation of photovoltaic panels with a battery to store power. It is expected that this arrangement will provide electricity for ancillary services at the substation and avoid the use of diesel for emergency generators. This sustainable substation will be self-sufficient in energy and not depend on the National Electricity System, and as such will be carbon-neutral from an operational perspective. This pilot project will have a trial and result assessment phase, after which it is expected that it will be gradually installed at other substations and switching station stations.

↘ Installed power (MW)



REN has also reviewed the technical specification for some equipment so that new voltage transformers which supply auxiliary substation services will be SF_6 free.

SF_6 emissions

Following the recent agreement (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 necessary to define and implement a strategy for the gradual replacement of SF_6 gas in new equipment to be installed or renewed in the network between 1 January 2028 and 1 January 2031, starting with 60 kV equipment. The strategy will involve a number of pilot projects, starting in 2025, to trial the technology and acquire the knowledge required for a controlled transition of all processes that form part of the life cycle of the new equipment.

Accordingly, and in line with this trend, in 2023 REN acquired the first equipment without SF_6 consisting of three new voltage transformers to supply auxiliary services for the future Ponte de Lima substation, thus avoiding the increase of SF_6 stock. The acquisition of a further 12 voltage SF_6-free transformers is planned for 2025.

REN has also reviewed the technical specification for some equipment so that all new voltage transformers which supply auxiliary substation services will be SF_6 free. Technical specifications will be expanded to include a ban on the use of SF_6. However, this goal will be conditioned by both that set out in the agreement (F-gas agreement) as well the market availability of equipment allowing procurement under a competitive regime.

Methane emissions

As a reference, REN uses the Oil and Gas Methane Partnership (OGMP 2.0) under the UNEP (United Nations Environment Programme). This is an initiative that seeks to help reduce methane emissions and forms the most demanding and comprehensive reference framework for reporting methane emissions. This framework requires accurate and detailed reporting of all sources, ensuring the methodological credibility necessary to validate the results with regard to stakeholders.

The emissions report is divided into five levels, with level 1 being the lowest and level 5 the highest. Emissions are reported but not broken down into categories, using estimates through standardized factors. At the highest level, in addition to meeting level 4 requirements, which includes source-level measurement and sampling to establish specific emission factors and activity factors to estimate emissions, site-level and source-level results are also compared in the reconciliation process to help improve accuracy and confidence in reported emissions.

In 2024, REN won Gold Standard Reporting award, the highest OGMP 2.0 award

Through REN Gasodutos, REN Armazenagem, and REN Atlântico, REN was awarded the "Gold Standard" for the fourth year running. This is the highest distinction awarded by OGMP 2.0, for commitment and actions to reduce methane emissions. This award is presented to companies reporting their emissions at the highest level (level 5) of data quality, submitting excellent programmes to quantify and reduce methane emissions. REN Portgás also joined this initiative in 2023.

These results reflect our commitments to reduce methane emissions via the implementation of a number of initiatives in operations, and the adoption of Regulation (EU) 2024/1787, which sets out the rules to be observed for measuring, quantifying, monitoring, reporting and verifying methane emissions.

Three pilot projects are underway to improve measurement quality, early detection and subsequent correction.

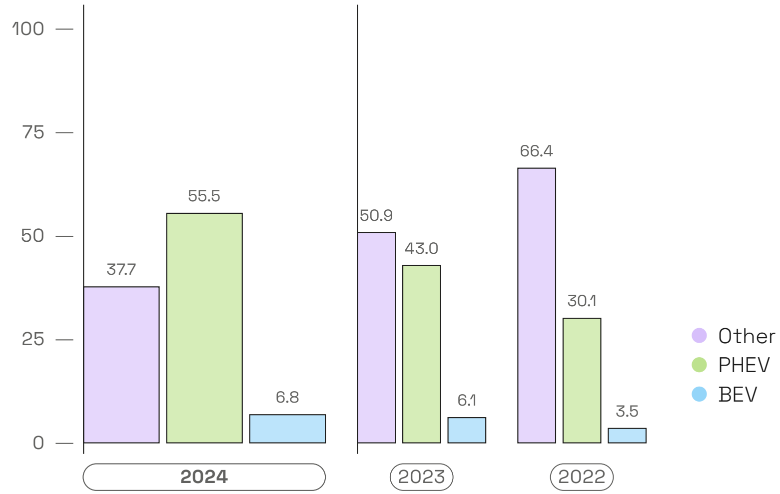
It is important to emphasize that in 2024, we continued the LDAR campaign (Leak Detection and Repair) started in 2023, and that it will be carried out periodically using a hybrid methodology through top-down and bottom-up methodologies. The top-down approach uses a helicopter with a spectroscope (Airborne Laser Methane Assessment) and laser spectral absorption technology to remotely detect leaks in gas pipelines, underground storage and GRMS. The bottom-up approach uses asset inspections via an infrared camera and subsequent quantification of methane emissions. In 2023 were monitored 41 GRMS stations, the LNGT and underground storage facilities. In addition, three pilot projects are also underway with the aim of continuing to improve measurement quality, early detection and subsequent correction:

- drone survey at the LNG Terminal;
- continuous monitoring by laser dispersion spectroscopy (LDS), or absorption, for remote detection and quantification of methane at the LNG Terminal and Underground Storage; and
- continuous monitoring at the level of a pipeline section, using optical fibre distributed sensing.

In the case of REN Portgás, the frequency of the systematic search for leaks in the medium and low-pressure network was again increased. In 2024, the company started to carry out searches throughout the entire network every three years, instead of every four, as was the case until 2023. To achieve this increase, a search process was started

To reinforce internal alignment in 2024, an internal workshop was held with the different departments on methane emission management, to align and contribute to the ongoing reduction of this type of emission.

↘ Fleet electrification (%)



REN and Siemens Energy signed an agreement for the international licensing of the SPEED-E electric mobility solution, patented by REN.

using cars, as opposed to searches on foot.

Decarbonization of mobility

At the end of 2024, the ongoing renewal and electrification of the fleet (BEV - Battery Electric Vehicles and PHEV - Plug in Hybrid Electric Vehicles) stood at 62% (+13 p.p. compared to 2023), marking an important transition where there are now more electric vehicles than traditional fossil fuel vehicles. The electrification of the fleet has been accompanied by a densification of charging infrastructure in buildings and technical facilities to maximize the use of the electric fleet and to promote the electrification of more demanding vehicle types, leading to a gradual reduction in CO_2eq emissions per km travelled (9% reduction compared to 2023).

62%
Fleet electrification
in 2024

+13 p.p.
compared
to 2023

SPEED-E

In 2024, REN and Siemens Energy signed an agreement for the international licensing of the SPEED-E electric mobility solution, patented by REN. This solution allows electric vehicles to be charged directly from the electric power transmission network, i.e., from Very High Voltage lines. This five-year agreement gives Siemens Energy exclusive rights to market and implement the solution in international projects, except for the Iberian Peninsula, where REN maintains exclusive licensing for partners responsible for operating the technology.

REN also signed a memorandum of understanding with Atlante, an Italian multinational specializing in the development, construction and operation of fast and ultra-fast electric vehicle charging stations, to develop projects in Portugal. This project is aligned with one of REN's strategic pillars, which focuses on Research, Development and Innovation (R&D), to develop and present solutions to allow national and European energy goals to be met efficiently and effectively, supporting efforts to meet the challenges of climate change and contributing to REN's performance of excellence.

↘ Two editions of the Sustainability Academy were held in 2024:

5
SESSIONS TOTALLING 7.5 HOURS

48
PARTICIPATING COMPANIES

70
PARTICIPANTS IN REN'S VARIOUS PURCHASING CATEGORIES

55%
OF THE VOLUME OF ELIGIBLE PURCHASES

Decarbonization of the supply chain

The decarbonization of the supply chain is a vital process to address the challenges of climate change and help achieve REN's commitments to reduce scope 3 GHG emissions.

In 2024, REN created the Sustainability Academy, confirming our commitment to our teaching and leadership role as part of our active engagement with suppliers. This initiative is another important step in promoting supplier awareness to the importance of sustainability in organizations, as a factor for competitiveness and its impact on REN's public commitments. Furthermore, it provides the necessary knowledge and skills to calculate the carbon inventory and also provides supporting tools, benchmarks and regulations to create a decarbonization roadmap. Were also addresses topics such as the circular economy, the Science Based Target initiative and the Corporate Sustainability Due Diligence Directive (CSDDD). In 2024, two courses were given, consisting of five sessions each, totalling 7.5 hours. In attendance were 48 companies with 70 participants from the different categories of REN purchases, representing more than 55% of the volume of eligible purchases.

To measure the impact of the training, participants were asked to reply to a survey and all respondents indicated that they agree, or fully agree, that the training helped increase their knowledge about sustainability and calculating emissions. Respondents rated the Academy's programme content as very relevant for their companies.

A specific session was also held entitled "The importance of decarbonization in the supply chain "as part of REN's Sustainability Commitments. Other individual sessions were also held with the main suppliers, with the goal of analysing their proposed roadmaps for decarbonization.

A session on "The Importance of Environmental Product Declarations" was held under the initiatives to implement the Circular Economy Strategy. In the session, the importance of EPDs as inducers of sustainable purchases was addressed and suppliers already proving EPDs were invited. Also in this regard, the technical specifications for the acquisition of Very High Voltage equipment were included in the requirement to provide an EPD or an internal document with environmental information, to be delivered by the supplier after a contract has been awarded.

These sessions saw more than 200 participants, both internal and external.

In 2024, REN continued to reinforce sustainability requirements in procurement processes, including criteria for enhancing the decarbonization of the supply chain. For the calculation of Scope 3 emissions, categories C.1 (Purchases of Products and Services) and C.2 (Capital Goods), 17% of primary data was taken into account (+14 p.p. compared to 2023), which demonstrates the alignment and quality of the work carried out with the supply chain.

In procurement processes, suppliers are required to report the primary procurement data most relevant to the calculation of GHG emissions from the provision of services or the supply of goods/ equipment. To support this process, specific training was provided for suppliers with the aim of continuing to increase the percentage of primary data in coming years. In addition to increasing the accuracy of the GHG inventory scope 3 calculation, the training also enabled carbon footprint indicators to be compared and constructed by type of activity, a vital procedure for establishing performance criteria in sustainability.

We remain focused on our climate commitment to achieve carbon neutrality in our operations (scopes 1 and 2) by 2040, thus contributing to the fight against climate change without compromising the quality of the service we provide.

Carbon footprint reduction

At REN, we focus on our climate commitments to achieve carbon neutrality in our operations (scopes 1 and 2) by 2040, thus contributing to the fight against climate change, without compromising the quality of the service we provide.

After the approval, in 2023, of the targets to reduce near-term GHG emissions from 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), REN reinforced its commitments for 2030:

Commitments for 2030 made at CMD 2024	**60%** reduction in scope 1 and 2 emissions (compared to 2019)[24]	**30%** reduction in scope 3 emissions (compared to 2021)[25]	
Initiatives and sub commitments:	80% electrified vehicles Installation of 15 MW of RES for self-consumption	50% reduction in SF_6 emissions (compared to 2023) 50% of the volume of eligible purchases from suppliers aligned with SBTi	30% reduction in CH_4 emissions (compared to 2023)
New commitments	**-35%** reduction in energy consumed (excluding losses in electricity transmission networks and self-consumption from RES), compared to 2021	**-40%** reduction in water consumed, compared to 2022	

ESRS E1-4 ESRS E1-6

[24] It should be noted that to calculate scope 2 emissions, REN commitments consider both methodologies: I) the methodology to calculate "market-based" GHG emissions for purchased electricity (considering the specific emission factors of different electricity suppliers) and ii) "location-based" using the emission factor for electricity transmitted by the RNT and at Transemel.

[25] The reduction commitment corresponds to an absolute reduction target involving all applicable categories.

It should be noted that REN has no emissions covered by EU-ETS.

Given that it is an obligation arising from the approval of the near-term SBTi targets, and although we do not sell products, we are still committed to reducing by 2030 indirect scope 3 emissions in category C.11 for the use of "products sold (gas)" by 42%, based on the reference year of 2021. In 2021, this category represented 13,026,147 tCO_2eq. In 2024, the figure is 8,233,182 tCO_2eq, corresponding to a reduction of 36%.

To calculate our GHG emissions (scope 1, 2 and 3), REN uses the Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard. GHG include those covered by the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, i.e., carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). This protocol states that operational boundaries should be considered, i.e., that emissions from company operations should be identified and categorized as direct or indirect, so as to consider the entire value chain. REN has adopted the calculation methodologies set out in the National Inventory Report (NIR) published by the Portuguese Environment Agency (APA). According to the NIR of 2024, the methodologies and guides are based on the guidelines of the Intergovernmental Panel on Climate Change (IPCC) and the guidelines of the EMEP/ EEA (European Monitoring and Evaluation Programme and the European Environment Agency).
To select emission factors, REN uses national and international databases such as NIR, DEFRA (Department for Environment, Food & Rural Affairs, UK) and EPA (Environmental Protection Agency, USA).

REN's carbon footprint is checked by an independent external entity, in accordance with the Independent Limited Warranty Report, as part of verification procedures for this Integrated Report. The goal to reduce GHG emissions from scopes 1 and 2 considers the calculation methodologies (only applicable to scope 2) "market-based" and "location-based" (only to calculate emissions from losses in the transmission of electrical power), so reductions in GHG emissions are considered by scope.

We continue to make improvements as through our emissions calculation procedures and recommendations from the independent external entity. In 2024, the figures for the following headings were recalculated:

1) **GAS (METHANE LOSSES)** - resulting from the LDAR campaign (Leak Detection and Repair), the results report prepared at the end of 2023, was completed after the data reported in the 2023 Integrated Report was closed. As a result of the materiality in the differences recorded, the figures in this report have been corrected, aligning them with the data reported in the OGMP 2.0 report;

2) **ELECTRICITY (LOSSES)** - The data provided by the National Energy Commission of Chile on the emission factor of the Electricity Production System, show a delay that is not compatible with the report publication date. Accordingly, as soon as data becomes available, REN will recalculate and publish the figure obtained in the following year's report; and

3) **NON-GREENHOUSE GASES (NGHG)**[26] - Under the periodic review process for methodologies and emission factors, REN recalculated the 2023 values of the NGHG emissions, as the most recent emission factors of the EMEP/ EEA (Air Pollutant emission inventory guidebook 2023) have since been made available. Moreover, and considering that REN's fleet is less than three years old on average, the minimum factors have been used instead of the average factors used previously, which better suit this type of vehicle and are in line with the demanding Euro 6 standards which new light vehicles sold in the EU are subject to.

The following improvements were also introduced into the 2024 calculation:

i) the global warming potentials of the IPCC AR6 Assessment Report were applied, replacing the AR5 used in 2023;

ii) scope 2 emissions are calculated differently, applying the "market-based" and "location-based" methodologies;

iii) in the calculation of emissions, additional information is included on the following gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3); and

iv) in the calculation of methane emissions, figures have been provided by infrastructure.

[26] In 2021, REN included the calculation of non-greenhouse gas emissions (NGHG) in the emission perimeter, based on the public commitment to reduce NGHG emissions by 25% by 2030 with respect to figures for 2021. To calculate these emissions, the emission factors of the EMEP/ EEA (Air pollutant emission inventory guidebook 2019) were used.

As regards the 2023 Integrated Report and, as mentioned above in the description of the methodological improvements introduced in 2024, the following figures were amended in 2024 for the data reported in 2023:

	CONSUMPTION (MWH)			
	2022 REPORTED	2022 CORRECTED	2023 REPORTED	2023 CORRECTED
Natural Gas - Losses	6,808	6,730	6,083	6,643

	EMISSIONS (tCO_2)			
	2022 REPORTED	2022 CORRECTED	2023 REPORTED	2023 CORRECTED
Natural Gas - Losses	11,823	11,688	10,230	11,170
Electricity - Losses Transemel	4,213	4,219	4,348	4,352
Total	16,036	15,907	14,578	15,522

NGHG EMISSIONS

SOURCE	NGHG	UNITS	2023 REPORTED	2023 CORRECTED
Stationary sources (boilers, flare burning, engines)	Nitrogen Oxides (NO_x)	kg	21,581	21,581
	Carbon Monoxide (CO)		6,558	6,558
	Non-Methane Volatile Organic Compounds (NMVOCs)		244	244
	Sulphur Oxides (SO_x)		504	504
	Particulate Matter (PM)		208	208
Mobile sources (petrol, diesel and natural gas vehicles)	Nitrogen Oxides (NO_x)	kg	6,411	3,127
	Carbon Monoxide (CO)		15,026	1,635
	Non-Methane Volatile Organic Compounds (NMVOCs)		1,881	194
	Sulphur Oxides (SO_x)		-	-
	Particulate Matter (PM)		399	2
	Ammonia (NH_3)		200	7
Total by type of GHG	Nitrogen Oxides (NO_x)	kg	27,992	24,708
	Carbon Monoxide (CO)		21,584	8,193
	Non-Methane Volatile Organic Compounds (COVNM)		2,125	439
	Sulphur Oxides (SO_x)		504	504
	Particulate Matter (PM)		608	210
	Ammonia (NH_3)		202	7
Total			**53,014**	**34,060**

↘ Emissions reduction commitment

-60%

SCOPES 1 AND 2 BY 2030

Base 2019:
258,725 tCO_2eq

Updated Target:
103,490 tCO_2eq

Status 2024:
-57%

-30%

SCOPE 3 BY 2030

Base 2021:
91,711 tCO_2eq

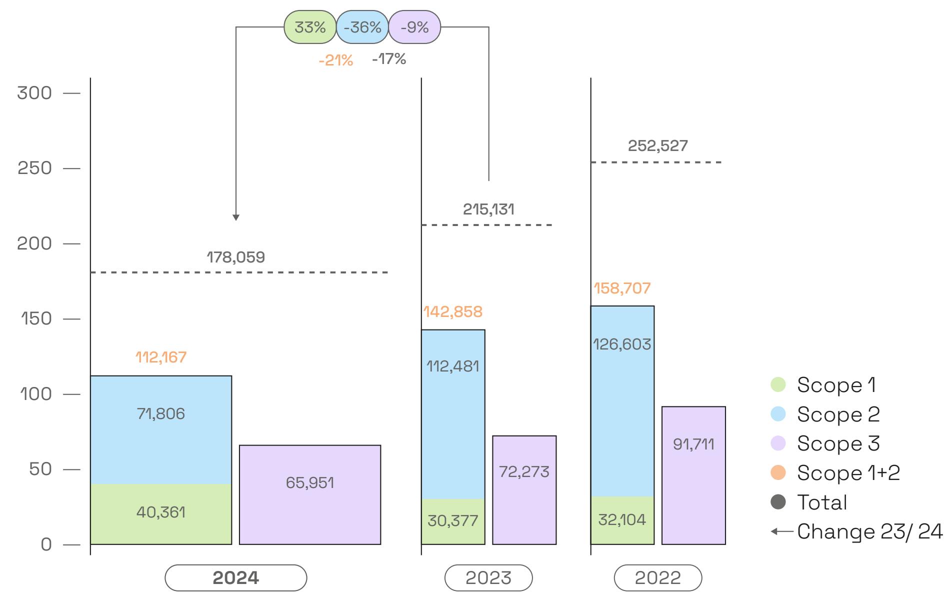
Updated Target:
64,198 tCO_2eq

Status 2024:
-28%

CARBON NEUTRALITY

OF OPERATIONS (SCOPE 1 AND 2) BY 2040

↘ Total carbon footprint (tCO_2eq)



REN continues to develop the medium and long-term model used to calculate the energy and emissions from our activity, in line with the energy transition taking place in the electricity and gas systems.
The process takes into consideration the review of PNEC 2030 and the company's internal initiatives, which also meet the growing requirements and demands relating to the supply chain. REN regularly evaluates the results achieved and the degree of alignment with commitments made.

In 2024 there was a 17% decrease in GHG emissions (scopes 1, 2 and 3) (-37,013 tCO_2eq) compared to 2023. Scope 1 emissions increased by 33% in 2024 (+9,984 tCO_2eq), due to the increased rigour in the methodology for calculating methane emissions, with on-site measurement now being used instead of calculation using bibliographic estimated factors, by type of infrastructure, and also due to the increased frequency of campaigns, being the only material category in which there was an increase. The stabilisation of the methodology and frequency of campaigns, combined with a reduction in the time between detecting the leak and repairing it, will lead to a consistent reduction in these emissions in the short and medium term. Scope 2 emissions also saw a significant decrease of 36% (-40,675 tCO_2eq), as a result of the lower Emission Factor of electricity transported in the SEN, resulting from the continued integration of RES in the RNT (52 gCO_2/ kWh in 2024 compared to 90 gCO_2/ kWh in 2023), the implementation of RES projects for self-consumption and energy efficiency measures. Scope 3 emissions fell by 9% (6,322 tCO_2eq) due fundamentally to the continued decarbonisation of the supply chain and the translation of this effort into an increase in the calculation of categories 1 and 2, using primary data and, on the other hand, REN's lower energy consumption, which also translates into a reduction in category C.3.

↘ Total carbon footprint (tCO_2eq)

	RETROSPECTIVE						MILESTONES AND TARGET YEARS	
SCOPE 1 GHG EMISSIONS	BASE YEAR	BASE YEAR VALUE	2024	2023	2022	VAR. 24/ 23	2030	2040
Gross Scope 1 GHG emissions (tCO_2eq)	2019	23,005	40,361	30,377	31,969	33%	12,377[27]	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	-	-	-	-	-	-
SCOPE 2 GHG EMISSIONS								
Gross location-based Scope 2 GHG emissions (tCO_2eq)	-	-	64,047	102,709	128,266	-38%	-	-
Gross market-based Scope 2 GHG emissions (tCO_2eq)	2019	235,720	71,806	112,481	133,373	-36%	103,238[27]	-
Total Scope 1 and 2 GHG emissions market-based (tCO_2eq)	**2019**	**258,725**	112.168	**142,858**	**165,342**	**-21%**	**103,490[28]**	**carbon neutrality**
SIGNIFICANT SCOPE 3 GHG EMISSIONS								
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	2021	91,711	65,951	72,273	84,343	-9%	64,190[28]	-
1. Purchased goods and services			5,971	8,818	19,099	-32%		
2. Capital goods			45,883	46,143	46,357	-1%		
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)			5,733	7,539	8,653	-24%		
4. Upstream transportation and distribution			230	385	414	-40%		
5. Waste generated in operations			58	127	271	-54%		
6. Business travelng			1,077	1,019	314	6%		
7. Employee commuting			911	886	563	3%		
15. Investments			6,088	7,356	8,672	-17%		
TOTAL GHG EMISSIONS								
Total GHG emissions (location-based) (tCO_2eq)			170,360	205,359	244,578	-17%		
Total GHG emissions (market-based) (tCO_2eq)			178,118	215,131	249,685	-17%		
INTENSITY								
Total GHG emissions/ Energy transported (tCO_2/ GWh) (location-based)			1.630	1.890	2.080	-14%		
Total GHG emissions per net revenue (tCO_2/ M€) (location-based)[29]			0.001	0.001	0.002	-21%		
Total GHG emissions/ Energy transported (tCO_2/ GWh) (market-based)			1.700	1.970	2.120	-14%		
Total GHG emissions per net revenue (tCO_2/ M€) (market-based)[29]			0.001	0.001	0.002	-14%		

[27] Target neart-term SBTi.
[28] REN's CMD 2024 commitment.
[29] Net income 2024: 153 M€, 2023: 149 M€ and 2022: 112 M€.

It is important to note that given the nature of REN, as the Electricity Transmission Network Operator, the system used to calculate emissions that best suits its representativeness is a mixed model, i.e.:

- the location-based model is always used to calculate RNT losses and self-consumption,
- for electricity used in buildings and technical and process installations, the location-based and market-based emission factor is used, depending on the perspective being calculated.

The system used to calculate emissions that best suits its representativeness is a mixed model.

↘ Location-based emissions

EMISSIONS PER BUSINESS UNIT (tCO_2eq)	2024	2023	2022
REN Elétrica - Losses and self-consumption	57,264	91,342	111,660
REN Elétrica - Administrative buildings and technical and process facilities	544	1 618	2,570
REN Gasodutos - Administrative buildings and technical and process facilities	146	302	512
REN Armazenagem - Technical and process facilities	39	93	153
REN Atlântico - Technical and process facilities	2,275	5,004	9,117
REN Portgás - Administrative buildings and technical and process facilities	11	3	36
Transemel - Losses and self-consumption	3,769	4,348	4,219
Total	64,047	102,709	128,266

EMISSION FACTOR (gCO_2/kWh)	2024	2023	2022
Portugal - Losses and self-consumption	52	90	140
Portugal - Electricity produced in Portugal	43	85	139
Chile - Losses and self-consumption	202	242	301

↘ Market-based emissions

EMISSIONS PER BUSINESS UNIT (tCO_2eq)	2024	2023	2022
REN Elétrica - Losses and self-consumption	57,264	91,342	111,660
REN Elétrica - Administrative buildings and technical and process facilities[30]	1,960	4,779	3,957
REN Gasodutos - Administrative buildings and technical and process facilities	526	891	788
REN Armazenagem - Technical and process facilities	141	274	236
REN Atlântico - Technical and process facilities	8,106	10,840	12,458
REN Portgás - Administrative buildings and technical and process facilities	40	8	56
Transemel - Losses and self-consumption	3,769	4,348	4,219
Total	71,806	112,481	133,373

AVERAGE EMISSION FACTOR OF THE SUPPLIER (gCO_2/kWh)	2024	2023	2022
Portugal	155	251	214

[30] The figure matches the location-based figure due to the nature of our activity, since the electricity in question is inherent to our operational process and does not result from a purchase from a supplier.

21%

Reduction in total scope 1 and 2 emissions
in 2024

There was a 21% reduction in total scope 1 and 2 emissions, as a result of the continuous implementation of initiatives to reduce emissions.

Scope 1 and 2 GHG emissions

There was a 21% reduction in total scope 1 and 2 emissions (from 142,858 tCO_2eq in 2023 to 112,168 tCO_2eq in 2024), as a result of the continuous implementation of initiatives to reduce emissions and the favourable evolution of the decarbonisation of the SEN.

REN implements the sustainable site initiative
In liaison with the supply chain in projects to expand and remodel infrastructure and uprate the Very-High Voltage lines, this initiative was implemented in 2023 and will also be used in all future work, whenever possible. A "sustainable site" involves the installation of a UPAC to meet part of electrical power requirements, and where the remainder of electricity consumption on construction sites is realised through the purchase of green electricity, for which guarantees of origin are 'acquired', ensuring that contract work sites are carbon neutral.

In 2025, the solution is expected to extend to 60% of sites and in 2027, the solution will be implemented at all sites, where possible.

↘ Scope 1 and 2 emissions (tCO_2eq)

	2024	2023	2022	VAR. 24/ 23
SCOPE 1 • 40.361				
Gas - Administrative buildings	189	555	358	-66%
Gas - Technical and process facilities	12,954	14,004	16,385	-7%
Gas - Fleet	49	83	64	-41%
Gas	24,035	11,170	11,688	115%
Propane gas	8	3	3	132%
Diesel - Technical and process facilities	105	246	136	-57%
Diesel and petrol - Fleet	1,739	1,756	1,736	-1%
SF_6 - Technical and processing facilities	1,224	2,063	1,302	-41%
Fluorinated greenhouse gases - FGG	59	497	298	-88%
Total - Scope 1	40,362	30,377	31,969	33%
SCOPE 2				
Electricity - Technical and processing facilities	8,776	15,862	14,961	-45%
Electricity - Technical and processing facilities (self-consumption)	854	1,712	2,395	-50%
Electricity - Administrative buildings	2,525	4,799	4,117	-47%
Electricity - Losses	59,616	90,050	111,882	-34%
Electricity - Fleet	35	58	18	-39%
Total - Scope 2	71,806	112,481	133,373	-36%
Total - Scope 1 and 2	112,168	142,858	165,342	-21%

Scope 3 GHG emissions

The 9% reduction (6,322 tCO$_2$eq) in scope 3 emissions in 2024, compared to 2023, is mainly due to the categories: C1. Purchases of products and services (32 per cent reduction, equivalent to 2,847 tCO$_2$eq), C.3. Energy-related activities (24 per cent reduction, equivalent to 1,806 tCO$_2$eq) and C15. Investments (17 per cent reduction, equivalent to 1,316 tCO$_2$eq). The first three categories C1. Purchases of products and services, C2. Capital goods and C.3 Energy-related activities account for 87% of the value of scope 3. Against this backdrop, in 2024, REN continued to work on aligning and sensitising the value chain to the need to reduce its carbon footprint.

With regard to category C.3. Energy-related activities (A1+A2), the reduction is due to the implementation of self-consumption systems and various energy efficiency initiatives, namely in gas and electricity infrastructures and in the fleet.

When calculating the scope 3 categories, primary data was taken into account for 17 per cent of eligible purchases in categories C.1 and C.2 and 100 per cent in categories C.3, C.4, C.5, C.6, C.7 and C.15, which corresponds to 35 per cent of the scope 3 total.

It should be noted that REN carried out in-depth work to identify the applicable Scope 3 categories, and that none of the 15 applicable categories were excluded from the perimeter in advance. However, given the nature of our business, only eight of the 15 categories are applicable, and the following categories are not applicable:

- C.8 **Upstream leased assets:** REN has no leased assets upstream of its operations;
- C.8 **Downstream transport and distribution:** REN does not carry out downstream activities and does not transport any of its own physical products. Any transport, e.g., people or goods, is accounted for in its own scope (scope 1, 2 or 3);
- C.10 **Processing of products sold:** not applicable to REN's reality, since the main activity is limited to the transport of electricity and natural gas (midstream), in the case of gas also downstream, and REN does not 'own' the product;
- C.11 **Utilisation of products sold:** REN does not sell energy, but only transports electricity and natural gas; however, as stated in the sector guide for Transmission and Distribution companies, companies that sell, transmit or distribute natural gas (or other fossil fuels) must establish separate emission reduction targets for category C.11 of Scope 3, i.e., fossil fuels distributed must have a reduction target;
- C.12 **End-of-life treatment of products sold:** not applicable to REN's reality, since our activity is limited to the transport of electricity and gas and we do not own the product. REN does not sell or distribute the product to end customers, but only sells access to the network to third parties;
- C.13 **Downstream leased assets:** no downstream leased assets have been identified for REN; and
- C.14 **Franchises:** REN does not have any franchises.

↘ Scope 3 emissions (tCO$_2$)

	2024	2023	2022	VAR. 24/ 23
C1: Purchases of products and services	5,971	8,818	19,099	-32%
C2: Capital goods	45,883	46,143	46,357	-1%
C3: Fuel and energy-related activities (not included in scope 1 and 2)	5,733	7,539	8,653	-24%
C4: Upstream transport and distribution	230	385	414	-40%
C5: Waste generated in operations	58	127	271	-54%
C6: Business travel	1,077	1,019	314	6%
C7: Commuting	911	886	563	3%
C15: Investments	6,088	7,356	8,672	-17%
Total	65,951	72,273	84,343	-9%

9%
Reduction of total scope 3 emissions in 2024

17%
Of primary data in categories C.1 and C.2 in 2024

REN implemented additional measures in 2024 and improved its existing methodologies and processes.

SF_6 emissions

A reduction in the absolute value of 41% was recorded in sulphur hexafluoride emissions (SF_6), a gas used as electrical insulator (dielectric) in a range of high and very-high voltage equipment in operations in Portugal and Chile. This was due to the ongoing improvements to internal processes to detect and resolve leaks.

Methane emissions

With the aim of continuous improvement in the calculation of these emissions, REN implemented additional measures in 2024 and improved its existing methodologies and processes. Based on the UNEP (United Nations Environment Programme) Oil and Gas Methane Partnership (OGMP 2.0) benchmark, measurement and sampling was carried out at source level to establish specific emission factors and activity factors to estimate emissions. It should be noted that in addition to on-site campaigns (REN Gasodutos, REN Armazenagem and REN Atlântico), processes were used at site level and at reconciliation source level to help improve accuracy and confidence in reported emissions.

It is important to emphasise that in 2024 the LDAR (leak detection and repair) campaigns were continued and the frequency of the systematic search for leaks in the medium and low-pressure network was increased, in addition to the development of continuous monitoring pilot projects.

The new Regulation (EU) 2024/1787, which establishes rules for measuring, quantifying, monitoring, reporting and verifying methane emissions, is already being applied.
The adoption of more rigorous methodologies, with a reduction in the use of bibliographic emission factors, has led to a 115% increase in reported emissions compared to 2023. However, this growth only reflects greater precision in measurement and not a deterioration in environmental performance.

We believe that, in the short term, this trend will be reversed, as a result of the various initiatives underway and the close monitoring of this issue at REN.

↘ SF_6 emissions

	2024	2023	2022
SF_6 installed mass (ton)	74.7	73.2	72.8
Leak rate (%)	0.065	0.12	0.076

↘ Methane emissions in the gas network (tCO_2)

COMPANY	2024	2023	2022	VAR. 24/ 23
REN Gasodutos	5,533	3,284	1,676	68%
Fugitive emissions	4,579	1,959	521	134%
Purge and vent eissions	942	1,314	1,144	-28%
Incomplete combustion	12	12	11	6%
REN Armazenagem	785	453	581	74%
Fugitive emissions	609	88	110	592%
Purge and vent eissions	78	216	430	-64%
Incomplete combustion	98	148	23	-34%
REN Atlântico	927	222	584	318%
Fugitive emissions	923	218	559	323%
Purge and vent eissions	4	3	6	39%
Incomplete combustion	1	1	1	6%
REN Portgás	16,789	7,211	8,847	133%
Fugitive emissions	15,618	6,287	7,077	148%
Purge and vent eissions	1,171	924	1,770	27%
Incomplete combustion	-	-	-	-
Total	24,035	11,170	11,688	115%

Fleet emissions

With regard to fleet emissions, including fossil fuels (diesel, petrol and gas) a reduction of 4% was seen (2024 vs. 2023), even with an increase of 5%, compared to 2023, of total kilometres driven by the fleet vehicles, due to the increase in activity. This confirms the positive trajectory of fleet decarbonization, particularly when analysed per kilometre driven.

In the short and medium-term, the effects of the ongoing electrification of our fleet and the provision at administrative and technical buildings of charging systems, will result in lower emissions, especially with the increase in electric vehicles which are expected to reach 80% by 2030.

GHG emissions avoided

The ongoing electrification of the fleet, the implementation of energy efficiency measures and installation of solar thermal and photovoltaic systems, resulted in a reduction of 548 tCO_2eq.

Other emissions (non-greenhouse gases)

Despite the varying nature of this category, if the general scenario for 2024 is analysed, and because numerous initiatives have been implemented, a decrease of 14% was recorded with regard to 2023. This was mainly due to the lower consumption of natural gas in technical and processing facilities and less diesel used in the fleet and in technical equipment.

However, it is important to note that with regard to the periodic review process for methodologies and emission factors, REN recalculated the 2023 figures for NGHG emissions, as the most recent emission factors of the EMEP/ EEA (Air pollutant emission inventory guidebook 2023) have

> The ongoing electrification of the fleet, the implementation of energy efficiency measures and installation of solar thermal and photovoltaic systems, resulted in a reduction of 548 tCO_2eq.

↘ Non-GHG emissions (kg)

EMISSIONS SOURCES	NON-GREENHOUSE GAS	2024	2023	2022	VAR. 24/ 23
Stationary sources	Nitrogen Oxides (NO_x)	18,043	21,581	23,066	-16%
	Carbon Monoxide (CO)	5,701	6,558	7,414	-13%
	Non-Methane Volatile Organic Compounds (NMVOCs)	147	244	228	-40%
	Sulphur Oxides (SO_x)	384	504	492	-24%
	Particulate Matter (PM)	142	208	239	-31%
Mobile sources	Nitrogen Oxides (NO_x)	2,639	3,127	6,389	-16%
	Carbon Monoxide (CO)	2,029	1,635	11,071	24%
	Non-Methane Volatile Organic Compounds (NMVOCs)	252	194	1,426	30%
	Sulphur Oxides (SO_x)	-	-	-	-
	Particulate Matter (PM)	2	2	439	-6%
	Ammonia (NH_3)	7	7	152	8%
Total	Nitrogen Oxides (NO_x)	20,682	24,708	29,455	-16%
	Carbon Monoxide (CO)	7,730	8,193	18,484	-6%
	Non-Methane Volatile Organic Compounds (NMVOCs)	400	439	1,654	-9%
	Sulphur Oxides (SO_x)	384	504	492	-24%
	Particulate Matter (PM)	144	210	678	-31%
	Ammonia (NH_3)	7	7	152	8%
Total		29,348	34,060	50,915	-14%

since been made available. Moreover, and considering that REN's fleet is less than three years old on average, the minimum factors have been used instead of the average factors used previously, which better suit this type of vehicle and are in line with the demanding Euro 6 standards which new light vehicles sold in the EU are subject to.
In 2022, the emission factors of the EMEP/EEA (Air Pollutant emission inventory guidebook 2019) were used.

Operational efficiency

REN continues to focus on the operational efficiency of energy used in operations. As such, we conducted a benchmarking analysis, complemented with a comparative analysis of the consumption necessary for the different types of operations, bringing together potential clusters of reduction, and identifying a range of initiatives. Some of these initiatives are innovative, such as the sustainable substation and others focusing on energy efficiency and technological change, which allow us to estimate the reduction of energy in the medium and long-term, excluding losses in the electricity transmission network.

With regard to energy efficiency, in addition to the considerable increase in electric vehicles, which are more efficient than traditional vehicles, we have also replaced the heating and cooling system in the Portgás building, (a gas boiler and chiller solution) with a heat pump. We also continue to replace equipment at end-of-life with more efficient solutions at the three gas concessions, REN Gasodutos, REN Armazenagem and REN Atlântico, where the greatest potential for reduction exists. Furthermore, REN is currently in the process of designing a new energy efficiency plan to be implemented as of 2025. Measures such as the replacement of end-of-life boilers and circulator pumps at GRMS stations, combined with increased sensorisation and digitalisation, enabling optimized management of these assets from a use of energy perspective.

Energy consumption

In 2024 there was an increase in energy consumption of around 7% (79,219 MWh). It should be noted that some of the items with the highest materiality saw reductions: Electricity (technical and processing facilities) with -11% and gas (technical and processing facilities) with -8%. However, the 9% increase in RNT infrastructure losses and at Transmel, the equivalent of 87% of total energy, due to the higher percentage of RNT losses (2.39% in 2024 vs. 2.26% in 2023), was caused by an overall increase in energy used. The higher losses in the electricity transmission network are directly related to the growing introduction of RES and the greater electrification of the economy which can be seen in the 46.1 TWh transmitted in the RNT in 2024, compared to 44.8 TWh in 2023 and 43.6 TWh in 2022 (an increase of 5.7% from 2022 to 2024). This phenomenon is directly connected to and is a consequence of the process to decarbonize the electrical system, as will be explained below.
Without this effect, which is inevitable due to the decarbonization of the electricity system, the reduction in energy would have been 7%, which highlights the work carried

↘ Energy consumption (MWh)

	2024	2023	2022	VAR. 24/ 23
Natural gas - Administrative buildings	926	2,721	1,754	-66%
Natural gas - Technical and processing facilities	63,476	68,628	80,298	-8%
Natural gas - Fleet	241	407	312	-41%
Natural gas - Losses	12,806	6,643	6,731	93%
Propane gas - Technical and processing facilities	33	14	12	132%
Diesel - Technical and processing facilities	357	837	461	-57%
Diesel and petrol - Fleet	6,233	6,219	6,075	0%
Electricity - Technical and processing facilities	56,961	63,707	69,827	-11%
Electricity - Technical and processing facilities (self-consumption)	15,472	17,916	16,646	-14%
Electricity - Administrative buildings	16,282	18,944	19,214	-14%
Electricity - Losses	1,104,414	1,014,960	794,937	9%
Electricity - Fleet	230	229	83	1%
Production of RES (self-consumption) - Solar photovoltaic	2,826	302	-	836%
Production of RES (self-consumption) - Solar thermal	487	-	-	-
Total	1,280,746	1,201,527	996,351	7%
Energy intensity (MWh/ GWh)	12	11	9	11%

ESRS E1-5

7%

Reduction in energy consumption, excluding grid losses

2.9%

Increase in electricity transmission in the RNT compared to 2023

x10

Increase in self-consumption energy from RES

out by REN to implement energy efficiency measures and self-consumption projects. It should be noted that REN is committed to reducing energy by 35% by 2030, compared to 2021 (excluding losses in the electricity transmission network and the production of RES for self-consumption).

As can be seen in the energy consumption table, in 2024, the three most significant categories which represent 97% of the energy consumed (not including self-consumption produced from RES), correspond to losses in electricity transmission networks (88%), gas (technical and processing facilities) with 5%, and electrical power (technical and processing facilities) with 4%.

To calculate the percentage of renewable energy, the corresponding proportion of RES was applied to electricity consumption. For 2024, 70% RES was considered for losses and self-consumption and 51% RES for electricity purchased from the supplier. The same method was used for previous years.

↘ Renewable and non-renewable energy consumption (MWh)

	2024		2023		2022	
CONSUMPTION CATEGORIES	RENEWABLE	NON-RENEWABLE	RENEWABLE	NON-RENEWABLE	RENEWABLE	NON-RENEWABLE
Natural gas - Administrative buildings	-	926	-	2,721	-	1,754
Natural gas - Technical and processing facilities	-	63,476	-	68,628	-	80,298
Natural gas - Fleet	-	241	-	407	-	312
Natural gas - Losses	-	12,806	-	6,643	-	6,731
Propane gas - Technical and processing facilities	-	33	-	14	-	12
Diesel - Technical and processing facilities	-	357	-	837	-	461
Diesel and petrol - Fleet	-	6,233	-	6,219	-	6,075
Electricity - Technical and processing facilities	29,050	27,911	17,838	45,869	19,552	50,276
Electricity - Technical and processing facilities (self-consumption)	10,830	4,642	11,108	6,808	4,661	11,985
Electricity - Administrative buildings	7,029[31]	6,753	5,304	13,640	5,380	13,834
Electricity - Losses	773,090	331,324	629,275	385,685	397,468	397,468
Electricity - Fleet	117	113	64	165	42	42
Production of RES (self-consumption) - Solar photovoltaic	2,826	-	302	-	-	-
Production of RES (self-consumption) - Solar thermal	487	-	-	-	-	-
Total	823,429	454,816	663,891	537,636	427,103	569,249
% de FER	64%	36%	55%	45%	43%	57%

[31] This value comes from Guarantees of Origin.

97%

Energy consumed
(excluding losses in the network and production of RES)

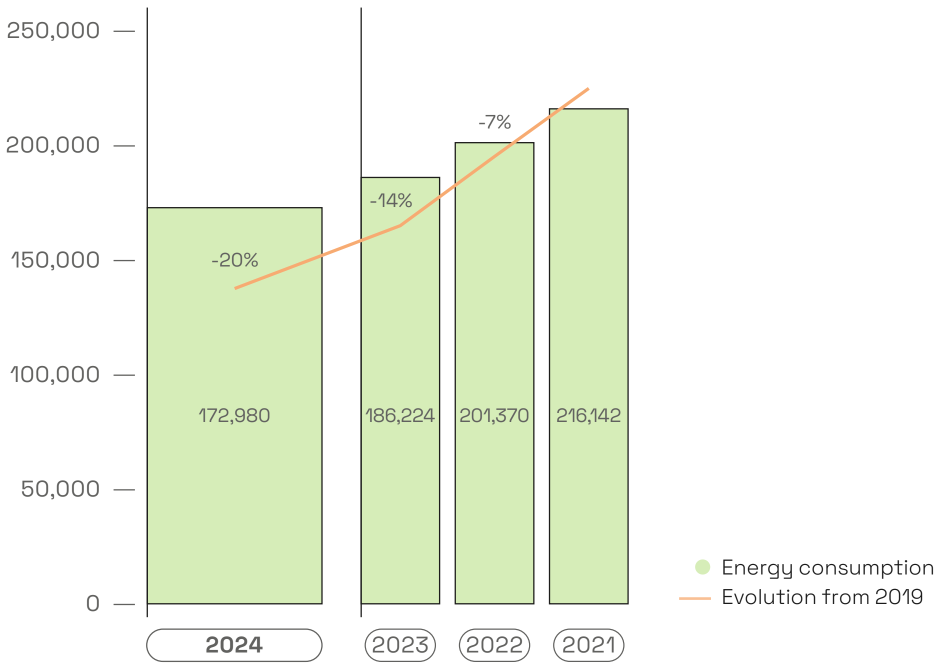
corresponds to:

88%
Losses in the electricity transmission network

5%
Consumption of gas at technical and processing facilities

4%
Consumption of electricity at technical and processing facilities

↘ Energy consumption (MWh) (excluding RNT losses and RES production)



Losses in the electricity transmission network

In relation to the energy resulting from the losses in the electricity transmission network, this will tend to increase, mainly due to the growing introduction of RES into the mainland Portugal electricity system, and depends on a series of constraints such as options on the dimensioning of components, topological solutions and operating conditions.

In Portugal, the operating profile of power plants, which are highly dependent on hydro and wind, and to a growing extent on photovoltaic production, has a pronounced effect on RNT losses, as the large thermal power plants, which have an increasingly lower percentage contribution to production, are mostly located along the coast and close to areas of greatest consumption. However, hydro and wind are essentially to the north and inland while photovoltaic production is more central and southern, positioned in a more distributed fashion, smaller in size and located away from large consumption centres. As such, wetter areas or those with strong wind or solar production, lead to power being transmitted over longer distances and to higher grid losses.

The integration into the network of the high amounts of power forecast for this decade, mostly from new solar production, with the majority located in low-consumption areas, will lead to significant changes in RNT transit patterns, with high south-north flows during periods of high solar production.

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In this regard, an increase in energy losses in the network is expected due to the increase in RES in the Portuguese and Spanish electricity systems, to maximize the introduction of RES in both systems and also due to an increase in consumption. An increase in energy transits via interconnections is also expected together with an increase in the average distances covered.

Expected losses in a given network, where production sources and the network itself change over time, naturally involve a degree of uncertainty and depend, as mentioned, on the type of production and the contribution of energy from imports.

The reduction of 8% in "gas consumption (technical and processing facilities)" is due to the lower gas consumption in the SNG (-17% compared to 2023), the implementation of energy efficiency measures in assets and the installation of thermal energy production systems. The reduction of 11% in electrical power (technical and processing facilities) is mainly due to the lower use of the LNGT, the largest consumer of electricity in the REN Group, due to the reduction in consumption of regasified gas at this facility and also due to the gradual installation of power production units at REN assets.

Without prejudice to the above, and acting as a secondary effect due to the result of the energy transition, despite the increase in RNT power losses, the significant reduction in SEN emissions has allowed an ongoing reduction in emissions caused by losses, although with variations depending on the percentage of RES in the SEN each year. In the future, this trajectory is expected to accelerate, particularly up to 2030, driven also by a robust REN investment programme in electricity infrastructure and due to initiatives to reduce energy consumption.

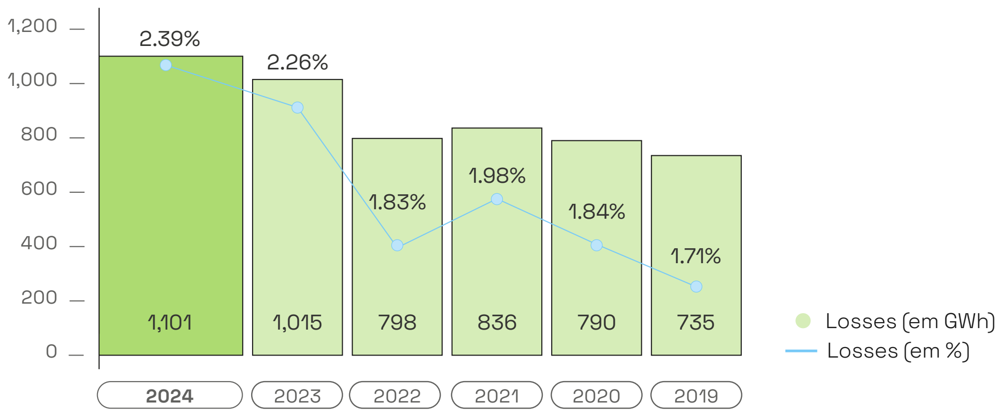
As an operator of electricity transmission infrastructure, and in line with counterpart organizations, REN has the highest energy consumption in this category, corresponding to 82% in 2022, 86% in 2023 and 88% in 2024, with a trend to potentially increase in terms of materiality. The increase in energy losses in the transmission network is directly related to the greater integration of RES and the increasing electrification of the economy. Emissions from power losses in the transmission network are basically the result of energy dissipated in the form of heat by the network lines (losses in the transmission network), poor equipment efficiency and the emissions factor (EF) in the mix of power transmitted. As a concessionaire and facilitator of the energy transition, REN operates in accordance with the rules of the electricity market, regulated by an independent body.

The increase in energy losses in the transmission network is directly related to the greater integration of RES and the increasing electrification of the economy.

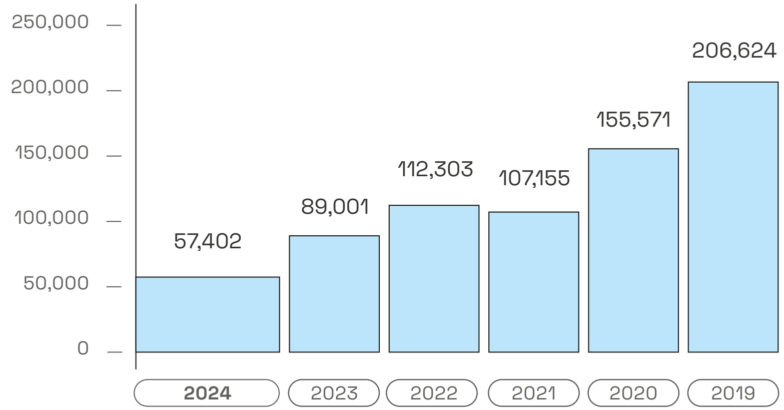
REN's mission, as a transmission system operator, is to ensure supply security and quality of service and this work is carried out in accordance with mandatory and specific operating procedures. The overriding need to comply with these procedures results in limitations for REN with regard to the methods used to operate the electrical system based on loss reduction criteria. The practice is to maximize the integration of RES into the national electricity system and, as a consequence, gain a positive reduction in the EF for energy transmitted.

Despite the increase in RNT power losses, the significant reduction in SEN emissions has allowed an ongoing reduction in emissions caused by losses.

↘ Losses in the RNT (GWh)



↘ Emissions from losses and self-consumption in the RNT (tCO_2)



The increase in the percentage of losses and energy losses resulting from the transmission of electricity is caused by:

i) increased distances between production and consumption points (losses increase when the distance transmitted increases), in particular, due to the more diverse composition and widespread nature of electricity production centres and the installation of new power production plants using renewable sources where very often the resource is located far from the areas of greatest consumption;

ii) the demand profile;

iii) the amount of electrical power transmitted and the voltage level;

iv) the power generation mix;

v) the flows of power through interconnections with Spain to optimize the integration of RES in both countries and contribute to supply security; and

vi) the electrification of the economy.

This conclusion also applies to other countries on the road to decarbonization based on a sharp increase in power generated from RES, in different parts of the country.

However, REN is committed to the transition of the National Electricity System and is developing a range of measures that seek to optimize the management of energy flows and reduce the associated losses.

These measures aim to create parallel or alternative paths that allow a specific flow of power to be distributed over several routes simultaneously. Of note are the following measures which are being implemented/under development:

- Maintenance of the facilities in the best condition possible to ensure proper operation;
- Increase in the number of conductors per circuit;
- Use of technologies and systems that ensure improved performance (e.g., ecodesign); and
- Development and meshing of the transmission network.

For Portugal in 2024, there was an increase in energy consumption resulting from losses (1,101 GWh in 2024 vs. 1,015 GWh in 2023) of around 8.5% in the electricity transmission network, with weighting increasing from 2.26% to 2.39%.

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GHG removal projects and carbon credits

Commitment to carbon neutrality by 2040 is limited to scope 1 and 2 emissions, and initiatives focus on reducing our carbon inventory and emissions. Carbon credits are only intended to cover residual emissions that cannot be reduced. For emissions which cannot be reduced, REN has planned the development of forestry projects, using voluntary carbon markets and/ or the purchase of 100% green energy source guarantees for electricity and gas.

REN uses the internal economic evaluation analysis of the shadow carbon price because it believes that by setting a price for the organisation's use of carbon, it can contribute to better management of transition risk.

However, considering the evolution of energy systems, the voluntary carbon markets still in consolidation and methodologies to neutralize emissions, this strategy will continue to be reviewed and adapted with the primary goal of total removal of scope 1 and 2 emissions.

Internal carbon pricing

REN employs shadow carbon pricing in our internal economic assessment analysis because we believe that by setting a price for the use of carbon in the organization, we can better manage the transition risk. The internal carbon rate is thus a useful tool for influencing decision-making.

REN also uses the ENTSO-E Guideline for Cost Benefit Analysis of Grid Development Projects which employs the "long-term societal price of CO_2 emissions" that covers the cost of CO_2, because if it were to be included in production costs, the long-term total societal value of avoiding CO_2 could be underestimated (or overestimated). With this in mind, a sensitivity analysis with and without carbon effect is conducted.

Furthermore, in the Development and Investment Plan for the Electricity and Gas Transmission Network, REN uses a project assessment that, combined with cost-benefit analysis and multi-criteria analysis, where one of the criteria is CO_2 avoided, an input for the planning procedure, future prices are used adjusting them to planning timeframes (usually 10 to 30 years) supported by reference sources such as the BloombergNEF and the International Energy Agency (IEA).

In operations, REN also uses carbon pricing as an economic input by evaluating alternatives for the different projects, allocating an economic value to the CO_2 avoided, for example, when evaluating alternatives to the use of gas at GRMS, replacing it with a self-consumption production unit with photovoltaic panels and heat pump.

REN is working to ensure compliance with all ESRS disclosure requirements on this issue.

ESRS E1-7 ESRS E1-8

Sustainability statement

Contribution to the SDG

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15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

4.2 ENVIRONMENT

4.2.3 BIODIVERSITY

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 our infrastructure life cycle of. Therefore, we are committed to integrating the protection of biodiversity into our work, adopting practices that promote the conservation and restoration of ecosystems.

Main actions

CHANGE THE INTEGRATED VEGETATION MANAGEMENT PRACTICES, HELPING KEEP CARBON IN SOIL AND USING 100% BIODEGRADABLE MATERIALS

PLANTING OF 1,355 ERMELO ORANGE TREES, PROMOTING AND PROTECTING THIS NATIVE SPECIES WITH POTENTIAL AGRICULTURAL BIODIVERSITY

IMPLEMENTATION OF THE ACT4NATURE COMMITMENTS PROGRAMME (2023-2025)

Main targets

5,000 ha **OF PLANTED AREA BY 2025**

DRAWING UP THE NATURAL CAPITAL STRATEGY AND MANAGEMENT PLAN

IMPLEMENTATION OF THE ACT4NATURE COMMITMENTS PROGRAMME (2023-2025)

Key metrics

461 ha **PLANTED AREA IN 2024**

25% **IMPLEMENTATION OF THE NATURAL CAPITAL** STRATEGY AND MANAGEMENT PLAN

45% **IMPLEMENTATION OF THE ACT4NATURE COMMITMENTS** PROGRAMME (2023-2025)

About the future

CONCLUSION OF THE APPROVAL FOR THE NATURAL CAPITAL STRATEGY AND MANAGEMENT PLAN

IMPLEMENTATION OF INITIATIVES RESULTING FROM THE APPROVAL OF THE **NATURAL CAPITAL STRATEGY AND MANAGEMENT PLAN**

CONCLUSION OF THE INITIATIVES OF THE **ACT4NATURE PROGRAMME (2023-2025)**

Impacts, Risks and Opportunities (IROs)

Our work includes helping in the recovery of biodiversity, which is the positive impact set out in the double materiality analysis:

REN launched the 'Natural Capital Management Strategy and Plan' project, to assess the impacts and dependencies of its activities along its value chain.

IMPACT

POSITIVE

Protection, conservation and restoration of land biodiversity	REN seeks to generate a positive impact on the environment through work to recover biodiversity in the ecosystems surrounding operations. Examples include the development of strategies to mitigate company activities, such as reforestation of Right-of-Way, integrated vegetation management and the inclusion of native species, preservation of the land we manage, conservation of habitats and anti-collision devices and the use of nesting platforms on high voltage lines.

In the materiality analysis, no risks or negative impacts were identified as material, since the potential impacts and risks assessed did not reach the threshold required for them to be classified as material, either impact or financial. However, REN recognises that its activities can have negative effects on biodiversity. For this reason, in 2024, it launched the 'Natural Capital Management Strategy and Plan' project, with the aim of assessing the potential impacts and material dependencies of its operations on nature and mapping the activities along its value chain.

As part of this project, REN is also working to meet the requirements of the ESRS standards, ensuring a structured approach in line with international best practice. Specifically, this work aims to respond to aspects such as defining the scope of the resilience analysis throughout its own operations and the value chain, identifying the main assumptions adopted, the time horizons considered, as well as the dissemination of the results of this analysis. In addition, it is being assessed how stakeholders are involved in the process and how REN's biodiversity and ecosystems policy relates to material dependencies, physical and transition risks and identified opportunities. This effort reinforces REN's commitment to integrating biodiversity into its sustainability and risk management strategy.

ESRS 2 SBM-3 ESRS 2 IRO-1

Biodiversity

Biodiversity strategy

Natural Capital Management is one of the priority areas of action in REN's sustainability approach, promoting an approach in line with the best environmental management practices and playing an active role in protecting the environment and natural capital, including biodiversity.

This ambition is reflected in our commitments to biodiversity, established under the act4nature Portugal initiative and through the commitment charter that sets out our Biodiversity strategy and which determines the guiding principles and the main areas of action in the medium and long-term (10 years). The strategy goal is to strengthen the integration of the biodiversity component within company activities, for the benefit of communities, employees, the climate, and the planet, by mitigating our impacts and, whenever possible, promoting biodiversity so as to achieve a biodiversity net gain. This strategy is structured into four areas of action:

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 locations where we operate.

3 **RESEARCH, DEVELOPMENT, AND TECHNOLOGICAL INNOVATION**

Promote research, development, and innovation 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 our 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.

ESRS E4-1 ESRS E4-4 GRI 304-2

Recognizing the impacts and dependencies related to biodiversity is vital for managing risks and opportunities relating to Natural Capital.

This strategy is implemented through action plans containing detailed information on how the general objectives in the different areas of the strategy will be achieved, identifying specific objectives, concrete actions to be undertaken, goals to be achieved and indicators of achievement, defined for a shorter time scale (3 to 5 years).

As with other sustainability issues, the strategy was based on internal reflection and consultation with external stakeholders. This process, implemented in 2022, included a workshop, an assessment of the ESG initiatives underway at REN, an analysis of the context and trends, as well as a review of benchmarking and sustainability indices and ratings.

Recognizing the impacts and dependencies related to biodiversity is vital for managing risks and opportunities relating to Natural Capital. In this regard, in 2024 REN started the project "Natural Capital Strategy and Management Plan" with the goal of assessing the potential impacts and material dependencies of business in relation to nature and mapping the activities of our value chain. To achieve this aim, tools recognized on an international level are used such as the Taskforce on Nature-related Financial Disclosures (TNFD) to help identify impacts and dependencies relating to nature by sector of activity, the materiality analysis tool of the Science-Based Targets for Nature Initiative (SBTN 2024) and Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE 2024).

The first phase of this work on the analysis of sector materiality, potential impacts, and dependencies, completed in 2024, allowed us to identify:

i. activities that generate potentially more significant impacts on nature;

ii. the potential impacts and their effect on biodiversity; and

iii. activities that depend significantly on nature and the ecosystem services which are potentially most relevant.

In addition, management activities and initiatives implemented by REN to manage impacts, dependencies, risks, and opportunities related to nature are also identified, which should also be considered in the evaluation of natural capital managed by REN.

Although REN's activities may impact on nature, there are initiatives and activities in the value chain that contribute in a highly positive manner to biodiversity, such as the management of Right-of-Way. When Right-of-Way are properly managed and in accordance with legal requirements (e.g., rural fire risk management), they can function as ecological corridors or havens and sites for a range of vertebrate and invertebrate species. They also form sites where native plants can grow, contributing to diversity.

REN has extensive experience in this area and is part of the Renewable Grid Initiative (RGI), which is the result of a unique collaboration among non-governmental organizations and Transmission System Operators (TSO) throughout Europe. The RGI promotes the construction of sustainable networks allowing the growth of renewable energy sources (RES) to help decarbonize the sector. In the field of biodiversity, in collaboration with its members, the RGI promotes the implementation and dissemination of best practices, which include the protection of birds and the integrated management of vegetation.

Stakeholder engagement

The relationship with stakeholders is a strategic priority at REN and forms an integral part of our sustainability strategy.

As part of the project development cycle, whenever applicable, REN uses tools such as the Environmental Impact Assessment (EIA). This is an instrument which is preventive in nature and is based on conducting studies and consultations, with real 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 offset such effects. The goal is to reach a decision on the feasibility of implementing such projects along with a respective post-assessment. Interaction with local communities is an essential component of our approach through active and constructive engagement, promoting sustainable development, and improving the well-being of those living in the vicinity of our infrastructure. We prioritize constant interaction with land owners and Right-of-Way so we can comply with legal obligations and find the best solutions for the location and owners. See chapter 4.3.3 Communities.

Management of risks and opportunities related to biodiversity and ecosystems
In 2024, REN carried out a preliminary analysis of sector materiality of the potential impacts and dependencies of our activities on nature, identifying the respective risks and potential opportunities. In the next reporting periods, REN intends to strengthen this analysis and gradually extend it to our upstream and downstream value chain.

POTENTIAL RISKS AND OPPORTUNITIES

PHYSICAL RISKS

ELECTRICITY

- Operational and business disruptions caused by increased intensity of storms and forest fires and other extreme weather events can damage facilities, leading to an increase in capital expenditures on infrastructure repair.
- Damage to infrastructure and interruption of activities due to the weakening of soil systems, resulting from the loss of vegetation on hillsides, which can lead to landslides, damaging facilities, causing an increase in repair and replacement costs. The loss of vegetation increases the risk of damage caused by flooding and severe weather phenomena, leading to an increase in capital expenditure on infrastructure repair.
- The increase in pests and diseases resulting from the introduction of invasive species can result in an increase in the number of dangerous trees (hazard of falling) that can affect infrastructure and the company, leading to an increase in infrastructure maintenance costs.
- Disturbance or alteration of local species, affecting their migratory, feeding and reproduction routes and habits during the dispatch phase.

GAS

- Operational and business interruptions caused by landslides as a result of the decline in soil stability that can damage infrastructure.
- Damage and interruption of activities due to flooding, if land ecosystems are degraded.
- Damage to infrastructure and interruption of activities due to the occurrence of forest fires, cyclones and other extreme weather events that damage infrastructure or disrupt commercial activities.

TRANSITION RISKS

POLITICAL AND LEGAL

- Legal changes may increase compliance costs for transmission and distribution operators (TNFD).
- Changes to existing regulations or new regulations seeking to achieve positive results for nature and energy transition targets in jurisdictions, requiring adaptation to design, maintenance, and operation methodologies and/ or procedures.
- Stricter legislation on activities, products or services that affect the nature and rights, licenses, and attributions of natural resources to relieve pressures on nature.
- Strengthening reporting obligations on impacts and risks related to nature, increasing the costs of monitoring and reporting.

MARKET

- Volatility or increase in material costs due to increased competition or scarcity.

REPUTATIONAL

- Change of stakeholder sentiment on aspects related to nature management.
- Lack of transparent information/ communication for affected communities or expectations not met, leading to controversy.

TECHNOLOGY

- Lack of access to high-quality data making nature-related assessment difficult. Regulatory requirements on the use of new monitoring technologies with high implementation costs.
- Transition to more efficient and cleaner technologies with lower impacts on nature.

FINANCIAL

- Increase in costs related to the implementation of the mitigation hierarchy to achieve the biodiversity goals of “net gain”.
- Increased requirements by financial institutions when evaluating ESG performance.

REN keeps up-to-date information on the interface with sensitive biodiversity and ecosystems sites.

As active managers of the natural capital present in network Right-of-Way, we recognize the significant value of responsibly managed natural ecosystems that can be maintained and enhanced by identifying opportunities for improvement. Under the Natural Capital Management Strategy and Plan, we will further our knowledge of the additional values of the natural and semi-natural areas managed by REN and the benefits of proper management that simultaneously generates value for nature and local communities.

At the same time, natural risks can significantly affect our activity so we work to ensure the resilience of operations and ecosystems across the value chain. After the abovementioned preliminary identification, during 2025, and further to an internal participatory analysis process and through consultation with external stakeholders, similar to that carried out for climate risks, an assessment will be conducted of the risks and opportunities REN faces in relation to Biodiversity and Ecosystems. There will also be an analysis of resilience to these risks so they can be integrated into strategic risk planning and management.

Additionally, as part of our sustainability approach, REN has implemented good practices and initiatives for several years to ensure the resilience of the business model to nature-related risks. REN keeps up-to-date information on the interface with sensitive biodiversity and ecosystems sites, such as areas classified for nature conservation, adopting differentiated management in these locations

Sensitive areas and protected species

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.

↘ Infrastructure

	2024	2023	2022
Occupation of sensitive areas by gas pipelines/ lines (km)	1,579.81	1,559.71	1,568.61
Occupation of sensitive areas by stations/ facilities (km^2)	0.38	0.38	0.38
Occupancy % over total gas pipelines/ lines	14%	14%	15%
Occupancy % over total of stations/ facilities	9%	9%	9%

Whenever these facilities are modified, such changes are optimized so as to reduce the biodiversity impact. The sites where the infrastructure of the National Transmission Network (RNT) is located are potentially the habitat for species classified on the Red List of the International Union for the Conservation of Nature (IUCN), in the following categories:

	2024	2023	2022
Critically threatened	2	2	2
Threatened	12	14	14
Vulnerable	84	86	78
Almost threatened	40	40	35
Of little concern	808	776	769

GRI 304-1 GRI 304-4

Biodiversity-related policies

In our Sustainability Policy, REN undertakes a commitment to be recognized as an environmentally responsible company, acting in accordance with the best environmental management practices and playing an active role in the protection of the environment and natural capital.

In this regard, REN also applies the principles of the Social Responsibility Policy Statement where we undertake to ensure harmonious interaction with the environment, minimizing the environmental impacts arising from our activities, promoting the rational use of natural resources and the prevention of pollution, with a view to safeguarding the rights of future generations.

Additionally, in our Quality, Environment, and Security Policy Statement, we are committed to the rational use of resources, the integration of renewable energy sources and the mitigation and monitoring of environmental impacts.

The Supplier Code of Conduct, subject to ongoing review, requires suppliers to commit to implementing sustained efforts in the environmental sustainability area, integrating good sustainability practices into their products and services, and promoting internal awareness and education programmes on these issues. Suppliers should also develop mitigation and adaptation practices for climate change and promote the efficient and sustainable use of resources, establishing waste management strategies, increasing the circularity of their products and/ or services and implementing more energy efficient technologies. The importance of disseminating the carbon footprint, the gradual reduction of emissions, in accordance with available technology, and the establishing of mechanisms to prevent and control pollution is also emphasised with suppliers. They also undertake to minimize potential negative impacts on biodiversity by prioritizing solutions to protect and restore biodiversity and ecosystems, as well as pursue non-deforestation and soil conservation strategies.

REN has undertaken wide-ranging advisory work on a voluntary basis under the Due Diligence Directive, as this Directive does not apply to REN. This work will strengthen the resilience and sustainability of operations and the value chain in the future, promoting the ongoing management of social and environmental impacts.

Given that the company is responsible for the transmission of electricity and gas, the general technical management of the electricity and gas systems, as well as the reception, storage and regasification of liquefied gas and underground gas storage, REN has been committed to environmental protection for many years. This commitment can be seen in our robust environmental management, supported by mechanisms such as the Environmental Management System, Environmental Impact Studies and Environmental Risk Assessments, adapted to the different phases of our activities.

> Strategic Environmental Assessment (SEA) is an environmental policy instrument which aims to ensure assessment of the environmental consequences of specific plans and programmes.

Strategic Environmental Assessment
Strategic Environmental Assessment (SEA) is an environmental policy instrument which aims to ensure assessment of the environmental consequences of specific plans and programmes. The main goals of this instrument are to:

- Support decision making;
- Include environmental considerations in plans and programmes; and
- Engage and allow participation by the public and environmental authorities.

ESRS E4-2

In 2024, the strategic environmental assessment of the PDIRG was conducted, highlighting the new challenges relating to the integration of hydrogen (H_2) into the gas transmission network.

In accordance with legislation in force, REN is required to prepare and deliver to the Directorate-General for Energy and Geology (DGEG) and the Energy Services Regulator (ERSE) the new proposals for the Development and Investment Plan for the National Transmission Network, Storage Infrastructures and Gas Terminals (PDIRG) and for the Development and Investment Plan for the Electricity Transmission Network (PDIRT), for the 2025-2034 period. The drawing up of these plans requires Environmental Assessments (EA) to be carried out in parallel for each.

In 2024, the strategic environmental assessment of the PDIRG was conducted, highlighting the new challenges relating to the integration of hydrogen (H_2) into the gas transmission network.

PDIRT 2025-2034, in accordance with Decree-Law No 15/2022 of 14 January, in its current version, is now a sector programme in nature (article 124 of Decree-Law No 15/2022), and Order No 9132/2024 of 18 July requires that a new proposal be drawn up based on the most recent premises.

PDIRT 2025-2034 aims to ensure security of supply and operation of the network, providing the capacity to receive and deliver electricity with quality and safety. It proposes investments in infrastructure to integrate more renewable energy, serve large industrial consumers and ensure interoperability between networks. Moreover, it promotes compatibility with the national distribution network, the Spanish transmission network and the European plan, emphasising the expansion of the network and the maximization of transmission capacity.

Environmental assessment and control reports

The Environmental Assessment and Control Reports summarize PDIRT and PDIRG follow-up and monitoring. These reports are intended not only to address legal requirements, but also to inform each new planning cycle of the results of the previous cycle and the measures that may be required to identify unforeseen negative effects in a timely manner and redirect action so as to fully implement defined strategies.

Environmental Impact Assessment

Environmental Impact Assessment (EIA) is a tool which can be used on certain public utility infrastructure projects where REN is the promoter. The EIA is an instrument which is preventive in 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 goal is to reach a decision on the feasibility of implementing such projects along with a respective post-assessment. The EIA process consists of different stages.

Following the reform introduced by Decree-Law No 11/2023 of 10 February to the Legal Framework for Environmental Impact Assessment (RJAIA), initially published by Decree-Law No 151-B/2023 of 31 October, the “Environmental Analysis of Corridors” was created. This study, referred to as EAAC, seeks to conduct an environmental assessment of alternative corridors for installing linear infrastructures.
The selection of EAAC by the environmental authority allows the promoter to develop the implementation project for the infrastructure along with the respective environmental impact study for a previously approved corridor. This methodology binds the entities consulted under the EAAC Public Consultation process to the decision of the environmental authority. This methodology is being tested for two 400 kV line projects: Abrantes – Divor and Bodiosa – Fundão.

5
EIS issued
in 2024

753 km
Total 400 kV lines
in 2024

REN's commitment to the energy transition, reflected in the expansion and improvement activities in power transmission networks, has been significantly strengthened. This strengthened commitment can be seen in the high number of environmental assessment processes in the design phase, as shown in the table below:

	2024	2023	2022
Environmental Impact Assessment processes (EIA and RECAPE)	-	9	1
Environmental Impact Statements (EIS) issued	5	2	2
Environmental Project Studies (EPS)	1	4	2
Decision on Draft Environmental Study	1	3	-
Environmental Impact Studies (EIS)	3[32]	8	1
Environmental Compliance Reports on the Execution Project (RECAPE)	-	1	-
Application for framing under the Legal Framework for Environmental Impact Assessment (PERJAIA)	1	-	-
Decision on Application for Framing under the Legal Framework for Environmental Impact Assessment	1	-	-

In 2024, five EIS were issued representing a total of around 753 km of lines. These decisions included three new substations/ switching stations. Moreover, it is expected that the following equipment will come online by 2026:

- four substations/ switching stations; and
- around 1,500 km of lines.

During network operation and maintenance, monitoring and supervision actions are carried out to ensure compliance with goals and targets defined both by REN and the provisions of environmental impact statements or decisions on the environmental compliance of the execution project. In 2024, monitoring actions were also undertaken at different infrastructures, covering the following descriptors:

NO OF INFRASTRUCTURES MONITORED BY DESCRIPTOR	2024	2023	2022
Birdlife	11	12	8
Soundscape	4	3	2
Water resources	-	-	1
Flora	-	-	1
Iberian-wolf	-	-	-
Electromagnetic fields	5	3	2

In order to facilitate the analysis and visualization of the project impacts, the innovative initiative "Virtual presentation of REN projects and environmental constraints" provides a more comprehensive view of project information and environmental constraints on the ground during field visits, through the use of augmented reality, carried out within Environmental Impact Assessment processes.

[32] During the EIA procedure, the environmental authority claimed that the EIS should be reviewed in four studies because the project involved significant impacts on the environment and, as provided for in article 16 of the Environmental Impact Assessment Law (RJAIA), requested that a new EISs be carried out. Three of these studies have been completed.

REN adopts a proactive approach to implementing initiatives to integrate natural capital into operations.

Biodiversity initiatives

REN adopts a proactive approach to implementing initiatives to integrate natural capital into operations, based on the principle of creating shared value and promoting ecosystem services in line with Sustainable Development Goals (SDGs). As such, we promote initiatives in collaboration with local communities, institutions in the scientific and technological area of higher education, and collaborative laboratories. We strengthen our internal commitments and our policies, codes and methodologies and continue to develop innovative projects that seek to contribute to the increased resilience of the land we occupy.

REN is implementing a range of initiatives in the field of biodiversity with the aim of monitoring and minimizing the environmental impacts of our activities, promoting, and restoring biodiversity and ecosystems and using natural resources rationally. These actions include keeping the corridors clean, increasing the resilience of land and providing access to Civil Protection agents. We are also adopting innovative solutions, such as the installation of video surveillance systems in the REN Elétrica support infrastructure to assist in fire prevention and fighting. Additionally, we are adopting nature-based solutions for vegetation management, replacing mechanical means, with typically native animal species. Various initiatives are also carried out with local communities. See chapter 4.3.3 Communities.

Furthermore, REN places emphasis on reforestation with native species, implementing offsetting measures and compatibility of infrastructures with birdlife. Examples of these offsetting measures include those implemented in the branch of the Lares – Lavos to Paraimo line, with the improvement of the Foja National Forest, where, in three plots covering 41 hectares, emphasis was placed on native pine trees. The work carried out included the management of sub-vegetation, the removal of invasive species, trimming, tree branch removal, and pruning. Special attention was given to preserving native species. In the Foz Tua - Armamar line, the natural regeneration of habitats such as cork oaks/ juniper and holm oak/ juniper were restored. These habitats are compatible with Bonelli's Eagle (*Aquila fasciata*) and other species affected by the line. Additionally, vegetation management was carried out in 29 hectares with the objective of creating reduced fuel corridors, also restoring 126 hectares of degraded habitats through the management of sub-vegetation, trimming, branch removal, and pruning. Native species were also planted.

Application to LIFE GreenLINK

REN submitted an application to the LIFE GreenLINK programme, with the aim of testing, evaluating, and disseminating measures that promote a coherent green infrastructure, based on integrated and complementary solutions between linear energy and highway infrastructure networks. The main priorities of this initiative, in partnership with the University of Coimbra, NBI and ANP/ WWF, are to promote the mobility of fauna, control invasive species and enhance ecosystem services.

REN Chair in Biodiversity

The REN Chair in Biodiversity was created in 2015, a name established under a protocol between CIBIO – Research Centre in Biodiversity and Genetic Resources of the University of Porto (CIBIO-INBio), REN, and FCT (Foundation for Science and Technology). The first agreement established between the three entities lasted five years (2015-2020) and was subsequently renewed. It aims to develop a programme for scientific research, scientific consultancy, and transfer of knowledge to REN through advice and support in studies and the use of biological and technical data gathered by REN over the last 20 years.

Relevant knowledge resulting from our experience in project management, environmental assessment, construction, and operations, ensures the quality and continuity of scientific work, the consolidation of knowledge in the organization and its application throughout the life cycle of REN activity.

ESRS E4-3

4,553 ha
Planted area
between 2010-2024

1.5 million
Planted trees

5,000 ha
Goal by 2025

91%
Of the goal achieved
to this moment

For the 2024-2026 period, the protocol between REN and CIBIO-INBio is structured into three components:

i. Scientific advice relating to Environmental Impact Assessment (EIA) and Research, Development, and Innovation (RD&I);

ii. Applied research programme on birdlife; and

iii. Scientific advice relating to the development of REN's natural capital management strategy.

This work is usually published in different scientific articles addressing topics which directly apply to REN activities.

Right-of-Way management and land use conversion

The precise understanding of land occupation and use in Right-of-Way plays a vital role in the strategic planning of vegetation and REN asset management. Creating detailed land use/ occupation maps, identifying similar units in corridors, is a crucial task. This approach not only provides a solid basis to work from, but also facilitates the design of optimized solutions that contribute significantly to decision-making processes.

REN's priority is to guarantee legal requirements, namely compliance with safety distances between vegetation and infrastructures and fuel accumulation, in the management of buffer strips/ fuel management strips associated with its linear infrastructures (power lines and gas pipelines). In addition, recognising the importance of reducing direct impacts on flora and land use resulting from our activities, we encourage management that favours tree planting when building new facilities, namely through the use of native species that are compatible with the infrastructures.

Between 2010 and 2024, through our Right-of-Way reforestation programme, we planted 4,553 ha, corresponding to 1.5 million trees, reaching 91% of the reforestation and conversion goal of 5,000 ha by 2025. This effort involved the collaboration of more than 24 owners. In 2024, an area of approximately 461 ha was planted. Reinforcing REN's commitment to promote native species, of the 461 hectares planted, around 47% was planted with strawberry trees, over 31% with cork oaks and holm oaks, 17% with oaks, 3% with stone pines and 2% with agricultural species for fruit production.

REN is responsible for managing vegetation covering more than 23,500 ha (forest spaces). In 2024, vegetation management was carried out for a total of 10,186 ha, of which 9,046 ha were Right-of-Way and 1,140 ha in concession properties.

REN is one of the companies that most contributes to the protection and recovery of native forest and 66% of our Right-of-Way are located in forests. For this reason, management and mitigation of fire risks is a permanent concern. The accumulation of combustible biomass, the lack of adaptation of species to locations, climate change and monoculture are all factors that increase the risk of rural fires. REN forms part of the Fuel Management Corridor Secondary Network in the Integrated Rural Fire Management System (SGIFR). To comply with these legal provisions, we manage vegetation in protection corridors for our infrastructure, which have a minimum width of 45 meters for power lines and ten meters for gas pipelines, ensuring proper fuel management.

REN replaced the harrowing of vegetation with the shredding of strata, avoiding soil mobilisation and preserving natural regeneration and carbon storage.

By keeping the corridors clean, we help increase resilience of land and facilitate access to all Civil Protection agents. This is long-term and ongoing work has been praised by the competent authorities and by the communities where we work. In the most critical season, we implement a Prevention, Warning and Action plan which applies to all REN operations and locations. This plan is based on the level of preparedness of ANEPC resources (National Emergency and Civil Protection Authority), defined every year in the Special Programme for Combating Rural Fires.

Carbon flows and stocks in relation to Right-of-Way management

When calculating and modelling of the dynamics of carbon stocks and flows in Right-of-Way and other assets, it was seen that harrowing soil can result in the loss of 5% to 30% of carbon stored in the soil. Therefore, REN changed this practice in 2024, replacing the removal of bushes and harrow sub-vegetation, which delays natural regeneration and affects carbon storage in the soil, with the practice of clearing vegetation from the strata, without soil mobilisation.

TRANSFORM AGENDA – AGENDA FOR THE DIGITAL TRANSFORMATION OF FOREST VALUE CHAINS

Under the Transform Agenda, part of the Recovery and Resilience Programme (RRP), REN is the leader in two projects:

i) CENTRODEC

Decision support centre with multi-sensory data to protect the forest – Implementation of a decision support centre with multi-sensory data to support the protection of REN infrastructure and the respective land and surrounding infrastructure against extreme weather phenomena (fire and other events). A scaling up of the rePLANT project where video surveillance systems were installed in pylons for the Very High Voltage line.

ii) 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.

Birdlife

The impact of infrastructures on birdlife has deserved constant attention from REN, not only through scientific work conducted by the Chair in Biodiversity, but also through the implementation of offsetting measures and by making infrastructure compatible with the white stork population. 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 further innovative project underway is DFOS – Distributed Fibre Optic Sensing project for collision detection in Very High Voltage Lines (VHV) – Development of a bird collision detection system against VHV lines, using sensors distributed along the optical fibres within guard cables.

WHITE STORK NESTS	2024	2023	2022
No of nests	4,093	4,054	3,920
Accident rate (%)	2.96	1.90	1.15

WORK PERFORMED	2024	2023	2022
No of platforms installed	76	30	58
No of anti-perching devices installed	102	77	163
No of nests transferred	227	119	191

We have published a wide-ranging series of operational metrics on activities where we interact with natural capital and biodiversity.

Performance of biodiversity strategy

REN includes biodiversity and ecosystems in actions and decision-making processes, supported by transparent metrics and objectives such as those reported throughout this chapter.
We have published a wide-ranging series of operational metrics on activities where we interact with natural capital and biodiversity. These metrics aim to generate better results for our activities, understand impact trends and correlations between actions, impacts, the natural environment, and the local communities we interact with.

In order to align biodiversity actions with ESRS and TNFD regulatory requirements, REN will define a series of metrics to enable the assessment and monitoring of nature-related performance.

Further to a suggestion by TNFD, in 2024 a preliminary identification was carried out under the LEAP approach of the potential impacts and dependencies of REN in relation to nature and with respect to the location of the REN interface with nature[33]. This will be complemented in 2025 by an additional series of metrics on impacts, dependencies, and the respective response actions. The table below shows the initial exercise in 2024.

ESRS E4-5

[33] LEAP - Locate your interface with nature, Evaluate your dependencies and impacts on nature, Assess your nature-related risks and opportunities and Prepare to respond to, and report on, material nature-related issues, aligned with the TNFD's recommended disclosures.

↘ Impacts, dependencies, and the respective response actions

Category	Indicator	Metrics	Description	Benchmark
I. IMPACTS				
Soil use	Total land use area by REN assets.	ha	Total area controlled/ managed by the organization: ○ Total area occupied by electricity line and gas pipeline Right-of-Way; ○ Total area occupied by stations, substations, posts, technical and industrial facilities; and ○ Other land area used.	TNFD/ ESRS
	Total area of REN assets in areas classified as nature conservation.	ha	Overlapping area between the total area of assets and high natural value areas (protected areas, UNESCO World Heritage sites, UNESCO Biosphere Reserves, Ramsar sites, Key Biodiversity Areas).	TNFD/ ESRS
Pollution/ pollution removal	Non-GHG air pollutants.	ton/ kg	Non-methane volatile organic compounds (VOC or NMVOC); Sulphur oxide (SO_2, SO, SO_3, SO_x); Carbon monoxide (CO); Ammonia (NH_3); and Fine particles (PM2.5 and/ or PM10) as defined in Article 3 (5) to (8) of Directive (EU) 2016/2284 of the European Parliament and of the Council.	TNFD/ ESRS
Use of resources	Water use/ consumption.	m^3	Volume of water used. Volume of groundwater and surface water extracted and consumed.	TNFD/ ESRS
Climate change	GHG air pollutants.	ton/ kg CO_2	Scope 1, 2 and 3 GHG emissions: ○ Carbon dioxide (CO_2); ○ Methane (CH_4); ○ Nitrous oxide (NO_2, NO, and NO_3); and ○ Sulphur hexafluoride (SF_6). Also includes substances harmful to the ozone layer: Chlorofluorocarbons (CFCs), hydrofluorocarbons (CFCs) and perfluorocarbons (CFCs).	TNFD/ ESRS
II. DEPENDENCIES (ECOSYSTEM SERVICES)				
Regulating services	Climate regulation.	ton CO_2	Storage and carbon sequestration by vegetation or operational activities.	TNFD/ ESRS
III. RESPONSE/ ACTION				
Impact/ dependency management	Area of ecosystems under voluntary agroforestry planting in assets and property Right-of-Way or under the management responsibility of REN, by type of ecosystem (forest versus agriculture).	ton CO_2	Variation of the ecosystem area under voluntary agroforestry planting in assets and property Right-of-Way or under the management responsibility of REN.	TNFD/ ESRS

Sustainability statement

4.2 ENVIRONMENT

4.2.4 RESOURCES

Although issues related to the management of water, waste and the circular economy were not identified as material in the double materiality analysis, we consider it essential to highlight our efforts and initiatives in these areas, reinforcing our commitment to responsible resource management.

Water

Water is at the heart of sustainable development and is part of Sustainable Development Goal 6 in the 2030 Agenda, which advocates universal and equitable access to drinking water and sanitation by 2030. Water is essential for socio-economic development, for energy and food production, for the construction of healthy ecosystems and for the survival of the human species. Water is also essential for tackling climate change, serving as a crucial link between society and the environment. Although not a material topic for REN, we recognize our role in promoting sustainable water use. Therefore, we carried out an in-depth study involving Transemel buildings, the technical component, and operations. We also conducted a review of all other facilities, ensuring that all assets were included. This process resulted in the correction of figures from previous years, although with reduced impact in terms of materiality.

It was possible to establish the commitment to reduce 40% of the water consumed by 2030, compared to 2022. As a result of this analysis, in 2024 a series of initiatives were implemented, particularly with regard to detecting leaks in the main consumption facility.

↘ Water (m^3)

	2024			2023			2022		
	WITHDRAWAL	CONSUMPTION	DISPOSAL	WITHDRAWAL	CONSUMPTION	DISPOSAL	WITHDRAWAL	CONSUMPTION	DISPOSAL
Third party water (network)	54,530	10,906	43,624	82,444	16,489	65,955	89,439	17,888	71,551
Sea water	102,146,430	-	102,146,430	111,062,444	-	111,062,444	127,935,431	-	127,935,431
Groundwater (bore hole)	32,107	6,421	25,686	23,522	4,704	18,818	20,324	4,065	16,259
Total	102,233,068	17,328	102,215,740	111,168,410	21,193	111,147,216	128,045,193	21,952	128,023,241

17,328 m^3

Water consumption
in 2024

-18%

Water consumption reduction
compared to 2023

The amount of water collected and consumed by an organization and the quality of disposal can impact on the functioning of the ecosystem in numerous ways. REN monitors and reports water uptake and consumption at all facilities, analysing key indicators for efficient management. Whenever above-average figures are detected, work to identify and correct anomalies is undertaken.
In 2024, this monitoring allowed leaks to be identified and repaired, contributing to reduce water consumption.

In 2024 there was a reduction in consumption of 15%, from 21,193 m^3 in 2023 to 17,328 m^3 in 2024.

We use water from three different sources in our facilities: Third-party water, groundwater, and seawater. Seawater captured during LNGT activity is fully returned to the sea.

Waste

Given the significant increase in infrastructure construction and asset maintenance cycles, it is difficult to estimate the annual evolution of waste produced. However, we are committed to reducing waste and prioritizing recovery operations instead of disposal.

It should be noted that waste resulting from REN operations this year was exclusively non-hazardous and that 94% was subject to recovery operations.

	2024	2023	2022
Hazardous waste (ton)	1	-	269
Disposed	-	-	86
Recovered	1	-	183
Non-hazardous waste (ton)	2,379	3,377	4,967
Disposed	152	-	-
Recovered	2,227	3,377	4,967

↘ Leaks and spills occurred

Severity	Occurrences in 2024
1 Insignificant	3 occurrences in 2024
2 Low	0 occurrences in 2024
3 Moderate	0 occurrences in 2024
4 Serious	0 occurrences in 2024

Leaks and spills

REN employs preventive and corrective measures with the aim of preventing occurrences and minimizing the impact resulting from leaks and spills of oils and fuels.

We ensure proper maintenance of our equipment is carried out and that our service providers adopt the same procedures in order to reduce the number of incidents.

In addition to the focus on incident prevention, REN also adopts measures to minimize the impact resulting from incidents. Accordingly, all transformers and autotransformers at substations have a retention basin to collect oil which is then directed to a central basin. The central oil basin has a siphon system which allows rainwater collected, together with the oil to be separated and routed to the rainwater network, keeping spilled oil inside the retention basin.

In addition to the above, there are absorption kits for immediate intervention to minimize environmental impact, available at all installations where there exists a risk of leakage.

In 2024, three occurrences took place which were classified as insignificant:

1. Spill of 24 litres of dielectric oil resulting from an incident at a voltage transformer with 1.5 m^2 of soil affected;
2. Spill of 58 litres of dielectric oil resulting from an incident at an intensity transformer with 1.5 m^2 soil affected; and
3. Spill of of dielectric oil as a result of an incident at a power transformer. All the oil was captured in the retention basin and there was no contamination to substation soil.

A process is currently under way to analyse the measures to be implemented.

Circular economy

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 in order 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, 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.

At the end of 2023, the REN Roadmap and Circular Economy Strategy was approved by the Executive Committee and constitutes a strategic, planning and training document for the future of the sector the company operates in. The goal is to achieve carbon neutrality and implement the principles of the circular economy in the sector by 2040.

The REN Roadmap and Circular Economy Strategy is based on five axes (three vertical and two transversal) and includes a series of scheduled initiatives, as well as indicators and metrics.

↘ AXIS I

MONITOR CIRCULARITY

Implement metrics and monitoring systems enabling effective monitoring of performance management.

↘ AXIS II

TRAINING FOR CIRCULARITY

Provide training processes for employees and promote training and awareness throughout the value chain.

↘ AXIS III

CIRCULAR PROCUREMENT

Ensure that procurement procedures follow clear, measurable, and specific circularity and sustainability criteria for each product type.

↘ AXIS IV

CIRCULAR MANAGEMENT OF ASSETS

Adopt and implement robust and effective management procedures for the entire asset lifecycle.

↘ AXIS V

NATURAL CAPITAL MANAGEMENT

Restore the proper functioning of ecosystems by simulating their natural functioning and employing practices that reverse damage.

In 2024, the Circular Economy Working Group (CEWG) was created, consisting of members of the different operational departments, and tasked with the mission of implementing the circular economy roadmap and strategy at REN. As such, the Product Environmental Performance Sheet (PEPS) was published in the document management system. This document will form part of the documentation in asset procurement procedures and will be completed by the supplier whenever the asset to be supplied does not have an Environmental Product Declaration (EPD).

In order to implement the circular economy strategy roadmap, REN has introduced several initiatives aligned with the five axes of the circular economy strategy. To increase training for circularity (Axis II), an internal session was held and attended by suppliers, to share knowledge on the importance of life cycle evaluation in the circular economy.

Given the materiality of the very high voltage assets, REN began to include in the technical specifications for this equipment a request for the supplier to provide an EPD and/ or PEPS, should a tender be awarded.
This information will allow the composition of the assets acquired to be analysed and for us to evolve to sustainable procurement criteria in accordance with the goal of Axis III.

In alignment with the objective of 0% of textile waste in landfill by 2024, 15 collection points for technical clothing at the end of working life were created so that this fabric is used as raw material in the manufacture of new clothing. We remain committed to meeting the goal of zero single-use plastics by 2025.

Collection of technical clothing at the end of life

In 2022, the project to collect clothing at end-of-life was started by the operational teams, with the aim of recycling the fabric and reusing it in the manufacture of new clothing. In 2024, in order to make this an ongoing initiative, containers were purchased and located at REN facilities, where clothing can now be deposited.
The containers were acquired based on the principles of circularity as they are made of 100% recycled plastic. With this initiative, we have met the goal we set in 2022 to have 0% of textile waste in landfill by 2024.

Also with regard to waste reduction, and taking into account the high number of trees planted annually by REN, we changed the type of individual protectors used. Up to 2023, REN used protective polypropylene or polyethylene tubes. While these tubes did not contaminate soil or plants and were photodegradable, impacts were seen after planting. We therefore changed the specifications for replanting Right-of-Way, stipulating that the protectors must be made of wood fibre and be 100% biodegradable, reusable, recyclable and compostable, and contain no polluting additives.

These actions are examples of initiatives that fall under Axis IV.

> With the initiative of collecting clothing at end-of-life, <u>we have met the goal to have 0% of textile waste in landfill by 2024</u>.

With regard to Axis V, the project for drawing up the Natural Capital Management Strategy and Plan is under development, and will involve evaluating REN's natural capital based on the principle of creating shared value.

Future initiatives

In 2025, we intend to further promote biodiversity by implementing initiatives at REN technical facilities, gradually integrating the concept of "nature inclusive design" into projects and adopting "net nature positive" strategies.

We will continue to implement measures to minimize waste production and hold internal and supply chain awareness campaigns with the aim of increasing levels of waste recovery and recycling.

We will also continue our active involvement with the supply chain, incorporating into the supplier's code of conduct the need to adopt practices for the rational use of resources, as well as promoting initiatives that boost the reduction of Scope 3 emissions, such as the progressive electrification of the fleet and equipment.

Furthermore, we will continue to share corporate experience and hold benchmarking meetings with energy companies and inter-sector meetings with the aim of guaranteeing ongoing alignment with best practices.

Sustainability statement

4.3 SOCIAL

4.3.1 REN EMPLOYEES

People are the energy that transforms our networks. Their performance, intrinsically related to their satisfaction, diversity, capabilities and competencies, is the real driver behind the value creation in the company.

Contribution to SDG

03 GOOD HEALTH & WELL-BEING
04 QUALITY EDUCATION
05 GENDER EQUALITY
08 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Main actions

REINFORCEMENT AND MOTIVATION OF TEAMS

SUCCESSION AND LEADERSHIP DEVELOPMENT

TRAINING, DEVELOPMENT AND KNOWLEDGE MANAGEMENT

STRENGTHENING OUR COMMITMENT TO EQUALITY, INCLUSION AND DIVERSITY

Main targets

1/3 OF FIRST-LINE MANAGEMENT POSITIONS OCCUPIED BY WOMEN BY 2030

100% OF EMPLOYEES TRAINED IN ESG BY 2030

2 M€ INVEST IN TRAINING BY 2027

REMAIN IN THE TOP LEVEL OF EMPLOYEE SATISFACTION[34]

[34] >75% of our employees responded positively to the statement "I am pleased to work at REN".

Key metrics

775 EMPLOYEES

25% WOMEN

47H TRAINING HOURS PER EMPLOYEE, ON AVERAGE

About the future

TALENT MANAGEMENT AND DEVELOPMENT OF NEW LEADERS

TRAINING AND DEVELOPMENT OF NEW SKILLS

CONTINUED COMMITMENT TO EQUALITY, INCLUSION AND DIVERSITY

DIGITAL TRANSFORMATION

Impacts, Risks and Opportunities (IROs)[35]

REN recognizes the key role played by employees in the performance of our work. The relationship we establish with our teams and our commitment to the development and well-being of all staff are essential for our success. For this reason, and in accordance with the double materiality analysis, the following IROs have been identified that directly impact on the quality of life and performance of employees:

IMPACTS

POSITIVE

Remuneration above the minimum subsistence limit	REN guarantees fair remuneration, coupled with a range of benefits, thus contributing to the quality of life of employees. All employees receive an adequate wage in accordance with the applicable benchmarks.
Employee satisfaction and motivation survey	REN has an organizational climate study, the POP – Personal Opinion Programme, to collect the opinion of employees on various topics, which allows us to act when we see situations where improvement is needed, thus increasing employee job satisfaction and helping employees feel that their opinions are valued.
Development of a safety culture	Strengthening and promoting a strong culture of safety at work is essential to reduce the number of injuries and accidents and ensure the psychological and physical well-being of employees, in turn creating a safer and healthier environment for all.
Employee training and skills development	Through its strong commitment to the training and development of its people, REN contributes to the development of outstanding professionals. Examples include the REN Campus, with functional schools in critical skills for the business and the commitment to leadership training.
Diversity and inclusion	REN promotes a culture of diversity and inclusion and creates a work environment where trust and mutual respect are prioritized and where integration and recognition of individual merit are highly-valued. This culture creates a working environment where everyone can thrive.

NEGATIVE

Work accidents	The nature of REN's operations can lead to accidents and injuries, which have a negative impact on employees' health. For each workplace or activity, REN identifies risks relating to occupational safety, according to the risk classification, and in turn the preventive measures that need to be taken to mitigate the occurrence of such risks.

RISKS

Work accidents	REN employees could be involved in work accidents that have consequences for their health and in turn impact on REN's Health and Safety Strategy. REN is therefore fully committed to employee safety, through risk reduction and control procedures that seek to prevent the occurrence of near-accidents, accidents and occupational diseases related to our activities.
Talent attraction and retention	Because of the technical and highly specialized nature of the functions to which the sector is exposed, the ability to attract and retain talent is very important to REN. Attracting and retaining talent can be both challenging and risky for REN. It is to this end that we have implemented several initiatives to increase attraction and retention through the development and empowerment of human capital.

ESRS 2 SBM-3 ESRS S1-4 ESRS S1-5

[35] REN has not identified any operations, countries or geographical areas with a significant risk of incidents of forced labour, compulsory labour or child labour.

OPPORTUNITIES

Employment reputation	At REN, people are at the heart of our strategy. We play an active role in the development of our employees and we want to provide a working environment where everyone can thrive. Our effort has been recognized with several awards, such as the Order of Portuguese Psychologists (OPP) Healthy Workplaces, where REN was named one of the healthiest workplaces in Portugal. This reputation gives REN greater attractiveness in the labour market, in turn enabling us to attract and retain qualified talent.
Stability and quality of employment	With 99% of employees in permanent contracts, REN provides employment stability and security. Through various initiatives and benefits, REN offers ongoing training and development tools, improving our capacity to retain and attract qualified talent.
REN's commitment to employees training	REN's investment in employee training and development enables a more qualified workforce, which is adaptable to the different challenges of the changing sector. This makes us more efficient, more productive, and more innovative.

REN was named as one of the healthiest workplaces in Portugal with the Healthy Workplaces Awards.

Management of Human Capital

People are at the heart of REN's strategy and play a vital role in operational excellence, innovation and the ability to rise to the challenges of the energy sector. REN's medium-term human resource development plan considers the different aspects of cultural development and transformation that enhance the satisfaction, safety and well-being of our employees in a sustainable manner.

2024 was a year of consolidation and continuity of the different transformation programmes that we have established, with the goal of effective cultural transformation. The strengthening of our commitment to the energy transition and to the different commitments in the field of sustainability accelerated the need for REN to evolve to a model that is more aligned with a dynamic energy market and a competitive labour market.

Our actions focussed on planning and strengthening our teams to address emerging challenges; organizational agility and effective talent management; empowering our people and training them in new skills; changing ways of working and promoting efficiency. We have sought to develop a culture that favours active listening, flexibility, diversity and well-being. We focused on this strategy throughout 2024, taking advantage of the challenges and opportunities of a changing sector:

- **TALENT ATTRACTION AND RETENTION**
  Consolidation of the new organizational model, preparing teams for new challenges, according to critical business processes needs and new sector skills, promoting opportunities for mobility and organizational development. In this way we were able to continue with our strategies of proximity to universities, strong employer branding and onboarding;
- **AGILITY AND TALENT MANAGEMENT**
  We have continued to develop the talent mapping process and systematically identify the succession pipeline and development process of our leaders;
- **SKILLS DEVELOPMENT AND TRAINING**
  Implementation of the new schools and training courses of the REN Campus, designed in 2023, in alignment with evolving needs and the acquisition of new knowledge. We also consolidated our strategy to diversify training and development formats and channels, promoting flexible and proactive learning as well as strengthening the company's internal knowledge management with the launch of new functionalities in the online REN Campus;
- **RECOGNITION, FLEXIBILITY AND WELL-BEING**
  We concentrated on recognition and stability of teams, interacting constantly with all our social partners to promote optimal working conditions and ensure that teams are motivated. One highlight is a well-being programme that is based on a holistic vision and therefore adds value to our employees;
- **EQUALITY, INCLUSION AND DIVERSITY**
  Promoting equality, inclusion and diversity is a strategic priority for REN; and
- **DIGITALIZATION AND HUMANIZATION**
  We launched a digital transformation of human resources procedures, focusing on efficiency and improving employee experience, while at the same time continuing to promote contact points and the need for human interaction to develop and motivate employees.

Characterization of human resources

At REN, we continue to focus on promoting stable and secure contractual relationships. In 2024, the number of employees, particularly permanent staff, increased. This clearly demonstrates our commitment to addressing the challenges of the energy transition, as we have strengthened the teams dedicated to this area.

As a result of our continued commitment to ensure a balance between professional and personal life, around 74% of REN employees have a flexible schedule. Other schedules relate to work requiring a fixed timetable or shift work.

The average age and average length of service of our employees registered a slight decrease compared to 2023, reaching 44.8 and 15.6 years, respectively. This is because our hiring policy is based on diversity and rejuvenation of the structure.

775
Employees[36]

+3.6%
Compared to 2023

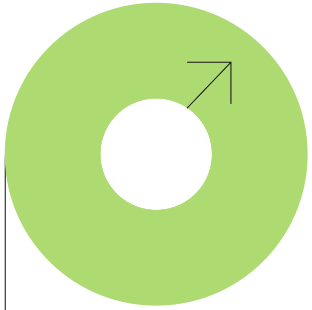
74%
of employees
have a flexible schedule (includes no fixed working hours)

In 2024, the number of employees, particularly permanent staff, increased. This clearly demonstrates our commitment to addressing the challenges of the energy transition.

ESRS S1-6 GRI 2-7

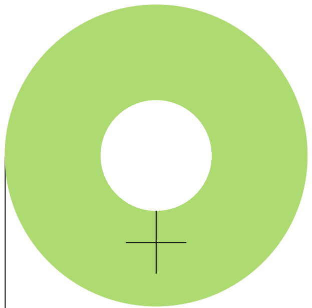
[36] Of the 775 employees, 758 are in Portugal and 17 in Chile.

↘ Number of employees by gender[37]



581

MEN



194

WOMEN

GRI 401-1

↘ Breakdown of employees by hiring policy and gender[38]

	2024			2023			2022		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Number of employees	194	581	775	188	560	748	182	537	719
Number of permanent staff	193	576	769	188	555	743	182	534	716
Number of employees with fixed-term/ internship contracts	1	5	6	-	5	5	-	3	3

↘ Breakdown of employees by employment type and gender[39]

	2024	2023	2022
NO FIXED WORKING HOURS	189	191	198
Men	136	136	141
Women	53	55	57
FLEXIBLE WORKING HOURS	387	359	327
Men	260	240	218
Women	127	119	109
SET WORKING HOURS	117	115	111
Men	116	114	110
Women	1	1	1
SHIFT WORK	82	83	83
Men	69	70	68
Women	13	13	15
Total No of employees	775	748	719

↘ Average age and service length[40]

	2024	2023	2022
AVERAGE AGE	44.8	45.5	45.8
Men	45.2	46.1	46.4
Women	43.6	43.5	43.9
AVERAGE SERVICE LENGTH	15.6	16.5	17.0
Men	16.2	17.3	17.7
Women	13.6	13.9	14.9

[37] The categories defined by the ESRS of “Other” and “Undeclared” are not applicable at REN.
[38] Number of employees at the end of the reporting period. REN does not have employees without guaranteed timetables.
[39] Number of employees at the end of the reporting period.
[40] Number of employees at the end of the reporting period.

The challenges of our business and the expansion of the company's staff have led to an increase in the rate of new hires as well as a high level of internal recruitment.

The challenges of our business and the expansion of the company's staff have led to an increase in the rate of new hires, as well as a high level of internal recruitment, driven in recent years by new opportunities and organizational challenges.

Women hiring in 2024 was limited by labour market supply for the profiles sought (essentially STEM), however, our objectives in diversity and gender equality with respect to recruitment policies remain.

↘ Average age and service length[41]

	2024	2023	2022
Men (%)	10.3	8.0	6.7
Women (%)	6.7	10.6	12.1
<30 years old	34.8	49.4	50.9
From 30 to 50 years old	8.9	6.7	6.5
>50 years old	1.2	0.0	0.8
Rate of new hires (%)	9.4	8.7	8.1
Internal recruitment rate (%)	32.6	44.0	37.5

GRI 401-1

↘ Turnover rate[42]

	2024	2023	2022
Men (%)	8.5	6.0	5.9
Women (%)	5.2	9.0	9.6
<30 years old	20.1	29.2	36.0
From 30 to 50 years old	5.7	5.3	5.1
>50 years old	6.5	2.4	3.0
General turnover (%)	7.7	6.8	6.8
Voluntary turnover rate (%)	2.3	2.7	3.5

As a result of the company's growth plan and restructuring, the overall turnover rate of employees was 7.7%. Only 2.3% of those employees left voluntarily. The voluntary turnover rate remained low as a result of REN's talent management and value proposition for employees.

7.7%

Turnover rate in 2024

[41] Change in calculation methodology with regard to 2023. Calculation based on the number of employees at the end of the reporting period. In 2024, 73 new employees joined REN.

[42] Change in calculation methodology with regard to 2023. Calculation based on the number of employees at the end of the reporting period. In 2024, 46 employees left REN.

Talent management

Talent management, which is the engine that drives an organization's growth and development, is essential to attracting, retaining and enhancing the quality of the company's employees.

REN's value proposition, based on employee respect, equality, diversity and inclusion, and promoting healthy work environments, is aimed both at young talent and experienced professionals, regardless of gender, origin or profile, and includes people qualified in science, technology, engineering and mathematics (STEM) and specialized technical profiles.

	2024	2023	2022
ADVANCED TRAINING	246	216	189
Men	169	143	124
Women	77	73	65
HIGHER EDUCATION	305	302	303
Men	211	213	215
Women	94	89	88
SECONDARY EDUCATION	197	194	188
Men	177	173	165
Women	20	21	23
PRIMARY EDUCATION	27	36	39
Men	24	31	33
Women	3	5	6
TOTAL	775	748	719
HIGHER EDUCATION (%)	71.1%	69.3%	68.4%
Men (%)	65.4%	63.6%	63.1%
Women (%)	88.1%	86.2%	84.1%

By keeping a balance between young and experienced talent, we maintain our commitment to young employability.

The weighting of graduate employees at REN is 71.1%.

Despite the difficulty in recruiting this type of profile, promoting the representation of women in STEM is vital to reduce gender inequalities in society and our contribution in this regard is especially relevant in the organization. At REN, approximately 55% of our staff are allocated to STEM-related areas, with 22% of positions held by women.

	2024	2023	2022
NUMBER OF EMPLOYEES IN STEM AREAS	423	393	366
Men	328	305	286
Women	95	88	80

By keeping a balance between young and experienced talent, we maintain our commitment to young employability. REN was one of the first companies to join the "Pact for More and Better Jobs for Young People", an initiative of the José Neves Foundation.

Participation in events

In 2024, REN was present at various university events.

INSTITUTION	EVENT
ISCTE, FCT-NOVA, ISEL	◦ Job Fairs
Instituto Superior Técnico de Lisboa	◦ Chemistry, Electrotechnical, Mechanical and Environment Workshops ◦ Women Engineering ◦ Breakfasts with Electrical and Mechanical Engineering students
Faculdade de Engenharia da Universidade do Porto (FEUP)	◦ Company's Day ◦ FEUP Talent League ◦ Career Fair
Lisbon School of Economics & Management (ISEG)	◦ Summer Internship ◦ Mock Interviews ◦ ISEG *Career Fórum*
National universities	◦ Talent Bootcamps
Universidade Católica Portuguesa	◦ Summer Internship
ATEC - Training Academy (Palmela), Trancoso Professional School	◦ Presence at technical schools
Global Management Challenge	◦ Strategy and management competition

↘ Number of participations in events/ job fairs

24 In 2024

18 In 2023

12 In 2022

Talent attraction

REN has sought to strengthen its employer brand by means of a greater presence on social networks and greater participation in events and initiatives such as Talent Bootcamp and job fairs promoted by universities and other institutions.
These initiatives reflect our commitment to our purpose and mission, integrating the fundamental pillars of our organizational culture. By addressing challenges such as sustainability, innovation, and promoting gender equality in the energy sector, we reaffirm our role as an agent of transformation and progress in the energy market.

In 2024, as part of our continued focus on proximity to universities, we continued to be involved in the REN Plug-in Ambassadors Programme, reinforcing this initiative with five ambassadors from the academic universe. In this programme, we challenge undergraduate or masters' students from universities and reference courses to play an active role in promoting jobs at REN to students from their universities.
REN's Ambassadors Programme also represents the company at job fairs, open days, events and other initiatives, seeking to promote our values at universities and to strengthen the link between the company and academia. Ambassadors have the opportunity to participate in a job shadowing day at REN, which gives them an immersive experience in the job market.

This initiative enables them to better understand the business world and to promote REN more effectively to talented young people nationally.

In our Gender Equality Plan, we continue with our commitment to ensure, whenever possible, representativity of the under-represented gender in recruitment and selection processes.

In 2024, REN was once again present at Girls in ICT Day, organized by the Portuguese Association for Diversity and Inclusion (APPDI). This event aims to encourage young women to explore career opportunities in the areas of Information and Communication Technologies (ICT), IT and Engineering. These are continuity initiatives and are included in REN's Annual Gender Equality Plan.

In our Gender Equality Plan, we continue with our commitment to ensure, whenever possible, representativity of the under-represented gender in recruitment and selection processes. REN also encourages the specialized external entities with which we collaborate to follow this same principle. Although 67% of the applications received were from men, in 36% of the recruitment processes carried out in 2024 the target was reached.

Trainee Programme

REN's Internship Programme is a now consolidated initiative providing professional, academic and summer internships. Participants are encouraged to develop specific projects that are in line with company strategy, which is valuable both for their own professional development and for the organization.

In 2024, REN's Trainees programme offered professional internships to 16 young people, allowing them to develop technical and personal skills over the course of the 12-month internship. Of these young people, 25% joined the company, reinforcing the relevance of the programme as a strategic source of attraction and retention of young talent.

REN's Trainees programme has been ongoing for 14 years, and over that time has been adjusted regularly to attract young talent and respond to organizational needs. In 2024, we made some adjustments to the programme in order to attract the younger generation, by adjusting the job rotation paths and the contents of our internship programme. Trainees also take part in initiatives such as Reception Programmes, Buddying, Sustainability, Innovation, and cross-sectional training in technical and behavioural areas. As part of the learning experience, REN Trainees are members of NETT, the Network of European TSO Trainees, which was founded in 2019. This working group is referred to as the energy transition generation, whose careers will focus on ensuring the success of decarbonization throughout the energy sector. NETT aims to support this ambitious goal by creating a solid knowledge-sharing network on ongoing projects. REN is represented by two trainees who form part of the NETT Board.

↘ REN's Trainee Programme

	2024	2023	2022
Professional internships	16	16	16
Academic internships	24	20	16
Summer internships	14	15	13
Total	**54**	51	45

↘ VIVA Programme

97%

SATISFACTION AMONG NEW EMPLOYEES
WITH FACE-TO-FACE TRAINING

94%

SATISFACTION AMONG NEW EMPLOYEES
WITH E-LEARNING TRAINING

97%

SATISFACTION AMONG NEW EMPLOYEES
WITH THE INITIAL FOLLOW-UP CARRIED OUT
BY THE HUMAN RESOURCES TEAM

Reception and integration

The success of new employees' reception and integration is taken care of by VIVA, REN's reception and integration programme. As well as providing participants with general knowledge on the company, including our values, mission, and areas of activity, this programme also enables faster identification with REN, providing opportunities for networking between generations.

The **VIVA Programme** is one of several initiatives to support employee development from day one and consists of face-to-face sessions and visits to REN's main facilities. The programme is also complemented by various e-learning courses that allow participants to quickly and easily learn about REN's business.

This programme is promoted in collaboration with in-house trainers from different business areas, which helps in knowledge transfer while also forming closer relationships between old and new employees. It provides helpful tools and knowledge for a positive onboarding experience and speedy development.

In 2024, the VIVA programme provided regular follow-up for employees throughout the reception and integration process. The reception kit focused on the sustainability culture, a welcome phone call for new employees, initial ice-breaker sessions informing on REN and regular follow-up sessions designed to foster networking and interaction between recent employees, managers, and established REN employees.

The VIVA programme enables faster identification with REN, providing opportunities for networking between generations.

14

Retention and expectations interviews

136

Employees involved

Talent retention

Talent retention at REN involves strategies and practices focused on attracting, developing and maintaining qualified employees, aligned with the company's strategic objectives. At REN, talent retention is particularly important because of the technical and highly specialized nature of our operations. The initiatives we have in this area are critical to retaining quality employees who contribute to the sustainability and innovation of our business sector.

REN uses an integrated talent management strategy that aligns the development of human capital with corporate strategy and values. This approach includes annual talent mapping based on performance and potential assessment (STAR), strategic training through the REN Campus, and initiatives such as interest and expectations questionnaires and retention interviews. In 2024, 14 retention and expectations interviews were conducted, involving 136 employees, and 32% of the vacancies were filled by internal candidates. This reflects REN's focus on internal mobility and meritocracy.

REN's talent retention strategy aims to meet the expectations shared by employees, and is an important tool in identifying and developing potential successors and retaining and developing talent. In 2024, we continued to identify internal talent who have the potential to assume leadership and 1st and 2nd line management functions, focussing particularly on operational areas, where we also sought to identify more female talent. This process aims to prepare retiring employees for life after work, identify their successors and develop specific programmes to ensure a scheduled transition.

In 2024, we continued to identify internal talent.

Talent retention model

IDENTIFYING TALENT

- Talent Matrix - Performance vs. Potential.
- 360° evaluation of skills (employee evaluated, peers, subordinates and direct management).
- Interests and expectations questionnaire.

RETENTION INTERVIEWS AND EXPECTATIONS

INTERNAL MOBILITY

CAREER DEVELOPMENT

SUCCESSION

TALENT DEVELOPMENT

- REN Campus - training and development opportunities in key competencies.

Succession Plan

INTERIM

- Immediate succession plan for emergencies (unplanned events).

PLANNED

- Succession plan defined with possible implementation in the short term.
- **47 employees** mapped for management roles.

UNDER DEVELOPMENT

- Plan to identify succession potential with development needs.
- **48 employees** mapped for succession pipeline development.

Performance management

The REN performance management programme - STAR Programme - applies to all REN employees who work under contract in one of the Group companies (active on the date the assessment is carried out) and who have worked for a minimum of six months in the assessment year. The aim of this programme is to provide information enabling the company to get to know and manage the performance and potential of our employees, and support their path to personal and professional development.

REN sees performance management as an ongoing process of feedback and sharing. Such monitoring is vital for helping every employee achieve their targets and improve individual performance. As such, in addition to promoting a culture of regular feedback, a final mandatory assessment meeting is held between the assessor and the assessee. This meeting aims to close the respective assessment with the employee being assessed and encourage a dialogue of alignment with regard to perceptions about the assessments provided, clarification of results achieved, the employee's involvement in the definition of the individual development plan (making the person co-responsible for the agreed results) and their individual motivation.

In addition to the final assessment meeting, a mandatory interim feedback meeting is also held. The aim is to check on the degree of achievement of individual aims and compliance with the activities plan to date, and then to decide whether to maintain or change the plan. During this meeting, feedback will also be provided on behaviour adopted based on the established skills model. The impacts of the STAR programme are different depending on the final assessment of objectives or skills.

In relation to targets assessments, the main impacts involve possible eligibility for variable remuneration, which allows differentiation in individual performance, and the salary progression provided for in the Collective Work Agreement.

REN sees performance management as an ongoing process of feedback and sharing. Such monitoring is vital for helping every employee achieve their targets and improve individual performance.

Based on a 360º assessment, **STAR** includes both evaluation and informative components that support the process.

- ASSESSMENT COMPONENTS:
broken down into 1) objectives defined annually by employees and managers and 2) skills. They assist in management decisions, more specifically, with regard to variable remuneration, salary/ career progression, internal mobility, training and development or talent management and succession; and
- INFORMATIVE COMPONENTS:
ensure that information of a qualitative nature is compiled which contributes especially to self-knowledge for the employee/ managers, talent mapping and personal development/ training.

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The performance assessment process is also a stage of improvement in collective performance and cultural alignment.

With regard to skills assessment, the possible impacts are:

- the drawing up of a training and development plan based on identified needs; and
- identification and segmentation of the potential of every employee, supporting decisions on internal mobility and talent management/ succession.

In addition to the individual development plans established between assessors and assesses, after each evaluation cycle is closed, all negative assessments are identified, both in the assessment of skills as well as targets, and a more detailed action plan is defined.

This plan involves the direct manager of the employees, the employees themselves and a member of the Human Resources Department. The aims are to foster a dialogue of alignment with respect to the assessments made and clarify objectives/ future results and establish a plan for ongoing performance improvement.

The performance assessment process is also a stage of improvement in collective performance and cultural alignment. The skills which need most development in each functional group are identified transversally together with how their potential can be maximized. Development and skills training courses, and individual coaching or mentoring sessions are just some of the tools used.

↘ Key performance assessment indicators[43] (STAR 2023)

STAR PROGRAMME 2023	WOMEN	MEN	TOTAL
Number of employees covered	176	525	701
% of assessments concluded	100%	100%	100%
Average - Final skills assessments (scale of 1 to 3)	2.54	2.59	2.58
Average - Final target assessments (scale of 1 to 5)	4.16	4.22	4.21
% of bonuses calculated as compared to the number of assessments	99.4%	99.8%	99.7%

↘ 360º assessment[44]

	NUMBER OF PARTICIPANTS			NUMBER OF REPLIES	PARTICIPATION %	OVERALL AVERAGES
	TOTAL	WOMEN	MEN			
Self-assessment	720	180	540	481	67	2.67
Peer assessment	720	180	540	448	62	2.73
Subordinate assessment	673	-	-	446	66	2.73
Interests and expectations questionnaire	136	32	104	136	19	-

[43] Performance assessment for 2023, carried out in 2024.
[44] Employees eligible for 360º assessment at the process launch date.

Training and development

REN invests in the training and development of its people through the REN Campus, which is dedicated to developing employees knowledge and skills, setting us apart and adding value in knowledge management.

We assess our training needs on an annual basis, and training programmes are planned for three-year periods. This crucial stage is a collaborative effort between managers and employees, where each individual takes ownership of their development, with managers actively engaged in the process. The information we gather allows us to draw up the company's annual training plan, aimed at skills development and continuous knowledge updating, in line with REN's strategy.

Several external partners and internal trainers work together to carry out REN's training programmes. The latter allow the dissemination of internal knowledge and the transfer of specific technical skills to highly specialised teams. Of the programmes run, nine were in partnership with higher education institutions such as the Institute of Science and Innovation in Mechanical and Industrial Engineering (INEGI), the Institute for Systems and Computer Engineering, Technology and Science (INESC TEC), the International Institute for Management Development (IMD), the Kellogg School of Management, the Nova School of Business and Economics (Nova SBE), Lisbon School of Economics & Management (ISEG) and the Universidade Católica Portuguesa (UCP).

In 2024, 19% of employees had training in this type of programme. The programmes take place intra and inter-company, allowing both networking as well as employee development to be extended through contact with senior staff and managers from other companies. Subsidized training is also possible and attending advanced and specialized programmes (postgraduate, Master's, MBA and PhDs) depends on the interest and relevance for the development of employee potential, in accordance with the company's objectives.

Several external partners and internal trainers work together to carry out REN's training programmes.

PROGRAMS CONDUCTED IN PARTNERSHIP WITH HIGHER EDUCATION INSTITUTIONS:

- Institute of Science and Innovation in Mechanical and Industrial Engineering (INEGI)
- Institute for Systems and Computer Engineering, Technology and Science (INESC TEC)
- International Institute for Management Development (IMD)
- Kellogg School of Management
- Nova School of Business and Economics (Nova SBE)
- Lisbon School of Economics & Management (ISEG)
- Universidade Católica Portuguesa (UCP)

ESRS S1-13 GRI 404-2

REN CAMPUS

With the aim of driving the growth and consolidation of the business through people development, we have created differentiated courses directed at the correct management of intellectual capital and the ongoing transfer of knowledge via the REN Campus programmes. These programmes foster the development of knowledge and skills in REN Culture areas of, Management and Leadership, Digital and Innovation and Technical Areas, and enable employees to remain aligned with the Skills Model and with REN's Strategic Pillars.
REN Campus also provides employees with the opportunity to attend specific training courses informing on specific functions, promoting professional development and contributing to a performance of excellence.

TRANSVERSAL TRAINING

REN SCHOOL OF CULTURE

- Behavioural training and awareness in REN health, culture, and sustainability.
- **Topics covered:** Teamwork, personal and professional development, communication techniques, mental health and well-being and sustainability.

MANAGEMENT & LEADERSHIP SCHOOL

- Development of management skills and support for leaders.
- **Topics covered:** Team management, strategic thinking, project management, negotiation techniques, financial management and positive leadership.

DIGITAL & INNOVATION SCHOOL:

- Focus on innovation, new technologies and digital tools.
- **Examples:** Power BI, Python and Data & Analytics and Innovation Programmes and Agile Methodologies.

TECHNICAL SCHOOL

- Technical training in the energy sector, focusing on gas, electricity and new trends such as hydrogen.
- Emphasizes skills to comply with Quality, Environment, Safety and Health (QES) policies.

SPECIFIC TRAINING

- Provides employees with specific skills and knowledge considered essential for the performance of their functions and/ or taking on new responsibilities/ functions in the company.
- Allows knowledge updating and best practices.
- There are several development areas, more specifically, technical (gas and electricity), quality, environment, safety, computer science and languages.
- Training is complemented by participation in seminars, congresses and conferences, as well as through internal webinars on: personal data protection, the energy transition, the importance of sleep, the circular economy, security supply, natural capital, and hydrogen, etc.

DIGITAL SKILLS DEVELOPMENT PROGRAMME:

This programme has two main objectives: to develop technical capabilities and the digital literacy of participants, training them for technological innovation and digital transformation and giving them the analytical capabilities essential for carrying out operations with data, from small to large-scale. This allows us to promote more efficient working methods, with greater critical capacity and innovative thinking and behaviour, which in turn means we can quickly obtain more strategic information and specific or general data and indicators that are essential to the business.

98 NUMBER OF **PARTICIPANTS**

83% TRAINING SATISFACTION **INDEX**

91% TRAINING EFFECTIVENESS **INDEX**

MANAGEMENT & LEADERSHIP SKILLS DEVELOPMENT PROGRAMME:

This programme aims to develop and update the skills of leaders and employees on topics such as: management, negotiation, strategic planning, results orientation, team transformation and strategic leadership (both with regard to natural teams as well as new ways of working in projects with non-natural teams). This will allow teams and individuals to be better prepared for rapid changes in business and to be more flexible in the way they think, act and deal with different interlocutors, which will in turn make the company more dynamic and more adaptable to changing and adverse economic situations that may arise in the energy sector.

121 NUMBER OF **PARTICIPANTS**

87% TRAINING SATISFACTION **INDEX**

89% TRAINING EFFECTIVENESS **INDEX**

REN Campus is also a development tool for employee potential as it defines specific development plans for new company leaders. These plans include specific actions on REN's management tools, as well as broader actions to develop leadership skills in the behaviour and management fields. In the same way, the leadership culture is also promoted through meetings such as the strategic reflection workshop, held once a year for directors and managers with high potential, or regular management meetings to monitor activity and strategic projects.

In the case of female talent, and as part of the Gender Equality Plan, in addition to the transversal programmes we run, we also provide employees with accelerated development plans, including participation in specific development programmes in partnership with associations that promote equal opportunities, such as the Professional Women's Network (PWN).

REN also invests in the digital transformation of its training model, leveraging flexible and on-demand learning approaches. New digital courses covering both cross-cutting and organization-specific themes are continuously developed. Some examples are "Cybersecurity policies", "Regulations and data protection", "Sustainability", "Innovation", and "Ergonomics".

↘ Training monitoring indicators

93%

TRAINING EFFECTIVENESS

91%

TRAINING SATISFACTION

As part of these courses, of note is the e-learning course on "Ethics, Code of Conduct, and Prevention of Corruption Risks", aimed at all company employees and participation is mandatory every two years. In addition to established employees, new workers and interns are also required to attend this course when they join the company. This course reinforces the prohibition of any form of harassment, noting that "REN employees should refrain, in particular, from any harassment at work."

In 2024, REN also provided a digital training platform for employees. This platform contains several courses, covering a wide variety of topics and complementing existing training courses. These courses give every employee the opportunity to develop at their own pace, as part of self-knowledge and self-development.

The dissemination of REN's training plan is carried out across all employees through various internal communication channels.

Notably, in 2024, **100% of employees** participated in training, with all programs including assessments for both employees and their managers. The results were highly positive, with training effectiveness reaching 93% and satisfaction at 91%.

↘ Training indicators[45]

NUMBER OF TRAINING HOURS BY GENDER	2024	2023	2022
Total	36,538	37,726	36,738
Men	26,316	28,125	26,722
Women	10,222	9,601	10,016

NUMBER OF PARTICIPANTS BY GENDER	2024	2023	2022
Total	6,346	5,727	6,763
Men	4,674	4,100	4,783
Women	1,672	1,627	1,980

AVERAGE NUMBER OF TRAINING HOURS BY PROFESSIONAL CATEGORY AND GENDER	2024	2023	2022
TOP MANAGEMENT	38	43	40
Men	37	33	39
Women	39	64	41
MANGERS	49	40	41
Men	35	38	40
Women	97	47	44
SENIOR MANAGERS	51	56	57
Men	49	55	51
Women	55	61	70

Continued ⟶

[45] Change in calculation methodology with regard to 2023. Calculation based on the number of employees at the end of the reporting period.

880 €

Average amount invested in training and development per employee

AVERAGE NUMBER OF TRAINING HOURS BY PROFESSIONAL CATEGORY AND GENDER	2024	2023	2022
FIELD/ ADMINISTRATIVE	40	42	45
Men	41	47	51
Women	33	19	19
AVERAGE NUMBER OF TRAINING HOURS	47	50	51
Men	45	50	50
Women	53	51	55
Annual % of employees with training	100	100	100

AREA OF TRAINING (HOURS)	2024	2023	2022
REN culture	4,129	7,686	5,411
Management and leadership	5,411	4,052	2,389
Digital and Innovation	5,760	2,715	3,453
Technical	21,239	23,273	25,485

AREA OF TRAINING (% PARTICIPANTS)	2024	2023	2022
REN culture	20%	44%	28%
Management and leadership	21%	12%	19%
Digital and Innovation	29%	14%	32%
Technical	30%	30%	22%

Balance, equality and inclusion - NÓS Programme

Balance, equality, and inclusion are the three areas of action of the NÓS programme, an initiative created by REN in 2014, which creates an environment conducive to the personal and professional employee development. Over the years, the programme has impacted the quality of life, experience, and satisfaction of REN employees and is a valuable preventive tool, helping achieve emotional balance and reconciling the personal, family, and professional well-being of employees and family members.

Recognized in 2024 by the Wellbeing Awards, in the category of companies with 251 to 1,000 employees, in the section, "Best Physical Wellbeing Strategy"

This programme, praised both inside and outside the company, was recognized again in 2024 by the Wellbeing Awards, in the category of companies with 251 to 1,000 employees, in the section, "Best Physical Wellbeing Strategy". The Equality, Inclusion, and Balance policies of the NÓS Programme were also recognized in the 10th APEE (Portuguese Association of Business Ethics) Awards in the category of "Recognition of Social Responsibility and Sustainability Practices".

Finally, at the Association of Portuguese Psychologists (OPP) 5th Healthy Workplaces Awards (Level I), REN was named as one of the healthiest workplaces in Portugal.

GRI 403-1 GRI 403-3

Health, well-being and balance

In the NÓS programme, health, well-being and balance are key topics.

For this reason, it is vital to ensure that employees are provided with the best health conditions so that they can perform their duties and that general and sector occupational health standards are complied with. With this in mind, REN implements the work concept adopted by the World Health Organization (WHO), as a "state of complete physical, mental and social well-being, and not merely the absence of disease".

This continuity strategy is based on a holistic view that brings together physical, social, financial and emotional aspects. This approach puts occupational medicine at the centre of all health activity at REN and aims to:

- diagnose individual situations through a multidisciplinary team of doctors and health professionals, thus promoting healthy lifestyles and habits;
- provide safe and healthy workplaces with suitable conditions and different experiences; and
- develop the skills of employees and their families enabling them to adopt healthy lifestyles and habits.

Included among the initiatives we promoted and consolidated in 2024: individualized health monitoring; specific consultations for employees with different needs; advice to managers for reporting and monitoring different cases; specialized communication on the topic of global health; promotion of the mental health of employees through screening in consultation of work medicine; group initiatives, webinars and e-learning.

REN offers internal occupational medicine, providing all employees with complementary clinical examinations and analyses according to their functions, including the screening of employees particularly exposed to electromagnetic fields, in accordance with the law, in order to apply measures to restrict exposure.

It is vital to ensure that employees are provided with the best health conditions and sector occupational health standards.

↘ Initiatives

YOGA AND FUNCTIONAL TRAINING

Within the scope of the health aspect of the NÓS Programme, and in order to promote well-being among employees, REN offers yoga classes and functional training, both online and in person.

WELLBEING GAMES

This initiative, which is open to all employees and part of the NÓS Programme, is promoted by REN sports clubs. There are team, pairs, and individual games. This is a differentiating event in Portugal that brings together employees from various companies on a day full of sports activities, challenges, and experiences related to physical and mental well-being. In the competitive side of the initiative, the REN team participated in four different sports: running, hiking, padel tennis and football.

E-LEARNING COURSE ON ERGONOMICS

Mandatory initiative with special focus on physical health (musculoskeletal injuries) and mental health (psychosocial risks), revised for employees working from home.

In addition to numerous internal initiatives, REN employees are also covered by individual health care plans, reinforced with specific coverage for mental health and which can also include family members.

OCCUPATIONAL HEALTH INDICATORS	2024	2023	2022
No of auxiliary diagnostics (per group of examination)	412	463	555
No of medical interventions	451	612	998
No of nursing interventions (per group of examinations)	421	463	563
Visits by doctors to work places	7	7	12

REN's larger premises in Ermesinde, Pombal, Lisbon, Sacavém, Bucelas, and Sines, have medical facilities which offer flu vaccinations, breast, and prostate cancer prevention for women and men, and raise awareness of the importance of prevention and early diagnosis of these cancers.

All existing initiatives have been maintained or reinforced and we continue to particularly highlight: sports activities, yoga and functional training classes, psychological consultations, nutrition and curative medicine in the main facilities, as well as social support. In addition to numerous internal initiatives, REN employees are also covered by individual health care plans, reinforced with specific coverage for mental health and which can also include family members.

Leadership and mental health

Given the important role that leadership plays in these matters, we train our managers about the importance of mental health, communicating with teams and making employees aware of the company's health and well-being resources. The main benefits of training managers to manage and prioritize employee mental health are that an open culture around mental health is promoted.

In 2024, REN continued to actively participate in the Pact for Mental Health in Work Environments created by the Centre for Responsible Business and Leadership of the Catholic Lisbon School of Business and Economics, helping develop metrics for the promotion of mental health. Participation in the Pact is part of REN's health policy, which is based on an approach that is both individualized and corporate, preventive, and focused on promoting mental health literacy. Through membership of this Pact, the company aims to create support plans and promote a culture of openness around the theme of mental health, with the active involvement of leaders, which will in turn help to eliminate stigma. The focus on mental health also aims to empower employees to support each other, manage and prioritize their mental health. REN is also committed to referring employees to psychological consultations, providing them with the mental health tools and support they need and providing free consultations in a totally confidential manner.

The synergy between family and work also forms an integral part of the Balance aspect of the NÓS Programme.

Conciliation and protection

The synergy between family and work also forms an integral part of the Balance aspect of the NÓS Programme. Since this programme was set up, various initiatives have been promoted and information has been provided on the different factors that impact on the lives of employees, with the aim of promoting a better balance between professional, personal, and family life. This is an essential condition for effective equality between men and women, and for lower levels of absenteeism, greater productivity and retaining talent.

The theme of conciliation was highlighted in 2022 with the launch of the Flexibility Programme, a series of flexibility initiatives, which continued to be implemented and monitored in 2023 and 2024. In addition to the different conciliation measures, including a hybrid system of home/office work, REN continues to give all new employees a voucher for purchasing office supplies, so that they can continue to have the best working conditions, even when working from home.

In 2024, in light of the current economic context and with special focus on the financial well-being of employees, a benefits portal provided discounts on daily purchases, alongside a social support fund and financial mentoring.

In addition to public protection schemes for unemployment, disease, retirement and parenting, REN grants 12 hours per semester for medical consultations and treatments, as well as six days a year for family support. REN also makes contributions or provides flexible credits for pension funds aimed at complementing the Social Security Pension Plan. REN provides insurance for salary protection and accidents at work or disabilities resulting therefrom.

CONCILIATION AND PROTECTION INITIATIVES

REN SUPPORT FUND

Part of the Balance aspect of the NÓS Programme, REN's solidarity support fund aims to support employees in situations of financial and social vulnerability, as well as provide health support, particularly for fertility treatments. This fund can be triggered in certain situations, both for specific health expenses, as well as for other expenditure of an exceptional and recognized severity, thus helping prevent situations of risk and support situations of vulnerability, avoiding the use of credit from external entities.

WEBINAR ON INCOME TAX AND PERSONAL FINANCES

An initiative open to all employees for financial literacy and support for personal and family budgets focused on practical issues such as the changes that 2024 brought with respect to withholding tax and its impact. In partnership with an external entity, these initiatives enjoyed a high satisfaction rate (90%).

PARENTAL COACHING

For REN it is important to be present in the different periods of life and to this end, employees returning to work after parental leave can take part in the Parental Coaching Programme. This programme aims to facilitate the return of fathers and mothers to the rhythm of work, helping to structure their routines and support networks, in order to ensure a better family/ work life balance. REN recognizes that this balance is not a short-term issue and this programme has also been extended to all parents with children up to 18 years of age.

FLEXIBILITY PROGRAMME

This programme includes measures in three areas of action: workplaces, working hours and other conciliation measures, highlighting the following:

- **Flexible working hours** – the possibility of leaving earlier on Fridays, depending on duties, and a 38-hour week;
- **Hybrid work** – balances office work with the flexibility of working from home, allowing up to two days a week working from home, depending on the work performed. It also provides for the possibility of a half-day off work for extraordinary situations; and
- **6.5 additional days of rest per year and two days of volunteering.**

Diversity, equality and inclusion

REN positioned itself as a pioneer in promoting diversity and gender equality in the Portuguese market. In recent years, it has implemented policies and practices that ensure equal opportunities, rights, and freedoms while recognizing and valuing the contributions of both women and men to society and organizational success.

The focus on a balanced equality strategy is reflected in improved gender equality indicators, with women now being more evident both in the company generally as well as in management positions.

For REN, gender equality is also a question of fundamental rights and, for this reason, non-discrimination based on gender is expressly provided or in the Code of Conduct. Furthermore, since 2014, REN has been a member of Forum IGEN, meeting a commitment to reinforce our policies and strategies for Gender Equality, both in-house as well as externally.

REN has implemented a model that, in addition to recognizing inequalities between men and women, provides a transformational perspective seeking to change behaviour and attitudes. The status of gender equality was established in 2018 and consists of:

- **SPONSOR** - President of the Executive Committee - Ensure gender equality as an integral part of REN's strategic agenda;
- **ADVISER FOR GENDER EQUALITY** - Human Resources Director - Ensure respect for the principles of non-discrimination and the promotion of equality between women and men.
- **GENDER EQUALITY TASK FORCE** - Ten Members (five women and five men) - Plan and promote gender equality initiatives at REN.

54%

Men
top management

46%

Women
top management

Employees age group distribution

	2024		
	<30	30 - 50	>50
TOP MANAGEMENT[46]	-	10	14
Men	-	4	9
Women	-	6	5
MANAGEMENT	-	34	18
Men	-	25	15
Women	-	9	3
SENIOR MANAGERS	74	268	121
Men	51	177	102
Women	23	91	19
FIELD/ ADMINISTRATIVE	18	115	103
Men	18	98	82
Women	-	17	21
TOTAL	92	427	256
Men	69	304	208
Women	23	123	48

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[46] REN's top management is responsible for managing Executive Commission - dependent structural bodies or corporate bodies, with organizational stability. They work within the REN Group Strategic Plan to develop policies and strategies for the group's portfolio, whether as a whole or in part.

The company has many continuity actions in this regard. In 2024, of note were the following:

- Commemoration of the International Women in Engineering Day and the International Girls in ICT Day, where we raised awareness of these topics both internally and externally;
- Participation for the fourth year running in the Bloomberg Gender-Equality Index;
- Participation in the International Energy Week (IEW) programme, especially aimed at secondary school students, students and teachers of higher education, as well as employees of partner companies. The aim of this week is to encourage interest in energy in general and engineering in particular in secondary education;
- Participation in the Portuguese Energy Association (APE) "Women in Energy" initiative;
- Continuation of the partnership with PWN Lisbon, through the sponsorship of their annual event, the enrolment of REN employees as PWN members and the participation of young REN workers in the Youth Programme;
- Participation, for the fourth consecutive year, in the 2024 Exchange Lab programme, promoted by the Girl Move Academy and contributing to the personal and career development of another young Mozambican (this year as full in-person format); and
- Publication of the 2025 Annual Gender Equality Plan, which keeps REN focused on our commitment to evaluate our initiatives and to think annually about new impactful measures and to issue an annual report with relevant indicators on this subject and monitor development.

For 2025, REN's Open Day will be entitled, "Talent has no Gender", and this updated version will be aimed at engineering, economics and management students.

Of note is our work with partner institutions on social responsibility and in compliance with Law No 4/2019, which sets out a system of employment quotas for people with disabilities who have a degree of disability equal to or greater than 60%.
Since 2022, REN has been an associate of the Portuguese Association for Diversity and Inclusion (APPDI), and is a signatory to the Portuguese Diversity Charter.

REN closely analyses salary information to ensure that we are up to date and maintain the good practice initiated in 2021 to publicly disclosure the pay gap.

For REN, gender equality is also a question of fundamental rights.

SALARY INDICATORS	2024	2023	2022
Gender pay gap - Total annual remuneration (%)[47]	-5.06	-1.81	-1.70
Gender pay gap - Basic monthly remuneration (%)[47]	-8.80	-5.75	-6.01
Total annual remuneration ratio[48]	4.56	4.38	4.27
Gender pay gap - Total annual remuneration (%)[49]	-2.76	1.23	1.64
Gender pay gap - Basic monthly remuneration (%)[49]	-7.03	-3.44	-3.37
Total annual remuneration ratio[49]	4.65	7.39	7.47
Total annual remuneration ratio increase[50]	2.46	1.61	-1.55
Ratio between the minimum wage earned at REN and the national minimum wage	Men = 1.36 Woman = 1.36	Men = 1.40 Woman = 1.63	Men = 1.42 Woman = 1.59

MEN/ WOMEN SALARY RATIO PER FUNCTIONAL GROUP	2024	2023	2022
Top management	1.00	1.08	1.06
Management	0.93	0.96	0.93
Senior managers	0.89	0.88	0.90
Field/ Administrative	1.07	1.05	1.06

47 Gender pay gap - (average remuneration [men] - average remuneration [women]) / average remuneration [men]. Only Portuguese employees.
48 Total annual remuneration ratio - ratio between the total annual remuneration of the highest paid individual of the organization and the total average annual remuneration of all employees (excluding the highest paid). Only Portuguese employees.
49 Includes all REN employees.
50 Total annual remuneration ratio increase – ratio between the percentage increase in total remuneration of the highest paid individual of the organization and the percentage increase in the total median annual remuneration of all employees (excluding the highest paid).

REN is committed to the ongoing improvement of occupational safety through improvement of mechanisms, equipment and platforms.

Occupational safety

REN is fully committed to the safety of people, infrastructure, and operations. Promoting a strong safety culture is key to achieving this goal.

REN is also required to ensure compliance with current legislation on occupational safety and define and implement internal standards and procedures, a process that the company has been developing and improving. Finally, REN is committed to the ongoing improvement of occupational safety through improvement of mechanisms, equipment and platforms.

REN's online Document Management tool for Works and Services Provision (GEDOC) centralizes and systematizes document management, enabling legal compliance in a single platform. It allows for continuous monitoring of documentation and its flows, facilitating consultation, loading, analysis and decision-making in an efficient and organised manner.

In 2024, as part of our ongoing efforts to improve safety and compliance, REN acquired the Safety Culture tool, to verify operational control and safety compliance. This tool has eliminated the use of paper and bureaucracy, streamlining the process to resolve findings and non-conformities. With the support of Safety Culture in operational management visits, non-compliant situations can be forwarded in real time to those responsible, thus accelerating corrective actions.

Also in 2024, REN completed the process of adopting new technical clothing, with the involvement of REN employees representatives in the field of occupational safety and health and our operational teams. After the publication of the new rules for access to electric and gas operational installations, and to reinforce safety, entry into these facilities is now only permitted for properly equipped and protected employees, wearing technical clothing and authorized personal protection equipment (PPE).

All REN employees are covered by a health and safety management system. For information on which companies are certified, see chapter 2.3 Risk management.

Safety culture

The effort to reduce and control risks, aiming to prevent near-misses, accidents, and occupational illnesses, remains REN's core focus in occupational health and safety management. Recognizing that investing in this area is inseparable from the success of our activities, REN continued implementing the safety culture program in 2024 under the principle that "Everyone's safety relies on each individual's responsibility". As part of this program, a set of key initiatives was developed, including:

- **Ongoing reinforcement of our prevention principles** through the VIVA employee welcome programme;
- **Analysing recent accidents** and applying the conclusions to improve accident prevention and minimization measures;
- **Amendment and updating procedures,** in particular Risk Charters and Technical Specifications;
- **Training and communication** on electromagnetic fields in electrical installations;
- **Holding the 1st REN Prevention Forum,** which was attended by REN's main construction contractors, where we analysed and discussed issues and opportunities for improvement in the area of safety;
- **Strengthening communication formats** to raise awareness among employees about accident prevention and to promote a culture of prevention;
- **Training on root cause analysis** methodologies and definition of SMART recommendations; and
- **Implementation of preventive safety observations carried out** by multidisciplinary teams in different areas of operations.

Strengthening the safety culture aims to drive a significant transformation in REN Group's approach to risk prevention, fostering an integrated and continuous prevention management strategy that actively involves key value chain partners. In this context, each stakeholder plays a crucial role in promoting improvement, awareness, and the practical application of prevention measures at all levels and in daily operations.

Recognizing the importance of continuous improvement in reinforcing the safety culture, new initiatives are already planned. These include strengthening on-site engagement through leadership visits and preventive safety observations, as well as implementing a georeferenced emergency response system to support REN employees working in isolated conditions.

Assessment of safety risks

The safety risk assessment is carried out on the basis of ISO 45001 - Occupational Health and Safety Management System, in which REN is certified see 2.3 Risk management. The internal “Hazard Identification, Risk Assessment and Control” procedure establishes a method of identifying hazards and controlling occupational safety risks associated with the activities and workplaces of the group.

For every workplace or activity, REN identifies the occupational safety risks in the “Risk Charter”, according to risk classification, and in turn identifies preventive mitigation measures. In addition, we train our employees in occupational safety and the respective risks.

Work accidents

At REN, work accidents are recorded according to the Analysis & Performance Procedure (PR-0248). This procedure, which covers the entire accident information cycle, defines how accident information is obtained, processed, and used, to ensure that information is employed by both REN and our partners to learn and develop prevention strategies.

In 2024, there was a sharp drop in REN employee work accidents, which was seen in the zero (0) work days lost. These figures were also reflected in the frequency and severity indexes that also decreased compared to 2023.

There were no occupational illnesses in 2024.

The table below shows the main work accident indicators for REN employees and contractors and service providers (CSP), by gender, for 2024.

In 2024, there was a sharp drop in REN employee work accidents, which was seen in the zero work days lost.

↘ Work accident indicators

	NO OF EMPLOYEES		NO OF HOURS WORKED		NO OF FATAL ACCIDENTS		NO OF NON-FATAL ACCIDENTS[51]		NO OF DAYS LOST	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
REN Employees[52]	581	194	1,013,920	315,796	-	-	1	-	-	-
Contractors and Service Providers (CSP)	1,398	173	2,904,618	365,702	1	-	20	2	494	56

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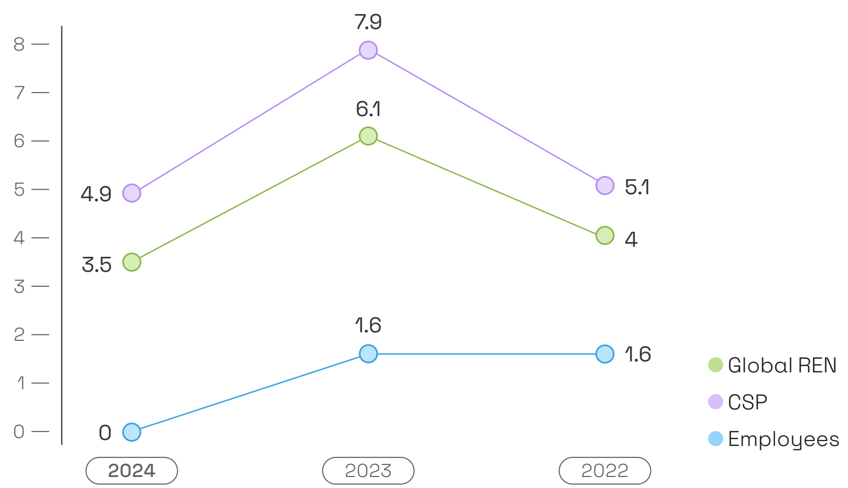
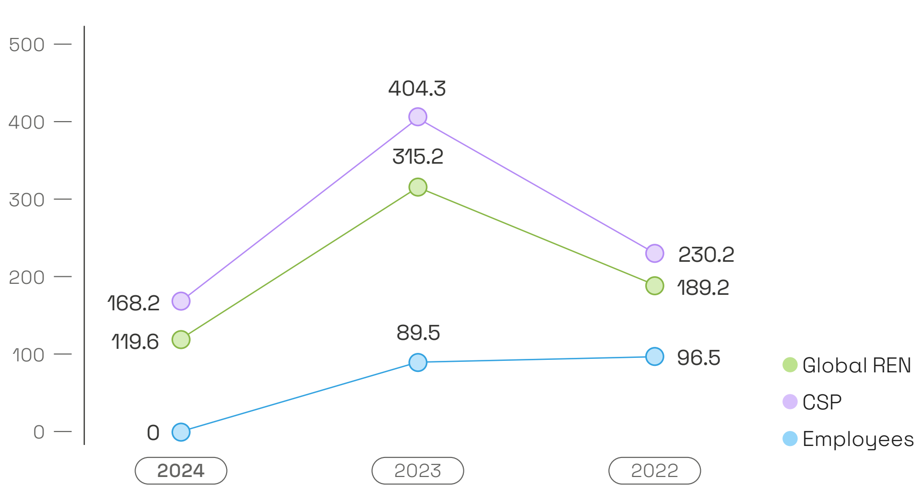
[51] Number of accidents that occurred in actual work resulting in employee being off sick (lost time).
[52] Includes R&D Nester employees.

↘ Frequency index[53]



↘ Severity index[54]



Among internal employees, there was a significant 73% decrease in workplace accidents, which positively impacted both the frequency (FI) and severity (SI) indices, despite a 6% increase in hours worked. This trend is illustrated in the following charts, along with data for external employees (EPS).

The frequency and severity indices for CSP working with REN also declined compared to 2023, with a 38% reduction in the frequency index and a 58% decrease in the severity index.

General safety indicators reflect a favourable decrease of about 43% and about 62% in frequency and severity indexes, respectively.

After the investigation has been carried out, accident reports are shared in analysis & performance and analysed by the departments responsible for the follow-up of recommendations (see next section, Investigation and Analysis). Subsequently, they are approved by the Executive Committee and a summary of the research is shared in the Committees on Occupational Health and Safety.

-73%
Workplace accidents (REN employees) compared to 2023

-43%
Frequency index (Global REN) compared to 2023

+6%
Hours worked compared to 2023

-62%
Severity index (Global REN) compared to 2023

[53] Frequency Index – No of non-fatal accidents/ No of hours worked x 1 million hours worked.
[54] Severity Index – No of days lost/ No of hours worked x 1 million hours worked.

Absenteeism indicators

	2024	2023	2022
TOTAL ABSENTEEISM RATE (%)	1.9	2.0	2.1
Men (%)	2.0	1.8	2.3
Women (%)	1.7	2.7	1.4
Absenteeism rate due to illness (%)	1.0	1.2	1.3

The overall absenteeism rate at REN remained at around 1.9%, but with a slight reduction compared to 2023. The absenteeism rate due to illness is 1.0%.

WORLD OCCUPATIONAL HEALTH AND SAFETY DAY

REN marked this day, celebrated on 28 April, with numerous actions to highlight the right and fundamental principle to a safe and healthy work environment for all. Several awareness-raising activities were carried out, including a showing of the video released in 2023, the "Five Golden Rules of Off-voltage Work". New videos were also shown to visitors and employees, raising awareness of the issue of safety and alerting people to the importance of unequivocal compliance with the strict requirements and guidelines on access to and movement within facilities. The video on Safety in Electrical Installations was also produced in English and Spanish.

REN also marked the date with a series of posters produced by the International Labour Organization, which were posted at the different company premises, alerting everyone once again to the importance of a safe and healthy working environment.

REN has a team dedicated to the systematic management of technical work incidents and accidents, from initial reporting of incidents to investigation and definition of recommendations.

Research and analysis

REN has a team dedicated to the systematic management of technical work incidents and accidents, from initial reporting of incidents to investigation and definition of recommendations. This team is responsible for deciding whether to investigate an incident and for appointing the investigation team, disseminating the action plan to relevant departments defined in the reports, promoting follow-up of the recommendations underway and reporting the performance indicators of the REN system and assets. An analysis and performance portal (A&P) and a dashboard to monitor some of the indicators was developed to increase the efficiency and analytical capacity of the incident management process and recommendations follow-up.

This multidisciplinary working group adopted the IEC 62740:2015 Root Cause Analysis (RCA) standard to ensure an effective analysis of the incident causes. This root cause analysis is a systematic process that identifies contributing factors to a particular event, designated as a focus event, to identify and understand the root causes, instead of imminently obvious symptoms, so as to mitigate future incidents. In 2024, three work accidents and eight technical incidents were investigated in the infrastructure and installations of the National Electricity Transmission Network and the National Gas Transmission Network and Storage Infrastructure.

During 2024, REN was subject to five regular inspections by the National Emergency and Civil Protection Authority, requested in accordance with the risk category of the facilities and complexes.

Emergency response

With regard to the development of self-protection measures for REN's buildings in 2024, and in accordance with the identified risk categories, we continued to check our safety systems, conduct audits, and implement action plans for every building.

During 2024, REN was subject to five regular inspections by the National Emergency and Civil Protection Authority, requested in accordance with the risk category of the facilities and complexes. Of these, three are still in progress and two have already been completed.

↘ **Audits were carried out on nine complexes and six substations, which resulted in:**

15

PERIODIC TECHNICAL VISITS
to check on implementation of the identified corrective actions.

15

TRAINING COURSES AND DISSEMINATION
of self-protection measures to improve emergency response actions and improve the safety behaviour of plant occupants, and 20 drills.

14

REAL "LIVE" EXERCISES
and six "table-top" decision exercises, where the main objective was to determine the effectiveness of visits and actions performed and to validate self-protection measures. Twelve of these exercises included the participation of fire brigade and municipal civil protection teams, with the aim of creating as real an environment as possible.

Internal safety department

REN is covered by the internal work safety service category, which includes senior work safety technicians, because some company employees are exposed to higher risk activities. In 2017, the first version of the REN safety at work standard was approved. In 2024, a new version of the standard was revised and published. The main amendments, analysed by the Workers' Committee, refer essentially to changes in technicians appointed to the different REN workplaces.

This standard describes REN's organization in terms of occupational safety, defining the main responsibilities of stakeholders in this regard that, in line with current legislation, seek to promote safety through accident prevention and employee protection. In addition to defining the department's organizational model, this standard also defines:

- The obligations of REN departments in the field of occupational safety;
- Employee obligations;
- The obligations of workers' representatives for occupational health and safety (OHS); and
- How communication with the safety department is carried out.

In 2017, the first version of the REN safety at work standard was approved

In 2024, no complaints were made through channels for employees to raise concerns or serious human rights incidents with employees.

Respect for human rights

REN is governed by the principle of legal compliance with international labour and human rights standards, namely, the right to work, fair and satisfactory remuneration, and freedom of membership of trade unions (Article 23 of the Universal Declaration of Human Rights)[55], the right to rest, reasonable working hours, and paid leave (Article 24).

These principles are mirrored in REN's Code of Conduct and guide employees' actions and relationships with stakeholders. REN and its employees are further subject to all relevant international standards and directives, such as the Universal Declaration of Human Rights, the Conventions of the International Labor Organization and OECD Guidelines for Multinational Enterprises.

The recipients of the Code shall not adopt discriminatory behaviour on the basis of race, gender, age, physical disability, sexual orientation, political opinions or religious convictions, privileging the principles of equal opportunities, diversity, and individual merit. Thus, REN directs performance by the highest standards of individual integrity and dignity, in order to avoid or correct any practice that contravenes the above principles, providing all employees equal opportunities for the development of their professional career.

In addition, REN is committed to repudiating child labour or forced labour in the form of slavery, promoting respect for human rights, labour and freedom of association and actively participating in social and cultural initiatives, promoting a more active and responsible citizenship. In 2024, no complaints were made through channels for employees to raise concerns (including complaint mechanisms) or serious human rights incidents with employees.

[55] Adopted and proclaimed by the General Assembly of the United Nations (resolution 217 A III) on 10 December 1948.

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REN guarantees engagement with employees whenever necessary, or when requested with the aim of collecting information that allows personalized management that meets their expectations.

Engagement with employees

REN guarantees engagement with employees whenever necessary, or when requested with the aim of collecting information that allows personalized management that meets their expectations. The most common topics are career and remuneration.

In addition to actively listening to employees, either through direct contacts or through the Personal Opinion Programme (POP), the Executive Committee holds regular meetings with Workers' Committees. Nine meetings were held during the year, where several issues were discussed, including company policies that affect workers; sizing and reorganization of departments and movement of workers; and working conditions, including matters such as the distribution of meals in buildings, the management of mobile phone allowances and work vehicles, career progression and recognition, and protection of personal data as part of video surveillance installation, etc.

This involvement is sponsored by the Top management and carried out by the Human Resources Department through labour relations, contact, liaison and negotiation with worker representative structures as well as all disciplinary matters. This work is done in alignment with the area of Culture and Talent Management with regard to expectations resulting from performance management, talent and career processes. The work is carried out on a daily basis and is essentially based on the agendas of worker representative structures, workers and their needs.

Part of this multifaceted dialogue involves working with vulnerable employees, such as disabled workers, and the company is particularly aware of the need to integrate such workers into the workplace.

REN has specialized employees who deal with any negative impacts, whether individual or collective, and receive and analyse complaints or claims from employees, following up such matters and focussing on mitigating the impact. At the collective level, dialogue forms part of the labour relations agenda with a view to negotiating with worker representative structures.

Support and response in more personal matters is also provided by REN's psychology department and the support of a social worker. Confidentiality and a deontological approach are ensured by psychologists, who only gather information that is strictly necessary so that processes can be suitably handled in terms of the employment relationship.

REN's Code of Conduct also allows irregularities to be reported through the available channels, via email or telephone to the REN Audit Committee, which ensures the confidentiality of the entire process. See Chapter 4.4.1 Ethical culture and fight against corruption.

ESRS S1-2 ESRS S1-3 ESRS S1-8

Collective labour agreements and benefits

In light of the economic context at the beginning of 2024, which was still influenced by the high inflation rate of 2023 and by social dialogue agreements, this year's negotiations focused on increasing employee salary liquidity and we were able to reach a comprehensive agreement on various matters in this area.

In relation to collective labour agreements (ACT), and further to dialogue with employees, the following results were obtained:

↘ Salary agreement 2024

	REN ACT	REN ACT PORTGÁS
General increase of 4.3% on basic monthly remuneration within the limits of the salary table, with a guaranteed minimum payment of 95 euros	√	√
General increase of 3% on basic monthly pay higher than the maximum limits of salary tables	√	√
Increase of 5.0% on food allowance	√	√
Increase of 4.3% on shift allowance	√	√
Increase of 4.3% of the minimum limit of hourly pay for availability	√	√
Increase of 5.0% in cost allowance	√	√
Increase in length of service remuneration to €15.50	√	N/A

In 2024, union membership at REN fell slightly with respect to last year to around 31.5%. The percentage of employees covered by collective contracts in Portugal is 100%. 2.6% of employees are not covered in operations in Chile.

31.5%

PERCENTAGE OF UNIONIZED EMPLOYEES

100%

PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE CONTRACTS IN PORTUGAL

↘ Percentage of employees (working) covered by REN ACT and percentage of unionized employees

	2024	2023	2022
Men (%)	97.8	98.0	98.3
Women (%)	97.4	98.4	98.9
Total % of employees covered by ACT	**97.7**	**98.1**	**98.5**
Men (%)	36.3	38.0	40.0
Women (%)	17.0	17.6	20.3
Total % of unionized employees	**31.5**	**32.9**	**35.1**

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The benefits policy is centred on supporting employees in important areas of family and personal life.

REN has sought to reinforce and find new forms of compensation which are perceived by employees in a positive manner and adjusted to the different times in their life. The benefits policy is centred on supporting employees in important areas of family and personal life, including a range of additional support and benefits focusing on health, education, and culture, etc.

REN FLEX is a company investment to benefit employees, allowing them to choose advantages suited to their needs at different stages of their lives.

[56] Series of benefits set out in ACT 2000 which passed to the new ACT signed in 2015.

[57] Employees covered by this flexible benefits programme can choose from the benefits available up to the limit of their annual credits.

[58] Employees covered by this flexible benefits programme have fixed and flexible components and can choose from the benefits available up to the limit of their annual credits.

Benefits

	EMPLOYEES WITH TRANSITIONAL SCHEME FROM PREVIOUS ACT[56]	EMPLOYEES WITH FLEX PLAN[57]	EMPLOYEES WITH FLEX PLAN - REN PORTGÁS[58]
Life insurance/ mortgage life insurance		√	√
Personal accident insurance	√	√	√
Health insurance		√	√
Sick leave insurance		√	√
Complementary health scheme	√		
Pensions plan - defined benefit	√		
Pensions plan - defined contribution		√	√
Electricity at reduced prices	√	√	√
Study subsidy	√		
Education and child care vouchers		√	√
Social pass		√	√
Fuel and parking		√	
Technology and internet		√	
Vocational training		√	√
Holiday camps	√	√	√
Social support voucher/ health plan		√	√
Veterinary expenses		√	

Personal Opinion Program - POP

Listening to employees, as well as considering their concerns, needs, and expectations in the decision-making process, is essential to ensuring their sense of belonging and satisfaction, and to attracting and retaining talent.

As such, REN regularly conducts an organizational climate study Personal Opinion Programme (POP) so as to get to know the opinion of workers and their degree of general satisfaction with topics such as Working Conditions, Commitment, and Communication. The feedback obtained is shared with all employees and the results are presented in the different organizational areas of the company. Specific and transversal action plans are then established, taking into account suggested areas of improvement.

The full POP questionnaire is carried out every two years while a shorter version is completed annually.

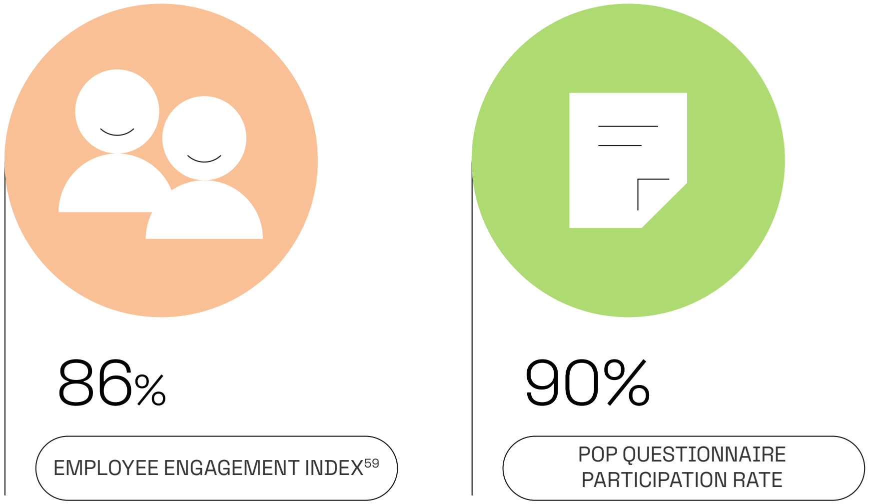
In 2024, the full version of the POP questionnaire was sent out.
The participation level in this edition was 90%, in line with the participation rate in the full version of 2022. This shows that employees continue to have confidence in the process and in the practical results of the action plan for the identified improvement opportunities. Results showed that 86% of employees agreed with the statement "I am pleased to work at REN".

REN assesses the effectiveness of its involvement with its employees through the POP and through meetings with the Workers' Committees and other structures representing employees. The high level of participation in the POP, maintained year after year, demonstrates the employees' confidence in the process, and the main results are published on the Intranet and by the Workers' Committee and the respective Directors.

	2024	2023	2022	VAR. 24/ 22
Participation rate (%)	90	90	91	- 1
Men (%)	75	75	75	-
Women (%)	25	25	25	-
"I am pleased to work at REN" (Top of Mind Question) (%)	86	85	83	+ 3
Men (%)	84	83	76	+8
Women (%)	92	90	85	+7
Satisfaction index (%)	72	-	69	+ 3
Men (%)	69	-	67	+ 2
Women (%)	78	-	74	+ 4

ESRS S1-2 ESRS S1-3

↘ Personal Opinion Program - POP



In addition to POP, REN maintains an ongoing dialogue with Workers' Committees and other representative structures, ensuring that employees' concerns, needs and expectations are taken into account in the decision-making process. Transparent communication and answers to the questions raised contribute to trust in these structures.

Return on investment in human capital

In order to adjust the different initiatives, we implement and monitor our investment in employees and their contribution to sustainable activity. Return on investment in human capital is measured, expressing results within a wide range of indicators, providing support for decision-making to achieve lasting results.

	2024	2023	2022
Return on investment in human capital (€)[60]	8.28	8.89	9.18

[59] Based on agreement with the statement "I am pleased to work at REN" (Top of Mind Question). Different benchmarks show that the best performing companies have engagement levels of more than 75%.
[60] Return on investment in human capital (HCROI) = (EBITDA + personnel costs)/ personnel costs.

Sustainability statement

Contribution to SDG

08 DECENT WORK AND ECONOMIC GROWTH
13 CLIMATE ACTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

4.3 SOCIAL

4.3.2 SUPPLY CHAIN MANAGEMENT

We have implemented an effective strategy for responsible supply chain management, enabling us to identify and manage risks and opportunities, foster the creation of shared and sustainable value, and create a positive impact that extends beyond our operations.

Main actions

ANALYSIS AND INCLUSION OF ESG CRITERIA IN PROCUREMENT PROCESSES

DEFINITION OF NEW ESG, CYBERSECURITY, ANTI-CORRUPTION AND GDPR REQUIREMENTS TO BE INCLUDED IN SUPPLIER APPROVAL AND QUALIFICATION PROCESSES

CREATION OF THE SUSTAINABILITY ACADEMY THAT HAS TRAINED SUPPLIERS IN ESG WHILE ALSO SHARING THE STRATEGIC OBJECTIVES AND GOOD PRACTICES OF THE REN GROUP

DEVELOPMENT AND IMPLEMENTATION OF THE NEW SUPPLIER PERFORMANCE EVALUATION MODEL IN CONTRACT MANAGEMENT

DEVELOPMENT OF AN E-LEARNING COURSE ON THE SUPPLIER CODE OF CONDUCT FOR EXTERNAL ENTITIES

Main targets

50%

OF SUPPLIERS WITH SCIENCE BASED TARGETS (SBTI) DEFINED OR ALIGNED BY 2030

Key metrics

522 M€

TOTAL PURCHASE VOLUME

PURCHASES MADE **FROM LOCAL SUPPLIERS**

96% Portugal

99.8% Chile

About the future

IMPLEMENTATION OF THE NEW SUPPLIER DEVELOPMENT MODEL FOLLOWING THE PERFORMANCE EVALUATION MODEL

EVALUATION AND DEFINITION OF A SUPPLIER AUDIT PLAN

INCLUSION OF ESG, CYBERSECURITY, ANTI-CORRUPTION AND GDPR REQUIREMENTS IN SUPPLIER MANAGEMENT AT QUALIFICATION AND EVALUATION LEVEL

INTEGRATION OF A DUE DILIGENCE POLICY IN COORDINATION WITH SUPPLIER RISK MANAGEMENT

DEFINITION OF AN OPTIMISED STRUCTURE OF PURCHASING CATEGORIES

REN promotes sustainability and ethics principles throughout the value chain, with the aim of generating continuous value for its stakeholders. This commitment reflects our mission to provide an essential public service in the national energy sector. REN's cooperation and partnership relations with suppliers and business partners are governed by strict ethical and professional standards, in full compliance with legislation and regulations. These practices align with the company's sustainability policy, reinforcing our commitment to a responsible future.

Impacts, Risks and Opportunities (IROs)

In our work we depend on the relationships established with our stakeholders and on the conduct of stakeholders in our value chain. With this in mind, we identify the IROs that may affect our value chain, including suppliers, service providers and subcontractors who provide goods or services to any Group company.

IMPACTS

POSITIVE

Training and skill development of employees in the value chain	REN is committed to promoting the development of employees in our value chain, promoting training actions, including in ESG through our Sustainability Academy, with suppliers. Furthermore, we ensure that suppliers that adopt the best social practices are selected. The supplier development process involves creating value through strong alignment and engagement between procurement, business, and partners.
Responsible management of the supply chain	By requiring our suppliers to act responsibly and in line with the principles established in our Code of Conduct and the Supplier Code of Conduct, REN promotes a supply chain that acts responsibly.
Timely payment to suppliers	Timely payment to suppliers is crucial for their financial health and operational sustainability. Therefore, REN guaran-tees timely payment to suppliers. In 2024, payments were made within 37 days on average.

NEGATIVE

Occupational Health and Safety in the value chain	For the execution of certain activities, value chain workers operating in REN's facilities may be exposed to Occupational Health and Safety risks, particularly if proper safeguards are not implemented for tasks involving working at height or with high-voltage equipment. Accordingly, we promote a safety culture in our value chain, REN met with the main contractors and service providers in 2024 to discuss ideas and share good practices focusing on prevention. An e-learning programme was also developed for the contracted teams that oversee the Group's safety.

RISKS

Work-related accidents relating to workers in the value chain	Workers in the value chain can suffer work accidents with consequences for their health and consequent impact on the REN health and safety strategy. We thus ensure that safety requirements appropriate to the type of service or contract are defined in all our tender requests, covering both legal requirements and the specific rules of the Group.
REN operations can be compromised by inadequate working conditions in the value chain	Value chain workers may compromise REN's operations; for example, in the event of a shortage of human resources, strikes, loss of productivity or a decrease in quality of service, due to dissatisfaction or demotivation with their employers' working conditions. As part of our supplier selection and evaluation process, we seek to ensure that suppliers comply with legal requirements and closely monitor working conditions and practices during implementation.

ESRS 2 SBM-3

Continued

RISKS

Forced labour in the value chain	Value chain workers may be subject to human rights violations in terms of child labour, forced labour or modern slavery, discrimination or harassment, or other related aspects, and may call into question not only workers, but also REN. To prevent these situations from occurring, REN provides processes and procedures (supervision, evaluation/ audits) that promote the principles set out in the Supplier Code of Conduct, reinforcing respect for fundamental rights, under penalty of contract termination. In this regard, a Due Diligence process is under development, aiming to prevent, mitigate and remedy impacts on human rights and the environment throughout the value chain.
Non-compliance with the contract and/ or the supplier's code of conduct	REN guarantees that suppliers are aware of procedures and rules of conduct, and may carry out audits whenever necessary to verify compliance with established guidelines. If suppliers incur in breaches of established contracts or the Supplier Code of Conduct, namely in technical assistance, delays in the normal operation of services, or potential occurrences of corruption, bribery and anti-competitive practices, as well as other environmental or social incidents, REN reserves the right to apply penalties, terminate contracts, report breaches to the competent authorities.

OPPORTUNITIES

Sustainable supply chain management	Through responsible practices, consideration of ESG factors in supplier selection and evaluation and close collaboration with suppliers on environmental and social issues, REN promotes a sustainable supply chain, strengthening its business relations.
Implementation of Human Rights and Environmental Due Diligence in the value chain	In compliance with the Corporate Sustainability Due Diligence Directive (CSDDD), we are developing a Due Diligence process in our value chain, which takes into account social and human rights as well as environmental aspects. Although the company is not directly subject to the Directive, this procedure provides REN with better tracking of the risks in the value chain, thus promoting respect for human rights and the environment. See 4.1.3 Due diligence process.
Selection of suppliers with good labour and Human Rights practices	By implementing an approval/ qualification procedure, REN promotes selection and evaluation of suppliers with a view to making a conscious, informed decision on the selection of suppliers based on the Group's strategic pillars, more specifically with respect to the Environment, Social and Governance, thus preventing the occurrence of human rights violations and promoting good working practices.

Through this model, we ensure the comprehensive integration of values such as rigor and transparency in supplier management processes.

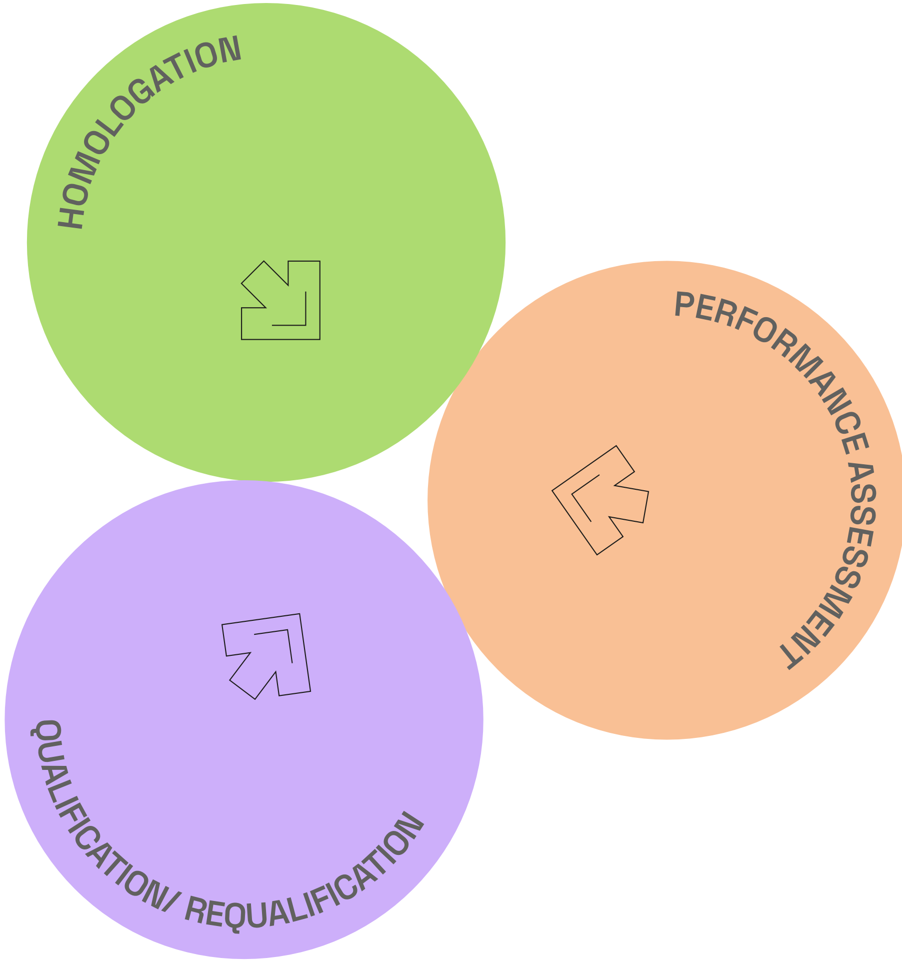
Supply chain management model

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 supply chain 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, with an approval model based on risk management.

Through this model, we ensure the comprehensive integration of values such as rigor 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.

↘ The REN supplier management model is based on three main pillars:



ESRS S2-4 | GRI 308-1 | GRI 308-2 | GRI 414-1 | GRI 414-2

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

A SET OF PURCHASE SUBCATEGORIES WITH:

- lower impact on infrastructure security and operability;
- lower technical complexity; and/ or
- minor representation in annual expenditure.

Includes the analysis of a series of issues to assess the ability to meet minimum requirements in terms of financial, legal and compliance capacity (including, but not limited to, criteria related to Quality, Occupational Health and Safety, Environment and Corporate Responsibility).

For approval purposes, customer/ project references are required.

LEVEL 2 — RELEVANT

A SET OF PURCHASE SUBCATEGORIES THAT CAN:

- have an impact on the security and operability of the infrastructure;
- have high technical complexity; and/ or
- represent high annual expenditure.

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.

LEVEL 3 — STRATEGIC

A SET OF PURCHASE SUBCATEGORIES WITH:

- high impact on the security and operability of the infrastructure;
- high technical complexity; and/ or
- high annual expenditure.

This includes the analysis of a broader series of issues in order to evaluate the technical capacity of a supplier in greater detail, which can be complemented by audits and/ or technical certifications.

The success of our operations depends on everyone who works with us, so the conduct of those with whom we have relationships is decisive for the pursuit of our goals.

The aim of the supplier qualification process is to provide a pool of suppliers to meet the Group's needs with a view to facilitating and accelerating the supplier selection process, with regard to both procurement procedures governed by the Public Procurement Code (PPC) as well as those outside this code. This process seeks to mitigate economic-financial, compliance, governance and ESG risks. By applying this process, REN consolidates basic information providing a selection of suppliers that, while not being entirely risk-free, is based on objective criteria.

The supplier assessment process, a key tool in the improvement of quality and risk management, are to maintain a pool of quality suppliers, enable potential risks to be identified in the supply of goods and services to REN, and improve the development of partners by identifying areas for improvement and defining corrective actions.

Moreover, REN complies with Portuguese legislation, with human rights and other sustainability aspects reflected in the Supplier Code of Conduct. Legal compliance, from both social and environmental perspectives, is validated during the supervision of subcontracting and is complemented with audits.

The work carried out with our supply chain further seeks to support the risk management and associated opportunities, allowing us to anticipate them and implement the appropriate mitigation, remediation and elimination measures, whenever necessary.

Cybersecurity

With respect to Information Security and IT (e.g., ISO 27001, ITIL, COBIT), and since the necessary means for the secure management of information and support systems must be ensured through an approach based on risk management and continuous improvement, ensuring the confidentiality, integrity and availability of information, we evaluate the maturity of suppliers in relation to specific purchasing processes and contract management.

Following on from an initiative developed in 2022, with a view to a consolidated perspective of the development of our suppliers in information security, REN sent a new questionnaire in 2024 to assess improvement opportunities.

Supplier Code of Conduct

The success of our operations depends on everyone who works with us, so the conduct of those with whom we have relationships is decisive for the pursuit of our goals.

To ensure that suppliers and partners are aligned with the principles and values governing REN's conduct, the Supplier Code of Conduct is in force, a fundamental document for the supply chain management model, which all Group suppliers undertake to follow and make a contractual obligation. By subscribing to the Code, suppliers and partners agree with REN's right to conduct audits and inspections to verify compliance with the established guidelines.

As a signatory to the United Nations Global Compact, the Supplier Code of Conduct is based on the ten fundamental principles of this initiative. These principles cover areas such as human rights, labour practices, environmental protection and anti-corruption, and are based on universally accepted declarations.

Suppliers must fully comply with applicable law and observe internationally recognized environmental, social and corporate governance criteria, as well as employ their best efforts to ensure that these standards are implemented with their own suppliers and subcontractors.

This Code also encourages the efficient and sustainable use of resources, increasing the 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. This document encourages active participation and suppliers commitment, especially in the ongoing process to decarbonize the value chain, recognizing that these are key elements for REN to achieve the carbon neutrality target of operations by 2040.

In recent years, REN has gradually included technical specifications in tender requests setting out criteria that reinforce the pillars of ESG, particularly in terms of the environment, human rights, quality and safety. These specifications also address the General Data Protection Regulation (GDPR), information security, and the reporting of irregularities, more specifically anti-corruption, in line with the Group Integrity Policy.

ESRS S2-1 ESRS S2-4

The principles of REN Group Supplier Conduct are based on:

1. SUPPORTING AND RESPECTING FUNDAMENTAL HUMAN RIGHTS IN THE WORKPLACE
2. RESPECTING APPLICABLE STANDARDS AND PRINCIPLES IN TERMS OF THE ENVIRONMENT AND SAFETY AND HEALTH IN THE WORKPLACE
3. ENSURING THAT HIGH STANDARDS OF ETHICS AND BUSINESS INTEGRITY ARE MAINTAINED

Supplier Code of Conduct update

Focusing on ongoing improvement and strengthening ESG criteria, special attention was paid to respect for applicable environmental sustainability, occupational safety and health standards and principles, including the implementation of waste management strategies, carbon footprint disclosure, promotion of its gradual reduction, biodiversity preservation and soil conservation, in line with available technology.

Failure to Comply with the Supplier Code of Conduct may result in termination of the relationship with the supplier, depending on the severity of the violation and the specific circumstances. Compliance with this Policy is monitored by REN's Procurement Department.

This policy is the basis for mitigating risks and impacts on the supply chain, related, among other aspects, to human rights and health and safety, as well as to promoting opportunities, thus ensuring a responsible supply chain. In addition, strict criteria are taken into account when selecting suppliers to guarantee ethical behaviour.

Engagement with suppliers

At REN, we recognize the importance of maintaining continuous, transparent and effective dialogue with value chain workers, as well as ensuring robust mechanisms to prevent, mitigate and remedy negative material effects on such workers.
This engagement does not have a set frequency and takes place when there is a need for interaction with stakeholders.

Involvement with suppliers and service providers takes place in several phases, from the qualification process to execution. Information sessions and workshops are also held to address issues such as health and safety and the energy transition, enabling questions to be clarified and knowledge to be actively shared, as well as through the stakeholder consultation process.
In 2024, the Sustainability Academy was also created. The effectiveness of these mechanisms is assessed on the basis of the feedback obtained.

Although there is no procedure in place to require whistleblowing channels to be made available in the workplace for workers in the value chain, REN has an accessible whistleblowing channel for all its stakeholders to report any irregularities identified. The protection of whistleblowers is ensured by the respective Procedure for handling irregularities. For more information, please see chapter 4.4.1 Ethical culture and fight against corruption.

ESRS S2-2 ESRS S2-3

Sustainable procurement

Recognizing the importance of sustainability issues, REN has consistently committed itself to working closely with its supply chain, promoting a collective effort.

We incorporate criteria into our purchases, prioritizing whenever possible, suppliers that demonstrate sustainable practices and responsible management of resources, as well as investment in technologies that increase energy efficiency. We also promote practices that respect human and labour rights, encouraging suppliers to follow the Supplier Code of Conduct. Moreover, we also aim to minimize the environmental impact of our operations by choosing materials and products that have a smaller ecological footprint.

In order to strengthen sustainability in the value chain and generate a tangible impact, REN implemented, throughout 2024, a series of strategic actions, with expected repercussions in 2025 and subsequent years, to adopt the best environmental, social and economic practices. In 2024, the alignment and awareness of suppliers with the greatest impact on REN's operations on ESG issues was highlighted, through the Sustainability Academy. Essential topics were addressed, such as the development of a decarbonization roadmap, the definition of goals aligned with the Science-Based Targets Initiative (SBTi) and the importance of environmental product declarations (EPDs). As part of the development of the circular economy strategy,

REN is committed to integrating sustainable practices into operations, such as waste reduction, promotion of reuse and recycling of materials, and the implementation of initiatives aimed at maximizing resource use. By adopting these principles and commitments, REN contributes to environmental sustainability, efficiency and ecological responsibility, not only in our operations, but throughout our value chain by promoting of these practices with suppliers.

To strengthen the decision-making criteria when selecting and monitoring the performance of current partners in ESG matters, REN uses a market solution that consolidates information from suppliers.

Inclusion of ESG criteria in procurement processes

REN has begun to gradually integrate ESG requirements into procurement processes, in alignment with the Group's strategic vision and in line with environmental, social and government policies. This approach reflects a commitment to promoting practices that, in addition to meeting operational needs, also contribute to a more sustainable future.

In order to encourage the supply chain to take these objectives on board, additional information is now requested in procurement processes. Information is requested on topics such as carbon footprint reporting and the gradual provision of Environmental Product Declarations for equipment and services provided. This allows for a better understanding of the environmental impact of purchases.

> We incorporate criteria into our purchases, prioritizing whenever possible, suppliers that demonstrate sustainable practices and responsible management of resources.

In some procurement processes, rules and maximum emission limits were also established in accordance with the type of services contracted. The aim is to mitigate environmental impacts on REN's operations.

Also of note is a joint initiative to replace technical solutions which have a significant impact on greenhouse gas emissions (SF_6). Accordingly, a procurement process was carried out after a market study (Request for Information - RFI), where alternative solutions were identified that minimize the environmental impact of these products.

ESRS S2-4 ESRS 2 G1-2

Supervision contracted by REN

The need to provide the contracted teams that supervise the Group's safety with specific know-how on REN's activities led to the creation of an e-learning training course on the safety, quality and environment subjects.

Knowledge of the integrated quality, environment and safety management system is vital for achieving reliable and efficient work, both with regard to documentation as well as operational control in the field and in the monitoring of the work and activities carried out by REN service providers. The course is intended for all the members of these teams, proving them with an overview of REN infrastructure, the integrated system implemented and associated documentation. This course is structured in six modules and divided into two independent parts. There is also a final assessment with a minimum pass rate of 70%.

6 modules

E-learning training course
in two independent parts

70%

Minimum success rate
in the final assessment

Health and safety in the supply chain

Operating at the core of the energy transition, REN faces a challenging period of intense investment in new infrastructure and interconnections in the electricity sector, as well as in the adaptation and construction of the infrastructure required for the integration of renewable gases in the gas sector. This process takes place within demanding deadlines, with the aim of meeting the public policies and decarbonization targets established by REN.

In this regard, the implementing entities play a key role in achieving this strategy. To this end, we ensure that in all our tender requests, safety requirements are defined which are appropriate to the type of service or contract, covering both legal requirements and specific Group standards.

Also, with a view to strengthening safety culture, in 2024, REN brought together, in person, the main contractors and service providers, the safety team, project managers and main operational areas of the company, to discuss ideas and share good practices, focusing on prevention, with the goal of reducing work-related accidents. At this Forum, a summary of the previous year was also drawn up, which proved challenging in terms of accidents, and the main challenges for 2024 were defined.

The high level of investment, resulting from REN's commitments to the energy transition, requires a large mobilization of manpower and reinforces the need for a strong safety culture that crosses the entire value chain, which is the best way to prevent accidents. One of the indicators of the effectiveness of safety policies is the number of work accidents, along with the procedures implemented and good practices observed in the Group. This was also one of the main topics addressed at this Forum.

Also, in October 2024, with a view to sharing and involving the main national linear infrastructures, REN invited a panel of speakers to speak at the company. Panel members included e-redes, IP – Infraestruturas de Portugal and EPAL (Empresa Portuguesa das Águas Livres, S.A.). During this session they shared experiences and examples of real cases and the solutions implemented. This commitment therefore requires reflection on what is being done and what should be implemented, with a view to continuous improvement and to finding solutions to the challenges that companies like REN face in terms of occupational health and safety. To learn more about how REN manages occupational health and safety, see chapter 4.3.1 REN employees – Occupational safety.

The challenge of sustainability in contract work and provision of services

REN has held a number of meetings with suppliers and services providers (SSP) 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 sustainability commitments, as well as the actions underway or planned to achieve these goals. The suppliers solid commitment to sustainability was evident and they also emphasised that the support REN has provided to help build a decarbonized and competitive supply chain has been particularly useful.

To calculate GHG emissions arising from the provision of services, and based on primary information, REN published a procedure and provided training to SSP, reaching the target of 17% (in the economic amount of eligible purchases) of primary data.

CO_2

17%

Primary data in the calculation of GHG emissions

Throughout 2024, the digitalization of procurement and supplier management activities continued to be a core area of action.

Digitalization of purchasing activities

Throughout 2024, the digitalization of procurement and supplier management activities continued to be a core area of action. Of note were several improvements in the support platform for integrated supplier management, SOURCE 360º and the inclusion of a new financial rating that strengthened the economic and financial analysis of suppliers.

The current qualification system, approved in 2014, is based on clear and objective criteria. ten years after it was implemented, it became vital to update the system. Two initiatives are of note:

- The incorporation of new analysis criteria in supplier approval and qualification with a view to ensuring conscious and informed decision-making in the selection of suppliers, based on REN group strategic pillars; and
- The performance evaluation of contracts was carried out on the supplier management platform for the first time, a result of the integration of the Procurement Platforms. All suppliers involved in purchasing processes must now register, allowing consolidated knowledge of REN's supplier pool. Additionally, the previous public procurement platform in use at REN has been discontinued, so the processes covered by the PPC are managed in a new certified platform.

The information management and analysis solution has been optimized, providing more efficient and effective support for decision making.

522 M€
Total purchase volume in 2024

+10%
Compared to 2023

1,428
Awarded procurement processes

+10%
Compared to 2023

Payment practices

At REN, the commitment to responsible supply chain management includes ensuring that payments to suppliers are made in a timely manner, in line with the agreed conditions, as set out in the Supplier Code of Conduct. Although there is no formally approved policy specifically to avoid late payment, nor a distinction of procedures between SMEs and other suppliers, most invoices issued by REN Group suppliers have payment periods of 30 and 60 days, and payment is made in accordance with their due date.
To ensure compliance with these deadlines, REN has implemented solid and efficient internal processes of payment management, promoting transparency and diligence in operations, leading to strengthened relationships of trust and collaboration with partners.

Procedures for the receipt, accounting and payment of invoices are set out in the REN Purchase Manual and involve the creation of the purchase order, the entry of material or services and the approval of the invoice by the operational areas. REN employs a series of periodic checks which seek to ensure that an invoice is not paid more than 30 days after its approval. In 2024 the average payment time for invoices to suppliers was 37 days.

Characterization of purchases

In 2024, total volume of purchases stood at 522 million euros (an increase of 10% over figures for 2023) which corresponded to 1,428 purchase processes awarded.
The Procurement Department recorded total purchase volume of 492 million euros, an increase of 11% over figures for 2023, which corresponded to 372 purchase processes awarded.

↘ Evolution in purchase volume and number of qualifications

	2024	2023	2022	VAR. 24/ 23
Total volume of group purchases (M€)	522	474	287	+10%
Total volume of purchases by the Procurement Department (M€)	492	445	265	+11%
No of purchasing processes awarded	1,428	1,303	1,306	+10%
No of purchasing processes awarded by the Procurement Department	372	330	335	+13%
Number of qualifications	245	254	261	-4%
Number of qualified suppliers	160	176	179	-9%

ESRS G1-2 ESRS G1-6

REN Group procurement requirements mainly focus on specific equipment and products for our business and which are directly involved in the development of concession infrastructure. Accordingly, our main needs can be grouped into two large areas, as can be seen below:

Business-specific goods and services

- Sub-contract work for the construction, remodelling and maintenance of very high voltage (VHV) power lines
- Establishing and maintaining access corridors
- Sub-contract work for the construction and remodelling work on buildings and infrastructure
- Integrated supervision services for quality, environment and safety
- Bare cables for VHV lines and substations
- General electrical installation
- Control and protection systems
- Among others

Corporate goods and services

- Industrial sound systems
- Software
- Application management and project implementation
- Automobile fleet management, conservation and maintenance
- Micro IT and IT consumables
- Among others

Description of suppliers

REN describes suppliers according to different levels, in terms of type, size and geographical location, in order to adapt the respective management and monitor the management of associated risks.

	GOODS SUPPLIERS	SERVICE PROVIDERS	CONTRACTORS
LEVEL 1 17% of qualified suppliers	Small, national companies supplying standardized, low-value goods	Small, national companies supplying standardized, low-value services	Small, national companies supplying standardized, low-value speciality
LEVEL 2 69% of qualified suppliers	Medium and large European companies supplying standardized goods or goods with customer specific requirements of medium or high value	Small and medium-sized national companies providing specific, medium or high value services	Medium and large national construction companies with multiple medium or high value specialities
LEVEL 3 14% of qualified suppliers	Multinationals supplying complex goods of very high value	Medium and large European companies providing complex high value services	Large Iberian construction companies with project, multiple specialities of very high value and complexity (turnkey)

GRI 204-1

96%

Expenditure volume with local suppliers in Portugal

1.1%

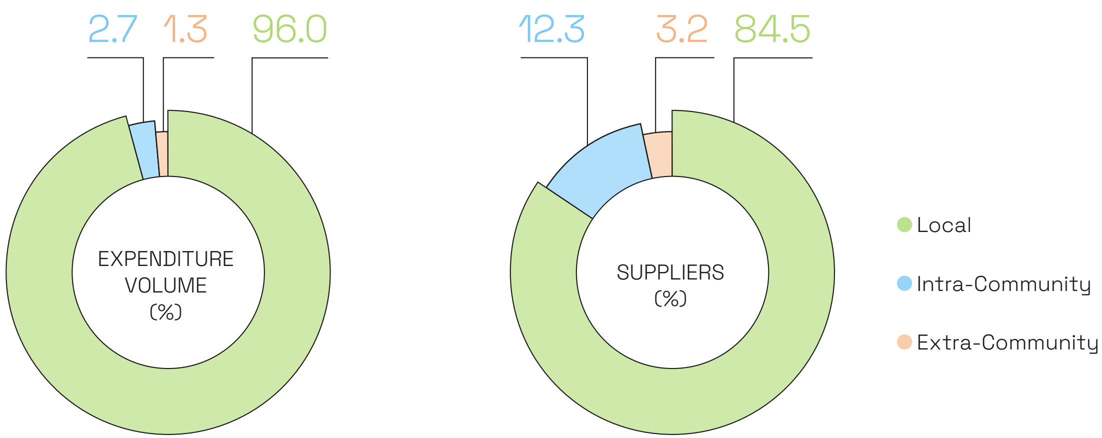
Compared to 2023

Based on the Group's payment volume, and so as to describe suppliers, REN analyses the percentage of expenditure and the percentage of suppliers to determine the breakdown of payments by area. In 2024, 96.0% of expenditure with suppliers for the companies registered in Portugal involved Portuguese suppliers (compared to 94.9% in 2023) and 99.8% of expenditure for the company based in Chile involved Chilean suppliers (compared to 98.3% in 2023).

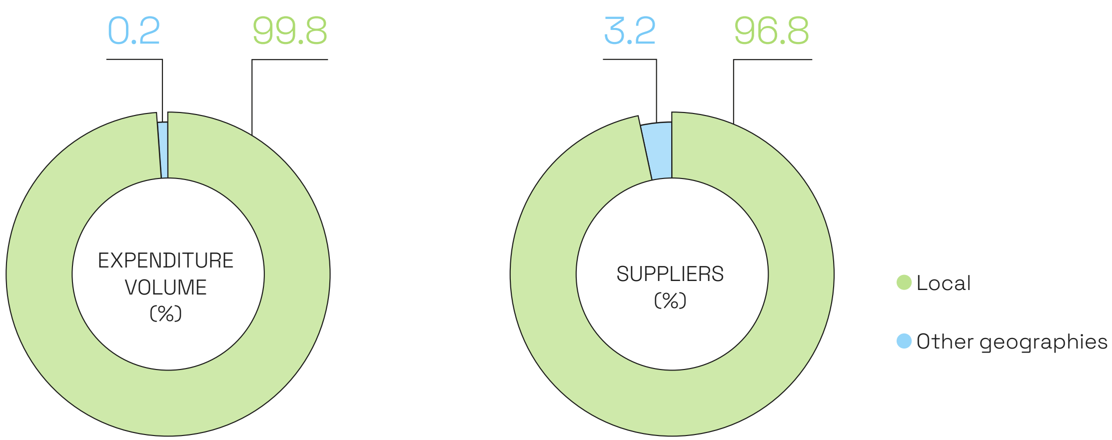
With a view to consolidating REN Group expenditure and streamlining recurrent purchases, the incentive to create electronic catalogues was maintained through the catalogue platform for previously negotiated contracts with integration with ERP SAP. At the end of 2024, there were more than 130 active catalogues.

Description of suppliers based on payment volume[61] in 2024:

Companies registered in Portugal



Companies registered in Chile



[61] The expenditure volume corresponds to all payments made by REN, in euros, excluding the main payments derived from national regulations and European laws.

Sustainability statement

Contribution to SDG

04 QUALITY EDUCATION
09 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
15 LIFE ON LAND
17 PARTNERSHIPS FORTHE GOALS

4.3 SOCIAL

4.3.3 COMMUNITIES

REN is committed to fostering close relationships with local communities, promoting active, transparent, and constructive dialogue. Our aim is to drive sustainable development and improve the quality of life of people living and working close to our infrastructure. This approach reflects our role as a responsible and conscientious partner, focused on creating shared value and contributing to social and environmental progress.

Main actions

PROMOTION OF THE REN AND AGIR AWARDS AND SCIENTIFIC MERIT MEDALS REN-CIÊNCIA LP

ORGANIZATION OF THE SUSTAINABILITY EVENTS “ENCONTROS COM FUTURO” (MEETINGS WITH FUTURE)

CORPORATE VOLUNTEERING IN THE AREAS OF ENVIRONMENT, EDUCATION, AND SOCIAL SUPPORT

TRAINING OF VOLUNTEER FIREFIGHTERS HELD IN TÁBUA IN PARTNERSHIP WITH THE PORTUGUESE FIREFIGHTING LEAGUE

SUPPORT TO FIREFIGHTING CORPORATIONS IN THE CENTRE AND NORTH OF PORTUGAL FOLLOWING THE SEPTEMBER FIRES

Main targets

3 M€

OF INVESTMENT IN COMMUNITIES BY 2027[62]

[62] Does not include compensatory measures.

Key metrics

550 K€ — **DONATIONS** TO THE COMMUNITY

5 — **VEHICLES** DONATED

19 — **ENTITIES SUPPORTED** VIA THE REN PARTICIPATORY BUDGET

1,881 — **HOURS** OF VOLUNTEER WORK

About the future

AGIR AWARD 2025 ON THE TOPIC SUPPORT FOR INFORMAL CARERS

REN AWARD 2025 TO SELECT THE BEST MASTER'S AND PHD THESES IN THE ENERGY FIELD

SCIENTIFIC MERIT MEDALS REN-CIENCIA LP AWARD THE BEST RESEARCH WORK IN THE ENERGY FIELD AND ENERGY TRANSITION CARRIED OUT BY WOMEN AND YOUNG RESEARCHERS FROM PORTUGUESE-SPEAKING AFRICAN COUNTRIES (PALOPS)

Impacts, Risks and Opportunities (IROs)[63]

The nature of our activity requires us to maintain a high level of engagement and alignment with the community, particularly academic and scientific institutions, business associations, landowners where the Rights-of-Way for our infrastructure are located, neighbouring communities around our facilities and the public in general, as well as with official entities. As such, the following impacts and risks were identified:

IMPACT

POSITIVE

Development of partnerships with the community	REN develops partnerships with charity institutions, NGOs, academic and scientific institutions, among others, with the aim of supporting the community and driving the energy transition. Moreover, our corporate volunteering programs also impact positively on communities. Examples of this approach include the REN Award which recognizes the best doctoral and master theses while also promoting research and anticipating the challenges to be faced by the energy sector and the AGIR Award recognizes initiatives that address specific social problems. We also run numerous voluntary actions and provide support for institutions.

RISKS

Balanced relationship with the local community	The development of new infrastructure by REN is highly dependent on the support and acceptance of local communities, a critical factor for the success and sustainability of projects. Accordingly, REN adopts an approach based on dialogue and proximity to all stakeholders, ensuring that projects are designed and implemented in alignment with communities. This proximity approach includes active engagement with official entities, ensuring compliance with regulations and promoting institutional synergies, as well as with landowners where the Rights-of-Way are located, establishing relationships of trust and transparency. At the same time, REN also seeks to mitigate potential impacts, promoting solutions that minimize the effects on communities and the environment, always with the commitments to create shared value and strengthen the integration of infrastructure into the area. This ongoing work reflects our role as a responsible partner which contributes to the sustainable development and wellbeing of the communities which we interact with.
Safety of local communities	Aware of its responsibility in terms of noise and electromagnetic fields (EMF), REN regularly monitors its infrastructures and takes measurements whenever requested, ensuring compliance with national and European legislation, in line with the recommendations of the World Health Organisation (WHO). All RNT lines operate within the established limits, verified by the competent authorities. In partnership with the Portuguese Physics Society, REN is developing the MEDEA Project, which involves students in measuring EMF in different environments. The results confirm that the levels observed are always below the safety values. REN also adopts best practices in the design, construction and maintenance of its infrastructures, guaranteeing the protection of communities and the environment.

ESRS 2 SBM-3

[63] REN has not identified any communities at increased risk of negative impact due to their characteristics, context, or activities.

Engagement with the community

At REN, we promote a constructive relationship with communities and practice active corporate citizenship, playing a vital role in the country sustainable development. We work in the design, construction, and management of critical infrastructure, while addressing specific social challenges. In partnership with our different stakeholders, we develop innovative and collaborative solutions, contributing to the progress of communities, the well-being of people, and the construction of a more sustainable future.

We ensure that local communities have an active voice in managing the possible impacts and risks of our operations. This partnership relation continues throughout the different stages of the life cycle of energy transmission infrastructure projects, as well as during its maintenance. This engagement has no set periodicity and takes place when there is a need for interaction with stakeholders and depending on the projects in progress. The effectiveness of this engagement is assessed on the basis of the feedback obtained.

From the design to the management of energy transmission infrastructure, REN maintains an ongoing process of active and transparent communication with stakeholders.
This process includes:

IDENTIFICATION OF MITIGATION MEASURES

Continuous analysis of potential and real impacts, with specific measures to prevent, mitigate or correct negative impacts on communities, when identified.

CONSULTATION AND DIALOGUE

Collecting contributions from local stakeholders to ensure that projects consider community needs and concerns. This dialogue includes, in particular, official entities, such as municipal authorities and landowners where Rights-of-Way are located, ensuring that projects are developed in alignment with local needs and in compliance with legal and environmental requirements.

IMPACT MITIGATION OR MINIMISATION

If necessary, REN implements measures to minimise the impacts identified.

> Our initiatives with local communities aim not only to minimize impacts, but also to generate positive benefits, contributing to sustainable development.

Our initiatives with local communities aim not only to minimize impacts, but also to generate positive benefits, contributing to sustainable development. Included among our main actions is collaboration with school communities, non-profit organizations, volunteer fire fighters and other organizations to meet specific needs and promote greater proximity.

REN therefore implements specific measures to prevent, mitigate and remedy negative impacts on communities where necessary, and we regularly evaluate the effectiveness of these actions.

This commitment reflects our position as a responsible and collaborative agent in the management of vital infrastructure.

ESRS 2 S3-2 ESRS 2 S3-3 ESRS 2 S3-4

Scope of actions in local communities

Engagement with local communities to promote the development of populations close to REN infrastructure.

Close and transparent dialogue with stakeholders, including local entities, regional press, and other institutions.

Institutional representation at all stages of projects life cycle.

Gathering input to improve projects and minimize impacts on communities.

Partnerships with school communities, non-profit organizations, volunteer fire fighters and other local organizations to strengthen proximity and collaboration.

Policies that guide our relationship with the community

The Code of Conduct and the Stakeholder Relationship Policy guide REN's actions with local communities. Both are grounded in a commitment of respect for human rights, transparency, and the creation of sustainable value for the communities where we operate. Our Code of Conduct includes international guidelines such as the Universal Declaration of Human Rights, the Conventions of the International Labour Organization, and the OECD Guidelines for Multinational Enterprises.
The Stakeholder Relationship Policy establishes an interaction model based on ongoing dialogue and building relationships of trust with local communities. This policy is applied across the board to all operations, ensuring that the interests, concerns, and expectations of communities are taken into account when carrying out REN activities.

In this policy REN undertakes to:

- Act responsibly and build relationships based on ethics, integrity, sustainable development, and human rights;
- Ensure stakeholders' consultation, particularly communities and official bodies, as part of licensing procedures for new infrastructure;
- Ensure open, constructive, and transparent dialogue (listening, informing, and responding) with stakeholders with the aim of building and strengthening lasting and close relationships; and
- Build partnerships and/ or develop initiatives with local communities and society in general to promote sustainable development.

In our Social Responsibility Policy, we undertake to sponsor initiatives run by local communities and society in general, with a view to providing effective support for the development of the populations that interact most with our infrastructure.

These policies address the impacts and risks identified in local communities.

Our Code of Conduct includes international guidelines such as the Universal Declaration of Human Rights, the Conventions of the International Labour Organization, and the OECD Guidelines for Multinational Enterprises.

ESRS 2 S3-1

16
NUMBER OF EVENTS HELD[64]

5
DONATED VEHICLES

865
INTERACTIONS WITH LOCAL STAKEHOLDERS

141
NUMBER OF MEETINGS WITH LOCAL AUTHORITIES

Process to develop power transmission infrastructure

In order to develop new power transmission infrastructure, REN must comply with a series of strict prior procedures, which ensure viability, legal compliance and alignment with communities needs and the environment before construction can begin. The National Electricity Transmission Network (RNT) and the National Natural Gas Transmission Network (RNTG) lines are subject to environmental studies and evaluation by the licensing entity. Lines with a voltage of 220 kV or more and longer than 15 kilometres and pipelines with a diameter of more than 800 mm and a length of more than 40 km are subject to a formal Environmental Impact Assessment and Public Consultation procedure published on the Participa (Participate) portal. All stakeholders and local authorities involved are called to participate.

Technical and administrative licensing is carried out by the General Directorate of Energy and Geology (DGEG), after environmental approval by the Portuguese Environment Agency (APA).

REN has an internal Procedure that defines the rules and processes for managing and supervising the environmental impact assessment process for projects that require an environmental impact statement or environmental compliance statement and subsequent electrical licensing of electrical infrastructure projects. This Procedure defines how REN relates to the various parties involved in the various phases of investment projects.

Official entities and other local stakeholders
The relationships established with official entities form an integral part of REN's daily activity. Based on the premise of close, clear, and transparent communication, REN holds meetings and clarification sessions with local authorities, parishes, school communities, Volunteer Fire Fighting Associations and other local stakeholders, in close coordination with the company's operational departments. The Sustainability and Communication Department manages this work through the Local Community Support Team.

This relationship is essential to the process of developing power transmission infrastructure to ensure that the best corridor and final layout is defined.
In liaison with stakeholders, REN identifies the possible corridors for the lines routing.

All valid alternatives are analysed under the Environmental Impact Assessment process. During the studies, up to date information is requested from municipal authorities, ward offices and other administrative bodies.

Corridors

Corridors are stretches of land with an average width of 400 meters, where alternative routes can be studied. The goal is to identify a preferred corridor, within which impacts are minimized and where future lines will be built. After the route is chosen and is licensed, a stretch of 45 meters is defined, centred on the line's axis (Right-of-Way).

[64] Events include clarification sessions with local parishes, presenting awards, and other community actions.

COMMUNITY INVESTMENTS

550 K€

OF WHICH

350 K€

IN DONATIONS AND SPONSORSHIPS

1,384

Telephone contacts received

987

Emails and letters received

36,167

Right-of-Way owners contacted

REN provides communication and management with stakeholders, ensuring the monitoring of requirements and expectations relating to possible social and environmental compensation due to the construction of lines and substations to strengthen the National Transmission Network (RNT). This work includes the analysis and response to different requests from local bodies, such as municipal authorities, associations, and communities, as well as other stakeholders impacted by infrastructure.

We also manage requests for support and sponsorship, promoting initiatives and projects that contribute to the sustainable development of communities and the mitigation of the impacts of our activities. This process is conducted in a collaborative and transparent manner, reinforcing the company's commitment to creating shared value and proximity to stakeholders. Accordingly, an internal procedure for the Management of Donations and Sponsorships was developed. This Regulation sets out the rules and criteria to ensure that all actions have transparent and responsible management and are in alignment with REN's sustainability approach.

Land and Right-of-Way owners

For REN, relations with land and Right-of-Way owners are vital to ensure the efficient management of the Right-of-Way. For this reason, we strive to maintain ongoing and effective dialogue with owners. We are also committed to establishing formal compensation mechanisms for the fair and transparent use of their properties, thus reflecting our dedication to building relationships of trust and mutual respect. These relationships are managed at all stages of implementation of the electricity and gas networks, as well as during subsequent infrastructure maintenance.

In addition to compliance with current legislation and infrastructure security, the Right-of-Way management seeks to ensure the compatibility of infrastructure with local communities and the environment. Our integrated vegetation management strategy is based on the principles of creating shared value and promoting ecosystem services.

The actions we implement are carefully monitored and evaluated at the end of each process, ensuring their effectiveness and alignment with the goals of mitigating impacts and promoting environmental and economic value. This approach allows REN's operational needs to be balanced with the interests of local owners and communities.

In order to meet the needs and expectations of land owners where Right-of-Way are installed for electricity and gas transmission networks, REN provides a multi-channel telephone contact mechanism which operates on weekdays from 09:00 to 19:00, or via the form available on our Website.

Since 2021, this service has received and registered contacts centrally, thus ensuring correct forwarding and tracking of all communications. This has enabled the full scope of the relationship between REN and our interlocutors to be monitored. The channel also makes it possible to identify the status of requests sent by the owners and to measure response times, thus facilitating the management and ongoing improvement of processes.

In addition to the above-mentioned channel, contacts can also be made via e-mail to proprietarios@ren.pt or by post.

Electromagnetic fields generated by power transmission lines are low-frequency and non-ionizing, posing no harm to living beings.

Communities' health and safety

REN ensures the health and safety of communities that are close to our infrastructure.

Electricity transmission lines produce a light buzzing noise. This sound results from a physical phenomenon called "crown effect" and is more intense and detectable during damp weather, when it is misty, raining or there is a light wind. The lines are always designed so that this phenomenon is minimized and the sound emitted meets all legal limits. When we receive any notification of loud noise near a line, we measure the noise level at the site and, if figures are confirmed that do not comply with legislation, correction measures are implemented.

Electromagnetic fields (EMF) generated by power transmission lines are of very low frequency and do not affect living beings, which is why they are called non-ionizing, in other words, they cannot break down the molecules of the body or affect cells.

Portugal has legislation that guarantees the complete safety of people and property under and in the immediate vicinity of lines, in accordance with the latest recommendations of international health organizations. Portuguese legislation and regulation coincide with European legislation and World Health Organization (WHO) recommendations. All RNT lines strictly comply with the law, and this compliance is verified by the competent authorities.

In addition to the regular monitoring, it carries out along the lines, whenever requested, REN measures the intensity of EMFs around its lines in order to check their compliance with the legislation.

MEDEA project

To foster knowledge of physics and the study of electromagnetic fields among young people in Portugal and society in general, REN promotes the MEDEA project, in partnership with the Portuguese Society of Physics. This project encourages high school students to carry out measurement work on very low frequency electrical and magnetic fields next to their school, at home and close to electrical power transmission lines, and to then search for scientifically credible information on the possible effects of these fields on human health. Participating schools receive an electric and magnetic field meter that they can use during the project. At the end, each team presents a video and poster on their project. Teams with the best work receive a prize.

In 2024, in the 14th edition of this project, first place was awarded to the students of Lordelo Primary and Secondary School, in Paredes. An honourable mention was also given to students of the Paços de Ferreira High School. The winning team measured the values of magnetic fields in electrical power transmission lines, substations, and power cables for a heater, comparing the values obtained with the maximum allowed by legislation.

The MEDEA project, part of the REN Social Responsibility Policy, has involved:

300
Teachers

+1,500
Students

200
Schools

Social responsibility and sustainable communities

MAIN ACTIONS UNDERTAKEN TO ADDRESS SOCIAL ISSUES

In 2024, REN donated five vehicles to social sector organizations, which will help improve the services they provide. The Pedralva Social Recreational and Cultural Centre, the Oliveira do Hospital Association for the Recovery of Challenged People, the Fermedo Escariz, and Mato Social Cultural Centre, the Cachopo Parish Center and the Salvador Association were all institutions which we provided support to.

With a view to strengthening our commitment to fire prevention, REN and the Portuguese League of Firefighters, organized a training session in Tábua on forest fires and electrical infrastructure security. The initiative brought together around 30 corporations and firefighting personnel also participated in a practical fire prevention exercise which took place at the REN Substation in Tábua. There were around 150 firefighters from the districts of Aveiro, Castelo Branco, Coimbra, Leiria and Viseu as well as other civil protection officers.

In response to the devastating fires that ravaged several municipalities in northern and central regions of the country, in September 2024 we started a joint 48-hour operation involving several areas of the company and under the guidance of the League of Portuguese Firefighters. 140 campaign beds were provided along with water bottles, energy bars, saline solution, bandages, among others. This support provided to the voluntary fire brigade forms part of the company's spirit of solidarity for the tireless work that fire brigades provide in the protection of human life, property, and forests. It also falls under our policy and strategy for preventing and combating forest fires and protecting infrastructure (66% is located in forests), in conjunction with all the competent authorities. Since 2009, REN has donated almost 100 vehicles to help prevent forest fires, both to voluntary firefighting corporations and to municipal fire prevention teams.

Also, with regard to fire prevention and firefighting, during the entire fire season, REN has six prevention and surveillance teams in operation, available 24 hours a day, seven days a week. These teams are equipped with primary intervention equipment allowing them to deal with fire outbreaks at an early stage. Also of note is the important work we have carried out in vegetation management and reafforestation of infrastructure Right-of-Way that aims to ensure not only resilience of infrastructure, but also the resilience of surrounding territory. See chapter 4.2.3 Biodiversity.

REN supported another edition of the REN Solidarity Race and Walk from Pedome to Oliveira Santa Maria. This is a solidarity event that also helps the Riba de Ave Volunteer Firefighters via the donation of part of the proceeds from registrations, reinforcing the support to the corporation and the essential services it provides to the community.

The REN Participatory Budget (RPB) is an internal REN initiative that allows employees to choose associations and/ or initiatives to support. In 2024, there were 1,364 voters (vs. 1,048 in 2023, +30%), in a total of 112 supported entities. Since 2019, the RPB has supported 112 social, cultural, and environmental projects and initiatives from the north to the south of the country. Through the RPB, all employees can vote for the projects, causes and initiatives that they consider worthy of our financial support.

REN Participatory Budget (RPB)

1,364 Voters in 2024

1,048 In 2023

Continued

The AGIR Award recognizes projects submitted by associations, companies, and non-profit organizations. The winning projects are awarded:

30,000 €

WINNING PROJECT

15,000 €

SECOND PLACE

5,000 €

THIRD PLACE

As part of the "Giving Tuesday" initiative, a day that remembers the importance of giving to make a difference, we sponsored young people taken in by the House for Boys (Casa dos Rapazes), through gift cards given by our employees. Under the slogan "You & Me" we once again participated in the Food Bank initiative against Hunger in Lisbon, Porto, and Vila Nova de Santo André (Sines).

The money raised from the recycling of 11 tons of electrical and electronic equipment collected between May and June 2024 was donated to Ajuda de Berço, (Association Cradle Help), an organization which provides love, care, and affection and a home for unprotected babies and children. This support forms part of the sales contract established with Electrão for the recycling of REN's electrical and electronic waste (computers, printers, monitors and all kinds of electronic waste). The contract was signed in 2019 and has already led to more than 100 tons of this type of waste being recycled over the last four years.

In 2024, we celebrated the 11th edition of the AGIR Award, dedicated to "Supporting the Homeless", which reflects our commitment to the 2030 Agenda and is based on the 17 Sustainable Development Goals. 29 applications were submitted to this award, which forms part of REN's Social Responsibility Policy. The winning project was "Cais Recicla" (Cais Recycles), part of the Cais Association, which aims to expand the activity of the Cais Recicla Workshop, where homeless people acquire skills and working habits, which facilitate their future reintegration into the workforce. "É um Catering" (It's a Catering Company) from the Crescer Association, won second prize. This project is a social business that replicates the model of the project "É um Restaurante" (It's a Restaurant) (winner of the AGIR 2020 Award) and that seeks to integrate people who have been homeless, young ex-prisoners, refugees, and migrants into the labour market through an innovative project in the catering sector: A catering service, with an appealing menu, designed by a reputable chef for external organisations. Thirdly, the Red Cross project "Closet4all", the purpose of which is to acquire and assemble cabinets and lockers to enable homeless people to safely store their belongings and documents. The cabinets are to be installed in the facilities of an existing organization, which will allow other services to be used, such as access to health consults and personal hygiene.

The AGIR Award recognizes projects submitted by associations, companies, and non-profit organizations. The winning project is awarded 30 thousand euros, while second place receives 15 thousand and third 5 thousand euros. Selection falls under the responsibility of REN in partnership with Stone Soup Consulting.

MAIN ACTIONS UNDERTAKEN FOR EDUCATION AND DEVELOPMENT

In 2024, we once again held the REN Award, one of the oldest scientific awards in Portugal, reflecting the importance of education for the sustainable future of communities. Every two years, the REN Award recognizes the best doctoral thesis and the winner receives 30 thousand euros. The three best Master's theses also receive awards every year, with first place receiving a prize of 25 thousand euros, second place 15 thousand euros and third place 10 thousand euros. Every honourable mention receives a prize of 2.5 thousand euros. In 2024, the first prize was awarded to Leonardo Fernandes, from the Faculty of Engineering at the University of Porto (FEUP), for the Master's thesis "Simulation of flow conditions for natural gas and hydrogen blends for different points of the distribution natural gas network".

In 2024, we once again held the REN Award, one of the oldest scientific awards in Portugal, reflecting the importance of education for the sustainable future of communities.

As a result of a partnership between REN, the Portuguese Language Science Centre (LP) and the Foundation for Science and Technology (FCT), the Scientific Merit Medals REN-Ciencia LP were awarded for the fourth year running. These medals recognize work on energy transition carried out by young people from Portuguese-speaking African countries and are inspired by the REN Award. The winner in the Scientific Merit Medals REN-Ciencia LP - FCT receives 5 thousand euros and second place 2.5 thousand euros. Célia Artur from Mozambique won the first prize in the category Women Researchers, with her thesis "Evaluation of the Potential of Solar Thermal Systems for Domestic Water Heating Applications in Urban and Peripheral Urban Areas of Mozambique: A Case Study of Maputo City". The work focused on modelling the impact of the technological transition from systems currently used for heating domestic water to solar thermal systems in urban and peri-urban areas of Mozambique. In the category Students and Researchers, the winner of the 1st prize was Salomão Joaquim for his thesis "Integration of Hybrid Photovoltaic Systems and Biogas in Energy Planning in Cape Verde - the case of Santiago Island" that investigates the integration of solar energy and biogas as a strategy to diversify the energy matrix of Santiago Island.

In 2024, the first prize was awarded to Leonardo Fernandes, from the Faculty of Engineering at the University of Porto (FEUP)

MAIN ACTIONS UNDERTAKEN FOR ENVIRONMENTAL PROTECTION

REN and the Union of Parishes of São Jorge and Ermelo, in Arcos de Valdevez, planted more than 1,350 Ermelo orange trees in the Right-of-Way, covering around three hectares of São Jorge wasteland. The planting of this native orange variety, unique in the country, is part of REN's commitment to defending the forest against fires and aims to preserve and promote this traditional regional fruit with a history dating back to the 13th century, and which reached this area at the hands of Benedictine Monks. The start of this partnership was attended by 100 children from year four attending the Valdevez Schools Group, who symbolically planted some of the orange trees. The initiative will generate value for land owners and for the local community, through the sale of the fruit, to be produced as a biological product, allowing producers to access a more exclusive and more financially attractive market.

The start of this partnership was attended by 100 children from year four attending the Valdevez Schools Group, who symbolically planted some of the orange trees.

1,350

Ermelo orange trees in the Right-of-Way, covering around three hectares of São Jorge wasteland

Integrated Vegetation Management Workshop promoted by the Renewable Grids Initiative (RGI)

REN held the Integrated Vegetation Management Workshop, an annual event promoted by RGI. Passing through Vieira do Minho, Arcos de Valdevez and Valongo, regions where REN has sample projects underway which are recognized as good practices for vegetation management and their sustainability in transmission networks.

The event was attended by more than 40 participants from 12 different countries and 21 entities, including electricity transmission and distribution operators (TSOs and DSOs), non-governmental environmental organizations (ENGO), R&D centres and environmental consultants.

At the event, visits were made to several REN vegetation management initiatives, as per the RGI guide "Best Practice Guide". The first session took place in the Cabreira Mountain Range, in Vieira do Minho, where the management of vegetation using Garranos horses was seen. This initiative is run in collaboration with the Association of Garrano horse breeders. The group then went to Arcos de Valdevez to learn about the conversion project using Ermelo orange trees, an historic variety in decline.

The event concluded with the presentation and discussion of good practices at the REN facilities in Ermesinde. The event included presentations of innovative vegetation management strategies, discussion on biodiversity and solutions for managing rural fire risks. REN had the opportunity to present the company's strategy and solutions, with emphasis on innovation projects for vegetation management and increasing the resilience of infrastructure to rural fires. The day culminated in a visit to the Palmilheira Community Vegetable Garden, a partnership between REN, the Valongo Municipal Council and LIPOR.

↘ Employees' valorisation of internal media

98%
INTRANET

93%
MONTHLY NEWSLETTER

↘ Internal communication

748
NEWS PUBLISHED

81
VIDEOS PRODUCED

Communication core actions

Our communication continues to reflect the company's values and vision, our pillars of action and strategic goals focusing on the transparent and thorough sharing of relevant information. We also aim to achieve the close participation, engagement, and satisfaction of all our internal and external stakeholders while also creating value for the REN brand and for the work we carry out under our mission and through the commitments we make.

Greater focus on security issues and under the motto "Knowledge for your protection", REN produced a number of videos on threat prevention and security measures at electricity and gas transmission network facilities. The aim was to raise awareness and alert employees to the need for full and unequivocal compliance of the strict requirements and guidelines required for access to these facilities.

In line with the company's commitments and strategic vision to ensure the viability of the energy transition, based on a considerable increase in investment and the strengthening of sustainability commitments - the pillars that will form the base of the future of REN - the major operational projects that marked the years 2023 and 2024 were also prominent in our internal and external communication. This was also the case with the positive impact and added value that we bring to the local communities and the planet.

The importance of energy, essential for quality of life, and the paths that increasingly intersect with commitments for a more sustainable future, where REN plays a crucial role, have also led us to look at this issue through the eyes of children. With the stories of electricity and gas told by the voice of children, we took these two stories, which intersect with the history of the company, to the children of today, the adults of tomorrow.

Maintaining the trend of recent years, and with a slight increase in relation to 2023 and 2022, 99% of employees continue to value the information published in REN media (97% in 2023 and 2022). The characteristics most highly-prized in REN communication by employees are the up-to-date nature and diversity of content, the ability to bring people and teams closer, and a range of topics that goes beyond the business.
In 2024, employees once again considered information sharing as important, in both internal as well as external contexts - 99% (vs. 97% in 2023 and 2022).

Based on the results obtained in the Annual Communication Questionnaire, the intranet (98%) continues to be preferred by employees as the means of communication, and is also the most consulted.

2024 data
Followers

	Followers	
X	987	+4%
Instagram	1,264	+15%
Linkedin	60,327	+13%
Youtube	383	+45%

Based on the results obtained in the Annual Communication Questionnaire, the intranet (98%) continues to be preferred by employees as the means of communication, and is also the most consulted. 91.79% of respondents consult the intranet at least once a week and 49% every day. Internally, the monthly newsletter (93%) continues to be one the most valued forms of communication by employees.

For information provided outside the company, of note were the REN website (83%), LinkedIn (57%) and Instagram (44%).

Topics relating to operational projects, company initiatives, innovation, cybersecurity, as well as social responsibility and sustainability, volunteering, training and development programmes, personal stories and achievements, both professional and personal continue to be employee favourites. Increasingly, features on occupational safety, gender equality and data protection are also enjoyed.

“Encontros com Futuro” (Meetings with future)

Efficiency, the weighting of individual choices and the difference the smallest gesture makes marked the second edition of “Encontros com Futuro” (Meetings with future). Promoted by REN in conjunction with the Público newspaper, and with the future of ESG as the target topic, keynote speakers in the debate on sustainability in 2024 included Jorge Moreira da Silva, Executive Director of the United Nations Office for Project Services and former Minister of the Environment and Energy, as well as Maria José Ferreira, from BioShoes4All and Research Director of the Portuguese Footwear Technology Centre (CTCP), and Fionn Ferreira, a Forbes 30under30 entrepreneur.

2024 data
Interactions/ views

+470
Interactions

+5,000
Interactions

71,000
Engagements

+25,000
Views

REN's digital presence on social networks and the renewed institutional website, played a key role in bringing us closer to the community.

"What is the future of ESG?", an analytical approach to Social and Environmental aspects and a broader look at corporate sustainability focusing on the vital and transversal role of the circular economy, was the key theme during this second edition of "Encontros com Futuro" (Meetings with future), an initiative with the aim of promoting debate and improving literacy in Sustainability.

The three sessions can be seen in full on the REN Youtube page, where video reports of each meeting are available.

2024 was marked by the consolidation of our external communication strategy, in alignment with our corporate objectives and reinforcing our role as a leader in the energy transition in Portugal. Communication highlighted initiatives in sustainability, innovation, and vital contributions to the security of energy supply.

REN's digital presence on social networks - Instagram, LinkedIn, Twitter, and YouTube - and the renewed institutional website, played a key role in bringing us closer to the community, functioning as a point of contact and platform to promote projects and activities. REN's website continues to be a core channel for information sharing, which this year saw more than 230 thousand views, particularly in the areas of Careers, Investors and Activity. Consistent growth in the number of followers and engagement on social networks reflected particular interest in publications on new work in the electricity grid, social responsibility initiatives and data on energy consumption.

This digital strategy, based on open and transparent communication, reinforces our commitment to social responsibility, sustainability, and innovation, consolidating our position as a driver of the energy transition and contributing to a more sustainable future.

Volunteer work

Corporate volunteering represents a commitment by REN to the community and forms one of the pillars of our Social Responsibility Policy.

REN's Volunteering Policy, available internally to all staff, enables employees to volunteer for 16 hours per year. Three main spheres of volunteer work have been defined under our internal corporate volunteering policy, skills volunteering, guidance, and teams providing educational, environmental and solidarity volunteer work.

During 2024, 43 voluntary actions were carried out, with participation by 328 volunteers, which resulted in a total of 1,881 hours of volunteer work (+23% more than in the previous year).

Of note among the actions carried out in 2024:

- **COMFORT PHONE CALLS TO AREP (EDP AND REN PENSIONERS' ASSOCIATION) –** REN employees come together to interact with pensioners, "lending their ear" to former colleagues who are now in retirement;
- **EPIS –** Maths tutoring initiative in partnership with the Association of Business People for Inclusion (EPIS), to help students with difficulties and promote academic success;
- **JUNIOR ACHIEVEMENT PORTUGAL (JAP) –** participation by employees for the tenth year running in the JAP programmes;
- **APPS FOR GOOD –** employees' participation as experts in programmes promoted by Apps for Good;
- **COMUNIDADE VIDA E PAZ, CVP (LIFE AND PEACE COMMUNITY) –** participation in the preparation of evening meals for homeless people for distribution by CVP street teams and Christmas celebratory meals in Lisbon;
- **FOOD BANK AGAINST HUNGER –** sorting of food products and preparation of boxes with donations for delivery to beneficiary institutions;
- **SPEAKER –** help in the integration of migrants and refugees;
- **CYCLING WITHOUT AGE –** A programme to enable the elderly residing in retirement homes to enjoy an electric trishaw ride with a volunteer driver;
- **CLEANING OF THE APÚLIA BEACH (NORTH COAST NATURAL PARK) –** in an action to support the eradication and control of invasive non-native plants, more specifically, the ice plant; and
- **CLEANING OF THE GRAÇA BEACH (SADO ESTUARY) –** Volunteers collected 400 kg of garbage, helping in the campaign "Mariscar Sem Lixo" (Harvest seafood without garbage).

43
Voluntary actions

328
Volunteers

1,881
Hours
of volunteer work

+23%
Compared to 2023

In a similar manner to last year, in 2024, more than 60 employees returned to the Tapada de Mafra nature reserve, with the shared mission of cleaning and preserving the ecosystem, an initiative that is now in its 9th year. This initiative is part of a more comprehensive project that REN has carried out at the Tapada de Mafra, which after this action, has covered a total of 23 hectares. This initiative demonstrates our ongoing commitment to sustainability and to meeting the goals of Agenda 2030.

Sustainability statement

Contribution to SDG

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

4.4 GOVERNANCE

4.4.1 ETHICAL CULTURE AND FIGHT AGAINST CORRUPTION

The principles and values that guide REN's actions are anchored in the pursuit of ethics and integrity, the prevention of corruption and related offences, conflicts of interest management and the defence of fair competition. These pillars are essential when interacting with all the stakeholders involved, making it possible to establish solid relationships with high standards of trust and transparency.

Main actions

TRAINING ON THE PREVENTION **OF RISKS CONCERNING CORRUPTION AND RELATED OFFENCES**

REVIEW OF THE PROCEDURES APPLICABLE TO THE HANDLING OF IRREGULARITY REPORTS AND **RESPECTIVE INVESTIGATION MAKING THE WHISTLEBLOWING CHANNEL AVAILABLE ON THE INTRANET AND ON REN GROUP WEBSITES**

REVIEW AND IMPLEMENTATION OF THE **INTERNAL PROCEDURE FOR DONATION AND SPONSORSHIP MANAGEMENT**

Key metrics

1 — **COMMUNICATION** OF IRREGULARITIES REGISTERED, ANALYSED, AND DEALT WITH

0 — **CONVICTIONS,** WITH 0 FINES IMPOSED ON REN FOR VIOLATIONS OF ANTI-CORRUPTION LAWS

About the future

IMPLEMENTATION OF THE IMPROVEMENT MEASURES IDENTIFIED UNDER THE **CORRUPTION PREVENTION MODEL AUDIT WITH A VIEW TO PREPARE A FULL CERTIFICATION IN ACCORDANCE WITH THE ISO 37001 STANDARD**

CONTINUED IMPLEMENTATION AND MONITORING OF THE RISK PREVENTION **PLAN CONCERNING CORRUPTION AND RELATED OFFENCES**

COMMUNICATING AND RAISING AWARENESS OF THE IMPORTANCE OF THE REGULATORY COMPLIANCE DEPARTMENT, **INCLUDING THE CONSOLIDATION OF THE TEAM IN THE AUTONOMOUS COMPLIANCE DEPARTMENT**

Impacts, Risks and Opportunities (IROs)

Ethical conduct is a priority in REN's activities, so it is essential to recognize the main IROs that shape our actions.

IMPACT

POSITIVE

Protection of whistleblowers through anti-retaliation policies and procedures	Throught whistleblower protection, REN encourages and enables all stakeholders to express their concerns.

RISKS

Anti-fraud corruption, and bribery	As with all activities, REN may encounter occurrences involving illegal or unethical practices related to fraud, corruption, and bribery, etc. As such, a series of Policies and Regulations, actions and initiatives are available to promote an ethical and anti-corruption culture throughout the Group and with respect to stakeholders, including suppliers.

OPPORTUNITIES

Whistleblowing	Several different channels exist for reporting irregularities, both for internal and external stakeholders, in all regions where REN operates, thus making it easier to identify possible situations of irregularities and breaches of our Code of Conduct.

Ethical culture and corporate conduct policies

Given the nature of the REN Group as a public service concessionaire and public utility infrastructure manager, our companies are especially accountable for implementing an ethical and responsible management model.

REN is focused on preventing and combating crime, particularly money laundering, terrorist financing, corruption, and related offences. To this end, using a wide range of mechanisms, REN is committed to ensuring compliance with the best practices and standards of ethics and integrity, which include the following management instruments:

POLICIES AND REGULATIONS[65]

- REN Group Code of Conduct;
- REN Group Integrity Policy;
- Approval and Rejecting of Courtesy Gifts Policy;
- Internal Procedure for Donations and Sponsorships Management;
- Applicable procedures for reporting and investigating irregularities
- Plan for the Prevention of Risks concerning Corruption and Related Offences;
- Regulations on Transactions with Related Parties and Prevention of Conflict-of-Interest Situations;
- Regulations on Procedures relating to Compliance with the Market Abuse Regulation;
- Regulations on Financial Instrument Transactions by Management;
- Functional Codes of Conduct; and
- Supplier Code of Conduct.

ACTIONS AND INITIATIVES

- Communication and awareness;
- Training programme focusing on the prevention of corruption and related offences under the REN Training programme (including across-the-boards e-learning for all employees and face-to-face training and personalized training for members of the Board of Directors and employees in business units with greater risk exposure);
- Continued implementation of the Regulatory Compliance Programme;
- Continued monitoring of the degree of compliance with the Regulatory Compliance Programme;
- Strengthening the Regulatory Compliance team with the creation of an autonomous area;
- Review of the procedures applicable to the Processing of Whistleblowing Communications and the Inspection of Irregularities;
- Provision of the whistleblowing channel on the Intranet and on REN Group websites; and
- Review of the Internal Procedure for Donation and Sponsorship Management.

MECHANISM TO COMMUNICATE IRREGULARITIES

- Any irregular practices can be communicated to the Audit Committee through the reporting channels:
  - Online reporting channel[66]
  - E-mail: comissao.auditoria@ren.pt
  - Telephone: +351 210 013 511

ESRS G1-1 ESRS G1-3

[65] Policies and Regulations are available on the REN website and/ or the Intranet, with widespread access provided.
[66] Available via hyperlink on the intranet and websites of the REN Group and available in Portuguese, English and Spanish.

Review of internal policies and regulations

In 2024, a number of internal policies and regulations were reviewed, such as the Remuneration Policy, the Nominations and Evaluation Committee Regulations, the Ethics Committee and Corporate Government Regulations, the Board of Directors Regulations and the Sustainability Committee Regulations.

See chapter 3.1 Governance structure.

Approval of the Internal Procedure for Donations and Sponsorship Management

The Internal Procedure for Donations and Sponsorships Management, approved in 2024, sets out the rules and criteria for donations and sponsorships provided by REN, ensuring that all actions are in alignment with the Company's Sustainability Strategy. This procedure seeks to ensure transparent and responsible management, promoting initiatives that are in line with strategic objectives and contribute to communities' sustainable development.

Processes for the future certification of the Corruption Prevention Model in accordance with the ISO 37001 standard

REN has set a target of achieving certification under the ISO 37001 standard on anti-corruption management system. As part of the adaptation procedures for certification, a series of improvement measures were established, some of which were implemented during 2024.

REN has set a target of achieving certification under the ISO 37001 standard on anti-corruption management system.

From a management and governance perspective on ethical culture, REN has several bodies responsible for ensuring compliance with the provisions of different regulations, codes, and policies and for following-up and monitoring the results of the respective implementation.

These bodies and committees include particularly the Ethics and Corporate Governance Committee, the Audit Committee, the Regulatory Compliance Officer, and the Risk Management Committee, as detailed in the

Corporate governance report.

Establishment of a Compliance department

During 2024, REN created a regulatory compliance department with a view to progressively matching the company's organizational structure to the challenges of a sector that is undergoing far-reaching transformation. This reinforcement is the result of REN's ongoing commitment to compliance with legal standards, internal policies and external guidelines.

↘ Procedure for handling irregularities

1 COMMUNICATION → 2 PRELIMINARY ANALYSIS → 3 VERIFICATION PROCESS → 4 FINAL REPORT → 5 APPROVAL OF REMEDIAL MEASURES (IF APPLICABLE)

RESPONSIBLE PARTIES:

- REN STAKEHOLDERS OR REN GROUP COMPANIES
- AUDIT COMMITTEE
- BOARD OF DIRECTORS OR EXECUTIVE COMMITTEE

Communication of irregularities

REN provides a channel to report irregularities which is accessible to shareholders, members of corporate bodies, directors, employees, service providers, partners, consultants, customers, suppliers, and other REN Group stakeholders. This channel may be used to report irregular practices relating to these entities with respect to their duties or professional relationships, including information obtained during recruitment or in pre-contractual negotiation phases. The procedures applicable to communicate irregularities are intended to ensure:

i) the existence of conditions for the timely detection of irregular situations which could potentially cause adverse effects to the REN Group, with a view to remedying such situations; and

ii) protecting whistleblowers, who, in good faith and having good grounds for believing that the information is true at the time, report or publicly disclose an irregularity.

The process to deal with irregularities consists of five main phases, with the intervention of different officers.

The Audit Committee sends the whistleblower a confirmation of receipt of the report of an irregularity and informs them of the measures envisaged or adopted to follow up on the communication and the respective grounds, unless the disclosure of such information conflicts with compliance with legal obligations or legitimate orders from the authorities. The communication of an irregularity must be made voluntarily, orally or in writing, and contain the elements and information necessary to allow the irregularity to be assessed.

The concept of "irregularity" includes all situations that are detected, of which there is knowledge or well-founded suspicions relating to possible illegal acts, offences or irregularities relating to breaches of the law, statutory, deontological or professional ethics standards, more specifically those set out in the Code of Conduct and Integrity Policy or the rules set out in any internal documents or regulations, recommendations, directives or guidelines applicable to REN, or to any company within the REN Group.

ESRS G1-1 ESRS G1-3 ESRS S1-3 ESRS S2-3 ESRS S3-3 GRI 2-26

Reports can preferably be made through an online reporting channel.

1

COMPLAINT REGISTERED

1

COMPLAINT DULY ANALYSED AND DEALT WITH

0

COMPLAINTS UNDER ANALYSIS

Verbal complaints may be submitted by telephone or voice message systems, and/ or, at the request of the complainant, in a face-to-face meeting. The online whistleblower channel allows complaints to be made in writing or orally. If whistleblowers opt for oral submission, they can choose whether they want their voice to appear distorted or not.

REN and other companies in the Group may not dismiss, threaten, suspend, intimidate, harass, persecute, withhold or suspend payment of salaries and/ or benefits, demote, transfer or, in any other way, adopt any discriminatory or retaliatory behaviour or threat in relation to:

i) a whistleblower, on the grounds, even if undeclared, of reporting an irregularity that has been made in good faith, truthfully and in compliance with the respective procedure or

ii) any person who provides any information or collaborates in a fact-finding process or participates in any investigation.

Review of procedures for reporting and investigating irregularities

REN has revised the procedures applicable to handle reports of irregularities and the respective investigation, making it possible for reports not only to be made by e-mail and/ or telephone, but also to be made through an exclusively online reporting channel. In 2024, REN implemented a new whistleblower channel, which aims to strengthen existing channels and reinforce the infrastructure for receiving and analysing information on irregular practices, based on an electronic platform that ensures encryption and the full anonymity of whistleblowers.

Prevention of situations of conflict of interests

The Regulations on Transactions with Related Parties and Prevention of Situations of Conflicts of Interest is part of the mechanisms implemented at REN with a view to preventing and identifying situations of conflicts of interest and, consequently, a greater degree of transparency in the market.

Among other aspects, the Regulations state that whenever there is a significant transaction with related parties, this transaction must be submitted by the Board of Directors to the Audit Committee for appraisal.

In the event of a conflict of interest, including potential conflicts of interests, where those concerned are directors or members of corporate bodies or committees, they must not interfere in the respective decision-making process, more specifically they:

- Must not receive information related to such matters (namely preparatory information that is sent in anticipation of a meeting where this point will be discussed and voted on);
- Must refrain from discussing the matter with other members of management; and/ or
- Must not participate in or be present at the discussion and voting on the matter in question.

As part of compliance with the independence rules established in relation to the external auditor/ statutory auditor, the Audit Committee monitors the provision of non-audit services in order to ensure that they do not give rise to situations of conflict of interest.

Information on transactions with relevant related parties that occurred during the year is disclosed in the Accounts and Corporate governance report, without prejudice to any other communication required by the legislation and regulations in force.

GRI 2-15

Training on the prevention of corruption risks and related offences

Furthermore, in 2024, in collaboration with an external provider, face-to-face training was given which was adapted to each of the business units most exposed to corruption risks and related offences in accordance with the Plan for the Prevention of Corruption Risks and Related Offences, including training specifically directed at members of the Board of Directors.

Course on "Ethics and Code of Conduct and Prevention of Corruption Risks"

The course on "Ethics and Code of Conduct and Prevention of Corruption Risks" is compulsory for all REN employees and will be renewed every two years. The course, with theoretical and practical components, seeks to inform on the most relevant concepts concerning ethics, the Code of Conduct, REN's Integrity Policy, and the Plan for the Prevention of Corruption Risks and Related Offences, as well as to explain how such staff members should act in the performance of their duties. The course also focuses on the procedures applicable to reporting and dealing with communications of irregularities.
The course is always available online and can be taken by all employees who wish to do so more than once and whenever they need to go into more detail on any of the topics covered.

93% of employees concluded this training in 2024

From the point of hiring, regardless of the employment relationship, employees are trained in the REN Group's Code of Conduct.

Training and awareness

REN has strengthened communication and tools for learning and raising awareness among employees with regard to these matters, particularly with respect to the prevention of corruption and related offences and reporting of irregularities (whistleblowing), including training (in e-learning and face-to-face formats), and dissemination of information on the intranet.

From the point of hiring, regardless of the employment relationship, employees are trained in the REN Group's Code of Conduct, the procedures applicable to the communicating of irregularities, the REN Group Integrity Policy and the Plan for the Prevention of Corruption and Related Offences. The regulations and policies are provided to all employees and are permanently available in REN buildings, on websites (internet and intranet) and are subject to regular testing.

ESRS G1-1 ESRS G1-3 GRI 2-23 GRI 205-2

Suppliers and other stakeholders

REN has maintained control in matters relating to the implementation of a culture of ethics and anti-corruption with suppliers, via the strengthening and practical implementation of the following procedures and initiatives:

- A procedure is in place in the purchasing department to acquire, qualify and select suppliers and service providers, which aims to ensure compliance and with rules of public procurement and competition and eliminate any real or potential breach of rules;
- Our Supplier Qualification Programme seeks to ensure efficiency and standardization of the procurement procedure via the implementing of best buying practices and objective and transparent criteria in our relationship with the market, promoting a comprehensive management of our relationship model with current and potential suppliers;
- A Supplier Code of Conduct is in force, which is agreed to by suppliers and service providers and is binding. The Supplier Code of Conduct underpins the principles on which the REN Code of Conduct and its Annexes are based (which include the REN Integrity Policy and the procedures applicable to the handling of reported irregularities and the respective investigation); and
- As part of these purchasing procedures, REN requires suppliers to declare (by signing and confirming that they are so bound) that their representatives do not appear on any of the lists of persons and entities subject to financial or commercial sanctions imposed by international entities, and are not subject to any of the situations of impediment provided for in legislation. As such, suppliers also declare that they undertake to notify REN immediately should the situation change and that they are fully aware that failure to comply with provisions and any false declarations will result in, as the case may be, exclusion of the application or the tender or the cancellation of the adjudication.

To learn more about how REN manages the value chain, see chapter 4.3.2 Supply chain management.

Contributions to political parties and activities in representation of interests

REN does not carry out lobbying activities, nor makes any direct or indirect monetary or in-kind contributions to political parties or associated organisations. This REN commitment to ethics and integrity is particularly established in our Integrity Policy.

REN is listed in the European Union Transparency Register under number 36820998995-30. Figures reported under this register refer exclusively to costs associated with REN's activities, in accordance with its competences and attributions, with European energy sector entities, as well as resources directly allocated to activities related to European topics.

In detail, REN's activities in the European context are essentially technical in nature, involving participation in European associations that share specific technical knowledge, positioning, and good practices in the energy sector, and in the capacity of REN Group companies that are public service concessionaires and transmission network operators. Interaction takes place with the following entities:

ENTSO-E and ENTSO-G
European associations representing Electricity and Gas Transmission Network Operators.

HYDROGEN EUROPE
European association promoting the development of a sustainable and efficient hydrogen economy, focusing on the energy transition.

OTHER
RGI (Renewable Grid Initiative) and Med-TSO (Mediterranean Transmission System Operators).

REN is fully committed to total transparency in all interaction with public and private entities.

REN benefits from grants for projects and initiatives of public interest, in accordance with applicable legislation and regulations. Reported amounts correspond to financial support granted by the European Union or other public entities for the development of specific projects. For more details, see table GRI 201-4.

REN is fully committed to total transparency in all interaction with public and private entities, and there is no direct or indirect financing related to lobbying activities or political influence.

ESRS G1-5

Sustainability statement

Contribution to SDG

07 AFFORDABLE AND CLEAN ENERGY
09 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION
15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

4.5 OTHER SUSTAINABILITY MATERIAL TOPICS

4.5.1 INNOVATION AND DEVELOPMENT

Investment in innovation and development is a core aspect of REN's strategy, backed up by a technological and sustainable vision that ensures excellence and continuity in the services we provide. With a culture that invests in and challenges teams, we promote innovative solutions to address climate challenges, contributing to the energy transition and sustainable progress.

Main actions

- INNOVATION EXPLORERS PROGRAMME
- INNOTALKS PROGRAMME
- INNOVATION PROGRAMME WITH TRAINEES
- PUBLICATION OF SCIENTIFIC ARTICLES

Key metrics

- 35 RD&I PROJECTS IN PORTFOLIO
- 32 PROJECT APPLICATIONS SUBMITTED TO SIFIDE
- 1.9 M€ AVERAGE INVESTMENT

About the future

- MONITORING OF EMERGING TOPICS SUCH AS ROBOTIZATION, SATELLITES, DIGITALIZATION, ARTIFICIAL INTELLIGENCE, AND HYDROGEN & RENEWABLE GASES
- FOCUS ON THE DEVELOPMENT OF A STRONG CULTURE OF INNOVATION
- PROMOTION OF OPEN INNOVATION

Impacts, Risks and Opportunities (IROs)

In addition to the material issues within the scope of the ESRS, other issues related to its activities were identified, including innovation. The IROs identified are:

IMPACTS

POSITIVE

Operational innovation	Through operational innovation projects, REN promotes solutions that ensure an efficient and effective energy transition, contributing to the fight against climate change and reinforcing the performance of excellence in the security and quality of energy supply.

OPPORTUNITIES

Innovative projects	REN identifies a strategic opportunity in operational innovation, investing in the development of disruptive solutions that enhance the efficient fulfilment of energy transition objectives, strengthen the security and quality of energy supply and consolidate the company's performance of excellence.

Research, Development, and Innovation (RD&I) are integral to REN's overall strategy.

REN's ambition has been to make its innovation culture distinctive and exemplary, contributing to the development and implementation of innovative solutions that can be incorporated into the Group's various companies and that help position REN as a facilitator of the energy transition.

The culture of innovation is disseminated throughout the different areas of the company, through the Operational Innovation Department, as well as through the Energy Research Centre REN – State Grid, S.A. (R&D NESTER), an entity owned by the REN Group for conducting research, development, and innovation (RD&I) activities in energy systems solutions.

Operational innovation

RD&I are integral to REN's overall strategy. Therefore, we have intensified our efforts to create and develop solutions that promote the efficient and effective achievement of energy goals. These initiatives also play a vital role in fighting climate change and enhancing the company's exceptional performance in ensuring the security and quality of energy supply.

OUR MISSION

To promote and coordinate initiatives that drive innovation, creating value and anticipating trends to strengthen REN's competitiveness.

OUR VISION

To be a driver in the development of innovative solutions that contribute positively to the energy and digital transition and generate a positive impact on communities and the environment.

Operational innovation

MAIN ACTIONS

- INNOVATION EXPLORERS PROGRAMME
- INNOTALKS PROGRAMME
- CREATIVITY AND INNOVATION DAY
- INNOVATION PROGRAMME WITH TRAINEES

KEY METRICS

- 16 RD&I PROJECTS IN PORTFOLIO
- 5 ROLLOUT PROJECTS
- 20 PROJECT SUBMITTED TO SIFIDE
- 500 k€ AVERAGE INVESTMENT

Innovation strategy

The strategy is aligned with the Group's mission and values, ensuring compliance with legislation and regulations, and ensuring the ongoing performance improvement. Focused on innovation and in alignment with stakeholder expectations, this strategy aims to strengthen organizational culture and develop an innovation ecosystem. To this end, it is structured around four strategic pillars that guide RD&I projects:

QUALITY AND BUSINESS CONTINUITY

Contribute to the company's operational improvement by identifying new methodologies, processes and technologies focusing on maximising supply guarantees, continuity, and quality of service, as well as infrastructure robustness and resilience.

SMART AND DIGITAL NETWORKS AND OPERATIONS

Modernize assets and implement a smart vision of infrastructure and operation management, as well as process efficiency, and the development of a more technological component applied to operational areas.

SUSTAINABLE DEVELOPMENT

Develop initiatives that promote the pursuit of innovative and sustainable practices throughout the value chain, as well as drive and support proposals for new regulatory models and legal framing that reflect the needs arising from paradigm changes in the energy sector.

NEW BUSINESS MODELS

Drive RD&I initiatives that apply in new contexts, beyond the REN Group, contributing to the generation of new businesses.

2.6 M€

Invested in innovation since 2019

6.1 M€

Planned investment in the 16 ongoing RD&I projects

500 K€

Value invested in 2024

1.9 M€

Planned investment in the 5 rollout projects

Innovation strategy

The REN Group innovation strategy, supported by the Research, Development, and Innovation Policy, is based on fostering a culture of innovation that not only adds value to the company, but also generates new business. This approach includes the development of an open ecosystem for innovation and the integrated management of RD&I projects, focusing on identifying and implementing sustainable and competitive advantages and strengthening the strategic pillars of RD&I.

Since 2019, around 2.6 million euros has been invested, demonstrating our growing commitment to innovation. In 2024, approximately 500 thousand euros were invested.

Operational innovation portfolio

The operational innovation portfolio includes several projects carried out at different REN Group companies, particularly the projects carried out for REN Elétrica.

The project portfolio currently consists of 16 RD&I projects underway, with total forecast investment of 6.1 million euros and five projects currently being rolled out with estimated investment of 1.9 million euros.

In 2024, a total of 20 projects were submitted to SIFIDE as part of the operational innovation portfolio, an increase of seven projects compared to 2023.. Due to their relevance and alignment with our sustainability strategy, the following projects are of special note:

QUALITY AND BUSINESS CONTINUITY

Gas pipeline monitoring via fibre optic sensors
Pilot project that aims to implement a real-time gas pipeline monitoring system to detect leaks and third-party intrusions or vandalism, thus ensuring asset integrity.

Use of robots to control undesirable vegetation in electrical substations and gas stations
With the aim of developing equipment that can autonomously and robotically carry out the most significant maintenance operations in technical facilities, such as weed removal and simultaneous herbicide application.

SMART AND DIGITAL NETWORKS AND OPERATIONS

Internal training pilot project for the use of fixed-wing drones
The goal of this project is to monitor the infrastructure and right-of-way of the National Electricity Transmission Network and the National Gas Transmission Network autonomously and evaluate their impact on activities considered critical to REN operations. The aim is to train teams to handle drones, process images and raise awareness of issues related to flight authorisations and image capture.

Satellites in asset monitoring
A project that seeks to assess benefits in the use of satellite images in REN activities, more specifically, to support the management of the right-of-way area. Includes the monitoring and detecting of changes in right-of-way areas and response to disaster situations.

SUSTAINABLE DEVELOPMENT

AGENDA TRANSFORM

Agenda for the digital transformation of forest value chains – Recovery and Resilience Programme (financing programme). Agenda TransForm is the result of an ambitious and unprecedented collaborative effort in Portugal to answer effectively to the challenges currently presented by digitalization and carbon neutrality. The agenda consists of an integrated approach based on 30 interrelated collaborative projects that will create 11 products, processes, and services of greater added value in the intervention priority areas identified by sector agents in the different pillars making up the base forest supply chains.

REN will take part in the agenda with the following projects, leading the first two:

CENTRODEC – Support Centre with multi-sensory data for forest protection - Implementation of a decision support centre with multi-sensory data to support the protection of REN infrastructure and the respective land and surrounding infrastructure against extreme weather phenomena (fire and other events), a scaling-up of the rePLANT project.

OPTIVEG – Sustainable optimization of vegetation management operations - Development of an innovative technological solution to support operational planning, with a view to improving the sustainability of vegetation management operations.

ELECTRIC MOTORIZATION IN FORESTS - Studies and action plans to accelerate the electrification of the forestry sector in Portugal.

ODFOS – DISTRIBUTED FIBRE OPTIC SENSING FOR OVERHEAD LINES (OHL) COLLISION DETECTION

Development of a bird collision detection system for OHL lines, using distributed sensing on the optical fibres existing in the earth wires.

Innovation programme

REN's innovation programme has its own identity "RENenergy for tomorrow", aligned with the values of our organization and innovation strategy.

With the goals of strengthening the culture of innovation in the organization and promoting value creation and connection with the ecosystem, the following initiatives are of note:

INNOTALKS PROGRAMME

Sharing sessions with special guests, mainly external, aiming to engage employees and raise awareness on relevant topics, enhancing the company's innovation culture and contributing to internal knowledge. Three sessions were held in 2024. The first was attended by a guest from the Nabeiro Group, the second by a speaker from the Centre for Computer Graphics and the third by two guests from the Brisa Group.

INNOVATION EXPLORERS PROGRAMME

Short-term programme focusing on exploring new trends or emerging technology, with the aim of developing ideas for possible project start up. In 2024, the group of employees from different REN operational areas sought to explore/ develop ideas for projects in digitalization and artificial intelligence.

WORLD CREATIVITY AND INNOVATION DAY

World Creativity and Innovation Day 2024 was celebrated at REN with the launch of the Innotalks initiatives. The first session took place in the Innovation Room and was broadcast via streaming. The new symbol for REN's Innovation Programme was also launched on this day.

INNOVATION PROGRAMME FOR TRAINEES

This trainee programme aims to encourage and strengthen the REN innovation culture among our youngest staff members, actively involving them in this process. The fifth edition of this programme was held in 2024, focusing on decarbonization and energy storage technologies.

Also noteworthy is REN's participation in the Research Development and Innovation Committee (RDIC).

During the year, two workshops were also held on Artificial Intelligence. The first, open to the entire organization, focused on presenting the topic, highlighting the potential application at REN. The second, conducted with a consultant in the technology and engineering fields, focused more on how these technologies can impact on REN's operational areas. The topics of digitalization and Artificial Intelligence came under particular focus in the innovation department in 2024, due to the enormous potential these technologies could have on operations.

Also noteworthy is REN's participation in the Research, Development and Innovation Committee (RDIC), whose mission is to coordinate R&D activities and fulfil the R&D mandate within the scope of the European Union's Clean Energy Package.

In 2025, we will continue to focus on promoting a culture of innovation and generating new ideas through specific brainstorming and idea generating sessions with operational departments and more general sessions for sharing experiences and knowledge.

Examples are the "coffee talk" sessions, open to the entire organization. In these casual-atmosphere sessions to share experiences, internal guests talk about an innovation project or initiative at coffee breaks.

We will also continue to invest in innovation workshops, in the different models that have been tested (online, face-to-face, with only internal employees and with the collaboration of external entities). We will continue with this work due to its relevance in identifying new needs and in the across-the-boards nature of knowledge among the different departments within the organization. In this regard, we will continue with Innotalks, where external guests talk about innovation.

Due to its relevance and application potential at REN, we will drive the development of ideas and projects in the areas of drones, AR/ VR (Augmented Reality/ Virtual Reality), Artificial Intelligence (AI), Digitization, the Internet of Things (IoT), Sustainable Technology and ESG, Big Data, Blockchain, Sensors and Automation and Robotics.

Energy Research Centre

MAIN ACTIONS

PUBLICATION OF **MORE THAN 8 SCIENTIFIC ARTICLES**

COMPLETION OF 6 PROJECTS (3 under the Horizon Europe 2020 Programme and 3 internal)

START-UP **OF 7 NEW PROJECTS**

PARTICIPATION IN **20 INTERNATIONAL WORKING GROUPS**

APPROVAL OF **4 NEW PROJECTS UNDER THE HORIZON EUROPE PROGRAMME AND 1 UNDER THE DIGITAL PROGRAMME.**

KEY METRICS

12 PROJECTS WITH **APPLICATIONS SUBMITTED TO SIFIDE**

63% OF PORTFOLIO PROJECTS ARE FUNDED **BY EUROPEAN AND NATIONAL PROGRAMMES**

8 PUBLICATION **OF PAPERS**

19 **RD&I PROJECTS IN PORTFOLIO** (7 of which are funded by the Horizon Europe program)

30 NETWORK OF PARTNERS INCLUDES **MORE THAN 30 ORGANISATIONS**

Energy Research Centre

R&D Nester, an entity 50% owned by the REN Group, was established in May 2013 with the purpose of operating as an independent and innovation-driven global research and development centre. With a multicultural DNA and a long-term strategic vision, R&D Nester is dedicated to driving solutions that promote the development of a smarter, more efficient, cleaner, and more sustainable energy system.

R&D Nester's main areas of work include the simulating and planning of electrical power systems, renewable energy management, smart grid technologies and energy markets.

Recognized by the Portuguese government in 2014 as a suitable entity in the area of Research and Development (R&D) (Order No 4058/2014), R&D Nester has been certified since 2015 in RD&I, in accordance with the NP 4457:2021 standard. The company is also certified in accordance with the ISO 9001, 14001 and 18001 standards. Over the years, R&D Nester has consolidated its innovative capacity by registering three patents: two international and one national.

Of note with respect to its strategy and general goals, the following stand out:

i) strong involvement in collaborative R&D and Innovation projects through participation in national and European programmes such as the RRP, INTERREG, European Space Agency and HORIZON EUROPE;

ii) active participation in international working groups in order to monitor global industry trends, contribute to ongoing developments and identify new opportunities for collaboration;

iii) regular publication of articles in journals and presentations at prestigious international scientific conferences, such as IEEE and CIGRÉ, promoting the dissemination of the knowledge acquired and strengthening its presence among the main players in the energy sector; and

iv) establishing of protocols/ partnerships with entities in the scientific system and other sector players.

In terms of infrastructure, of note is the R&D Nester laboratory with high-capacity computers for simulating, analysing, and studying advanced energy networks in the areas of power systems and communications capable of the real-time analysis of energy systems, including the acquisition of additional devices. The laboratory is listed in the Smart Grid Lab Inventory 2018, issued by the European Commission's Joint Research Centre.

Through more than a decade of activity, R&D Nester has accumulated extensive experience in the energy sector, developing excellent technical and scientific skills. This knowledge, combined with the expertise of its employees, allows the company to anticipate the needs of the sector, meet complex challenges and create innovative solutions that ensure safer, more efficient, and more sustainable operations. R&D Nester's multidisciplinary team is the driver behind its success, translating strategic vision into concrete results that contribute to a smarter and cleaner energy future.

Energy Research Centre strategy

OBJECTIVES	STRATEGY
Knowledge	Build a knowledge platform, developing innovative solutions applied to energy systems and establishing a strategic "triangle", including Universities, RD&I Centres and Industrial Partners.
Technological development	Develop new tools and strategies in tune with shareholder requirements. The results of R&D projects should promote the creation of more efficient energy systems.
Specialized services	Catalyse specialized services (e.g., consultancy and training) to be provided to shareholders and external entities, guiding RD&I projects to value creation.
Global RD&I network	Establish partnerships with international RD&I institutions in order to set up a global technological network.

R&D Nester Strategy

The Energy Research Centre strategy has remained unchanged since its inception. Its mission is to establish an international knowledge platform to act as a catalyst for innovative solutions and approaches. The knowledge gained is applied to the operating and planning of energy transmission networks, and the development of new tools and strategies which are aligned with the new energy paradigm. Further aims are to promote the construction of more efficient and more sustainable energy systems while also promoting the international reputation of shareholders in energy system operation and planning.

Main actions undertaken by R&D Nester

Highlights of the initiatives carried out by the Energy Research Centre in 2024:

- Approval of four projects submitted to the Horizon Europe Programme under Cluster 5 - Sustainable, secure and competitive energy supply and in the areas of AI Testing and Experimentation Facility (TEF) for the energy sector - bringing technology to the market, Energy Management Systems for flexibility services;
- Approval of a project submitted to the Digital Europe programme on the subject of Cloud, data and artificial intelligence;
- Continued participation in the European Commission working groups on energy transition;
- Participation in external events as part of ongoing international projects and scientific publications;
- Publication and presentation of eight scientific papers;
- Continuation of three patents (two international, in Europe, the United States and China) and one national patent;
- Hosting of students for summer internships, with work undertaken used in real projects;
- Transition of Certification in Research, Development and Innovation according to the latest version of the 4457:2021 Standard; and
- Continued investment in the maintenance and renewal of hardware and software for a laboratory with high-capacity computers for simulating, analysing and studying advanced energy networks in the areas of power systems and communications capable of real time analysis of energy systems, including the acquisition of additional devices.

In 2024, the R&D Nester project portfolio consisted of 19 projects.

1 M€

Annual investment trend in R&D Nester's portfolio

1.4 M€

Invested in innovation projects in 2024

Also of note were two applications submitted to the Clean Energy Transition programme. This financing programme aims to drive the transition to clean energy and contribute to the EU target of becoming the first carbon neutral continent by 2050, bringing together national and regional funding for Research, Development, Technology and Innovation (R&DTI) for a wide variety of technologies and systems solutions needed to achieve transition.

Investment

The amount invested in innovation projects in 2024 was around 1.4M€ (value calculated under the application to SIFIDE for the 2023 tax year and response to the IPCTN survey of 2023). It is estimated that the figure in 2025 will be similar.

R&D Nester Portfolio

In 2024, the R&D Nester project portfolio consisted of 19 projects including projects which were already completed, underway, and approved to start in the short term.

The annual investment trend continues to exceed one million euros. This sum relates to expenditure on a series of R&D and Innovation activities conducted internally and/ or in cooperation with national and international organizations, including academic institutions recognized by the national scientific and technological system.

EXTERNAL FUNDING

In addition to internal investment, the company regularly uses sources of external funding for RD&I. This is achieved through applications to European programmes (e.g.: Horizon 2020, European Space Agency, Interreg Programme, and more recently, Horizon Europe) and national programmes (e.g.: Portugal 2020 and RRP), or as tax Incentives through annual applications to SIFIDE (National System of Tax Incentives for Corporate R&D), where an approval rate of 100% has been achieved repeatedly as a result of the effective nature of R&D in projects submitted in applications.

Of note among collaborative RD&I projects with external funding is the completion of three projects under the Horizon 2020 Programme, two projects underway started in 2023 under the Recovery and Resilience Plan and the Horizon Europe programme, as well as six new projects started, funded by the last European framework programme – Horizon Europe.

3

Projects concluded under the H2020 programme

2

Ongoing projects under the PRR

6

New projects under Horizon Europe

PROJECTS CONCLUDED IN 2024 WITH EXTERNAL FUNDING (HORIZON 2020 PROGRAMME)

OneNET- One Network for Europe - TSO - DSO - Consumer:
Large-scale demonstration of innovative grid services through DR, storage and small-scale (RES) generation

- The OneNet project sought to achieve the following goals: I) identify services and products that maximize the transparent use of flexible resources (distributed generation, storage, DSR) and employing a consumer-based approach; ii) Converge to a unique IT architecture where different applications and forms of coordination adapted to each geographical area can coexist, respecting rules on transparency and equality in the market.
- The concept proposed in this project was tested and implemented in four pilots which are located and organized into different geographical clusters.
- This project lasted three years and involved participation by 72 international partners, including R&D NESTER, REN S.A., INESC-TEC and EDP Distribuição.

I-NERGY – Artificial Intelligence for Next Generation Energy

- The goal of the I-NERGY project was to implement and demonstrate innovative applications based on artificial intelligence (AI) and the development of digital twins that have been validated through new pilot projects focusing on (i) network asset management, (ii) processes that promote greater efficiency and reliability of power grid operation and (iii) systems that optimize and promote the engagement of local and virtual energy communities in flexibility markets. This project involved 17 partners from ten countries.

BD4NRG – Big Data for Next Generation Energy

- The growing need for information sharing in the operating of electricity networks is providing significant opportunities to develop algorithms to support decision-making based on Big Data and AI technologies.
- As such, the BD4NRG Project involved 35 partners from 12 different countries in the development of a reference architecture that will allow B2B multi-party data to be shared, while simultaneously providing the full interoperability of big data technologies.

47
Organisations cooperating in the NGS project

30
Partners in the WeForming project

ONGOING PROJECTS WITH EXTERNAL FUNDING (RECOVERY AND RESILIENCE PROGRAMME)

NGS - Next Generation Storage

- The aim of the NGS Project is to transform national production capability on a structural level, creating the necessary conditions at a technological and human resource level, for an industrial ecosystem capable of mass producing innovative technologies in the battery industry and an entire value chain proving world-class end-of-life management.
- The project involves cooperation by 47 different organizations.

WEFORMING – Buildings as Efficient Interoperable Formers of Clean Energy Ecosystems

- WeForming an acronym for buildings as efficient and interoperable formers of clean energy ecosystems, offers a revolutionary approach to energy management where buildings are strategic actors in supporting and shaping the energy networks of the future. At the centre of this proposal for added value is the goal to optimize the efficiency and self-sufficiency of buildings, prioritizing the well-being of occupants while also increasing comfort, convenience, and safety. Artificial intelligence and machine learning will be key tools for the development of WeForming, ensuring automation and interactivity.
- The project involves 30 partners from ten countries.

Collaboration and partnerships

Through active interaction and collaboration with national and international associations and organizations, we have closely followed the most relevant advances in the sector, particularly with respect to the energy transition. We aim to capture and disseminate critical knowledge, as well as anticipate and prepare for current and future challenges in the energy sector. Against this background, of note are the following partnerships and collaborations:

MAIN INTERNATIONAL INITIATIVES

Conseil International des Grands Réseaux Électriques (CIGRÉ)
Participation in the committees C5 - "Electricity Markets and Regulation" and B5 - "Protection and Automation", B5.73 - "Experiences and Trends related to Protection Automation and Control Systems Functional Integration", as well as in Working Group C5.38 - Certificates of Origin for Electricity in Power Markets.

European Technology & Innovation Platforms (ETIP-SNET)
Active participation in the following working groups – WG1 - "Reliable, economic and efficient smart grid system", WG2 - "Storage technologies and sector interfaces", WG4 - "Digitisation of the electricity system and customer participation" and WG5 - "Innovation implementation in the business environment".

European Energy Research Alliance (EERA)
Ongoing monitoring of the different activities and initiatives carried out by this organization, contributing via scientific publications.

European Network of Transmission System Operators for Electricity (ENTSO-e)
Participation in the committee on the topics of RD&I – Research, Development, and Innovation Committee (RDIC).

BRIDGE (European Commission iniciative)
Participation in the following working groups: WG Regulation, WG business model, WG data Management and WG Consumer and Citizen Engagement.

International Electrotechnical Commission (IEC)
Participation in working group WG6 - "Operational Behaviour and Coordinated Control between Renewable Energy and HVDC System (External Organization)" as part of the committee - SC8 TC8A and on SC8 TC8B and SC8 TC8C.

Institute of Electrical and Electronics Engineers (IEEE)
Participation in several international conferences held by this organization of excellence in the sector, with the publication and presentation of scientific articles.

MAIN NATIONAL INITIATIVES

Business Association for Innovation (COTEC)
As an associate company of COTEC Portugal, REN and R&D Nester regularly participate in events promoted by this association.

Portuguese Association of Renewable Energy (APREN)
In addition to participating as a member in various events organised by this association in the renewable energy sector, R&D Nester also has a partnership with this entity in an RTP programme entitled 'Boletim das Energias Renováveis' (Renewable Energy Bulletin), which presents a weekly forecast of renewable energy production in Portugal.

The Portugal-China Chamber of Commerce and Industry (CCILC)
REN and R&D Nester are members of CCILC, where one of the main objectives is to promote business and work opportunities between entities in both countries.

MAIN UNIVERSITY INITIATIVES

Instituto Superior de Engenharia de Lisboa (ISEL)
R&D Nester has established a protocol and occasionally welcomes ISEL students working on Master's and PhD theses with topics which align with research underway.

Nova University of Lisbon
Collaboration in different innovation projects.

Instituto Superior Técnico
Collaboration in different innovation projects.

INITIATIVES FOR THE FUTURE

For 2025, the R&D Nester strategy, in line with its organizational strategy (macro) and RDI policy will focus on:

- Maintain a culture of innovation;
- Work on existing and new R&D projects, including funded projects;
- Continue to work on the identification of new financing opportunities, new services and/or projects that bring value to the organization and the community;
- Continue with the international involvement in the definition of future directions for the development of energy systems;
- Continue to work on R&D visibility and the setting up of partnership networks;
- Maintain certifications in RD&I and Quality, Environment and Safety; and
- Continue to invest in the existing laboratory, equipped for simulating real-time energy systems and other emerging technologies.

Sustainability statement

Contribution to SDG

08 DECENT WORK AND ECONOMIC GROWTH

09 INDUSTRY, INNOVATION AND INFRASTRUCTURE

4.5 OTHER SUSTAINABILITY MATERIAL TOPICS

4.5.2 CYBERSECURITY

REN prioritizes cybersecurity and personal data protection, ensuring the integrity of critical systems which control the power networks. Recognizing the challenges of digitalization and the growing complexity of infrastructure, we safeguard information through rigorous measures and ensure the continuity of essential services.

Main actions

- RECERTIFICATION OF THE INFORMATION SECURITY MANAGEMENT SYSTEM (ISMS) IN ACCORDANCE WITH THE ISO 27001 STANDARD
- ACHIEVE THE DIGITAL CYBERSECURITY MATURITY SEAL
- SUPPORT IN THE REMODELLING AND UPDATING OF CRITICAL SYSTEMS FOR ENERGY INFRASTRUCTURE MANAGEMENT
- IMPLEMENT THE SECURITY AND ASSET MONITORING SYSTEMS THAT SUPPORT ESSENTIAL SERVICES

Main targets

- ENSURE COMPLIANCE WITH APPLICABLE LEGAL AND REGULATORY REQUIREMENTS
- INTEGRATE INFORMATION SECURITY REQUIREMENTS INTO BUSINESS PROCESSES AND OPERATIONS
- ENSURE THE AVAILABILITY, INTEGRITY AND CONFIDENTIALITY OF INFORMATION AT ALL TIMES
- ENSURE THAT ISMS SECURITY MEASURES ARE UNDERSTANDABLE, EFFECTIVE AND COST-EFFECTIVE

Key metrics

- LEVEL OF IMPLEMENTATION OF RISK TREATMENT PLANS
- NUMBER OF INCIDENTS WITH IMPACT ON SYSTEM AND NETWORK AVAILABILITY
- TIME TO FIX CRITICAL VULNERABILITIES
- BUSINESS CONTINUITY TESTS

About the future

- ENSURE LEGAL AND REGULATORY COMPLIANCE WITH DIRECTIVE NIS2, NETWORK CODE ON CYBERSECURITY (NCCS), THE CYBER RESILIENCE DIRECTIVE AND OTHER REGULATIONS
- CONTINUE TO IMPROVE THE SECURITY OF INDUSTRIAL INFRASTRUCTURE
- CONTINUE TO FOCUS ON TRAINING AND AWARENESS-RAISING ACTIONS FOR EMPLOYEES AND SERVICE PROVIDERS WITH A VIEW TO DETECTING, PREVENTING, AND RESPONDING TO INCIDENTS

Information security risk management is a key component in the operation of organizations.

Information security

Information security risk management is a key component in the operations of organizations. In addition to ensuring the protection of information, in the specific case of REN, this management approach also aims to ensure the security of critical information systems and industrial systems that support and operate electricity transmission networks, as well as the gas transmission and distribution networks.

The growing digitalization of networks and systems, combined with an increase in their complexity, the number of agents involved and the interconnections to transmission networks, as well as the risk associated with the supply chain, represent the main challenges faced today.

Activities supporting essential services and critical infrastructure of REN companies are identified in Directive (EU) 2022/2555, also known as Directive NIS2 (Network and Information Security), which provides for measures to ensure a high common level of cybersecurity in the European Union. Transposition of this Directive into national legislation underwent public consultation until 31 December 2024 and is expected to become effective in the first quarter of 2025. Accordingly, REN has continued the work already carried out under Directive NIS1, to ensure compliance with the obligations and requirements of NIS2.

In 2024, special attention was given to business continuity and disaster recovery components, ensuring not only the updating of support processes, but also the implementation of exercises and tests in order to ensure the resilience of critical infrastructure and systems and responsiveness to disruptive events.

ZERO
Serious information security incidents

Impacts, Risks and Opportunities (IROs)

Another material topic for REN, which goes beyond ESRS is cybersecurity. The IROs identified are:

IMPACT

NEGATIVE

Cyberattacks on REN infrastructure and systems	The negative impact of cyberattacks that compromise REN's activities can directly affect energy transmission and distribution, leading to significant consequences for society and communities, damaging the continuity of essential services and trust in critical infrastructure.

RISK

Occurrence of cyberattacks	In the current environment of far-reaching technological disruption and geopolitical uncertainty, REN faces the risk of cyberattacks capable of compromising operations. As an operator of critical infrastructure in the energy sector, REN continuously reinforces information security capabilities in order to deal with the increasing complexity of system architectures and the expansion of the fields where the company operates.

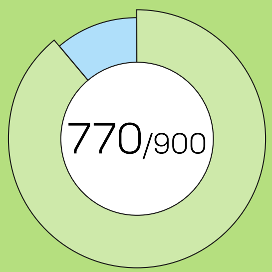
ISO 27001 recertification and Digital Maturity Seal

In 2024, REN underwent two external audits by SGS – Société Général de Surveillance, an internationally renowned entity. One took place as part of the recertification of our Information Security Management System (ISMS) and a second to obtain the Digital Cybersecurity Maturity Seal (DCM). The DCM forms part of the Digital Portugal action plan and seeks to support the digital transformation of organizations and the economy in Portugal.

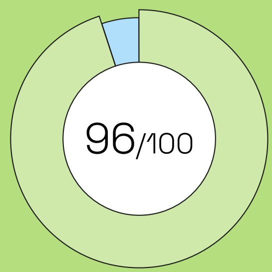
As a result, REN was recertified by SGS in accordance with the ISO 27001:2022 standard and also certified by SGS in accordance with the DNP TS 4577-1 (DCM) standard, achieving Gold Certification. This recognition reaffirms the company's strict commitment to best practices in information security.

Cybersecurity rating

REN is classified on the following cybersecurity rating platforms:



BITSIGHT
Redes Energéticas Nacionais – Corporate



SECURITYSCORECARD
REN - Redes Energéticas Nacionais SGPS, S.A.

Note: Ratings at 31 December 2024.

REN has implemented several control measures to ensure the effective management of information security, more specifically:

TRAINING AND AWARENESS

- Communication and awareness programme on information security best-practices for internal and external employees including, phishing tests, recurring awareness messages, quizzes, and webinars;
- Compulsory e-learning courses every two years for internal and external employees; and
- Training with the aim of raising awareness among technicians in operational areas to the main threats and the respective mitigation measures.

KNOWLEDGE

- Participation in national and international associations, and in crisis management exercises (e.g., CyberEurope), allowing knowledge to be shared in national and European forums, focusing on critical infrastructure. Of note is our participation in the ENCS, EE-ISAC, ISACEnergyPT and CERT.PT organizations; and
- Cooperation with the national cybersecurity authority, enabling knowledge to be shared and enhancement of the cybersecurity capabilities of critical infrastructure operators.

CONTROL MEASURES

- Ongoing improvement of the Information Security Management System based on Standard ISO 27001: 2022, with the aim of protecting the most critical information assets in a setting of risk management;
- Focus on access management and the vulnerabilities of information assets with the aim of reducing the risk of threats which could lead to exploitation;
- Ongoing improvement in the 'Security by Design' approach, ensuring the implementation of security requirements in the design, development, and systems operation, including supply chain security.
- 24/7 monitoring of information asset security for effective and early incident detection and management, including Threat intel[67] and Threat hunting[68] capabilities; and
- Security operations based on an in-depth and multilayer approach in order to increase the likelihood of interrupting the attack chain.

[67] Threat intel: a process to identify and analyse potential cyber threats based on information obtained from different sources, such as DarkWeb forums.

[68] Threat hunting: a process based on attempts to proactively identify any compromised systems or internal threats that may not have been detected during regular monitoring processes.

PERSONAL DATA

The Personal Data Protection Policy for REN employees sets out internal rules to ensure compliance with the legislation and is based on nine basic principles that guide the responsible processing of personal data.

1. Processed on a legal basis;
2. Processed for specific and limited purposes;
3. Processed transparently with respect to the Data Subject;
4. Appropriate, relevant and limited to what is necessary for the purpose for which they are processed;
5. Accurate and, where necessary, kept up to date;
6. Kept for as long as strictly necessary for the purpose for which they are processed and then destroyed or anonymized;
7. Processed in accordance with the rights of the data subject;
8. Handled safely and in confidence and only by persons who are so authorized; and
9. Only transferred to other REN companies or third parties if permitted or required by law and in accordance with a data processing agreement and other necessary additional clauses.

Personal data protection

REN is committed to protecting the personal data of its stakeholders, more specifically, employees, candidates, customers, suppliers and service providers, in accordance with applicable law and best practices.

As part of the Group's risk management, REN has implemented comprehensive policies and procedures to protect personal data. Measures include impact assessments and integration of data protection from design and by default into new projects, products and services. Procedures have also been established to maintain a Record of Processing Activities, manage subcontracting, reply to the exercising of rights of the holders and to deal with data breaches. Additionally, practices to minimize, limit storage time and protect against unauthorized access have been implemented.

Conscious of the need to raise awareness regarding privacy, as a critical component in ensuring the protection of personal data, REN emphasises transparency in the processing of data through the Privacy and Data Protection and Cookies policies published on the REN | Redes Energéticas Nacionais and Portgás Distribuição de Gás websites. Both policies were updated in 2024.

To ensure the implementation of this Policy, the Executive Committee has appointed a Data Protection Officer (DPO) to the Group. The responsibilities assigned to the DPO are to control compliance of the processing of personal data with the provisions of the General Data Protection Regulation (GDPR), provide information and advise REN departments and employees on GDPR matters, as well as act as the contact point with the National Data Protection Commission.

Our concern with the availability of information is reflected in communication with the DPO and in the guaranteed access to the information necessary for data subjects to exercise their rights, request clarification or submit complaints relating to the processing of their personal data. This work has been reinforced by initiatives such as the news provided on the Group intranet and the active participation of the DPO in internal and external events, promoting awareness and compliance with data protection standards.

REN also provides a compulsory e-learning course for all REN Group employees, including interns, which has been revised and updated.

Optional training helps to promote knowledge of personal data protection and compliance with the GDPR among REN employees. Training has included courses on “Protection of Personal Data in Companies: What to Know and Do”, in 2023 and “Personal Data: Trends and Challenges facing Portuguese Companies”, in 2024.

REN also provides a compulsory e-learning course for all REN Group employees, including interns, which has been revised and updated. The course aims to familiarize participants with the key concepts of the GDPR, highlight the importance of personal data protection in mitigating potential risks while also promoting good practices in everyday life. Training is provided every two years. One of our employees is also a Certified Information Privacy Professional Europe (CIPP/E), awarded by the International Association of Privacy Professionals, Inc.

In order to strengthen the training of service providers and increase compliance with the GDPR in the value chain, REN began an information process with service providers, which initially resulted in the provision of an awareness-raising session on Personal Data Protection for 465 employees of service providers.

Furthermore, in 2024, a questionnaire was sent to 65 REN external service providers, chosen due to the volume of personal data they process, in order to ascertain how they guarantee the processing of the Group’s personal data in accordance with the GDPR. Around half responded to the survey with approximately 2/3 reporting that they acted in accordance with the GDPR.

In September 2024, a process and compliance audit was initiated to gauge compliance with data protection standards by REN suppliers. This audit sought to analyse the contracts established between REN and suppliers, service providers and partners. In the diagnostic phase of this audit, compliance was evaluated regarding the data protection clause of the contracts with the legal requirements set out in the GDPR, in particular Articles 26 and 28. The audit found that 99.4% of the contracts analysed already include a personal data protection clause, demonstrating a high level of maturity of internal policies and the importance of training and awareness on the issues of privacy and data protection provided to REN employees.

To ensure that corrective and preventive measures are taken with regard to personal data breaches, we have set out a Policy and Procedure to deal with any breaches of personal data.

In 2024, only one personal data breach was identified with low risk for data subjects. This was also the case in 2023, and there was no need to notify the supervisory authority. These situations allow REN to evaluate the internal controls and actions in force, ensuring that the necessary adjustments are made to mitigate future situations.

With regard to customer requests relating to the exercising of rights by data subject, in 2024 REN received a total of 22 contacts from customers, 69.23% more than in 2023.

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Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails)

Independent Limited Assurance Report on the Consolidated Sustainability Reporting

To the Management
REN – Redes Energéticas Nacionais, S.G.P.S., S.A.

Limited assurance conclusion

We have conducted a limited Assurance engagement on the Consolidated Sustainability Reporting of REN – Redes Energéticas Nacionais, S.G.P.S., S.A. (the "Group") included in section 4. Sustainability Statement of the Integrated Management Report (the "Consolidated Sustainability Reporting"), as at 31 December 2024 and for the period from 1 January to 31 December 2024.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Reporting is not prepared, in all material respects, in compliance with:

- The European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported on the Consolidated Sustainability Reporting (the "Process") is in accordance with the description set out in note Double materiality analysis of 4.1 General Information; and
- The disclosures laid down in Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation") included in subsection 4.2.1 European environmental taxonomy within the section 4.2 Environment of the Consolidated Sustainability Reporting;
- The sustainability reporting standards of the Global Reporting Initiative – GRI Standards, guidelines of the Sustainability Accounting Standards Board (SASB), and recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Basis for conclusion

Our limited assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) standards are further described in section "Responsibilities of the Auditor".

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Quality and Independence

We apply the International Standard on Quality Management ISQM 1, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA) and of the *Ordem dos Revisores Oficiais de Contas*' Code of ethics

Sociedade Anónima · Capital Social 1.340.000 euros · Inscrição n.º 178 na Ordem dos Revisores Oficiais de Contas · Inscrição N.º 20161480 na Comissão do Mercado de Valores Mobiliários
Contribuinte N.º 505 988 283 · C. R. Comercial de Lisboa sob o mesmo número
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Responsibilities of the Management for the Consolidated Sustainability Reporting

Management of the Group is responsible for designing, implementing and maintaining a Process to identify the information reported in the Consolidated Sustainability Reporting in accordance with the ESRS and for disclosing this Process in note Double materiality analysis of 4.1 General Information of the Consolidated Sustainability Reporting. This responsibility includes:

- Understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- The identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- The assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- The selection and adoption of methods and making assumptions that are reasonable in the circumstances.

Management of the Group is further responsible for:

- The preparation of the Consolidated Sustainability Reporting in compliance with the ESRS, the sustainability reporting standards of the GRI Standards, guidelines of the SASB, recommendations of the TCFD, and the Article 508-G of the Commercial Companies Code;
- The preparation of the disclosures in subsection 4.2.1 European Environmental Taxonomy within the section 4.2 Environment of the Consolidated Sustainability Reporting, in compliance with Article 8 of the Taxonomy Regulation;
- Designing, implementing and maintaining such internal controls that Management determines are necessary to enable the preparation of the Consolidated Sustainability Reporting that is free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates about sustainability disclosures that are reasonable in the circumstances.

Inherent limitations in preparing the Consolidated Sustainability Reporting

In reporting forward-looking information in accordance with ESRS, Management of the Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the Auditor

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Reporting is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economics decisions of users taken on the basis of the Consolidated Sustainability Reporting as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional skepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Reporting, in relation to the Process, include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in note Double materiality analysis of 4.1 General Information.

Our other responsibilities in respect of the Consolidated Sustainability Reporting include:

- Obtaining an understanding of the entity's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Reporting but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to disclosures in the Consolidated Sustainability Reporting where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Reporting.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Reporting.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by Management; and
  - reviewing the Group's internal documentation of its Process.
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note Double materiality analysis of 4.1 General Information.

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Reporting, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Reporting by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Reporting, but not for the purpose of expressing a conclusion about the effectiveness of the Group's internal control;
- Evaluated whether material information identified by the Process is included in the Consolidated Sustainability Reporting;
- Evaluated whether the structure and the presentation of the Consolidated Sustainability Reporting is in accordance with the ESRS;
- Performed inquires of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Reporting;
- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Consolidated Sustainability Reporting;
- Obtained evidence on the methods, assumptions and data used on developing material estimates and forward-looking information and on how these methods were applied;
- Obtained an understanding and evaluated the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in Consolidated Sustainability Reporting.

Other matters

We verified that the Consolidated Sustainability Report complies with the information requirements set forth in paragraph 2 of article 508-G of the Commercial Companies Code.

The comparative information included in the Consolidated Sustainability Reporting of the Group has not been subjected to an assurance engagement, except for the information presented under the GRI Standards sustainability reporting guidelines, the SASB guidelines, and the TCFD recommendations.

Lisboa, 20 March 2025

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

Manuel Ladeiro de Carvalho Coelho da Mota - ROC nº 1410
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05 Financial performance and proposed allocation of net income

Financial performance and proposed allocation of net income

5.1 FINANCIAL PERFORMANCE

Results in 2024

In 2024, the REN Group net income totaled 152.5 million euros, an increase of 3.3 million euros (+2.2%) over the previous year.
This performance reflected:

i. a reduction of 7.9 million euros in Group EBITDA (-9.4 million euros in EBIT), of which -2.6 million euros in the domestic business (-4.5 million euros in EBIT) and -5.3 million euros in the international business (-4.8 million euros in EBIT);

ii. a reduction in financial profits of 20.7 million euros (-50.9%), reflecting the increase in the average cost of debt and a reduction of income with interest from tariff deviations;

iii. a reduction of 27.6 million euros in income tax (-64.8%), reflecting the non-recurring fiscal effect on the capitalization of operating companies and tax recovery from previous years; and

iv. a reduction in the Extraordinary Levy on the Energy Sector (ELES) of 5.7 million euros, resulting from the recognition of a gain of 5.6 million euros due to favourable decisions issued by the Constitutional Court. Thus, profits in 2024 reflect the ELES amount of 22.7 million euros (28.4 million euros in 2023).

The average cost of financing was 2.7%, an increase of 0.3 p.p. compared to the previous year, reflecting finance market conditions, while net debt stood at 2.521 billion euros, a decrease of 8.3% (-227.7 million euros) compared to the previous year, impacted mainly by the evolution in REN Trading's tariff deviations. Excluding the effect of tariff deviations, net debt decreased by 32.7 million euros (-1.4%) compared to 2023.

Group investment was 368.4 million euros in 2024, an increase of 22.2% over 2023 figures (+66.9 million euros), while transfers to RAB stood at 296.1 million euros, an increase of 73.5 million euros (+33.0%) in relation to the previous year. Average RAB was 3.5095 billion euros at the end of 2024, a fall of 38.3 million euros (-1.1%) over the previous year.

Of note is the amount invested in environmental conservation, which was 12.6 million euros in 2024, reinforcing the Group's key role in environmental protection, one of REN's strategic sustainability priorities.

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↘ Main performance indicators (M€)

	2024	2023	2022	VAR. 24/ 23
EBITDA	506.1	514.0	487.3	-1.5%
Financial profits[69]	-61.2	-40.6	-44.0	-50.9%
Net income	152.5	149.2	111.8	2.2%
Recurrent net income	111.6	125.0	108.7	-10.8%
Investment (Capex)	368.4	301.5	201.5	22.2%
Transfers to RAB[70] (at historic costs)	296.1	222.6	163.3	33.0%
Average RAB (at reference costs)	3,509.5	3,547.8	3,609.8	-1.1%
Net debt	2,521.0	2,748.7	2,043.7	-8.3%
Net debt (without tariff deviations)	2,388.5	2,421.2	2,543.1	-1.4%
Average cost of debt	2.7%	2.5%	1.8%	0.3 p.p.

[69] Financial costs of 1.7 million euros in 2022 and 2.9 million euros in 2023 and the income of 4.5 million euros in 2024 from electricity interconnection capacity auctions between Spain and Portugal – referred to as FTR (Financial Transaction Rights), and from the Replacement Reserve Exchange were reclassified from Financial Profits to Income.

[70] Includes direct acquisitions (RAB related).

Operating income - EBITDA

Domestic power transmission and distribution business

In 2024, EBITDA in domestic business was 483.8 million euros, a fall of 0.5% (-2.6 million euros) over the previous year.

483.8 M€

EBITDA in domestic business in 2024

0.5%

Compared to the previous year

EBITDA - domestic (M€)

	2024	2023	VAR. 24/ 23
1) Revenues from Assets	**213.7**	**215.3**	**-0.7%**
RAB remuneration	74.5	80.9	-7.9%
Lease revenues from hydro protection zone	0.7	0.7	-1.3%
TSO technical performance improvement incentive	18.5	19.0	-2.4%
Revenue from solar agreements	6.7	0.0	n.m.
Recovery of amortization (net of investment subsidies)	94.4	95.5	-1.2%
Amortization of investment subsidies	19.0	19.2	-1.0%
2) Revenues from Totex	**284.7**	**281.9**	**1.0%**
3) Revenues from OPEX	**135.2**	**153.7**	**-12.0%**
4) Other revenues	**20.1**	**8.4**	**137.7%**
5) Own work (capitalised in investment)	**31.4**	**28.3**	**10.9%**
6) Earnings on construction (excl. own work capitalised in investment) - Concession Assets	**323.0**	**267.8**	**20.6%**
7) OPEX	**200.8**	**197.6**	**1.6%**
Personnel Costs[71]	68.3	64.1	6.6%
External Costs	132.5	133.5	-0.8%
8) Construction costs - Concession Assets	**323.0**	**267.8**	**20.6%**
9) Provisions/ (reversal)	**0.4**	**0.1**	**n.m.**
10) Impairments / (reversal)	**-0.1**	**3.5**	**-101.8%**
11) EBITDA (1+2+3+4+5+6-7-8-9-10)	**483.8**	**486.4**	**-0.5%**

Contributing to the unfavourable evolution in EBITDA were:

- The decrease in the regulated asset base[72] remuneration of 6.4 million euros (-7.9%), mainly explained by:
  - A reduction of 5.6 million euros in the natural gas transmission regulated assets remuneration, due to the fall in the base remuneration rate (RoR) from 5.7% in 2023 to 5.2% in 2024, reflecting the decrease seen in the rate of 10-year Portuguese Republic Treasury Bonds, as well as the reduction of 33.3 million euros (-4.0%) in average RAB; and
  - A decrease of 1.0 million euros in the natural gas distribution regulated assets remuneration, reflecting the reduction in the base remuneration rate (RoR) from 5.9% in 2023 to 5.6% in 2024, due to the decrease seen in the interest rate of 10-year Portuguese Republic Treasury Bonds, partially offset by an increase of 4.3 million euros in average RAB (+0.9%).
- The reduction of Revenues from Opex by 18.5 million euros (-12.0%), as a result of the new gas regulatory period.
- An increase of 3.2 million euros in Opex, of which +0.2 million euros in pass-through costs (costs not controlled by REN and fully accepted by the tariff), of which +18.5 million euros were in costs relating

[71] Includes costs for training and seminars and provisions related to Personnel costs.

[72] Excludes Electricity Transmission (TEE) activity. Includes TEE assets, accepted as extra Totex.

to Turbogás resulting from the end of the Power Purchase Agreement (PPA) at the end of March 2024 and -21.3 million euros in cross-border tariff costs.
Excluding pass-through costs, the core Opex of the domestic business increased by 3.0 million euros, reflecting (i) the increase of 4.2 million euros (+6.6%) in personnel costs, resulting from the increase in the number of employees and salary increases, partially offset by (ii) a reduction of 1.2 million euros in core external costs (-2.1%).

These effects were partially offset by:

- Recognition of revenue of 6.7 million euros from bilateral agreements with promoters for the connection of solar power plants to the network. In 2024, REN began to recognize revenues in EBITDA from solar agreements. REN currently has two solar agreement packages. The revenues from these agreements can be found under two separate headings: (I) revenue with "subsidy amortizations" (neutral impact as they are fully offset by asset depreciation), and (ii) "revenue from solar agreements" with a positive impact on net profit; and
- Increase in Electricity Transmission Activity regulated revenue (+2.8 million euros), an activity that has followed a remuneration model based on Totex since 2022, reflecting the increase in operating volume drivers, unit prices and inflation, despite the decrease in the base remuneration rate (RoR) from 5.3% in 2023 to 5.2% in 2024.

With respect to domestic business, it is also important to note that the natural gas distribution business contributed with EBITDA of 48.8 million euros, a decrease of 2.0 million euros (-4.0%) over 2023 figures. This is mainly due to the fall in remuneration on regulated assets and the new gas regulatory period.

International business

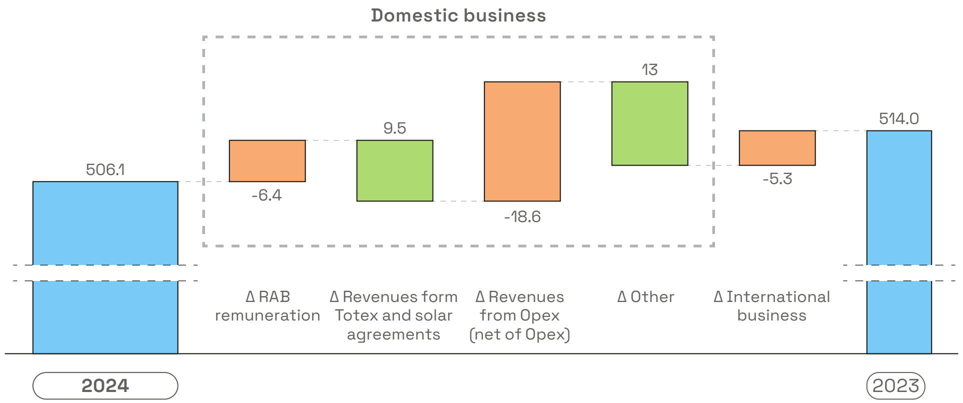
International business contributed with 22.4 million euros to Group EBITDA, 5.3 million euros less (-19.0%) when compared to the previous year, reflecting:

- A reduction of 0.8 million euros (-6.3%) in recognized income from the 42.5% stake held by REN in the Chilean company Electrogas; and
- A reduction of 4.5 million euros (-29.0%) in the EBITDA of Transemel - an electrical power transmission company in Chile. It should be noted that, in 2023, the Chilean regulator published a decree setting out the valorization of transmission systems for 2020 to 2023, with Transemel recording income in the same year of 3.9 million euros relating to the adjustment of income from 2020 to 2022.

↘ EBITDA - international (M€)

	2024	2023	VAR. 24/ 23
1) Revenues from the Transmission of Electrical Power	**15.5**	**19.5**	**-20.3%**
2) Other revenues	**11.4**	**12.2**	**-6.1%**
3) Own work (capitalised in investment)	**1.3**	**1.2**	**6.1%**
4) OPEX	**5.3**	**5.2**	**1.9%**
Personnel Costs[73]	1.2	1.1	12.2%
External Costs	4.1	4.1	-0.8%
5) Provisions/ (reversal)	**0.6**	**0.1**	**552.6%**
6) Impairments / (reversal)	**0.0**	**0.0**	**-39.1%**
7) EBITDA (1+2+3-4-5-6)	**22.4**	**27.6**	**-19.0%**

↘ Evolution in REN Group EBITDA (M€)



[73] Includes costs for training and seminars and provisions for personnel costs.

In 2024, net income stood at 152.5 million euros, an increase of 3.3 million euros (+2.2%) over the previous year.

Net profit (m€)

	2024	2023	VAR. 24/ 23
EBITDA	**506.1**	**514.0**	**-1.5%**
Depreciation and amortization	254.7	253.2	0.6%
Financial profits	-61.2	-40.6	-50.9%
Tax on financial year	15.0	42.7	-64.8%
Extraordinary Levy on the Energy Sector	22.7	28.4	-20.0%
Net income	**152.5**	**149.2**	**2.2%**
Non-recurring items	-40.9	-24.2	69.2%
Recurrent net income	**111.6**	**125.0**	**-10.8%**

Net income

In 2024, net income stood at 152.5 million euros, an increase of 3.3 million euros (+2.2%) over the previous year.

This increase was mainly due to the following effects:

i. A reduction of 7.9 million euros in the Group EBITDA (-9.4 million euros in EBIT), of which -2.6 million euros in the domestic business (-4.5 million euros in EBIT) and -5.3 million euros in the international business (-4.8 million euros in EBIT);

ii. A reduction in financial profits of 20.7 million euros (-50.9%) reflecting the increase in the average cost of debt that went from 2.5% to 2.7% and the reduction of income with interest from tariff deviations. Net debt stood at 2.521 billion euros, a decrease of 227.7 million euros (-8.3%) compared to 2023, driven by the change in REN Trading's tariff deviations. Excluding the tariff deviation effect, net debt fell by 1.4%;

iii. A reduction of 27.6 million euros in income tax (-64.8%) reflecting the increase in the positive contribution of the non-recurring fiscal effect on the capitalization of operating companies by +17.3 million euros; and

iv. A reduction in the ELES of 5.7 million euros, resulting from the recognition of a gain of 5.6 million euros from favourable decisions issued by the Constitutional Court.

When non-recurring effects are removed, Recurring Net Income for 2024 fell by 13.5 million euros (-10.8%). Non-recurring items considered in 2024 and 2023 are as follows:

In 2024: (i) earnings from tax recovery from previous years (5.1 million euros); and (ii) non-recurring tax effect on the capitalization of operating companies (35.9 million euros).

In 2023: (i) earnings from tax recovery from previous years (1.8 million euros); (ii) non-recurring tax effect on the capitalization of operating companies (18.6 million euros); and (iii) correction of Transemel earnings from previous years (3.9 million euros).

2.521 B€

Net debt
in 2024

8.3%
Compared to 2023

368.4 M€

Total investment in 2024

22%

Compared to 2023

In the electricity sector, in 2024 investment stood at 304.8 million euros, an increase of 61.5 million euros over the previous year (+25.3%).

Average RAB and investment

In 2024, REN total investment was 368.4 million euros, 22.2% more (+66.9 million euros) than the previous year, while transfers to RAB were 296.1 million euros, an increase of 73.5 million euros (+33.0%).

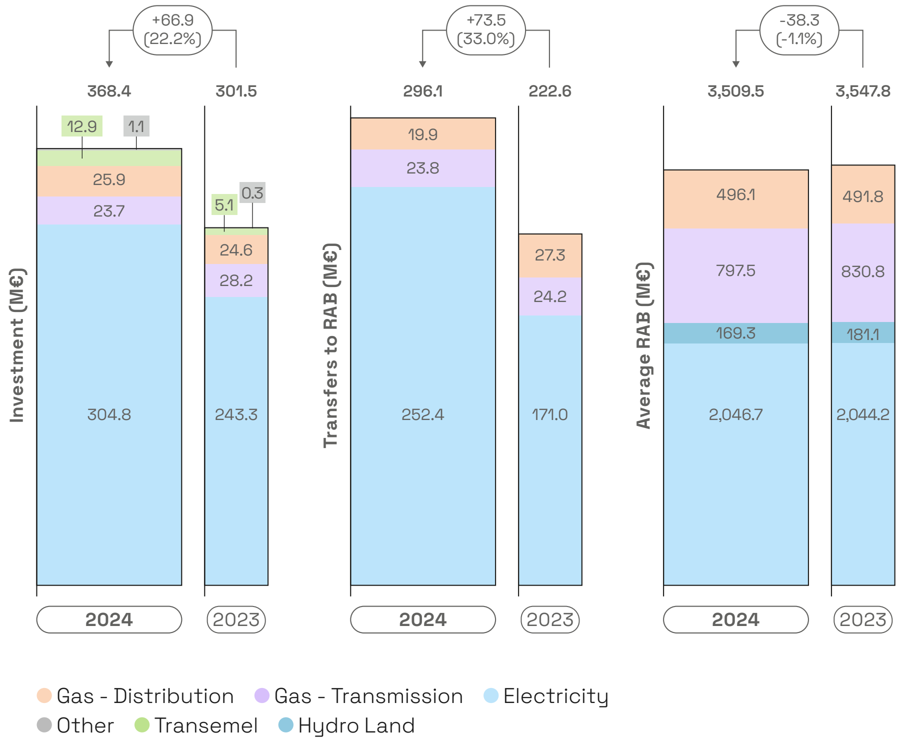
Investment

In the electricity sector, in 2024 investment stood at 304.8 million euros, an increase of 61.5 million euros over the previous year (+25.3%). Of note among the investments made in the year, i) construction of new power lines (148.6 million euros), namely the 400 kV Ferreira do Alentejo - Ourique - Tavira power line, the new Minho - Galicia interconnection, the 400 kV Vieira do Minho - Ribeira de Pena - Feira connection and the Lisbon - Divor - Elvas power line, ii) in new substations and expansions (62.6 million euros), namely the new Panóias and Ponte de Lima substations, iii) remodelling of equipment and protection, automation and control systems at several substations (27.1 million euros) and iv) remodelling of several power lines (29.9 million euros).

In the gas transmission sector, investment in 2024 was 23.7 million euros, a fall of 4.4 million euros in relation to the previous year. In the total invested, REN Gasodutos contributed with 15.6 million euros, REN Atlântico with 5.7 million euros and REN Armazenagem with 2.4 million euros.

In the gas distribution sector, investment in 2024 was 25.9 million euros, an increase of 1.2 million euros (+5.0%) in relation to 2023. Of the total invested in the year, 54% was in the expansion of distribution networks and around 24% was in the capture of new supply points. As part of the decarbonization and digitalization strategy, REN Portgás invested around 1.7 million euros to leverage the energy transition of gas distribution.

Transemel investment was 12.9 million euros in 2024, a growth of 7.8 million euros compared to 2023. Of note was the expansion investment in the Buli and Buenavista substation, under the public tender for new electricity transmission concessions awarded to Transemel in 2022.



↘ Main projects undertaken in 2024

ELECTRICITY

148.6 M€	New power lines
62.6 M€	New substations and expansions
27.1 M€	Remodelling of equipment, protection, automation and control systems at several substations
29.9 M€	Remodelling of overhead power lines
11.0 M€	Information system projects
25.6 M€	Other projects

GAS TRANSMISSION

10.3 M€	Remodelling/ conservation of REN Gasodutos technical assets
5.5 M€	Investment in LNG terminal technical assets
1.9 M€	Investment in REN Armazenagem technical assets
6.0 M€	Other projects

GAS DISTRIBUTION

13.9 M€	Network expansion
6.1 M€	Supply points
2.6 M€	I.T. system projects
3.2 M€	Other business

ELECTRICITY: 304.8 M€

GAS TRANSMISSION: 23.7 M€

GAS DISTRIBUTION: 25.9 M€

TRANSEMEL: 12.9 M€

OTHER BUSINESS: 1.1 M€

REN TOTAL INVESTMENT IN 2024: 368.4 M€

Transfers to RAB

In the electricity sector, transfers to RAB in 2024 reached 252.4 million euros, an increase of 81.4 million euros (+47.6%) over the previous year. Of note were the conclusion i) of the 400 kV Ferreira do Alentejo - Ourique - Tavira power line (114.3 million euros), ii) projects to reinforce transmission capacity, more specifically, the remodelling of the 220 kV Pocinho - Chafariz 1 and 2 power lines (16.8 million euros) and the 400 kV Batalha - Ribatejo power line (18.1 million euros), iii) transformer reinforcement at the Fundão (10.1 million euros) and Ourique substations (3.6 million euros), iv) as well as the conclusion of the second stage of remodelling of equipment and protection, automation and control systems at the Palmela substation (4.4 million euros).

In the gas transmission sector, transfers to RAB were 23.8 million euros in 2024, a fall of 1.6% in relation to the 2023.

In the gas distribution sector, transfers to RAB in 2024 were 19.9 million euros, a fall of 7.5 million euros in relation to the previous year.

Average RAB

At the end of 2024, average RAB stood at 3.5095 billion euros, a fall of 38.3 million euros over the previous year. In the electricity sector, average RAB (excluding hydro land) was 2.0467 billion euros at the end of the year, an increase of 2.5 million euros (+0.1%), while hydro land stood at 169.3 million euros (-11.8 million euros, -6.5%). In the gas transmission sector, average RAB was 797.5 million euros (-33.3 million euros, -4.0%), while in the gas distribution sector, RAB was 496.1 million euros, an increase of 4.3 million euros (+0.9%) in relation to the previous year.

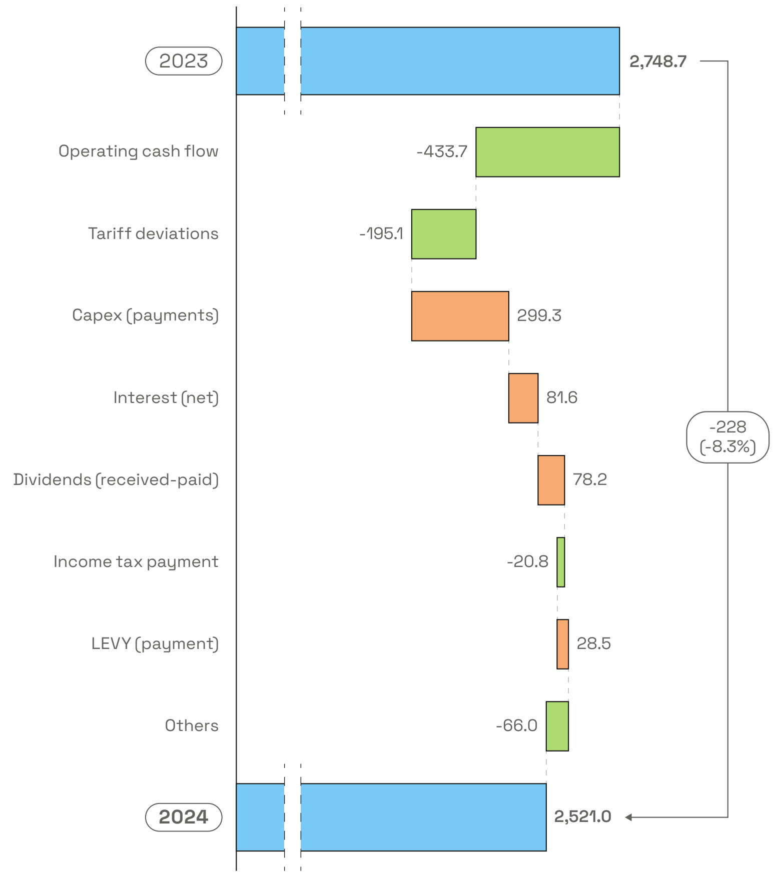
Financing and debt

In 2024, a climate of uncertainty and geopolitical risks persisted, keeping market rates at high levels. As a result, the cost of REN's debt rose from 2.5% to 2.7%, an increase of 0.3 p.p. compared to 2023. Despite the less favourable macroeconomic situation, REN carried out a significant number of financing operations, pursuing its financing strategy and taking advantage of market opportunities, which resulted in the strengthening of its liquidity position (around three years of coverage of financing needs at 31 December 2024) at competitive prices. We have also achieved a significant increase in the average maturity of debt, which was greater than five years at 31 December 2024. This result indicates that the goal set for 2025 during the May 2024 Capital Markets Day, to extend this indicator beyond five years, was achieved ahead of schedule.

The following financing operations were carried out during 2024:

- Six commercial paper programmes were renegotiated at a total amount of 950 million euros;
- In February, a fixed-rate Green Bond was issued totalling 300 million euros and maturing in 2032. By issuing green debt instruments, REN aims to align its financing and sustainability strategies;
- In July, we renegotiated our facility agreement with the Industrial and Commercial Bank of China (ICBC) of 140 million euros;

↘ Net debt 2023 (M€)



- In September and October, the company signed two new commercial paper contracts of 175 million euros with guaranteed subscription;
- In October, the revolving credit facility agreement of 50 million euros was renegotiated with Mediobanca;
- In December, REN disbursed the second tranche of 150 million euros of a long-term loan (12 years) to the European Investment Bank. This is a "green financing" agreement to acquire new assets in the National Electricity Transmission Network; and
- In December, we renegotiated our 250 million euro facility agreement with the Bank of China (BOC).

Financing operations negotiated in 2024 were approximately 2.015 billion euros.

At the end of 2024, REN Group consolidated net debt stood at 2.521 billion euros, a fall of 228 million euros over the previous year.

Bond issues were the primary source of financing during 2024, representing 55% of total gross debt, followed by bank loans and commercial paper, with a weighting of around 22%.

During 2024, gross debt fell by around 226 million euros with respect to 2023. Net financing costs increased by 12.3 million euros to stand at 74.9 million euros in 2024, (62.6 million euros in 2023). This increase is mainly explained by the ongoing increase in market rates and the consequent refinancing of debt, which is less favourable in financial markets.

The average cost of gross debt in 2024 was 2.7%, up 0.3 p.p. over 2023 figures, an increase that proved to be much more modest than the rise in market rates. Interest rate risk management policy focused on reducing the volatility of earnings. REN's fixed rate debt represented 60% of total debt.

REN maintained an investment grade rating at the three main ratings agencies. On 31 December 2024, REN's ratings were BBB (IDR - Issuer Default Rating) and BBB+ (Senior Unsecured Debt) at Fitch (outlook stable), Baa2 at Moody's (outlook stable) and BBB at S&P (outlook stable).

Financial Debt (M€)

			VAR. 24/ 23	
IFRS	**2024**	**2023**	**ABSOLUT**	**%**
Gross debt	2,531.8	2,733.6	-201.9	-7.4%
Minus hedging swaps	-29.7	-55.2	25.5	-46.3%
Minus cash and cash equivalents	40.5	40.1	0.3	0.8%
Net debt	**2,521.0**	**2,748.7**	**-227.7**	**-8.3%**

Financing sources (M€)

CAPITAL OWED			VAR. 24/ 23		RELATIVE WEIGHTING	
	2024	**2023**	**ABSOLUT**	**%**	**2024**	**2023**
Bond issues	1,400.0	1,172.9	227.1	19.4%	55.0%	42.3%
Bank loans	569.5	488.3	81.2	16.6%	22.4%	17.6%
Commercial paper	570.0	1.106.0	-536.0	-48.5%	22.4%	39.9%
Others	6.7	4.9	1.7	35.2%	0.3%	0.2%
Total	**2,546.2**	**2,772.1**	**-226.0**	**-8.2%**	**100.0%**	**100.0%**

2,015 M€

Financing operations negotiated in 2024

2.7%

Average cost of gross debt in 2024

Financial performance and proposed allocation of net income

5.2 PROPOSED ALLOCATION OF NET INCOME

In accordance with the annual financial statements of REN - Redes Energéticas Nacionais, SGPS, S.A. (hereinafter 'REN'), in the financial year ended 31 December 2024, the net profit for the year, in the IFRS consolidated accounts, was 152,511,742.49 euros (one hundred and fifty-two million, five hundred and eleven thousand, seven hundred and forty-two euros and forty-nine cents), and in the individual accounts, in accordance with the National Accounting System rules (SNC), the amount of 157,707,361.74 euros (one hundred and fifty-seven million, seven hundred and seven thousand, three hundred and sixty-one euros and seventy-four cents).

In light of the above, in accordance with Article 28 of the Articles of Association of REN SGPS, S.A. and Articles 31 to 33, Article 66 (5) (f), Articles 294 and 295 and Article 376 (1) (b) and (2), all of the Commercial Company Code, the Boar of Directors hereby proposes that the net profit for the financial year of 2024, as seen in the individual financial statements in accordance with the SNC, amounting to 157,707,361.74 euros (one hundred and fifty-seven million, seven hundred and seven thousand, three hundred and sixty-one euros and seventy-four cents), be transferred as follows:

- For retained earnings: 157,707,361.74 euros (one hundred and fifty-seven million, seven hundred and seven thousand, three hundred and sixty-one euros and seventy-four cents).

Furthermore, the Board of Directors proposes the following distribution:

- As dividends to shareholders from available accumulated reserves 104,749,028.13 euros (one hundred and four million, seven hundred and forty-nine thousand, twenty-eight euros and thirteen cents), corresponding to a distribution of 68.7% of the consolidated profit of REN SGPS, S. A. for the financial year of 2024, standing at 152,511,742.49 euros (one hundred and fifty-two million, five hundred and eleven thousand, seven hundred and forty-two euros and forty-nine cents), equivalent to a gross dividend per share of 0.157 euros. Given that REN made an early distribution of dividends, of 42,700,240.77 euros (forty-two million, seven hundred thousand, two hundred and forty euros and seventy-seven cents), corresponding to 0.064 euros per share, as approved by the Board of Directors on 6 March 2025, the remaining 62,048,787.36 euros (sixty-two million, forty-eight thousand, seven hundred and eighty-seven euros and thirty-six cents), will now be distributed, equivalent to a gross dividend per share of 0.093 euros; and
- For distribution to REN employees and its subsidiaries: 4,800,000 euros (four million, eight hundred thousand euros). Due to the accounting rules in force, this amount is already reflected in the net profit for the financial year ended on 31 December 2024 of REN, SGPS, S.A. (195,000 euros (one hundred and ninety-five thousand euros)) and its subsidiaries (4,605,000 euros (four million, six hundred and five thousand euros)).

REN

II Consolidated and individual accounts

Growing with responsibility

Financial strength is a fundamental pillar underpinning our capacity to invest and innovate. As we grow and expand our operations, we maintain an unwavering commitment to economic and environmental responsibility.

Energy in balance.

06 Consolidated financial statements and annexes

1. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros) (Translation of statements of financial position originally issued in Portuguese - Note 38)

		31 DECEMBER	
ASSETS	NOTES	2024	2023
NON-CURRENT ASSETS			
Property, plant and equipment	8	123,584	121,110
Intangible assets	8	4,220,632	4,120,617
Goodwill	9	2,268	2,770
Investments in associates and joint ventures	10	182,067	171,879
Investments in equity instruments at fair value through other comprehensive income	12 and 13	137,858	135,741
Derivative financial instruments	12 and 16	28,642	45,745
Other financial assets	12	6,017	6,164
Trade and other receivables	12 and 14	74,620	93,211
Deferred tax assets	11	47,606	53,437
		4,823,294	**4,750,674**
CURRENT ASSETS			
Inventories	15	2,538	7,193
Trade and other receivables	12 and 14	485,026	721,129
Income tax recoverable	11	-	25,419
Derivative financial instruments	12 and 16	1,554	8,619
Asset related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	36	3,481	228,789
Cash and cash equivalents	12 and 17	40,477	40,145
		533,076	**1,031,294**
Total assets	7	**5,356,370**	**5,781,968**
EQUITY			
Shareholders' equity			
Share capital	18	667,191	667,191
Own shares	18	(10,728)	(10,728)
Share premium	18	116,809	116,809
Reserves	19	343,969	356,691
Retained earnings		287,699	238,478
Other changes in equity	18	(5,561)	(5,561)
Net profit for the period		152,512	149,236
Total equity		**1,551,891**	**1,512,116**
LIABILITIES			
NON-CURRENT LIABILITIES			
Borrowings	12 and 20	1,617,353	2,022,701
Liability for retirement benefits and others	21	72,847	75,855
Derivative financial instruments	12 and 16	30,740	52,006
Provisions	22	11,922	10,016
Trade and other payables	12 and 23	578,650	480,077
Deferred tax liabilities	11	104,063	107,905
		2,415,575	**2,748,560**
CURRENT LIABILITIES			
Borrowings	12 and 20	914,415	710,941
Trade and other payables	12 and 23	465,445	572,961
Income tax payable	11	2,086	-
Liability related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	36	3,481	228,789
Derivative financial instruments	12 and 16	3,477	8,601
		1,388,904	**1,521,292**
Total liabilities	7	**3,804,479**	**4,269,852**
Total equity and liabilities		**5,356,370**	**5,781,968**

The accompanying notes form an integral part of the consolidated statement of financial position as of 31 December 2024.

THE ACCOUNTANT THE BOARD OF DIRECTORS

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros)

(Translation of statements of financial position originally issued in Portuguese - Note 38)

		YEAR ENDED	
	NOTES	31.12.2024	31.12.2023
Sales	24	613	179
Services rendered	24	627,851	651,581
Revenue from construction of concession assets	25	354,403	296,123
Gains/ (losses) from associates and joint ventures	10	11,833	12,850
Other operating income	26	37,025	30,446
Operating income		**1,031,725**	**991,179**
Cost of goods sold	15	(915)	(1,008)
Costs with construction of concession assets	25	(323,014)	(267,810)
External supplies and services	27	(113,537)	(115,453)
Personnel costs	28	(67,618)	(63,980)
Depreciation and amortizations	8	(254,690)	(253,202)
Provisions	22	(2,260)	(812)
Impairments	8, 9 and 14	61	(3,472)
Other expenses	29	(22,813)	(21,719)
Operating costs		**(784,786)**	**(727,456)**
Operating results		**246,939**	**263,723**
Financial costs	30	(93,801)	(83,151)
Financial income	30	24,027	29,656
Investment income - dividends	13	13,044	10,018
Financial results		**(56,730)**	**(43,477)**
Profit before income tax and ESEC		**190,209**	**220,246**
Income tax expense	11	(15,010)	(42,655)
Energy sector extraordinary contribution (ESEC)	35	(22,688)	(28,356)
Consolidated profit for the period		152,512	149,236
Attributable to:			
Equity holders of the Company		152,512	149,236
Non-controlled interest		-	-
Consolidated profit for the period		**152,512**	**149,236**
Earnings per share (expressed in euro per share)	31	**0.23**	**0.22**

The accompanying notes form an integral part of the consolidated statement of profit and loss for the year ended 31 December 2024.

THE ACCOUNTANT THE BOARD OF DIRECTORS

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros)

(Translation of statements of financial position originally issued in Portuguese - Note 38)

		YEAR ENDED	
	NOTES	31.12.2024	31.12.2023
Consolidated Profit for the period		152,512	149,236
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gains/ (losses) - gross of tax	21	4,071	(10,963)
Tax effect on actuarial gains/ (losses)	11	(1,934)	3,289
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		(254)	(16,917)
Increase/ (decrease) in hedging reserves - cash flow derivatives	16	(19,930)	(28,940)
Tax effect on hedging reserves	11 and 16	4,484	6,492
Gain/ (loss) in fair value reserve - Investments in equity instruments at fair value through other comprehensive income	13	2,120	(9,974)
Tax effect on items recorded directly in equity	11 and 13	818	4,319
Other changes in equity		39	190
Comprehensive income for the period		**141,927**	**96,731**
Attributable to:			
Equity holders of the company		141,927	96,731
Non-controlled interest		-	-
		141,927	**96,731**

The accompanying notes form an integral part of the consolidated statement of comprehensive income for the year ended 31 December 2024.

THE ACCOUNTANT THE BOARD OF DIRECTORS

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros)

(Translation of statements of financial position originally issued in Portuguese - Note 38)

		ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY										
CHANGES IN THE YEAR	NOTES	SHARE CAPITAL (NOTE 18)	OWN SHARES (NOTE 18)	SHARE PREMIUM (NOTE 18)	LEGAL RESERVE (NOTE 19)	FAIR VALUE RESERVE (NOTE 19)	HEDGING RESERVE (NOTE 19)	OTHER RESERVES (NOTE 19)	OTHER CHANGES IN EQUITY (NOTE 18)	RETAINED EARNINGS	PROFIT FOR THE YEAR	TOTAL
At 1 January 2023		667,191	(10,728)	116,809	135,702	45,117	59,518	155,729	(5,561)	241,987	111,771	1,517,534
Net profit of the period and other comprehensive income		-	-	-	-	(5,655)	(22,448)	(16,948)	-	(7,454)	149,236	96,731
Transfer to other reserves		-	-	-	5,676	-	-	-	-	106,095	(111,771)	-
Distribution of dividends	32	-	-	-	-	-	-	-	-	(102,150)	-	(102,150)
At 31 December 2023		**667,191**	**(10,728)**	**116,809**	**141,378**	**39,461**	**37,071**	**138,781**	**(5,561)**	**238,478**	**149,236**	**1,512,116**
At 1 January 2024		**667,191**	**(10,728)**	**116,809**	**141,378**	**39,461**	**37,071**	**138,781**	**(5,561)**	**238,478**	**149,236**	**1,512,116**
Net profit of the period and other comprehensive income		-	-	-	-	2,938	(15,448)	(213)	-	2,137	152,512	141,927
Transfer to other reserves		-	-	-	-	-	-	-	-	149,236	(149,236)	-
Distribution of dividends	32	-	-	-	-	-	-	-	-	(102,150)	-	(102,150)
At 31 December 2024		**667,191**	**(10,728)**	**116,809**	**141,378**	**42,399**	**21,625**	**138,567**	**(5,561)**	**287,699**	**152,512**	**1,551,891**

The accompanying notes form an integral part of the consolidated statement of changes in equity for the year ended 31 December 2024.

THE ACCOUNTANT THE BOARD OF DIRECTORS

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros) (Translation of statements of financial position originally issued in Portuguese - Note 38)

	NOTES	YEAR ENDED 31.12.2024		31.12.2023	
Cash flow from operating activities:					
Cash receipts from customers		2,361,667	i)	1,924,927	i)
Cash paid to suppliers		(1,551,716)	i)	(2,302,451)	i)
Cash paid to employees		(83,513)		(79,719)	
Income tax received/ paid		20,752		(31,373)	
Other receipts/ (payments) relating to operating activities		(126,262)		118,655	
Net cash flows from operating activities (1)		**620,929**		**(369,961)**	
Cash flow from investing activities:					
Receipts related to:					
Investments in associates	10	400		231	
Property, plant and equipment		3		-	
Investment grants		57,883		65,713	
Dividends		23,936		25,298	
Payments related to:					
Other financial assets		-		(6,000)	
Property, plant and equipment		(11,341)		(5,132)	
Intangible assets		(287,959)		(244,541)	
Net cash flow used in investing activities (2)		**(217,077)**		**(164,431)**	
Cash flow from financing activities:					
Receipts related to:					
Borrowings	20	6,273,000		3,757,500	
Interests and other similar income		1,080		3,450	
Payments related to:					
Borrowings	20	(6,486,720)		(3,379,783)	
Derivative financial instruments		(14,031)		-	
Interests and other similar expense		(70,340)		(65,125)	
Lease liabilities	20	(2,668)		(2,239)	
Interests of lease liabilities		(209)		(100)	
Dividends	32	(102,150)		(102,150)	
Net cash from/ (used in) financing activities (3)		**(402,038)**		**211,553**	
Net (decrease)/ increase in cash and cash equivalents (1)+(2)+(3)		1,813		(322,839)	
Effect of exchange rates		(1,981)		(2,308)	
Cash and cash equivalents at the beginning of the year	17	40,145		365,292	
Cash and cash equivalents at the end of the period	17	39,977		40,145	
Detail of cash and cash equivalents					
Cash	17	10		8	
Bank overdrafts	17	(500)		-	
Bank deposits	17	40,467		40,137	
The transitional gas price stabilization regime - Decree-Law No 84-D/2022	17	-		-	
		39,977		**40,145**	

i) These amounts include payments and receipts relating to activities in which the Group acts as agent, income and costs being reversed in the consolidated statement of profit and loss.

The accompanying notes form an integral part of the consolidated statement of cash flow for the year ended 31 December 2024.

THE ACCOUNTANT THE BOARD OF DIRECTORS

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in thousands of euros)

1. GENERAL INFORMATION

REN – Redes Energéticas Nacionais, SGPS, S.A. (referred to in this document as "REN" or "the Company" together with its subsidiaries, referred to as "the Group" or "the REN Group"), with head office in Avenida Estados Unidos da América, 55 – Lisbon, Portugal, resulted from the spin-off of the EDP Group, in accordance with Decree-Laws No 7/91 of 8 January and No 131/94 of 19 May, approved by the Shareholders' General Meeting held on 18 August 1994, with the objective of ensuring the overall management of the Public Electric Supply System (PES).

Up to 26 September 2006 the REN Group's operations were concentrated on the electricity business through REN – Rede Eléctrica Nacional, S.A. On 26 September 2006, as a result of the unbundling transaction of the gas business, the Group went through a significant change with the purchase of assets and financial participations relating to the transport, storage and re-gasification of gas activities, comprising a new business.

In the beginning of 2007, the Company was transformed into a holding company and, after the transfer of the electricity business to a new company incorporated on 26 September 2006, renamed REN – Serviços de Rede, S.A., changed its name to REN – Rede Eléctrica Nacional, S.A.

The Group presently has two main business segments, Electricity and Gas, and a secondary business of Telecommunications.

The Electricity business includes the following companies:

a) REN – Rede Eléctrica Nacional, S.A., incorporated on 26 September 2006, whose activities are carried out under a concession contract for a period of 50 years as from 2007 which establishes the overall management of the Public Electricity Supply System (Sistema Eléctrico de Abastecimento Público - SEP);

b) REN Trading, S.A., was incorporated on 13 June 2007, whose main function is the management of Power Purchase Agreements ("PPA") from Turbogás, S.A. and Tejo Energia, S.A., which did not terminate on 30 June 2007, date of the entry into force of the new Contracts for the Maintenance of the Contractual Equilibrium (Contratos para a Manutenção do Equilíbrio Contratual – CMEC). The operations of this company include the trading of electricity produced and of the installed production capacity, to domestic and international distributors.Tejo Energia's PPA ended on November 30, 2021, and at the end of the first quarter of 2024 the PPA with Turbogás ended, with the consequent cessation of the associated operational activity;

On 19 November 2024, REN Trading, S.A. was merged into REN - Rede Eléctrica Nacional, S.A., through the global transfer of assets. The merger was carrying in accordance with the actual accounting principles in Portugal and in compliance with the requirements for the application of the special tax neutrality regime provided for in articles 73 et seq. of the Corporate Income Tax Code ('CIRC'), namely that REN - Rede Eléctrica Nacional, S.A. will retain, for tax purposes, the assets transferred in same value that were considered in REN - Trading, S.A. before the operation. All of REN Trading, S.A. assets and liabilities, including the rights and obligations arising from its activity, were transferred to REN - Rede Eléctrica Nacional, S.A. at the book values they had in REN Trading, S.A.'s accounts and financial.

The merger was completed with the respective commercial registration on 19 November 2024, however the operations of REN Trading, S.A. were considered, from an accounting and tax prespective, to have been carried out on behalf of REN - Rede Eléctrica Nacional, S.A., as of 1 August 2024.

c) Enondas, Energia das Ondas, S.A. was incorporated on 14 October 2010, its capital being fully owned by REN - Redes Energéticas Nacionais, SGPS, S.A., with the main activity being management of the concession to operate a pilot area for the production of electric energy from sea waves; and

d) Empresa de Transmisión Eléctrica Transemel, S.A. ("Transemel"), was incorporated on 1 October 2019, following the expansion of the electricity business in Chile. The company's activity consists of providing electricity transmission and transformation services and the development, operation and commercialization of transmission systems, allowing free access to the different players in the electricity market in Chile.

The Gas business includes the following companies:

a) REN Gás, S.A. was incorporated on 29 March 2011, with the corporate purpose of promoting, developing and carrying out projects and developments in the gas sector, as well as defining the overall strategy and coordination of the companies in which it has direct interests;

b) REN Gasodutos, S.A., was incorporated on 26 September 2006, the capital of which was paid up through carve-in of the gas transport infrastructures (network, connections and compression);

c) REN Armazenagem, S.A., was incorporated on 26 September 2006, the capital of which was paid up through integration into the company of the gas underground storage assets;

d) REN Atlântico, Terminal de GNL, S.A., acquired under the acquisition of the gas business, previously designated "SGNL – Sociedade Portuguesa de Gás Natural Liquefeito". The operations of this company comprise the supply, reception, storage and re-gasification of liquefied gas through the GNL marine terminal, being responsible for the construction, utilization and maintenance of the necessary infrastructures; and

e) REN Portgás Distribuição, S.A. ("REN Portgás"), acquired as part of the expansion of the gas business on 4 October 2017. The company's object is the public service operation of the regional natural gas distribution network and its substitute gases in 29 municipalities in the northern coastal area of Portugal, spread across the districts of Porto, Braga and Viana do Castelo, as well as the construction and maintenance of the respective infrastructures.

The operations of the companies indicated in b) to d) above are developed in accordance with the three concession contracts separately granted for periods of 40 years starting 2006. The company indicated in e) above develops its activities in accordance with one concession contract granted for 40 years starting 2008.

The telecommunications business is managed by RENTELECOM – Comunicações, S.A. ("RENTELECOM") whose activity is the establishment, management and operation of telecommunications infrastructures and systems, the rendering of telecommunications services and optimizing the optical fibre excess capacity of the installations owned by REN Group.

REN SGPS fully owns REN Serviços, S.A., a company whose purpose is the rendering of services in the energetic area and the general services of business development support to group companies and third parties, receiving a fee for the services rendered, as well as the management of financial participations in other companies.

On 10 May 2013 REN Finance, B.V., a company based in Netherlands and fully owned by REN SGPS, whose purpose is to participate, finance, collaborate and lead the management of group companies, was incorporated.

Additionally, on 24 May 2013, together with China Electric Power Research Institute, a State Grid Group company, Centro de Investigação em Energia REN – State Grid, S.A. ("Centro de Investigação") was incorporated under a Joint Venture Agreement on which REN holds 1,500,000 shares representing 50% of the total share capital.

The purpose of this company is to implement a Research and Development centre in Portugal, dedicated to the research, development, innovation and demonstration in the areas of electricity transmission and systems management, the rendering of advisory services and education and training services as part of these activities, as well as performing all related activities and complementary services to its object.

On 14 December 2016, Aerio Chile SPA was incorporated, a company fully owned by REN Serviços, S.A., headquartered in Santiago, Chile, whose purpose is to realize investments in assets, shares and rights of companies and associations.

In addition, on November 21, 2018, REN PRO, S.A. was incorporated, a company fully owned by REN, headquartered in Lisbon, whose purpose is to provide support services, namely administrative, logistical, communication and development support of the business, as well as business consulting, in a remunerated manner, either to companies that are in a group relation or to any third party, and IT consulting.

On 17 July 2019, Apolo Chile SPA was incorporated, a company fully owned by REN Serviços, S.A., headquartered in Santiago, Chile, whose purpose is to realize investments in assets, shares and rights of companies and associations of entities essentially related to the electric transmission sector.

As of 31 December 2024, REN also holds:

a) 42.5% interest in the share capital of Electrogas, S.A., a provider of gas and other fuels transportation. The participation was acquired on 7 February 2017;

b) 40% interest in the share capital of OMIP - Operador do Mercado Ibérico (Portugal), SGPS, S.A. ("OMIP SGPS"), being its purpose the management of participations in other companies as an indirect way of exercising economic activities;

c) 10% interest in the share capital of OMEL - Operador do Mercado Ibérico de Energia, S.A., the Spanish pole of the Sole Operator;

d) 1% interest in the share capital of Redeia Corporación, S.A., entity in charge of the electricity network management in Spain;

e) 7.9% interest in the share capital of Coreso, S.A. ("Coreso"), entity that assists the European transmission system operators ("TSO"), in coordination and safety activities to ensure the reliability of Europe's electricity supply; and

f) Participations in the share capital of: (i) Hidroeléctrica de Cahora Bassa, S.A. ("HCB"), participation of 7.5%; (ii) MIBGÁS, S.A., participation of 6.67%; and (iii) MIBGÁS Derivatives, S.A., participation of 9.7%.

2. INFORMATION ON THE CONCESSION CONTRACTS AWARDED TO REN

2.1 ELECTRICITY CONCESSION CONTRACT

The concession for the National Transmission Network operator ("NTN") was granted to REN – Rede Eléctrica Nacional, S.A. in accordance with Decree-Law No 182/95 of 27 July 1995 (art. 64) to manage the PES system, using the National Transmission Network as well as development of the necessary infrastructures.

The objective of this concession contract consists of the following activities:

i) Purchase and sale of electricity
In this activity REN, S.A. operated up to 30 June 2007 as an agent between electricity producers and distributors. The electricity was acquired based on purchase and sale contracts entered into with producers and sold in accordance with tariffs defined by the regulator, ERSE (Entidade Reguladora de Serviços Energéticos). REN was agent in the sale of the available excess production.

As from 1 July 2007, in accordance with Decree-Law No 15/2022 of 14 January, upon termination of the majority of power purchase agreements ("PPA"), REN has managed the two remaining PPA`s not terminated, with Tejo Energia (Pego power plant) and Turbogás (Tapada do Outeiro CCGT power plant), through REN Trading, selling the energy of these producers into the market. The PPA of Tejo Energia has ended as of 30 November 2021 and the Turbogás PPA on March 29, 2024. The Tapada do Outeiro is no longer operating under a PPA and is out of the market, available to System Management to ensure security of supply.

The end of the first quarter of 2024 will mark the end of the term of the PPA with Turbogás, with the consequent cessation of operational activity associated with it. Notwithstanding the expiry of the aforementioned PPA, REN Trading continued to ensure the monitoring of developments in the disputes arising from the PPA signed with Tejo Energia and Turbogás, to settle the administrative obligations relating to the greenhouse gas emission trading as well as the financial guarantees relating to MIBEL, OMIP and SEN, and to operationalise the reporting obligations resulting from the last years of activity with the technical and sectoral regulators.

On 19 November 2024, there was a merger by incorporation of REN Trading, S.A. into REN - Rede Eléctrica Nacional, S.A., through the global transfer of assets, including the rights and obligations arising from the respective activity.

The operations of REN Trading, S.A. were considered, from an accounting and tax prespective, to have been carried out on behalf of REN - Rede Eléctrica Nacional, S.A., as of 1 August 2024.

ii) Electricity transmission
This activity, the object being to transmission of electricity through the National Transmission Network to distributors in HT (high tension) and MT (medium tension), to consumers connected to the National Transmission Network and VHT networks (very high tension), networks to which REN is connected. This activity also includes the planning and development of the National Transmission Network, the construction of new infrastructures and the operation and maintenance of the National Transmission Network.

iii) Global Management of the System
The objective of this activity is global management of the electricity system, REN being responsible for the technical management through systematic coordination, of the National Transmission System installations, in order to ensure its integrated functionality and harmonization and continuity and security of the electricity delivery.

REN can carry out other activities directly, or through subsidiary companies, when authorized by the Government, if this is in the best interests of the concession or its clients.

The concession of the electric transmission activity which includes the global management of the system is performed in an exclusive concession regime through the exploration of the National Transmission Network. The concession was granted for a period of 50 years as from 15 June 2007.

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.

Assets considered concession assets are the very high tension lines, connections and locations of the system manager, which includes:

- the lines, substations, sectioning points and related installations;
- the installations related to the central dispatch and overall management of SEP, including all the equipment essential for its operations;
- the installation of electro producing centres owned by REN; and
- the telecommunications, telemetry and remote control installations relating to the transmission and coordination of the electricity producer system.

In addition, the following are also considered as concession assets:

- the real estate belonging to REN on which the assets referred to above are installed, as well as the related land rights;
- other moveable or immovable assets necessary for the operation of the activities under concession; and
- the legal relationships directly related with the concession, such as labour, works, lease, the rendering of services, the reception and delivery of electricity, as well as the rights to use hydric resources and transport through networks located outside the concession area.

REN has an obligation to, during the concession period, 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 in the required technical conditions.

REN has the right to explore the concession's assets up to the termination of the concession. The assets can only be used for the purposes of the concession. On the maturity date of the concession, concession assets will revert to the State in accordance with the terms of the contract, which include the receipt of an indemnity corresponding to the net book value of the concession assets.

The concession can be terminated by agreement between the parties, by early termination, by redemption and by maturity date term. Termination of the concession involves transmission to the State of the concession assets.

The concession contract can be terminated by the conceding entity if any of the following situations with a significant impact on the operations of the concession occurs: non-compliance with the principles of the concession; opposition to supervision and disobedience of the decisions of the conceding entity; refusal to carry out the repairs and maintenance of the concession's assets, as well as their development; application of higher tariffs than those defined by the regulator; and the unauthorized transmission or sub-concession of the transmission concession.

The conceding entity can cancel the concession whenever public interest justify this, ten years having elapsed since the date of the beginning of its term.
By cancelling the concession, the operator has the right to an indemnity in accordance with the book value of the assets as of the date they revert as well as to possible profit losses.

If, upon termination of the concession, it is not renewed or the new form or entity responsible for the concession has not been decided, this concession contract can be extended for the maximum period of one year, as a lease contract, rendering of services or any other contractual legal form.

2.2 GAS TRANSPORT AND GLOBAL MANAGEMENT OF THE SYSTEM

The concession for the use of the National Gas Transport Network was granted to REN - Gasodutos, S.A., for a period of 40 years, under the legal regime applicable to the organization, operation of the National Gas System and the activities of reception, storage and regasification of liquefied gas, underground gas storage, transport and gas distribution approved by Decree-Law No 62/2020 of 28 August 2020, which replaced the Decree-Law No 140/2006 of 26 July 2006 and the Decree-Law No 30/2006 of 15 February 2006.

The purpose of the REN Gasodutos, S.A. concession is to manage the National Gas System, operate the high pressure gas transport network and develop the necessary infrastructure, under the public service provision regime, it also became part of the management activity of the interconnection of installations for the production of gases of renewable origin, as well as the design and construction of the monitoring and control facilities.

The concession contract of REN Gasodutos, S.A. consists in the following activities:

i) Global management of the gas system
The objective of this activity is to manage the National Gas Supply System (Sistema Nacional de Abastecimento de Gás - SNGN) through coordination of the national and international connections to the National Gas Transport Network, planning and preparation of the expansion necessary of the high pressure gas transport network, and control of the gas safety reserves. The operators which perform any activity integrated in the SNG, as well as the users are subject to this activity.

ii) Gas Transport
The concession of this activity has the objective to ensure gas transport through the infrastructures that make up the high pressure national network, as well as the construction, maintenance, operation and exploration of all the infrastructures of the National Gas Transport Network and the connections to the network and infrastructures that might be connected, as well, of the installations necessary for its operations.

The model of the concession contract ensures contractual equilibrium, in the conditions of an efficient management, through recovery of the eligible investment costs, operating and maintenance costs and adequate remuneration of the assets, to be reflected in the tariffs applicable to the operator.

The concession assets considered include:

- the high pressure gas pipelines used to transport gas, and related pipes and equipment's;
- the infrastructures related to the compression, transport and gas pressure reduction for delivery to medium pressure gas pipelines;
- equipment related to the overall technical management of the National Gas Supply System;
- telecommunications, telemetry and remote control infrastructures used to manage the reception, transport and delivery networks, including telemetry equipment's on the users installations; and
- set of infrastructures from the production facilities of renewable source gases to the injection point, including all the control, monitoring and measurement equipment essential to the operation of the system.

In addition, the concession assets also include:

- the real estate assets owned by REN Gasodutos, S.A., on which the above mentioned equipment is installed, as well as the related land way rights;
- other assets necessary for carrying out the activities of the concession;
- any intellectual or industrial rights owned by REN Gasodutos, S.A.; and
- all the legal relationships related to the concession, such as labour contracts, subcontracts, leasing and external services.

REN Gasodutos, S.A. must, during the concession period, maintain the assets and related means in good operational performance, maintenance and security, carrying out all the repairs, renewals and adaptations necessary to maintain the assets in the required technical condition.

REN Gasodutos, S.A. is entitled to operate the concession's assets until the concession maturity. The assets can only be used for the purposes of the concession. On the concession date termination, the concession assets will revert to the State in accordance with the terms of the contract, which include an indemnity corresponding to the net book value of the concession.

The concession can be terminated by agreement between the parties, early termination, by redemption and by maturity date term. Termination of the concession involves transmission to the State of the assets related to the concession.

The concession contract can be terminated by the conceding entity if any of the following situations with a significant impact on the operations of the concession occurs: imminent failure or interruption of the activity; deficiencies in the management and operation of the concession operations; or deficiencies in the maintenance and repair of the infrastructures that compromise the quality of the services, application of higher tariffs than those authorised by the regulator, and the unauthorized transmission of the concession.

The conceding entity can cancel the concession whenever for public interest reasons, 15 years having elapsed since the date of the beginning of its term. By cancelling the concession, the operator has the right to an indemnity in accordance with the net book value of the assets as of the date they revert as well as to possible loss of future profits.

2.3 RECEPTION, STORAGE AND REGASIFICATION OF LIQUID NATURAL GAS (LNG)

The concession of the LNG reception, storage and regasification activity, in a LNG terminal, was attributed to REN Atlântico, Terminal de GNL, S.A. for a period of 40 years, under the legal regime applicable to the organization, operation of the national gas system and the activities of reception, storage and regasification of liquefied natural gas, underground gas storage, transport and gas distribution approved by Decree-Law 62/2020 of 28 August 2020, which replaced the Decree-Law No 140/2006 of 26 July 2006 and the Decree-Law No 30/2006 of 15 February 2006.

The object of the concession contract of REN Atlântico, Terminal de GNL, S.A. comprises the following activities, under the public service provision regime:

i) reception, storage, treatment and regasification of liquid natural gas unloaded;

ii) the injection of high pressure gas into the National Gas Transport Network (Rede Nacional de Transporte de Gás - RNTG);

iii) dispatch of gas by specialised trucks; and

iv) the construction, utilization, maintenance and expansion of the LNG Terminal infrastructures.

The model of the concession contract ensures contractual equilibrium in the conditions of an efficient management, through recovery of the eligible investment costs, operating and maintenance costs and adequate remuneration of concession assets, to be reflected in the tariffs applicable to REN.

The concession assets considered are as follows:

- the LNG terminal and related infrastructures installed in the Port of Sines;
- the infrastructures related to liquefied natural gas reception, storage, treatment and regasification, including all the equipment necessary to control, regulate and measure all the infrastructures and LNG terminal operations;
- the infrastructures used to inject natural gas into the National Natural Gas Transport Network or the loading and dispatch of LNG through trucks or methane vessels; and
- the infrastructures related to telecommunications, telemetry and remote control, used to manage all the infrastructures and the LNG terminal.

In addition, the following are also considered as concession assets:

- the real estate owned by REN Atlântico Terminal de GNL, SA, where the above mentioned equipment is installed as well as the related rights of way;
- other assets necessary for the operations of the concession;
- any intellectual or industrial rights owned by REN Atlântico Terminal de GNL, SA; and
- all the legal relationships established during the concession, such as: labour contracts, subcontracts, leasing and external services.

REN Atlântico Terminal de GNL, S.A. must, during the concession period maintain the assets in good operating condition, ensure the maintenance and security of the assets and related means, carrying out the necessary repairs, renewals and adaptations needed to keep the assets in the required technical conditions.

REN Atlântico Terminal de GNL, S.A. has the right to operate the assets of the concession until its maturity. These assets may only be used for the purposes of the concession. At the termination of the concession the concession assets revert to the State in accordance with the contract, which provides for an indemnity to be paid corresponding to the net book value of the concession assets.

The concession can be cancelled by agreement between the parties, through early termination, redemption or maturity date term. Cancellation of the concession results in transmission of all the concession assets and related means to the State.

The concession contract can be terminated by the conceding entity when any one of following events occurs, with a significant impact on the operations of the concession: non-application of the concession principles, eminent failure or interruption of the concession operations; deficiencies in the management and of the concession's operations; or deficiencies in the maintenance and repair of the infrastructure that compromises the quality of the service; application of higher tariffs than those authorized by the regulator; and the unauthorized transmission of the concession.

The conceding entity can cancel the concession, whenever the public interest justifies, but only after a 15 year period as from the date of the beginning of the concession. By cancelling the concession, the operator has the right to an indemnity in accordance with the book value of the assets as of the date they revert, as well as to possible future profit losses.

2.4 NATURAL UNDERGROUND GAS STORAGE

The concession of underground storage activity was attributed to REN Armazenagem, S.A. for a period of 40 years, under the legal regime applicable to the organization, operation of the national gas system and to the reception, storage and regasification activities of liquefied natural gas, underground gas storage, transport and gas distribution approved by Decree-Law No 62/2020 of 28 August 2020, which replaced the Decree-Law No 140/2006 of 26 July 2006 and the Decree-Law No 30/2006 of 15 February 2006.

The object of the concession contract of REN Armazenagem, S.A. comprises the following activities, under the public service provision regime:

- reception, injection, underground storage, extraction, treatment and delivery of natural gas; and
- construction, utilization, maintenance and expansion of the underground storage tanks.

The model of the concession contract ensures contractual equilibrium, in the conditions of an efficient management, through recovery of the eligible investment costs, operating and maintenance costs and adequate remuneration of the concession assets, to be reflected in the tariffs applicable to REN.

The concession assets considered include:

- the underground natural gas tanks acquired or constructed during the period of the concession contract;
- the infrastructures used for gas injection, extraction, compression, drying, and pressure reduction used for distribution to the National Natural Gas Transport Network, including the equipment necessary to control, regulate and measure the remaining infrastructures;
- infrastructures and equipment for leaching operations; and
- the infrastructures necessary for telecommunications, telemetry and remote control, used to manage all the infrastructures and underground caves.

In addition, the following are also considered as concession assets:

- the property owned by REN – Armazenagem, S.A., in which the above mentioned equipment is installed as well as the related rights of way;
- other assets necessary for the operations of the concession activities;
- construction rights or increase in the underground caves;
- the cushion gas relating to each underground cave;
- any intellectual or industrial rights owned by REN Armazenagem, S.A.; and
- all the legal relationships established during the concession, such as: labour contracts, subcontracts, leasing and external services.

REN Armazenagem, S.A. must, during the concession period, maintain the assets in good operating condition, maintenance and security, carrying out the needed repairs, renewals and adaptations necessary to keep the assets in the required technical conditions.

REN – Armazenagem, S.A. has the right to operate the assets of the concession until its maturity. These assets may only be used for the purposes of the concession. At the termination date of the concession, its assets revert to the State in accordance with the contract, which provides for an indemnity to be paid corresponding to the net book value of the concession assets.

The concession can be cancelled by agreement between the parties, through early termination, redemption or maturity date term. Cancellation of the concession results in transmission of all the concession assets to the State.

The concession contract can be terminated by the conceding entity when any one of following events occurs, with a significant impact on the operations of the concession: non-application of the concession principles, imminent failure or interruption of the concession operations; deficient management of the concession's operations; or deficiencies in the maintenance and repair of the infrastructure that compromises the quality of the service; application of higher tariffs than those authorized by the regulator; and the unauthorized transmission of the concession.

The conceding entity can redeem the concession, whenever the public interest justifies it, but only after at least a 15 year period as from the date of the beginning of the concession. By cancelling the concession, the operator has the right to an indemnity in accordance with the book value of the assets as of the date they revert, as well as to possible futures profit losses.

2.5 DISTRIBUTION OF NATURAL GAS

The concession of the natural gas distribution activity in low and medium pressure, in the concession area defined in the concession contract, was attributed to REN Portgás for a period of 40 years, beginning in 2008.

Under Decree-Law No 62/2020, of 28 August 2020, which replaced the Decree-Law 140/2006 of 26 July 2006 and the Decree-Law No 30/2006 of 15 February 2006, to carry out the following activities, under a rendering of public service regime:

- reception, transportation and delivery of natural gas through the medium and low pressure network;
- construction, maintenance, operation and exploration of all the infrastructures that integrate the RNDGN, in the area corresponding to the present concession, and of the installations necessary to the operation;
- planning, development, expansion and technical management of the RNDG, in the concession area;
- management of RNDGN interconnection with RNTGN; and
- management of the interconnection of renewable gas production facilities, as well as the design and construction of monitoring and control facilities.

The model of the concession contract ensures contractual equilibrium, in the conditions of an efficient management, through recovery of the eligible investment costs, operating and maintenance costs and adequate remuneration of the concession assets, to be reflected in the tariffs applicable to REN.

The concession assets considered include:

- natural gas distribution pipelines, and equipment necessary for the development of the natural gas distribution activity;
- infrastructures used in the operation of delivery of natural gas to final customers, including the control, regulation and measurement equipment necessary to ensure the proper functioning of the natural gas distribution system, as well as the integration systems with other gases; and
- telecommunications, telemetry and remote control infrastructures and equipment, used in the management of all infrastructures and in the delivery of natural gas to consumers.

In addition, the following are also considered as concession assets:

- the property owned by REN Portgás, in which the above mentioned equipment is installed as well as the related rights of way;
- other assets necessary for the operations of the concession activities;
- any intellectual or industrial rights owned by REN Portgás;
- any funds or reserves assigned to guarantee the fulfillment of the obligations of REN Portgás;
- all the legal relationships established during the concession, such as: labour contracts, subcontracts, leasing and external services; and
- intangible assets acquired by Portgás, related with the processes for connecting final consumers to the natural gas distribution network.

REN Portgás has an obligation to, during the concession period, maintain the assets in good operating condition, maintenance and security, carrying out the needed repairs, renewals and adaptations necessary to keep the assets in the required technical conditions.

REN Portgás has the right to operate the assets of the concession until its maturity. These assets may only be used for the purposes of the concession. At the termination date of the concession its assets revert to the State in accordance with the contract, which provides for an indemnity to be paid corresponding to the net book value of the concession assets.

The concession can be cancelled by agreement between the parties, through early termination, redemption or maturity date term. Cancellation of the concession results in transmission of all the concession assets to the State.

The concession contract can be terminated by the conceding entity if any of the following events occurs, with a significant impact on the operations of the concession: non-application of the concession principles, imminent failure or interruption of the concession operations; deficient management of the concession's operations; or deficiencies in the maintenance and repair of the infrastructure that compromises the quality of the service; application of higher tariffs than those authorized by the regulator; and the unauthorized transmission of the concession.

The conceding entity can redeem the concession, whenever the public interest justifies it, but only after at least a 15 year period as from the date of the beginning of the concession. By cancelling the concession, the operator has the right to an indemnity in accordance with the book value of the assets as of the date they revert, as well as to possible futures profit losses.

2.6 OPERATION OF A PILOT SITE FOR THE ENERGY OF OCEAN WAVES

The Portuguese State has granted a concession to Enondas, Energia das Ondas, S.A. ("Enondas" or "the Operator"), a wholly owned subsidiary of REN, under the terms of item 3, article 5 of Decree-Laws No 5/2008 of 8 January and No 238/2008 of 15 December, to operate a pilot area to produce electricity from ocean waves.

In accordance with Decree-Law No 238/2008 of 15 December the concession has a period of 45 years and includes authorization to install the infrastructures to connect to the public electricity network and to use the public hydro resources, monitoring the use of the water resources necessary to produce electricity from waves by third parties, as well as competency to grant licences for the establishment and operation of the production of electric energy and related monitoring.

Amendments to concession contracts

On 21 February 2012, the following amendments to the concession agreements in effect between the Portuguese State and the Group companies were signed, namely: i) the concession of transport activity of electricity through the National Network of Transport of Electricity signed with REN – Rede Eléctrica Nacional, S.A.; ii) the concession of transport activity of natural gas through the National Network of Natural Gas Transportation, signed with REN Gasodutos, S.A.; iii) the concession activity of reception, storage and regasification of liquefied natural gas to the terminal in Sines, signed with REN Atlântico, terminal GNL, S.A.; and iv) the concession of the activity of underground storage of natural, signed with REN Armazenagem, S.A.

These concession contracts were amended with the main purposes of: i) detailing the functions of the operators of the national networks of electricity and natural gas transportation; ii) develop arrangements for monitoring and supervising the activities of dealers by the Portuguese State and iii) specify the terms applicable to provide information by each of the dealers, adapting the respective contractual clauses to the legal provisions and regulations in force, in particular Decree-Law No 77/2011 and No 78/2011, both of 20 June.

On 23 April 2018, a second amendment to the concession contract was signed between the Portuguese State and REN - Rede Eléctrica Nacional, S.A., through which the Portuguese State determined REN, as a concessionaire, in particular, the execution of the installation work of an underwater cable off Viana do Castelo to the Public Service Electricity Network on land, including the development of studies and projects that prove necessary, the operation, maintenance and exploration of the cable, as well as the execution of interconnection work both at sea and on land.

3. MAIN ACCOUNTING POLICIESS

The main accounting policies used by the Group in the preparation of the consolidated financial statements are described below. The policies have been applied consistently in the periods presented.

3.1 BASIS OF PRESENTATION

The consolidated financial statements were prepared on a going concern basis, as from the books and accounting records of the companies included in the consolidation (Note 6), maintained in accordance with generally accepted accounting principles in Portugal, adjusted in the consolidation process so that the consolidated financial statements be in accordance with the International Financial Reporting Standards as endorsed by the European Union ("IAS/ IFRS"), in force for the years starting on 1 January 2024.

The Board of Directors evaluated the Group's going concern capability, based on all the relevant information, facts and circumstances, of financial, commercial and other natures, including subsequent events occurred after the financial statement report date. Particularly, as of 31 December 2024, current liabilities in the amount of 1,388,904 thousand euros are greater than current assets, which total 533,076 thousand euros.

However, in addition to the consolidated results and cash flows estimated for 2025, the Group has, as of 31 December 2024, credit lines in the form of commercial paper available for use in the amount of 1,655,000 thousands euros (Note 20). In addition, the Group has, with reference to 31 December 2024, two Revolving Credit Facility with SMBC EU AG and Mediobanca in the amount of 150,000 thousand euros,and 50,000 thousand euros respectively, two loan lines with the Industrial Commercial Bank of China and Bank of China Limited, available for use in the amount of 105,000 thousand euros and 250,000 thousand euros, respectively, credit line with EIB (European Investment Bank) in the amount of 150,000 thousand euros and also has 79,530 thousand euros in credit lines contracted and not used (Note 20).

In result of this assessment, the Board concludes that the Group has the adequate resources to proceed its activity, not intending to cease its operations in short term, and therefore considers adequate the use of a going concern basis in the preparation of the financial statements.

Such standards includes the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board ("IASB"), International Accounting Standards (IAS), issued by the International Accounting Standards Committee ("IASC") and respective IFRIC and SIC interpretations, issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standard Interpretation Committee ("SIC"), that have been adopted by the European Union. The standards and interpretations are hereinafter referred generically to as IFRS.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates, assumptions and judgements in the process of adopting REN's accounting policies, with a significant impact on the carrying amounts of assets, liabilities as well as expenses and income for the reporting period.

Although the estimates are based in the best experience of the Board of Directors and their best expectations in relation to current and future events and actions, the current and future results may differ from the estimates. The areas involving a higher degree of judgement or complexity, or areas in which the assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

As a result of conflits by Russia against Ukraine, and by Israel and Palestina, there was a general worsening of the climate of global uncertainty with negative effects on the prospects for the evolution of the world economy and financial markets.

The REN Group is actively monitoring this situation, has activated all the necessary plans and, although the possible outcomes of the conflicts are unpredictable, there are currently no significant effects on its operations and regulatory duties.

REN Group essentially operates in two business areas, Electricity and Gas, in accordance with concession contracts assigned to the Group and which are regulated, which to a certain extent minimizes the possible impacts of these conflicts.

REN remains strongly committed and assumes a facilitator role in energy transition and environmental protection, recognizing that the integrated and synergistic adaptation of gas and electricity infrastructures is crucial to achieving the decarbonization goals established by national energy policy. The development of the necessary infrastructure for the energy transition and the mission of ensuring the uninterrupted supply of energy to the whole country, contributing to the communities involvement and development in which REN operates, is materialized through the establishment of high criteria for environment protection, conservation and restoration, acting in accordance with the best practices in terms of our contribution as an environmentally responsible company. On the other hand, the continuous development of innovation projects, some focused on emerging themes such as sustainability and circular economy, hydrogen and renewable gases, digitalization and cybersecurity, which are integrated in the different companies of the REN Group, contributes significantly to position and achieve the energy transition.

In accordance with this Tariff Regulation applicable for electricity and gas, the REN Group determines, on each reporting date and in accordance with the criteria defined by ERSE, the tariff deviations between the permitted revenues published by ERSE, recalculated based on the actual values of the cost drivers, and the invoiced income.

On June 2023, ERSE published the document "Parameters for the regulation period 2024-2027", for the regulated companies in the gas sector and, on 15 December 2021, the document "Parameters for the regulation period 2022-2025" for the companies in the electricity sector.

In the transport activity of electricity, the total amount of revenue recognized in the income statement will correspond to the annual value defined by ERSE for the 2022-2025 period, updated according to the application of the actual values of the inducers and the annual efficiency factor.

In accordance with the Tariff Regulation, since 2022 a mechanism for sharing gains and losses between companies and consumers has been applied to this activity. This sharing of gains or losses is only calculated one year after the end of the regulatory period to which it applies. In this way, contingent assets or liabilities can be identified in cases where it is possible to assess with some degree of certainty about the future materialization of these gains or losses, regardless of the moment of their final determination only in the future.

There were no significant changes in the long-term expectation of recovery of the Group's investments and financial holdings.

The consolidated financial statements are presented in thousands of euros.

The accounting policies adopted in these consolidated financial statements are consistent, in all material respects, with the policies used in the preparation of the consolidated financial statements for the year ended 31 December 2023, as described in the notes to the consolidated financial statements of 2024, except regarding the adoption of new effective rules for periods beginning on or after 1 January 2024.

The Group has not previously adopted any standard, interpretation or amendment that is not yet in force.

These consolidated financial statements were approved by the Board of Directors at a meeting held on 20 March 2025, being subsequently subject to approval at the General Meeting. The Board of Directors understands that the consolidated financial statements fairly present the financial position of the companies included in the consolidation, the consolidated results of their operations, their consolidated comprehensive income, the consolidated changes in their equity and their consolidated cash flows in accordance with the International Financial Reporting Standards as endorsed by the European Union ("IFRS").

Adoption of new standards, interpretations, amendments and revisions

The following standards, interpretations, amendments and revisions have been endorsed by the European Union with mandatory application in effective for annual periods beginning on or after 1 January 2024:

- **Amendments to IFRS 16 – Leases: Lease Liability in a sale and leaseback**
  These amendments included requirements for seller-lessees to measure the lease liability in a sale and leaseback transaction, in order to not recognizing any gain or loss on the right of use retained. The future adoption of this standard is not expected to have significant impacts on REN's consolidated financial statements.

- **Amendments to IAS 1 – Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current**
  These amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current, and include clarifying the classification requirements for debt a company might settle by converting it into equity. These amendments clarify, not change, existing requirements, and so are not expected to affect companies' financial statements significantly. However, they could result in companies reclassifying some liabilities from current to non-current, and vice versa. The future adoption of this standard is not expected to have significant impacts on REN's consolidated financial statements.

- **Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier financing agreements**
  These amendments require that companies to make additional disclosures about their supplier financing agreements, allowing an evaluation of how it might influence liabilities and cash flows, the effect of exposure to liquidity risk and the impact on companies if these arrangements were not available. These requirements complement existing disclosures in IFRS. The future adoption of this standard is not expected to have significant impacts on REN's consolidated financial statements.

The following standards, interpretations, amendments and revisions have been endorsed by the European Union with mandatory application in future economic exercises:

- **Amendments to IAS 21 – The effects of changes in foreing exchange rates: lack of exchangeability (new standard to be applied for periods beginning on or after 1 January 2025)**
  These amendments clarify the circumstances in which a currency is considered to be interchangeable and provide guidance on how to calculate the exchange rate when a currency is not exchangeable for another currency. This standard establishes that it must be disclosed how the financial performance, financial position and cash flows of the entity may be affected by the currency that is not exchangeable. This change has retrospective effects without restatement of the comparison, the impact of the transposition of financial information must be considered in retained earnings or foreign exchange reserve. The future adoption of this standard is not expected to have significant impacts on REN's consolidated financial statements.

The Company did not use any early adoption option of any of the above standards in the consolidated financial statements for the year ended 31 December 2024.

Standards and interpretations, amended or revised, not endorsed by the European Union

The following standards, interpretations, amendments and revisions, with mandatory application in future years, have not, until the date of preparation of these consolidated financial statements, been endorsed by the European Union:

STANDARD	APPLICABLE FOR FINANCIAL YEARS BEGINNING	RESUME
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	01-Jan-26	The Amendments to IFRS 9 come from the post-implementation review process of the "Classification and measurement" chapter, in which the IASB identified some aspects to clarify for better understanding them.
IFRS 18 - Presentation and Disclosure in Financial Statements	01-Jan-27	The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	01-Jan-27	The objective of IFRS 19 is to allow those in charge of the preparation of IFRS financial information without public exposure, but which are group subsidiaries reporting in IFRS and with listed securities, a reduction of the disclosures made while still complying with IFRS.
IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 - Annual Improvements to IFRS Accounting Standards—Volume 11	01-Jan-26	The objective of this annual publication is to improve some of the existing standards. In this case were considered 5 standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7) for which some changes and improvements are made.
Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	01-Jan-26	The Amendments will clarify the application of "own-use" requirements, allow the use of hedge accounting and add new disclosure requirements.

These standards and interpretations were not yet endorsed by the European Union and consequently REN has not adopted them on the 31 December 2024 consolidated financial statements. The future adoption of these changes is not expected to have a significant impact on REN's consolidated financial statements.

3.2 CONSOLIDATION BASES

The consolidation methods used by the Group are as follows:

a) Investments in Group companies (subsidiaries)

Subsidiaries are all entities (including special purpose entities) over which REN has cumulatively the following elements of control: (i) the ability to manage the relevant activities (activities that significantly affect the investee's results); (ii) exposure or rights to variable results of the investee; and (iii) the ability to affect those results through the power REN holds, which is usually associated with the control, directly or indirectly, of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred is measured at the fair value of the delivered assets, the capital instruments issued and the liabilities incurred, or assumed on the date of acquisition. Acquisition-related costs are recognized in profit or loss as incurred, except for the costs of issuing debt or equity instruments, which must be recognized in accordance with IAS 32 and IFRS 9.

The identifiable assets acquired and the liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date, regardless of the existence of uncontrolled interests. The excess of the acquisition cost in relation to the fair value of the Group's portion of the identifiable assets and liabilities acquired is recorded as Goodwill, in cases where control acquisition is verified, which is detailed in Note 9.

If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary (negative goodwill), the difference is recognized directly in the statement of income under "Other operating income".

The acquisition cost is subsequently adjusted when the acquisition/ attribution price is contingent upon the occurrence of specific events agreed with the seller/ shareholder (eg, realization of fair value of assets acquired).

Any contingent payments to be transferred by the Group are recognized at fair value at the acquisition date. If the assumed obligation constitutes a financial liability, subsequent changes in fair value are recognized in profit or loss. If the assumed obligation constitutes an equity instrument, there is no change in the initially estimated amount.

The amounts of assets and liabilities acquired within the scope of a business combination may be reviewed over a period not exceeding one year after the date of acquisition on facts and circumstances that existed on the date of acquisition.

REN reassesses power over a subsidiary when there is evidence of changes in one or more control elements indicated above.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are excluded from the consolidation as from the date that control ceases. The net income of the subsidiaries acquired or sold during the period is included in the consolidated financial statement from the date of acquisition or until the date it has been sold. Subsidiaries are included in the accompanying financial statements in accordance with the full consolidation method.

Equity and net profit for the year corresponding to third party participation in subsidiaries are reflected separately in the consolidated statement of financial position and income statement in the caption "Non-controlling interests".

The comprehensive income is attributable to the company's shareholders and to the non-controlling interests, even if that results in a negative balance of the non-controlling interests.

Whenever necessary, adjustments are made to the financial statements of subsidiaries for consistency with Group accounting policies. Transactions, balances and dividends distributed between Group companies are eliminated in the consolidation process.

The entities that qualify as subsidiaries are listed in Note 6.

b) Investments in associates and joint-ventures

Associates
Investments in associates (companies in which the Group has significant influence but does not have control or joint control through participation in the company's financial and operating decisions, normally where it holds between 20% to 50% of the share capital) are recorded in accordance with the equity method.

In accordance with the equity method, investments in associates are recorded at cost and subsequently, adjusted by the Group's share of the investee's post acquisition changes in net equity (including net result) of the associated company by corresponding entry to the income statement.

Additionally, dividends received are recorded as a decrease on the carrying amount of the associate, and proportional portion in the equity changes is recorded as a variation in the Group's equity and as an increase or decrease of the associate.

The excess of cost in relation to the fair value of the identifiable assets and liabilities of the associated company at the date of acquisition is recognised as goodwill and presented in a caption of Investments in associates and joint ventures. If the difference between cost and fair value of the assets and liabilities acquired is negative, it is recognised as a gain in the period.

Valuations are made of investments in associates when there are facts that might indicate that the participation is impaired, being recorded an impairment losses in the income statement, if exists.

When the Group's proportion on the accumulated losses of an associate exceeds its carrying amount, the investment is recorded at a nil amount, except when the Group has assumed commitments to cover the losses of the associate, when the additional losses require the recognition of a liability. If these companies subsequently report net profits, the Group only starts recognizing its share on those profits only after its profit share equals the unrecorded losses.

Unrealized gains on transactions with associates are eliminated proportionally to the Group`s interests, by corresponding entry to the investment caption. Unrealized losses are also eliminated but only up to the point that such loss does not result from the transferred asset being impaired.

The interests in associates are detailed in Note 10.

Joint ventures
Investments in joint ventures are a joint agreement whereby the parties have rights to the net assets of the agreement, by a binding contractual agreement that should give the parties joint control. Conceptually, joint control is the sharing of the decisions of the relevant activities, on which it is required unanimous consent of the parties.

The recognition and measurement of joint ventures included in the consolidated financial statements is made using the equity method. The Group's share of the earnings or losses of the joint venture is recognized in the income statement as operating income and the share of movements in reserves of the joint venture, if any, is recognized in reserves. The unrealized gains and losses on transactions with jointly controlled entities are eliminated in proportion to the Group's interest in the jointly controlled company, against the investment in the entity.

The accounting policies of joint ventures are standardized, when necessary, to ensure that they are consistently applied in the consolidated financial statements.

Investments in joint ventures are detailed in Note 10.

Associates with no significant influence
Investments in associates (companies in which the Group does not have significant influence or control, normally where it holds less than 20% of the share capital) are recorded at cost, since the companies are not listed in any stock exchange and the fair value cannot be measured with reliability.

The investments in associates are classified as investments in equity instruments at fair value through other comprehensive income in accordance with IFRS 9, being presented as non-current assets when considered strategic to the Group.

Investments in subsidiaries, presented as investments in equity instruments at fair value through other comprehensive income, are detailed in Note 13.

c) Goodwill

Differences between the cost of acquisition of investments in subsidiaries and the fair value of the identifiable assets and liabilities of these companies as of the date of the acquisition or during a period of 12 months after that date, if positive, are recorded as goodwill (in the case of subsidiaries). If this difference is negative, they are immediately recorded in the consolidated profit and loss statement.

Goodwill is not amortised, but is subject to impairment tests at least annually to verify the existence of impairment losses.

Goodwill impairment test is based on the recoverable amount of the cash generating unit, comparing the recoverable amount with the carrying amount. If the carrying amount exceeds the recoverable amount an impairment loss is recorded immediately in the consolidated financial statements, reducing the asset value and recording an impairment loss on the consolidated statement of profit and loss which is not reversible. The recoverable amount is determined based on the use value of the cash generating unit, being this value calculated by discounting the future cash flows, considering the business risks, the temporal value as well as market conditions.

If the initial accounting for a business combination can be determined only provisionally at the end of the reporting period in which the combination occurs (because the fair values to be assigned to the identifiable assets, liabilities and contingent liabilities of the acquiree or the cost of the concentration can only be determined provisionally), the Group accounts for the business combination using the available information.

Those provisional amounts are adjusted upon the final determination of the fair values of the assets and liabilities occurring up to a maximum period of twelve months after the acquisition date. During this period Goodwill or any recognized gain will be adjusted from the acquisition date by an amount equal to the fair value adjustment at the acquisition date of the identifiable assets, liabilities and contingent liabilities to be recognized or adjusted and the comparative information presented for the periods prior to the completion of the initial accounting of the concentration. This includes any depreciation, amortization or other gain or loss effect recognized as a result of completing the initial accounting.

3.3 BALANCES AND TRANSACTIONS IN FOREIGN CURRENCY

Items included in the financial statements of each of the REN Group entities are recorded using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements including these notes are presented in thousands of euros, unless otherwise indicated, the Group's functional currency.

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currency in the separate financial statements of the subsidiaries are translated into the functional currency of each subsidiary using the exchange rates prevailing on the date of the statement of financial position for each period. Non-monetary assets and liabilities denominated in foreign currency and recorded at fair value are translated into the functional currency of each subsidiary using the exchange rate prevailing on the date the fair value was determined.

Foreign exchange gains and losses arising from the differences between the exchange rates prevailing on the date of the transactions and those in force at the date of collection, payments or at the date of the statement of financial position are recorded as income and/ or expenses in the consolidated income statement for the year under the same captions where the income and losses associated with these transactions are reflected, except for those relating to non-monetary amounts whose fair value changes are recorded directly in equity.

The separate financial statements of the associates of the Group are prepared in the functional currency of the entities. Exchange differences arising from the amount expressed in euros of the opening balance of net assets at the beginning of the year and the translation to euros of the opening balance of net assets using the year end exchange rate are booked against "Other Reserves".

The foreign currency exchange rates used for the translation of the foreign currency balances are as follows:

CURRENCY	2024	2023
US Dollar (USD)	1.04	1.11
Pound sterling (GBP)	0.83	0.87
Japanese Yen (JPY)	163.06	156.33
Chilean Pesos (CLP)	1,031.52	967.78

3.4 TANGIBLE AND INTANGIBLE ASSETS

Tangible and intangible assets are valued at cost less accumulated amortization/ depreciation and accumulated impairment losses. Cost includes the cost of assets considered as of the transition date to IFRS and the acquisition or construction cost of assets acquired/ constructed after that date.

Acquisition or construction cost includes the purchase price of the asset and costs incurred directly to prepare the asset to start operating. Borrowing costs incurred during the construction phase are recognised as acquisition/ construction costs. Financial expenses incurred during the construction period with loans obtained are recorded as a component of the acquisition/ construction cost of the asset, being amortized over the useful life period of the correspondent asset.

Subsequent costs, including renewals and major overhauls, that extend the useful life of the assets is recognised as cost of the asset, after write off of the component replaced.

Current maintenance and repair costs are expensed in the year they are incurred.

Tangible and Intangible assets are depreciated on a straight line basis over the estimated period of useful life of the assets, from the moment they are available for use in the necessary conditions to operate in accordance with management objectives.

Whenever there are impairment indicators of fixed assets, impairment tests are made to estimate the recoverable amount of the asset and impairment losses, if any, are recorded. The recoverable amount is defined as the higher amount between the net sale price of an asset and its value in use. The value in use is calculated based on a discounted future cash flows resulting from continued use of the asset and its sale at the end of its useful life.

The useful life of the assets is reviewed at the end of each year so that the depreciation or amortization recorded is in accordance with the consumption standards of the assets. Changes in useful life are treated as changes in accounting estimates and are applied prospectively.

	NUMBER OF YEARS
Property, plant and equipment:	
Transmission and electronic equipment	5 to 55
Transport equipment	4 to 7
Office equipment	3 to 10
Property, plant and equipment in progress	5 to 60
Intangible assets:	
Industrial property	3 to 50
Other intangible assets	4 to 35

Gains and losses on the sale of tangible and intangible assets are determined by the difference between the sale amount and the carrying amount of the asset, being recorded in the consolidated statement of profit and loss.

Concession/ Regulated assets – IFRIC 12 – Service Concession Arrangements

The Group has: (i) five concessions for the operations and development of the National Transmission Network, for the global management of the national electric system, as well as utilization and development of the National Natural Gas Transport Network, of the Liquid Natural Gas terminal, the distribution of natural gas in low and medium pressure, the underground storage of natural gas and global management of the natural gas system and (ii) a concession to explore a pilot zone for the electricity production from ocean waves. The assets acquired/ constructed by REN under these concession contracts are referred to below as assets relating to the concession.

IFRIC 12 – Service Concession Arrangements was issued by the IASB in November 2006, for application in years starting on or after 1 January 2008. IFRIC 12 was endorsed by the European Union on 25 March 2009, being of mandatory application for years beginning on or after 1 January 2010.

IFRIC 12 applies to public service concession contracts in which the conceding entity controls/ regulates:

- The services to be rendered by the operator (through utilization of the infrastructure), to whom and at what price; and
- Any residual interest over the infrastructure at the end of the contract.

IFRIC 12 applies to infrastructures:

- constructed or acquired by the operator from third parties; and
- already existing to which the operator is given access.

Therefore, considering the above the REN Group's concessions are covered by this IFRIC for the following reasons:

i) the REN Group companies (REN – Rede Eléctrica Nacional, S.A., REN Gasodutos, S.A., REN Armazenagem, S.A., S.A., REN Atlântico, Terminal de GNL, S.A., REN Portgás Distribuição, S.A. and Enondas, Energia das Ondas, S.A.) have a public service concession contract signed with the Portuguese State ("Conceding Entity") for a predefined period;

ii) the companies render public transport services, reception and storage of gas and transmission of electricity through utilization of gas pipelines, branches and underground tanks, in the case of gas, and lines, stations and substations in the case of electricity;

iii) the conceding entity controls the services rendered and the conditions under which they are rendered, through the regulator ERSE; and

iv) the assets used to render the services revert to the conceding entity at the end of the concession contracts.

This interpretation establishes the general principles for the recognition and measurement of the rights and obligations under the concession contracts with the features mentioned earlier and define the following models:

i) Financial asset model – when the operator has the unconditional contractual right to receive cash or other financial asset from the conceding entity, corresponding to specific or determinable amounts, the operator must record a financial asset (receivable). In this model the conceding entity has few or no discretionary power to avoid the payment, as the agreement is usually legally binding;

ii) Intangible asset model – when the operator receives from the conceding entity the right to collect a tariff based on use of the structure, it must record an intangible asset; and

iii) Bifurcated/ mixed model – this model applies when the concession includes simultaneously commitments of guaranteed remuneration by the conceding entity and commitments of remuneration dependent on the level of utilization of the concession infrastructures.

Considering the nature of concession of the REN Group, as regards the legal nature of its concessions, REN decided that the best model for its business case is the intangible model due essentially to the risk of changes in the tariff regulation imposed by the regulator ERSE.

In this respect and in relation to the residual value of the assets relating to the concession (in accordance with the concession contracts, REN has the right to be reimbursed at the end of the concession contract for the net book value of the conceded assets), they were also considered as part of the intangible assets.
The residual value of the conceded assets was not significant as of 31 December 2024.

Attending to the above, concession assets (intangible assets) are valuated at its acquisition cost or production cost which include financial costs incurred during the construction period. The revaluations that were recorded in the concessions assets on the date of transition to IFRS are part of its cost.

For amortization purposes of the concession assets, REN Group follows IAS 38 – Intangible assets, that states in paragraph 98 that: "A variety of amortization methods can be used to allocate the depreciable amount of an asset on a systematic basis over its useful life. These methods include the straight line method, the declining balance method and the production units method. The method used is selected based on the expected consumption model of the future economic benefits incorporated in the asset and is applied consistently from period to period, unless there is a change in the expected consumption model of these future economic benefits". Therefore considering this, REN understands that the amortization method that best reflects the expected standard of consumption of future benefits of this asset is amortization based on the rate of amortization of the gas and electricity infrastructures approved by the regulator ERSE, as this is the basis of its annual income, that is the conceded assets are amortized based on the remuneration model underlying the Tariff Regulations.

Therefore, in accordance with IFRIC 12 the right granted under the concession contract consists of the possibility of REN charging tariffs based on the costs incurred with the infrastructures. However, considering the methodology for determining REN's tariffs, the remuneration base is determined considering each concession asset, specifically, which implies the need to componentize the right. Consequently, in the case of REN's concessions it is considered that the right is componentized by separate parts as the various remuneration bases are established.

Therefore the intangible asset is:

i) increased as the various projects relating to the concession are concluded (increase in the concession rights), being recorded based on cost; and

ii) decreased as the future economic benefits are consumed.

In accordance with IFRIC 12 construction of the infrastructure by the operator is a service that it provides to the conceding entity, distinct from the operation and maintenance service and, as such, will be remunerated by it. However, in applying IFRIC 12 the REN Group assumes that there is no margin in the construction but only in the operation business. Nevertheless, construction costs and income relating to construction are recorded in the consolidated statement of profit and loss for the year, considering the requirements of IFRIC 12 in the captions “revenue from construction of concession assets” and “costs with construction of concession assets”.

The REN Group makes impairment tests of the assets relating to the concessions whenever events or circumstances indicate that book value exceeds its recoverable amount, being that difference, if any, recorded in the statement of profit and loss. The cash generating units defined for the purpose are directly associated with each concession contract, considering that the conceded assets relating to them belong to the same cash generating unit.

Lands relating to the electricity producing plants are covered by the Concession Contracts entered into between REN and the Portuguese State and are remunerated based on its amortization, not being disassociated, as such from the other assets of the concession, being an integral part of a common cash generating unit.

Investment grants relating to assets are recognized in the statement of profit and loss at the same rate as amortization of the assets. IAS 20 in paragraphs 24 and 25 states that: “Government grants relating to assets, including non-monetary grants at fair value must be presented in the statement of financial position considering the grant as deferred income or deducting the grant to the cost of the asset”.

Therefore given the existence of these two alternatives for the presentation of grants in the financial statements and IFRIC 12 not mentioning the treatment of investment grants received, REN maintained the grants recorded as liabilities.

Considering this, and as a result of applying IFRIC 12, the REN Group classifies assets relating to the concessions in accordance with the intangible asset model, being amortized on a straight line basis as from the date in which they become available for use in accordance with the expected consumption of future benefits model, which corresponds to the regulatory period defined by ERSE and considering that at the end of the concession the Group has the right to receive the net book value of the assets.

Intangible assets in progress reflect the concession's assets still under construction, being recorded at cost less any impairment losses, being amortized as from the time the investment projects are completed or available for use.

3.5 LEASES

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use), under property, plant and equipment and intangible assets in the consolidated statement of financial position. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

At the commencement date of the lease, the Group recognises lease liabilities, under Borrowings in the consolidated statement of financial position. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.6 FINANCIAL ASSETS AND LIABILITIES

Financial assets

The Board of Directors determines the classification and measurement of investments in financial assets according to the business model, evaluated in the initial application data, used in its management and the characteristics of the contractual cash flows.

Investments in financial assets may be classified under the following categories:

a) Financial assets at amortised cost - The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of such financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;

b) Financial assets at fair value through other comprehensive income (equity instruments) - The financial asset is held within a business model whose objective is both to hold to collect contractual cash flows, and to sell financial assets, and the contractual terms of such financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and/ or

c) Financial assets at fair value through profit or loss - Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as non-current, except when:
(i) the Group expects to realize or dispose of in the normal course of its operating cycle;
(ii) holds the asset primarily for trading purposes;
(iii) expects to realize the asset within twelve months after the reporting date; or
(iv) the asset is cash or cash equivalent.

Purchases and sales of investments in financial assets are recognized on the date of the transaction - the date on which REN commits itself to buy or sell the asset.

Financial assets at fair value through profit or loss are initially recognized at fair value being the transaction costs expensed in the consolidated statement of profit and loss. Such assets are subsequently adjusted to fair value, gains and losses arising from changes in fair value being recorded in the consolidated statement of profit and loss caption “Financial costs” for the period in which they arise, which also includes interest income and dividends received.

Interest revenue is recognized using the effective interest method, provided that it is probable that economic benefits will flow to the Group and its amount can be measured reliably.

Revenue from dividends should be recognized when the Group’s right to receive the corresponding amount is established.

Equity instruments at fair value trought other comprehensive income are initially recognized at fair value plus transaction costs. In subsequent periods, they are measured at fair value or at cost, since the companies are not listed in any stock exchange and the fair value cannot be measured with reliability, being the change in fair value recognized in the fair value reserve in equity until the investment is sold or received or until the fair value of the investment is below its acquisition cost for an extended period, where the accumulated gain or loss is recorded in the income statement.

Dividends and interest income from financial assets at fair value through other comprehensive income are recognised in the statement of profit and loss caption financial income for the period in which the right to receive them is established.

The fair value of listed investments is based on current market prices ("bid"). If the market for a financial asset is not active, REN establishes fair value by using valuation techniques. These include the use of recent transactions, provided that they are at market prices, reference to other instruments that are substantially the same and discounted cash flow analysis when information is available, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

In the situations where the investments are equity instruments not valued under active market quotations, and for which is not possible to estimate with reliability its fair value, these investments are measured at the acquisition cost deducted of impairments losses, if any, being the impairment losses recorded in the profit and loss statement of the year.

Loans and receivables are classified as "Trade and other receivables" in the statement of financial position, are initially recorded at fair value, and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due in accordance with the original terms of the transactions that gave rise to the receivables, and it is recorded in the consolidated statement of profit and loss caption "Impairment of trade receivables".

Financial assets are derecognised when the rights to receive cash flows from the investments expire or are transferred, as well as all the risks and rewards of ownership.

Cash and cash equivalents includes cash on hand, bank deposits and other short-term highly liquid investments with initial maturities of up to three months. Bank overdrafts are presented in the "Borrowings" caption in current liabilities in the statement of financial position, and are included in the consolidated statement of cash flows, as cash and cash equivalents.

Financial liabilities

A financial instrument is classified as a financial liability when a contractual obligation exists to the issuer to liquidate capital and/ or interests, by the delivery of cash or another financial asset, independently on its legal form.

IFRS 9 established the classification of financial liabilities in two categories:

i) Finantial liabilities at fair value trought profit and loss; and

ii) Other financial liabilities.

Other financial liabilities include "Borrowings" and "Trade and other payables".

Trade and other payables are initially measured at fair value and subsequently at amortised cost, using the effective interest rate method.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost, the difference between the nominal value and the initial fair value being recognised in the consolidated statement of profit and loss over the term of the borrowing, using the effective interest rate method; or at fair value, whenever REN decides, in its initial recognition, to designate the financial liability at fair value through profit and loss, using the fair value option.

Financial liabilities are classified as current liabilities unless REN has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date, in which case they are classified as non-current liabilities.

Financial liabilities are derecognised when the related obligations are extinguished through payment, are cancelled or expire.

Derivative financial instruments

Derivative financial instruments are initially recorded at fair value at the date of the transaction, being subsequently measured at fair value. The method for the recognition of fair value gains or losses depends on the designation made of the derivative financial instruments. If they are designated as derivative financial instruments for trading, gains or losses resulting from fair value changes are recorded in the consolidated statement of profit and loss captions "Finance income" or "Finance costs". If they are designated as hedging derivative financial instruments, gains or losses resulting from fair value changes depends on the nature of the hedged item, which can be a fair value hedge or a cash flow hedge.

The fair value of derivative financial instruments corresponds to its market value. In the absence of market value, the fair value is determined by external independent entities, thought valuation techniques accepted in the market.

Derivative financial instruments are recognized in the caption "Derivative financial instruments", and if they have a positive or negative fair value they are recorded as financial assets or liabilities, respectively.

In accordance with IFRS 13, the fair value of non-listed derivative financial instruments is adjusted by the effect of counterpart credit risk (Credit Value Adjustment) and own credit risk (Debt Value Adjustment). The credit risk adjustments are determined by market information, namely recent debt issued with similar conditions and risk exposure, Credit Default Swaps (CDS) spreads, among other data observed in the market.

In assessing the existence of an economic relationship between the hedged instruments and the hedging instruments, the Group assumes that the interest rate benchmark (Euribor) will not be changed following the reform of the interest rate benchmarks as permitted by the changes to IAS 39, IFRS 7 and IFRS 9 regarding the reform of interest rate benchmarks. This policy is applicable to some hedging relationships designated at 31 December 2024 in a total notional amount of 1,200,000 thousand euros (1,560,000 thousand euros at 31 December 2023).

The Group will cease to apply the above provision when:

i) the uncertainty regarding the reform of the interest rate benchmarks with respect to Euribor ceasing; or

ii) the respective hedging relationship is discontinued.

Derivative financial instruments are classified and presented as non-current when their remaining period to maturity exceeds twelve months and they are not expected to be realized or settled within twelve months.

Hedge accounting

Within the scope of the Group risk polices of interest rate and foreign exchange rate risk management, the Group contracts a series of financial derivative instruments, namely swaps.

The criteria for applying hedge accounting rules are as follows:

- The hedging relationship consists only of eligible hedging instruments and eligible hedged items in accordance with IFRS 9 criteria;
- At the beginning of the hedging relationship, there is formal designation and documentation regarding the hedging relationship and the risk management objective and strategy. This documentation must include the identification of the hedging instrument, the hedged item, the nature of the risk to be hedged and the form will be assessed whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge inefficiency and how it determines the coverage ratio);
- The hedge relationship meets all of the following hedge effectiveness requirements:

  i) There is an economic relationship between the hedged item and the hedging instrument;

  ii) The credit risk effect does not dominate the changes in value that result from this economic relationship; and

  iii) The coverage ratio of the hedging relationship is the same as that resulting from the quantity of the item actually covered and the amount of the hedging instrument actually used to cover that amount of the hedged item. However, this designation should not reflect an imbalance between the weights of the covered item and those of the hedging instrument which could create an ineffectiveness of the hedge (regardless of whether or not it is recognized) which could lead to an accounting result incompatible with the hedge accounting objective.

At the beginning of the hedging operation, the Group documents the hedging relationship between the hedging instrument and the hedged item, its objectives and its risk management strategy. Additionally, it is assessed, both on the hedge start date and on each accounting reporting date, whether the derivative instruments designated as hedging instruments are highly effective in offsetting changes in the fair value or cash flows of the respective hedged items (including an analysis of inefficiency sources and how the coverage rate is determined).

The effectiveness requirements in a hedging relationship are as follows:

- There is 'an economic relationship' between the hedged item and the hedging instrument;
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The fair value of the derivative financial instruments contracted and the movements in the hedging reserves are disclosed in Note 16.

In the fair value hedge of an asset or liability, the book value of the asset or liability, determined based on the accounting policy used, is adjusted so as to reflect the variation of its fair value attributable to the risk hedged.

Changes in the fair value of the hedging instruments are recognized in the statement of profit and loss together with changes in the fair value of the assets or liabilities hedged attributable to the risk hedged.

In a hedging operation on the exposure to changes of high probability in future cash flows (cash flow hedge) the effective part of the fair value variation of the hedging instrument is recognized in hedging reserves, being transferred to the statement of profit and loss in the period the item hedged affects results. The ineffective part of the hedge is recorded in the consolidated statement of profit and loss.

The hedge ineffectiveness can arise from:

- Differences in cash flows timing for hedged items and hedging instruments;
- Different indices (and, consequently, different curves) associated with the hedged risk of the hedged items and hedging instruments;
- Counterparty credit risk has a different impact on movements in the fair value of hedging instruments and hedged items; and
- Changes in the expected amount of cash flows from hedged items and hedging instruments.

Hedge accounting is discontinued only when a hedging relationship (or part of that hedging relationship) no longer complies with the hedge accounting criteria (after taking into account any rebalancing of the hedging relationship, if applicable). This includes cases where the hedging instrument expires or is sold, terminated or exercised.

In circumstances where a derivative financial instrument no longer qualify as a hedging instrument, the Group assess: (i) in fair value hedge instruments, the existence of fair value adjustments to the hedged item, which will be amortized through the method the straight line for the remainder period of the hedged item; and (ii) in cash flow hedge, the existence of fair value differences recognized under hedging reserves in Equity, which amount will be reclassified to the income statement.

Any amount recorded in the caption "Reserves – hedging reserves" is only reclassified to the statement of profit and loss when the hedged position affects results. When the hedged position relates to a future transaction which is not expected to occur, any amount recorded as "Other reserves – hedge reserves" is immediately reclassified to the statement of profit and loss.

In the case of aggregated exposures, the Group designates as hedged instruments a combination of an exposure and a derivative financial instrument. For this purpose, and when designating the hedged item based on an aggregated exposure, the Group considers the combined effect of the items that constitute the aggregated exposure for the purposes of assessing the hedge effectiveness and measuring its ineffectiveness. These instruments continue, however, to be accounted for separately.

3.7 BORROWING COSTS

Borrowing costs are recorded as expense when incurred.

Borrowing costs related directly to the acquisition, construction or production of tangible and intangible assets are capitalised as part of the cost of the qualified asset (assets that need a substantial period of time to be prepared for its intended use).

Borrowing costs are capitalised from the time of preparation of the activities to construct or develop the asset to the time the production or construction is completed or when the project is suspended.

Any eventual financial income derived from a loan obtained earlier and allocable to a qualifying account, are deducted from the financial expenses that qualify for capitalisation.

3.8 GOVERNMENT GRANTS AND OTHERS

These refer to grants received for investment in intangible assets and are recorded as deferred income in the caption "Trade and other payables".

Grants received from the Portuguese State and the European Union are recorded when there is reasonable certainty that the grant will be received.

Operating assets delivered to REN by new producers connected to the National Transmission Network or others are also recorded as grants received.

Grants are subsequently recorded to the consolidated statement of profit and loss on a systematic basis in accordance with amortization of the related assets.

Exploration grants are recognized in the consolidated statement of profit and loss in the period in which the related costs are incurred.

3.9 IMPAIRMENT OF ASSETS, EXCEPT GOODWILL

Financial assets

The Group evaluates at each reporting date, if there are indicators that a financial asset or a group of financial assets, have any impairment, namely from which results an adverse impact on the estimated cash flows of the financial asset or group of financial assets, and always if it can measured reliably.

The adoption of IFRS 9 led to a fundamental change in the way the Group accounts for its impairment losses on financial assets, replacing IAS 39 "loss incurred" approach with a prospective approach to "expected credit loss". IFRS 9 requires the Group to recognize an impairment loss for expected credit losses for all debt instruments that are not measured at fair value through profit or loss.

For financial assets measured at amortized cost, the impairment loss to be recognized corresponds to the difference between the carrying amount and its present value on the reporting date of the new future cash flows discounted at the respective original effective interest rate.

When there is evidence of impairment on the financial asset held for sale exists, the accumulated loss - determined by the difference between the acquisition cost and the actual fair value, less any impairment losses previously recorded – is transferred from the fair value reserve in equity into profit and loss of the period. Impairment losses of equity instruments recorded in profit and loss are not reversible.

Non-financial assets

Whenever there are signs of loss of value of fixed assets, impairment tests are carried out in order to estimate the recoverable value of the asset and, if applicable, an impairment loss is recognized. An impairment loss is recognized for the amount in excess of the asset's carrying amount over its recoverable amount. The recoverable amount is determined as the higher of an asset's fair value less costs to sell and the asset's use value.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life, using a discount rate before taxes that reflects the current valuations of the market. time value of money and the specific risks of the asset in question.

Group REN makes impairment tests for the concession assets whenever events or circumstances indicate that the carrying amount exceeds the recoverable amount, in which case the difference, if any, is recognized in the income statement. The cash generating units were identified considering the concession agreements in place, considering that all assets belonging to these agreements are to be included in the same unit.

Assets with undefined useful life are not subject to amortization but are subject to annual impairment tests. Assets with useful life are subject to impairment tests whenever events or changes in the conditions indicate that the carrying amount may not be recovered.

This way whenever fair value is below the carrying amount of the assets, the Group should evaluate if this situation will be permanent in which case an impairment loss should be recognized. If it is assessed that the situation is not permanent the reasons that support such judgment should be disclosed.

Non-financial assets, except Goodwill, for which impairment losses have been recognised are reviewed at the end of each period evaluating the possibility of its reversal.

Reversal of impairment losses recognized in prior years is recorded in the consolidated profit and loss statement. However, the reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciations) had no impairment loss been recognized for that asset in prior years.

The amortization and depreciation of the assets are recalculated prospectively in accordance with the recoverable amount adjusted by the impairment recognized.

3.10 EMPLOYEE BENEFITS

REN grants supplementary retirement, early-retirement and survivor pensions (hereinafter referred to as pension plan), provides its retirees and pensioners with a medical assistance plan and grants other benefits such as long service bonuses, retirement bonus, and death subsidy.

i) Pension plan

The supplementary retirement and survivor pensions granted to employees consist of a defined benefit plan, with an autonomous plan assets established, to which all the liabilities are transferred and contributions are made to cover the liabilities which are vested on each period.

Employees who meet certain conditions of age and seniority pre-defined and chose to take early retirement, as well as those that agree with the Company to take early retirement, are also included in the plans.

This liabilities assumed by the Group are annually estimated by independent actuaries using the projected unit credit method. The present value of the defined benefit liability is determined by discounting future payments of the benefits using the appropriate discount rate. The liability is recognised, when applicable, deducted from the past service costs.

The source used to determine the discount rate, was based on the use of the complete yield curve (Yield Curve). The model incorporates hypothetical yield curves developed from information on bond yields in the Euro zone. The construction of these yield curves is based on bond yields considered to be of high quality credit rating (AA risk notation from Bloomberg). The credit risk notation is attributed by rating agencies being its approach consistent with yield curve model for each maturity group. The discount rate used results from the conversion of the interest rate curve in to a spot interest rate. A bond is considered to have AA risk notation if receives its notation (or equivalent) from one, or both, the two main rating agencies: Standard and Poor's and Moody's.

The liability for retirement benefits recognised in the consolidated statement of financial position corresponds to the present value of the liability for the benefits as of the reporting date less the fair value of the plan assets, together with any adjustments for past service costs, if applicable.

Actuarial gains and losses yearly determined, for each plan of benefits granted, resulting from adjustments to actuarial assumptions, experience adjustments or in the benefits scheme are recorded directly in equity.

The cost with retirement benefits is determined taking into account: i) current service costs, which corresponds to the increase in the present value of the liability resulting from employee service in the current year; ii) past service cost, change in the actual responsibility for employee service in prior periods (as a result of changes to the plan or significant reduction in the number of employees covered by the plan "curtailments"); iii) any gain or loss on settlement; and iv) net interest on the liability (assets) net of defined benefit, applying a discount rate to the net liabilities of the plan.

ii) Health plan and other benefits

The liabilities assumed relating to healthcare are not funded by an autonomous plan assets, being covered by a specific provision.

Measurement and recognition of the liability for healthcare are the same as those for retirement supplements referred to above, except as regards assets of the plan.

REN recognises all the actuarial gains and losses on all the plans directly in equity, except with regard to long-term benefits (seniority bonus), recognized directly in results.

3.11 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions are recognised when the Group has: i) a present legal or constructive obligation as a result of past events; ii) it is more likely than not that an outflow of internal resources will be required to settle the obligation; and iii) the amount can be reliably estimated. When one of these criteria is not fulfilled or the existence of the liability is dependent upon the occurrence (or not) a future event, REN SGPS discloses it as a contingent liability, except if the outflow of resources to settle it is considered to be remote.

Restructuring provisions are recognised by the Group when there is a formal and detailed restructuring plan and that such plan has been communicated to the involved parties. In the measurement of the restructuring provision, are only considered the expected outflows that directly result from the implementation of such plan, not considering, the current activities of the Group.

Provisions are measured at the present value of the estimated outflows required to settle the liability using a pre-tax rate that reflects the market assessment of the discount period and the risk of the provision.

Contingent assets are probable assets which probability of becoming certain depend of the occurrence of one or more uncertain future events that are not fully controlled by the Company. The probability of the inflow of the economic benefit is subject to the occurrence of such events.

The Group discloses contingent assets when it is estimated as probable the inflow of the corresponding economic benefit. However in exceptional circumstances on which REN estimates as virtually certain the probability the revenue is recognized in the consolidated financial statements.

3.12 INVENTORIES

Inventories are stated at the lower of cost or net realisable value. Inventories include materials used in internal maintenance and repair operations. Inventories are initially recorded at cost, which includes purchase cost and all the expenses relating to their acquisition. Cost is determined using the weighted average cost method.

Gas in the gas pipelines and gas stored in the LNG terminal and underground tanks, is property of the infrastructure users. The REN Group does not buy, sell or hold any gas inventories.

3.13 CAPITAL AND OWN SHARES

Ordinary shares are classified in the share capital caption by its nominal value. Differences between the nominal value and the subscription price are recorded in the caption “Share Premium”. Incremental costs directly attributable to the issuance of new shares or options are shown net of tax, as a deduction in equity from the amount issued.

Own shares acquired through contract or directly on the stock market are recognised as a deduction in equity in caption “Own shares”. In accordance with Portuguese Commercial law, REN SGPS must ensure at all times that there are reserves in Equity to cover the value of treasury shares, constraining the amount of reserves available for distribution.

Own shares are recorded at cost if they are acquired in a spot transaction or at estimated fair value if acquired in a deferred purchase.

The Group’s purpose in relation to capital management is to safeguard the continuity of the Group, to grow sustainably in order to meet the established objectives and to maintain an optimal capital structure in order to reduce the cost of capital.

3.14 INCOME TAX

REN is taxed based on the special regime for the taxation of group companies (“RETGS”), which includes all REN group companies located in Portugal, and which REN owns directly or indirectly at least 75% of the share capital and equally, being resident in Portugal and taxed in terms of Corporate Income Tax (“CIT”).

Income tax for the year includes current income tax and deferred income tax. Income tax is recognised in the statement of profit and loss, except when it relates to items recognised directly in equity. The amount of income tax payable is determined based on net profit before tax, adjusted in accordance with tax rules for the entities included in the consolidation perimeter.

The taxable profit differs from the net profit determined by accounting rules, as several costs and revenues are excluded, that will only be deducted or taxed in future periods, and costs and revenues that will never be considered for tax purposes in accordance do the tax law in place.

On 8th November 2024, the Global Minimum Tax Regime or “RIMG” (Law No 41/2024, of November 8) was published in Portugal as a consequence of the transposition of the Directive (EU) 2022/2523, of 14 December (“Minimum Taxation Directive”).

This new set of rules aims to ensure that large MNE groups are subject to a minimum effective tax rate of 15% in all jurisdictions where they operate and, in those jurisdictions where this is not verified, a payment of a top-up tax in relation to their excess profits may be required.

In accordance with the RIMG and considering that the Group's consolidated revenues exceed 750 million euros in two of the last four financial years, this new set rules is already applicable to the Group in 2024.

Notwithstanding, it is the Group's expectation that no top-up tax will be due in the jurisdictions in which it is present with reference to fiscal year 2024.

This conclusion is based on the potential application of the transitional CbCR safe harbour rules in 2024. In addition, when calculating its excess profits subject to the top-up tax rate, the Group also expects to benefit from the substance-based income exclusion from the amount of the GloBE income in each of these jurisdictions.

As such, no additional tax expense is anticipated from the application of these rules and that should be reflected in the Group's financial statements for 2024.

Deferred tax is recognised using the liability method based on the statement of financial position considering the temporary differences between the tax base of assets and liabilities and their carrying amount in the consolidated financial statements.

Deferred taxes are calculated using the tax rates in force or substantially enacted at the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be used. Deferred tax liabilities are provided for on every temporary tax difference, except those relating to: i) the initial recognition of goodwill; or ii) the initial recognition of assets or liabilities in transactions that do not result from a business combination and at the time of the transaction affect neither accounting profit nor taxable profit. However, taxable temporary differences relating to investments in subsidiaries should not be recognised to the extent that: i) the parent company is able to control the timing of the reversal of the temporary difference; and ii) it is probable that the temporary difference will not revert in the near future.

3.15 ACCRUALS BASIS

Revenue and expenses are recognised in the period to which they relate, independently of the date they are received or paid, in accordance with the accrual basis of accounting. Differences between the amounts received and paid and the related income and costs are recognised as assets or liabilities, if they qualify so.

3.16 REVENUE

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires revenue to be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. These are the five steps to consider for each customer contract:

- Identifying the contract(s) with a customer;
- Identifying the performance obligations in the contract(s);
- Determining the transaction price;
- Allocating the transaction price to the performance obligations; and
- Recognising revenue when performance obligations are satisfied, or when control of goods or services is transferred to the customer.

Following the above principle, REN recognises revenue when control of the contractually agreed services (goods, services) is transferred to the customer for an amount that reflects REN's expectation to be entitled in exchange for the services rendered. Revenue is reduced for any refund, price discount or other rebates, and value-added taxes (VAT) or other taxes are not reported as revenue in the consolidated income statement.

If variable consideration is included as a contractual component, REN determines the amount of consideration to which it is entitled for the fulfilment of its performance obligation. The variable consideration is estimated at contract inception. It may only be included in the transaction price if it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Given the regulated nature of REN's activities, the obligation arising from rendering each service (this is, electricity transmission in very high voltage, high pressure gas transmission natural gas, distribution of natural gas in low and medium pressure and the underground storage of natural gas, each explained in more detailed below.) is considered to be a single performance obligation, and the total price is therefore allocated in full to that obligation. The single performance obligation comprises the overall management of the electricity and gas operation services. As a result, REN's performance obligation is to make the facilities related to the provision of the services available to its customers, therefore revenue is recognised over time since customers receive and consume simultaneously the benefits provided by REN's services.

Revenue from services rendered on the Group regulated activities are recorded in the consolidated statement of profit and loss in accordance with the criteria defined in IFRIC 12, described in greater detail in Note 3.4, and in accordance the description of each business segments.

Electricity segment
Revenue recognition for concession activities is determined based on the revenue cap set by the regulator, on the electricity transmitted to National Transport Network (Rede Nacional de Transporte - RNT) by producers to distributors and the implicit services provided, considering the tariffs defined annually by the regulator, for transmission of electricity and global management of the system.

Revenue obtained from these activities is regulated by ERSE, the Portuguese Energy Services Regulatory Authority. In accordance with the regulatory terms and conditions, the tariffs to be charged to final customers (domestic consumers, industry customers and others), are determined annually for each component of the system value chain, such as: generation, transmission and distribution. REN – Rede Eléctrica Nacional, S.A. income relates mainly to electricity transmission and global management of the electricity system.

The tariff for electricity transmission aims to recover:

i) amortization of the concession assets related with the electricity transmission activity;

ii) a return on the average net book value of the assets relating to this activity, in accordance with the rates determined annually by the regulator; and

iii) operating costs relating with the activity.

The tariff for global management of the system aims to recover:

i) amortization of the concession assets relating to global management of the system;

ii) amortization of the concession assets relating to the generating station sites;

iii) a return on the average net book value of the generating station sites (land);

iv) a return on the average net book value of the assets relating to this activity, in accordance with the rates determined annually by the regulator; and

v) operating costs related with the activity.

The "Commercial Agent" activity, carried out by the group company REN Trading which is responsible for the management of the electricity produced under the two PPA's (power purchase agreements) that have not been terminated (Tejo Energia and Turbogás), this activity recovers the operating costs and has a remuneration on the exploration asset. On 19 November 2024, REN Trading, S.A. was merged into REN - Rede Eléctrica Nacional, S.A. by incorporation of REN Trading, S.A. into REN - Rede Eléctrica Nacional, S.A., by means of the transfer of assets (Note 1).

Revenue obtained with the application of the rate of return are the main part of the results obtained from the "Commercial Agent" activity. This entity operates completely independently of the REN group within the rules established by the regulator.

Regarding the activities of transmission and transformation of electricity and the development, operation and commercialization of transmission systems, carried out by the Group's company, Transemel, these consist of allowing free access to the electricity market in Chile.

The revenue obtained from electricity transmission and transformation services is recorded based on the actual billing of the consumption period, as well as includes an estimate of the services provided until the end of the period, since the contracts define a performance obligation . Additionally, interest income is recognized based on the effective rate method.

Gas segment
Revenue from gas concession operations is determined based on the revenue cap allowed by the regulator based on: i) information relating to the gas units unloaded and re-gasification of gas units in the LNG terminal and the number of tanker loads ii) the gas units injected, stored and extracted in the underground tanks; and iii) the used capacity and gas units transmitted through the high, medium and low pressure transmission network.

Telecommunications segment
Revenue from the telecommunications segment results from services rendered by the group company, RENTELECOM, through the lease of fibre optics capacity, benefiting from the excess capacity of the telecommunications equipment installed. In this area services relating to management of private voice networks are also rendered. Revenue is recognised in the period the services are rendered, based on the percentage of the stage of completion of each specific transaction, valued considering the actual services already rendered and the total services to be rendered.

Tariff deviations
The Tariff Regulations for the electricity and gas business, issued by ERSE, define the formula for calculating the revenue cap for the regulated activities and consider in the calculation formula, the determination of the tariff deviations that are recovered up to the second year after the date in which they were generated, the period on which the tariff deviations are recovered.

In this way the REN Group determines at each reporting date, in accordance with the criteria defined by the tariff regulations published by ERSE, the deviations determined between the revenue cap defined and actual revenue invoiced.

Considering the legislation and the regulatory environment in force, the tariff deviations determined by REN each year comply with a series of characteristics (measurement reliability, right of recovery, transmissibility, identification of the debtor and interest base) that support their recognition as revenue and as an asset, in the year in which they are determined, as being reliably measurable and for it being virtually certain that the financial benefits relating to the transaction(s) will flow to the Company. This rationale is also valid when negative tariff deviations are determined, which are considered as liabilities and revenue deduction.

Despite IFRS do not include a reference regarding the recording of tariff deviations, paragraph 12 of IAS 8, the FASB ASC 980 – Regulated Operations (which replaces previous SFAS 71 – Accounting for the effects of certain types of regulation), strengthens the position of recording assets and liabilities tariff deviations under conditions on which the electricity and gas regulations are established for REN.

The Decree-Law No 165/2008 dated 21 August for the electricity segment and the Decree-Law No 87/2011 dated 18 July for the gas segment, reinforce the exposed, establishing the applicable regime to the recognition and transmission of tariff deviations, within the scope of the Concession contracts held by the Group.

3.17 SEGMENT REPORTING

An operational segment is a component of an entity which:

a) develops business activities from which can obtain revenue and incur in expenses (including revenue and expenses related with transactions and other components of the same entity);

b) operating results are regularly reviewed by the main responsible for the operational decision making process of the entity of for the purpose of decision making regarding the recourses imputation to the segment and the evaluation of its performance; and

c) the financial data available is distinct.

The operating segments are reported consistently with the internal model of management information made available to the main responsible for the operational decision making of the Entity.

REN identified the Executive Committee as the entity responsible for the operating making decisions. The Executive Committee reviews the information prepared internally so as to assess the Group's performance and the allocation of resources.

The REN Group is organized in two main business segments: Electricity and Gas and one secondary segment, the telecommunications. The Electricity segment includes the transmission of very high tension electricity and overall management of the public electricity supply system and management of power purchase agreements ("PPA") not terminated on 30 June 2007, the management of the concession pilot zone for electricity production based on sea waves and the electricity transmission and transformation in Chile. The Gas segment includes the transport of very high pressure gas and overall management of the national natural gas system, as well as operation of the LNG regasification terminal, the distribution of natural gas in low and medium pressure and underground storage of natural gas.

The telecommunications segment is presented separately although it does not qualify for disclosure.

The segment "Others" includes the operations of REN SGPS, S.A., REN Serviços, S.A., REN Finance, B.V., Aerio Chile, SPA, Apolo Chile, SPA and REN PRO, S.A.

Financial information relating to income of the identified business segments is included in Note 7.

3.18 CASH FLOW STATEMENT

The cash flow statement is prepared under the direct method, being presented the collections and payments in operational activities, investment activities and financing activities.

The Company classifies interests and dividends received as investment activities and interests and dividends paid as financing activities, except when those respect to cash flows of a hedging contract of an identifiable position, which will be classified to the same the cash flow activities of the hedged item.

Assets and liabilities, referring to Decree-Law No 84-D/2022 relativeto the transitional gas price stabilization regime (Note 36), are presented at net value, considering the specific restricted use and the need of accounting separation in relation to the other activities carried out by the Group, as mentioned in paragraph 3 of article 7 of the aforementioned Decree-Law.

3.19 SUBSEQUENT EVENTS

Events that occur after the consolidated statement of financial position date that provide additional information on conditions that existed at the date of the statement of financial position ("adjusting events" or events after the statement of financial position date that lead to adjustments) are recognized in the financial statements. Events that occur after the consolidated statement of financial position date that provide information on conditions that exist after that date ("non-adjusting events" or events after the statement of financial position date that do not lead to adjustments) are disclosed in the notes to the consolidated financial statements, if material.

4. FINANCIAL RISK MANAGEMENT POLICIES

4.1 FINANCIAL RISK FACTORS

The Group's activities are exposed to a variety of financial risks including: exchange rate risk, credit risk, liquidity risk and cash flow risk relating to interest rate, among others.

The Group has developed and implemented a risk management program that, together with permanent monitoring of the financial markets, aiming to minimise potential adverse effects on the REN Group's financial performance.

Risk management is carried out by the financial management department under policies approved by the Board of Directors. The financial management department identifies, assesses and realises operations to minimise the financial risks, in strict cooperation with REN's operating units. The Board of Directors defines the principles for overall risk management and policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivatives and other non-derivative financial instruments, and the investment of liquidity excess.

i) Foreign exchange rate risk

REN has limited exposure to foreign exchange rate risk.

The risk of fluctuation of foreign exchange rates on the bonds totalling 10,000 million yens ("JPY"), matured in June 2024, was fully hedged by a cross currency swap of the same notional amount.

Additionally, the Group is exposed to changes in the exchange rate of Euro/ USD and Euro/ Chilean Peso, related with its financial investment in Electrogas, S.A., acquired in February 2017 (Note 10) and related with the company acquired on 1 October 2019, Empresa de Transmisión Eléctrica Transemel, S.A.

An increase of 5% in the exchange rate of Euro/ USD, with reference to 31 December 2024, and all other factors remaining constant, would lead to a decrease on equity in the amount of 7,972 thousand euros (7,488 thousands euros as of 31 December 2023), while a decrease of that exchange rate of 5% would lead to an increase on equity in the amount of 8,811 thousand euros (8,277 thousand euros as of 31 December 2023).

An increase of 5% in the exchange rate of Euro/ Chilean Peso, with reference to 31 December 2024, and all other factors remaining constant, would lead to a decrease on equity in the amount of 3,884 thousand euros (3,888 thousands euros as of 31 December 2023), while a decrease of that exchange rate would lead to an increase on equity in the amount of 4,292 thousand euros (4,298 thousands euros as of 31 December 2023).

ii) Credit risk

REN's exposure to credit risk is not significant, since a substantial portion of services rendered are recorded through amounts invoiced to electricity and natural gas distributors in regulated markets. In addition, in general, contracts with clients establish guarantees (Note 33.4), to cover the collection and default risk.

The Group's counterparty risk on bank deposits, financial applications, and financial derivative instruments is mitigated by the selection of top rating international institutions with solid credit ratings and well known national institutions.

There is no credit risk related to the item "Asset related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022", considering the direct relationship with the same amount recorded in the liability item "Liability related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022", as defined in the Decree-Law.

iii) Liquidity risk

REN's liquidity risk management is carried out through the dynamic and flexible management of commercial paper programs, with subscription guarantee, as well as by negotiating credit limits that enable it, not only to ensure that the current treasury needs of the REN Group are met, but also provide some flexibility. For that effect we highlight, on one hand, 1,025,000 thousand euros available in commercial paper programmes with subscription guarantee and, on the other hand, 705,000 thousand euros available in different credit lines.

The Group has also credit lines negotiated in the amount of 80,000 thousand euros and used in the amount of 470 thousand euros, maturing up to one year, which are automatically renewable periodically (if they are not resigned in the contractually specified period for that purpose), and from the total amount, 70,000 thousands of euros, respects to a group line, which can be used in total or in portions by several group companies (Note 20).

The liquidity risk relating to the amount recorded in item "Liability related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022", is fully covered, considering the asset recorded in item "Asset related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022" (Notes 3.18, 17 and 36), as defined in the Decree-Law.

The following table shows the Group's liabilities by intervals of residual contracted maturity and includes derivative financial instruments whose financial liquidation of the related flows is made at the net amount. The amounts shown in the table are non-discounted cash flows contracted and include future interests; as so, do not correspond to the respective carrying amounts.

31 DECEMBER 2024

	LESS THAN 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Borrowings:				
Bank borrowings	88,621	336,749	235,186	660,556
Bonds	529,750	663,750	331,500	1,525.000
Commercial paper	325,298	261,312	-	586,610
Others	2,190	4,486	-	6,676
	945,860	**1,266.297**	**566,686**	**2,778.842**
Derivative financial instruments	12,334	28,489	-	40,823
Trade and others payables	428,288	31,528	-	459,816
Liability related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	3,481	-	-	3,481

31 DECEMBER 2023

	LESS THAN 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Borrowings:				
Bank borrowings	91,088	306,957	189,619	587,664
Bonds	94,405	839,500	301,500	1,235.405
Commercial paper	570,341	556,842	-	1,127.183
Others	1,696	3,240	-	4,936
	757,530	**1,706.539**	**491,119**	**2,955.189**
Derivative financial instruments	22,425	52,209	6,141	80,775
Trade and others payables	486,700	32,724	-	519,424
Liability related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	228,789	-	-	228,789

iv) Interest rate risk

The risk relating to interest rate variation has two major impacts on REN's financial statements: remuneration of the company's assets, in accordance with the tariff regulations, and interest on the borrowings.

Since a significant part of the REN Group's assets have a guaranteed return through the tariffs, definition of which depends in part on market rates of interest, its operating cash flows are significantly affected by changes in the market interest rates. Increases in the interest market rates, generates significant increases in cash flows and vice versa.

In terms of financial liabilities, REN is exposed to interest rate risk, mainly due to borrowings. Borrowings at variable interest rates expose REN to cash flow risk resulting from changes in interest rates.

Borrowing at fixed rates exposes the REN Group to fair value risk, as a result of changes in interest rates. Risk management is performed centrally aiming to avoid volatility in financial costs, using simple derivative financial instruments such as interest rate swaps. In this kind of operation REN Group exchanges with banking counterparties in specific dates and with defined maturities, the difference between the fixed interest rates and the variable rates with reference to the notional amounts contracted. All operations undertaken with this purpose can be considered, in most cases, perfect interest rate hedging operations.

A global reform of the main interest rate benchmarks is underway, which provide for the replacement of some benchmarks, including Euribor, by alternative risk-free rates. The Group presents exposures to Euribor variations in its financial instruments that will be impacted by this global reform. There is currently uncertainty about the timing and methods associated with the transition of interest rate benchmarks. To date, the Group does not expect a significant impact on its risk management policies and on the effects of hedge accounting.

The Group will assess and analyze the potential concrete impacts of the potential change in Euribor when implementing the timings and the respective methods of change and, in particular, in the designated interest rate risk hedging relationships.

A sensitivity analysis was performed based on the REN Group's total debt less applications in funds and cash and cash equivalents as of 31 December 2024 and 2023, with the following assumptions:

- Changes in market interest rates affect interest income and costs of variable financial instruments;
- Changes in market interest rates only affect results or equity in relation to fixed interest rate financial instruments if they are recognized at fair value (or remeasured by the interest rate risk in a fair value hedge);
- Changes in market interest rates affect the fair value of derivative financial instruments and other financial assets and liabilities; and
- Changes in the fair value of derivative financial instruments and other financial assets and liabilities are estimated discounting future cash flows, using market rates at the year end.

Using these assumptions a 0.25% increase in market interest rates for all the currencies in which the Group has borrowings or derivative financial instruments, would result in a decrease of profit before tax of, approximately, 2,527 thousand euros (2,754 thousand euros as of 31 December 2023).

The increase in equity resulting from an increase in interest rates of 0.25% would be, approximately, 2,635 thousand euros, this impact entirely attributed to derivatives (on 31 December 2023 corresponded to an increase of 4,421 thousand euros).

The sensitivity analysis is merely projected, and do not represent any present real gain or loss, neither other real changes in the net results nor in equity.

v) Price risk

REN's exposure to price risk results essentially from its investment in Redeia Corporación, S.A. A variation of 10% in the price of shares of Redeia Corporación, S.A. on 31 December 2024 would have an impact on equity of 8,934 thousand euros (8,073 thousand euros on 31 December 2023).

vi) Regulated activity risk

Gains recognized by REN in each period result directly from the assumptions considered by the regulator, ERSE, in defining the regulated tariffs for the electricity and gas sectors.

4.2 CAPITAL RISK MANAGEMENT

Within the scope of capital risk management, the Group uses a broader concept than the equity presented in the statement of financial position, with the objective of maintaining an optimized capital structure, through the prudent use of debt.

The necessity of debt increases are analysed periodically considering the Group financing needs and its liquidity position.

REN also monitors its total capital based on the gearing ratio, which is calculated by the quotient between total equity and net assets of the concession. Total equity corresponds to the sum of equity (as disclosed in the statement of financial position). The net concession assets are calculated as the amount of the Group's total intangible assets, net of depreciation and investment subsidies. At 31 December 2024, the Group's gearing ratio comfortably complies with the contractually defined limits.

5 MAIN ESTIMATES AND JUDGEMENTS

The estimates and assumptions with impact on REN's consolidated financial statements are continuously evaluated, representing at each reporting date the Board of Directors best estimates, considering historical performance, past accumulated experience and expectations about future events that, under the circumstances, are believed to be reasonable.

The intrinsic nature of these estimates may cause different impacts on financial statements from those previously estimated. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented on the following page:

SIGNIFICANT ACCOUNTING ESTIMATES

5.1 PROVISIONS

The REN Group periodically analyses the existence of possible liabilities resulting from past events that should be recognized or disclosed.

The subjectivity inherent to the determination of the probability and amount of the resources necessary to settle these liabilities may result in significant adjustments, due to changes in the assumptions used or because previously disclosed contingent liabilities may have to be recognised as provisions.

5.2 ACTUARIAL ASSUMPTIONS

Determination of the liability for retirement pensions and healthcare plans requires the use of assumptions and estimates of a demographic and financial nature, which may significantly affect the liability calculated at each reporting date. The most sensitive assumptions refer to: the discount rates used to update the liability, the return on plan assets and the mortality tables.

5.3 TANGIBLE AND INTANGIBLE ASSETS

Determination of the periods of useful life of the assets, as well as the amortization and depreciation method to be used are essential for determining the amount of amortization and depreciation to be recognized in the consolidated statement of profit and loss for each year.

These two parameters are defined in accordance with Management's best judgement for the assets and business.

5.4 IMPAIRMENT

The recognition of possible impairment loss may be identified by the occurrence of events, many outside the control of the REN Group, such as: Future availability of financing; the cost of debt; or maintenance of the current market regulatory structure, as well as other changes of the REN Group, both internal and external.

The identification of impairment indicators, the estimate of future cash flows and the determination of the fair value of assets imply a high degree of judgement by the Board of Directors, as regards the evaluation of impairment indicators, estimated cash flows, discount rates used, useful lives and residual values.

In REN's specific activities there are other factors to consider in impairment testing, since commitments to increase the network of infrastructures, changes in expected tariffs, or changes in the strategy of the shareholders of REN, which together with other factors can result in changes in the future cash flow trends and amounts.

5.5 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is based on market quotations, when available, and in the absence of a quotation is determined based on the use of prices of recent and similar transactions carried out under market conditions or determined by external entities, or based on valuation methodologies, supported by discounted future cash flow techniques, considering the market conditions, the time value, the yield curve and volatility factors. These methodologies may require the use of assumptions or judgments in the estimate of fair value.

Consequently, the use of different methodologies and different assumptions or judgments in the application of a given model could lead to financial results different from those reported.

5.6 IMPAIRMENT OF GOODWILL

The Group performs annual impairment tests on Goodwill, as indicated in Note 3.2 c). The recoverable amounts of the cash-generating units were determined based on the value in use. For the calculation of the value in use, the Group estimated the expected future cash flows from the cash generating units, as well as the appropriate discount rate to calculate the present value of these flows. The value of Goodwill is recognized in Note 9.

5.7 TARIFF DEVIATIONS

The Group performs calculation of tariff deviations at each reporting date, as indicated in Note 3.16. The REN Group determines, in accordance with the criteria defined by the tariff regulations published by ERSE, the deviations determined between the revenue cap defined and actual revenue invoiced. As a result of ERSE's approval, eventual adjustments, in future tariffs, may arise from the adjustments arising from any excesses or insufficiencies of the referred recovery (tariff deviations).

6. CONSOLIDATION PERIMETER

The following companies were included in the consolidation perimeter as of 31 December 2024 and 2023:

			2024		2023	
			% OWNED		% OWNED	
DESIGNATION/ ADDRESS	COUNTRY	ACTIVITY	GROUP	INDIVIDUAL	GROUP	INDIVIDUAL
Parent company:						
REN - Redes Energéticas Nacionais, SGPS, S.A.	Portugal	Holding company	-	-	-	-
Subsidiaries:						
REN - Rede Eléctrica Nacional, S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	National electricity transmission network operator (high and very high tension)	100%	100%	100%	100%
REN Trading, S.A. Praça de Alvalade, nº7 - 12º Dto, Lisboa	Portugal	Purchase and sale, import and export of electricity and natural gas	-	-	100%	100%
Enondas-Energia das Ondas, S.A. Mata do Urso - Guarda Norte - Carriço- Pombal	Portugal	Management of the concession to operate a pilot area for the production of electric energy from ocean waves	100%	100%	100%	100%
RENTELECOM - Comunicações S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	Telecommunications network operation	100%	100%	100%	100%
REN - Serviços, S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	Back office and management of participations	100%	100%	100%	100%
REN Finance, B.V. De Cuserstraat, 93, 1081 CN Amsterdam	The Netherlands	Participate, finance, collaborate, conduct management of companies related to REN Group	100%	100%	100%	100%
REN PRO, S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	Communication and Sustainability, Marketing, Business Management, Business Development and Consulting and IT Projects	100%	100%	100%	100%
REN Atlântico, Terminal de GNL, S.A. Terminal de GNL - Sines	Portugal	Liquified Natural Gas Terminal maintenance and regasification operation	100%	100%	100%	100%
Owned by REN Serviços, S.A.:						
REN Gás, S.A. Av. Estados Unidos da América, 55 -12º - Lisboa	Portugal	Management of projects and ventures in the natural gas sector	100%	-	100%	-
Aério Chile SPA Santiago do Chile	Chile	Investments in assets, shares, companies and associations	100%	-	100%	-
Apolo Chile SPA Santiago do Chile	Chile	Investments in assets, shares, companies and associations	100%	-	100%	-
Owned by REN Gás, S.A.:						
REN - Armazenagem, S.A. Mata do Urso - Guarda Norte - Carriço- Pombal	Portugal	Underground storage developement, maintenance and operation	100%	-	100%	-
REN - Gasodutos, S.A. Estrada Nacional 116, km 32,25 - Vila de Rei - Bucelas	Portugal	National Natural Gas Transport operator and natural gas overall manager	100%	-	100%	-
REN Portgás Distribuição, S.A. Rua Linhas de Torres, 41 - Porto	Portugal	Distribution of natural gas	100%	-	100%	-
Owned by Apolo Chile SPA (99.99%) and Aerio Chile SPA (<0.001%):						
Empresa de Transmisión Eléctrica Transemel, S.A. Santiago do Chile	Chile	Transmission and transformation of electricity, allowing free access to different players in the electricity market in Chile	100%	-	100%	-

Changes in the consolidation perimeter

2024

In the course of 2024, REN Trading, S.A. was merged into REN - Rede Eléctrica Nacional, S.A., through the global transfer of assets, as mentioned in the general information chapter (Note 1).

2023

There were no changes to the consolidation perimeter in 2023 compared to that reported on 31 December 2022.

7. SEGMENT REPORTING

The REN Group is organised in two main business segments, Electricity and Gas and one secondary segment. The electricity segment includes the transmission of electricity in very high voltage, overall management of the public electricity system and management of the power purchase agreements (PPA) not terminated at 30 June 2007, the pilot zone for electricity production from sea waves and the transmission and transportation of electricity in Chile. The gas segment includes high pressure gas transmission and overall management of the national natural gas supply system, as well as the operation of regasification at the LNG Terminal, the distribution of natural gas in low and medium pressure and the underground storage of natural gas.

Although the activities of the LNG Terminal and underground storage can be seen as separate from the transport of gas and overall management of the national natural gas supply system, since these operations provide services to the same users and they are complementary services, it was considered that it is subject to the same risks and benefits.

The telecommunications segment is presented separately although it does not qualify for disclosure.

The results by segment for the year ended 31 December 2024 were as follows:

	ELECTRICITY	GAS	TELECOMMUNICATIONS	OTHERS	ELIMINATIONS	CONSOLIDATED
Sales and services provided	**424,585**	**204,235**	**8,649**	**50,682**	**(59,687)**	**628,464**
Inter-segments	2,045	7,630	-	50,012	(59,687)	-
Revenues from external customers	422,540	196,605	8,649	670	-	628,464
Revenue from construction of concession assets	304,819	49,584	-	-	-	354,403
Cost with construction of concession assets	(282,720)	(40,294)	-	-	-	(323,014)
Gains/ (losses) from associates and joint ventures	-	-	-	11,833	-	11,833
Personnel costs	(105,265)	(53,211)	(3,443)	(18,370)	66,752	(113,537)
Employee compensation and benefit expense	(21,590)	(13,217)	(507)	(32,304)	-	(67,618)
Other expenses and operating income	22,404	(1,773)	(163)	(107)	(7,065)	13,296
Operating cash flow	**342,233**	**145,325**	**4,535**	**11,734**	**-**	**503,827**
Investment income - dividends	-	64	-	12,981	-	13,044
Non reimbursursable expenses						
Depreciation and amortizations	(172,326)	(82,163)	(1)	(200)	-	(254,690)
Provisions	(1,418)	(365)	-	(477)	-	(2,260)
Impairments	(299)	982	(244)	(377)	-	61
Financial results						
Financial income	15,547	3,363	514	127,561	(122,958)	24,027
Financial costs	(18,121)	(24,795)	(3)	(173,840)	122,958	(93,801)
Profit before income tax and ESEC	**165,616**	**42,409**	**4,802**	**(22,618)**	**-**	**190,209**
Income tax expense	(19,445)	(5,429)	(1,103)	10,967	-	(15,010)
Energy sector extraordinary contribution (ESEC)	(18,175)	(4,512)	-	-	-	(22,688)
Profit for the period	**127,996**	**32,468**	**3,699**	**(11,652)**	**-**	**152,512**

The results by segment for the year ended 31 December 2023 were as follows:

	ELECTRICITY	GAS	TELECOMMUNICATIONS	OTHERS	ELIMINATIONS	CONSOLIDATED
Sales and services provided	**429,042**	**219,280**	**7,892**	**46,130**	**(50,585)**	**651,760**
Inter-segments	1,524	3,437	-	45,624	(50,585)	-
Revenues from external customers	427,518	215,843	7,892	507	-	651,760
Revenue from construction of concession assets	243,336	52,787	-	-	-	296,123
Cost with construction of concession assets	(223,251)	(44,560)	-	-	-	(267,810)
Gains/ (losses) from associates and joint ventures	-	-	-	12,850	-	12,850
Personnel costs	(106,797)	(46,019)	(3,267)	(16,337)	56,967	(115,453)
Employee compensation and benefit expense	(20,543)	(12,844)	(333)	(30,259)	-	(63,980)
Other expenses and operating income	14,491	(966)	(79)	654	(6,382)	7,719
Operating cash flow	**336,279**	**167,678**	**4,213**	**13,039**	**-**	**521,209**
Investment income - dividends	-	-	-	10,018	-	10,018
Non reimbursursable expenses						
Depreciation and amortizations	(168,263)	(84,746)	(1)	(192)	-	(253,202)
Provisions	1,760	(392)	-	(2,180)	-	(812)
Impairments	(540)	(2,221)	-	(711)	-	(3,472)
Financial results						
Financial income	28,137	6,958	412	136,136	(141,986)	29,656
Financial costs	(37,235)	(28,688)	(4)	(159,210)	141,986	(83,151)
Profit before income tax and ESEC	**160,137**	**58,589**	**4,620**	**(3,100)**	**-**	**220,246**
Income tax expense	(29,626)	(13,985)	(1,098)	2,055	-	(42,655)
Energy sector extraordinary contribution (ESEC)	(18,039)	(10,317)	-	-	-	(28,356)
Profit for the period	**112,472**	**34,286**	**3,522**	**(1,045)**	**-**	**149,236**

Inter-segment transactions are carried out under normal market conditions, equivalent to transactions with third parties.

Revenue included in the segment “Others” is essentially related to the services provided by the management and back office to Group entities as well as third parties.

Assets and liabilities by segment as well as capital expenditures for the year ended 31 December 2024 were as follows:

	ELECTRICITY	GAS	TELECOMMUNICATIONS	OTHERS	ELIMINATIONS	CONSOLIDATED
Segment assets						
Group investments held	-	1,141,366	-	3,826,554	(4,967,919)	-
Property, plant and equipment and intangible assets	2,915,998	1,427,644	1	574	-	4,344,216
Other assets	487,769	178,178	18,912	4,237,773	(3,910,478)	1,012,154
Total assets	3,403,766	2,747,188	18,913	8,064,900	(8,878,397)	5,356,370
Total liabilities	1,081,538	905,760	9,966	5,717,692	(3,910,478)	3,804,479
Capital expenditure - total	317,676	50,346	-	347	-	368,368
Capital expenditure - property, plant and equipment (Note 8)	12,857	761	-	347	-	13,965
Capital expenditure - intangible assets (Note 8)	304,819	49,584	-	-	-	354,403
Investments in associates (Note 10)	-	-	-	179,337	-	179,337
Investments in joint ventures (Note 10)	-	-	-	2,729	-	2,729

Assets and liabilities by segment at 31 December 2023 as well as investments on tangible and intangible assets were as follows:

	ELECTRICITY	GAS	TELECOMMUNICATIONS	OTHERS	ELIMINATIONS	CONSOLIDATED
Segment assets						
Group investments held	-	1,131,743	-	3,590,473	(4,722,216)	-
Property, plant and equipment and intangible assets	2,781,803	1,459,489	1	433	-	4,241,727
Other assets	866,759	401,621	18,732	4,326,114	(4,072,985)	1,540,242
Total assets	3,648,563	2,992,853	18,734	7,917,020	(8,795,201)	5,781,968
Total liabilities	1,484,205	1,189,521	10,486	5,658,625	(4,072,985)	4,269,852
Capital expenditure - total	248,449	52,787	-	277	-	301,512
Capital expenditure - property, plant and equipment (Note 8)	5,113	-	-	277	-	5,390
Capital expenditure - intangible assets (Note 8)	243,336	52,787	-	-	-	296,123
Investments in associates (Note 10)	-	-	-	169,157	-	169,157
Investments in joint ventures (Note 10)	-	-	-	2,721	-	2,721

The liabilities included in the segment “Others” are essentially related to external borrowings obtained directly by REN SGPS, S.A. and REN Finance, BV for financing the several activities of the Group.

The captions of the statement of financial position and profit and loss for each segment result of the amounts considered directly in the individual financial statements of each company that belongs to the Group included in the perimeter of each segment, corrected with the eliminations of the inter-segment transactions.

8. TANGIBLE AND INTANGIBLE ASSETS

During the year ended 31 December 2024, the changes in tangible and intangible assets were as follows:

	PROPERTY, PLANT AND EQUIPMENT						INTANGIBLE ASSETS			
	TRANSMISSION AND ELECTRONIC EQUIPMENT	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT	ASSETS IN PROGRESS	TOTAL	CONCESSION ASSETS	CONCESSION ASSETS IN PROGRESS	OTHER INTANGIBLE ASSETS	TOTAL
Cost:										
At 1 January 2024	114,246	910	862	1,372	17,161	134,552	9,003,292	225,324	55,433	9,284,050
Additions	-	317	54	-	13,593	13,965	26,068	328,335	-	354,403
Disposals, write-offs, impairments and other reclassifications	-	(351)	(70)	-	-	(420)	(62,892)	-	-	(62,892)
Transfers	4,818	-	11	24	(4,852)	-	271,579	(271,579)	-	-
Exchange rate differences	(8,022)	(1)	(17)	(10)	(1,024)	(9,074)	-	-	(3,443)	(3,443)
At 31 December 2024	111,041	876	841	1,386	24,878	139,023	9,238,047	282,080	51,990	9,572,118
Accumulated depreciation:										
At 1 January 2024	(12,402)	(498)	(523)	(17)	-	(13,441)	(5,162,478)	-	(954)	(5,163,432)
Depreciation charge	(3,814)	(180)	(46)	(10)	-	(4,049)	(250,280)	-	(361)	(250,641)
Depreciation of disposals, impairments, write-offs and other reclassifications	-	287	68	-	-	355	62,508	-	-	62,508
Exchange rate differences	1,682	1	14	-	-	1,697	-	-	80	80
At 31 December 2024	(14,534)	(389)	(487)	(27)	-	(15,438)	(5,350,250)	-	(1,235)	(5,351,485)
Net book value:										
At 1 January 2024	101,843	413	339	1,355	17,161	121,110	3,840,814	225,324	54,479	4,120,617
At 31 December 2024	96,507	487	353	1,359	24,878	123,584	3,887,797	282,080	50,755	4,220,632

The changes in tangible and intangible assets in the in the year ended 31 December 2023 were as follows:

	PROPERTY, PLANT AND EQUIPMENT						INTANGIBLE ASSETS			
	TRANSMISSION AND ELECTRONIC EQUIPMENT	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT	ASSETS IN PROGRESS	TOTAL	CONCESSION ASSETS	CONCESSION ASSETS IN PROGRESS	OTHER INTANGIBLE ASSETS	TOTAL
Cost:										
At 1 January 2023	121,130	802	846	1,212	14,784	138,775	8,783,321	155,175	59,078	8,997,573
Additions	117	314	21	-	4,938	5,390	27,227	268,895	-	296,123
Disposals, write-offs and impairments	-	(205)	(7)	-	-	(212)	(6,003)	-	-	(6,003)
Transfers	1,421	-	18	160	(1,612)	(13)	198,746	(198,746)	13	13
Exchange rate differences	(8,422)	(1)	(16)	-	(949)	(9,388)	-	-	(3,657)	(3,657)
At 31 December 2023	114,246	910	862	1,372	17,161	134,552	9,003,292	225,324	55,433	9,284,050
Accumulated depreciation:										
At 1 January 2023	(9,939)	(516)	(488)	(13)	-	(10,957)	(4,919,468)	-	(634)	(4,920,103)
Depreciation charge	(4,206)	(170)	(57)	(4)	-	(4,436)	(248,365)	-	(401)	(248,766)
Depreciation of disposals, impairments, write-offs and other reclassifications	-	187	7	-	-	194	5,355	-	-	5,355
Exchange rate differences	1,743	1	15	-	-	1,759	-	-	81	81
At 31 December 2023	(12,402)	(498)	(523)	(17)	-	(13,441)	(5,162,478)	-	(954)	(5,163,432)
Net book value:										
At 1 January 2023	111,190	286	358	1,199	14,784	127,816	3,863,853	155,175	58,443	4,077,471
At 31 December 2023	101,843	413	339	1,355	17,161	121,110	3,840,814	225,324	54,479	4,120,617

The main additions verified in the periods ended 2024 and 2023 are made up as follows:

	2024	2023
Electricity segment:		
Power line construction (220 KV, 150 KV and others)	34,546	31,015
Power line construction (400 KV)	135,403	90,789
Construction of new substations	26,899	10,632
Substation expansion	60,486	60,859
Other renovations in substations	3,942	4,058
Telecommunications and information system	10,387	7,530
Pilot zone construction - wave energy	-	190
Buildings related to concession	3,343	5,188
Transmission and transformation of electricity in Chile	12,857	5,061
Other assets	29,813	33,075
Gas segment:		
Expansion and improvements to gas transmission network	15,571	17,094
Construction project of cavity underground storage of gas in Pombal	2,437	1,406
Construction project and operating upgrade - LNG facilities	5,715	9,655
Gas distribution projects	25,861	24,632
Others segments:		
Other assets	1,108	329
Total of additions	368,368	301,512

The main transfers that were concluded and began activity during the periods ended 2024 and 2023 are made up as follows:

	2024	2023
Electricity segment:		
Power line construction (220 KV, 150 KV and others)	34,625	25,502
Power line construction (400 KV)	97,566	46,214
Substation Expansion	75,992	53,839
Other renovations in substations	3,572	3,036
Telecommunications and information system	8,806	5,698
Buildings related to concession	2,685	6,291
Transmission and transformation of electricity in Chile	4,852	1,612
Other assets under concession	5,741	6,875
Gas segment:		
Expansion and improvements to gas transmission network	11,466	16,502
Construction project of cavity underground storage of gas in Pombal	1,685	1,541
Construction project and operating upgrade - LNG facilities	9,797	5,211
Gas distribution projects	19,644	28,039
Total of transfers	276,431	200,358

The tangible and intangible assets in progress at 31 December 2024 and 2023 are as follows:

	2024	2023
Electricity segment:		
Power line construction (400 KV, 220 KV, 150 KV and others)	174,198	136,611
Substation Expansion	40,747	43,372
New substations projects	26,560	14,704
Buildings related to concession	4,291	3,647
Transmission and transformation of electricity in Chile	24,116	17,002
Other projects	9,270	5,264
Gas segment:		
Expansion and improvements to natural gas transmission network	13,272	9,905
Construction project of cavity underground storage of gas in Pombal	3,697	2,949
Construction project and operating upgrade - LNG facilities	1,433	5,702
Gas distribution projects	8,612	3,328
Others segments:		
Other assets	761	-
Total of assets in progress	306,958	242,485

Borrowing costs capitalized on intangible assets in progress in the year ended 31 December 2024 amounted to 7,381 thousand euros (5,575 thousand euros as of 31 December 2023), while overhead and management costs capitalized amounted to 24,007 thousand euros (22,738 thousand euros as of 31 December 2023) (Note 25). The average rate of the financial costs capitalized was of 0.24%.

During the year ended 31 December 2024, there was an impairment loss in the amount of 317 thousand euros related to fixed assets.

During the year ended 31 December 2023, there was an impairment loss in the amount of 570 thousand euros related to fixed assets.

The net book value of the property, plant and equipment and intangible assets, related with transport equipments, acquired through finance lease contracts at 31 December 2024 and 2023 was as follows:

	2024		
	COST	ACCUMULATED DEPRECIATION AND AMORTIZATION	COST
Initial value	9,247	(4,366)	4,881
Additions	4,365	-	4,365
Disposals and write-offs	(1,081)	1,368	288
Depreciation charge	-	(2,428)	(2,428)
Final value	12,531	(5,426)	7,105

	2023		
	COST	ACCUMULATED DEPRECIATION AND AMORTIZATION	COST
Initial value	8,195	(4,519)	3,677
Additions	3,350	-	3,350
Disposals and write-offs	(2,298)	2,142	(156)
Depreciation charge	-	(1,989)	(1,989)
Final value	9,247	(4,366)	4,881

9. GOODWILL

Goodwill represents the difference between the amount paid for the acquisition and the net assets fair value of the companies acquired, with reference to the acquisition date, and at 31 December 2024 and 2023 is detailed as follows:

SUBSIDIARIES	YEAR OF ACQUISITION	ACQUISITION COST	%	2024	2023
REN Atlântico, Terminal de GNL, S.A.	2006	32,580	100%	377	755
REN Portgás Distribuição, S.A.	2017	503,015	100%	-	-
Empresa de Transmisión Eléctrica Transemel, S.A.	2019	155,482	100%	1,891	2,015
Total				2,268	2,770

The movement in the Goodwill caption for the years ended 31 December 2024 and 2023 was:

SUBSIDIARIES	AT 1 JANUARY 2023	INCREASES	DECREASES	EXCHANGE RATE DIFFERENCES	AT 31 DECEMBER 2023	INCREASES	DECREASES	EXCHANGE RATE DIFFERENCES	AT 31 DECEMBER 2024
REN Atlântico, Terminal de GNL, S.A.	1,133	-	(377)	-	755	-	(377)	-	377
REN Portgás Distribuição, S.A.	1,235	-	(1,235)	-	-	-	-	-	-
Empresa de Transmisión Eléctrica Transemel, S.A.	2,147	-	-	(132)	2,015	-	-	(124)	1,891
Total	4,515	-	(1,612)	(132)	2,770	-	(377)	(124)	2,268

Impairment test of Goodwill – REN Atlântico, Terminal de GNL, S.A.

REN made the impairment test of goodwill at 31 December 2024 and 2023, at the cash generating unit level to which REN Atlântico belongs. The business of REN Atlântico is subject to a concession contract and regulated tariffs so that the recoverable amount was determined based on value-in-use calculations. The cash flow projections considered the expected regulatory terms in place for the remaining term of the concession (concession for a period of 40 years beginning on the 26 September 2006), which cash inflows associated to cash-generating unit correspond to the regulated remuneration obtained over the net book value of the underlying investments.

The cash flow was discounted considering an average market pre-tax interest rate, adjusted for the natural gas regasification activities risk, of 5.2% (post-tax discount rate of 4.2%).

CASH GENERATION UNIT	METHOD	CASH FLOW	GROWING FACTOR	DISCOUNTED RATE
REN Atlântico, Terminal de GNL, S.A.	DFC (Discounted Cash Flow)	Operating flow projected to the remaining concession period	The rate decrease according of average rate of assets depreciation	5.2% (pre-tax) 4.2% (post-tax)

In accordance with the assumptions considered and the analysis made, the Group recorded an impairment loss in the amount of 377 thousand euros.

Impairment test of Goodwill – Empresa de Transmisión Eléctrica Transemel, S.A.

REN made the impairment test of goodwill at 31 December 2024 and 2023, at the cash generating unit level to which Empresa de Transmisión Eléctrica Transemel, S.A. belongs. The business of the company is subject to a concession contract so that the recoverable amount was determined based on value-in-use calculations. The cash flow projections considered the expected regulatory terms in place for the remaining term of the concession, which cash inflows associated to cash-generating unit correspond to the regulated remuneration obtained over the net book value of the underlying investments.

To determine the fair value of the assets, the main assumptions considered were as follows:

- Regulated assets - "Discounted Free Cash Flow method", projection period of 30 years, starting in October 2019 (in line with the remaining fixed assets at the valuation date);
- Concession rights - "Discounted Free Cash Flow method", indefinite projection period, taking into account that Transemel has indefinite usage licenses; and
- Non-regulated assets (contracts) - "Multiperiod excess earnings method", projection period defined based on the useful life defined in each contract.

The cash flow was discounted considering an average market pre-tax interest rate, adjusted for the company activities risk, of 8.22% (post-tax discount rate of 6.00%).

CASH GENERATION UNIT	METHOD	CASH FLOW	GROWING FACTOR	DISCOUNTED RATE
Empresa de Transmisión Eléctrica Transemel, S.A.	DFC (Discounted Cash Flow)	Operating flow projected to the remaining concession period	The rate decrease according of average rate of assets depreciation	8.22% (pre-tax) 6.00% (post-tax)

In accordance with the assumptions and analysis made, the Group did not recorded any impairment losses in Goodwill.

Stress testing was performed on the valuation model, with the following assumptions: (i) discounted rate (WACC) and (ii) synergies, considering non-materialization throughout the projection period. These analyses would determine a valuation value higher than the book value.

The Board of Directors has concluded that there are no indications of impairment, however, considering the uncertainties as to the recoverability of the assets because they are based on the best available information at the date, changes in assumptions may result in impacts on the determination of impairment and, consequently, in the results of the Company, therefore these investments are monitored repeatedly.

10. INVESTMENTS IN ASSOCIATES AND JOIN VENTURES

At 31 December 2024 and 2023, the financial information regarding the financial interest held is as follows:

31 DECEMBER 2024

	ACTIVITY	HEAD OFFICE	SHARE CAPITAL	CURRENT ASSETS	NON-CURRENT ASSETS	CURRENT LIABILITIES	NON-CURRENT LIABILITIES	REVENUES	NET PROFIT/(LOSS)	SHARE CAPITAL	%	CARRYING AMOUNT	GROUP SHARE OF PROFIT/(LOSS)
Equity method:													
Associate:													
"OMIP - Operador do Mercado Ibérico (Portugal), SGPS, S.A. i)	Holding company	Lisbon	2,610	606	30,034	289	-	1,448	1,066	30,351	40	11,933	432
Electrogas, S.A.	Gas transportation	Chile	20,470	13,074	24,165	3,806	4,903	46,777	26,805	28,530	42.5	167,404	11,392
												179,337	11,824
Joint venture:													
Centro de Investigação em Energia REN - STATE GRID, S.A.	Research & development	Lisbon	3,000	6,986	27	1,544	4	1,682	19	5,465	50	2,729	9
												182,067	11,833

31 DECEMBER 2023

	ACTIVITY	HEAD OFFICE	SHARE CAPITAL	CURRENT ASSETS	NON-CURRENT ASSETS	CURRENT LIABILITIES	NON-CURRENT LIABILITIES	REVENUES	NET PROFIT/(LOSS)	SHARE CAPITAL	%	CARRYING AMOUNT	GROUP SHARE OF PROFIT/(LOSS)
Equity method:													
Associate:													
"OMIP - Operador do Mercado Ibérico (Portugal), SGPS, S.A. i)	Holding company	Lisbon	2,610	438	30,040	206	-	1,996	1,603	30,272	40	11,902	692
Electrogas, S.A.	Gas transportation	Chile	19,245	10,198	26,714	4,829	5,576	48,875	28,598	26,507	42,5	157,256	12,154
												169,157	12,846
Joint venture:													
Centro de Investigação em Energia REN - STATE GRID, S.A.	Research & development	Lisbon	3,000	6,046	57	642	12	1,721	8	5,449	50	2,721	4
												171,879	12,850

i) Financial Statements at 31 December 2024, subject to audit review.

Associates

The changes in the caption “Investments in associates” during the years ended at 31 December 2024 and 2023 was as follows:

INVESTMENTS IN ASSOCIATES	
At 1 de January de 2023	178,048
Effect of applying the equity method	12,846
Currency translation reserves	(5,828)
Dividends of Electrogas (Note 34)	(15,729)
Receipt of supplementary obligations of OMIP	(231)
Other changes in equity	51
At 31 December 2023	169,157
Effect of applying the equity method	11,824
Currency translation reserves	10,066
Dividends of Electrogas (Note 34)	(11,289)
Receipt of supplementary obligations of OMIP	(400)
Other changes in equity	(21)
At 31 December 2024	179,337

The total amount of dividends recognized by associates was 11,286 thousand euros, during the year ended 31 December 2024, relating to the distribution of 2023 results (2,622 thousand euros) and the anticipated distribution of dividends related to the year of 2024 (8,664 thousand euros) (Note 34).

The proportional value of the OMIP, SGPS includes the effect of the adjustment resulting of changes to the Financial Statement of the previous year, made after the equity method application.

Joint ventures

The movement in the caption “Investments in joint ventures” during the years ended 31 December 2024 and 2023 was as follows:

INVESTMENTS IN JOINT VENTURES	
At 1 January 2023	2,722
Effect of applying the equity method	4
Dividends distribution (Note 34)	(5)
At 31 December 2023	2,721
Effect of applying the equity method	9
Dividends distribution (Note 34)	(2)
At 31 December 2024	2,729

Following a joint agreement of technology partnership between REN – Redes Energéticas Nacionais and the State Grid International Development (SGID), in May 2013 an R&D centre in Portugal dedicated to power systems designed – Centro de Investigação em Energia REN – STATE GRID, S.A. (“Centro de Investigação”) was incorporated, being jointly controlled by the above mentioned two entities.

The Research Centre aims to become a platform for international knowledge, a catalyst for innovative solutions and tools, applied to the planning and operation of transmission power.

The total amount of dividends recognized from joint ventures was 2 thousand euros, during the year ended 31 December 2024, relating to the distribution of 2023 results, which were received and included in the cash flow statement.

At 31 December 2024 and 2023, the financial information of the joint venture was as follows:

31 DECEMBER 2024

	CASH AND CASH EQUIVALENTS	CURRENT FINANCIAL LIABILITIES	NON-CURRENT FINANCIAL LIABILITIES	DEPRECIATIONS AND AMORTIZATIONS	FINANCIAL INCOME	FINANCIAL COSTS	INCOME TAX- (COST)/ INCOME
Joint venture:							
Centro de Investigação em Energia REN - STATE GRID, S.A.	5,550	41	4	(31)	91	(6)	(3)

31 DECEMBER 2023

	CASH AND CASH EQUIVALENTS	CURRENT FINANCIAL LIABILITIES	NON-CURRENT FINANCIAL LIABILITIES	DEPRECIATIONS AND AMORTIZATIONS	FINANCIAL INCOME	FINANCIAL COSTS	INCOME TAX- (COST)/ INCOME
Joint venture:							
Centro de Investigação em Energia REN - STATE GRID, S.A.	5,357	17	12	(41)	12	(3)	(2)

11. INCOME TAX

REN is taxed based on the special regime for the taxation of group companies ("RETGS"), which includes all companies located in Portugal that REN detains directly or indirectly ate least 75% of the share capital, which should give at more than 50% of the voting rights, and comply with the conditions of the article 69º of the Corporate Income Tax law.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities for a period of four years (five years for social security), except when there are tax losses, tax benefits granted or tax inspections, claims or appeals in progress, in which case the period can be extended or suspended, depending on the circumstances. Consequently, the Company's tax returns for the years from 2021 to 2024 are still subject to review.

The Company's Board of Directors understands that possible corrections to the tax returns resulting from tax reviews/ inspections carried out by the tax authorities will not have a significant effect on the financial statements as of 31 December 2024 and 2023.

In 2024, the Group is taxed in Corporate Income Tax rate of 21%, increased by a municipal surcharge up the maximum of 1.5% over the taxable profit; and a State surcharge of an additional (i) 3% of taxable profit between 1,500 thousand euros and 7,500 thousand euros; (ii) of 5% over the taxable profit in excess of 7,500 thousand euros and up to 35,000 thousand euros; and (iii) 9% for taxable profits in excess of 35,000 thousand euros, which results in a maximum aggregate tax rate of 31.5%.

In the year ended 31 December 2024, the computation of the deferred taxes, was updated in accordance with Law 45-D/2024, of 31 December, that established a Corporate Income Tax rate of 20%, increased by a municipal surcharge up the maximum of 1.5% over the taxable profit; and a State surcharge of an additional (i) 3% of taxable profit between 1,500 thousand euros and 7,500 thousand euros; (ii) of 5% over the taxable profit in excess of 7,500 thousand euros and up to 35,000 thousand euros; and (iii) 9% for taxable profits in excess of 35,000 thousand euros, which results in a maximum aggregate tax rate of 30.5%. The above taxes shall apply to taxable profits relating to taxation periods beginning on or after 1 January 2025.

The tax rate used in the valuation of temporary taxable and deductible differences as of 31 December 2024, was updated for each Company included in the consolidation perimeter, using the average tax rate expected in accordance with future perspective of taxable profits of each company recoverable in the next periods.

Pillar Two legislation is applicable in the various jurisdictions in which the Group operates. The legislation will be effective for the financial statements for the year starting on 1 January 2024 (see accounting policies in Note 3.1). The Group has carried out an assessment of the potential exposure to Pillar Two income taxes. The assessment is based on the most recent financial information of the Group's companies. Based on this assessment, the effective tax rates in all jurisdictions in which the Group operates are higher than 15% and Management is not aware of any fact or event that could change this conclusion. As such, the Group's exposure to the new Pillar Two legislation is not expected, except for potential additional reporting obligations.

Income tax registered in the years ended 31 December 2024 and 2023 was as follows:

	2024	2023
Current income tax	15,373	20,179
Adjustments of income tax from previous years	(6,371)	(1,680)
Deferred income tax	6,008	24,156
Income tax	15,010	42,655

The amount of 6,371 thousand euros on 31 December 2024 (1,680 thousand euros on 31 December 2023), essentially refers to the recovery of CIT from previous years to the level of deductibility of tax benefits.

Reconciliation between tax calculated at the nominal tax rate and tax recorded in the consolidated statement of profit and loss is as follows:

	2024	2023
Consolidated profit before income tax	190,209	220,246
Permanent differences:		
Non deductible/ taxable costs/ income	(128,527)	(42,612)
Timing differences:		
Tariff deviations	(29,181)	(92,790)
Provisions and impairment	2,430	226
Revaluations	(6,506)	(6,609)
Pension, helthcare assistence and life insurance plans	823	(4,049)
Derivative financial instruments	(40)	1,007
Others	1,522	1,323
Taxable income	30,730	76,741
Income tax	8,382	12,905
State surcharge tax	5,080	5,381
Municipal surcharge	1,334	1,397
Autonomous taxation	577	495
Current income tax	15,373	20,179
Deferred income tax	6,008	24,156
Adjustments of income tax from previous years	(6,371)	(1,680)
Income tax	15,010	42,655
Effective tax rate	7.9%	19.4%

Income tax

The caption "Income tax" payable and receivable at 31 December 2024 and 2023 is made up as follows:

	2024	2023
Income tax:		
Corporate income tax - estimated tax	(15,373)	(20,179)
Corporate income tax - payments on account	10,132	42,441
Income withholding tax by third parties	3,112	3,009
Income recoverable/ (payable)	42	147
Income tax recoverable	(2,086)	25,419

Deferred taxes

The effect of the changes in the deferred tax captions in the years presented was as follows:

	2024	2023
Impact on the statement of profit and loss:		
Deferred tax assets	(3,986)	(19,950)
Deferred tax liabilities	(2,022)	(4,206)
	(6,008)	(24,156)
Impact on equity:		
Deferred tax assets	(1,844)	3,584
Deferred tax liabilities	5,865	11,365
	4,021	14,949
Net impact of deferred taxes	(1,987)	(9,207)

The changes in deferred tax by nature were as follows:

Change in deferred tax assets – 2024

	PROVISIONS AND IMPAIRMENTS	PENSIONS	TARIFF DEVIATIONS	DERIVATIVE FINANCIAL INSTRUMENTS	REVALUED ASSETS	OTHERS	TOTAL
At 1 January 2024	2,355	22,726	16,683	(2,516)	10,814	3,374	53,437
Increase/ decrease through reserves	-	(1,934)	-	-	-	89	(1,844)
Reversal through profit and loss	(92)	-	(1,797)	-	(2,898)	(388)	(5,175)
Increase through profit and loss	484	248	395	58	-	3	1,188
Change in the period	392	(1,685)	(1,402)	58	(2,898)	(296)	(5,831)
At 31 December 2024	2,746	21,041	15,281	(2,457)	7,916	3,078	47,606

Change in deferred tax assets – 2023

	PROVISIONS AND IMPAIRMENTS	PENSIONS	TARIFF DEVIATIONS	DERIVATIVE FINANCIAL INSTRUMENTS	REVALUED ASSETS	OTHERS	TOTAL
At 1 January 2023	3,130	19,454	32,587	(2,457)	12,986	4,100	69,803
Increase/ decrease through reserves	-	3,289	-	-	-	295	3,584
Reversal through profit and loss	(932)	(18)	(16,301)	(67)	(2,172)	(1,022)	(20,512)
Increase through profit and loss	156	-	397	9	-	-	562
Change in the period	(776)	3,271	(15,904)	(58)	(2,172)	(727)	(16,366)
At 31 December 2023	2,355	22,726	16,683	(2,516)	10,814	3,374	53,437

Deferred tax assets at 31 December 2024 correspond essentially to: (i) to liabilities for benefit plans granted to employees; (ii) tariff deviations liabilities to be settled in subsequent years; and (iii) revalued assets.

Revalued assets

In the year ended 31 December 2015, and following a favourable decision on the tax recovery of assets impairment generated during the split of REN from EDP Group, the Company recognized the amount of 10,182 thousand euros as deferred tax assets.

In the period ended 31 December 2016, the caption of revalued assets refers to the net effect of the tax revaluation of eligible assets, pursuant to Decree-Law No 66/2016, of 3 November, which led to an increase in its tax base of 46,137 thousand euros. As a result, REN Portgás recognized deferred tax assets of 12,593 thousand euros, which will be recovered by tax deduction from the revaluation reserve inherent to revalued assets, to be amortized over 8 years from 2018. The tax revaluation reserve was taxed in 2016 at a rate of 14% (the amount calculated is settled in three equal installments, with the first due on 20 December 2016, the second due on 15 December 2017 and the third will expire on 15 December 2018).

In the year ended 31 December 2019, based on the response to a Binding Information Request, the value of the caption of revalued assets was updated to the amount of 57,271 thousand euros, which led to the additional payment of autonomous taxation. As a result, deferred tax assets were restated to the amount of 15,632 thousand euros, to be amortized over 8 years from 2018.

Change in deferred tax liabilities – 2024

	TARIFF DEVIATIONS	REVALUATIONS	FAIR VALUE	INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	DERIVATIVE FINANCIAL INSTRUMENTS	OTHERS	TOTAL
At 1 January 2024	35,885	14,605	44,862	4,350	10,687	(2,484)	107,905
Increase/ decrease through equity	-	-	-	(818)	(4,484)	-	(5,302)
Reversal trough profit and loss	-	(1,160)	(1,882)	-	-	326	(2,716)
Increase through profit and loss	4,671	-	-	-	-	67	4,738
Exchange rate differences	-	-	-	-	-	(563)	(563)
Change in the period	4,671	(1,160)	(1,882)	(818)	(4,484)	(170)	(3,842)
At 31 December 2024	40,556	13,445	42,979	3,533	6,203	(2,654)	104,063

Change in deferred tax liabilities – 2023

	TARIFF DEVIATIONS	REVALUATIONS	FAIR VALUE	INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	DERIVATIVE FINANCIAL INSTRUMENTS	OTHERS	TOTAL
At 1 January 2023	27,775	15,937	46,860	8,669	17,179	(1,355)	115,064
Increase/ decrease through equity	-	-	-	(4,319)	(6,492)	14	(10,797)
Reversal trough profit and loss	-	(1,332)	(1,998)	-	-	(575)	(3,905)
Increase through profit and loss	8,111	-	-	-	-	-	8,111
Exchange rate differences	-	-	-	-	-	(568)	(568)
Change in the period	8,111	(1,332)	(1,998)	(4,319)	(6,492)	(1,129)	(7,159)
At 31 December 2023	35,885	14,605	44,862	4,350	10,687	(2,484)	107,905

Deferred tax liabilities relating to revaluations result from revaluations made in preceding years under legislation. The effect of these deferred taxes reflects the non-tax deductibility of 40% of future depreciation of the revaluation component (included in the assets considered cost at the time of the transition to IFRS).

The legal documents that establish these revaluations were the following:

DIPLOMAS LEGAIS (REAVALIAÇÕES)

ELECTRICITY SEGMENT	GAS SEGMENT
Decree-Law No 430/78	Decree-Law No 140/2006
Decree-Law No 399-G/81	Decree-Law No 66/2016
Decree-Law No 219/82	
Decree-Law No 171/85	
Decree-Law No 118-B/86	
Decree-Law No 111/88	
Decree-Law No 7/91	
Decree-Law No 49/91	
Decree-Law No 264/92	

12. FINANCIAL ASSETS AND LIABILITIES

The accounting policies for financial instruments in accordance with the IFRS 9 categories have been applied to the following financial assets and liabilities:

							2024
	NOTES	FINANCIAL ASSETS AT AMORTIZED COST	FINANCIAL ASSETS AT FAIR VALUE - EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL ASSETS/ LIABILITIES AT FAIR VALUE - PROFIT FOR THE YEAR	OTHER FINANCIAL ASSETS/ LIABILITIES	TOTAL CARRYING AMOUNT	FAIR VALUE
Assets							
Cash and cash equivalents	17	-	-	-	40,477	40,477	40,477
Trade and other receivables	14	559,646	-	-	-	559,646	559,646
Other financial assets		-	-	5,986	30	6,017	6,017
Investments in equity instruments at fair value through other comprehensive income	13	-	137,858	-	-	137,858	137,858
Derivative financial instruments	16	-	-	30,196	-	30,196	30,196
Assets related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	36	-	-	-	3,481	3,481	3,481
		559,646	**137,858**	**36,182**	**43,989**	**777,675**	**777,675**
Liabilities							
Borrowings	20	-	-	-	2,531,768	2,531,768	2,528,667
Trade and other payables	23	-	-	-	488,557	488,557	488,557
Drivative financial instruments	16	-	-	34,218	-	34,218	34,218
Liability related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	36	-	-	-	3,481	3,481	3,481
		-	**-**	**34,218**	**3,023,806**	**3,058,023**	**3,054,922**

2023

	NOTES	FINANCIAL ASSETS AT AMORTIZED COST	FINANCIAL ASSETS AT FAIR VALUE - EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL ASSETS/ LIABILITIES AT FAIR VALUE - PROFIT FOR THE YEAR	OTHER FINANCIAL ASSETS/ LIABILITIES	TOTAL CARRYING AMOUNT	FAIR VALUE
Assets							
Cash and cash equivalents	17	-	-	-	40,145	40,145	40,145
Trade and other receivables	14	814,341	-	-	-	814,341	814,341
Other financial assets		-	-	6,000	164	6,164	6,164
Investments in equity instruments at fair value through other comprehensive income	13	-	135,741	-	-	135,741	135,741
Derivative financial instruments	16	-	-	54,363	-	54,363	54,363
Assets related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	36	-	-	-	228,789	228,789	228,789
		839,760	**135,741**	**60,363**	**269,098**	**1,304,962**	**1,304,962**
Liabilities							
Borrowings	20	-	-	-	2,733,642	2,733,642	2,716,843
Trade and other payables	23	-	-	-	606,136	606,136	606,136
Drivative financial instruments	16	-	-	60,607	-	60,607	60,607
Liability related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022	36	-	-	-	228,789	228,789	228,789
		-	**-**	**60,607**	**3,568,567**	**3,629,174**	**3,612,375**

Loans obtained, as referred to in Note 3.6, are measured, initially at fair value and subsequently at amortized cost, except for those which it has been contracted derivative fair value hedges (Note 16) which are measured at fair value. Nevertheless, REN proceeds to the disclosure of the fair value of the caption Borrowings, based on a set of relevant observable data, which fall within Level 2 of the fair value hierarchy.

The fair value of borrowings and derivatives are calculated by the method of discounted cash flows, using the curve of interest rate on the date of the statement of financial position in accordance with the characteristics of each loan.

The range of market rates used to calculate the fair value ranges between 2.8450% and 2.3779% (maturities of one day and twelve years, respectively).

The fair value of borrowings contracted by the Group at 31 December 2024 is 2,528,667 thousand euros (at 31 December 2023 was 2,716,843 thousand euros), of which 570,331 thousand euros are partially recorded at amortized cost, and contains an element recorded at fair value resulting from movements in the interest rate (at 31 December 2023 the amount recorded was 553,727 thousand euros).

In December 2023, REN subscribed 6,000,000 of category D units of the Nowberry closed-end venture capital fund, for the unit value of 1 euro each. In December 2024, the value of each unit is 0.9977 euros.

Estimated fair value – assets measured at fair value

The following table presents the Group's assets and liabilities measured at fair value at 31 December 2023 in accordance with the following hierarchy levels of fair value:

- **Level 1:** the fair value of financial instruments is based on net market prices as of the date of the statement of financial position;
- **Level 2:** the fair value of financial instruments is not determined based on active market quotes but using valuation models; and
- **Level 3:** the fair value of financial instruments is not determined based on active market quotes, but using valuation models, whose main inputs are not observable in the market.

During the year ended 31 December 2024, there was no transfer of financial assets and liabilities between fair value hierarchy levels.

		2024				2023			
		LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets:									
Investments in equity instruments at fair value through other comprehensive income	Shares	89,344	-	44,920	134,264	80,735	-	51,410	132,145
Financial assets at fair value	Cash flow hedge derivatives	-	30,196	-	30,196	-	53,492	-	53,492
Financial assets at fair value through profit and loss	Negotiable derivatives	-	-	-	-	-	871	-	871
Other financial assets	Treasury funds	5,896	-	-	5,896	6,000	-	-	6,000
		95,240	**30,196**	**44,920**	**170,356**	**86,735**	**54,363**	**51,410**	**192,508**
Liabilities:									
Financial liabilities at fair value	Loans	-	570,331	-	570,331	-	553,727	-	553,727
Financial liabilities at fair value	Cash flow hedge derivatives	-	-	-	-	-	8,601	-	8,601
Financial liabilities at fair value	Fair value hedge derivatives	-	34,218	-	34,218	-	52,006	-	52,006
		-	**604,548**	**-**	**604,548**	**-**	**614,334**	**-**	**614,334**

During the year ended 31 December 2024, REN proceeded to a valuation of the financial interests held Hidroeléctrica de Cahora Bassa, S.A., which is classified as Investments in equity instruments at fair value through other comprehensive income (Note 13). The fair value of this asset reflects the price at which the asset would be sold in an orderly transaction.

For this purpose, REN has opted for a revenue approach, which reflects current market expectations regarding future amounts. The fair value of the investment amounted
to 44,920 thousand euros (Note 13) for the year ended on 31 December 2024.

Quality of Finantial Assets

The credit quality of financial assets that are not overdue or impaired may be assessed with reference to the credit ratings disclosed by Standard & Poor's or based on historical information from the entities to which they refer:

	2024	2023
Trade and other receivables		
BBB	123,113	43,659
BBB -	1,099	2,112
Others without rating	435,434	768,570
	559,645	**814,341**
Cash and cash equivalents		
A+ to A-	25,361	8,317
BBB+ to BBB-	15,114	27,876
Until BB+	2	3,952
	40,477	**40,145**
Asset related to the transitional gas price stabilization regime - Decree-Law No 84-D/2022		
Until A -	3,481	228,789
	3,481	**228,789**

Trade and other receivables refer mainly to regulated electricity and gas services rendered.

The main transactions are carried out with authorized distributors in each of the businesses, such as EDP, GALP and some European distributors.

At 31 December 2024, overdue or impaired credits are as follows:

i) Trade and other receivables include 3,410 thousand euros (Note 14) which have been adjusted for impairment; and

ii) There are some aged receivables relating to transactions with EDP group companies for which the credit risk is considered as null.

With respect to the current receivables and payables balances, its carrying amount corresponds to a reasonable approximation of its fair value.

The non-current accounts receivable and accounts payable refers, essentially, to tariff deviations which amounts are communicated by ERSE, being its carrying amount a reasonable approximation of its fair value, given that they include the time value of money, being incorporated in the next two years tariffs.

13. INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The assets recognised in this caption at 31 December 2024 and 2023 corresponds to equity interests held on strategic entities for the Group, which can be detailed as follows:

	HEAD OFFICE			BOOK VALUE	
	CITY	COUNTRY	% OWNED	2024	2023
OMEL - Operador del Mercado Ibérico de Energia (Pólo Espanhol)	Madrid	Spain	10.00%	3,167	3,167
Redeia Corporación, S.A.	Madrid	Spain	1.00%	89,344	80,735
Hidroeléctrica de Cahora Bassa ("HCB")	Maputo	Mozambique	7.50%	44,920	51,410
Coreso, S.A.	Brussels	Belgium	7.90%	164	164
MIBGÁS, S.A.	Madrid	Spain	6.67%	202	202
MIBGÁS Derivatives, S.A.	Madrid	Spain	9.70%	49	49
Associação HyLab - Green Hydrogen Collaborative Laboratory	Sines	Portugal	12.50%	13	15
				137,858	135,741

The changes in this caption were as follows:

	OMEL	HCB	REE	CORESO	MIBGÁS	MIBGÁS DERIVATIVES	HYLAB	TOTAL
At 1 January 2023	3,167	54,074	88,045	164	202	49	15	145,715
Fair value adjustments	-	(2,664)	(7,310)	-	-	-	-	(9,974)
At 31 December 2023	3,167	51,410	80,735	164	202	49	15	135,741
At 1 January 2024	3,167	51,410	80,735	164	202	49	15	135,741
Fair value adjustments	-	(6,490)	8,610	-	-	-	-	2,120
Others	-	-	-	-	-	-	(2)	(2)
At 31 December 2024	3,167	44,920	89,344	164	202	49	13	137,858

Redeia Corporación, S.A. is the transmission system operator of electricity in Spain. The Group acquired 1% of equity interests in Redeia Corporación, S.A. as part of the agreement signed by the Portuguese and Spanish Governments. Redeia Corporación, S.A. is a listed company in Madrid`s index IBEX 35– Spain and the financial asset was recorded on the statement of financial position at the market price on 31 December 2024.

REN holds 2,060,661,943 shares representing 7.5% of the stock capital and voting rights of HCB, a company incorporated under Mozambican law, at the Hidroeléctrica de Cahora Bassa, SA ("HCB"), as a result of fulfilling the conditions of the contract entered into on 9 April 2012, between REN, Parpública - Participações Públicas, SGPS, SA, CEZA - Companhia Eléctrica do Zambeze, SA and EDM - Electricidade de Moçambique, EP. This participation was initially recorded at its acquisition cost (38,400 thousand euros) and subsequently adjusted to its fair value (Note 12).

REN Company holds a financial stake in the Coreso's share capital, a Company which is also hold by other important European TSO's which, as initiative of the Coordination of Regional Security (CRS), assists the TSO's in the safely supply of electricity in Europe. In this context, Coreso develops and executes operational planning activities since several days before until near real time.

On 31 December 2024, REN also holds a 6.67% financial interest in the share capital of MIBGÁS, SA, acquired during the first half of 2016, a company in charge of the development of the natural gas wholesale market operator in the Iberian Peninsula.

As part of the process of creating the Single Operator of the Iberian Electricity Market (Operador Único do Mercado Ibérico de Eletricidade – OMI) in 2011 and in accordance with the provisions of the agreement between the Portuguese Republic and the Kingdom of Spain on the establishment of an Iberian electricity market, the Company acquired 10% of the capital stock of OMEL, Operador del Mercado Iberico de Energia, SA, a Spanish operator of the sole operator, for a total value of 3,167 thousand euros.

On 31 December 2024, REN also holds a 9.7% financial interest, acquired for the amount of 48 thousand euros, of the share capital of MIBGÁS Derivatives, SA, the management company of the organized futures market natural gas, spot products of liquefied natural gas and spot products in underground storage in the Iberian Peninsula.

On 31 December 2024, REN also holds 12,5 founder participation units in the HyLab – Green Hydrogen Collaborative Laboratory Association, acquired for the amount of 13 thousand euros. This is a non-profit association governed by private law, whose object is the scientific and technological development of Green Hydrogen, covering the various components of the value chain, namely production, transport, distribution, storage and end uses.

These investments (OMEL, MIBGÁS, MIBGÁS Derivatives, Coreso and HyLab) are recognised at fair value through other comprehensive income, however, as there are no available market price for these investments and as it is not possible to determine the fair value of the period using comparable transactions, these investments are recorded at acquisition deducted of impairment losses, as describe in Note 3.6 - Financial Assets and Liabilities.

REN understands that there is no evidence of impairment loss regarding the investments of OMEL, Coreso, MIBGÁS, MIBGÁS Derivatives and HyLab at 31 December 2024.

REN Portgás holds other financial interests, which are recorded at the acquisition cost in the amount of 14 thousand euros, deducted of impairment losses, with a net value of zero thousand euros.

NAME
AMPORTO - Área Metropolitana do Porto
AREA ALTO MINHO - Ag. Reg. Energia e Amb. Alto Minho
ADEPORTO - Agência de Energia do Porto

The adjustments to investments in equity instruments at fair value through other comprehensive are recognised in the equity caption "Fair value reserve". This caption at 31 December 2024 and 2023 is made up as follows:

	FAIR VALUE RESERVE (NOTE 19)
1 January 2023	**45,116**
Changes in fair value	(9,974)
Tax effect	4,319
31 December 2023	**39,461**
1 January 2024	**39,461**
Changes in fair value	2,120
Tax effect	818
31 December 2024	**42,399**

In the year ended 31 December 2024 and 2023, the dividends attributable to the Group are as follows (Note 34):

	2024	2023
Redeia Corporación, S.A.	5,021	5,415
Hidroeléctrica de Cahora Bassa, S.A	7,891	4,534
OMEL - Operador del Mercado Ibérico de Energia (Pólo Espanhol)	68	70
MIBGÁS, S.A.	64	-
	13,044	10,018

14. TRADE AND OTHER RECEIVABLES

Trade and other receivables at 31 December 2024 and 2023 are made up as follows:

	2024			2023		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Trade receivables	394,462	574	395,036	361,825	2,292	364,116
Impairment of trade receivables	(3,410)	-	(3,410)	(4,195)	-	(4,195)
Trade receivables net	391,053	574	391,626	357,630	2,292	359,921
Tariff deviations	93,529	74,046	167,575	313,076	90,920	403,996
State and Other Public Entities	444	-	444	50,423	-	50,423
Trade and other receivables	485,026	74,620	559,646	721,129	93,211	814,341

The most relevant balances included in the trade and other receivables caption as of 31 December 2024 are: (i) the receivable of E-Redes Distribuição de Eletricidade, SA in the amount of 116,125 thousand euros (37,732 thousand euros at 31 December 2023); (ii) the receivable of Galp Gás Natural, S.A., in the amount of 5,167 thousand euros (12,299 thousand euros at 31 December 2023); (iii) the receivable of EDP – Gestão da Produção de Energia, S.A., in the amount of 5,407 thousand euros (242 thousand euros at 31 December 2023); (iv) the receivable of EDP – Energias de Portugal, S.A., in the amount of 1,157 thousand euros (1,930 thousand euros at 31 December 2023); (v) the receivable of Endesa Generación, S.A., in the amount of 9,615 thousand euros (9,623 thousand euros at 31 December 2023) and (vi) the amount of 17,350 thousands euros regarding Social Tariff, not yet invoiced by 31 December 2024.

In the trade and other receivables at 31 December 2024, also stands out the amounts not yet invoiced of the activity of the Market Manager (MIBEL – Mercado Ibérico de Electricidade), in the amount of 25,091 thousand euros (65,928 thousand euros at 31 December 2023), the amount to invoice to EDP – Distribuição de Energia, S.A., of 7,787 thousand euros (7,626 thousand euros at 31 December 2023) regarding the CMEC, also reflected in the caption "Suppliers and other accounts payable" (Note 23) and the amount of 42,452 thousand euros related to the payment of dividends as advance on profits (Note 32).

This transaction related to "CMEC" sets a pass-through in the consolidated income statement of REN, fact for which it is compensated in that statement.

Changes to the impairment losses for trade receivable and other accounts receivable are made up as follows:

	2024	2023
Begining balance	(4,195)	(2,905)
Reclassifications	25	-
Increases	(244)	(1,320)
Utilization	22	-
Reversing	982	30
Ending balance	(3,410)	(4,195)

The ageing of trade receivables, net of impairment, is as follows:

	2024	2023
Not due and due up to 30 days	371,636	342,239
31-60 days	4,135	2,734
61-90 days	1,072	940
91-120 days	1,065	487
More than 120 days	13,718	13,521
	391,626	359,921

15. INVENTORIES

Inventories at 31 December 2024 and 2023 are made up as follows:

	2024	2023
Other materials	2,538	7,193
Inventories	2,538	7,193

The cost of goods sold and materials consumed, recognized in the year ended 31 December 2024 and 2023, is detailed as follows:

	2024	2023
Opening balance	7,193	5,134
Acquisitions	853	3,065
Transfers and reclassifications	(4,593)	3
Closing balance	2,538	7,193
Cost of goods sold and materials consumed	915	1,008

16. DERIVATIVE FINANCIAL INSTRUMENTS

At 31 December 2024 and 2023, the REN Group had the following derivative financial instruments contracted:

		31 DECEMBER 2024			
		ASSETS		LIABILITIES	
	NOTIONAL	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Derivatives designated as cash flow hedges					
Interest rate swaps	600,000 TEUR	1,554	28,642	-	-
		1,554	**28,642**	**-**	**-**
Derivatives designated as fair value hedges					
Interest rate swaps	600,000 TEUR	-	-	3,477	30,740
		-	**-**	**3,477**	**30,740**
Derivative financial instruments		**1,554**	**28,642**	**3,477**	**30,740**

		31 DECEMBER 2023			
		ASSETS		LIABILITIES	
	NOTIONAL	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Derivatives designated as cash flow hedges					
Interest rate swaps	900,000 TEUR	7,748	45,745	-	-
Currency and interest rate swaps	10,000,000 TJPY	-	-	8,601	-
		7,748	**45,745**	**8,601**	**-**
Derivatives designated as fair value hedges					
Interest rate swaps	600,000 TEUR	-	-	-	52,006
		-	**-**	**-**	**52,006**
Trading derivatives					
Trading derivatives	60,000 TEUR	871	-	-	-
		871	**-**	**-**	**-**
Derivative financial instruments		**8,619**	**45,745**	**8,601**	**52,006**

The valuation of the derivative financial instruments portfolio is based on fair value valuations performed by specialized external entities.

The amount recognized in this item refers to eight interest rate swap contracts negotiated by REN SGPS to hedge the interest rate fluctuation risk (Note 4.1).

Counterparties to derivative contracts are international financial institutions with a solid credit rating and first-rate national institutions.

For the purpose of the effectiveness tests of the designated hedging relationships, REN applies the "Dollar offset method" and the linear regression statistical method as methodologies. The effectiveness ratio is given by comparing the changes in fair value of the hedging instrument with the changes in fair value of the hedged item (or hypothetical derivative instrument simulating the conditions of the hedged item).

For the purpose of calculating ineffectiveness, the total change in fair value of the hedging instruments is considered.

The disclosed amount includes receivable or payable accrued interest, at 31 December 2024 related to these financial instruments, in the net amount payable of 2,021 thousand euros (at 31 December 2023 it was 1,591 thousand euros payable).

The characteristics of the derivative financial instruments negotiated at 31 December 2024 and 2023 were as follows:

						FAIR VALUE AT	
	FAIR VALUE AT	CURRENCY	REN PAYS	REN RECEIVES	MATURITY	31.12.2024	31.12.2023
Cash flow hedge							
Interest rate swaps	900,000 TEUR	EUR	[0.75%;1.266%]	[Euribor 3m; Euribor 6m]	[dec-2024;feb-2025]	-	53,492
Interest rate swaps	600,000 TEUR	EUR	[0.51%;1.266%]	[Euribor 6m]	[feb-2025;apr-2029]	30,196	-
Currency ans interest rate swaps	10,000,000 TJPY	EUR/ JPY	[Euribor 6m; + 2,19%]	[2.71%]	[jun-2024]	-	(8,601)
						30,196	**44,891**
Fair value hedge							
Interest rate swaps	300,000 TEUR	EUR	[Euribor 6m]	[0.611%; 0.6285%]	[feb-2025]	(3,477)	(11,748)
Interest rate swaps	300,000 TEUR	EUR	[Euribor 6m]	[-0.095%]	[apr-2029]	(30,740)	(40,258)
						(34,217)	**(52,006)**
Trading							
Interest rate swaps	60,000 TEUR	EUR	[0.99%]	[Euribor 6m]	[jun-2024]	-	871
						-	**871**
Total						**(4,020)**	**(6,244)**

The periodicity of the cash flows, paid and received, from the derivative financial instruments portfolio is semiannual and annual for cash flow hedging contracts, semiannual and annual for fair value hedging contracts.

The breakdown of the notional of derivatives at 31 December 2024 and 2023 is presented in the following table:

							2024
	2025	2026	2027	2028	2029	FOLLOWING YEARS	TOTAL
Interest rate swap (cash flow hedge)	300,000	-	-	-	300,000	-	600,000
Interest rate swap (fair value hedge)	300,000	-	-	-	300,000	-	600,000
Total	600,000	-	-	-	600,000	-	1,200,000

							2023
	2024	2025	2026	2027	2028	FOLLOWING YEARS	TOTAL
Interest rate swap (cash flow hedge)	300,000	300,000	-	-	-	300,000	900,000
Currency and interest rate swap (cash flow hedge)	72,899	-	-	-	-	-	72,899
Interest rate swap (fair value hedge)	-	300,000	-	-	-	300,000	600,000
Interest rate swap (trading)	60,000	-	-	-	-	-	60,000
Total	432,899	600,000	-	-	-	600,000	1,632,899

Swaps:

Cash flow hedge - Interest rate swaps

The Group hedges the interest rate risk associated with the fluctuation of the market interest rate index (Euribor) on a portion of future debt interest payments through the designation of interest rate swaps, in order to transform floating rate payments into fixed rate payments.

At 31 December 2024, the Group has a total of four cash flow hedging interest rate swap contracts for a total amount of 600,000 thousand euros (as of 31 December 2023 it was 900,000 thousand euros). The hedged risk is the variable rate index associated to the interest payments of the loans. Credit risk is not being hedged.

The fair value of the interest rate swaps, at 31 December 2024, is positive 30,196 thousand euros (at 31 December 2023 it was positive 53,492 thousand euros).

The derivatives described above, in a total amount of 600,000 thousand euros (at 31 December 2023 it was 600,000 thousand euros) are designated to hedge an aggregated exposure composed by the net effect of floating rate debt and interest rate swaps designated as fair value hedging instruments.

The amount recognised in reserves, relating to the cash flow hedges referred to above, was 27,568 thousand euros (at 31 December 2023 it was 49,268 thousand euros).

The hedged instruments of cash flow hedging relationships present the following conditions:

	MATURITY	HEDGED NOTIONAL	INTEREST RATE	HEDGED CARRYING AMOUNT - 2024	HEDGED CARRYING AMOUNT - 2023	NOTE
Cash flow hedging instruments						
European Investment Bank (EIB) Loan	16/12/2024	300,000 TEUR	Euribor 3m	-	301,068	20
Bond Issue (Euro Medium Term Notes)[1]	12/02/2025	300,000 TEUR	2.5%	306,574	306,281	20
Bond Issue (Euro Medium Term Notes)[2]	16/04/2029	300,000 TEUR	0.50%	299,675	299,353	20

Cash flow hedge – Interest and exchange rate swaps

The Group hedged the exchange rate risk of the 10,000 million Yen bond issued through a cross currency swap with the main characteristics similar to the bond with regard to exchange rate risk. Credit risk is not hedged.

As at 31 December 2024, the Group no longer holds active cross currency and interest rate swap (the fair value of the cross currency and interest rate swap at 31 December 2023 was negative 8,601 thousand euros).

Changes in the fair value of the hedging instrument are also being recognized in equity hedging reserves, with exception of:

- the offsetting of the exchange rate effect of the spot revaluation of the hedged item (bond issue in yen) at each reference date, arising from the hedging of the exchange rate risk[3];

[1] This hedged instrument is designated jointly with derivatives of fair value hedging amounting to 300,000 thousand euros (see conditions on the table above) in an aggregate exposure hedge to Euribor 6 months in the period from 2023 to 2025 and, as such, eligible for cash flow hedge.

[2] This hedged instrument is designated jointly with derivatives of fair value hedging amounting to 300,000 thousand euros (see conditions on the table above) in an aggregate exposure hedge to Euribor 6 months in the period from 2023 to 2029 and, as such, eligible for cash flow hedge.

[3] The currency effect of the underlying (loan), in the year 2024, was favorable in the amount of 5,067 thousand euros, and was offset, in the same amount, by the unfavourable effect of the hedging instrument in the income statement for the year (as of 31 December 2023 was favorable in 7,126 thousand euros).

- the ineffective effect of the hedge arising from the accounting designation made (REN contracted a trading derivative to economically hedge this ineffectiveness - see Trading Derivative)[4]. This inefficiency is caused by the change in the interest profile of the hedging instrument, which pays a variable rate in the period from 2019 to 2024.

Cash flow hedge – Non deliverable forward

In May 2021, the Group hedged the exchange rate risk of sales denominated in Chilean Pesos by Transemel, in a total amount of 7,950,000 thousand Chilean Pesos (CLP), through the contracting of a structure of thirty monthly non deliverable forwards on the monthly average of the EUR/ CLP exchange rate with maturity between 2021 and 2023.

As at 31 December 2024, the Group has no non-deliverable forwards active contracts designated as cash flow hedging instruments.

Integral income:

The movements recorded in the statement of comprehensive income through the application of cash flow hedges were as follows:

2024

CASH FLOW HEDGING INSTRUMENTS	CHANGE IN THE FAIR VALUE OF HEDGING INSTRUMENTS i)	OF WHICH: EFFECTIVE AMOUNT RECORDED IN HEDGE RESERVES	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR	COVERAGE RESERVE RECLASSIFICATIONS TO RESULTS FOR THE YEAR
Swaps of interest rate	(21,700)	(21,700)	-	-
Swaps of exchange rate and interest rate	8,551	1,770	(2,151)	8,932
	(13,149)	**(19,930)**	**(2,151)**	**8,932**

2023

CASH FLOW HEDGING INSTRUMENTS	CHANGE IN THE FAIR VALUE OF HEDGING INSTRUMENTS i)	OF WHICH: EFFECTIVE AMOUNT RECORDED IN HEDGE RESERVES	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR	COVERAGE RESERVE RECLASSIFICATIONS TO RESULTS FOR THE YEAR
Swaps of interest rate	(29,048)	(29,048)	-	-
Swaps of exchange rate and interest rate	(7,680)	195	(748)	(7,126)
	(36,728)	**(28,854)**	**(748)**	**(7,126)**

i) Does not include accrued interest and hedging inefficiency.

[4] The ineffective cash flow hedge component of the exchange rate risk recognised in the income statement, was negative 2,151 thousand euros, further increased by the effect of the trading derivative negotiated in negative 842 thousand euros (as of 31 December 2023 it was negative 748 thousand euros increased by 1,205 thousand euros of the negative effect of the trading derivative). Therefore, the net effect on the income statement for the period ended on 31 December 2024 amounted to negative 2,993 thousand euros (as of 31 December 2023 was negative 1,954 thousand euros).

Hedging reserve:
The movements recognised in the hedging reserve (Note 19) were as follows:

	FAIR VALUE	DEFERRED TAXES IMPACT	HEDGING RESERVES
1 January 2023	76,698	(17,179)	59,518
Changes in fair value and ineffectiveness	(28,940)	6,492	(22,448)
31 December 2023	47,758	(10,687)	37,071
1 January 2024	47,758	(10,687)	37,071
Changes in fair value and ineffectiveness	(19,930)	4,484	(15,446)
31 December 2024	27,828	(6,203)	21,625

Fair value hedge

The Group hedges the interest rate risk associated with the fluctuation of the market interest rate index (Euribor) on the fair value of interest payments on fixed-rate debt by negotiating interest rate swaps where it pays a variable rate and receives a fixed rate in order to convert fixed-rate debt payments into variable-rate payments.

At 31 December 2024, the Group has a total of four fair value hedging derivative contracts amounting to 600,000 thousand euros (as of 31 December 2023 it was 600,000 thousand euros). The hedged risk corresponds to the change in fair value of debt issues attributable to movements in the market interest rate index (Euribor). Credit risk is not being hedged. At 31 December 2024, the fair value of interest rate swaps designated as fair value hedging instruments was negative 34,218 thousand euros (as of 31 December 2023 it was negative 52,006 thousand euros).

Changes in the fair value of hedged items arising from interest rate risk are recognised in the income statement in order to offset changes in the fair value of the hedging instrument, which are also recognised in the income statement.

The hedged items of fair value hedging relationships have the following conditions:

2024

	MATURITY	HEDGED NOTIONAL	INTEREST RATE	CARRYING AMOUNT	ACCUMULATED FAIR VALUE ADJUSTMENT	VARIATION OF THE YEAR-END	NOTE
Fair value hedging instruments							
Bond Issue (Euro Medium Term Notes)	12.02.2025	300,000 TEUR	2.50%	305,178	1,396	(7,505)	20
Bond Issue (Euro Medium Term Notes)	16.04.2029	300,000 TEUR	0.50%	271,402	28,273	(9,098)	20
					29,669	(16,603)	

2023

	MATURITY	HEDGED NOTIONAL	INTEREST RATE	CARRYING AMOUNT	ACCUMULATED FAIR VALUE ADJUSTMENT	VARIATION OF THE YEAR-END	NOTE
Fair value hedging instruments							
Bond Issue (Euro Medium Term Notes)	12.02.2025	300,000 TEUR	2.50%	297,380	8,901	(8,084)	20
Bond Issue (Euro Medium Term Notes)	16.04.2029	300,000 TEUR	0.50%	261,981	37,372	(18,527)	20
					46,273	(26,611)	

In 2024, the change in fair value of the debt related to interest rate risk recognized i n the income statement was negative 16,603 thousand euros (at 31 December 2023 it was negative 26,611 thousand euros), resulting in an ineffective component, after considering the effect of the hedged items in the income statement, of approximately positive 40 thousand euros (at 31 December 2023 it was negative 1,007 thousand euros). The ineffectiveness recognized is related to the effect of the fixed leg spread of the hedging instruments that is not reflected in the hedged item.

Integral income:

The movements recorded in the statement of comprehensive income through the application of fair value hedges were as follows:

	2024
FAIR VALUE HEDGING INSTRUMENTS	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR
Swaps of interest rate	40

	2023
FAIR VALUE HEDGING INSTRUMENTS	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR
Swaps of interest rate	(1,007)

Trading derivative

The Group negotiated an interest rate swap, with a starting date in 2019 and maturity in 2024, which pays fixed rate and receives variable rate. This instrument, although not designated as hedge accounting considering IFRS 9 criteria, is currently hedging the effect of the ineffectiveness of the cash flow hedge of the interest and exchange rate risks of the bond issue in Yen, relative to the fluctuation of interest rates for the hedging period (see Cash Flow Hedge – Interest and Exchange Rate Swaps).

As at 31 December 2024, the Group no longer holds active trading swaps (the fair value of the trading derivative, on 31 December 2023, was positive 871 thousand euros). Credit risk is not being hedged.

Changes in the fair value of the trading derivative are recorded directly in the income statement. The impact in the income statement, as of 31 December 2024, related to the effect of the fair value of the trading derivative was negative 842 thousand euros (as of 31 December 2023 it was 1,205 thousand euros negative).

17. CASH AND CASH EQUIVALENTS

The amounts considered as cash and cash equivalents in the consolidated statements of cash flows for the years ended 31 December 2024 and 2023 are made up as follows:

	2024	2023
Cash	10	8
Bank deposits	40,467	40,137
Cash and cash equivalents in the statement of financial position	40,477	40,145
Bank overdrafts (Note 20)	(500)	-
The transitional gas price stabilization regime - Decree-Law No 84-D/2022 (Note 3.18 and 36)	-	-
Cash and cash equivalents in cash flow statement	39,977	40,145

In the years ended 31 December 2024 and 2023, there are no cash and cash equivalents that are not available for the group to use.

18. EQUITY INSTRUMENTS

As of 31 December 2024 and 2023, REN's subscribed and paid up share capital is made up of 667,191,262 shares of 1 euro each.

	2024		2023	
	NUMBER OF SHARES	SHARE CAPITAL	NUMBER OF SHARES	SHARE CAPITAL
Share Capital	667,191,262	667,191	667,191,262	667,191

The caption “Other changes in equity” in the years ended 31 December 2024 and 2023 amounted to 5,561 thousand euros.

Additionally, and following the share capital increase in 2017, the caption “Share Premium” in the years ended 31 December 2024 and 2023 amounted to 116,809 thousand euros.

At 31 December 2024, REN SGPS had the following own shares:

	NUMBER OF SHARES	PROPORTION	AMOUNT
Own shares	3,881,374	0.6%	(10,728)

No own shares were acquired or sold in the years ended 31 December 2024 and 2023.

In accordance with the Commercial Company Code (Código das Sociedades Comerciais) REN SGPS must at all times ensure that there are sufficient equity reserves to cover the value of own shares, in order to limit the amount of reserves available for distribution.

19. RESERVES

The caption “Reserves” in the amount of 343,969 thousand euros includes:

- **Legal reserve:** The Commercial Company Code in place requires that at least 5% of the net profit must be transferred to this reserve until it has reached 20% of the share capital. This reserve can only be used to cover losses or to increase capital. At 31 December 2024 this caption amounts to 141,378 thousand euros (141,378 thousand euros on 31 December 2023);
- **Fair value reserve:** includes changes in the fair value of available for sale financial assets (42,399 thousand euros positive), as detailed in Note 13 (39,461 thousand euros on 31 December 2023);
- **Hedging reserve:** includes changes in the fair value of hedging derivative financial instruments when cash flow hedge is effective (positive 21,625 thousand euros) as detailed in Note 16 (37,071 thousand euros on 31 December 2023); and
- **Other reserves:** This caption is changed by (i) application of the results of previous years, being available for distribution to shareholders; except for the limitation set by the Companies Code in respect of own shares (Note 18); (ii) exchange rate changes associated to the financial investment whose functional currency is Dollar; (iii) exchange variation of assets and liabilities of financial investments in subsidiaries, namely the exchange rate effect of converting Chilean Peso to Euro and (iv) changes in equity of associates recorded under the equity method. On 31 December 2024, this caption amounts to 138,567 thousand euros (138,781 thousand euros on 31 December 2023).

In accordance with the Portuguese legislation: (i) increases in equity as a result of the incorporation of positive fair value (fair value reserves and hedging reserves) can only be distributed to shareholders when the correspondent assets have been sold, exercised, extinct, settled or used; and (ii) income and other positive equity changes recognized as a result of the equity method can only be distributed to shareholders when paid-up. Portuguese legislation establishes that the difference between the equity method income and the amount of paid or deliberated dividends is equivalent to legal reserve.

20. BORROWINGS

The segregation of borrowings between current and non-current and by nature, at 31 December 2024 and 2023 was as follows:

	2024			2023		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Bonds	500,000	868,987	1,368,987	63,967	1,053,012	1,116,979
Bank borrowings	69,389	500,090	569,479	68,821	419,479	488,300
Commercial paper	320,000	250,000	570,000	556,000	550,000	1,106,000
Bank overdrafts (Note 17)	500	-	500	-	-	-
Leases liabilities	2,190	4,485	6,676	1,720	3,282	5,001
	892,080	1,623,563	2,515,643	690,508	2,025,773	2,716,281
Accrued interest	27,429	-	27,429	22,796	-	22,796
Prepaid interest	(5,094)	(6,210)	(11,304)	(2,363)	(3,072)	(5,435)
Borrowings	914,415	1,617,353	2,531,768	710,941	2,022,701	2,733,642

The change in borrowings during the year ended 31 December 2024 was as follows:

	OPENING BALANCE	SUBSCRIPTIONS	REIMBURSEMENT	EXCHANGE EVALUATION	FAIR VALUE	RECLASSIFICATION NON-CURRENT TO CURRENT	INCREASE LEASE LIABILITIES	OTHER	CLOSING BALANCE
NON-CURRENT									
Bonds	1,053,012	300,000	-	-	16,603	(500,000)	-	(628)	868,987
Bank borrowings	419,479	150,000	-	-	-	(69,388)	-	-	500,090
Commercial paper	550,000	3,541,000	(3,841,000)	-	-	-	-	-	250,000
Leases liabilities	3,282	-	(2,592)	-	-	-	3,796	-	4,485
	2,025,773	3,991,000	(3,843,592)	-	16,603	(569,388)	3,796	(628)	1,623,563
CURRENT									
Bonds	63,967	-	(58,900)	(5,067)	-	500,000	-	-	500,000
Bank borrowings	68,821	-	(68,820)	-	-	69,388	-	-	69,389
Commercial paper	556,000	2,282,000	(2,518,000)	-	-	-	-	-	320,000
Bank overdrafts	-	-	-	-	-	-	-	500	500
Leases liabilities	1,720	-	(76)	-	-	-	546	-	2,190
	690,508	2,282,000	(2,645,796)	(5,067)	-	569,388	546	500	892,080
Borrowings	2,716,281	6,273,000	(6,489,389)	(5,067)	16,603	-	4,342	(128)	2,515,643

The borrowings settlement plan was as follows:

	2025	2026	2027	2028	2029	FOLLOWING YEARS	TOTAL
Debt - Non current	-	196,566	100,952	359,592	451,844	514,609	1,623.563
Debt - Current	892,080	-	-	-	-	-	892,080
	892,080	**196,566**	**100,952**	**359,592**	**451,844**	**514,609**	**2,515.643**

Detailed information regarding bond issues as of 31 December 2024 is as follows:

ISSUE DATE	MATURITY	INITIAL AMOUNT	OUTSTANDING AMOUNT	INTEREST RATE	PERIODICITY OF INTEREST PAYMENT
					31 DECEMBER 2024
Issuances under the Euro Medium Term Notes Program					
12.02.2015	12/02/2025	TEUR 300,000 i)	TEUR 500,000	Fixed rate EUR 2.50%	Anual
18.01.2018	18/01/2028	TEUR 300,000	TEUR 300,000	Fixed rate EUR 1.75%	Anual
16.04.2021	16/04/2029	TEUR 300,000 i)	TEUR 300,000	Fixed rate EUR 0.50%	Anual
27.02.2024	27/02/2032	TEUR 300,000	TEUR 300,000	Fixed rate EUR 3.50%	Anual

i) These issues correspond to private placements.

As of 31 December 2024, the Group has eleven commercial paper programs in the amount of 2,225,000 thousand euros, of which 1,655,000 thousand euros are available for utilization. Of the total amount 1,025,000 thousand euros have a guaranteed placement, of which 775,000 thousand euros are available for utilization at 31 December 2024 (at 31 December 2023, 300,000 thousands euros were available).

In 2024, the Group issued a Green Bond in the amount of 300,000 thousand euros at a fixed rate and reimbursed the bond in the amount of 10,000,000 thousand yens.

In December 2024, the Group disbursed the second amount of 150,000 thousand euros under the first tranche of the "green finance" contracted with the European Investment Bank in December 2022.

At of 31 December 2024, the first tranche in the amount of 300,000 euros is totally disbursed and 150,000 thousand euros are yet to be disbursed under the second tranche of this "green finance" signed on January 2023.

Bank loans are mostly composed of loans contracted with the European Investment Bank (EIB), which at 31 December 2024 amounted to 534,479 thousand euros (at 31 December 2023 it was 453,300 thousand euros).

The Group also has credit lines negotiated in the amount of 80,000 thousand euros and used an amount of 470 thousand euros, maturing up to one year, which are automatically renewable periodically (if they are not resigned in the contractually specified period for that purpose).

As a result of the fair value hedge related to the debt emission in the amount of 600,000 thousand euros, fair value changes concerning interest rate risk were recognized directly in statement of profit and loss, in a negative amount of 16,603 thousand euros (at 31 December 2023 was negative 26,611 thousand euros) (Note 16).

The Company's financial liabilities have the following main types of covenants: Cross default, Pari Passu, Negative Pledge and Gearing.

The bank loans with BEI include also covenants related with rating and other financial ratios in which the Group may be called upon to present an acceptable guarantee in the event of rating and financial ratios below the established values.

As of 31 December 2024, the Group complies with all the covenants to which it is contractually bound.

REN and its subsidiaries are a part of certain financing agreements and debt issues, which include change in control clauses typical in this type of transactions (including, though not so expressed, changes in control as a result of takeover bids) and essential to the realization of such transactions on the appropriate market context. In any case, the practical application of these clauses is limited to considering the legal ownership of shares of REN restrictions.

Following the legal standards and usual market practices, contractual terms and free market competition, establish that neither REN nor its counterparts in borrowing agreements are authorized to disclose further information regarding the content of these financing agreements.

The exposure of the Group's borrowings to changes in interest rates on the contractual re-pricing dates is as follows:

	2024	2023
6 month or less	1,781,500	245,793
6 - 12 month	10,456	-
1 - 5 years	425,000	1,617,442
Over 5 years	300,000	862,628
	2,516,956	**2,725,863**

The effect of the foreign exchange rate exposure was not considered as this exposure is totally covered by hedge derivate in place.

The average interest rates for borrowings including commissions and other expenses were 2.75% in 2024 and 2.49% in 2023.

Leases

Minimal payments regarding lease contacts and the carrying amount of the finance lease liabilities as of 31 December 2024 and 2023 are made up as follows:

	2024	2023
Lease liabilities - minimum lease payments		
No later than 1 year	2,407	1,915
Later than 1 year and no later than 5 years	4,726	3,492
	7,133	**5,406**
Future finance charges on leases	(457)	(405)
Present value of lease liabilities	**6,676**	**5,001**

	2024	2023
The present value of lease liabilities is as follows		
No later than 1 year	2,190	1,720
Later than 1 year and no later than 5 years	4,485	3,282
	6,676	**5,001**

21. POS-EMPLOYMENT BENEFITS AND OTHERS BENEFITS

As explained in Note 3.10, REN – Rede Eléctrica Nacional, S.A. grants supplementary retirement, early-retirement and survivor pensions (hereinafter referred to as Pension Plan), provides its retirees and pensioners with a health care plan on a similar basis to that of its serving personnel, and grants other benefits such as long service award, retirement award and a death subsidy (referred to as "Other benefits"). The Group also grants their employees life assurance plans. The long service award is applicable to all Group companies.

In November 2012, the Group terminated the Collective Bargaining Agreement ("ACT") which covered only part of REN employees (about 50%) proposing to the unions a new ACT applicable to all Group companies. This proposal aimed to integrate in a single document several and disperse existing documentation, adapting the new document do the Group current needs.

On 30 January 2015 the Group signed a new agreement with its employees effective on 1 February 2015, incorporating the following changes on future liabilities of long-term benefits:

- **Health care plan:** were considered new reimbursement limits; and
- **Other benefits:** (i) long service bonus extended to all Group employees; (ii) energy benefit was included.

At 31 December 2024 and 2023, the Group had the following amounts recorded relating to liabilities for retirement and other benefits:

	2024	2023
Liability on statement of financial position		
Pension plan	36,634	38,511
Healthcare plan and other benefits	36,214	37,344
	72,847	**75,855**

The reconciliation of the remeasurement of the net benefit liability is as follows:

	2024	2023
Initial balance	75,855	64,939
Current service costs and Net interest on net defined benefit liability	4,646	4,220
Actuarial gains/ (losses):		
- impact on the statement of profit and loss	(32)	17
- impact on equity	(4,071)	10,963
Benefits paid	(3,551)	(4,284)
Final balance	72,847	75,855

During the years ended 31 December 2024 and 2023, the following operating expenses were recorded regarding benefit plans with employees:

	2024	2023
Charges to the statement of profit and loss (Note 28)		
Pension plan	3,063	2,719
Healthcare plan and other benefits	1,551	1,518
	4,614	4,237

The actuarial assumptions used to calculate the post-employment benefits are considered by the REN Group and the entity specialized in the actuarial valuation reports to be those that best meet the commitments established in the Pension plan, and related retirement benefit liabilities, and are as follows:

	2024	2023
Annual discount rate	Full Yield Curve (single rate equivalent: 3.50%)	Full Yield Curve (single rate equivalent: 3.34%)
Expected percentage of serving employees elegible for early retirement (more than 60 years of age and 36 years in service) - by Collective work agreement	20.00%	20.00%
Expected percentage of serving employees elegible for early retirement - by Management act	10.00%	10.00%
Rate of salary increase	4.80% from 2025 and 2,80% from 2026	5.00% by 2024, 4.80% by 2025 and 2.80% from 2026
Pension increase	2.30% from 2025	5.00% by 2024 2.30% from 2025
Future increases of Social Security Pension amount	2.30% from 2025	5.00% by 2024 2.30% from 2025
Inflation rate	2.30%	2.30%
Medical trend	2.30%	2.30%
Management costs (per employee/ year)	358 euros	353 euros
Expenses medical trend	2.30%	2.30%
Retirement age (number of years)	66 years and 7 months	66 years and 4 months
Mortality table	TV 99/01	TV 99/01

The annual discount rate used in the valuation of liabilities, was obtained through an analysis of rates of return on bonds considered appropriate and in line with the duration of the obligations associated with different benefit plans (see discount rate determination in note 3.10).

Employees who meet certain predefined conditions of age and seniority and who chose to take early retirement, as well as those that agree with the Company to take early retirement, are also included in the plans.

Sensitivity analysis

In the year ended 31 December 2024, the granular methodology was used to calculate liabilities. The benefits are broken down into cash flows according to the expected year of payment, with each cash flow being discounted using a discount rate corresponding to its duration, thus allowing to reflect the duration of each element. Since the benefits have different average durations, a different effective average discount rate was considered for each benefit.

For the purposes of the sensitivity analysis of the pension plan, health care plan and other benefits, an equivalent discount rate of 3.35%, 3.51% and 3.54%, respectively, was considered.

In the scenario where we apply an increase and a decrease of 1% to discount rate in determination of the responsibilities with pension plan and medical and other benefits plan, the following changes would occur:

	DISCOUNT RATE FOR SENSITIVITY ANALYSIS		
	2.35%	**3.35%**	**4.35%**
Pension plan			
Liabilities	69,918	63,269	57,537
Impact on liabilities	6,649	-	(5,732)
	2.51%	**3.51%**	**4.51%**
Healthcare plan			
Liabilities	14,460	12,840	11,512
Impact on liabilities	1,620	-	(1,328)
	2.54%	**3.54%**	**4.54%**
Other benefits			
Liabilities	26,923	23,374	20,544
Impact on liabilities	3,549	-	(2,830)

The evolution of the eligible population for the pension plan and the healthcare and other benefits plan is as follows:

	2024	2023
Active (pension plan, healthcare plan and other benefits)	204	225
Active (long service award benefit)	758	744
Pre-retires and earlier retires	29	43
Retires	737	714

21.1 PENSION PLAN

To cover its liability for supplementary retirement pensions, REN contributes to an autonomous Pension fund.

In the years ended 31 December 2024 and 2023, no contributions were made to the REN Pension Fund. No contributions are expected for the following year.

The expected payments plan, given its maturity, of the obligations of the pension plan is in the following table:

	2025	2026	2027	2028	2029	2030-2034
Expected benefits payments	3,370	3,408	3,702	3,722	3,804	22,986

The weighted average duration of the obligations of the pension plan is 10 years.

The portfolio of assets of the REN Pension Fund as of 31 December 2024 and 2023 were as follows, in accordance with information provided by the financial institution in charge for the management of REN`s Pension Fund:

PLAN ASSETS	2024	%	2023	%
Bonds	18,894	71%	19.376	71%
Shares	6,865	26%	6.745	25%
Readily available deposits	876	3%	1.126	4%
Absolute return	1	0%	1	0%
Total	**26,636**	**100%**	**27.248**	**100%**

Evolution of the assets of the Pension Fund in 2024 and 2023 was as follows:

FUND'S ASSET EVOLUTION	2024	2023
At 1 January	27,248	27,015
Actuarial gain/ (loss)	775	1,600
Benefits paid	(2,254)	(2,317)
Return on plan assets i)	868	950
At 31 December	26,636	27,248

(i) Unique rate applied to the obligation and assets pension plan.

The liabilities and corresponding annual costs are determined by annual actuarial calculations, using the projected unit credit method, made by an independent actuary based on assumptions that reflect the demographic conditions of the population covered by the plan and the economic and financial conditions at the moment of the actuarial calculations.

The amount of the liability recognized in the consolidated statement of financial position was determined as follows:

	2024	2023
Present value of the liability	(63,269)	(65,758)
Fair value of plan assets	26,636	27,248
	36,634	38,511

The reconciliation of the remeasurement of liability net of benefits is as follows:

	2024	2023
At 1 January	38,511	32,551
Current service costs	1,791	1,494
Net interest on net defined benefit liability	1,272	1,225
Actuarial gains/ (losses)	(3,009)	(2,849)
Benefits paid	(1,931)	6,090
At 31 December	36,634	38,511

The changes in the present value of the underlying liability of the pension plan were as follows:

	2024	2023
At 1 January	65,758	59,566
Current service costs	1,791	1,494
Interest costs	2,139	2,175
Benefits paid	(4,185)	(5,165)
Actuarial(gains)/ losses	(2,234)	7,689
At 31 December	63,269	65,758

Reconciliation of the obligation of the pension plan

The impact on the consolidated statement of profit and loss for the year was as follows:

	2024	2023
Current service costs	1,791	1,494
Net interest on net defined benefit liability	1,272	1,225
Total included in personnel costs	**3,063**	**2,719**

Historical analysis of the actuarial gains and losses

The actuarial gains and losses that result from the adjustments made to de actuarial assumptions, experience assumptions (difference between the actuarial assumptions and what effectively occurred) or in the defined benefits are as follows:

	2024	2023
DISCOUNT RATE	**FULL YIELD CURVE**	**FULL YIELD CURVE**
Liabilities amount	63,269	65,758
Value of the fund	26,636	27,248
Actuarial gains/ (losses) on liabilities	2,234	(7,689)
- for change in assumptions	854	(5,532)
- from experience	1,380	(2,157)
Actuarial gains/ (losses) on fund assets	775	1,600

21.2 HEALTHCARE AND OTHER BENEFITS

The healthcare and other benefits plan does not have a fund, the liability being covered by a specific provision.

The amounts of the liability recognized in the statements of financial position were as follows:

	2024	2023
Present value of the obligation	36,214	37,344
Liability in the statement of financial position	**36,214**	**37,344**

The changes in the amount of the obligation for healthcare and other benefits were as follows:

	2024	2023
At 1 January	**37,344**	**32,388**
Current service costs	371	312
Interest costs	1,214	1,190
Benefits paid	(1,620)	(1,437)
Actuarial (gain)/ loss	(1,094)	4,892
At 31 December	**36,214**	**37,344**

The effects of the plan on the consolidated statements of profit and loss were as follows:

	2024	2023
Current service costs	371	312
Interest costs	1,214	1,190
(Gains)/ losses of other long term employee benefit plans	(33)	16
Total included in personnel costs	**1,551**	**1,518**

Medical expenses trend rate in the Healthcare plan

The medical cost increase rate adopted by the Group assessed by reference to historical series statistics expenses increases was 2.3%.

The effect of an increase of one percentage point of the healthcare expenses growth rate, represents a 15% increase in liabilities, where a decrease of one percentage point results in a decrease of 12% in liabilities as shown below:

	GROWTH RATE FOR SENSITIVITY ANALYSIS		
	1.30%	2.30%	3.30%
Current service and interest costs	483	551	635
Impact on current service and interest costs	(68)	-	84
	2.51%	3.51%	4.51%
Past service liabilities	14,460	12,840	11,512
Impact on past service liabilities	1,620	-	(1,328)

Historical analysis of the actuarial gains and losses in the medical and other benefits plan

The actuarial gains and losses that result from the adjustments made to de actuarial assumptions, experience assumptions (difference between the actuarial assumptions and what effectively occurred) or in the defined benefits are as follows:

	2024	2023
DISCOUNT RATE	FULL YIELD CURVE	FULL YIELD CURVE
Liabilities amount	36,214	37,344
Actuarial (gains)/ losses on liabilities	(1,094)	(4,892)
- for change in assumptions	(933)	(3,903)
- from experience	(162)	(989)

The expected payments plan, given its maturity, of the obligations of the pension plan is in the following table:

	2025	2026	2027	2028	2029	2030-2034
Expected benefits payments	2,106	1,969	1,992	1,972	1,936	9,832

The weigh average duration of these liabilities is 12 years for healthcare and 14 years for other benefits.

22. PROVISIONS FOR OTHER RISKS AND CHARGES

The changes in provisions for other risks and charges in the years ended 31 December 2024 and 2023 were as follows:

	2024	2023
Begining balance	10,016	10,576
Exchange rate differences	(69)	693
Increases	2,848	3,241
Reversing	(588)	(2,430)
Utilization	(285)	(2,064)
Ending balance	11,922	10,016

At 31 December 2024, the caption “Provisions” corresponds essentially to estimates of the payments to be made by REN resulting from legal processes in progress for damage caused to third parties and a provision for restructuring in the amount of 2,460 thousand euros related to the ongoing restructuring process of the Group (1,539 thousand euros at 31 December 2023).

23. TRADE AND OTHER PAYABLESR

The caption "Trade and other payables" at 31 December 2024 and 2023 was made up as follows:

			2024			2023
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Trade payables						
Current suppliers	193,533	-	193,533	352,089	-	352,089
Other creditors						
Other creditors	20,564	31,374	51,938	21,516	32,724	54,240
Tariff deviations	9,501	23,730	33,230	52,009	24,522	76,531
Fixed assets suppliers	105,692	-	105,692	72,373	-	72,373
Trade receivables advances (guarantees)	17,418	153	17,571	12,736	-	12,736
Tax payables i)	**62,240**	**-**	**62,240**	**18,853**	**-**	**18,853**
Deferred income						
Grants related to assets	27,655	370,739	398,394	21,515	284,487	306,002
Bilateral agreements	-	151,155	151,155	-	136,585	136,585
Others	22,061	1,499	23,560	15,291	1,760	17,051
Accrued costs						
Holidays and holidays subsidies	6,780	-	6,780	6,577	-	6,577
Trade and other payables	**465,445**	**578,650**	**1,044,095**	**572,961**	**480,077**	**1,053,038**

i) Tax payables refer to VAT, personnel income taxes and other taxes.

The caption "Trade and other payables" includes: (i) the amount of 34,198 thousand euros of investment projects not yet invoiced (25,209 thousand euros at 31 December 2023); (ii) the amount of 26,645 thousand euros (65,928 thousand euros at 31 December 2023) from the activity of the Market Manager (MIBEL – Mercado Ibérico de Electricidade); (iii) the amount of 7,787 thousand euros of "CMEC – Custo para a Manutenção do Equilíbrio Contratual" to be invoiced by EDP – Gestão da Produção de Energia, S.A. (7,626 thousand euros at 31 December 2023), also reflected in the caption "Trade receivables" (Note 14); (iv) the amount of 33,144 thousands euros of E-Redes Distribuiçao de Eletricidade, S.A. (145,425 thousands euros at 31 December 2023); (v) the amount of 17,262 thousands euros of Empresa de Eletricidade da Madeira, S.A. (17,302 thousands euros at 31 December 2023); (vi) the amount of 14,976 thousands euros of Eletricidade dos Açores, S.A. (17,007 thousands euros at 31 December 2023) and (vii) the amount of 12,169 thousands euros of SU Eletricidade S.A. (11,934 thousands euros at 31 December 2023).

This transaction related to "CMEC" sets a pass-through in the consolidated income statement of REN, fact for which it is compensated in that statement.

The caption "Other creditors" includes the amount of 9,906 thousand euros (5,718 thousand euros at 31 December 2023) related with the Efficiency Promotion Plan on Energy Consumption ("PPEC"), which aims to financially support initiatives that promote efficiency and reduce electricity consumption, which should be used to finance energy efficiency projects, according to the evaluation metrics defined by ERSE.

The ageing of trade suppliers, other creditors and fixed assets suppliers is as follows:

AGEING OF DEBTS	2024	2023
Not due and due up to 30 days	336,086	306,294
31-60 days	891	26,279
61-90 days	116	891
91-120 days	79	11,889
More than 120 days	13,991	146,085
	351,163	**491,438**

The movement in the caption "Grants related to assets" current and non-current, in the years ended 31 December 2024 and 2023 was as follows:

GRANTS	
At 1 January 2023	**272,194**
Increases	52,977
Recognition of investment subsidies in profit and loss (Note 26)	(19,168)
At 31 December 2023	**306,002**
Increases	48,182
Adjustments/ transfers i)	63,186
Recognition of investment subsidies in profit and loss (Note 26)	(18,975)
At 31 December 2024	**398,394**

i) The value of the "Adjustments/ transfers" heading essentially refers to transfers between the "Bilateral agreements" and "Investment subsidies", considering the transfer to operation of assets related to operation, under Decree-Law No 15/2022 of January 14.

24. SALES AND SERVICES RENDERED

Sales and services rendered recognized in the consolidated statement of profit and loss for the years ended 31 December 2024 and 2023 is made up as follows:

	2024	2023
Goods:		
Domestic market	613	179
	613	**179**
Services - Domestic market:		
Electricity transmission and overall systems management	406,325	407,293
Gas transmission	82,677	71,600
Gas distribution	61,973	58,881
Underground gas storage	27,028	28,615
Regasification	24,928	56,748
Telecommunications network	8,035	7,714
Commercial Agent's Margin - REN Trading	586	922
Others	792	360
Services - External market (Chile):		
Transmission and transformation of electricity	15,508	19,449
	627,851	**651,581**
Total sales and services rendered	**628,464**	**651,760**

25. REVENUE AND COSTS FOR CONSTRUCTION ACTIVITIES

As part of the concession contracts treated under IFRIC 12, the construction activity is subcontracted to specialized suppliers. Therefore the Group obtains no margin in the construction of these assets. The detail of the revenue and expenses with the acquisition of concession assets as of 31 December 2024 and 2023 were made up as follows:

	2024	2023
Revenue from construction of concession assets		
Acquisitions	323,014	267,810
Own work capitalised :		
Financial expenses (Note 8)	7,381	5,575
Overhead and management costs (Note 8)	24,007	22,738
	354,403	**296,123**
Cost of construction of concession assets		
Acquisitions	323,014	267,810
	323,014	**267,810**

26. OTHER OPERATING INCOME

The caption "Other operating income" loss for the years ended 31 December 2024 and 2023 is made up as follows:

	2024	2023
Recognition of investment subsidies in profit and loss (Note 23)	18,975	19,168
Underground occupancy tax	4,794	4,832
Disposal of unused materials	1,060	1,452
Supplementary income i)	8,215	1,539
Others	3,982	3,454
	37,025	**30,446**

i) The item "Supplementary income" includes the amount of 6,674 thousand euros related to the recognition of deferred income associated with bilateral agreements, in accordance with Decree-Law No 15/2022 of 14 of January.

27. EXTERNAL SUPPLIES AND SERVICES

The caption “External supplies and services” for the years ended 31 December 2024 and 2023 is made up as follows:

	2024	2023
Fees relating to external entities i)	24,418	24,159
Cross border interconnection costs ii)	24,206	45,508
Costs of end PPA- Pass through iii)	18,461	-
Maintenance costs	16,252	17,056
Electric energy costs	7,488	6,634
Gas transport subcontracts	6,858	6,460
Insurance costs	4,920	5,005
Security and surveillance	2,586	2,317
Travel and transportation costs	1,801	1,546
Advertising and communication costs	1,150	1,197
Other	5,398	5,571
External supplies and services	113,537	115,453

i) The fees paid to external entities refer to specialized work and fees paid by REN for contracted services and specialized studies.

ii) The cross border interconnection costs refer to the cost assumed on cross-border trade in electricity.

iii) The costs with Turbogás arising from the termination of the PPA contract at the end of March 2024.

This caption includes audit services as well as consulting services rendered by audit companies recorded as expenses in 2024, as follows:

	2024	2023
Audit and statutory audit	383	417
Other assurance services	139	96
Services other than audit and statutory audit	13	119
	535	632

28. PERSONNEL COSTS

Personnel costs for the years ended 31 December 2024 and 2023 are made up as follows:

	2024	2023
Remuneration:		
Board of directors	3,329	3,840
Personnel	47,072	43,977
	50,401	47,817
Social charges and other expenses:		
Social security costs	9,589	9,085
Post-employement and other benefits cost (Note 21)	4,614	4,237
Social support costs	2,626	2,519
Other	387	323
	17,217	16,163
Total personnel costs	67,618	63,980

The Corporate bodies remuneration includes remunerations paid to the Board of Directors as well as the General Shareholders meeting attendance.

The average number of employees of the Group in 2024 was 766 (735 in 2023).

29. OTHER OPERATING COSTS

Other operating costs for the years ended 31 December 2024 and 2023 are made up as follows:

	2024	2023
ERSE operating costs i)	13,789	13,001
Underground occupancy tax	4,656	4,817
Donations and quotizations	2,086	2,135
Others	2,282	1,767
	22,813	21,719

i) The caption “ERSE operating costs” corresponds to ERSE’s operating costs, to be recovered through electricity and gas tariffs.

30. FINANCIAL COSTS AND FINANCIAL INCOME

Financial costs and financial income for the years ended 31 December 2024 and 2023 are made up as follows:

	2024	2023
Financial costs		
Interest on bonds issued	29,319	27,637
Other borrowing interests	29,363	21,346
Interest on commercial paper issued	22,654	16,972
Derivative financial instruments	2,993	3,131
Exchange rate differences	1,332	1,724
Other financing expenditure	8,141	12,340
	93,801	**83,151**
Financial income		
Other financial investments	10,659	6,599
Interest income	6,673	20,338
Derivative financial instruments	6,674	2,658
Exchange rate differences	20	61
	24,027	**29,656**

31. EARNINGS PER SHARE

Earnings per share were calculated as follows:

		2024	2023
Consolidated net profit used to calculate earnings per share	(1)	152,512	149,236
Number of ordinary shares outstanding during the period (Note 18)	(2)	667,191,262	667,191,262
Effect of treasury shares (Note 18)		3,881,374	3,881,374
Number of shares in the period	(3)	**663,309,888**	**663,309,888**
Basic earnings per share (euro per share)	(1)/(3)	**0,23**	**0,22**

The basic earnings per share are the same as the diluted earnings as there are no situations that could origin dilution effects.

32. DIVIDENDS PER SHARE

On 27 April 2023, the General Meeting approved the distribution of dividends to shareholders, based on the result for the 2022 financial year, in the amount of 102,747 thousand euros (0.154 euros per share), including the dividend attributable to own shares in the amount of 597 thousand euros, with the amount of 102,150 thousand euros having been paid to shareholders (the amount of 42,452 thousand euros paid
in 2022, as an advance on profits, and the amount of 59,698 thousand euros in 2023).

On 9 May 2024, the General Meeting approved the distribution of dividends to shareholders, based on the results for the year 2023, in the amount of 102,747 thousand euros (0.154 euros per share), including the dividend attributable to own shares in the amount of 597 thousand euros, with the total amount of 102,150 thousand euros being paid to shareholders (42,452 thousand euros paid in the year 2023,
as an advance on profits and 59,698 thousand euros in the year 2024).

The Board of Directors of REN – Redes Energéticas Nacionais, SGPS, S.A. approved, on 29 November 2024, the payment of dividends, as an advance on profits, in the amount of 0.064 euros per share, in the amount of 42,452 thousand euros.

33. CONTINGENT ASSETS AND LIABILITIES

33.1 COMMITMENTS

The commitments assumed by REN Group relating to investments contracted but not yet realized, not reflected in the statement of financial position as of 31 December 2024 and 2023, were as follows:

	2024	2023
Power lines	280,938	109,243
Substations	151,896	106,074
Gas pipelines	8,229	7,413
Sines Terminal	3,649	2,261
Underground gas storage	662	1,031
	445,374	**226,022**

Regarding joint ventures and associates, there are no other commitments assumed by the Group and which are not included in the consolidated statement of financial position, for the years ended 31 December 2024 and 2023.

33.2 CONTINGENT LIABILITIES

Tejo Energia - Produção e Distribuição de Energia Eléctrica, SA ("Tejo Energia") and Turbogás – Produtora Energética S.A. ("Turbogás") have announced to REN - Rede Eléctrica Nacional, SA ("REN Eléctrica") and REN Trading SA ("REN Trading") its intention to renegotiate the Purchase Power Agreement (PPA), in order to reflect in the amounts payable to this producer the costs, which in its opinion would be due, incurred with (i) financing of the social tariff and (ii) with the tax on petroleum products and energy and with the rate of carbon; and (iii) in the case of Turbogás also the costs incurred with the financing of the ECES.

According to the PPA, Tejo Energia and Turbogás act as producers and sellers and REN Trading as purchaser of the energy produced in power plants. REN Eléctrica was jointly and severally liable with REN Trading, regarding the execution of the PPA with Tejo Energia and Turbogás. According to the information received, the total estimated costs incurred by these companies until 31 December 2024 amounts to, approximately, 153,400 million euros.

REN Trading was extinguished by incorporation into REN Eléctrica, as a results of their merger (Note 1). REN Eléctrica considers that, with the existing legal framework, this possibility depends on the recognition that the associated charges can be considered as general costs of the national electricity system, the only way to guarantee the economic neutrality of REN's contractual position.

The processes were filed by Tejo Energia and Turbogás and are being contested by REN Eléctrica, pending their outcome.

33.3 GUARANTEES GIVEN

At 31 December 2024 and 2023, the REN Group had given the following bank guarantees:

BENEFICIARY	SCOPE	2024	2023
European Investment Bank	To guarantee loans	147,929	183,427
General Directorate of Energy and Geology	To guarantee compliance with the contract relating to the public service concession	24,028	24,028
Tax Authority and Customs	Ensure the suspension of tax enforcement proceedings	16,890	22,219
Judge of District Court	Guarantee for expropriation processes	7,278	7,278
Mibgás	To guarantee the liabilities incurred from the participation in the gas organized market	4,000	4,000
Portuguese State	Guarantee for litigation	2,514	2,514
Municipal Council of Maia	Guarantee for litigation	1,564	1,564
Municipal Council of Seixal	Guarantee for litigation	1,316	3,133
Municipal Council of Odivelas	Guarantee for litigation	1,119	1,119
Infraestruturas de Portugal	Guarantee for litigation	895	794
Municipal Council of Porto	Guarantee for litigation	368	368
Municipal Council of Silves	Guarantee for expropriation processes	352	352
NORSCUT - Concessionária de Auto-estradas	To guarantee prompt payment of liabilities assumed by REN in the contract ceding utilization	200	200
EDP - Gestão da Produção de Energia, S.A.	Guarantee obligations assumed by the Payer in the contract for the Provision of Communications Services	123	123
Lisbon Maritime Customs	Constitution of debts for customs duties and other charges	115	115
Others (loss then 100 thousand Euros)	Guarantee for litigation	270	270
		208,963	**251,505**

The given guarantees have the following maturities:

	31 DECEMBER 2024			
	LESS 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Guarantees on borrowings	37,653	87,665	22,611	147,929
Other guarantees	-	-	61,034	61,034
	37,653	87,665	83,645	208,963

	31 DECEMBER 2023			
	LESS 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Guarantees on borrowings	37,368	104,705	41,354	242,548
Other guarantees	-	-	68,079	65,583
	37,368	104,705	109,433	251,505

33.4 GUARANTEES RECEIVED

REN has collateral guarantees regarding accounts receivable, namely bank guarantees, which amount to, approximately, 685,434 thousand euros as of 31 December 2024 (596,106 thousand euros as of 31 December 2023).

34. RELATED PARTIES

Main shareholders and shares held by corporate bodies

At 31 December 2024 and 2023, the shareholder structure of Group REN was as follows:

	2024		2023	
	NUMBER OF SHARES	%	NUMBER OF SHARES	%
State Grid Corporation of China	166,797,815	25.0%	166,797,815	25.0%
Pontegadea Inversiones, S.L.	80,100,000	12.0%	80,100,000	12.0%
Lazard Asset Management, LLC	51,346,447	7.7%	51,105,111	7.7%
Fidelidade - Companhia de Seguros, S.A.	35,496,424	5.3%	35,496,424	5.3%
Redeia Corporación, S.A.	33,359,563	5.0%	33,359,563	5.0%
Own shares	3,881,374	0.6%	3,881,374	0.6%
Others	296,209,639	44.4%	296,450,975	44.4%
	667,191,262	100%	667,191,262	100%

The number of shares of REN SGPS held by corporate bodies at 31 December 2024 and 2023 is detailed in the Director's Report.

Management remuneration

The Board of Directors of REN SGPS was considered, in accordance with IAS 24, to be the only key members in the Management of the Group.

REN has not established any specific retirement benefit system for the Board of Directors.

Remuneration of the Board of Directors of REN SGPS in the year ended 31 December 2024 amounted to 3,051 thousand euros (3,461 thousand euros in 31 December 2023), as shown in the following table:

	2024	2023
Remuneration and other short term benefits	1,825	1,737
Management bonuses (estimate)	1,226	1,724
	3,051	3,461

Transaction of shares, bonds and others by the members of the Board of Directors

During the year ended 31 December 2024, Fidelidade – Companhia de Seguros, S.A., a company of which Mr. Jorge Manuel Baptista Magalhães Correia is Chairman of the Board of Directores, sold 1,000 thousand euros of REN Finance, B.V. bonds.

On November 28, 2024, Fidelidade - Companhia de Seguros, S.A., a company of which Mr. Jorge Manuel Baptista Magalhães Correia is Chairman of the Board of Directors, acquired 10,500 thousand euros of bonds of REN Redes Energéticas Nacionais, SGPS, S.A.

During the year ended 31 December 2024, the members of the Board of Directors and Members of the Commission, João Faria Conceição and Gonçalo Morais Soares, according to the company policy, made an acquisition of a tangible fixed asset (transport equipment – vehicle) from the Group. The acquisitions made correspond to one transport equipment, each being allocated the amount of 5 thousand euros. This transaction was approved by the Audit Committee.

Transactions with group or dominated companies

In its activity, REN maintains transactions with Group entities or with dominated parties. The terms in which these transactions are held are substantially identical to those practiced between independent parties in similar operations.

In the consolidation process, the amounts related to such transactions or open balances are eliminated (Note 3.2) in the financial statements.

The main transactions held between Group companies were: (i) borrowings and shareholders loans; and (ii) shared services namely, legal services, administrative services and informatics.

Balances and transactions held with shareholders, associates and other related parties

During the years ended 31 December 2024 and 2023, Group REN carried out the following transactions with reference shareholders, qualified shareholders and related parties:

Revenue

	2024	2023
Sales and services provided		
Invoicing issued - Redeia Corporación, S.A. (Group)	949	8,102
Invoicing issued - State Grid (Group)	513	508
Invoicing issued - MIBGÁS, S.A.	3,377	1,795
Other operating income		
Invoicing issued - OMIP, S.A.	-	24
Invoicing issued - OMEL-Operador Mercado Ibérico Energia Polo Español, S.A.	19	13
Dividends received		
Electrogas (Note 10)	11,289	15,729
Centro de Investigação em Energia REN - State Grid (Note 10)	2	5
MIBGÁS S.A. (Note 13)	64	-
OMEL - Operador Mercado Ibérico Energia Polo Español, S.A. (Note 13)	68	70
Hidroeléctrica de Cahora Bassa, S.A. (Note 13)	7,891	4,534
Redeia Corporación, S.A. (Note 13)	5,021	5,415
	29,194	36,194

Expenses

	2024	2023
External supplies and services and others expenses		
Invoicing received - OMIP, S.A.	172	169
Invoicing received - State Grid (Group)	328	482
Invoicing received - Redeia Corporación, S.A. (Group)	1,130	413
Invoicing received - MIBGAS S.A.	4,180	1,305
Invoicing received - CMS Rui Pena & Arnaut[5]	151	82
	5,961	2,451

Balance

The balances at 31 December 2024 and 2023 resulting from transactions with related parties were as follows:

	2024	2023
Trade and other receivables		
Redeia Corporación, S.A. (Group) - Dividends	1,083	1,477
State Grid Group	53	45
Redeia Corporación, S.A. (Group) - Trade receivables	91	815
MIBGÁS S.A.	3	1
OMEL-Operador Mercado Ibérico Energia Polo Español.S.A.	4	-
	1,234	2,338
Trade and other payables		
Redeia Corporación, S.A. (Group) - Trade payables	200	-
State Grid Group	266	250
OMIP, S.A.	57	24
CMS - Rui Pena & Arnaut[5]	18	28
SPECO - Shandong Power Equipment CO[6]	455	251
	997	552

35. EXTRAORDINARY CONTRIBUTION OVER THE ENERGY SECTOR

Law No 83-C/2013 of 31 December introduced a specific contribution of entities operating in the energy sector, called Extraordinary Contribution over the Energy Sector ("ECES"), that was extended by Law 82-B/2014 , of 31 December, Law 7-A/2016, of 30 March, Law 114/2017, of 29 December, Law 71/2018, 31 December, Law 2/2020, of 31 March, Law 75-B/2020, of 31 December, Law 99/2021, of 31 December and Law 24-D/2022, of 30 December.

The regime introduced is aimed at financing mechanisms that promote systemic sustainability of the sector through the setting up of a fund with the main objective of reducing the tariff deficit. The entities subject to this regime are, among others, entities that are dealers of transport activities or distribution of electricity and natural gas.

The calculation of the ECES is levied on the value of the assets with reference to the first day of the financial year 2024 (1 January 2024) that include cumulatively, the tangible fixed assets, intangible assets, with the exception of industrial property elements, and financial assets related with regulated activities. In the case of regulated activities, the ECES is levied on the value of regulated assets (i.e. the amount recognized by ERSE in the calculation of the allowed income with reference to 1 January 2024) if it is greater than the value of those assets, over which the rate of 0.85% is applied.

The ECES line of the income statement for the year ended 31 December 2024 amounted to 22,688 thousand euros (28,356 thousand euros at 31 December 2023). This amount includes the amounts of i) 1,586 thousand euros and ii) 4,029 thousand euros, to be received by REN Armazenagem (related to the year 2019) and REN Portgás (related to the year 2021), respectively, as a result of the favorable decisions of the Constitutional Court, with no possibility of appeal, and also the amount of iii) 208 thousand euros of regularizations from previous years.

[5] Entity related to the Administrator José Luís Arnaut. During 2024, the contract for the provision of legal advisory services in the area of law and public procurement, approved by the Board of Directors of the company REN Serviços, SA and awarded to the law firm CMS Rui Pena and Arnaut, an entity related to the Director José Luís Arnaut, remained in force. The contract was signed in 2023, for a period of three years.

[6] Subsidiary entity of the Shareholder State Grid Europe Limited. The operations with this entity are related to acquisitions of concession assets in progress. Also, this entity presents guarantees amounting to 223 thousand euros.

36. DECREE-LAW NO 84-D/2022 – TRANSITORY GAS PRICE STABILIZATION REGIME

The Portuguese State, through Decree-Law No 84-D/2022, of 9 December 2022, established a transitional regime to stabilize the price of natural gas for consumption carried out in 2023, through the discount on the price of natural gas , equivalent to the difference between the price of the energy component, shown on the invoice, and its reference value, as provided for in article 3 of this Decree-Law.

The beneficiaries of the transitional price stabilization regime are legally constituted legal persons, consumers of high, medium and low pressure gas at delivery points with annual consumption greater than 10,000 m^3, with the exception of the entities referred to in number 2 of article 2.th.

The discount is applied directly by the suppliers in the month following the billing of the respective consumption, once the invoice has been paid by the customer, and the discount must be expressly identified on the invoice in which it is reflected.

Suppliers inform, on the first working day of each week, the Global Technical Manager of the National Gas System ("GTG") regarding the quantities and discount values to be applied to the billing issued in the previous week, including the total consumption of their portfolio from clients. Based on the information transmitted, the GTG transfers, within ten days to the suppliers, the amounts referring to the support to be granted for each identified billing cycle.

As mentioned in the aforementioned Decree-Law, more precisely in Article 7, it is the responsibility of REN Gasodutos, as Global Technical Manager of the National Gas System, to interact with suppliers in order to operationalize the application of this Decree-Law. It is REN Gasodutos responsibility to transfer the funds provided by the Portuguese State for the purposes of this Decree-Law, and such amounts cannot be used for other purposes. The amount transferred by the Government is deposited in a dedicated bank account, with accounting separation in relation to other activities carried out by the Company.

On 29 December 2022, the Company received the amount of 1,000,000 thousand euros, recorded under the caption Transitory gas price stabilization regime - Decree-Law No 84-D/2022, both in assets and in liabilities, taking into account the need for accounting separation in relation to the other activities carried out by the Company, as mentioned above and mentioned in paragraph 3 of article 7 of the aforementioned Decree-Law.

Payments of the amounts corresponding to natural gas consumption billed in 2023 began in February of the same year and were settled by the end of 2024, in accordance with article 10 of Decree-Law No 84-D/2022. If the amount transferred under this Decree-Law is not exhausted, REN transfers the respective remainder in favor of the Portuguese State, as referred to in paragraph 5 of article 7 of the referred Decree-Law.

Until 31 December 2024, the Company has made payments in accordance with the aforementioned Decree-Law, as well as the reimbursement of the amount of 900,000 thousands euros to the Portuguese State, in accordance with Order No 10727/2023 and Order No 8420/2024, and the respective interests, and on 31 December 2024 the amount recorded in "Transitional gas price stabilization regime - Decree-Law No 84-D/2022", both in assets and in liabilities, is 3,481 thousand euros.

37. SUBSEQUENT EVENTS

There were no events that gave rise to additional adjustments or disclosures in the Group's consolidated financial statements for the year ended December 31, 2024.

38 EXPLANATION ADDED FOR TRANSLATION

These consolidated financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as endorsed by the European Union at 1 January 2024. In the event of discrepancies, the Portuguese language version prevails.

STATEMENT OF CONFORMITY

Statement provided for in article 29-g, no. 1, paragraph c) of the Portuguese Securities Code.

Under the terms and for the purposes of the provisions of Article 29-G, paragraph 1, c) of the Portuguese Securities Code, each of the members of the Board of Directors of REN - Redes Energéticas Nacionais, SGPS, S.A., identified below by name, subscribed the following statement which is transcribed below*:

"I hereby declare, pursuant to and for the purposes specified in Article 29-G, No 1, paragraph c) of the Portuguese Securities Code, to the best of my knowledge, and serving as and in the scope of the functions assigned to me, based on the information made available to me, that the consolidated financial statements have been prepared in accordance with the applicable accounting standards, thus providing a true and fair view of the assets and liabilities, financial position and results of REN - Redes Energéticas Nacionais, SGPS, S.A. ("Company") and of the companies included in its scope of consolidation, and that the management report relating to the tax year of 2024 faithfully describes the evolution of the business, the performance and position of the Company and those companies, within such period, and the impact on the respective financial statements, also containing a description of the main future risks and uncertainties.

Lisbon, 20 March 2025"

Rodrigo Costa
(Chairman of the Board of Directors and Chief Executive Officer)

João Faria Conceição
(Member of the Board of Directors and Chief Operational Officer)

Gonçalo Morais Soares
(Member of the Board of Directors and Chief Financial Officer)

Guangchao Zhu
(Vice-President of the Board of Directors designated by State Grid International Development Limited)

Mingyi Tang
(Member of the Board of Directors)

Yang Qu
(Member of the Board of Directors)

Gonçalo Gil Mata
(Member of the Board of Directors)

Manuel Sebastião
(Member of the Board of Directors)

Ana Pinho
(Member of the Board of Directors)

Jorge Magalhães Correia
(Member of the Board of Directors)

Maria Estela Barbot
(Member of the Board of Directors)

José Luis Arnaut
(Member of the Board of Directors)

Rosa Freitas Soares
(Member of the Board of Directors and Chairman of the Audit Committee)

Ana da Cunha Barros
(Member of the Board of Directors and of the Audit Committee)

Dulce Mota
(Member of the Board of Directors and of the Audit Committee)

* The originals of the individual statements referred to are available for consultation at the Company's headquarters.

THE CERTIFIED ACCOUNTANT NO 81015

Pedro Mateus

THE BOARD OF DIRECTORS

Rodrigo Costa
(Chairman of the Board of Directors and Chief Executive Officer

João Faria Conceição
(Member of the Board of Directors and Chief Operational Officer)

Gonçalo Morais Soares
(Member of the Board of Directors and Chief Financial Officer)

Guangchao Zhu
(Vice-President of the Board of Directors designated by State Grid International Development Limited)

Mingyi Tang
(Member of the Board of Directors)

Yang Qu
(Member of the Board of Directors)

Gonçalo Gil Mata
(Member of the Board of Directors)

Manuel Sebastião
(Member of the Board of Directors)

Ana Pinho
(Member of the Board of Directors)

Jorge Magalhães Correia
(Member of the Board of Directors)

Maria Estela Barbot
(Member of the Board of Directors)

José Luis Arnaut
(Member of the Board of Directors)

Rosa Freitas Soares
(Member of the Board of Directors and Chairman of the Audit Committee)

Ana da Cunha Barros
(Member of the Board of Directors and of the Audit Committee)

Dulce Mota
(Member of the Board of Directors and of the Audit Committee)

Note: The remaining pages of this Report & Accounts were initialled by the members of the Executive Committee and by the Certified Accountant, Pedro Mateus.

REPORT AND OPINION OF THE AUDIT COMMITTEE

CONSOLIDATED ACCOUNTS

Within the scope of its duties, the Audit Committee has monitored the development of the activity of REN – REDES ENERGÉTICAS NACIONAIS, SGPS, S.A (the "Company"). and its subsidiaries, supervised compliance with the law, regulations and the Articles of Association, supervised compliance with accountancy policies and practices, and supervised the process of preparation and disclosure of financial information, the legal review of accounts and the effectiveness of the internal control and risk management systems. It further supervised the activity of the Statutory Auditor and the External Auditor, including their independence and impartiality.

Within the limits of the powers of the Audit Committee and pursuant to the provisions of subparagraph c), of the nr. 1, of article 29-G of the Securities Market Code, of the article 423-F, no. 1, g) of the article 420, no. 6, both of the Commercial Companies Code, it is hereby declared that as far as this Committee is aware, the Integrated Management Report and the Individual and Consolidated Financial Statements of the Company for the financial year ended 31 December 2024 were prepared in accordance with the applicable accounting standards, reflecting a true and fair view of the assets and liabilities, the financial position and results of REN - Redes Energéticas Nacionais, SGPS, S.A. and the companies included in the consolidation perimeter. Additionally, the Integrated Management Report faithfully states the evolution of the business, performance and position of the Company and the group, complies with applicable legal, accounting and statutory requirements and, whenever justified, contains a description of the main risks and uncertainties they face. It is also mentioned that the non-financial information is relevant and allows the understanding of the performance, position and impact of the group's activities, concerning environmental, social and employee issues, gender equality, non-discrimination, respect for human rights and the fight against corruption. Additionally, the Audit Committee ensures that the Corporate Governance Report, which is disclosed simultaneously with the Integrated Management Report, includes the elements referred in article 29-H of the Securities Market Code.

The Audit Committee also examined the consolidated financial information comprised within the Integrated Management Report and the financial statement of REN – REDES ENERGÉTICAS NACIONAIS, SGPS, S.A. and its subsidiaries attached thereto in relation to the financial year ended on December 31, 2024 which consist of the Consolidated Statement of the Financial Position, evidencing a total of 5,356,370 thousand Euros and 1,551,891 thousand Euros of Equity Capital, including a Consolidated Net Profit of 152,512 thousand Euros, the Consolidated Statement of Profit and Loss, Comprehensive Income, Changes in Equity Capital and Cash Flows in relation to the financial year closed on the abovementioned date and the respective Annex.

The Audit Committee reviewed the Legal Certification of Accounts and the Audit Report on the consolidated financial information, prepared by the Statutory Auditor and the External Auditor.

Within the context of the analysis undertaken, the Audit Committee further supervised the compliance and adequacy of the accounting policies, procedures, practices and adopted valuation criteria, as well as the regulatory and quality of the Company´s accounting information.

In light of the above, it is the opinion of the Audit Committee that the Consolidated Financial Statements and Consolidated Integrated Management Report, as well as the proposal expressed therein, abide by applicable accounting, legal and statutory provisions, therefore it recommends its approval by the General Meeting of Shareholders.

Lisbon, 20 March 2025

Rosa Freitas Soares
(Chairman)

Ana da Cunha Barros
(Member)

Dulce Mota
(Member)

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(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of REN – Redes Energéticas Nacionais, S.G.P.S., S.A. (the "Group"), which comprise the Consolidated Statement of Financial Position as at 31 December 2024 (showing a total of 5,356,370 thousand euros and a total equity of 1,551,891 thousand euros, including a net profit for the year of 152,512 thousand euros), and the Consolidated Statement of Profit and Loss by Nature, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the REN – Redes Energéticas Nacionais, S.G.P.S., S.A. as at 31 December 2024, and of its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section below. We are independent of the entities comprising the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors´ code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

1. Concession assets

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As at 31 December 2024, the Intangible assets caption amounts to 4,220,632 thousand euros (4,120,617 thousand euros in 2023), which represents all assets constructed and acquired under the public service concession agreements that the Group entered with the Portuguese State. As disclosed in Note 3.4 of the notes to the consolidated financial statements, these assets were recorded in accordance to the intangible model of IFRIC 12 – Service Concession Arrangements. Since the annual Revenue of the Group is directly correlated to the average annual balances of the intangible assets and their total carrying amount, as at 31 December 2024, represents 79% of the Group's total assets (71% in 2023), the initial recognition and subsequent measurement of those intangible assets have been considered as a key audit matter.	Our approach included the following procedures: ► We updated the understanding of the Asset Management and Purchasing processes, as well as identified and assessed the internal control procedures established in the Group, mainly in relation to the investments approval policies and monitoring of the execution of it; ► We held regular meetings with the Concession Support Services Department to evaluate the compliance with the annual investment budgets; ► We have read the correspondence exchanged with the Entidade Reguladora de Serviços Energéticos ("ERSE") in order to understand the matters being analyzed with the Group and about its accurate incorporation in the tariff deviation calculation as at 31 December 2024; ► We have read the minutes of the Board of Directors meetings of the several Group entities in order to validate the approved investments; and ► We performed substantive audit procedures on the value of the investments carried out during the period ended 31 December 2024, to corroborate the initial recognition, measurement, appropriate cut off and presentation as Concession assets. We also assessed the appropriateness of the applicable disclosures included in Notes 2, 3.4 and 8 of the notes to the consolidated financial statements.

2. Tariff deviations

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As disclosed in Note 3.16 of the notes to the consolidated financial statements as a result of the Tariff Regulations of the electricity and gas sectors, the Group determines, on each reporting date and in accordance with the criteria set by the tariff regulations published by ERSE, the tariff deviations between the regulatory revenue allowed and the actual revenue invoiced by the Group. As at 31 December 2024, the tariff deviations assets and liabilities amount to 167,575 thousand euros and 33,230 thousand euros (2023: 403,996 thousand euros and 76,531 thousand euros), respectively. Due to the complexity of the computation, the use of multiple sources of data and the relevance of the balances in the consolidated financial statements, the tariff deviations have been considered as a key audit matter.	Our approach has included the following procedures: ► We obtained an understanding and assessed the internal control procedures inherent to the information capture and to the tariff deviations calculation. Furthermore, we assessed the Group's regulatory framework in view of the Tariff Regulations of the electricity and gas sectors; ► We obtained the computation of the tariff deviations and reconciled them to the accounting records; ► We analyzed the accuracy of the data used from the several sources of information, testing the reasonableness of the various components of the calculation, namely the average annual balances of the concession assets and the applicable remuneration rate; ► We carried out substantive audit procedures, namely for a representative sample of the invoices issued during 2024; ► We performed the recalculation of the tariff deviations and compared the results obtained with the amounts reported by the Group; ► We have read the correspondence exchanged with ERSE in order to understand the matters being discussed with the Group; ► We reviewed the definition of tariff deviations assets and liabilities and their appropriate classification as Current or Non-current Assets or Liabilities, based on the recovery period thereof, as defined by the Tariff Regulations of the electricity and gas sectors; and ► We evaluated the consistency of the criteria used in relation to previous years. Our approach also included analysis of the applicable disclosures included in Note 3.16, 14 and 23 of the notes to the consolidated financial statements.

REN – Redes Energéticas Nacionais, S.G.P.S., S.A.
Statutory and Auditor's Report
(Translation from the original document in Portuguese language
In case of doubt, the Portuguese version prevails)
31 December 2024

Responsibilities of management and the supervisory board for the consolidated financial statements

Management is responsible for:

- the preparation of consolidated financial statements that presents a true and fair view of the Group´s financial position, financial performance and cash flows in accordance with International Financial Reporting Standards as endorsed by the European Union;
- the preparation of the Management report, the Corporate Governance Report, non-financial information and remunerations report, in accordance with the laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Group´s ability to continue as a going concern.

The supervisory body is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- planned and performed our audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purpose of the group audit and are ultimately responsible for our audit opinion;
- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- from the matters communicated with those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- We also provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate threats or safeguards applied.

Our responsibility includes the verification of the consistency of the Management Report with the consolidated financial statements, and the verifications under nr. 4 and nr. 5 of article 451 of the Commercial Companies Code regarding corporate governance matters, as well as the verification that the non-financial information and remunerations report have been presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, nr. 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment over the Group, we have not identified any material misstatement.

On the Corporate Governance Report

Pursuant to article 451, nr. 4 of the Commercial Companies Code, in our opinion the Corporate Governance Report includes the information required to the Group to provide as per article 29.º-H of the Securities Code, and we have not identified material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and m) of nr. 1 of the said article.

On consolidated non-financial information

Pursuant to article 451, nr. 6 of the Commercial Companies Code, we hereby inform that the Group has prepared a report separate from the Management Report, which includes the consolidated non-financial information, in compliance with Article 508-G of the Commercial Companies Code, and has been disclosed together with the Management Report.

On the Remunerations Report

Pursuant to article 26.º-G, nr. 6 of the Securities Code, we hereby inform that the Group has included in a separate chapter of its Corporate Governance Report the information provided in compliance with paragraph 2 of the said article.

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were appointed in the shareholders' general meeting held on 9 May 2024 for a third mandate from 2024 to 2026;

EY Building a better working world
REN – Redes Energéticas Nacionais, S.G.P.S., S.A.
Statutory and Auditor's Report
(Translation from the original document in Portuguese language
In case of doubt, the Portuguese version prevails)
31 December 2024

- Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the consolidated financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the consolidated financial statements due to fraud. As a result of our work we have not identified any material misstatement to the consolidated financial statements due to fraud;
- We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the supervisory body of the Group on 20 March 2025; and
- We declare that we have not provided any prohibited services as described in article 5, of the Regulation (EU) nr. 537/2014, of the European Parliament and of the Council, of 16 April 2014 and we have remained independent of the Entity in conducting the audit.

European Single Electronic Format (ESEF)

The accompanying consolidated financial statements of REN – Redes Energéticas Nacionais, S.G.P.S., S.A. for the year ended 31 December 2024 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included, among others:

- obtaining an understanding of the financial reporting process, including the submission of the annual report in valid XHTML format; and
- the identification and evaluation of the risks of material distortion associated with the marking-up of the information of the consolidated financial statements, in XBRL format using iXBRL technology. This evaluation was based on the understanding of the process implemented by the Group to mark-up the information.

In our opinion, the accompanying consolidated financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Lisbon, 20 March 2025

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Ricardo Miguel Barrocas André - ROC nr. 1461
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06 Individual financial statements and annexes

1. DEMONSTRATIONS INDIVIDUAL FINANCIAL AND ANNEX

Statements of financial position as of 31 december 2024 and 2023

(Amounts expressed in thousands of euros) (Translation of statements of balance sheet originally issued in Portuguese - Note 30)

ASSETS	NOTES	2024	2023
Non-current assets			
Tangible assets	5	556	418
Investments - equity method	7	2,938,531	2,713,863
Goodwill	8	377	755
Investments in equity instruments at fair value for other comprehensive income	12	48,087	54,577
Other receivables	10	855,000	955,000
Other financial assets	10	15	18
Derivative financial instruments	11	28,642	45,745
Deferred tax assets	9	99	76
Total non-current assets		**3,871,307**	**3,770,451**
Current assets			
State and other public entities	16	-	26,809
Other receivables	10	515,399	797,738
Deferrals		166	151
Derivative financial assets	11	1,554	8,619
Cash and bank deposits	4	16,134	9,460
Ttotal current assets		**533,253**	**842,776**
Total assets		**4,404,561**	**4,613,227**
EQUITY AND LIABILITIES			
Equity			
Share Capital	13	667,191	667,191
Own shares	13	(10,728)	(10,728)
Shares premium	13	116,809	116,809
Legal reserve	13	141,378	141,378
Other reserves	13	208,077	228,120
Adjustments to financial assets	13	(72,407)	(77,032)
Retained earnings		346,260	297,436
Other changes in equity	13	(5,561)	(5,561)
		1,391,018	**1,357,613**
Net profit for the period		157,707	150,974
Total equity		1,548,726	1,508,586
LIABILITIES			
Non-current liabilities			
Borrowings	6 and 15	1,615,384	2,020,515
Provisions	14	1,793	2,213
Post employment benefit liabilities		14	13
Derivative financial instruments	11	30,740	52,006
Deferred tax liabilities	9	6,293	12,600
Total non-current liabilities		**1,654,223**	**2,087,347**
CURRENT LIABILITIES			
Borrowings	6 and 15	1,117,049	921,909
Trade payables	15	585	483
State and other public entities	16	1,127	529
Derivative financial instruments	11	3,477	8,601
Other payables	15	79,372	85,770
Total current liabilities		**1,201,612**	**1,017,293**
Total liabilities		**2,855,835**	**3,104,640**
Total equity and liabilities		**4,404,561**	**4,613,227**

The accompanying notes form an integral part of the statement of balance sheet as of 31 December 2024.

THE CERTIFIED ACCOUNTANT THE BOARD OF DIRECTORS

STATEMENTS OF PROFIT AND LOSS BY NATURE FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros)

(Translation of statements of balance sheet originally issued in Portuguese - Note 30)

REVENUES AND EXPENSES	NOTES	2024	2023
Services rendered	17	10,793	12,126
Gains/ (losses) from associates and joint ventures	7 and 18	181,444	173,134
Supplies and services	19	(5,688)	(4,755)
Personnel costs	20	(6,389)	(6,958)
Provisions (increases)/ decreases	14	135	(2,213)
Other income	21	333	865
Other expenses	22	(244)	(276)
Profit before amortization, depreciation, finance costs and taxes		**180,384**	**171,922**
Depreciation and amortization (charge)/ reversal	5 and 8	(569)	(562)
Operating profit (before finance costs and taxes)		179,815	171,361
Interest and similar income	23	49,885	67,235
Interest and similar costs	23	(90,899)	(84,049)
Dividends from affiliated companies	24	7,959	4,604
Profit before taxes		146,760	159,150
Income tax expense for the period	9	10,947	(8,176)
Net profit for the period		**157,707**	**150,974**
Basic earnings per share		0.24	0.23

The accompanying notes form an integral part of the statement of profit and loss for the year ended 31 December 2024.

THE CERTIFIED ACCOUNTANT THE BOARD OF DIRECTORS

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros)

(Translation of statements of balance sheet originally issued in Portuguese - Note 30)

2024

	Notes	Capital	Own shares	Share premium	Legal reserve	Hedging reserve (Note 11)	Fair value reserve (Note 12)	Other reserves	Other changes in Equity	Retained earnings	Adjustment of financial assets (Note 7 and 13)	Net profit for the period	Total equity
Balances at the beginning of 2024		667,191	(10,728)	116,809	141,378	36,811	11,120	180,190	(5,561)	297,436	(77,032)	150,974	1,508,586
Changes in the year:													
Changes in fair value	11 and 12	-	-	-	-	(15,446)	(4,598)	-	-	-	-	-	(20,043)
Appropriation of the profit for the preceding year	13	-	-	-	-	-	-	-	-	48,824	-	(48,825)	-
Adjustments in financial assets	7	-	-	-	-	-	-	-	-	-	4,625	-	4,625
		-	-	-	-	(15,446)	(4,598)	-	-	48,824	4,625	(48,825)	(15,419)
Operations during the year with shareholders													
Distribution of dividends	13	-	-	-	-	-	-	-	-	-	-	(102,150)	(102,150)
		-	-	-	-	-	-	-	-	-	-	(102,150)	(102,150)
Net profit for the year												157,707	157,707
Comprehensive income		-	-	-	-	(15,446)	(4,598)	-	-	-	4,625	157,707	142,289
Balances at the end of 2024		667,191	(10,728)	116,809	141,378	21,365	6,522	180,190	(5,561)	346,260	(72,407)	157,707	1,548,726

The accompanying notes form an integral part of the statement of changes in equity for the year ended 31 December 2024.

THE CERTIFIED ACCOUNTANT THE BOARD OF DIRECTORS

2023

	Notes	Capital	Own shares	Share premium	Legal reserve	Hedging reserve (Note 11)	Fair value reserve (Note 12)	Other reserves	Other changes in Equity	Retained earnings	Adjustment of financial assets (Note 7 and 13)	Net profit for the period	Total equity
Balances at the beginning of 2023		**667,191**	**(10,728)**	**116,809**	**135,701**	**59,172**	**12,493**	**180,190**	**(5,561)**	**291,737**	**(48,209)**	**113,525**	**1,512,320**
Changes in the year:													
Changes in fair value	11 and 12	-	-	-	-	(22,362)	(1,373)	-	-	-	-	-	(23,735)
Appropriation of the profit for the preceding year	13	-	-	-	5,675	-	-	-	-	5,699	-	(11,375)	-
Adjustments in financial assets	7	-	-	-	-	-	-	-	-	-	(28,823)	-	(28,823)
		-	**-**	**-**	**5,675**	**(22,362)**	**(1,373)**	**-**	**-**	**5,699**	**(28,823)**	**(11,375)**	**(52,560)**
Operations during the year with shareholders													
Distribution of dividends	13	-	-	-	-	-	-	-	-	-	-	(102,150)	(102,150)
		-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(102,150)**	**(102,150)**
Net profit for the year												150,974	150,974
Comprehensive income		-	-	-	-	(22,362)	(1,373)	-	-	-	(28,823)	150,974	98,415
Balances at the end of 2023		**667,191**	**(10,728)**	**116,809**	**141,378**	**36,811**	**11,120**	**180,190**	**(5,561)**	**297,436**	**(77,032)**	**150,974**	**1,508,586**

The accompanying notes form an integral part of the statement of changes in equity for the year ended 31 December 2024.

THE CERTIFIED ACCOUNTANT THE BOARD OF DIRECTORS

STATEMENTS OF CASH FLOW FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts expressed in thousands of euros)

(Translation of statements of balance sheet originally issued in Portuguese - Note 30)

	NOTES	2024		2023	
CASH FLOW FROM OPERATING ACTIVITIES					
Cash receipts from customers		17,152		24,752	
Cash paid to suppliers		(6,923)		(8,710)	
Cash paid to employees		(6,924)		(6,199)	
Cash generated by operations		3,305		9,843	
Income tax received/ (paid)		30,668		(18,276)	
Other receipts/ (payments) relating to operating activities		(2,229)		(3,989)	
Flows generated by/ (used in) operating activities [1]			**31,744**		**(12,422)**
FLOWS FROM INVESTING ACTIVITIES					
Payments relating to:					
Financial Investments	7	-		(3,100)	
Tangible assets		(38)	(38)	(58)	(3,158)
Receipts relating to:					
Derivative financial instruments	7	400		231	
Dividends	24	110,772	111,172	113,355	113,586
Flows generated by investing activities [2]			**111,133**		**110,428**
FLOWS FROM FINANCING ACTIVITIES:					
Receipts relating to:					
Borrowings		190,286		8,323,700	
Shareholders loans		-		73,840	
Interest and other similar expense		-	190,286	54,051	8,451,592
Payments relating to:					
Borrowings		-		(8,711,976)	
Derivative financial instruments		(14,031)		-	
Shareholders loans		(165,500)		-	
Interest and other similar expense		(45,309)		(68,654)	
Dividends	13	(102,150)	(326,989)	(102,150)	(8,882,780)
Flows used in financing activities [3]			**(136,703)**		**(431,188)**
Changes in cash and cash equivalents [4]=[1]+[2]+[3]			**6,174**		**(333,183)**
Cash and cash equivalents at the beginning of the year	4		**9,460**		**342,642**
Cash and cash equivalents at the end of the year	4		**15,634**		**9,460**

The accompanying notes form an integral part of the statement of cash flow for the year ended 31 December 2024.

THE CERTIFIED ACCOUNTANT THE BOARD OF DIRECTORS

2. NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in thousands of euros)
(Translation of statements of balance sheet originally issued in Portuguese - Note 30)

1. INTRODUCTORY NOTE

REN – Redes Energéticas Nacionais, SGPS, S.A. (hereinafter referred to as "REN SGPS" or "the Company"), with head office in Avenida Estados Unidos da América, n.º 55 – Lisbon, Portugal, resulted from the transformation on 5 January 2007 of REN – Rede Eléctrica Nacional, S.A. into an investment holding company.

At the same time a spin-off was made of the electricity business from REN – Rede Eléctrica Nacional, S.A. to the group company REN – Serviços de Rede, S.A., the name of which was subsequently changed to REN – Rede Eléctrica Nacional, S.A.

REN SGPS is the parent company of the REN Group and is organized into two main business segments, Electricity and Gas, and one secondary business, in the area of Telecommunications.

The Electricity business segment includes the following companies:

a) REN – Rede Eléctrica Nacional, S.A., was incorporated on 26 September 2006, whose activities are carried out under a concession contract for a period of 50 years as from 2007, which establishes the overall management of the Public Electricity Supply System (Sistema Eléctrico de Abastecimento Público - SEP); and

b) REN Trading, S.A., was incorporated on 13 June 2007, whose main function is the management of Power Purchase Agreements (PPA) from Turbogás, S.A. and Tejo Energia, S.A., which did not terminate on 30 June 2007, date of the entry into force of the new Contracts for the Maintenance of the Contractual Equilibrium (Contratos para a Manutenção do Equilíbrio Contratual – CMEC). The operations of this company include the trading of electricity produced and of the installed production capacity, to domestic and international distributors. Tejo Energia's PPA ended on 30 November 2021, and at the end of the first quarter of 2024 the PPA with Turbogás ended, with the consequent cessation of its associated operational activity.

On 19 November 2024, the entities REN - Rede Eléctrica Nacional, S.A. and REN Trading, S.A. merged, through the global transfer of the assets of REN Trading, S.A. to REN - Rede Eléctrica Nacional, S.A. The merger was accounted for in accordance with the accounting principles in force in Portugal and in compliance with the requirements for the application of the special tax neutrality regime provided for in articles 73 et seq. of the Corporate Income Tax Code ('CIRC'), namely that REN - Rede Eléctrica Nacional, S. A. will retain, for tax purposes, the assets of REN - Rede Eléctrica Nacional, S.A. and REN - Rede Eléctrica Nacional, S.A. A. will keep, for tax purposes, the assets being transferred at the same values as those it had in REN Trading, S.A. before the operation took place. All of REN Trading, S.A.'s assets and liabilities, including the rights and obligations arising from its activity, were transferred to REN - Rede Eléctrica Nacional, S.A. at the book values they had in REN Trading, S.A.'s accounts and financial position.

The merger was completed with the respective commercial registration on 19 November 2024, however the operations of REN Trading, S.A. were considered, from an accounting and tax point of view, to have been carried out on behalf of REN - Rede Eléctrica Nacional, S.A., since 1 August 2024.;

a) Enondas, Energia das Ondas, S.A. was incorporated on 14 October 2010, its capital being fully owned by REN - Redes Energéticas Nacionais, SGPS, S.A., which the main activity being the management of the concession to operate a pilot area for the production of electric energy from sea waves; and

b) Empresa de Transmisión Eléctrica Transemel, S.A. (Transemel), acquired on 1 October 2019, as part of the expansion of the electricity business in Chile. The company's activity consists of providing electricity transmission and transformation services and the development, operation and commercialization of transmission systems, allowing free access to the different players in the electricity market in Chile.

The Gas business includes the following companies:

a) REN Gás, S.A. was incorporated on 29 March 2011, with the corporate objective of promoting, developing and carrying out projects and developments in the natural gas sector, as well as defining the overall strategy and coordination of the companies in which has direct interests;

b) REN Gasodutos, S.A., was incorporated on 26 September 2006, the capital of which was paid up through carve-in of the gas transport infrastructures (network, connections and compression). The company's purpose is the high-pressure transportation of natural gas and the overall technical management of the National Natural Gas System, considering the security and continuity of supply of natural gas in Portugal mainland. This includes especially the management and operation of the National Natural Gas Transportation Network, including the transport of natural gas, the planning, construction, maintenance and operation of the necessary infrastructures and installations, in accordance with the law and its public service concession, as well as any other related services;

c) REN Armazenagem, S.A., was incorporated on 26 September 2006, the capital of which was paid up through integration into the company of the gas underground storage assets. The company purpose is the underground storage of natural gas and the construction, operation and maintenance of the infrastructures and facilities necessary for that purpose, in accordance with the law and the company's public service concession, and any other related activities;

d) REN Atlântico, Terminal de GNL, S.A., acquired under the acquisition of the gas business, previously designated "SGNL – Sociedade Portuguesa de Gás Natural Liquefeito". The operations of this company comprise the supply, reception, storage and re-gasification of natural liquefied gas through the GNL marine terminal, being responsible for the construction, utilization and maintenance of the necessary infrastructures; and

e) REN Portgás Distribuição, S.A., acquired as part of the expansion of the gas business on 4 October 2017. The operations of this company comprise the distribution of natural gas in low and medium pressure, as well as production and distribution of other channelled fuel gases and other activities related, namely the production and sale of flaring equipment.

The operations of the companies indicated in b) to d) above are developed in accordance with the three concession contracts separately granted for periods of 40 years starting 2006. The company indicated in e) above develops its activities in accordance with one concession contract granted for 40 years starting 2008.

The telecommunications business is managed by RENTELECOM Comunicações, S.A. whose activity is the establishment, management and operation of telecommunications infrastructures and systems, the rendering of telecommunications services and optimizing the optical fibre excess capacity of the installations owned by REN Group.

REN SGPS fully owns REN Serviços, S.A., a company whose purpose is the rendering of services in the energetic area and the general services of business development support to group companies and third parties, receiving a fee for the services rendered, as well as the management of financial participations in other companies.

In addition, on 21 November 2018, REN PRO, S.A. was incorporated, a company fully owned by REN, headquartered in Lisbon, whose purpose is to provide support services, namely administrative, logistical, communication and development support of the business, as well as business consulting, in a remunerated manner, either to companies that are in a group relation or to any third party, and IT consulting.

On 10 May 2013 REN Finance, B.V., a company based in Netherlands and fully owned by REN SGPS, whose purpose is to participate, finance, collaborate and lead the management of group companies, was incorporated.

Additionally on 24 May 2013, together with China Electric Power Research Institute, a State Grid Group company, Centro de Investigação em Energia REN SGPS, S.A. – State Grid, S.A. ("Centro de Investigação") was incorporated under a Joint Venture Agreement on which REN holds 1,499,997 shares representing 49.99% of the total share capital. The purpose of this company is to implement a Research and Development centre in Portugal, dedicated to the research, development, innovation and demonstration in the areas of electricity transmission and systems management, the rendering of advisory services and education and training services as part of these activities, as well as performing all related activities and complementary services to its object.

The subsidiaries REN Gás, S.A., Aério Chile, Spa, Apolo Chile, Spa, Empresa de Transmisión Eléctrica Transemel, S.A., REN Gasodutos, S.A., REN Armazenagem, S.A., REN Portgás Distribuição, S.A., are indirectly fully owned by REN SGPS, S.A. through its subsidiary REN Serviços, S.A. (fully owned by REN SGPS).

As of 31 December 2024, REN SGPS also holds:

a) 40% interest in the share capital of OMIP - Operador do Mercado Ibérico (Portugal), SGPS, S.A. ("OMIP SGPS"), being its purpose the management of participations in other companies as an indirect way of exercising economic activities. The company is shareholder of OMIP – Operador do Mercado Ibérico de Energia (Portuguese Pole), S.G.M.R., S.A. (OMIP), which function is the management of the MIBEL derivatives market together with OMIClear – Sociedade de Compensação de Mercados de Energia, S.A., a company fully owned by OMIP, which acts as the clearing house and central counterparty for transactions in the futures market;

b) 10% interest in the share capital of OMEL - Operador do Mercado Ibérico de Energia, S.A., the Spanish pole of the Sole Operator;

c) 7.5% interest in the share capital of Hidroeléctrica de Cahora Bassa, S.A. (HCB); and

d) An indirect 42.5% interest in the share capital of Electrogas, S.A., a Chilean company provider of natural gas and other fuels transportation. The participation was acquired on 7 February 2017.

The Board of Directors meeting held on 20 March 2025 approved the accompanying financial statements. However, they are still subject to approval by the Shareholders' Meeting under the terms of current Portuguese legislation. The financial statements are expressed in thousands of euros, rounded to the nearest thousand.

The Board of Directors understands that the financial statements give a true and fair view of the financial position of the Company, the result of its operations, the changes in its equity and its cash flows.

2. ACCOUNTING FRAMEWORK FOR THE PREPARATION OF THE INDIVIDUAL FINANCIAL STATEMENTS

The individual financial statements have been prepared under the provisions in force in Portugal, in accordance with Decree-Law No 158/2009 of 13 July, updated by Decree-Law No 98/2015 of 2 June and Decree-Law No 73/2023 of 23 August, and by Ministerial Order No 220/2015 of 24 July, in accordance with the conceptual framework, accounting and financial reporting standards (NCRF), and interpretative standards applicable to the year ending 31 December 2024.

The accompanying financial statements are presented in thousands of euros.

3. MAIN ACCOUNTING POLICIES

The main accounting policies used to prepare these financial statements are as follows:

3.1 BASES OF PRESENTATION

The accompanying financial statements were prepared on a going concern basis from the books and accounting records of the Company, in accordance with accounting and financial reporting standards.

The Board of Directors evaluated the Company's going concern capability, based on all the relevant information, facts and circumstances, of financial, commercial and other natures, including subsequent events occurred after the financial statement report date. In particular, as of 31 December 2024, current assets are lower than current liabilities by 668,358 thousand euros. Despite this fact, the Company generated during the year 2024 operating cash flows of 1,076 thousand euros, disregarding the effect of the income tax received.

Additionally, and in order to guarantee the current treasury needs of the Group and to have the necessary dynamic and flexible to fulfil the current liquidity needs, the Company, as of 31 December 2024, has credit lines contracted and not used in the amount of 79,530 thousand euros, and eleven commercial paper programs, in the amount of 2,225,000 thousand euros, being available 1,655,000 thousand euros as of 31 December 2024. From the total amount of commercial paper programs, 1,025,000 thousand euros have subscription guarantee (of which 775,000 thousand euros were available as of 31 December 2024) (Note 15).

In result of this assessment, the Board concludes that the Company has the adequate resources to proceed its activity, not intending to cease its operations in short term, and therefore considers adequate the use of a going concern basis in the preparation of the Company's financial statements.

As a result of the conflicts between Russia and Ukraine and between Israel and Palestine, there is a climate of global uncertainty with negative effects on the outlook for the world economy and the financial markets.

The REN Group is actively monitoring these conflicts, has activated all the necessary plans and, although the possible outcomes of the conflicts are unpredictable, at the moment there are no significant effects on its operation and regulatory duties.

It should be noted that the REN Group essentially operates in two business areas, Electricity and Gas, in accordance with concession contracts assigned to the Group and that these are regulated, which in a way minimises the possible impacts of these conflicts.

REN remains strongly committed and assumes a facilitating role in the energy transition and environmental protection, recognising that the integrated and synergistic adaptation of gas and electricity infrastructures is crucial to achieving the decarbonisation targets set by the national energy policy. The development of the infrastructures needed for the energy transition and the mission to ensure an uninterrupted supply of energy to the whole country, contributing to the involvement and development of the communities in which it operates, is materialised through the establishment of high criteria for environmental protection, conservation and restoration, acting in accordance with best practice in terms of its contribution as an environmentally responsible company. On the other hand, the continuous development of innovation projects, some centred on emerging themes such as sustainability and the circular economy, hydrogen and renewable gases, digitalisation and cybersecurity, which are "incorporated" into the different companies of the REN Group, contributes significantly to positioning and making the energy transition a reality.

There were no significant changes in the long-term expectation of recovery of the Company's investments and shareholdings.

The accompanying financial statements reflect only the Company's individual financial statements, prepared as required by law for approval by the Shareholders' Meeting. As explained in Note 3.2 investments are recorded in accordance with the equity method.

The accounting policies adopted in these financial statements are consistent, in all material respects, with the policies used in the preparation of the financial statements for the year ended 31 December 2023, as described in the notes to the 2023 financial statements

In accordance with Decree Law 158/2009 of 13 July, the Company also prepared consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS), for approval in separate, which reflects, as of 31 December 2024, in relation to the accompanying separate financial statements, the following differences:

	INCREASE/ (DECREASE)
Total net assets	951,809
Total liabilities	948,644
Net profit for the period	(5,195)
Total revenue	495,295
Total equity	3,166

As of December 31, 2024, the differences between net income and equity (individual and consolidated accounts) essentially result from: i) the fact that the participation of the associate OMIP SGPS in the consolidated accounts, prepared in accordance with IFRS, was revalued in 2011, following the loss of control, from subsidiary to associate; ii) the impact of the application of IFRS 9 on the consolidated accounts under IFRS; iii) refinancing bond issues through an exchange offer, and; iv) also from Goodwill of REN Portgás Distribuição, S.A. which is being amortized over the remaining concession.

3.2 INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Investments in subsidiaries and associates are recorded by the equity method. In accordance with the equity method, financial holdings are initially recorded at their acquisition cost and are subsequently adjusted in accordance with post-acquisition changes in the Company's share of the net assets of the corresponding entities. The results of the Company include its share in the results of those entities. In addition, dividends received from these companies are recorded as a reduction in the value of the investments.

The excess of cost in relation to the fair value of identifiable assets and liabilities of each entity acquired on the acquisition date is recognized as Goodwill and is presented in a separate line of the statement of the financial position. If the difference between cost and the fair value of assets and liabilities is negative, it is recognized as gain of the period.

Goodwill with an undefined useful life is amortized over a period of 10 years.

A valuation of investments is made when there are indications that an asset can be impaired, any impairment losses being recorded as cost in the profit and loss statement.

When the Company's proportion on the accumulated losses of a subsidiary or associate exceeds its carrying amount, the investment is recorded at a nil amount, except when the Company has assumed commitments to cover the losses of the subsidiary or associate, when the additional losses require the recognition of a liability. If these companies subsequently report net profits, the Company only starts recognizing its share on those profits only after its profit share equals the unrecorded losses.

Unrealized gains on transactions with subsidiaries and associates are eliminated proportionally to the Company's interests, by corresponding entry to the investment caption. Unrealized losses are also eliminated but only up to the point that such loss does not result from the transferred asset being impaired.

3.3 TANGIBLE ASSETS

Tangible assets are stated at cost less accumulated depreciation and impairment losses.

The cost includes the purchase price of the asset, costs directly attributable to its acquisition and costs incurred to prepare the asset to start operating.

Repairs and maintenance costs are charged to the statement of profit and loss in the period in which they are incurred.

Tangible assets are depreciated on a straight-line basis over their estimated useful life period, from the date they are ready for use.

The estimated periods of useful life of tangible assets are as follows:

	YEARS
Transport equipment	4 years
Administrative and IT equipment	Between 3 e 10 years
Tools and utensils	4 years

Useful life of the assets is reviewed annually. A change in useful life period is accounted as changes in accounting estimates and therefore is applied prospectively.

Gains (or losses) on the sale of assets are determined by the difference between the proceeds of the sale and the net carrying amount of the asset, these being recorded in the statement of profit and loss of the period.

3.4 LEASES

Lease agreements are classified as finance leases or operating leases taking into consideration the substance of the transaction rather than the legal form of the agreement.

Leases agreements on which REN has substantially all the risks and rewards of ownership of an asset, are classified as finance leases. Agreements in which an analysis of one or more of the conditions of the contract indicate a finance lease are also classified as such. All other leases are classified as operating leases.

Finance lease contracts are initially recognized at the lower of the fair value of the leased assets or the present value of the minimum lease payments, determined at the inception date.

The lease liability is recognized net of borrowing costs in the caption "Borrowings". Borrowing costs included in the lease payments and the depreciation of the leased assets are both recognized in the statement of profit and loss in the period they refer to.

Tangible assets acquired under finance lease contracts, are depreciated considering the lower period between the useful life period of the asset and the maturity of the lease contract, when the company does not have a purchase option on the maturity date, or by the useful life period estimated, when the Company has the commitment to acquire the asset by the end period of the contract.

Under operating lease contracts, the lease payments due are recognized as expenses in the statement of profit and loss, over the lease term.

3.5 FINANCIAL ASSETS AND LIABILITIES

The Company choose to fully apply IAS 32 - Financial Instruments: Presentation, IFRS 9 - Financial Instruments Recognition and Measurement and IFRS 7 – Financial Instruments: Disclosures, in accordance with paragraph 2 of NCRF 27.

The Board of Directors determines the classification and measurement of investments in financial assets based on the business model, measured at the date of initial application, used in its management and the characteristics of the contractual cash flows.

Financial assets

Investments in financial assets can be classified as:

a) Financial assets at amortized cost - Financial assets are held within the scope of a business model whose purpose is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise, at defined dates, to cash flows that are only capital repayments and interest payments on the outstanding capital;

b) Investment in equity instruments at fair value through other comprehensive income - Financial assets are held under a business model whose objective is achieved through the collection of contractual cash flows and the sale of financial assets and the contractual terms of financial assets give rise, at defined dates, to cash flows that are only capital repayments and interest payments on the outstanding capital; and

c) Financial assets at fair value through profit or loss - Include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as non-current, except when: (i) the Company expects to realize or dispose of in the normal course of its operating cycle; (ii) holds the asset primarily for trading purposes; (iii) expects to realize the asset up to twelve months after the reporting date; or (iv) the asset is cash or cash equivalents.

Purchases and sales of investments in financial assets are recorded at the date of the transaction, that is, on the date that the Company undertakes to buy or sell the asset.

Financial assets at fair value through profit or loss are initially recognized at fair value, and transaction costs are recognized in the income statement. These assets are subsequently measured at fair value, and the income and expenses resulting from the change in fair value are recognized in the income statement for the period under the heading of net financial costs, which also include the amounts of interest income and dividends obtained.

Equity instruments at fair value through other comprehensive income are initially recognized at fair value plus transaction costs. In subsequent periods, they are measured at fair value, and the change in fair value is recognized in the fair value reserve in equity until the investment is sold or received or until the fair value of the investment is below its cost of acquisition, in which the accumulated gain or loss is recorded in the income statement.

Dividends and interest earned on equity instruments at fair value through other comprehensive income are recognized in income for the period in which they occur, under the heading of financial income, when the right to receive is established.

The fair value of quoted financial assets is based on market prices (bid). If there is no active market, the Company establishes fair value through valuation techniques. These techniques include the use of prices charged in recent transactions, provided that market conditions, comparison with substantially similar instruments, and the calculation of discounted cash flows when information is available, making the maximum use of market information in internal information of the target entity.

In situations where investments are in equity instruments that are not admitted to listing on regulated markets and for which it is not possible to reliably estimate their fair value, they are maintained at their acquisition cost less any impairment losses, and these impairment losses are recorded against income.

Loans and receivables are classified in the statement of financial position as "Customers and other accounts receivable" and are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. The adjustment for the impairment of accounts receivable is made when there is objective evidence that the Company will not be able to receive the amounts due in accordance with the initial conditions of the transactions that gave rise to it and is recorded in the income statement in the line item "Impairment of receivables".

Financial assets are derecognized when the rights to receive the cash flows arising from these investments expire or are transferred, as well as all the risks and benefits associated with their possession.

The caption "Cash and cash equivalents" includes cash, bank deposits, other short-term investments of high liquidity and with initial maturities of up to three months and bank overdrafts. Bank overdrafts are presented in current liabilities under the caption "Current loans" in the statement of financial position and are considered in the preparation of the statement of cash flows as "Cash and cash equivalents".

Financial liabilities

A financial instrument is classified as a financial liability when there is a contractual obligation on the part of the issuer to settle capital and/or interest, through the delivery of cash or other financial asset, regardless of its legal form.

IFRS 9 provides for the classification of financial liabilities into two categories:

i) Financial liabilities at fair value through profit or loss; and

ii) Other financial liabilities.

Other financial liabilities include borrowings and trade and other payables.

Trade and other payables are initially measured at fair value and subsequently at amortised cost, using the effective interest rate method.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost, the difference between the nominal value and the initial fair value being recognised in the statement of profit and loss over the term of the borrowing, using the effective interest rate method; or at fair value, whenever the Company decides, in its initial recognition, to designate the financial liability at fair value through profit and loss, using the fair value option.

Financial liabilities are classified in current liabilities, unless the Company has an unconditional right to defer payment of the liability for at least 12 months after the date of the statement of financial position, in which case they are classified as non-current liabilities.

Financial liabilities are derecognized when the underlying obligations are extinguished by payment, are cancelled or expire.

3.6 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments

Derivative financial instruments are initially recorded at fair value at the date of the transaction, being subsequently measured at fair value. The method for the recognition of fair value gains or losses depends on the designation made of the derivative financial instruments. If they are designated as derivative financial instruments for trading, gains or losses resulting from fair value changes are recorded in the statement of profit and loss captions finance costs or income. If they are designated as hedging derivative financial instruments, gains or losses resulting from fair value changes depends on the nature of the hedged item, which can be a fair value hedge or a cash flow hedge.

The fair value of derivative financial instruments corresponds to their market value. In the absence of market value, fair value is determined by external and independent entities using valuation techniques accepted in the market.

Derivative financial instruments are recognized in the caption “Derivative financial instruments”, and if they have a positive or negative fair value they are recorded as financial assets or liabilities, respectively.

In accordance with IFRS 13, the fair value of non-listed derivative financial instruments is adjusted by the effect of counterpart credit risk (Credit Value Adjustment) and own credit risk (Debt Value Adjustment). The credit risk adjustments are determined by market information, namely recent debt issued with similar conditions and risk exposure, Credit Default Swaps (CDS) spreads, among other data observed in the market.

In assessing the existence of an economic relationship between the hedged instruments and the hedging instruments, the Company assumes that the interest rate benchmark (Euribor) will not be changed following the reform of the interest rate benchmarks as permitted by the changes to IAS 39, IFRS 7 and IFRS 9 regarding the reform of interest rate benchmarks. This policy is applicable to some hedging relationships designated at 31 December 2024 in a total notional amount of 1,200,000 thousand euros (1,560,000 thousand euros at 31 December 2023).

The Company will cease to apply the above disposal when:

i) the uncertainty regarding the reform of the interest rate benchmarks with respect to Euribor ceasing; or

ii) their hedging relationship is discontinued.

A derivative financial instrument is recorded and presented as non-current if its remaining maturity period is over twelve months and it is not expected to be realized or settled within the next twelve months.

Hedge accounting

As part of its policy for managing interest rate and exchange rate risks, the Company contracts a variety of derivative financial instruments, namely swaps.

The criteria for applying hedge accounting are as follows:

- The hedging relationship consists only of eligible hedging instruments and eligible hedged items in accordance with IFRS 9 criteria;
- At the beginning of the hedging relationship, there is formal designation and documentation regarding the hedging relationship and the risk management objective and strategy. This documentation must include the identification of the hedging instrument, the hedged item, the nature of the risk to be hedged and the form will be assessed whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge inefficiency and how it determines the coverage ratio); and
- The hedge relationship meets all of the following hedge effectiveness:
  i) There is an economic relationship between the hedged item and the hedging instrument;

ii) The credit risk effect does not dominate the changes in value that result from this economic relationship;

iii) The coverage ratio of the hedging relationship is the same as that resulting from the quantity of the item actually covered and the amount of the hedging instrument actually used to cover that amount of the hedged item. However, this designation should not reflect an imbalance between the weights of the covered item and those of the hedging instrument which could create an ineffectiveness of the hedge (regardless of whether or not it is recognized) which could lead to an accounting result incompatible with the hedge accounting objective.

At the beginning of the hedging operation, the Company documents the hedging relationship between the hedging instrument and the hedged item, its objectives and its risk management strategy. Additionally, it is assessed, both on the hedge start date and on each accounting reporting date, whether the derivative instruments designated as hedging instruments are highly effective in offsetting changes in the fair value or cash flows of the respective hedged items (including an analysis of inefficiency sources and how the coverage rate is determined).

The effectiveness requirements in a hedging relationship are as follows:

- There must be an "economic relationship" between the hedged item and the hedging instrument;
- The credit risk effect does not "dominate the changes in value" that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

The fair value of the derivative financial instruments contracted and the hedging movements in the reserves are disclosed in Note 11.

In the fair value hedge of an asset or liability, the book value of the asset or liability, determined based on the accounting policy used, is adjusted so as to reflect the variation of its fair value attributable to the risk hedged.

Changes in the fair value of hedging derivatives are recognized in the income statement together with changes in the fair value of the hedged assets or liabilities attributable to the hedged risk.

In a hedging operation on the exposure to changes of high probability in future cash flows (cash flow hedge) the effective part of the fair value variation of the hedging instrument is recognized in hedging reserves, being transferred to the statement of profit and loss in the period the item hedged affects results. The ineffective part of the hedge is recorded in he statement of profit and loss, when it occurs.

The hedge ineffectiveness can arise from:

- Differences in cash flows timing for hedged items and hedging instruments;
- Different indices (and, consequently, different curves) associated with the hedged risk of the hedged items and hedging instruments;
- The counterparties' credit risk has a different impact on the movements in the fair value of hedging instruments and hedged items; and
- Changes in the expected amount of cash flows from hedged items and hedging instruments.

Hedge accounting is discontinued only when a hedging relationship (or part of that hedging relationship) no longer complies with the hedge accounting criteria (after taking into account any rebalancing of the hedging relationship, if applicable). This includes cases where the hedging instrument expires or is sold, terminated or exercised.

In circumstances where a derivative financial instrument no longer qualifies as a hedging instrument, the Company assess: (i) in fair value hedge instruments, the existence of fair value adjustments to the hedged item, which will be amortized through the method the straight line for the remainder period of the hedged item; and (ii) in cash flow hedge, the existence of fair value differences recognized under hedging reserves in Equity, which amount will be reclassified to the income statement.

Any amount recorded in the caption "Other reserves – hedging reserves" is only reclassified to the statement of profit and loss when the hedged position affects results. When the hedged position relates to a future transaction which is not expected to occur, any amount recorded as "Other reserves – hedge reserves" is immediately reclassified to the statement of profit and loss.

In the case of aggregated exposures, the Company designates as hedged instruments a combination of an exposure and a derivative financial instrument. For this purpose, and when designating the hedged item based on an aggregated exposure, the Company considers the combined effect of the items that constitute the aggregated exposure for the purposes of assessing the hedge effectiveness and measuring its ineffectiveness. These instruments continue, however, to be accounted for separately.

3.7 REVENUE

Revenue is measured at the fair value of the consideration received or receivable. Revenue is deducted by the amount of taxes, discounts, returns and other rebates.

Revenue relating to services rendered refers to debits made to subsidiaries corresponding to management costs.

Revenue relating to investments in subsidiaries and associates is recognized in accordance with the equity method.

Interest revenue is recognized in accordance with the effective interest method if it is probable that economic benefits flow to the company and they can be reliably measured.

The revenue from dividends is to be recognized when the right to receive the corresponding amount is established.

3.8 CRITICAL ACCOUNTING JUDGMENTS AND MAIN SOURCES OF UNCERTAINTIES RELATING TO ESTIMATES

In the preparation of the accompanying financial statements, judgments and estimates were made using assumptions that affect the amounts recognized as assets and liabilities, as well as the amounts recorded relating to gains and losses of the period.

The estimates and underlying assumptions were determined with reference to the reporting date based on the best knowledge available as of the date of approval of the financial statements of the events and transactions in process, as well as experience of past and/or current events. However, situations can occur in subsequent periods that were not predictable as of the date of approval of the financial statements and so were not considered in the estimates. Changes in the estimates that occur after the date of the financial statements will be corrected on a prospective basis. Therefore, given the degree of uncertainty, actual results of the transactions can differ from the corresponding estimates.

Significant accounting estimates

Provisions
Provisions are recognized when the Company has: i) a present legal or constructive obligation as a result of past events; ii) for which it is more likely than not that an outflow of resources will be required to settle the obligation; and iii) the amount can be reliably estimated. When one of these criteria is not fulfilled or the existence of the liability is dependent upon a future event, the Company discloses it as a contingent liability, except if the outflow of resources to settle it is considered to be remote.

Provisions for restructuring expenses are recognised by the Company when there is a formal and detailed restructuring plan and that such plan has been communicated to the involved parties. In the measurement of the restructuring provision, only the expected outflows that directly result from the implementation of such plan are considered, not being, consequently, related with the current activities of the Company.

Provisions are measured at the present value of the estimated expenditure required to settle the liability using a pre-tax rate that reflects the market assessment of the discount period and the risk of the provision.

Fair value
The fair value of listed investments is based on current market prices (bid). If an active market does not exist, the Company establishes the fair value by using valuation techniques. These techniques include the consideration of recent transactions, provided that they reflect market conditions, reference to other instruments that are substantially the same and discounted cash flow analysis when information is available, making maximum use of market inputs and residually relying on entity-specific inputs.

The fair value of derivative financial instruments refers to its market value. In the absence of market value, its fair value is determined by external independent entities making use of valuation techniques accepted in the market.

3.9 TAXES

Income tax of the year comprises current taxes and deferred taxes. Income taxes are recorded in the income statement, except when they relate to items that are recognized directly in equity.

Income Tax
The amount of current tax payable is determined based on the Company's taxable income, which differs from the accounting result, since it excludes various expenses and income that will only be deductible or taxable in subsequent years, as well as expenses and income that will never be deductible or taxable under the tax rules in force.

Deferred Tax
Deferred taxes refer to the temporary differences between the amounts of assets and liabilities for accounting reporting purposes and the respective amounts for taxation purposes.

Deferred tax assets and liabilities are calculated and valued annually using the tax rates expected to be in force on the date of reversal/use of the temporary differences, based on tax rates and tax laws, which are formally issued on the reporting date.

Deferred tax assets are only recorded when there are reasonable expectations of sufficient future taxable income to use them. At the date of each balance sheet a reappraisal is made of the temporary differences underlying the deferred tax assets in order to recognize deferred tax assets not previously recorded because they did not fulfil the conditions for recording them and/or to reduce the amounts of the deferred tax assets recorded based on the current expectation of their future recovery.

3.10 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Transactions expressed in foreign currency are accounted for in euros, based on the exchange rates prevailing on the date of the transactions.

At the end of the year, the balances payable and receivable in foreign currency are updated at the official exchange rate in force on the balance sheet date, with the respective exchange differences recorded in the income statement.

The exchange rates used for converting balances receivable and payable in foreign currency, existing at the balance sheet date, originate from Banco de Portugal reported as at 31 December 2024.

3.11 ACCRUAL BASIS OF ACCOUNTING

Income and expenses are recognized on an accrual's basis, under which income and expenses are recorded in the period to which they relate, independently of when the correspondent amounts are collected or paid. Differences between the amounts received and paid and the related income and expenses are recorded as assets or liabilities.

3.12 DISTRIBUTION OF DIVIDENDS TO SHAREHOLDERS

The distribution of dividends to shareholders is recognized as a liability in the Company's financial statements in the period the dividends are approved by the shareholders and up to the moment of their payment.

3.13 SHARE CAPITAL AND OWN SHARES

Ordinary shares are classified in the share capital caption by its nominal value. Differences between the nominal value and the subscription price are recorded in the caption "Share Premium". Incremental costs directly attributable to the issuance of new shares or options are shown net of tax, as a deduction in equity from the amount issued.

Own shares acquired through contract or directly on the stock market are recognized as a deduction in equity in caption "Own shares". In accordance with the Portuguese Commercial Company Code, REN SGPS must at any time ensure that there enough reserves in Equity to cover the value of own shares, limiting the amount of reserves available for distribution.

Own shares are recorded at cost if they are acquired in a spot transaction or at estimated fair value if acquired in a deferred purchase.

3.14 CASH FLOW STATEMENT

The caption "Cash and cash equivalents" includes cash on hand, bank deposits, other short-term highly liquid investments with initial maturities of up to three months, and bank overdrafts. Bank overdrafts are shown in the current liabilities "Borrowings" caption on the statement of financial position, and are included in the statement of cash flows as cash and cash equivalents.

The cash flow statement is prepared according with the direct method, being presented the collections and payments in operating activities, investment and financing activities.

The Company classifies interests and dividends received as investment activities and interests and dividends paid as financing activities unless if related with cash flows that relate with a hedge contract of an identifiable position, which are classified in accordance with the cash flows of the hedged position.

3.15 BORROWING COSTS

Borrowings costs are recognized as costs in the period they are incurred.

3.16 FINANCIAL RISK MANAGEMENT POLICIES

Financial risk factors

The Company`s activities are exposed to a variety of financial risks: exchange rate risk, credit risk, liquidity risk and cash flow risk relating to interest rate, among others risk factors.

The Company developed and implemented a risk management program that, together with permanent monitoring of the financial markets, seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the Financial Management Department under policies approved by the Board of Directors. The Financial Management Department identifies, assesses and carries out operations to minimize the financial risks.

The Board of Directors defines the principles for overall risk management and policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivatives and other non-derivative financial instruments, and the investment of excess liquidity.

i) Foreign exchange rate risk
The Company has limited exposure to foreign exchange rate risk. The risk of fluctuation of foreign exchange rates on the bond issued totalling 10,000 million yens (JPY) due in June 2024 was fully hedged by a cross currency swap of the same notional amount.

Additionally, the Company is exposed to changes in the exchange rate of north American dollar and Chilean peso, related with its financial investment in Electrogas, S.A., acquired in February 2017 and related to the company acquired on October 1, 2019, Empresa de Transmisión Eléctrica Transemel, S.A.

An increase of 5% in the exchange rate of euro and north american dollar, with reference to 31 December 2024, and all other factors remaining constant, would lead to a decrease on equity in the amount of 7,972 thousand euros (7,488 thousand euros as of 31 December 2023), while a decrease of 5% of that exchange rate would lead to an increase on equity in the amount of 8,811 thousand euros (8,277 thousand euros as of 31 December 2023).

A 5% increase in the euro exchange rate against the chilean peso, with reference to 31 December 2024, and keeping all other variables constant, would result in a decrease in the Company's equity of 3,844 thousand euros (3,888 thousand euros as of 31 December 2023), while a decrease of 5% of that exchange rate would result in an increase of 4,292 thousand euros in equity (4,298 thousand euros as of 31 December 2023).

ii) Credit risk
REN's exposure to credit risk is not significant, since the services rendered are invoiced to group companies.

REN's counterparty risk on bank deposits, financial applications, and contracting of derivative instruments is mitigated by the selection of top ratting international institutions with solid credit rating and top national financial institutions.

iii) Liquidity risk
REN SGPS manages Group's liquidity risk through central treasury management.
All the liquidity excess and needs of each group company are transferred to REN SGPS, which manages the consolidated balances with financial institutions.

In order to guarantee the current treasury needs of the Company and to have the necessary dynamic and flexible to fulfil the current liquidity needs, the Company, as of 31 December 2024, has credit lines contracted in the amount of 79,530 thousand euros and eleven commercial paper programs, in the amount of 2,225,000 thousand euros, being available 1,655,000 thousand euros as of 31 December 2024. From the total amount of commercial paper programs, 1,025,000 thousand euros have subscription guarantee (of which 775,000 thousand euros were available as of 31 December 2024) (Note 15).

The following table presents the Company liabilities by residual contracted maturity intervals and includes derivative financial instruments, the financial liquidation of the related cash flows of which is made by the net amount. The amounts shown in the table are non-discounted cash flows contracted, including undiscounted future interest; as therefore, do not correspond to its carrying amounts:

31 DECEMBER 2024

	LESS THAN 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Borrowings:				
Bank borrowings	86,670	297,722	235,537	619,930
Bonds	537,529	714,572	334,391	1,586,492
Commercial paper	532,040	250,000	-	782,040
Others	66,950	299	-	67,249
	1,223,189	1,262,594	569,928	3,055,710
Derivative financial instruments	12,334	28,489	-	40,823
Trade and others payables	79,957	-	-	79,957
Total	1,315,480	1,291,083	569,928	3,176,491

31 DECEMBER 2023

	LESS THAN 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Borrowings:				
Bank borrowings	88,588	265,662	189,619	543,869
Bonds	101,559	891,945	302,137	1,295,640
Commercial paper	782,129	556,842	-	1,338,971
Others	32,230	217	-	32,447
	1,004,505	1,714,666	491,755	3,210,927
Derivative financial instruments	22,425	52,209	6,141	80,775
Trade and others payables	86,253	-	-	86,253
Total	1,113,183	1,766,875	497,896	3,377,954

iv) Interest rate risk

Borrowings at variable interest rates expose the Company to cash flow risk resulting from changes in interest rates. Borrowings at fixed rates expose the Company to fair value risk, as a result of changes in interest rates. Risk management is performed centrally aiming to avoid volatility in financial costs, using simple derivative financial instruments such as interest rate swaps. In this kind of operations, the Company exchanges with banking counterparties in specific dates and with defined maturities, the difference between the contractual fixed interest rates and the variable rates with reference to the notional amounts covered. All operations undertaken with this purpose can, in the most part of the hedges, be considered perfect interest rate hedging operations.

A global reform of the main interest rate benchmarks is underway, which predict the replacement of some benchmarks, including Euribor, with alternative risk-free rates. The Company presents expositions to Euribor variations in its financial instruments that will be impacted by this global reform. There is currently uncertainty about the timing and methods associated with the transition of interest rate benchmarks. To date, the Company does not expect a significant impact on its risk management policies and on the effects of hedge accounting.

The Company will assess and analyse the potential concrete impacts of the potential change to Euribor when implementing the timings and the respective methods of change and, in particular, in the designated interest rate risk hedging relationships.

A sensitivity analysis was made based on the Company's total debt as of 31 December 2024 and 2023, using the following assumptions:

- Changes in market interest rates affect interest income and costs of variable financial instruments;
- Changes in market interest rates only affect results or equity in relation to fixed interest rate financial instruments if they are recognized at fair value (or remeasured by the interest rate risk in a fair value hedge);
- Changes in market interest rates affect the fair value of derivative financial instruments and other financial assets and liabilities; and
- Changes in the fair value of derivative financial instruments and other financial assets and liabilities are estimated discounting future cash flows, using market rates at the year end.

Under these assumptions, a 0.25% increase in market interest rates for all the currencies in which the Company has borrowings or derivative financial instruments at 31 December 2024 would result in a decrease of profit before tax of, approximately, 3,173 thousand euros, (4,362 thousand euros as of 31 December 2023).

The increase in equity resulting from an increase in interest rates of 0.25% would be, approximately, 2,635 thousand euros, this impact entirely attributed to derivatives (on 31 December 2023 corresponded to an increase of 4,421 thousand euros).

The sensitivity analysis is merely illustrative and does not represent an actual gain or loss, neither other change in the income statement or in equity.

3.17 IMPAIRMENT OF TANGIBLE AND INTANGIBLE FIXED ASSETS

On each reporting date, a review is carried out of the carrying amounts of the Company's tangible and intangible fixed assets in order to determine whether there is any indication that they may be impaired. If there is any indicator, the recoverable amount of the respective assets (or the cash-generating unit) is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of the asset (or cash-generating unit) is the higher of: (i) fair value less costs to sell and (ii) value in use. In determining value in use, estimated future cash flows are discounted using a discount rate that reflects market expectations about the time value of money and the specific risks of the asset (or the cash-generating unit) relative to for which estimates of future cash flows have not been adjusted.

Whenever the carrying amount of the asset (or the cash-generating unit) is greater than its recoverable amount, an impairment loss is recognized. The impairment loss is immediately recorded in the income statement under the heading "Impairment losses", unless such loss offsets a revaluation surplus recorded in equity. In the latter case, such loss will be treated as a decrease in that revaluation.

The reversal of impairment losses recognized in previous years is recorded when there is evidence that the impairment losses previously recognized no longer exist or have decreased. The reversal of impairment losses is recognized in the income statement under the heading "Reversals of impairment losses". The reversal of the impairment loss is carried out up to the limit of the amount that would have been recognized (net of amortizations) if the previous impairment loss had not been recorded.

3.18 PROVISIONS

Provisions are recognized when the Company has: (i) a present legal or constructive obligation resulting from past events; (ii) for which it is more probable than not, that an expenditure of internal resources will occur in the payment of that obligation; and (iii) the amount can be estimated reliably. Whenever one of the criteria is not met or the existence of the obligation is conditioned to the occurrence (or non-occurrence) of a certain future event, the Company discloses this fact as a contingent liability, unless the assessment of the outflow of resources to pay the even be considered remote.

Provisions for restructuring are only recognized when the Company has developed a detailed formal restructuring plan and has started its implementation or has announced its main components to those affected by it. When measuring the provision for restructuring, only expenditures that result directly from the implementation of the corresponding plan are considered, and are therefore not related to the Company's current activities.

Provisions are measured at the present value of estimated expenditures to settle the obligation using a pre-tax rate, which reflects the market assessment for the discount period and for the risk of the provision in question.

Provisions are reviewed at the reporting date and adjusted to reflect the best estimate at that date.

Present obligations resulting from onerous contracts are recorded and measured as provisions. An onerous contract exists when the Company is an integral part of the provisions of an agreement, the fulfilment of which has associated costs that cannot be avoided that exceed the economic benefits derived from it.

3.19 EMPLOYEE BENEFITS

The costs to be borne by the Company with long-term employee benefits are recognized as expenses during the period in which the employees are active, and these liabilities are reflected in the balance sheet under "Liabilities for post-employment benefits". Payments to beneficiaries made during each financial year are recorded as a reduction of this liability.

3.20 SUBSEQUENT EVENTS

Events that occur subsequently to balance sheet date that provide additional information on conditions that existed at the date of the statement of financial position ("adjusting events" or events after the statement of financial position date that led to adjustments) are recognized in the financial statements. Events that occur after the statement of financial position date that provide information on conditions that exist after that date ("non-adjusting events" or events after the statement of financial position date that do not lead to adjustments) are disclosed in the notes to the separate financial statements, if material.

4. CASH FLOW

For the purpose of the statement of cash flow, the caption cash and cash deposits equivalents include cash, bank deposits readily available (with terms not exceeding three months) and treasury securities in the monetary market, net of bank overdrafts and other short-term financing equivalents. The caption "Cash and cash equivalents" at 31 December 2024 and 2023 is detailed as follows:

	2024	2023
Cash	2	2
Bank deposits repayable on demand	6,132	9,458
Term deposits up to 3 months	10,000	-
Bank overdrafts (Note 15)	(500)	-
Cash and cash equivalents	**15,634**	**9,460**
Bank overdrafts (Note 15)	(500)	-
Cash and bank deposits in Balance	**16,134**	**9,460**

5. TANGIBLE ASSETS

The changes in tangible assets, accumulated depreciation and impairment losses in the years ended 31 December 2024 and 2023 were as follows:

2024

	TRANSPORT EQUIPMENT	ADMINISTRATIVE AND IT EQUIPMENT	TOOLS AND UTENSILS	TOTAL
Assets				
Opening balance	819	354	2	1,175
Acquisitions	317	17	-	335
Sales/write offs	(293)	(66)	-	(358)
Closing balance	843	306	2	1,152
Accumulated depreciations and impairment losses				
Opening balance	476	281	-	757
Depreciation for the year	166	25	-	192
Depreciation Sales/write offs	(287)	(66)	-	(353)
Closing balance	355	240	-	596
Net assets	489	65	2	556

2023

	TRANSPORT EQUIPMENT	ADMINISTRATIVE AND IT EQUIPMENT	TOOLS AND UTENSILS	TOTAL
Assets				
Opening balance	677	353	-	1,030
Acquisitions	266	8	2	277
Sales/write offs	(125)	(7)	-	(132)
Closing balance	819	354	2	1,175
Accumulated depreciations and impairment losses				
Opening balance	433	255	-	688
Depreciation for the year	151	34	-	185
Depreciation Sales/write offs	(108)	(7)	-	(115)
Closing balance	476	281	-	757
Net assets	343	73	2	418

6. FINANCE LEASES

The Company had the following assets under finance lease agreements at 31 December 2024 and 2023:

	2024			2023
	COST	DEPRECIATION	CARRYING AMOUNT	CARRYING AMOUNT
Transport equipment	733	(244)	489	343
	733	(244)	489	343

The minimum payments under finance lease contracts at 31 December 2024 and 2023 are as follows:

	PRESENT VALUE OF MINIMUM PAYMENTS		MINIMUM PAYMENTS	
	2024	2023	2024	2023
Up to 1 year (Note 15)	133	114	148	127
From 1 to 5 years (Note 15)	299	217	315	233
	433	332	463	360

7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

The Company's investments in subsidiaries and associates as of 31 December 2024 and 2023 are as follows:

	31 DECEMBER 2024								INVESTMENT HELD		
ENTITY	HEAD OFFICE	SHARE CAPITAL	ASSETS	LIABILITIES	EQUITY	REVENUE	NET RESULT	%	INVESTMENT	PROPORTIONAL AMOUNT OF RESULT (NOTE 18)	
Equity method:											
Subsidiaries:											
REN - Rede Eléctrica Nacional, S.A.	Lisbon	1,909,614	3,205,147	1,043,227	2,161,920	462,385	126,817	100	2,161,920	126,817	
REN Atlântico, Terminal de GNL, S.A.	Sines	67,450	128,986	34,628	94,358	37,260	3,095	100	94,358	3,095	
RENTELECOM - Comunicações, S.A.	Lisbon	2,100	18,913	9,966	8,947	8,731	3,699	100	8,947	3,699	
REN Serviços, S.A.	Lisbon	391,550	1,626,800	1,176,480	450,319	69,663	38,484	100	450,319	38,484	
Enondas, Energia das Ondas, S.A.	Pombal	2,250	3,408	178	3,230	456	115	100	3,230	115	
REN PRO, S.A.	Lisbon	2,050	6,204	2,179	4,025	8,488	297	100	4,025	297	
REN Finance, BV	Amsterdam	20	1,667,901	1,462,264	205,638	44,406	8,496	100	205,638	8,496	
									2,928,437	181,003	
Associates:											
OMIP - Operador do Mercado Ibérico (Portugal), SGPS, S.A.	Lisbon	2,610	30,640	289	30,351	1,448	1,066	40	7,367	432	(i)
Centro de Investigação em Energia REN - STATE GRID, S.A.	Lisbon	3,000	7,013	1,549	5,465	1,682	19	50	2,727	9	
									10,094	**441**	
									2,938,531	**181,444**	

(i) The proportional value of the result in OMIP, SGPS. includes the effect of the adjustment arising from changes to the financial statements of the previous year made after application of the equity method.

	31 DECEMBER 2023								INVESTMENT HELD		
ENTITY	HEAD OFFICE	SHARE CAPITAL	ASSETS	LIABILITIES	EQUITY	REVENUE	NET RESULT	%	INVESTMENT	PROPORTIONAL AMOUNT OF RESULT (NOTE 18)	
Equity method:											
Subsidiaries:											
REN - Rede Eléctrica Nacional, S.A.	Lisbon	1,789,564	3,075,023	1,087,492	1,987,531	451,900	93,171	100	1,987,531	93,171	
REN Trading, S.A.	Lisbon	50	370,143	359,929	10,213	927	10,167	100	10,213	10,167	
REN Atlântico, Terminal de GNL, S.A.	Sines	39,450	156,475	82,212	74,263	54,352	11,782	100	74,263	11,782	
RENTELECOM - Comunicações, S.A.	Lisbon	2,100	18,734	10,486	8,248	7,893	3,522	100	8,248	3,522	
REN Serviços, S.A.	Lisbon	361,550	1,607,174	1,202,605	404,569	62,655	35,001	100	404,569	35,001	
Enondas, Energia das Ondas, S.A.	Pombal	2,250	3,273	159	3,115	480	124	100	3,115	124	
REN PRO, S.A.	Lisbon	2,050	5,723	1,995	3,728	7,736	62	100	3,728	62	
REN Finance, B.V.	Amsterdam	20	1,365,962	1,153,820	212,142	40,037	18,610	100	212,142	18,610	
									2,703,808	**172,438**	
Associates:											
OMIP - Operador do Mercado Ibérico (Portugal), SGPS, S.A.	Lisbon	2,610	30,478	206	30,272	1,996	1,603	40	7,336	692	(i)
Centro de Investigação em Energia REN - STATE GRID, S.A.	Lisbon	3,000	6,103	654	5,449	1,721	8	50	2,719	4	
									10,055	696	
									2,713,863	**173,134**	

(i) The proportional value of the result in OMIP, SGPS. includes the effect of the adjustment arising from changes to the financial statements of the previous year made after application of the equity method.

According to the current legislation in Portugal, any income and other positive equity fluctuations recognized as a result of the use of the equity method, should only be considered to distribution to shareholders when they occur as described in Note 13.

The changes in these captions in 2024 and 2023 were as follows:

Investments - equity method

2024

	PROPORTION OF CAPITAL HELD (ASSETS)	TOTAL
Opening balance	2,713,863	2,713,863
Result appropriated by the equity method	181,444	181,444
Distribution of dividends by subsidiaries and associates	(139,002)	(139,002)
Other appropriation of changes in equity in subsidiaries (Note 13)	4,625	4,625
Devolution Supplementary Payments OMIP	(400)	(400)
Capital increase on subsidiaries	178,000	178,000
Closing balance	2,938,531	2,938,531

2023

	PROPORTION OF CAPITAL HELD (ASSETS)	TOTAL
Opening balance	1,391,535	1,391,535
Result appropriated by the equity method	170,081	170,081
Distribution of dividends by subsidiaries and associates	(73,805)	(73,805)
Other appropriation of changes in equity in subsidiaries (Note 13)	(28,823)	(28,823)
Capital Reinforcement REN Trading	3,100	3,100
Devolution Supplementary Payments OMIP	(231)	(231)
Closing balance	2,713,863	2,713,863

8. GOODWILL

The investment in the subsidiary REN Atlântico, includes a Goodwill in the amount of 3,774 thousand euros, which is amortized for a period of 10 years starting in 1 January 2016.

Goodwill represents the difference between the amount paid on the acquisition of the participation in subsidiaries and the fair value of the equity of REN Atlântico, S.A. on the acquisition date, under the natural gas business unbundling process. As of 31 December 2024 and 2023, the amount is as follows:

			PERCENTAGE INTEREST HELD		GOODWILL				
ENTITY	YEAR OF ACQUISITION	ACQUISITION COST	%	AMOUNT	AMOUNT AT 01.01.2024	INCREASES	DECREASES	AMOUNT AT 31.12.2024	AMOUNT AT 31.12.2023
REN Atlântico, Terminal de GNL, S.A.	2006	32,580	100%	28,806	755	-	(377)	377	755

The Company carried out an impairment test on Goodwill on 31 December 2024 and 2023, at the level of the cash-generating unit to which REN Atlântico corresponds. The activity of this company is subject to a concession contract and tariff regulation, so the recoverable amount was determined based on the value in use. The cash flow projections made, took into account the regulatory conditions expected for the remaining concession period (concession for a period of 40 years starting on September 26, 2006), with the cash inflows associated with the cash-generating unit corresponding to the regulatory remuneration on the net value of the underlying investments, which is decreasing over the projections from the end of the 2024 financial year until the end of the concession.

Cash flows were discounted, considering a discount rate that reflects the specific risk of the regulatory activity, of 5.3% (discount rate after tax of 4.2%).

		ASSUMPTIONS		
CASH GENERATION UNIT	METHOD	CASH FLOW	GROWING FACTOR	DISCOUNTED RATE
REN Atlântico, Terminal de GNL, S.A.	DFC (discounted cash flow)	Operating flow projected to the remaining concession period	The rate decrease according of average rate of assets depreciation	5.3% (pre-tax) 4.2% (post-tax)

9. INCOME TAX

The companies belonging to the REN Group are taxed based on the special regime for the taxation of group companies (RETGS). Consequently, estimated income tax, tax amounts withheld by third parties and corporate income tax paid in advance are recorded in the statement of financial position as accounts payable to and receivable from REN SGPS, in accordance with the movements made by its subsidiaries.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except when there are tax losses, tax benefits granted or tax inspections, claims or contestations in progress, in which case the period can be extended or suspended, depending on the circumstances. Consequently, the Company's tax returns for the years from 2021 to 2024 are still subject to review.

The Company's Board of Directors understands that any correction to the tax returns resulting from tax reviews /inspections carried out by the tax authorities will not have a significant effect on the financial statements as of 31 December 2024 and 2023.

The Company is taxed for Corporate Income Tax at 21% rate, increased by a (i) municipal surcharge up the maximum of 1.5% over the taxable profit; and a state surcharge of an additional (ii) 3% of taxable profit between 1,500 thousand euros and 7,500 thousand euros; (iii) of 5% over the taxable profit in excess of 7,500 thousand euros and up to 35,000 thousand euros; and (iv) 9% for taxable profits in excess of 35,000 thousand euros, which results in a maximum aggregate tax rate of 31.5%.

In the year ended 31 December 2024, the computation of the deferred taxes, was updated in accordance with Law 45-A/2024, of 31 December 2024, that established a Corporate Income Tax rate of 20%, increased by a municipal surcharge up the maximum of 1.5% over the taxable profit; and a State surcharge of an additional (i) 3% of taxable profit between 1,500 thousand euros and 7,500 thousand euros; (ii) of 5% over the taxable profit in excess of 7,500 thousand euros and up to 35,000 thousand euros; and (iii) 9% for taxable profits in excess of 35,000 thousand euros, which results in a maximum aggregate tax rate of 30.5%. The above taxes shall apply to taxable profits relating to taxation periods beginning on or after 1 January 2025.

The tax rate used in the valuation of temporary taxable and deductible differences as of 31 December 2024, were calculated using the average tax rate expected in accordance with future perspective of taxable profits of the Company recoverable in the next periods.

Income tax credit/ (expense) of the years ended 31 December 2024 and 2023 was as follows:

	2024	2023
Current tax	7,031	793
Adjustments relating to previous years income tax	3,962	(9,261)
Deferred tax	(46)	291
Credit/ (cost) Income tax	**10,947**	**(8,176)**

The reconciliation of current income tax as of 31 December 2024 and 2023 is as follows:

	2024	2023
Profit before income tax	146,760	159,150
Permanent differences:		
Non tax deductible costs	39,584	16,234
Non taxable income	(181,830)	(173,259)
Timing differences:		
Provisions and impairments	(164)	286
Derivative Financial Instruments	(40)	1,007
Taxable profit	**4,311**	**3,418**
Cost/ (credit) of income tax at the rate of 21%	905	718
State surcharge tax	84	58
Municipal taxation	65	51
Autonomous taxation	59	69
Income tax from previous years	5	1
Adjustment net financial costs	(8,149)	(1,691)
Current tax	**(7,031)**	**(793)**
Deferred tax	46	(291)
Adjustments relating to prior years income tax	(3,962)	9,261
Credit/ (cost) Income tax	**10,947**	**(8,176)**
Efective rate	-7.5%	5.1%

The non-taxable income relates essentially to gains obtained from the application of the equity method to the valuation of investments in subsidiaries and associates.

The amount of 8,149 thousand euros on 31 December 2024 reflects the adjustment of net financing costs.

The amount of 3,962 thousand euros, at 31 December 2024, refers essentially to a reimbursement of 2010 state surcharge tax.

Deferred taxes

The amounts of deferred tax assets and liabilities as of 31 December 2024 and 2023, in accordance with the underlying temporary differences are as follows:

	31 DECEMBER				INCREASE/ (DECREASE) IN THE PERIOD	
	2024		2023			
NATURE	BASE	DEFERRED TAX	BASE	DEFERRED TAX	RESULTS	EQUITY (NOTES 11 AND 12)
Deferred tax assets:						
Restructuring provision	121	27	285	64	(37)	-
Provision for post employment benefits	14	3	13	4	-	-
Derivative financial instruments - Fair Value	299	67	39	9	58	-
Fair value of assets	-	2	-	-	-	(2)
	433	**99**	**337**	**76**	**21**	**(2)**
Deferred tax liabilities:						
Derivative financial instruments - Cash Flow	27,568	6,203	47,498	10,687	-	4,484
Derivative financial instruments - Fair value	400	90	101	23	(67)	-
Fair value of assets	-	-	13,010	1,890	-	1,890
	27,968	**6,293**	**60,609**	**12,600**	**(67)**	**6,375**
Deferred tax					**(46)**	**6,373**

10. FINANCIAL ASSETS

Trade receivables and other receivables

Trade receivables and other receivables at 31 December 2024 and 2023 are as follows:

	2024	2023
Non current:		
Group companies - Shareholders loans (Note 25)	855,000	955,000
Current:		
Group companies - Shareholders loans (Note 25)	270,000	34,500
Group companies - Treasury management (Note 25)	151,373	674,628
Group companies - RETGS (Note 25)	23,481	25,110
Group companies - Interest receivable from shareholders loans (Note 25)	17,823	14,219
Group companies - Other debtors (Note 25)	9,355	3,072
Group companies - Other income accruals (Note 25)	747	3,591
Other	42,621	42,618
	515,399	797,738
	1,370,399	1,752,738

As of 31 December 2024, the Company made shareholders loans to its subsidiaries in the total amount 1,125,000 thousand euros (989,500 thousand euros as of 31 December 2023), which terms and conditions reflect actual market conditions.

On 17 December 2024, the Company decided to approve capital increases in its subsidiaries REN - Rede Eléctrica Nacional, S.A., REN Atlântico - Terminal de GNL, S.A. and REN Serviços, S.A., in the amounts of 120,000,000 euros, 28,000,000 euros and 30,000,000 euros, respectively, by converting credits held by the Company into share capital.

The Company agreed a Central Cash pooling agreement. This agreement is valid for annual periods, renewable for equal periods, with market conditions.

The caption "Other receivables – Group companies - RETGS" includes income tax charged to subsidiaries resulting from the adoption of the Corporate Income Tax special regime for taxation of groups companies.

The caption "Other" includes the amount of 42,452 thousand euros, as an advance on profits, as mentioned in note 13.

Other financial assets

The caption "Other financial assets" as of 31 December 2024 and 2023 is as follows:

	2024	2023
Non current:	15	18
Labor compensation fund	15	18
Other financial assets	15	18

11. DERIVATIVE FINANCIAL INSTRUMENTS

At 31 December 2024 and 2023, the Company had the following derivative financial instruments negotiated:

		31 DECEMBER 2024			
		ASSETS		LIABILITIES	
	NOCIONAL	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Derivatives designated as cash flow hedges:					
Interest rate swaps	600,000 tEUR	1,554	28,642	-	-
		1,554	**28,642**	**-**	**-**
Derivatives designated as fair value hedges:					
Interest rate swaps	600,000 tEUR	-	-	3,477	30,740
		-	**-**	**3,477**	**30,740**
Derivative financial instruments		**1,554**	**28,642**	**3,477**	**30,740**

		31 DECEMBER 2023			
		ASSETS		LIABILITIES	
	NOTIONAL	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Derivatives designated as cash flow hedges					
Interest rate swaps	900,000 tEUR	7,748	45,745	-	-
Currency and interest rate swaps	10,000,000 tJPY	-	-	8,601	-
		7,748	**45,745**	**8,601**	**-**
Derivatives designated as fair value hedges					
Interest rate swaps	600,000 tEUR	-	-	-	52,006
		-	**-**	**-**	**52,006**
Trading derivatives	60,000 tEUR	871	-	-	-
Derivative financial instruments		**8,619**	**45,745**	**8,601**	**52,006**

The valuation of the derivatives financial instruments portfolio is based on fair value valuations made by external entities.

The amount recorded in this caption relates to eight interest rate swap contracts contracted by REN SGPS in order to hedge the risk of interest rate fluctuation (Note 3.16).

Counterparties to derivative contracts are international financial institutions with a solid credit rating and first-rate national institutions.

For the purpose of the effectiveness tests of the designated hedging relationships, REN applies the dollar offset method and the linear regression statistical method as methodologies. The effectiveness ratio is given by comparing the changes in fair value of the hedging instrument with the changes in fair value of the hedged item (or hypothetical derivative instrument simulating the conditions of the hedged item).

For the purpose of calculating ineffectiveness, the total change in fair value of the hedging instruments is considered.

The disclosed amount includes receivable or payable accrued interest, at 31 December 2024 related to these financial instruments, in the net amount payable of 2,021 thousand euros (at 31 December 2023 it was 1,591 thousand euros payable).

The characteristics of the derivative financial instruments negotiated at 31 December 2024 and 2023 were as follows:

						FAIR VALUE AT	
	NOTIONAL	CURRENCY	REN PAYS	REN RECEIVES	MATURITY	31.12.2024	31.12.2023
Derivatives designated as cash flow hedges:							
Interest rate swaps	600,000 tEUR	EUR	[0.051%;1.266%]	[Eur3m;Eur6m]	[feb-2025; apr-2029]	30,196	53,492
Currency and interest rate swaps	10,000,000 tJPY	JPY	[Eur6m;+2.19%]	2.71%	[jun-2024]	-	(8,601)
						30,196	**44,891**
Derivatives designated as fair value hedges:							
Interest rate swaps	300,000 tEUR	EUR	[Eur6m]	[0.611%;0.6285%]	[feb-2025]	(3,477)	(11,748)
Interest rate swaps	300,000 tEUR	EUR	[Eur6m]	[-0.095%]	[apr-2029]	(30,740)	(40,258)
						(34,218)	**(52,006)**
Derivatives designated as trading:							
Interest rate swaps	60,000 tEUR	EUR	[0.99%]	[Eur6m]	[jun-2024]	-	871
						-	**871**
Total						**(4,021)**	**(6,244)**

The periodicity of the cash flows, paid and received, from the derivative financial instrument's portfolio is semi-annual and annual for cash flow hedging contracts, semi-annual and annual for fair value hedging contracts and semi-annual for the trading derivative.

The breakdown of the notional of derivatives at 31 December 2024 and 2023 is presented in the following table:

	2024						
	2025	2026	2027	2028	2029	FOLLOWING YEARS	TOTAL
Interest rate swaps designated as cash flow hedges	300,000	-	-	-	300,000	-	600,000
Interest rate swaps designated as fair value hedges	300,000	-	-	-	300,000	-	600,000
Total	600,000	-	-	-	600,000	-	1,200,000

	2023						
	2024	2025	2026	2027	2028	FOLLOWING YEARS	TOTAL
Interest rate swaps designated as cash flow hedges	300,000	300,000	-	-	-	300,000	900,000
Currency rate and interest rate swaps designated as cash flow hedges	72,899	-	-	-	-	-	72,899
Interest rate swaps designated as fair value hedges	-	300,000	-	-	-	300,000	600,000
Trading derivatives	60,000	-	-	-	-	-	60,000
Total	432,899	600,000	-	-	-	600,000	1,632,899

Swaps:

Cash flow hedge - Interest rate swaps

The Company hedges the interest rate risk associated with the fluctuation of the market interest rate index (Euribor) on a portion of future debt interest payments through the designation of interest rate swaps, in order to transform floating rate payments into fixed rate payments.

At 31 December 2024, the Group has a total of six cash flow hedging interest rate swap contracts for a total amount of 600,000 thousand euros (as of 31 December 2023 it was 900,000 thousand euros). The hedged risk is the variable rate index associated to the interest payments of the loans Credit risk is not being hedged.

The fair value of the interest rate swaps, at 31 December 2024, is positive 30,196 thousand euros (at 31 December 2023 it was positive 53,492 thousand euros).

Of the derivatives described above, four contracts in a total amount of 600,000 thousand euros (at 31 December 2023 it was 600,000 thousand euros) are designated to hedge an aggregated exposure composed by the net effect of floating rate debt and interest rate swaps designated as fair value hedging instruments.

The amount recognised in reserves, relating to the cash flow hedges referred to above, was 27,568 thousand euros (at 31 December 2023 it was 49,268 thousand euros).

The hedged instruments of cash flow hedging relationships present the following conditions:

	MATURITY	HEDGED CAPITAL	INTEREST RATE	HEDGED OUTSTANDING AMOUNT AT 2024	HEDGED OUTSTANDING AMOUNT AT 2023	NOTE
Cash Flow Covered Instruments:						
Banco Europeu de Investimento (BEI) Loan	16.12.2024	300,000 tEUR	Eur3m	-	301,068	Note 15
Bonds (Euro Medium Term Notes)[7]	12.02.2025	300,000 tEUR	2.50%	306,574	306,281	Note 15
Bonds (Euro Medium Term Notes)[8]	16.04.2029	300,000 tEUR	0.50%	299,675	299,353	Nota 15

Cash flow hedge – Interest and exchange rate swaps

The Company hedged the exchange rate risk of the 10,000 million yens bond issued through a cross currency swap with the main characteristics similar to the bond with regard to exchange rate risk. Credit risk is not hedged.

As at 31 December 2024, the company has no cross currency and interest rate swap contracts (at 31 December 2023 it was 8,601 thousand euros negative).

Changes in the fair value of the hedging instrument are also being recorded in the hedge reserves in equity, with the exception of:

- The offsetting of the exchange rate effect of the spot update of the hedged instrument (bond issue in yen) at each reference date, resulting from the coverage of the exchange rate risk[9];

- The ineffective effect of the hedge resulting from the accounting designation made (REN hired a trading derivative to hedge this inefficiency economically - see Trading Derivative[10]. This inefficiency is caused by the change in the interest profile of the hedging instrument, which starts to pay a variable rate in the period from 2019 to 2024.

[7] This hedged instrument is designated jointly with derivatives of fair value hedging amounting to 300,000 thousands euros (see conditions in the table above) in a hedge of an aggregate exposure to Euribor 6 months in the period from 2023 to 2025 and, as such, eligible for cash flow coverage.

[8] This hedged instrument is designated jointly with derivatives of fair value hedging amounting to 300,000 thousands euros (see conditions in the table above) in a hedge of an aggregate exposure to Euribor 6 months in the period from 2023 to 2029 and, as such, eligible for cash flow coverage.

[9] The exchange effect of the underlying (loan), in the year of 2024, was favourable in the amount of 5,067 thousand euros, having been offset, in the same amount, by the unfavourable effect of the hedging instrument in the income statement for the year (on 31 December 2023 was favourable at 7,126 thousand euros).

[10] The ineffective component related to the cash flow hedging of interest rate and foreign exchange risk, recorded in the income statement, was 2,151 thousand euros negative, having been increased by the effect of the trading derivative contracted in 842 thousand euros negative (on 31 December 2023 it was 748 thousand euros negative compared to 1,205 thousand euros negative from the effect of the trading derivative). Accordingly, the net effect on the income statement for the period ended 31 December 2024 amounts to 2,993 thousand euros negative (on 31 December 2023 it was 1,954 thousand euros negative).

Integral Income

The movements recorded in the statement of comprehensive income through the application of cash flow hedges were as follows:

2024

CASH FLOW HEDGING INSTRUMENTS	CHANGE IN THE FAIR VALUE OF HEDGING INSTRUMENTS (i)	OF WHICH: EFFECTIVE AMOUNT RECORDED IN HEDGE RESERVES	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR	COVERAGE RESERVE RECLASSIFICATIONS TO RESULTS FOR THE YEAR
Swaps of interest rate	(21,700)	(21,700)	-	-
Swaps of exchange and interest rate	8,551	1,770	(2,151)	8,932
	(13,149)	**(19,930)**	**(2,151)**	**8,932**

2023

CASH FLOW HEDGING INSTRUMENTS	CHANGE IN THE FAIR VALUE OF HEDGING INSTRUMENTS (i)	OF WHICH: EFFECTIVE AMOUNT RECORDED IN HEDGE RESERVES	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR	COVERAGE RESERVE RECLASSIFICATIONS TO RESULTS FOR THE YEAR
Swaps of interest rate	(29,048)	(29,048)	-	-
Swaps of exchange and interest rate	(7,680)	195	(748)	(7,126)
	(36,728)	**(28,854)**	**(748)**	**(7,126)**

Hedging Reserve

The movements recorded in the hedging reserve were as follows:

	FAIR VALUE	DEFERRED TAXES IMPACT (NOTE 9)	HEDGING RESERVES
1 January 2023	76,352	(17,179)	59,172
Changes in fair value and ineffectiveness	(28,854)	6,492	(22,362)
31 December 2023	**47,498**	**(10,687)**	**36,811**
1 January 2024	47,498	(10,687)	36,811
Changes in fair value and ineffectiveness	(19,930)	4,484	(15,446)
31 December 2024	**27,568**	**(6,203)**	**21,365**

[11] (i) Does not include accrued interest.

Fair value hedge

The Company hedges the interest rate risk associated with the fluctuation of the market interest rate index (Euribor) on the fair value of interest payments on fixed-rate debt by negotiating interest rate swaps where it pays a variable rate and receives a fixed rate in order to convert fixed-rate debt payments into variable-rate payments.

At 31 December 2024, the Company has a total of four fair value hedging derivative contracts amounting to 600,000 thousand euros (as of 31 December 2023 it was 600,000 thousand euros). The hedged risk corresponds to the change in fair value of debt issues attributable to movements in the market interest rate index (Euribor).

Credit risk is not being hedged. At 31 December 2024, the fair value of interest rate swaps designated as fair value hedging instruments was negative 34,218 thousand euros (as of 31 December 2023 it was negative 52,006 thousand euros).

Changes in the fair value of hedged items arising from interest rate risk are recognised in the income statement in order to offset changes in the fair value of the hedging instrument, which are also recognised in the income statement.

The hedged items of fair value hedging relationships have the following conditions:

2024

	MATURITY	HEDGED CAPITAL	INTEREST RATE	OUTSTANDING AMOUNT	THERE OF FAIR VALUE ADJUSTMENTS	VARIATION	NOTE
Fair value hedged Instruments:							
Bonds (Euro Medium Term Notes)	12.02.2025	300,000 tEUR	2.50%	305,178	1,396	(7,505)	Note 15
Bonds (Euro Medium Term Notes)	16.04.2029	300,000 tEUR	0.50%	271,402	28,273	(9,098)	Note 15
					29,669	**(16,603)**	

2023

	MATURITY	HEDGED CAPITAL	INTEREST RATE	OUTSTANDING AMOUNT	THERE OF FAIR VALUE ADJUSTMENTS	VARIATION	NOTE
Fair value hedged Instruments:							
Bonds (Euro Medium Term Notes)	12.02.2025	300,000 tEUR	2.50%	297,380	8,901	(8,084)	Note 15
Bonds (Euro Medium Term Notes)	16.04.2029	300,000 tEUR	0.50%	261,981	37,372	(18,527)	Note 15
					46,273	**(26,611)**	

In 2024, the change in fair value of the debt related to interest rate risk recognized in the income statement was negative 16,603 thousand euros (at 31 December 2023 it was negative 26,611 thousand euros), resulting in an ineffective component, after considering the effect of the hedged items in the income statement, of approximately positive 40 thousand euros (at 31 December 2023 it was negative 1,007 thousand euros). The ineffectiveness recognized is related to the effect of the fixed leg spread of the hedging instruments that is not reflected in the hedged item.

Integral Income

The movements recorded in the statement of comprehensive income through the application of fair value hedges were as follow:

2024

CASH FLOW HEDGING INSTRUMENTS	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR
Swaps of interest rate	40

2023

CASH FLOW HEDGING INSTRUMENTS	HEDGING INEFFICIENCY RECORDED IN PROFIT FOR THE YEAR
Swaps of interest rate	(1,007)

Trading derivatives

The Company negotiated an interest rate swap, with a starting date in 2019 and maturity in 2024, which pays fixed rate and receives variable rate. This instrument, although not designated as hedge accounting considering IFRS 9 criteria, is currently hedging the effect of the ineffectiveness of the cash flow hedge of the interest and exchange rate risks of the bond issue in Yens, relative to the fluctuation of interest rates for the hedging period (see Cash Flow Hedge – Interest and Exchange Rate Swaps).

Following the maturity of this trading derivative during 2024, it is no longer included in the trading portfolio (on 31 December 2023 the fair value was a positive 871 thousand euros). The credit risk was not being hedged.

Changes in the fair value of the trading derivative are recorded directly in the income statement. The impact in the income statement, as of 31 December 2024, related to the effect of the fair value of the trading derivative was negative 842 thousand euros (as of 31 December 2023 it was negative 1,205 thousand euros).

12. INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE FOR OTHER COMPREHENSIVE PERFORMANCE

The assets recognized in this caption at 31 December 2024 and 2023 corresponds to equity interests held on strategic entities in the electricity and gas market, which can be detailed as follows:

	HEAD OFFICE		% OWNED		BOOK VALUE	
	CITY	COUNTRY	2024	2023	2024	2023
OMEL - Operador del Mercado Ibérico de Energia (Polo Espanhol)	Madrid	Spain	10.00%	10.00%	3,167	3,167
Hidroeléctrica de Cahora Bassa	Maputo	Mozambique	7.50%	7.50%	44,920	51,410
					48,087	54,577

The changes in this caption were as follows:

	OMEL	HCB	TOTAL
1 January 2023	3,167	54,074	57,241
Fair value adjustments	-	(2,664)	(2,664)
31 December 2023	3,167	51,410	54,577
1 January 2024	3,167	51,410	54,577
Fair value adjustments	-	(6,490)	(6,490)
31 December 2024	3,167	44,920	48,087

REN SGPS holds 7.5% representative shares of Hidroeléctrica de Cahora Bassa S.A., Mozambican company, transmitted following the contract signed at 9 April 2012, between REN, Parpublica – Participações Públicas, SGPS, S.A. (Parpublica), CEZA – Companhia Eléctrica do Zambeze, S.A. and EDM – Electricidade de Moçambique, EP for the acquisition from Parpublica of 2,060,661,943 shares, representing 7.5% of the capital and voting rights of HCB. This participation was initially recorded at its acquisition cost (38,400 thousand euros) and subsequently adjusted to its fair value (Note 27).

As of 31 December 2024, REN SGPS holds an interest in OMEL, Operador del Mercado Ibérico, S.A. (OMEL). In the process to create the Sole Operator of the Iberian Electricity Market (OMI) and in accordance with the Agreement between the Portuguese Republic and the Kingdom of Spain regarding the creation Iberian electric energy market, REN SGPS acquired 10% of the shares of OMEL for 3,167 thousand euros.

As there are no available market price for the above referred investment (OMEL), and as it is not possible to determine the fair value using comparable transactions, this investment is recorded at acquisition cost deducted by impairment losses.

At this date, no evidences of impairment losses related with OMEL exist.

Adjustments to the fair value investments in equity instruments at fair value for other comprehensive income are recorded in equity under the caption “fair value reserve”, which as of 31 December 2024 and 2023 presents the following amounts:

	FAIR VALUE RESERVE
1 January 2023	12,493
Changes in fair value	(2,664)
Fiscal effect (Note 9)	1,291
31 December 2023	11,120
1 January 2024	11,120
Changes in fair value	(6,490)
Fiscal effect (Note 9)	1,892
31 December 2024	6,522

The dividends distributed are detailed in Note 24.

13. EQUITY INSTRUMENTS

Share capital

As of 31 December 2024, the Company's subscribed and paid-up capital was made up of 667,191,262 shares with nominal value of 1 euro each.

Share capital at 31 December 2024 and 2023 is detailed as follows:

	2024		2023	
	NUMBER OF SHARES	SHARE CAPITAL	NUMBER OF SHARES	SHARE CAPITAL
Share capital	667,191,262	667,191	667,191,262	667,191

The caption “Other changes in equity”, as at 31 December 2024 and 2023, amounts to 5,561 thousand euros.

The main shareholders at 31 December 2024 and 2023 and were as follows:

	2024		2023	
	SHARES	%	SHARES	%
State Grid Corporation of China	166,797,815	25.0	166,797,815	25.0
Pontegadea Inversiones S.L.	80,100,000	12.0	80,100,000	12.0
Lazard Asset Management LLC	51,346,447	7.7	51,105,111	7.7
Fidelidade - Companhia de Seguros, S.A.	35,496,424	5.3	35,496,424	5.3
Redeia Corporación, S.A.	33,359,563	5.0	33,359,563	5.0
Own shares	3,881,374	0.6	3,881,374	0.6
Free float	296,209,639	44.4	296,450,975	44.4
	667,191,262	100.0	667,191,262	100.0

I
II Consolidated and individual accounts
III

Own shares

At 31 December 2024 and 2023, the Company had the following own shares:

	NUMBER OF SHARES	PERCENTAGE OF CAPITAL	AMOUNT
Own shares	3,881.374	0.6%	10,728

There were no purchases or sales of own shares in the year ended 31 December 2024 and 2023.

In accordance with the Commercial Company Code (Código das Sociedades Comerciais) REN SGPS must permanently ensure the existence of sufficient equity reserves to cover the value of own shares, in order to limit the amount of reserves available for distribution.

Shares premium

Following the capital increase in 2017, REN SGPS recorded an amount of 116,809 thousand euros in the "Shares premium" caption.

Legal reserve

In accordance with the Commercial Company Code (Código das Sociedades Comerciais) the Company must transfer a minimum of 5% of its annual net profit to a legal reserve until the reserve reaches 20% of share capital. The legal reserve cannot be distributed to the shareholders but may in certain circumstances be used to increase capital or to absorb losses after all the other reserves have been used up.

At 31 December 2024 the caption "Legal reserve" amounted to 141,378 thousand euros (141,378 thousand euros as of 31 December 2023).

Other reserves

The caption "Other Reserves" includes changes in the fair value of investments in equity instruments at fair value for other comprehensive income, derivative financial instruments hedging cash flows and other reserves.

In accordance with the Commercial Company Code, increases resulting from the adoption of fair value can only be distributed to shareholders when the assets or liabilities that originated the fair value are sold, executed, extinguished, liquidated or when they are used.

As of 31 December 2024, the Company has in Equity the amount of 27,887 thousand euros positive (47,931 thousand euros positive in 2023) related to reductions arising from the application of fair value, namely: (i) fair value reserve of Investments in equity instruments at fair value for other comprehensive income in the amount of 6,522 thousand euros positive (Note 12) and (ii) the hedge reserve of derivative financial instruments in the amount of 21,365 thousand euros positive (Note 11).

The caption "Other Reserves" includes free reserves in the amount of 180,190 thousand euros. This caption is increased with the application of net profits, being eligible for distribution to the shareholders, except for the limitation set on the Commercial Company Code in relation to own shares and income from the application of the equity method.

Adjustments to financial assets

The caption "Adjustments to financial assets" reflects changes in the subsidiaries equity when applying the equity method.

At 31 December 2024 this caption amounted to 72,407 thousand euros negative (77,032 thousand euros negative as of 31 December 2023). The change in the amount of 4,625 thousand euros (Note 7) includes mainly the (i) the effect of equity changes of REN – Rede Eléctrica Nacional, S.A., due to the recognition of actuarial gains and losses of the year in the total amount of 2,132 thousand euros negative; (ii) the effect of the fair value changes in the fair value of REN Serviços, S.A. due to the changes in the fair value of Redeia Corporación in the amount of 7,541 thousand euros negative; (iii) the effect of exchange rate variations on the financial investments held by REN Serviços in Transemel and Electrogas, appropriated by the equity method by the Company, which in 2024 amounted to 275 thousand euros positive and; iv) the effect of the incorporation of the result of REN Trading, S.A. resulting from the merger into REN - Rede Eléctrica Nacional, S.A. on 1 August 2024, in the amount of 4,773 thousand euros positive.

In accordance with the Portuguese legislation, income and other positive equity changes recognized as a result of the equity method can only be distributed to shareholders when paid-up. The Portuguese legislation establishes that the difference between the equity method gains and the amount of paid or deliberated dividends are equivalent to legal reserve (Note 7).

Dividends distributions
On 9 May 2024, the General Meeting approved the distribution of dividends to shareholders, based on the result for the 2023 financial year, in the amount of 102,747 thousand euros (0.154 euros per share), including the dividend attributable to own shares in the amount of 597 thousand euros, with the amount of 102,150 thousand euros having been paid to shareholders (the amount of 42,452 thousand euros paid in 2023, as an advance on profits, and the amount of 59,698 thousand euros in 2024).

In line with the strategic plan announced by the company on 14 May 2021, the Board of Directors of REN - Redes Energéticas Nacionais, SGPS, S.A. approved, on 29 November 2024, the payment of dividends, as an advance on profits, in the amount of 42,452 thousand euros (0.064 euros) per share, which took place on 20 December 2024 (Note 10).

On 27 April 2023, the General Meeting approved the distribution of dividends to shareholders, based on the result for the 2022 financial year, in the amount of 102,747 thousand euros (0.154 euros per share), including the dividend attributable to own shares in the amount of 597 thousand euros, with the amount of 102,150 thousand euros having been paid to shareholders (the amount of 42,452 thousand euros paid in 2022, as an advance on profits, and the amount of 59,698 thousand euros in 2023).

14. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGEN ASSETS

Guarantees given
At 31 December 2024 and 2023, the Company had given the following bank guarantees:

BENEFICIARY	OBJECT	2024	2023
European Investment Bank	For loan outstanding balances	147,929	183,427
Tax Authorithies	Ensure the suspension of tax enforcement proceedings	16,890	22,219
		164,819	205,646

The guarantees given have the following maturities:

31 DECEMBER 2024

	LESS 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Guarantees on borrowing	37,653	87,665	22,611	147,929
Other guarantees	-	-	16,890	16,890
	37,653	87,665	39,501	164,819

31 DECEMBER 2023

	LESS 1 YEAR	1 - 5 YEARS	OVER 5 YEARS	TOTAL
Guarantees on borrowing	37,368	104,705	41,354	183,427
Other guarantees	-	-	22,219	22,219
	37,368	104,705	63,573	205,646

Provisions
At 31 December 2024 and 2023 the captions "Provisions" were made up as follows:

	2024		2023		
	OTHER PROVISIONS	TOTAL	INVESTMENTS (NOTE 7)	OTHER PROVISIONS	TOTAL
Non current:					
Opening balance	2,213	2,213	3,054	574	3,628
Increases	121	121	-	2,213	2,213
Utilizations	(285)	(285)	(3,054)	(574)	(3,628)
Reversions	(256)	(256)	-	-	-
Closinging balance	1,793	1,793	-	2,213	2,213

On 31 December 2024, the item "Provisions" refers to: (i) a provision for the restructuring process underway in the company in the amount of 121 thousand euros, and (ii) a provision for other risks and contingencies in the remaining amount.

15. FINANCIAL LIABILITIES

Trade payables and other payables
At 31 December 2024 and 2023 the captions "Trade payables" and "Other payables" were made up as follows:

	2024	2023
CURRENT		
Trade payables:		
Group (Note 25)	110	10
National	351	297
Foreign	124	176
	585	483
Other payables:		
Capex suppliers	-	1
Group companies - RETGS (Note 25)	5,744	8,592
Group companies - Treasury management (Note 25)	66,711	32,184
Group companies - Advance on profits (Note 25)	-	35,400
Accrued costs:		
Remunerations	280	487
Others	3,387	3,683
Other Creditors:		
Group (Note 25)	3,006	3,260
Others	245	2,162
	79,372	85,770
	79,957	86,253

The Company agreed a central cash pooling agreement with its subsidiaries. This agreement is valid for one year and is renewable for equal periods. The terms and conditions of this agreement are market conditions.

Borrowings
The borrowings are detailed, in terms of maturity (current and non-current) and nature, as of 31 December 2024 and 2023 as follows:

	2024	2023
NON-CURRENT		
Commercial paper	250,000	550,000
Bank loans	465,090	384,479
Finance leases (Note 6)	299	217
Group Companies - Bonds (Note 25)	903,888	1,088,095
Other deferred borrowing costs	(1,044)	(991)
Other deferred borrowing costs - Group companies (Note 25)	(2,849)	(1,285)
	1,615,384	2,020,515
CURRENT		
Commercial paper	320,000	556,000
Group Companies - Commercial Paper (Note 25)	197,900	203,900
Bonds	-	63,967
Group Companies - Bonds (Note 25)	500,000	-
Bank loans	69,389	68,821
Bank overdrafts (Note 4)	500	-
Finance leases (Note 6)	133	114
Group Companies - Interests and other similar costs (Note 25)	32,476	25,533
Interest payable	1,174	5,382
Other deferred borrowing costs	(3,984)	(3,023)
Other deferred borrowing costs - Group companies (Note 25)	(539)	1,215
	1,117,049	921,909
	2,732,434	2,942,425

The company external borrowings have the following capital repayment schedule:

	2025	2026	2027	2028	2029	FOLLOWING YEARS	TOTAL
Debt - Non current	-	194,836	64,454	58,635	183,576	213,889	715,389
Debt - Current	390,023	-	-	-	-	-	390,023
	390,023	**194,836**	**64,454**	**58,635**	**183,576**	**213,889**	**1,105.412**

The company internal borrowings have the following capital repayment schedule:

	2025	2026	2027	2028	2029	FOLLOWING YEARS	TOTAL
Commercial paper	197,900	-	-	-	-	-	197,900
Bonds	500,000	-	35,000	300,000	268,888	300,000	1,403.888
	697,900	**-**	**35,000**	**300,000**	**268,888**	**300,000**	**1,601.788**

In 2024, REN SGPS, together with REN Finance B.V., issued 300,000 thousand euros in fixed-rate green bonds and repaid the bond with 10,000,000 thousand yen.

In December 2024, the Company made the second disbursement of the first instalment of the 'green financing' contract signed with the European Investment Bank in December 2022, in the amount of 150,000 thousand euros.

As at 31 December 2024, the first tranche, in the amount of 300,000 thousand euros, has been fully used up, with 150,000 thousand euros still to be disbursed in relation to the second tranche of the 'green financing', which was signed in January 2023.

Bank loans consist of loans contracted with the European Investment Bank, which on 31 December 2024 amounted to 534,479 thousand euros (on 31 December 2023 it was 453,300 thousand euros).

As a result of the fair value hedging amounting to 600,000 thousand euros made on debt issues (Note 11), the change in the fair value of these issues related to interest rate risk directly in profit and loss amounting to negative 16,603 thousand euros was recognized. (on 31 December 2023 it was negative 26,611 thousand euros).

Subscribed within the Group, the Company had, on 31 December 2024, issued commercial paper in the amount of 197,900 thousand euros (on 31 December 2023 it was 203,900 thousand euros) and held bond loans contracted in the amount of 1,402,266 thousand euros (on 31 December 2023 it was 1,088,095 thousand euros). The financial conditions of these loans are in line with market conditions.

As of 31 December 2024, the Company has eleven commercial paper programs, in the amount of 2,225,000 thousand euros, with 1,655,000 thousand euros available. Of the total value of commercial paper programs, 1,025,000 thousand euros are guaranteed to be placed.

The Company also holds 80,000 thousand euros in contracted credit lines, with an available ceiling of 79,530 thousand euros with maturities of up to one year, which are automatically renewable periodically (if they are not reported in the contractually stipulated period for that purpose), of which 70,000 thousand euros concern two grouped lines that can be used in their entirety and alternately by several companies in the group.

The Company's financial liabilities have the following main types of covenants: Cross default, Pari Passu, Negative Pledge, Leverage and Gearing ratios.

Financing entered into with the European Investment Bank also includes covenants related to rating ratings and other financial ratios in which the Company may be called upon to provide an acceptable guarantee to the European Investment Bank in the event of rating ratings or financial ratios below the stipulated levels.

As of 31 December 2024, the REN Group complies with all covenants to which it is contractually bound.

The Company and its subsidiaries are parties to some financing and debt issuance contracts, which include clauses on changes in control typical of this type of transaction (covering, albeit not expressly, changes in control as a result of takeover bids) and essential for the completion of such transactions in the respective market context. In any case, the practical application of these clauses is limited considering the legal restrictions on the ownership of REN shares. According to legal rules on competition, contractual terms and usual market practices, neither REN nor its counterparties in financing contracts are authorized to disclose other information regarding the characteristics of the respective financing operations.

16. STATE AND OTHER PUBLIC ENTITIES

At 31 December 2024 and 2023 the caption "State and other public entities" is detailed as follows:

	2024	2023
CURRENT ASSETS		
Income tax	-	26,808
Other taxes	-	1
State and other public entities - Asset	-	26,809
CURRENT LIABILITIES	2024	2023
Income tax	575	-
VAT payable	340	276
Withholding tax	126	137
Social Security	87	116
State and other public entities - Liability	1,127	529

REN Group companies belong to the special tax regime for groups of companies (RETGS), in terms of Corporate Income Tax (Note 9).

17. REVENUE

The revenue recognized by the Company in the year ended 31 December 2024 and 2023 was as follows:

	2024	2023
Services rendered		
Technical and admninistrative management of REN Group (Note 25)	10,780	12,123
Technical and admninistrative management of other related parties (Note 25)	12	3
	10,793	12,126

18. GAINS AND LOSSES FROM SUBSIDIARIES AND ASSOCIATES

The gains and losses from subsidiaries and associates in the years ended 31 December 2024 and 2023 are detailed as follows:

	2024	2023
Subsidiaries:		
REN - Rede Eléctrica Nacional, S.A.	126,817	93,171
REN Serviços, S.A.	38,484	35,001
REN Finance, B.V.	8,496	18,610
RENTELECOM Comunicações, S.A.	3,699	3,522
REN Atlântico, Terminal de GNL, S.A.,	3,095	11,782
REN PRO, S.A.	297	62
Enondas, Energia das Ondas, S.A.	115	124
REN Trading, S.A.	-	10,167
Associates:		
OMIP, SGPS, S.A.	432	692
Centro de Investigação em Energia REN - State Grid, S.A.	9	4
	181,444	173,134

19. SUPPLIES AND SERVICES

The caption "Supplies and services" for the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
Specialized services	2,763	2,845
Services rendered of Group companies (Note 25)	1,838	871
Travel and lodging	379	363
Insurances	343	337
Rentals and rents	74	48
Fuel	25	33
Other supplies and external services (values below 25 thousand euros)	266	257
	5,688	4,755

20. PERSONNEL COSTS

The caption "Personnel costs" for the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
Remunerations:		
Board of directors	3,051	3,461
Personnel	2,298	2,450
Charges on remuneration and other:	5,348	5,911
Charges on remuneration	809	877
Insurance	133	121
Other personnel costs	98	49
	1,040	1,047
Personnel costs	6,389	6,958

The board of Directors caption includes the Board of Directors members' remunerations.

Personnel employed

During the years ended 31 December 2024 and 2023 the average number of personnel employed by the Company was 23 employees.

21. OTHER INCOME

The caption "Other income" for the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
Supplementary income	284	791
Other income	49	74
	333	865

22. OTHER EXPENSES

The caption "Other expenses" for the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
Taxes	124	148
Subscriptions	118	111
Other expenses	2	17
	244	**276**

23. INTERESTS AND SIMILAR INCOME AND EXPENSES

The caption "Interest and similar income and expenses" for the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
Interest and similar costs:		
Bonds - Group companies (Note 25)	35,157	32,394
Commercial paper	29,363	21,346
Bank loans	10,555	6,462
Commercial paper - Group companies (Note 25)	6,752	7,591
Bonds	3,695	6,498
Derivative financial instruments (Note 11)	2,993	2,961
Centralized treasury management (Note 25)	1,886	6,450
Other financial costs	498	347
	90,899	**84,049**
Interest and similar income:		
Interest on sharehoders loans (Note 25)	28,415	48,462
Interest on centralized treasury management (Note 25)	21,152	16,641
Interest on bank deposits	278	2,132
Derivative financial instruments (Note 11)	40	-
	49,885	**67,235**

Interest cash flows of derivative financial instruments (swaps) are presented net of flows related with borrowings that are being hedged.

24. DIVIDENDS

During the years ended 31 December 2024 and 2023, the Company received the following dividends from investments in equity instruments at fair value for other comprehensive income:

	2024	2023
Dividends received:		
HCB	7,891	4,534
OMEL	68	70
	7,959	**4,604**

The total amount of dividends received from subsidiaries, associates and investments in equity instruments at fair value for other comprehensive income amounted to 110,772 thousand euros (113,355 thousand euros in 2023).

25. RELATED PARTIES

During the years ended 31 December 2024 and 2023 the following transactions were carried out with related parties:

GROUP 2024

RELATED PARTY	SERVICES RENDERED (NOTE 17)	INTEREST AND SIMILAR INCOME - SHAREHOLDERS LOANS (NOTE 23)	INTEREST AND SIMILAR INCOME - TREASURY MANAGEMENT (NOTE 23)	SUPPLIES AND SERVICES (NOTE 19)	INTEREST AND OTHER SIMILAR COSTS - TREASURY MANAGEMENT (NOTE 23)	INTEREST AND OTHER SIMILAR COSTS - COMMERCIAL PAPER (NOTE 23)	INTEREST AND OTHER SIMILAR COSTS - BONDS (NOTE 23)
REN - Rede Eléctrica Nacional, S.A.	5,856	-	4,023	366	183	-	-
REN Trading, S.A. i)	-	-	6,010	-	-	-	-
ENONDAS, S.A.	11	-	-	-	85	-	-
REN Gasodutos, S.A.	1,494	-	3,310	-	-	-	-
REN Armazenagem, S.A.	268	-	-	-	848	-	-
REN Atlântico, Terminal de GNL, S.A.	728	-	1,917	-	-	-	-
REN Gás, S.A.	-	-	88	-	192	-	-
REN Portgás Distribuição, S.A.	374	-	2,044	-	-	-	-
RENTELECOM Comunicações, S.A.	123	-	-	-	514	-	-
REN Serviços, S.A.	1,562	28,415	3,760	528	-	-	-
REN Finance, B.V.	-	-	-	886	-	6,752	35,157
REN PRO, S.A.	364	-	-	58	63	-	-
	10,780	**28,415**	**21,152**	**1,838**	**1,886**	**6,752**	**35,157**

i) As mentioned in Note 1, during the year ended 31 December 2024, a merger took place with the global transfer of the assets of REN Trading, S.A. to REN - Rede Eléctrica Nacional, S.A.

GROUP 2023

RELATED PARTY	SERVICES RENDERED (NOTE 17)	INTEREST AND SIMILAR INCOME - SHAREHOLDERS LOANS (NOTE 23)	INTEREST AND SIMILAR INCOME - TREASURY MANAGEMENT (NOTE 23)	SUPPLIES AND SERVICES (NOTE 19)	INTEREST AND OTHER SIMILAR COSTS - TREASURY MANAGEMENT (NOTE 23)	INTEREST AND OTHER SIMILAR COSTS - COMMERCIAL PAPER (NOTE 23)	INTEREST AND OTHER SIMILAR COSTS - BONDS (NOTE 23)
REN - Rede Eléctrica Nacional, S.A.	6,429	21,256	2,675	290	190	-	-
REN Trading, S.A.	-	-	933	-	4,728	-	-
ENONDAS, S.A.	12	-	-	-	64	-	-
REN Gasodutos, S.A.	1,790	-	2,927	-	-	-	-
REN Armazenagem, S.A.	325	-	-	-	697	-	-
REN Atlântico, Terminal de GNL, S.A.	812	1,391	1,715	-	-	-	-
REN Gás, S.A.	-	-	-	-	212	-	-
REN Portgás Distribuição, S.A.	439	-	1,526	-	-	-	-
RENTELECOM Comunicações, S.A.	135	-	-	-	412	-	-
REN Serviços, S.A.	1,746	25,815	6,863	475	-	-	-
REN Finance, B.V.	-	-	-	52	-	7,591	32,394
REN PRO, S.A.	436	-	3	54	147	-	-
	12,123	**48,462**	**16,641**	**871**	**6,450**	**7,591**	**32,394**

Other Related Parties

	2024	2023
Services rendered:		
Centro de Investigação em Energia REN - State Grid, S.A. (Note 17)	12	3
	12	**3**
External supplies and services:		
Centro de Investigação em Energia REN - State Grid, S.A.	-	1
	-	**1**

As of 31 December 2024 and 2023, the Company had the following balances with related parties:

GROUP							2024
						CURRENT ASSETS	NON CURRENT ASSETS
RELATED PARTY	OTHER RECEIVABLES - SHAREHOLDERS LOANS (NOTE 10)	OTHER RECEIVABLES - TREASURY MANAGEMENT (NOTE 10)	OTHER RECEIVABLES - INTEREST RECEIVABLES FROM SHAREHOLDERS LOANS (NOTE 10)	OTHER RECEIVABLES - RETGS (NOTE 10)	OTHER DEBTORS (NOTE 10)	INCOME ACCRUALS (NOTE 10)	OTHER RECEIVABLES - SHAREHOLDERS LOANS (NOTE 10)
REN - Rede Eléctrica Nacional, S.A.	-	-	-	19,399	7,964	426	-
ENONDAS, S.A.	-	-	-	-	-	1	-
REN Gasodutos, S.A.	-	73,226	-	2,557	216	81	-
REN Armazenagem, S.A.	-	-	-	190	-	17	-
REN Atlântico, Terminal de GNL, S.A.	-	5,626	-	109	96	34	-
REN Portgás Distribuição, S.A.	-	52,565	-	-	166	11	-
RENTELECOM Comunicações, S.A.	-	-	-	1,149	-	20	-
REN Serviços, S.A.	270,000	19,957	17,823	-	577	140	855,000
REN Finance, B.V.	-	-	-	-	334	-	-
REN PRO, S.A.	-	-	-	77	2	17	-
	270,000	151,373	17,823	23,481	9,355	747	855,000

GROUP 2024

	CURRENT LIABILITIES								NON CURRENT LIABILITIES	
RELATED PARTY	SUPPLIERS (NOTE 15)	OTHER PAYABLES - TREASURY MANAGEMENT (NOTE 15)	OTHER PAYABLES - RETGS (NOTE 15)	OTHER PAYABLES - INTEREST PAYABLES FROM BONDS (NOTE 15)	OTHERS CREDITORS (NOTE 15)	OTHER PAYABLES - COMMERCIAL PAPER (NOTE 15)	OTHER PAYABLES - BONDS (NOTE 15)	OTHER PAYABLES - DEFERRED BORROWING COSTS (NOTE 15)	OTHER PAYABLES - BONDS (NOTE 15)	OTHER PAYABLES - DEFERRED BORROWING COSTS (NOTE 15)
REN - Rede Eléctrica Nacional, S.A.	-	29,464	-	-	1,824	-	-	-	-	-
ENONDAS, S.A.	-	2,012	30	-	6	-	-	-	-	-
REN Gasodutos, S.A.	-	-	-	-	14	-	-	-	-	-
REN Armazenagem, S.A.	-	18,893	-	-	64	-	-	-	-	-
REN Atlântico, Terminal de GNL, S.A.	-	-	-	-	5	-	-	-	-	-
REN Gás, S.A.	-	2,855	3,236	-	12	-	-	-	-	-
REN Portgás Distribuição, S.A.	-	-	184	-	-	-	-	-	-	-
RENTELECOM Comunicações, S.A.	-	11,576	-	-	39	-	-	-	-	-
REN Serviços, S.A.	107	-	2,293	-	85	-	-	-	-	-
REN Finance, B.V.	-	-	-	32,476	942	197,900	500,000	(539)	903,888	(2,849)
REN PRO, S.A.	2	1,911	-	-	14	-	-	-	-	-
	110	**66,711**	**5,744**	**32,476**	**3,006**	**197,900**	**500,000**	**(539)**	**903,888**	**(2,849)**

GROUP

2023

						CURRENT ASSETS	NON CURRENT ASSETS
RELATED PARTY	OTHER RECEIVABLES - SHAREHOLDERS LOANS (NOTE 10)	OTHER RECEIVABLES - TREASURY MANAGEMENT (NOTE 10)	OTHER RECEIVABLES - INTEREST RECEIVABLES FROM SHAREHOLDERS LOANS (NOTE 10)	OTHER RECEIVABLES - RETGS (NOTE 10)	OTHER DEBTORS (NOTE 10)	INCOME ACCRUALS (NOTE 10)	OTHER RECEIVABLES - SHAREHOLDERS LOANS (NOTE 10)
REN - Rede Eléctrica Nacional, S.A.	-	96,649	-	20,388	372	1,612	-
REN Trading, S.A.	-	216,812	-	3,595	904	-	-
ENONDAS, S.A.	-	-	-	27	-	3	-
REN Gasodutos, S.A.	-	78,291	-	-	292	442	-
REN Armazenagem, S.A.	-	-	-	-	-	87	-
REN Atlântico, Terminal de GNL, S.A.	-	50,538	-	-	199	199	-
REN Portgás Distribuição, S.A.	-	45,668	-	-	179	87	-
RENTELECOM - Comunicações, S.A.	-	-	-	1,099	-	34	-
REN Serviços, S.A.	34,500	186,671	14,219	-	793	568	955,000
REN Finance, B.V.	-	-	-	-	334	450	-
REN PRO, S.A.	-	-	-	-	-	110	-
	34,500	**674,628**	**14,219**	**25,110**	**3,072**	**3,591**	**955,000**

GROUP 2023

RELATED PARTY	CURRENT LIABILITIES								NON CURRENT LIABILITIES	
	SUPPLIERS (NOTE 15)	OTHER PAYABLES - TREASURY MANAGEMENT (NOTE 15)	OTHER PAYABLES - RETGS (NOTE 15)	ADVANCE ON PROFITS (NOTE 15)	OTHER PAYABLES - INTEREST PAYABLES FROM BONDS (NOTE 15)	OTHERS CREDITORS (NOTE 15)	OTHER PAYABLES - COMMERCIAL PAPER (NOTE 15)	OTHER PAYABLES - DEFERRED BORROWING COSTS (NOTE 15)	OTHER PAYABLES - BONDS (NOTE 15)	OTHER PAYABLES - DEFERRED BORROWING COSTS (NOTE 15)
REN - Rede Eléctrica Nacional, S.A.	-	-	-	30,100	-	123	-	-	-	-
REN Trading, S.A.	-	-	-	-	-	1,735	-	-	-	-
ENONDAS, S.A.	-	1,780	-	-	-	7	-	-	-	-
REN Gasodutos, S.A.	-	-	490	-	-	-	-	-	-	-
REN Armazenagem, S.A.	-	16,577	165	-	-	70	-	-	-	-
REN Atlântico, Terminal de GNL, S.A.	-	-	3,202	5,300	-	-	-	-	-	-
REN Gás, S.A.	-	1,659	2,421	-	-	15	-	-	-	-
REN Portgás Distribuição, S.A.	-	-	376	-	-	-	-	-	-	-
RENTELECOM Comunicações, S.A.	-	10,903	-	-	-	44	-	-	-	-
REN Serviços, S.A.	-	-	1,919	-	-	1,234	-	-	-	-
REN Finance, B.V.	-	-	-	-	25,533	22	203,900	1,215	1,088,095	(1,285)
REN PRO, S.A.	10	1,264	19	-	-	10	-	-	-	-
	10	**32,184**	**8,592**	**35,400**	**25,533**	**3,260**	**203,900**	**1,215**	**1,088,095**	**(1,285)**

Other Related Parties

	2024	2023
ASSETS		
Other debtors:		
Other receivables - OMI	2	-
Other receivables - OMEL	4	-
Other receivables - Hidroeléctrica Cahora Bassa	130	141
Other receivables - Centro de Investigação em Energia REN - State Grid, S.A.	-	4
	137	145
LIABILITIES		
Other creditors:		
Centro de Investigação em Energia REN - State Grid, S.A.	2	-
	2	-

Information on share transactions by members of the Board of Directors
During the period ended 31 December 2024, no transactions were made by Board of Directors members.

26. REMUNERATION OF THE BOARD OF DIRECTORS

The Board of Directors of REN SGPS were considered in accordance with NCRF 5 to be the only key members of the management of the Company. Remuneration of the Board of Directors of REN SGPS in the years ended 31 December 2024 and 2023 was as follows:

	2024	2023
Remuneration and other short term benefits	1,825	1,737
Management bonuses (estimated)	1,226	1,724
	3,051	3,461

There are no loans granted to the members of the Board of Directors.

27. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES IN ACCORDANCE WITH IFRS 9

The accounting policies for financial instruments in accordance with the IFRS 9 categories have been applied to the following financial assets and liabilities:

2024

	NOTES	CREDITS AND OTHER RECEIVABLES	FAIR VALUE - HEDGING DERIVATIVE FINANCIAL INSTRUMENTS	FAIR VALUE - EQUITY INSTRUMENTS FOR OTHER COMPREHENSIVE INCOME	FAIR VALUE - THROUGH PROFIT AND LOSS	OTHER FINANCIAL ASSETS/ LIABILITIES	TOTAL CARRYING AMOUNT	FAIR VALUE
ASSETS								
Cash and cash equivalents	4	-	-	-	-	16,134	16,134	16,134
Trade and other receivables	10	1,370,399	-	-	-	-	1,370,399	1,370,399
Other financial assets	10	-	-	-	15	166	181	181
Investments in equity instruments at fair value for other comprehensive income	12	-	-	48,087	-	-	48,087	48,087
Derivative financial instruments	11	-	30,196	-	-	-	30,196	30,196
Total financial assets		**1,370,399**	**30,196**	**48,087**	**15**	**16,300**	**1,464,997**	**1,464,997**
LIABILITIES								
Borrowings	15	-	-	-	-	2,732,434	2,732,434	2,743,616
Trade and other payables	15	-	-	-	-	79,957	79,957	79,957
State and other public entities	16	-	-	-	-	1,127	1,127	1,127
Derivative financial instruments	11	-	34,218	-	-	-	34,218	34,218
Total financial liabilities		**-**	**34,218**	**-**	**-**	**2,813,518**	**2,847,736**	**2,858,918**

2023

	NOTES	CREDITS AND OTHER RECEIVABLES	FAIR VALUE - HEDGING DERIVATIVE FINANCIAL INSTRUMENTS	FAIR VALUE - NEGOTIABLE DERIVATIVES	FAIR VALUE - EQUITY INSTRUMENTS FOR OTHER COMPREHENSIVE INCOME	FAIR VALUE - THROUGH PROFIT AND LOSS	OTHER FINANCIAL ASSETS/ LIABILITIES	TOTAL CARRYING AMOUNT	FAIR VALUE
ASSETS									
Cash and cash equivalents	4	-	-	-	-	-	9,460	9,460	9,460
Trade and other receivables	10	1,752,738	-	-	-	-	-	1,752,738	1,752,738
Other financial assets	10	-	-	-	-	18	151	169	169
Investments in equity instruments at fair value for other comprehensive income	12	-	-	-	54,577	-	-	54,577	54,577
Derivative financial instruments	11	-	53,492	871	-	-	-	54,363	54,363
Total financial assets		**1,752,738**	**53,492**	**871**	**54,577**	**18**	**36,420**	**1,898,116**	**1,898,116**
LIABILITIES									
Borrowings	15	-	-	-	-	-	2,942,425	2,942,425	2,936,552
Trade and other payables	15	-	-	-	-	-	86,253	86,253	86,253
State and other public entities	16	-	-	-	-	-	529	529	529
Derivative financial instruments	11	-	60,607	-	-	-	-	60,607	60,607
Total financial liabilities		**-**	**60,607**	**-**	**-**	**-**	**3,029,207**	**3,089,814**	**3,083,942**

Estimated fair value – Assets measured at fair value
The following table presents the Company assets and liabilities measured at fair value at 31 December 2024 in accordance with the following levels of fair value hierarchy:

- **Level 1:** fair value of financial instruments is based on quoted prices of active liquid markets at the date of the statement of financial position;
- **Level 2:** the fair value of financial instruments is not determined based on active market quotes but using valuation models.
- **Level 3:** the fair value of financial instruments is not determined based on active market quotes, but using valuation models, whose main inputs are not observable in the market.

During the year ending 31 December 2024, no transfers of financial assets and liabilities were made between fair value hierarchy levels.

2024

		LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
ASSETS:					
Investments in equity instruments at fair value for other comprehensive income	Shares	-	-	44,920	44,920
Financial assets at fair value	Cash flow hedge derivatives	-	30,196	-	30,196
		-	**30,196**	**44,920**	**75,116**
LIABILITIES:					
Financial liabilities at fair value	Borrowings	-	570,331	-	570,331
Financial liabilities at fair value	Fair value hedge derivatives	-	34,218	-	34,218
		-	**604,548**	**-**	**604,548**

During the year ended 31 December 2024, the Company proceeded to a valuation of the financial interests held Hidroeléctrica de Cahora Bassa, S.A., which is classified as Investments in equity instruments at fair value through other comprehensive income (Note 12). The fair value of this asset reflects the price at which the asset would be sold in an orderly transaction.

For this purpose, the Company has opted for a revenue approach, which reflects current market expectations regarding future amounts. The data used in the price calculation, although not quoted, are prepared using valuation models, whose main inputs are not observable in the market.

Quality of financial assets
The credit quality of financial assets that are not overdue or impaired may be assessed with reference to the credit ratings disclosed by Standard & Poor's or based on historical information from the entities to which they refer:

	2024	2023
Cash and cash equivalents:		
A+ to A-	980	396
BBB+ to BBB-	15,152	5,201
BB+ to B-	2	3,861
Total cash and cash equivalents	16,134	9,460
Other financial assets:		
Without rating	181	169
Total other financial assets	181	169

Trade and other receivables and Trade and other payables refer mainly to receivables and payables from and to group companies, as noted in Notes 10 and 15, respectively.

With respect to the current receivables and payables balances, its carrying amount corresponds to a reasonable approximation of its fair value.

28. DISCLOSURES REQUIRED BY LAW

Fees invoiced by the statutory auditor
Information regarding fees paid to the statutory auditor is disclosed in the REN Group's Consolidated Report and Accounts.

29. SUBSEQUENT EVENTS

No other events occurred that would give rise to adjustments or additional disclosures in the Company's financial statements for the year ended 31 December 2024.

30. EXPLANATION ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in accordance with the Financial Accounting and Reporting Standards (NCRF). In the event of discrepancies, the Portuguese language version prevails.

THE CERTIFIED ACCOUNTANT NO 81015

Pedro Mateus

THE BOARD OF DIRECTORS

Rodrigo Costa
(Chairman of the Board of Directors and Chief Executive Officer

João Faria Conceição
(Member of the Board of Directors and Chief Operational Officer)

Gonçalo Morais Soares
(Member of the Board of Directors and Chief Financial Officer)

Guangchao Zhu
(Vice-President of the Board of Directors designated by State Grid International Development Limited)

Mingyi Tang
(Member of the Board of Directors)

Yang Qu
(Member of the Board of Directors)

Gonçalo Gil Mata
(Member of the Board of Directors)

Manuel Sebastião
(Member of the Board of Directors)

Ana Pinho
(Member of the Board of Directors)

Jorge Magalhães Correia
(Member of the Board of Directors)

Maria Estela Barbot
(Member of the Board of Directors)

José Luis Arnaut
(Member of the Board of Directors)

Rosa Freitas Soares
(Member of the Board of Directors and Chairman of the Audit Committee)

Ana da Cunha Barros
(Member of the Board of Directors and of the Audit Committee)

Dulce Mota
(Member of the Board of Directors and of the Audit Committee)

Note: The remaining pages of this Report & Accounts were initialled by the members of the Executive Committee and by the Certified Accountant, Pedro Mateus.

REPORT AND OPINION OF THE AUDIT COMMITTEE

INDIVIDUAL ACCOUNTS

Within the scope of its duties, the Audit Committee has monitored the development of the activity of REN – REDES ENERGÉTICAS NACIONAIS, SGPS, S.A. (the "Company") and its subsidiaries, supervised compliance with the law, regulations and the Articles of Association, supervised compliance with accountancy policies and practices, and supervised the process of preparation and disclosure of financial information, the legal review of accounts and the effectiveness of the internal control and risk management systems. It further supervised the activity of the Statutory Auditor and the External Auditor, including their independence and impartiality.

Within the limits of the powers of the Audit Committee and pursuant to the provisions of subparagraph c), of the nr. 1, of article 29-G of the Securities Market Code, of the article 423-F, no. 1, g) of the article 420, no. 6, both of the Commercial Companies Code, it is hereby declared that as far as this Committee is aware, the Integrated Management Report and the Individual and Consolidated Financial Statements of the Company for the financial year ended 31 December 2024 were prepared in accordance with the applicable accounting standards, reflecting a true and fair view of the assets and liabilities, the financial position and results of REN - Redes Energéticas Nacionais, SGPS, S.A. and the companies included in the consolidation perimeter. Additionally, the Integrated Management Report faithfully states the evolution of the business, performance and position of the Company and the group, complies with applicable legal, accounting and statutory requirements and, whenever justified, contains a description of the main risks and uncertainties they face. It is also mentioned that the non-financial information is relevant and allows the understanding of the performance, position and impact of the group's activities, concerning environmental, social and employee issues, gender equality, non-discrimination, respect for human rights and the fight against corruption. Additionally, the Audit Committee ensures that the Corporate Governance Report, which is disclosed simultaneously with the Integrated Management Report, includes the elements referred in article 29-H of the Securities Market Code.

The Audit Committee also examined the individual financial information included in the Integrated Management Report and the financial statement of REN – REDES ENERGÉTICAS NACIONAIS, SGPS, S.A. attached thereto in relation to the financial year ended on December 31, 2024 which consist of the Balance Sheet as of December 31, 2024, evidencing a total of 4,404,561 thousand Euros and 1,548,726 thousand Euros of Equity Capital, including Net Profit of 157,707 thousand Euros, the Statement of Profit and Loss, Changes in Equity Capital and Cash Flows in relation to the financial year closed on the above mentioned date and the respective Annex.

The Audit Committee reviewed the Legal Certification of Accounts and the Audit Report on the individual financial information prepared by the Statutory Auditor and the External Auditor.

Within the context of the analysis undertaken, the Audit Committee further supervised the compliance and adequacy of the accounting policies, procedures, practices and adopted valuation criteria, as well as the regulatory and quality of the Company´s accounting information.

In light of the above, it is the opinion of the Audit Committee that the individual Financial Statements and the Integrated Management Report, as well as the proposal expressed therein, abide by applicable accounting, legal and statutory provisions, therefore it recommends its approval by the General Meeting of Shareholders.

Lisbon, 20 March 2025

Rosa Freitas Soares
(Chairman)

Ana da Cunha Barros
(Member)

Dulce Mota
(Member)

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*(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)*

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of REN – Redes Energéticas Nacionais, S.G.P.S., S.A. (the "Entity"), which comprise the Statement of Financial Position as at 31 December 2024 (showing a total of 4,404,561 thousand euros and a total equity of 1,548,726 thousand euros, including a net profit for the year of 157,707 thousand euros), and the Statement of Profit and Loss by Nature, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the REN – Redes Energéticas Nacionais, S.G.P.S., S.A. as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting and Financial Reporting Standards adopted in Portugal under the Portuguese Accounting System.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors´ code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

Subsequent Measurement of investments in subsidiaries and associates

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As disclosed in Note 3.2 of the notes to the financial statements, the investments in subsidiaries and associates are recorded by the equity method. As at 31 December 2024, the investments in subsidiaries and associates measured according to the equity method, amounts to 2,938,531 thousand euros (2023: 2,713,863 thousand euros), equivalent to 67% of total Assets (2023: 59%). Additionally, as at 31 December 2024, a substantial part of the Entity's revenues, in the amount of 181,444 thousand euros (2023: 173,134 thousand euros), is related to the equity method. The subsequent measurement and the impairment assessment of the investments in subsidiaries and associates has been considered a key audit matter due to the materiality of the carrying amount of those investments and the significant impact of the application of the equity method. Furthermore, the determination of the recoverable amount of those investments is complex and includes the use of relevant Management estimates and assumptions. The Entity's Board of Directors did not identify any impairment evidence.	Our approach included the following procedures: ► We assessed the adequacy of the accounting policies used by the Entity in the measurement of the investments in subsidiaries and associates; ► We obtained the supporting calculation of the valuation of the investments in subsidiaries and associates and of the application of the equity method and we compared it with the Entity's financial statements; ► We assessed the use, by the Entity, of the correct financial information of its subsidiaries and associates as at 31 December 2024, including the harmonization of the accounting policies to the financial statement of those entities; and ► We assessed the estimates and assumptions made by the Board of Directors regarding the absence of impairment evidence. We also assessed the appropriateness of the applicable disclosures included in Notes 3.2, 7 and 18 of the notes to the financial statements, in order to assure that those adhere to the requirements of the applicable accounting policies.

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for:

- the preparation of financial statements that presents a true and fair view of the Entity´s financial position, financial performance and cash flows in accordance with the Accounting and Financial Reporting Standards adopted in Portugal under the Portuguese Accounting System;
- the preparation of the Management report, the Corporate Governance Report and remunerations report, in accordance with the laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Entity's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Entity´s ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;

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REN - Redes Energéticas Nacionais, S.G.P.S., S.A.
Statutory and Auditor's Report
(Translation from the original document in Portuguese language
In case of doubt, the Portuguese version prevails)
31 December 2024

- from the matters communicated with those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- We also provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate threats or safeguards applied.

Our responsibility includes the verification of the consistency of the Management Report with the financial statements, and the verifications under nr. 4 and nr. 5 of article 451 of the Commercial Companies Code regarding corporate governance matters, as well as the verification that the Remunerations Report has been presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, nr. 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited financial statements and, having regard to our knowledge and assessment over the Entity, we have not identified any material misstatement.

On the Corporate Governance Report

Pursuant to article 451, nr. 4 of the Commercial Companies Code, in our opinion the Corporate Governance Report includes the information required to the Entity to provide as per article 29.º-H of the Securities Code, and we have not identified material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and m) of nr. 1 of the said article.

On the Remunerations Report

Pursuant to article 26.º-G, nr. 6 of the Securities Code, we hereby inform that the Entity has included in a separate chapter of its Corporate Governance Report the information provided in compliance with paragraph 2 of the said article.

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were appointed in the shareholders' general meeting held on 9 May 2024 for a third mandate from 2024 to 2026;
- Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the financial statements due to fraud. As a result of our work we have not identified any material misstatement to the financial statements due to fraud;
- We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the supervisory body of the Entity on 20 March 2025; and
- We declare that we have not provided any prohibited services as described in article 5, of the Regulation (EU) nr. 537/2014, of the European Parliament and of the Council, of 16 April 2014 and we have remained independent of the Entity in conducting the audit.

European Single Electronic Format (ESEF)

The accompanying financial statements of REN – Redes Energéticas Nacionais, S.G.P.S., S.A for the year ended 31 December 2024 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included, among others obtaining an understanding of the financial reporting process, including the submission of the annual report in valid XHTML format.

In our opinion, the accompanying financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Lisbon, 20 March 2025

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Ricardo Miguel Barrocas André - ROC nr. 1461
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III Corporate governance report

Prospering with awareness

We believe that ethics and transparency are critical to long-term prosperity. We thrive not only in terms of financial performance but also in contributing to society. We remain true to our values and our commitment to sustainability.

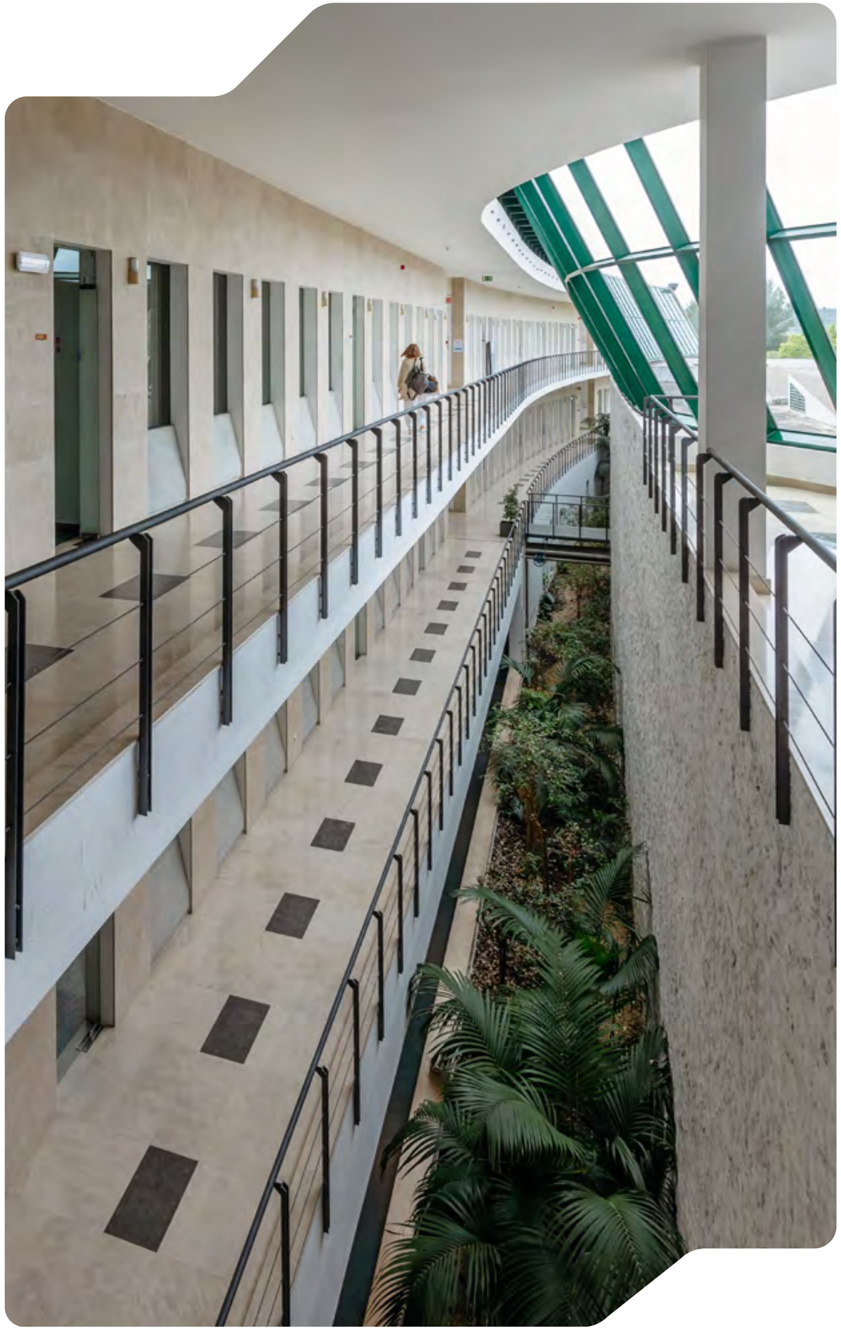
Energy in balance.

Corporate governance report

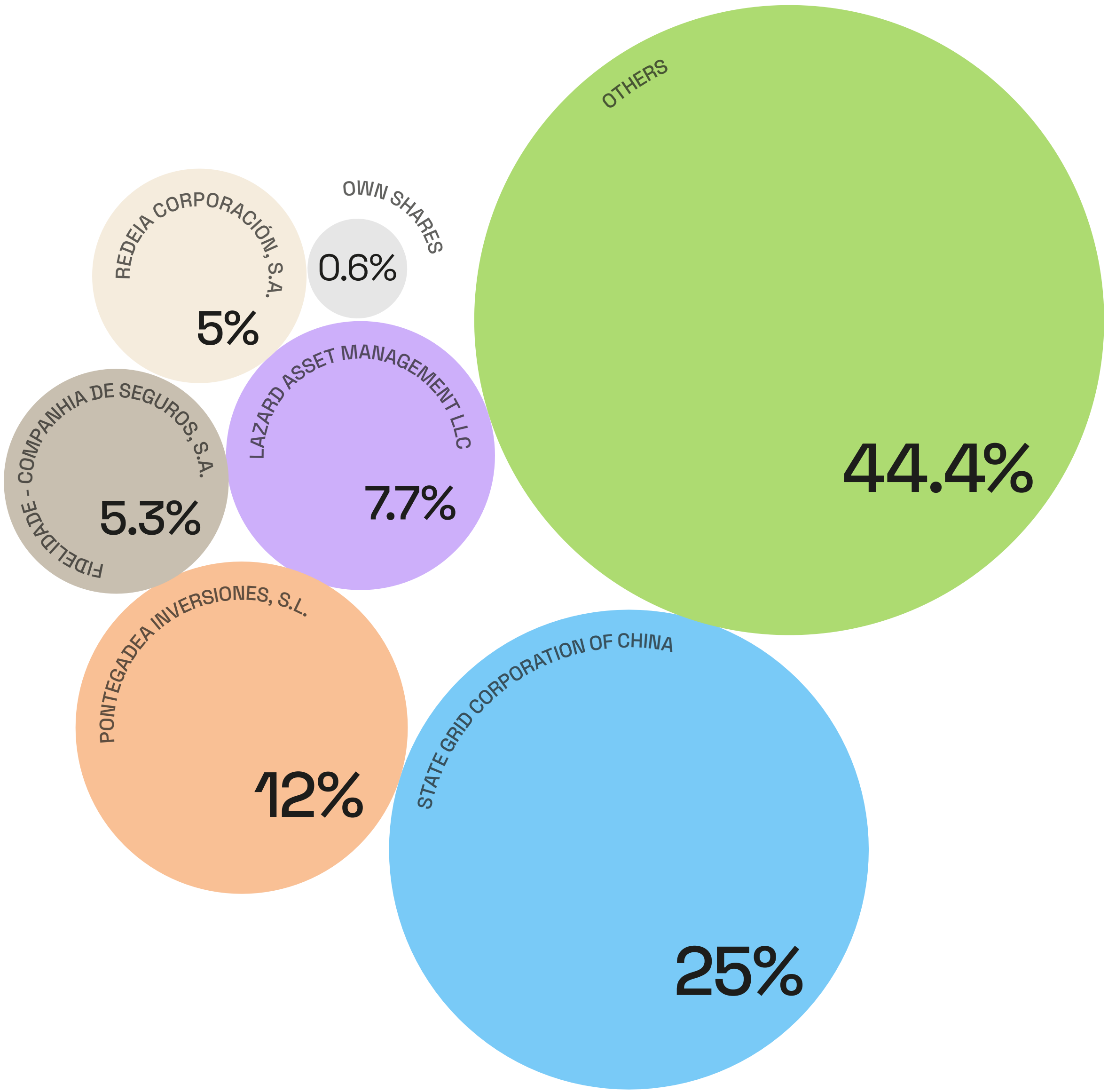
REN is committed to ensure the continuous supply of energy throughout the country, contributing to community development and improving the quality of life for Portuguese people. This endeavor demands constant dedication and effort. However, our commitment extends beyond this core responsibility.

We believe in the exercise of an active corporate citizenship, with a strong involvement with the communities we belong to, both at a social and at an environmental level.

To take this commitment, it is required that all REN activities are guided by sustainability principles, by means of obeying rigorous and measurable criteria and respecting demanding standards of excellence, without ever losing sight of the positive impact we want to have on the communities and ecosystems we work closely with.



8 INFORMATION ON SHAREHOLDER STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE



8.1 ECONOMIC ENVIRONMENT

I. CAPITAL STRUCTURE

I.1. Capital structure (capital, number of shares, distribution of capital among shareholders, etc.), including information on shares not admitted to trading, different classes of shares, inherent rights and duties and percentage of capital which each class represents (Art. 29-H(1)(a)

The share capital of REN - Redes Energéticas Nacionais, SGPS, S.A. (REN or the company) in the amount of 667,191,262 euros is represented by 667,191,262 ordinary shares with a face value of one euro each, in the form of nominative book-entry shares.

REN shares are ordinary shares that do not grant special rights to their holders, beyond the general rights inherent to shareholder under the law.

Currently, all REN shares are admitted to trading on Euronext Lisbon, a regulated market managed by Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A., with code PTREL0AM0008.

I.2. Restrictions on the transferability of shares, such as consent clauses for disposal, or limitations on ownership of shares (Art. 29-H(1)(b)

There are no restrictions and REN has not implemented any measures that hinder the transferability of shares, such as consent clauses in the event of transfer. REN shares are freely tradable on the regulated market.

With respect to ownership limitations on shares, in accordance with applicable legislation, no entity, including entities which conduct business in the respective sector in Portugal or abroad, can have direct or indirect holdings greater than 25% of REN share capital[1].

These limitations on the ownership of REN shares were introduced following the transposition of European directives applicable to the electricity and natural gas sectors to promote competition in the market and ensure equal access by operators to transmission infrastructures. This limitation was implemented by means of a provision included in REN's Articles of Association that provides for the non-counting of votes cast by any shareholder, in the shareholder's own name or as a representative of another shareholder, that exceed 25% of the total votes corresponding to the share capital. The votes are counted in accordance with Article 20 of the Portuguese Securities Code (Securities Code)[2].

It should be further noted that on 9 September 2014[3], The Energy Services Regulator (ERSE) issued a decision on the certification of REN - Rede Eléctrica Nacional, S.A. and REN - Gasodutos, S.A. (both wholly owned by REN) as operators of the National Electricity Transmission System and the National Natural Gas Transmission System (the ERSE Decision), respectively, under full ownership unbundling, which remains in force.

In accordance with the ERSE Decision, certification was dependent on compliance with a series of conditions intended to ensure the independence of these operators, including, inter alia, i) restrictions on the exercising of rights related to the REN General Shareholders' Meeting; ii) restrictions on holding positions on the Board of Directors or Audit Committee of REN or the Transmission System Operators; and iii) the amendment to REN's Articles of Association with a view to complying with the restrictions set out in i) and ii).

The amendments to REN's Articles of Association required to comply with the ERSE Decision were approved by the REN General Shareholders' Meeting which was held on 17 April 2015. With regard to the exercising of rights at the REN General Shareholders' Meeting, the following changes were included:

- Shareholders who, directly or indirectly, exercise control over a company which either produces or sells electricity or gas are not allowed to exercise voting rights at the General Shareholders' Meeting over any Company shares, except when ERSE recognizes that no risk of conflict of interest exists; and
- The persons who exercise control or rights over companies which either produce or sell electricity or gas may not appoint members to the Board of Directors or the Statutory Auditor, or members of bodies which legally represent it on their own or through others with whom they are connected via shareholders' agreements, except i) when ERSE recognizes that there is no risk of conflicts of interest due to the fact that the respective production or sale of electricity or gas of such a shareholder takes place in geographical locations which have no direct or indirect connection or interface with Portuguese networks; and ii) provided that there were no changes as to the grounds or objective circumstances which led ERSE to recognize no conflict of interest existed with Portuguese transmission network operators.

Therefore, limitations on the ownership of shares (as well as the exercising of rights) are exclusively due to legal and regulatory requirements or compliance with administrative decisions and therefore recommendation III.6. of the 2018 Corporate Governance Code of the Portuguese Institute of Corporate Governance (Instituto Português de Corporate Governance) as amended in 2023 (IPCG Code) must be considered as non-applicable to REN.

I.3. Number of own shares, percentage of corresponding share capital and percentage of voting rights to which own shares would correspond (Art. 29-H(1)(a)

As of 31 December 2024, REN has 3,881,374 own shares, representing 0.6% of its share capital. These shares would correspond to 0.6% of voting rights.

[1] See Article 226(2)i) of Decree-Law No 15/2022 of 14 January (current wording), and Article 122(3)(b) and Article 125(3)h) of Decree-Law No 62/2020 of 28 August (current wording).
[2] See paragraphs 3 and 4 of Article 12 of REN's Articles of Association.
[3] ERSE notified REN on 4 August 2015 confirming that the certification conditions determined on 9 September 2014 had been complied with, thus making the certification decision final.

I.4. Significant agreements to which REN is a party that would come into force, be amended or terminate in the event of a change of control over the Company, as the result of a takeover bid, as well as the respective effects, except if, due to their nature, the disclosure of which would be seriously prejudicial for the Company, except if the Company is specifically required to disclose this information due to other legal requirements (Art. 29-H(1)(j)

REN and its subsidiaries are party to a number of financing contracts and debt issues which include clauses on change of control which are typical of such transactions (including, although not expressly stated, changes of control arising from takeover bids) and essential for carrying out such transactions on the market. It should be noted that the mentioned clauses are in line with market practice and are only intended to regulate the relevant contracts in scenarios of change of control over REN, not entailing any payments or the assumption of obligations by REN capable of harming the economic interest in the transfer of REN shares or the free appraisal by its shareholders of the performance of the directors, in the event of a change of control or change in the composition of the board of directors.

In any case, the practical application of these clauses is limited, considering the legal restrictions on the ownership of REN shares as explained in I.2., making an acquisition or change of control over REN unfeasible, in light of the current legal framework.

There are no other significant agreements to which REN is a party that would come into force, be amended or terminate in the event of a change of control over the Company or as the result of a takeover bid.

In summary, REN has not adopted any measures aimed at requiring payment or taking on encumbrances by the Company in the event of changes of control or changes in the composition of the Board of Directors that would prejudice the free transferability of shares or the free evaluation by shareholders of the performance of members of the Board of Directors. Therefore, the Recommendation III.7. of the IPCG Code is fully adopted.

I.5. Framework to which the renewal or repeal of defensive measures are subject, in particular those that limit the number of votes which can be held or exercised by a sole shareholder individually or jointly with other shareholders

The only provisions in the REN Articles of Association which provide for limitations on votes which can be held or exercised by a sole shareholder or by certain shareholders (e.g., who exercise control over a company which works in the production or sale of electricity or gas), individually or together with other shareholders are set out in I.2. above.

Such provisions arise from legal requirements and from the ERSE Decision and do not seek to limit voting rights, but rather to ensure the existence of a sanctioning system for breaching the legal limit on the ownership of shares and the legal restriction on voting rights, respectively.

As such, there is no mechanism in the Articles of Association to renew or repeal these statutory rules, as they exist in compliance with legal and administrative requirements. Therefore, as already mentioned, recommendation III.6. of the IPCG Code must be considered as non-applicable to REN.

There are no other defensive measures.

I.6. Shareholder Agreements which the company is aware of and which could lead to restrictions with regard to the transfer of securities or voting rights (Art. 29-H(1)(g)

The Board of Directors is not aware of any shareholders' agreements in relation to REN that may result in any restrictions to the transfer of securities or exercising of voting rights.

II. SHAREHOLDINGS AND BONDHOLDINGS

II.7. Identification of natural or legal persons which, directly or indirectly, own qualified shareholdings (Art. 29-H(1)(c) and (d) and Art. 16), with detailed information on the percentage of capital and attributable votes and the source and causes of such attribution

Based on the Communications submitted to the Company, in particular in accordance with Article 16 of the Securities Code, with reference to 31 December 2024, shareholders having a qualifying holding (representing at least 5% of REN's share capital or voting rights), calculated in accordance with Article 20 of the Securities Code, were as follows:

STATE GRID CORPORATION OF CHINA[4]	NO OF SHARES	% SHARE CAPITAL WITH VOTING RIGHTS
Directly	0	0%
Through State Grid Europe Limited (SGEL), fully owned and controlled by State Grid International Development Limited (SGID), which is controlled by State Grid Corporation of China	166,797,815	25.0%
Total attributable	166,797,815	25.0%

PONTEGADEA INVERSIONES. S.L.[5]		
Directly	80,100,000	12.0%
Indirectly	0	0%
Total attributable	80,100,000	12.0%

LAZARD ASSET MANAGEMENT LLC		
Directly	0	0
Indirectly[6]	51,346,447	7.7%
Total attributable	51,346,447	7.7%

FIDELIDADE - COMPANHIA DE SEGUROS. S.A.[7, 8]		
Directly	35,176,796	5.27%
Through Via Directa - Companhia de Seguros, S.A., which is controlled by Fidelidade	119,889	0.02%
Through Companhia Portuguesa de Resseguros, S.A., which is controlled by the common shareholder Millenium Gain Ltd[9]	37,537	0.01%
Through Fidelidade Assistência - Companhia de Seguros, S.A., which is controlled by the common shareholder by Millenium Gain Ltd[10]	98,732	0.01%
Through Multicare - Seguros de Saúde, S.A., which is controlled by the common shareholder by Millenium Gain Ltd[11]	63,470	0.01%
Total attributable	35,496,424	5.32%

REDEIA CORPORACIÓN S.A.[12]		
Directly	0	0%
Through its subsidiary Red Eléctrica Internacional S.A.U.	33,359,563	5.0%
Total attributable	33,359,563	5.0%

[4] This qualifying holding is attributed to the companies (i) State Grid Europe (SGEL), as the direct holder; (ii) State Grid International Development Limited (SGID), as the dominant shareholder of SGEL; (iii) State Grid Corporation of China, as the company that fully controls SGEL; and (iv) the People's Republic of China, as the controller of State Grid Corporation of China; State Grid Europe Limited is a 100% subsidiary owned by State Grid International Development and controlled by State Grid Corporation of China.

[5] According to the communication sent by the company on July 30, 2021, Pontegadea Inversiones, S.L. is controlled by Amancio Ortega Gaona, to whom the 12.006% voting rights in REN are attributed, under the terms of Article 20(1)(b) of the Securities Code.

[6] According to the information provided by Lazard Asset Management LLC ("LAM"), with reference to December 31, 2024, also confirming that LAM is not controlled by any single individual, but is a 100% owned subsidiary of Lazard Freres & Co, New York Limited Liability Company, with one member, Lazard Group LLC, Delaware Limited Liability Company. The shares in Lazard Group LLC are held by Lazard Inc., which is a US company listed on the New York Stock Exchange. The qualifying holding, calculated in accordance with Article 20 of the Securities Code, is held by LAM on behalf of clients, and is attributable to LAM since it has agreed with the clients to exercise the voting rights.

[7] This qualifying holding, calculated under the terms of article 20 of the Securities Code, is also attributable to Millennium Gain Ltd., Millenium Gain Capital, Fosun Financial Holdings Limited, Fosun International Limited, Fosun Holdings Limited, Fosun International Holdings, Ltd. and Mr. Guo Guangchang, as natural or legal persons directly or indirectly controlling Fidelidade - Companhia de Seguros, S.A.

[8] According to the information provided by Fidelidade - Companhia de Seguros, S.A., with reference to December 31, 2024.

[9] Millennium Gain Ltd also holds 80% of the share capital of Fidelidade Assistência - Companhia de Seguros, S.A.

[10] Millennium Gain Ltd also holds 80% of the share capital of Fidelidade Assistência - Companhia de Seguros, S.A.

[11] Millennium Gain Ltd also holds 80% of the share capital of Multicare - Seguros de Saúde, S.A.

[12] Previously known as Red Eléctrica Corporación, S.A.

II.8. Information on the number of shares and bonds held by members of management and supervisory bodies

In accordance with and for the purposes of Article 447 of the Portuguese Companies Code, in particular paragraph 5 thereof, the number of shares held by the members of the REN management and supervisory bodies and by the persons related to them pursuant to paragraph 2 of the abovementioned article[13] , as well as all their acquisitions, encumbrances or disposals with reference to the financial year 2024, based on communications with the company, were as follows:

↘ Board of Directors (Including the Audit Committee)

BOARD OF DIRECTORS	ACQUISITIONS (IN 2024)	ENCUMBRANCE (IN 2024)	DISPOSALS (IN 2024)	NO OF SHARES AT 31.12.2024
Rodrigo Costa	-	-	-	0 (zero)
João Faria Conceição	-	-	-	500
Gonçalo Morais Soares	-	-	-	0 (zero)
Guangchao Zhu - on behalf of SGID	-	-	-	0 (zero)
Yang Qu	-	-	-	0 (zero)
Mingyi Tang	-	-	-	0 (zero)
Jorge Magalhães Correia	-	-	-	35,496,424[14]
Dulce Mota	-	-	-	0 (zero)
Manuel Ramos de Sousa Sebastião	-	-	-	35,000
Gonçalo Gil Mata	-	-	-	0 (zero)
Rosa Freitas Soares	-	-	-	0 (zero)
Maria Estela Barbot	-	-	-	0 (zero)
Ana Pinho	-	-	-	0 (zero)
Ana da Cunha Barros	-	-	-	0 (zero)
José Luís Arnaut[15]	-	-	-	7,587

[13] This comprises the shares held by members of the REN management and supervisory bodies and also, if applicable, i) by the spouse not judicially separated, regardless of the matrimonial property regime; ii) by minor descendants; iii) by persons in whose name shares are registered, in the event that they have been acquired on behalf of a member of the management or supervisory bodies and by persons referred to in i) and ii); and iv) by companies of which a member of the management or supervisory bodies and the persons referred to in i) and ii) are shareholders with unlimited responsibility, are engaged in the management or exercise any management or supervisory duties or hold, individually or jointly with the persons referred to in i) to iii), at least half of the share capital or corresponding voting rights.

[14] Corresponds to shares held by and attributable to Fidelidade - Companhia de Seguros, S.A., which are attributable to this director for the purposes of article 447 of the CSC, by virtue of his position as a member of the board of directors of that company.

[15] Comprises 480 shares held directly and the remainder held by the company Platinumdetails - Consultoria e Investimentos, Lda, in which this director holds 68% of the share capital.

In accordance with and for the purposes of Article 447 of the Portuguese Companies Code, in particular paragraph 5 thereof, the number of bonds held by the members of the REN management and supervisory bodies and by the persons related to them pursuant to paragraph 2 of the abovementioned article, as well as all their acquisitions, encumbrances or disposals with reference to the financial year of 2024, based on communications sent to the company, were as follows:

Board of Directors (including the Audit Committee)

BOARD OF DIRECTORS	ACQUISITIONS (IN 2024)	ENCUMBRANCE (IN 2024)	DISPOSALS (IN 2024)	BONDS (€) AT 31.12.2024
Rodrigo Costa	-	-	-	0 (zero)
João Faria Conceição	-	-	-	0 (zero)
Gonçalo Morais Soares	-	-	-	0 (zero)
Guangchao Zhu - on behalf of SGID	-	-	-	0 (zero)
Yang Qu	-	-	-	0 (zero)
Mingyi Tang	-	-	-	0 (zero)
Jorge Magalhães Correia	10,500,000[16]	-	-	10,500,000[17, 18]
Dulce Mota	-	-	-	0 (zero)
Manuel Ramos de Sousa Sebastião	-	-	-	0 (zero)
Gonçalo Gil Mata	-	-	-	0 (zero)
Rosa Freitas Soares	-	-	-	0 (zero)
Maria Estela Barbot	-	-	-	0 (zero)
Ana Pinho	-	-	-	0 (zero)
Ana da Cunha Barros	-	-	-	0 (zero)
José Luís Arnaut	-	-	-	0 (zero)

[16] Acquisitions made through the purchase of RENECP ECP 0 bonds 02/03/25, with the ISIN PTRE8GJM0106 on November 28, 2024, bonds were acquired for 10,500,000.00 euros

[17] Corresponds to bonds acquired in 28/11/2024 by Fidelidade - Companhia de Seguros, S.A., which are attributable to him for the purposes of article 447 of the CSC, by virtue of his position as a member of the board of directors and executive committee of that company.

[18] It should also be noted that Fidelidade - Companhia de Seguros, S.A. communicated (i) it sold on 21/03/2024 € 1,000,000.00 of bonds of REN FINANCE BV and (ii) it acquired in 22/10/2024 €100,000.00 of bonds issuer by REN Finance BV, a company in a group relationship with REN.

II.9. Special powers of the management body, notably regarding resolutions on capital increase (Art. 29-H(1)i), indicating, as to such resolutions, the date on which the powers were attributed to the management body, time limit until such powers may be exercised, maximum quantitative limit on capital increase, amount already issued under the attribution of such powers and method of applying the attributed powers

The Board of Directors has the competences and powers conferred by the Portuguese Companies Code and the Articles of Association[19] (see summary of these competences and powers in II.21.), and as such, the management body does not have special powers.

In addition, the Board of Directors was granted authorisation by the Annual General Meeting of shareholders held on 9 May 2024 to acquire and dispose of own shares and bonds, under the terms defined and approved by the General Meeting and in accordance with applicable laws and regulations.

Particularly, concerning resolutions on any increase in capital, it should be noted that REN's Articles of Association do not authorize the Board of Directors to increase the Company's share capital.

II.10. Information on significant relationships of a commercial nature between the owners of qualified holdings and the Company

There are no significant relationships of a commercial nature between the holders of qualified shareholdings and the company.

In accordance with internal regulations on the assessment and control of transactions with related parties and prevention of conflict of interests[20], approved by the Board of Directors following a proposal presented by the Audit Committee, significant transactions with related parties are considered to be those which:

a) Are based on the purchase and/ or sale of assets, provision of services or a contracted project with an economic value greater than 1,000,000 euros;

b) Are based on the acquisition or disposal of shareholdings;

c) Require new loans, financing or subscription of financial investments resulting in an overall annual indebtedness exceeding 100,000,000 euros, except when referring to a simple renewal of existing circumstances or operations undertaken within the framework of pre-existing contractual conditions;

d) Are not performed within the scope of the ordinary course of business of the Company or Affiliated Company, as the case may be, or under normal market conditions; and

e) Should none of the materiality criteria set out in the subparagraphs above be met, i) which have a value exceeding 1,000,000 euros or ii) are considered relevant for this purpose by the management body, by virtue of its nature or its particular susceptibility to giving rise to a conflict of interests.

The Board of Directors is required to submit every transaction with related parties[21] to the Audit Committee for appraisal in particular:

i) Transactions considered significant are subject to prior opinion from the Audit Committee (and are communicated to the Audit Committee, a minimum of 15 days in advance of the transaction); and

ii) All other transactions are only subject to subsequent appreciation, and must be communicated to the Audit Committee before the last day of January or July, depending on whether the Transactions occurred in the current previous semester.

Moreover, in accordance with article 3, number 5, paragraph f) of the Board of Directors internal regulations, the approval of transactions with related parties for sums exceeding 500,000 euros or, regardless of the sum, any transaction which may be considered as not being executed under market conditions or in the ordinary business of REN or the subsidiary in question are matters which may not be delegated to the Executive Committee.

In light of the abovementioned criteria - set out in Board of Directors regulations and in internal regulations on the assessment and control of transactions with related parties and prevention of conflicts of interests - during 2024, there were a number of significant transactions with related parties as further described in I.90. below.

[19] See Article 15 of the Articles of Association and Article 3 of the Board of Directors Regulations.
[20] The definition of "related party" in accordance with this regulation includes owners of qualified holdings calculated in accordance with Article 20 of the Securities Code.
[21] See section III and section VI.

8.2 CORPORATE BODIES AND COMMITTEES

I. GENERAL MEETING

a) Composition of the Board of the General Meeting in the year of reference

II.11. Identification and position of the members of the Board of the General Meeting and respective term of office (start and end)

The following members of the Board of the General Meeting were elected for the term of office 2024-2026:

NAME	POSITION	DATE OF 1ST APPOINTMENT	TERM OF OFFICE IN COURSE
Pedro Rebelo de Sousa	Chairman	23.04.2021	2024-2026
Rui Dias	Vice-Chairman	03.05.2018	2024-2026

In the performance of his duties, the Chairman of the Board of the General Meeting also had the support of the Company Secretary, Marta Almeida Afonso.

b) Exercise of voting rights

II.12. Possible restrictions with regard to voting rights, such as limitations on exercising voting rights depending on the ownership of a number or percentage of shares, terms imposed for exercising voting rights or systems for detaching ownership content (Art. 29-H(1)(f)

Following the best practices on shareholder participation in the general meetings of companies with shares admitted to trading in a regulated market, REN's Articles of Association set out the principle of "one share, one vote"[22].

Without prejudice to that referred to in I.2. and I.5., there are no restrictions on voting rights, such as limitations on exercising voting rights depending on the number or percentage of shares.

Owners of one or more shares on the 'Record Date' may attend, participate in and vote at the REN General Shareholders' Meeting, provided that they comply with the following requirements:

a) Shareholders wishing to participate in the General Meeting should express this intention in writing to the financial intermediary, with whom they have opened the relevant individual securities account, up to the day before the 'Record Date'[23]. This communication may be sent by e-mail[24];

b) In turn, the abovementioned financial intermediary shall send to the Chairman of the Board of the General Meeting, up to the end of the day corresponding to the 'Record Date', information on the number of shares registered in the name of the shareholder on that date. This communication may be sent by e-mail ;

c) Shareholders who exercise direct or indirect control over a company which either produces or sells electricity or gas and wishes to participate, personally or through a representative, in the General Meeting are required to provide a declaration to the Chair of the General Meeting up to the day prior to the 'Record Date', stating that they are not prohibited from exercising voting rights as ERSE has recognized that there are no conflicts of interest;

d) Shareholders wishing to participate, personally or through a representative in the General Meeting, are required to provide a written declaration to the Chair of the General Meeting before the day prior to the 'Record Date', stating that they are not prohibited from exercising voting rights in accordance with the subparagraph c). The content of the abovementioned declaration is a condition of the exercising of voting rights at the General Meeting and may be established in standard terms by the Chair of the Meeting[26]; and

e) Shareholders which are recognized by ERSE as not having a risk of conflict of interest - as the respective production or sale of electricity or gas by such shareholders takes place in locations which have no direct or indirect connection or interface with Portuguese networks - and provided that no changes have occurred with regard to the grounds or objective circumstances which led ERSE to recognize no conflict of interest existed with Portuguese transmission

[22] See article 12 (2) of the Articles of Association.
[23] See article 23-C of the Securities Code.
[24] See article 12, (9) of the Articles of Association.
[25] See article 12, (10) of the Articles of Association.
[26] See article 12, (12), (13) and (15) of the Articles of Association.

network operators, are not required to provide proof of this recognition with the abovementioned declaration, except in the case of changes to the grounds and objective circumstances which led to such recognition which determines the inhibition of social rights and/ or re-examination of certification conditions by ERSE[27].

Shareholders with voting rights may be represented at the General Shareholders' Meeting by a person with full legal capacity, by written document addressed to the Chairman of the Board of the General Shareholders' Meeting, communicating the name(s) of the representative(s), in accordance with the law and the notice to convene. This communication may be sent by e-mail[28].

REN's shareholders who hold shares on a professional basis in their own name but on behalf of clients, may vote differently with their shares, provided that they submit this fact to the Chairman of the Board of the General Shareholders' Meeting prior the 'Record Date' and deliver proportional and sufficient proof of: a) the identification of each client and the corresponding number of shares that will be voted on his behalf; b) the specific voting instructions on each of the items on the agenda as provided by each of their clients.

REN's shareholders may submit their votes by correspondence for each item on the agenda, by letter signed with the same signature as on their identification document, enclosing a legible photocopy of such document, if the shares are held by an individual shareholder, or duly notarized signature of the proxy, in the event that the shares are held by a legal person[29].

This letter should be addressed to the Chairman of the Board of the General Shareholders' Meeting and sent by post with acknowledgement of receipt to REN's registered office at least two business days prior to the date of the General Shareholders' Meeting, except if the relevant notice of meeting establishes a different time. The Chairman of the Board of the General Shareholders' Meeting shall verify the authenticity and regularity of the votes cast by correspondence as well as ensure that they remain confidential until the voting takes place[30].

It is also established that votes cast by correspondence are considered to be votes against, in the case of resolution proposals submitted after the date on which they were cast.

REN implements the appropriate means for the non-presential participation of shareholders in the General Meeting, which includes, on the one hand, allowing the exercise of advance voting rights by electronic means and, on the other hand, telematic participation in the General Shareholders Meeting. According to the Articles of Association, shareholders may exercise voting rights electronically, in accordance with the terms, time and conditions set out in the respective notice to convene[31].

With regard to the participation in the General meeting, REN has a flexible position so as to be able to encourage the participation and discussion of its shareholders on this occasion, either in person or by telematic means.

Bearing in mind the positive experience of the years 2021 and 2022, when REN annual General Meeting was held exclusively using telematic means and ensuring the corresponding exercise of voting rights remotely by electronic means (by virtue of the concrete measures determined by the Government due to the public health emergency caused by the Covid-19 disease and in line with the recommendations in force[32]), REN decided to hold the 2023 and 2024 annual General Meetings on a hybrid system, allowing shareholders to attend - and exercise their voting rights - in person or by telematic means. According to the notice for the 2024 Annual General Meeting, members were allowed to attend in person or by telematic means. Participation by telematic means was accompanied by the possibility of exercising the right to vote during the General Meeting, under the terms detailed in the notice to convene. At the same time, the notice to convene allowed for the possibility of electronic advance voting and provided the means for members to change their vote in advance during the General Meeting. Since 2021, REN has been consolidating the implementation of appropriate means for the non-presential participation of shareholders in the General Meeting, with the intention of also holding the next General Meetings in a

[27] See article 12(14) of the Articles of Association.
[28] See Article 12(11) of the Articles of Association.
[29] See article 12(5) of the Articles of Association.
[30] See Article 12(5) and (7) of the Articles of Association.
[31] See article 12(6) of the Articles of Association.
[32] 'Recommendations within the scope of the General Meetings' regarding the national Corporate Governance regime issued within the framework of cooperation between the Portuguese Securities Market Commission (CMVM), the Portuguese Institute for Corporate Governance (IPCG) and the Association of Listed Companies (AEM).

hybrid model, which will be defined in the respective notice to convene.

In summary, the admissibility of remote participation by shareholders in REN's General Meeting was initially adopted in 2021 as a reaction to the Covid-19 pandemic, but this practice is now consolidated and there is the intention to maintain it in the next General Meetings, under the terms to be defined in the respective notices. For this reason, REN provides all the necessary mechanisms to encourage its shareholders to participate and vote in General Shareholders' Meetings, either in person or remotely.

REN's Articles of Association do not provide for any systems for separating economic rights content and there is no mechanism in place to cause any conflict between the right to receive dividends and the subscription of new securities and the principle of 'one share, one vote', with the exception of the provision set out in the Articles of Association as described in I.2. and I.5. above, which seeks to make current regulations and the legal regime effective.

II. 13. Information on the maximum percentage of voting rights that can be exercised by a sole shareholder or by shareholders with whom they maintain a relationship pursuant to Article 20(1) of the Securities Code

As referenced above in I.2., the maximum percentage of voting rights that can be exercised by a sole shareholder or by shareholders with whom they maintain a relationship pursuant to paragraph 1 of Article 20 of the Securities Code, on his behalf or as representative of another shareholder, is 25% of the votes corresponding to REN 's share capital.

As also referred to in I.2. and I.5. above, shareholders which, directly or indirectly, exercise control over a company which either produces or sells electricity or gas are not allowed to exercise voting rights at the General Shareholders' Meeting over any Company shares, except when ERSE has recognized that no risk of conflict of interest exists.

The persons who exercise control or rights over companies which either produce or sell electricity or gas may not appoint members to the Board of Directors (including members of the Audit Committee) or the statutory auditor, or members of bodies which legally represent it, on their own or through others with whom they are connected through shareholders' agreements, except when ERSE recognizes that there is no risk of conflicts of interest.

II.14. Identification of shareholder resolutions that, in accordance with the Articles of Association, shall only be passed with a qualified majority, aside from those legally provided for, and indication of these majorities

In accordance with Article 11(1) of the Articles of Association, the attendance or representation of shareholders holding at least 51% of capital is essential in order that the General Shareholders' Meeting can be held and can resolve on the first call.

In accordance with Article 11(2) of the Articles of Association, the quorum for adopting resolutions on amendments to the Articles of Association, splits, mergers, transformation or dissolution of the company shall be two thirds of the votes issued, both for the first call and the second call, regardless of the percentage of capital represented (which, in the case of the second call, is more demanding than the provision of the Portuguese Companies Code).

Furthermore, in accordance with paragraph 3 of the same Article in the Articles of Association, resolutions for changes relating to Articles 7-A, 12(3) and 11 of the Articles of Association require the approval of three quarters of the votes issued (which is more stringent than the requirement in the Portuguese Companies Code).

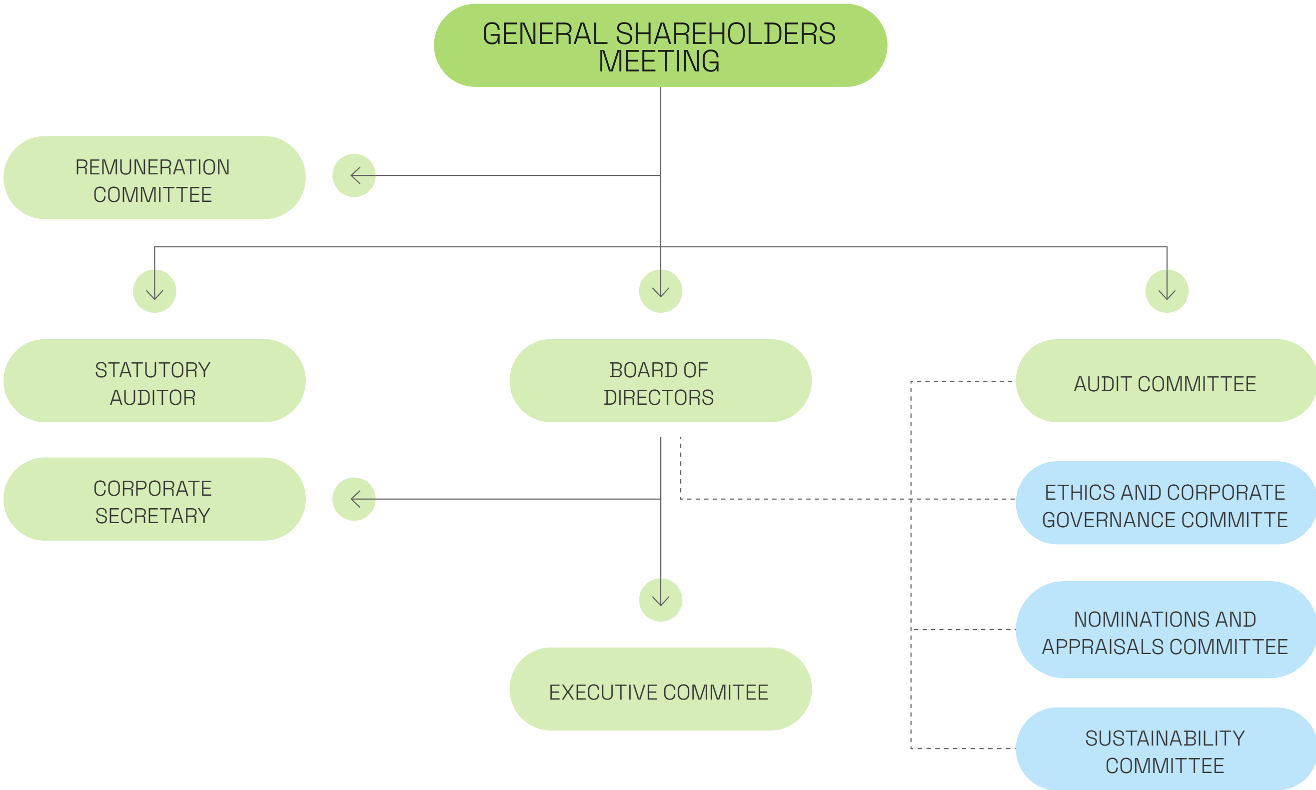
The company considers that these majorities that are more stringent than those defined by law are justified by the fact that the matters in question are strategic and of structural importance, so that their change requires a broader consensus among shareholders. As regards in particular the articles referred to in the previous paragraph, the specially qualified majority required for their amendment is justified by the fact that such articles are intended to enable the company to monitor compliance with several legal obligations and the ERSE Decision, relating to full ownership unbundling, as best described in section I.2. above.

II. MANAGEMENT AND SUPERVISION (BOARD OF DIRECTORS)

a) Composition

II.15. Identification of the model of governance adopted

REN has adopted a corporate governance model based on an Anglo-Saxon model which consists of the following corporate bodies elected by the General Shareholders' Meeting[33]: i) a Board of Directors, responsible for the management of the Company's business, which delegates day-to-day management to the Executive Committee[34] which is supported by specialized committees (described in further detail below), and ii) an Audit Committee and the Statutory Auditor, as supervision bodies. The Audit Committee consists exclusively of non-executive directors[35].



II.16. Statutory rules relating to the procedural requirements and applicable provisions for the appointment and substitution of members of the Board of Directors (Art. 29-H(1)(h)

In accordance with the law and the Articles of Association[36], the appointment and dismissal of members of the Board of Directors is the responsibility of the General Shareholders' Meeting, being carried out through lists of candidates selected by the nominating shareholder(s). With these lists put to the vote, the shareholders assume a very important role in the respective candidate selection process, without any interference from the directors. It is also the responsibility of the General Shareholders' Meeting to elect the Chairman and Vice-Chairman of the Board of Directors.

According to the Articles of Association[37], a minority of shareholders voting against the winning proposal may appoint at least one director, provided that this minority represents at least 10% of the Company's share capital. Within the process of identifying and selecting potential candidates for the Board of Directors the same are subject to REN's Diversity and Selection Policy, establishing the guiding principles followed by the Nominations and Appraisals Committee in assisting with the process to identify and select potential candidates. The Diversity and

[33] See article 8(2)(b) of the Articles of Association.
[34] See article 8(1) of the Board of Directors regulations.
[35] See article 3(1) of the Audit Committee regulations
[36] See Article 8(2)(b), and Article 14(3), both in the Articles of Association; and Article 2(1) of the Board of Directors Regulations.
[37] See article 14(2).

Selection Policy provides a reference for drawing up and understanding the recommendations issued, particularly with regard to incompatibilities, independence and conflicts of interest.

Through its Selection and Diversity Policy, REN determines criteria and requirements relating to the profile of new members of the Board of Directors that it considers appropriate for the purposes of their duties. REN values the technical component, which includes academic training, professional experience and levels of responsibility in line with the characteristics and complexity of the company, but also privileges aspects such as diversity, since the existence of diversity will bring greater efficiency, creativity, critical capacity and innovation. By way of this policy, which establishes criteria and requirements of different natures, REN intends that the Board of Directors achieves goals of efficiency, excellence, innovation and dynamism.

In particular, the Selection and Diversity Policy determines that REN's Nomination and Appraisal Committee should take into account the following guidelines regard ing the individual profile of candidates prior to their identification:

- The governing bodies of REN shall be composed of members who have, individually and collectively, technical and professional skills appropriate to the function to be performed, supported by academic qualification or specialised training and professional experience with duration and levels of responsibility that are in line with the characteristics, complexity, size and strategy of REN;
- Each member of REN's governing bodies must be able to understand REN's business and how the company operates, assess the risks to which it is exposed, and assess and contribute to a constructive discussion of the decisions to be taken;
- Members of REN's governing bodies must have recognized integrity, ethics and professional and personal values that demonstrate their ability to decide in a balanced and judicious manner, comply promptly with their obligations and behave in a manner compatible with maintaining market confidence;
- Members of REN's governing bodies must be able to carry out their duties in an unbiased manner to protect the best interests of REN Group companies and prevent the risk of being subject to undue influence from other people or entities; and
- When assessing the availability of members of the governing bodies, the specific requirements of the job and the nature, scale and complexity of REN's business must be taken into account.

In addition, the Nomination and Appraisal Committee also considers it imperative that the composition of the corporate bodies reflects a diversity interpreted in a broad sense, encompassing its various perspectives and taking into account the specificities of REN and its Group, in order to achieve the objectives of efficiency, excellence, innovation and dynamism at the level of its corporate bodies and the functions they perform. Bearing these objectives in mind, the Nomination and Evaluation Committee seeks to promote, in accordance with the Selection and Diversity Policy, the following principles when selecting and recommending candidates:

- Promotion of equal opportunities in the face of diversity consistent with the policies provided for in the legal and regulatory framework in force as well as those reflected by market best practices;
- Appropriate gender representation, guaranteeing compliance with legal requirements, based on the individual skills, aptitudes, experience and qualifications of each candidate;
- The candidates' previous training and experience, when assessed collectively, should allow for a balanced mix of knowledge in the areas of management, energy, engineering, finance, accounting, law, corporate governance, capital markets, investor relations, risk management, auditing, information technology, corporate social responsibility, the environment and sustainability;
- Non-discrimination with respect to birth, race, gender, religion, marital status, sexual orientation, or any other personal or social circumstance or condition while safeguarding compliance with the competence and capacity requirements required for performing the duties in question; and
- Promoting balance between, on one hand, experience and maturity and, on the other, the youth and energy necessary for the dynamics and speed of innovation inherent to REN's business.

The Portuguese Companies Code rules[38] apply with regard to the substitution of members of the Board of Directors, given that neither the Company's Articles of Association, nor the Board of Directors or Audit Committee Regulations have special rules on this matter. The Board of Directors will only participate in said process in the event of replacement by co-option of missing directors, as described below. In this case, since it is a non-delegable competence of the Board of Directors, all Directors are involved in the co-option resolution, except in the event of conflicts of interest.

[38] See article 393(3).

The Company's Articles of Association[39] state that the unjustified absence of any director at more than half of the ordinary meetings of the Board of Directors during one financial year, whether consecutive or non-consecutive absences, equates to the permanent absence of said director. Permanent absence must be declared by the Board of Directors, and they must also substitute the director in question.

II. 17. Composition of the Board of Directors, with indication of the minimum and maximum members and duration of term of office in accordance with the Articles of Association, number of full members, date of first appointment and date of termination of term of office of each member

The Board of Directors, comprising the Audit Committee, consists of a minimum of seven and maximum of fifteen members, as determined by the General Shareholders' Meeting that elects said members[40].

Currently, the Board of Directors consists of fifteen members, including a total of twelve non-executive members. The members of the Board of Directors were appointed at REN's Annual General Meeting, held on 9 May 2024 under the terms set out in the following table.

At 31 December 2024, the REN Board of Directors consisted of the following members, who have been appointed for the 2024-2026 term of office:

NAME	POSITION	YEAR OF FIRST APPOINTMENT	FINAL YEAR OF TERM OF OFFICE
Rodrigo Costa	Chairman of the Board of Directors and the Executive Committee	2014	2026
João Faria Conceição	Executive Director	2009	2026
Gonçalo Morais Soares	Executive Director	2012	2026
Guangchao Zhu (on behalf of a State Grid International Development)	Vice-Chairman	2012	2026
Yang Qu	Director	2023	2026
Tang Mingyi	Director	2023	2026
Jorge Magalhães Correia	Director	2015	2026
Dulce Mota	Director/ Member of the Audit Committee	2023	2026
Manuel Ramos de Sousa Sebastião	Director	2015	2026
Gonçalo Gil Mata	Director	2015	2026
Rosa Freitas Soares	Director/ Chairman of the Audit Committee	2021	2026
Maria Estela Barbot	Director	2015	2026
Ana Pinho	Director	2019	2026
Ana da Cunha Barros	Director/ Member of the Audit Committee	2021	2026
José Luís Arnaut	Director	2012	2026

[39] See article 19(8) and (9).
[40] See Articles 8(2)(b) and 14(1) both of the Articles of Association.

In accordance with the Articles of Association[41], members of corporate bodies perform their respective duties for periods of three calendar years, a period which is renewable, considering as complete, the calendar year of appointment.

II.18. Distinction of the executive and non- executive members of the Board of Directors and, with regard to the non-executive members, identification of the members who can be considered independent

As of December 31, 2024 and on this date, twelve of the fifteen members of REN's Board of Directors are non-executive directors, as detailed in section II.17 above. The Board of Directors includes, therefore, a number of non-executive members that is adequate to the size of the company and the complexity of the risks related to its activity, which ensures the effective ability to supervise, monitor and assess the activity of the executive members, particularly bearing in mind the number of members of the Executive Committee, the size and complexity of company's activities, the shareholder structure and breakdown of REN capital.

Taking into account the Anglo-Saxon governance structure of the company, the Audit Committee consists of non-executive members of the Board of Directors. Its composition is also deemed appropriate, namely taking into account the number of members and their availability, which is appropriate to the size of the company and the complexity of the risks inherent to its activity, efficiently ensuring the functions assigned to them.

Taking into account the assessment criteria on independence laid down in Article 414(5) of the Portuguese Companies Code for members of the Audit Committee, as well as in recommendation IV.2.4 of the IPCG Code for other non-executive directors, and based on the respective internal assessment, the REN Board of Directors and Audit Committee consider the following directors performing duties during the 2024 financial year to be independent:

NAME	POSITION
Rosa Freitas Soares	Director/ Chairman of the Audit Committee
Ana da Cunha Barros	Director/ Member of the Audit Committee
Dulce Mota	Director/ Member of the Audit Committee
Manuel Ramos de Sousa Sebastião	Director
Maria Estela Barbot	Director
Ana Pinho	Director
Gonçalo Gil Mata	Director

Furthermore, all non-executive members of the Board of Directors (in addition, naturally, to the directors that are also members of the Audit Committee) would comply, if they were applicable applicable, with all incompatibility rules laid down in Article 414-A(1) of the Portuguese Companies Code, save as provided for in sub-paragraphs b) and h).

REN considers that the proportion of independent directors is suitable given the number of executive directors and the total number of directors, taking particularly into account:

i) The adopted governance model, in other words an Executive Committee consisting of three executive directors and an Audit Committee, also consisting of three independent members and a further nine non-executive directors, which ensures the effectiveness of the oversight of the executive directors; and

ii) The size of the company, its shareholder structure and the relevant free float (which was 44.4 % of share capital at 31 December 2024).

In light of the above, REN fully complies with CMVM recommendations IV.2.2, IV.2.3 and IV.2.4 of the IPCG Code, as the Board of Directors consists of an adequate number of non-executive members (considerably superior to the number of executive members) and, among these, more than one third are independent members (58.3%).

Moreover, Article 7-A and 7-B of the Articles of Association govern the special system of incompatibilities applicable to the election and performance of duties at any REN corporate body.

The aim of the provisions of Article 7-A of the Articles of Association is to establish a system of incompatibilities relating to potential conflicts of interest arising from the direct or indirect exercise of activities in the electricity or gas sectors, either in Portugal or abroad. Furthermore, the system set out in Article 7-B of the Articles of Association also seeks to prevent persons who exercise control or rights over companies which either produce or sell electricity or gas to appoint members to the Board of Directors (which also comprises members of the Audit Committee) or the statutory auditor, or members of bodies which legally represent it, on their own or through others with whom they are connected through shareholders' agreements, except when ERSE recognizes that there is no risk of conflicts of interest. Additionally, and in accordance with Article 12 of the Board of Directors' regulations, all directors are obliged to report any circumstance that could create a potential conflict.

The members of the corporate bodies and internal committees promptly inform the respective body or committee of the facts that might constitute or cause a conflict between their own interest and the corporate interest, and there are internal procedures in place so that such members of the corporate bodies and meeting at

[41] See article 27(1).

which the matter will be discussed and voted on); ii) must abstain from discussing the matter with other members of the bodies or committees; and iii) must not participate nor be present in the discussion and voting of the matter in question. Furthermore, the members of the bodies must inform the Chairman of the respective corporate body or committee in question of any facts that may trigger such potential conflict (in without prejudice to the duty to provide information and clarifications requested by the body or committee and its respective members)[42].

The Ethics and Corporate Governance Committee is also responsible for preventing conflicts of interest (see section II.2.9. below), paying a particular attention to the compliance with such procedures. In view of the above, REN considers to be compliant with recommendations II.4.1. and II.4.2. of the IPCG Code.

Organization of the non-executive members and of the independent members of the Board of Directors

The independent directors have not elected a coordinator, but the Company has established other equivalent mechanisms, which ensure the same coordination, which is why REN fulfils recommendation IV.2.1. of the IPCG Code.

In accordance with the Board of Directors Regulations, during 2024 this corporate body established efficient mechanisms for the coordination and development of the work of its members with non-executive and/ or independent functions, in particular to facilitate the exercising of their right to information and to assure the conditions and means necessary for the performance of their duties, as follows[43]:

a) Without prejudice to the exercising of powers not delegated to the Executive Committee, Company directors with a non-executive function supervise the performance of the executive management; and

b) In order to make independent and informed decisions, the directors with non-executive functions may obtain the information they deem necessary or appropriate to perform their roles, powers and duties (in particular, information relating to the powers delegated to the Executive Committee and its performance), by requesting such information from any member of the Executive Committee, and the response should be provided in an adequate and timely manner.

Whenever they consider it necessary or convenient, directors with non-executive and/ or independent duties hold ad hoc meetings to analyse company's management.

Independent and/ or non-executive directors are guaranteed access to all the information and to the Company's employees that may be necessary in order to allow them to assess the Company's performance, situation and development prospects. Access is ensured, in particular, to the minutes, supporting documentation for decisions taken, notices and archives of meetings of the other governing bodies, without prejudice to access to any other documents or persons from whom clarification may be requested.

In particular, all supporting documentation for meetings of the Board of Directors will be provided in a timely fashion and in advance, to the non-executive members of the Board of Directors, and the Executive Committee's resolutions and supporting documentation shall always be available for consultation[44].

In addition, the Chairman of the Board of Directors informs, at the beginning of every Board of Directors' meetings, the most relevant resolutions and actions taken by the Executive Committee since the previous meeting that the other directors are not already aware of.

The Chairman of the Executive Committee promotes, as far as possible, the involvement of independent and/ or non-executive directors in specific projects and actions in order to allow independent and/ or non- executive directors to be more closely involved in the Company's activity, depending on the matters in question and the specific qualifications and preferences of each one.

It should also be noted that under the terms of Article 2(3) of the Executive Committee Regulations, the Chairman of the Executive Committee may invite any non-executive Director, as well as any director, to attend and participate in the meetings of the Executive Committee. In addition, the internal committees of the Board of Directors dedicated to the subjects of ethics, governance (Ethics and Corporate Governance Committee) and nominations and appraisals (Nominations and Appraisals Committee) are both exclusively composed by non-executive directors, including their chairmen, who act as interlocutors with the Chairman of the Board of Directors and the other directors and ensure the provision of the set of conditions and means necessary for the performance of the functions and duties of the committees they chair. The Sustainability Committee is made up of three executive directors and two independent non-executive directors. Therefore, through the mechanisms described above, all the conditions are established in order for the directors with non-executive and/ or independent functions to discharge their functions in order to make independent, informed and efficient decisions.

[42] See Point X of the Regulations regarding Transactions with Related Parties, Articles 4(5) and 4(6) of the Audit Committee Regulations, Article 12 of the Board of Directors Regulations and Articles 7-A and 7-B of REN's Articles of Association.
[43] See article 11 of the Board of Directors Regulations.
[44] See Article 5 of the Executive Committee Regulations.

The mechanisms listed are equivalent to the coordination achieved through the appointment of a coordinator because they ensure:

i) Ease of communication between the independent directors and the Chairman of the Board of Directors and the Executive Committee and other directors;

ii) Conditions and means necessary for the performance of the duties of independent director; and

iii) Co-ordination of independent directors in assessing the performance of the governing body, under the terms of recommendation VI.1.1. of the IPCG Code.

The company therefore fulfils recommendation IV.2.1. of the IPCG Code.

II.19. Professional Qualifications and other relevant information on the résumés of each of the members of the Board of Directors at 31.12.2024

RODRIGO COSTA

Independent Director: November 2014 to February 2015
Executive Director: since February 2015
Chairman of the Board of Directors and CEO: since May 2015
Board of Directors Committees: Chairman of the Executive Committee and Chairman of the Sustainability Committee
Other listed public companies Directorships: None
Other current public company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Software developer with multidisciplinary experience: Worked for 11 years as a programmer, analyst and team manager, coordinating the development of business management and industrial applications.

Senior executive with responsibilities in General Management, Marketing and Business Development: Software, telecommunications, financial services and energy.

International experience: M&A, business development and management of large, diverse, multinational teams in different geographies. Extensive experience and direct responsibilities in the following markets: United States, Brazil, Chile, China, South Korea, Japan, India, Spain, France, UK and other countries in Western and Eastern Europe, Asia, South America and Africa.

Leadership and corporate governance: Several years of experience as Chairman of the Board of Directors and Executive Chairman of listed companies, contributing with an informed perspective during the meetings of the Board of Directors and the committees he has been a member of, namely with regard to the Corporate Governance perspective, with a view to developing a solid reputation for the benefit of the organization and the achievement of its objectives. This contribution was also aimed at creating a rigorous culture of social responsibility, long-term sustainability and high ethical standards.

Personal focus, Conference attendance and public speaking: During the past 10 years the main areas are: energy transition, climate change, corporate governance, people development, cyber security, executive leadership.

CAREER HIGHLIGHTS

- Chairman of the Board of Directors and CEO - REN SGPS., S.A. - Energia (Portugal and Chile) > 2015 to date;
- Chairman of the Board of Directors and CEO Unicre S.A. - Financial services - Credit cards > 2014;
- CEO - NOS SGPS (ZON Multimedia and Optimus merger) - Telecommunications > 2008 to 2015;
- Board Member and Executive Vice President - PT SGPS, Telecom > 2005 to 2007;
- Microsoft Corporation - Software > 1990 to 2005;
- Corporate VP of Microsoft Corporation - Redmond, USA > 2001 to 2005;
- General Manager - MS Brazil > 2000 to 2001;
- Founder and General Manager - MS Portugal > 1990 to 2000; and
- Software Developer > 1979 to 1990.

Previous experience - Professional and Community Involvement

- General Counsel of Coimbra University;
- General Counsel Porto Business School;
- Participation In various working groups on technology and education within the public sector; and
- Awarded by the Portuguese Republic President - Great Officer of Ordem do Infante D. Henrique for Services to Portugal, In 2006; and.
- Part of Time Magazine's Time100 Climate 2024 list, for his contributions to the fight against climate change.

EDUCATION

- High School and Multiple Computer Language Programming Certificates;
- Certificate of Corporate Governance from INSEAD;
- Corporate Governance program from Harvard Business School; and
- Multiple executive education programs.

GONÇALO MORAIS SOARES

Director: since March 2012
Board Committees: Executive Committee, Sustainability Committee
Listed Public Company Directorship: None
Listed Public Company Directorship within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Corporate Governance: Due to his years of experience as a director of REN, he is very familiar with the company, its structure, business and future ambitions.

Finance: Experience developed throughout his career, both in investment banking and in various financial foundations.

Energy: More than 10 years of experience as a REN director.

Telecommunications: Solid career in the telecommunications industry, having taken on different responsibilities and functions within this area.

CAREER HIGHLIGHTS

- ZON SGPS, ZON TV Cabo e ZON Lusomundo Audiovisuais, companies that operate in the field of audiovisual communication:
  - Head of Planning and Control 2007 > 2012; and
  - Director > 2010 to 2012.
- Portugal Telecom, S.A., company that operates in the field of telecommunications:
  - Head of Planning and Control > 2003 to 2007.
- Jazztel, S.A.U, company that operates in the field of telecommunications:
  - Head of Finance > 2000 to 2003.
- Santander Investment, S.A., operates as an investment management company:
  - VP in Corporate Finance > 1996 to 2000.
- Reditus, S.A., provision of Computer management and consultancy Services:
  - Analyst > 1993 to 1994.

EDUCATION

- Course in IDP ("International Director's Program") at INSEAD Business School > 2021;
- Course in LEAR ("Leadership Excellence through Awareness and Practice") at INSEAD Business School > 2018;
- Program in Advanced Management at the Kellogg Business School (Chicago) and the Lisbon Catholic University > 2010;
- MBA from Georgetown University (Washington) > 1996; and
- Degree in Economy from the Universidade Nova de Lisboa > 1993.

JOÃO FARIA CONCEIÇÃO

Director: since May 2009
Board Committees: Executive Committee, Sustainability Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

CAREER HIGHLIGHTS

- Portuguese Government:
  - Supported the Ministry of Economy and Innovation in the field of Energy > 2007 to 2009.
- Boston Consulting Group, company of Consulting Services:
  - Consultant > 2000 to 2007.

EDUCATION

- MBA at the Institut Europeen d'Administration des Affaires (INSEAD) (France);
- "Research Master" in Aerodynamics at the Von Karman Institute for Fluid Dynamics (Belgium); and

- Degree in Aerospace Engineering from the Instituto Superior Técnico (Portugal).

GUANGCHAO ZHU

Director: since March 2012
Board Committees: None
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Experience in energy markets: Experience in fast-growing International energy markets, including China.

CAREER HIGHLIGHTS

- HK Electric Investments, company that operates in the sector of energy distribution:
  - Member of the Board of Directors > March 2017 to date.

- State Grid Corporation of China, entity responsible for the Chinese electricity network operation:
  - Vice-President > June 2024 to date;
  - Deputy Chief Engineer > November 2015 to May 2024;
  - General Director of the International Cooperation Department > November 2015 to May 2024; and
  - General Director of the International Cooperation Department > June 2009 to March 2010.

- National Grid Corporation of the Philippines (NGCP), entity responsible for electricity network operation:
  - Chairman of the Board of Directors > June 2017 to date;
  - Consultive Chairman > 2009;
  - Chief Executive Advisor > 2009;
  - Member of the Board of Directors > 2009; and
  - Vice-chairman of the Preparatory Group > December 2007 to March 2009.

- State Grid International Development, company that invests mainly in the development of power projects and operating industries:
  - Chief Executive Officer > December 2011 to November 2015;
  - Senior Executive Vice President > March 2010 to December 2011; and
  - Member of the Board of Directors > March 2010 to December 2011.

- State Grid Brazil Holding, company that provides energy Services:
  - Chairman of the Board of Directors > December 2011 to March 2018.

EDUCATION

- MBA at Baylor University (USA) > 2022
- Master's degree in Electrical Systems and Automation from the University of Shandong (China) > 1992; and

- Degree in Relay Protection Systems from the University of Shandong (China) > 1989.

YANG QU

Director: since March 2023
Board Committees: Nominations and Evaluation Committee, Ethics and Corporate Governance Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Energy: 37 years of experience in the electricity sector in China, Brazil and Oman.

Business development and business administration: Held various senior positions in the areas of business development and business administration.

Other skills: Has a diverse set of skills ranging from strategy and planning, investment, project management, regulation and compliance, business development, corporate governance, communication, among others.

CAREER HIGHLIGHTS

- State Grid International Development Limited (SGID):
  - Advisor > June 2024 to date; and.
  - Chief Compliance Officer > June 2022 to May 2024.

- Oman Electricity Transmission Company (OETC):
  - Vice Chairman of the Board of Directors;
  - Chief Regulator Officer > February 2020 to June 2022; and
  - Member of the Board of Directors > February 2020 to June 2022.

- CPFL:
  - Member of the Board of Directors > December 2016 to February 2020.

- State Grid Brazil Holding, S.A.:
  - Director > June 2011 to April 2014; and
  - Deputy General Manager > April 2014 to February 2020.

EDUCATION

- Bachelor's degree in electrical power systems engineering and automation from the University of Science & Technology, Chengdu, China > 1986.

MINGYI TANG

Director: since November 2023
Board Committees: None
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Leadership: Throughout his professional career, he has held positions of responsibility, enabling him to develop skills in managing different teams and projects.

Experience in energy markets: Experience in fast-growing international energy markets including China.

CAREER HIGHLIGHTS

- State Grid Corporation of China, Chinese state-owned electric utility corporation:
  - Deputy director of the department of legal affairs > August 2022 to date.
- State Grid Shanghai Electric Power Co., Ltd, Chinese state-owned electric utility corporation:
  - Chief legal counsel and director of Legal Compliance Department > March 2012 to August 2022.
- Zhongchengtong International Investment Co., Ltd., investment companyo:
  - Executive deputy general manager > July 2010 to March 2012.
- China Chengtong Holding Group Co., Ltd, investment company:
  - General counsel > April 2008 to March 2012.
- Civil Aviation Administration of China, Chinese civil aviation authority under the Ministry of Transport:
  - Deputy director and director of the legal affairs division of the department of policy, law and regulation > December 2003 to April 2008.
- Air China, airline:
  - Deputy director of the legal affairs department and legal manager of the president's office > March 2000 to December 2003.

EDUCATION

- Doctoral degree in civil and commercial law from the Renmin University of China > 2004;
- Master degree in law from the Renmin University of China > 1999; and
- Bachelor degree in law from the Minzu University of China > 1992.

JORGE MAGALHÃES CORREIA

Director since April 2015
Board Committees: None
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: Yes - Banco Millennium BCP

KEY EXPERIENCE AND QUALIFICATIONS:

Corporate Governance and financial experience: He has held positions in various financial and Insurance companies, including as Chairman of the Board of Directors and Director. He has also held responsibilities in the legal, auditing, human resources and commercial areas.

Leadership, negotiation and people management

CAREER HIGHLIGHTS

- Fidelidade - Companhia de Seguros, S.A., Insurance company:
  - Chairman of the Board of Directors > March 2017 to date.
- Luz Saúde, S.A., company that provides a variety of Services, including the management of equity stakes in other companies and consultancy Services:
  - Chairman of the Board of Directors > February 2015 to date.
- Millennium BCP Bank, S.A., credit institution:
  - 1st Vice Chairman of Board of Directors > June 2018 to date.
- Longrun Portugal, SGPS, S.A., management of equity stakes in other companies:
  - Non-Executive Director > December 2021 to September 2024.
- Mundial-Confiança, Insurance company:
  - Member of the Board of Directors > March 1998 to September 2002.
- Fidelidade Mundial, Insurance company:
  - Member of the Board of Directors > April 2000 to September 2002.
- Império Bonança, Insurance company:
  - Member of the Board of Directors > January 2008 to May 2012.
- Via Directa, Insurance company:
  - Member of the Board of Directors > May 2006 to March 2008.
- Caixa Seguros e Saúde, SGPS, management of equity stakes in other companies:
  - Vice Chairman of the Board of Directors > July 2005 to May 2013.

- USP Hospitals (Barcelona), entity operating in the health sector:
  - Member of the Board of Directors > 2011 to 2012.

- Hospitals Privados de Portugal SGPS, company that manages equity stakes in other companies:
  - Chairman of the Board of Directors > October 2011 to March 2013; and
  - Member of the Board of Directors > February 2003 to January 2005.

- Portuguese Inspectorate-General of Finance, aims to ensure the strategic control of the financial administration of the State:
  - Chief Inspector > 1982 to 1991.

- Portuguese Securities Market Commission, securities markets supervisory authority:
  - Head of Markets ("Diretor de Mercados")/ Chief Inspector > 1992 to 1995.

OTHER PROFESSIONAL EXPERIENCE AND COMMUNITY INVOLVEMENT

- Vice Chairman of the Portuguese Insurers Association > January 2008 to date;

- Member of the Geneva Association > 2017 to date;

- Lecturer at Lisbon University Faculty of Law > 1982 to 1990; and

- Member of several advisory bodies of cultural institutions and universities.

EDUCATION

- Law degree from the University of Lisbon > 1982.

DULCE MOTA

Director: since November 2023
Board Committees: Audit Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Leadership: Throughout her professional career, she has held positions of responsibility, which enabled her to develop skills in managing different teams and projects.

Corporate Governance: Worked in various companies as manager and director and is therefore familiar with the management and internal procedures of Portuguese companies.

Financial Sector: Solid experience in different companies in the Portuguese banking and financial sector.

CAREER HIGHLIGHTS

- Norgarante - Sociedade de Garantia Mútua, S.A.:
  - Non-Executive Director > May 2023 to date.

- Lisgarante – Sociedade de Garantia Mútua, S.A.:
  - Non-Executive Director > May 2023 to date.

- Caixa Económica Montepio Geral, Caixa Económica Bancária, S.A.:
  - Vice Chairman of the Executive Committee > January 2019 to October 2022.

- Banco ActivoBank, S.A.:
  - Chairman of the Board of Directors > January 2018 to January 2019.

- Banco Comercial Português, S.A.:
  - Head of Office of the Chairman of the Board of Directors > March 2012 to December 2017.

OTHER PROFESSIONAL EXPERIENCE AND COMMUNITY INVOLVEMENT

- Member of the board of the Portuguese Chamber of Commerce and Industry;

- Guest lecturer in the field of Operational Research > January 1980 to December 1995;

- Member of the Board of Directors of AF - Investimentos, Gestão de Patrimónios, S.A. > 1996 to 2001; and

- Member of Fundação Millennium bcp BCP > 2012 to 2017.

EDUCATION

- MBA at AESE Business School > 1995;

- Maters in Economics and Management at ISCTE > 1980;

- Course "Alta Direção" (High management), at INSEAD (Paris); and

- Specific training in Corporate Governance by NOVA SBE.

MANUEL RAMOS DE SOUSA SEBASTIÃO

Director: since April 2015
Membro de Comissões: Chairman of the Nominations and Appraisals Committee
Listed Public Company Directorships: Yes
Listed Public Company Directorships within past 5 years: Yes

KEY EXPERIENCE AND QUALIFICATIONS

Knowledge: Career i) in the banking sector, first as a staff member and later as a member of management bodies, in executive and non-executive functions, and of supervisory bodies; ii) in regulatory authorities, as a staff member (Banco de Portugal), member of the board of directors (Insurance Institute of Portugal and Banco de Portugal), and chairman (Portuguese Competition Authority); iii) at the International Monetary Fund, as economist; iv) in the energy sector, as non-executive director and chairman of the Audit Committee of REN SGPS, S.A.; and v) in academia, as teaching assistant and professor of economics and finance, at different stages of his career, at three universities (Universidade Nova de Lisboa, Universidade Católica de Lisboa, and ISCTE - Instituto Universitário de Lisboa).

CAREER HIGHLIGHTS

- Banco Português de Investimentos, S.A. (BPI, S.A.)., Portuguese bank, entirely owned by the Caixabank Group:
  - Chairman of the Audit Committee > November 2020 to September 2023;
  - Non-executive Director > November 2020 to September 2023; and
  - Chairman of the Supervisory Board > July 2018 to November 2020.

- Banco de Portugal, central bank of Portugal and member of the Eurosystem - European System of Central Banks:
  - Advisor to the Board of Directors > September 2013 to April 2015;
  - Member of the Board of Directors > February 2000 to March 2008;
  - Senior Advisor > October 1996 to February 1999; and
  - Economist > June 1986 to September 1988.

- Portuguese Competition Authority, independent regulatory authority iIn charge of promoting and enforcing competition in the public, private and cooperative sectors of the economy:
  - Chairman > March 2008 to September 2013.

- Insurance Institute of Portugal (currently, Insurance and Pension Funds Supervisory Authority), independent regulatory authority in charge of regulating and supervising the Insurance and pension funds activity in Portugal:
  - Member of the Board of Directors > March 1999 to February 2000.

- Banco de Fomento e Exterior, State owned bank, operating as the development of the bank of Portugal:
  - Member of the Board of Directors > July 1992 to October 1996.

- International Monetary Fund:
  - Economist > October 1988 to July 1992.

- Banco de Fomento Nacional, predecessor of Banco de Fomento e Exterior, State owned bank operating as the development bank of Portugal:
  - Economist > December 1978 to August 1981.

- Eurogestão, company that aimed to evaluate the investment projects of the CUF Group:
  - Economist > October 1973 to March 1975.

OTHER PROFESSIONAL EXPERIENCES AND COMMUNITY INVOLVEMENT

- Chairman of the Supervisory Board of the Portuguese Institute of Corporate Governance > June 2022 to date;

- Chairman of the Board of Directors of Ulisses - Management development foundation > February 2022 to date;

- Chief of staff to the Minister of Industry, V Constitutional Government > August 1979 to January 1980; and

- Advisor to the Deputy-Minister of Energy, Ministry of Industry and Technology, IV Provisional Government > March 1975 to August 1975.

EDUCATION

- PhD In Economics, Columbia University, USA > 1986;

- Doctorate de 3ème Cycle, Economic Planning, Université de Paris I, Panthéon-Sorbonne, France > 1978 ; and

- Undergraduate degree In Economics, School of Economics, Technical University of Lisbon > 1973.

GONÇALO GIL MATA

Membro do Órgão Administração: since April 2015
Board Committees: None
Membro de Órgãos de Sociedades Cotadas: None
Membro de Órgãos de Sociedades Cotadas nos últimos cinco anos: None

KEY EXPERIENCE AND QUALIFICATIONS

Experience: He has developed his career in the areas of Venture Capital and Investment Banking, as well as having experience in the area of Strategic Consulting and basic training in the areas of Technology and Business Management.

Venture Capital: As Executive Partner of C2 Capital Partners, he coordinates the investment portfolio of several funds focused on SMEs and the tourism and real estate sectors.

Investment Banking: As head of Corporate Finance at Deutsche Bank (Portugal), S.A., he coordinated several M&A and Capital Markets operations.

Strategic Consulting: He has worked on several strategic Consulting projects at McKinsey & Company for large Portuguese groups in Banking, Insurance and Telecommunications sectors.

CAREER HIGHLIGHTS

- C2 Capital Partners- Sociedade de Capital de Risco, venture capital investment and managemento:
  - Executive Partner > October 2012 to date.

- Goma Consulting, Lda., company operating in the business consultancy sector:
  - Manager > 2013 to date.

- Deutsche Bank (Portugal), S.A., credit institution that operates in the banking sector:
  - Head of Corporate Finance > July 2000 to September 2012.

- McKinsey & Company (Portugal), management consultancy firm:
  - Senior Associate > January 1998 to June 2000.

- Banco Finantia, S.A., banking institution::
  - Deputy Director of Corporate Finance > September 1995 to January 1998.

OTHER PROFESSIONAL EXPERIENCES AND COMMUNITY INVOLVEMENT

- Non-Executive Member of the Board of Directors of Arquiled, S.A.;

- Non-Executive Member of the Board of Directors of Gypfor – Gessos Laminados, S.A.;

- Non-Executive Member of the Board of Directors of Hotéis Praia Verde;

- Non-Executive Member of the Board of Directors of Vila Monte, S.A.;

- Non-Executive Member of the Board of Directors of Boost (Animação turística);

- Non-Executive Member of the Board of Directors of Água Castello; and

- Non-Executive Member of the Board of Directors of Casca Wines.

EDUCATION

- MBA awarded by the Nova University of Lisboa > 1994; and

- Degree in Software Engineering awarded by the University of Coimbra > 1993.

ROSA FREITAS SOARES

Director: since April 2021
Board Committees: Chairman of the Audit Committee and a Member of the Nominations and Appraisals Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Specialist in tax and investment law issues: Participation in numerous projects involving the restructuring of both Portuguese and international groups. She has relevant experience in the banking/ financial services sector, both in dealing with the audit and tax issues of banks/financial institutions and in the tax analysis of financial products. She has also developed expertise in individual income taxes, social security regimes and wealth/ estate tax planning issues.

Experience acknowledged by high entities: Due to her level of experience, and technical ability, she was chosen by the Government to be part of Commission that aimed to carry out tax reform and has also won multiple awards.

CAREER HIGHLIGHTS

- Sogrape, SGPS, S.A., management of equity stakes in other companies:
  - Member of the Remuneration Committee > April 2016 to date.

- Deloitte Central Services, S.A., provides consulting services relating to tax matters:
  - Equity Partner > September 2002 to June 2020;
  - Head of Family Businness in Portugal at Deloitte Family Business Center > January 2016 to June 2020;
  - Directed the Portuguese Transfer Pricing practice > June 2006 to June 2018; and
  - Directed the Personal Tax Division in Portugal > September 1999 to June 2020.

- Arthur Andersen (merged with Deloitte in 2002), S.A., provided consulting services on tax matters:
  - Partner > September 1999 to June 2002;
  - Manager > September 1993 to August 1999;
  - Senior > September 1990 to August 1993; and
  - Analyst > June 1988 to August 1990.

OTHER PROFESSIONAL EXPERIENCES AND COMMUNITY INVOLVEMENT

- Elected as a tax expert in the Portuguese market by International Tax Review (ITR);

- Senior Advisor (of-counsel) at the law firm RFF Associados > 2022 to date;

- Was chosen by the Government to be a member of the 2014 Personal Income Tax Reform Commission > 2014;

- Has lectured in several conferences/ university courses (Católica Business School of Lisbon, ISCTE, ISEG, University of Lisbon Law School and Nova School of Law) on tax, human resources and corporate governance matters; and

- Author of several articles on tax, human resources and corporate governance matters in newspapers and other publications.

EDUCATION

- PhD candidate in Tax Law at Nova School of Law and Senior Researcher at Nova Tax Research Lab > September 2022 to date;

- LLM in "Global Corporate Compliance" by IE Law School of Madrid > 2022;

- Course "Leading Professional Services Firms" (Postgraduate) at Harvard University Business School > 2009;

- Course in Business Management (Postgraduate) at Universidade Católica Business School in Lisbon > 2000; and

- Bachelor's degree in Law from the University of Lisbon Law School > 1985.

MARIA ESTELA BARBOT

Director: since April 2015
Board Committees: Ethics and Corporate Governance Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Relevant business experience: Skills in corporate governance, business administration and financial engineering processes. Relevant business experience in the industry, with subsequent in-depth knowledge of the business world at both national and international level. Responsible for negotiating and developing partnerships with multinational companies (Dupont, BR Chemicals, Rhone Poulenc, Signode Packaging Solutions, among others). Led the process of acquiring AGA - Álcool e Géneros Alimentares, S.A., which culminated in the purchase of the Portuguese state-owned company (1994), its restructuring and in the development of new business areas (pharmaceutical products).

CAREER HIGHLIGHTS

- Banco Santander de Negócios, S.A., banking institution:
  - Member of the Board of Directors > 2005 to 2010.

- IMF - International Monetary Fund, its mission is to stimulate global monetary cooperation, protect financial stability, facilitate International trade:
  - Member of the European Advisory Board > 2010 to 2012.

- Trilateral Commission, discussion forum:
  - Member of the European Consultative Committee > 2010 to 2011.

- IFD - Financial Institution for Development, entity dedicated to carrying out operations that address market failures in the financing of viable small and medium-sized enterprises:
  - Member of the Audit Committee > 2017 to 2019; and
  - Member of the Board of Directors > 2015 to 2019.

- Portuguese Business Association ('Associação Empresarial de Portugal"'), aims to defend the interests of all entrepreneurs and of all companies with SME status:
  - Vice Chairman of AEP > 1996 to 1999.

- Confederation of Portuguese Industry ("Confederação da Indústria Portuguesa"), protects the interests of private enterprise in Portugal:
  - Member of the Consultative Council > 2002 to 2003.

OTHER PROFESSIONAL EXPERIENCES AND COMMUNITY INVOLVEMENT

- President of the General Council of Universidade Nova de Lisboa > 2019 to 2022;
- Nova SBE Advisory Board - Estoril Conferences > 2022;
- Managing Partner of ALETSE - Real Estate > 2011 to date;
- Senior International Consultant of Roland Berger Holding GmbH > 2019 to 2020;
- Chairman of Forum Portugal Global > 2017 to date;
- Chairman of the Portuguese Group of the Trilateral Commission;
- District Vice-Chairman of Porto - SEDES - Associação para o Desenvolvimento Económico Social;
- Vice-Chairman of the Coordinating Council - SEDES - Associação para o Desenvolvimento Económico Social > July 2024 and to date;
- Chairman of the Board of Trustees of the Universidade Nova de Lisboa Foundation > October 2024 and to date;
- Member of the Advisory Board of Ar.Co - Center for Art and Visual Communication > 1996 to date;
- Member of the Advisory Board of the Laurel Association;
- Member of the Council of Founders (1989 to date) and of the Remuneration Committee (2001 to date) of the Museu de Arte Moderna da Fundação de Serralves > 1989 to date;
- Member of the Portuguese Group in the Bilderberg Meeting > 2019;
- Guatemala's Cônsul General in Portugal > 1994 to 2014;
- Entrepreneurship and Excellence Award > 2010;
- Businesswoman Award > 1999;
- Commissioner of Expo 98 > 1998; and
- Awarded the Dona Adelaide Ferreira Award > 1998.

EDUCATION

- Course In Corporate Governance course at Harvard Business School > 2016;
- Course In Executive Programme at DBS - London Business School > 2007; and
- Degree In Economics from the University of Porto > 1981.

ANA PINHO

Director: since May 2019
Board Committees: Sustainability Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

CAREER HIGHLIGHTS

- Fundação Serralves, a foundation that promotes cultural activities In the field of arts:
  - Chairman of the Board of Directors and of the Executive Committee.
- Arsopi - Lda., company operating in the metallurgical and metalworking industry:
  - Member of the Board.
- Tecnocom, S.A., a company operating in the development and production of Solutions for automation and control of industrial processes, design and execution of electrical infrastructures, technical assistance and commercialisation of industrial components:
  - Member of the Board of Directors.
- ATP - Associação de Turismo do Porto e Norte, which aims to develop and promote externally Porto and the North of Portugal as a tourist destination:
  - Member of the Board of Directors.
- UBS España, entity operating in the financial sector:
  - Board Committees Executiva;
- UBS Portugal, entity operating in the financial sector:
  - Chief Executive Officer.
- TAP SGPS, S.A., company that manages equity stakes in other companies:
  - Member of the Board of Directors.

OUTRAS EXPERIÊNCIAS PROFISSIONAIS E ENVOLVIMENTO NA COMUNIDADE

- Financial Analyst at Banco Português de Investimento, S.A.;
- Equity analyst at Schroder Securities PLC (London); and
- Worked at UBS AG.

EDUCATION

- Took multiple courses in Art History at Serralves Foundation (Porto), The National Society of Fine Arts, Lisbon, Christie's Education London and Sotheby's Institute London;
- Executive programme in Corporate Finance from London Business School;
- MBA from Cass Business School, London; and
- Bachelor's degree in Economics from the Faculty of Economics, University of Porto.

ANA DA CUNHA BARROS

REN Board Member: since April 2021
Board Committees: Audit Committee and Sustainability Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Financial markets and advisory experience: Over 25 years of investment banking experience in top tier international banks, focusing on strategic advisory and execution of M&A, debt and equity financings across several industries and geographies, while collaborating with diverse stakeholders.

Governance and regulatory expertise: Combines service on the board of several financial services regulated entities with governance advocacy.

Risk, technology and sustainability matters: Drawing upon current board and committee roles, with years of experience in the financial industry and continuous learning.

CAREER HIGHLIGHTS

- Eurobic Abanca, banking institution:
  - Non-Executive Director and member of the Nomination, Remuneration and Governance Committee > July 2024 to date.
- Abanca Corporación Bancária, a retail and commercial bank, based in Spain:
  - Independent Non-executive Director > October 2019 to date; and
  - Member of the Risk Committee > May 2020 to date.
- Status Capital, an asset management company focusing on real estate:
  - Non-Executive Director > October 2019 to date.
- Barclays, a financial Services company:
  - Started as a Manager and later promoted to Managing Director in Investment Banking > June 2010 to January 2018.
- Citigroup (started in Salomon Brothers later acquired by Citigroup), a financial Services company:
  - Various positions of increased seniority in London, New York, Madrid and Lisbon, including Director in Investment Banking > February 1996 to May 2010.
- Nomura International, a financial Services company:
  - Financial Analyst in Corporate Finance>January 1994 to December 1996.

OTHER PROFESSIONAL EXPERIENCE AND COMMUNITY INVOLVEMENT

- Co-President and Co-Vice-President of the WomenExecs on Boards, (501c(6) US non-profit institution) a global network of over 400 women who have graduated from Harvard Business School's board governance programs October 2022 to February 2025.

EDUCATION

- Courses on sustainable energy and digitalization: Artificial Intelligence from Saïd, Oxford > 2024; Cybersecurity from Saïd, Oxford > 2024; Fintech from Saïd, Oxford > 2024; Cyber Risk Supervision from IMF > 2023; Sustainable Energy from MIT > 2022; Cybersecurity Risk Management from RIT > 2022; Energy with Environmental Constraints from Harvard > 2021; Digital Transformation from MIT > 2020; Fintech from NYU > 2019;
- Global ESG Competent Boards Certificate Designation > 2021;
- Corporate Governance IDP-C from INSEAD > 2019;
- The Women on Boards: Succeeding as a Corporate Director at Harvard Business School > 2017;
- MBA in Finance from Cass Business School > 1993; and
- Degree in Business Management from the Economics University of the Porto University >1992.

JOSÉ LUÍS ARNAUT

Director: since June 2012
Board Committees: Chairman of the Ethics and Corporate Governance Committee
Listed Public Company Directorships: None
Listed Public Company Directorships within past 5 years: None

KEY EXPERIENCE AND QUALIFICATIONS

Leadership: Throughout his career he has carried out leadership functions, by coordinating different projects, people and teams.

Corporate Governance: Due to his years of experience as a director or member of other governing bodies and committees, he is familiar with the management and activities of companies.

CAREER HIGHLIGHTS

- ANA - Aeroportos de Portugal (VINCI Airports), S.A., entity that operates, under concession, the public airport support Service for civil aviation In Portugal:
  - Chairman of the Board of Directors >June 2018 to date.
- Goldman Sachs, Company, entity that is dedicated to providing financial Services:
  - Member of the International Advisory Board > January 2014 to date.
- AON, S.A., Insurance and reinsurance brokerage:
  - Member of the Consulting Board > January 2011 to date.
- Lisbon Turism Association, collective person of public utility, dedicated to the development of tourism:
  - Deputy Chairman > January 2018 to date.
- PORTWAY - Handling de Portugal, (VINCI Airports) S.A., entity that is dedicated to ground handling of aircraft in airports and aerodromes:
  - Chairman of the General Meeting > September 2013 to date.
- SIEMENS, S.A., manufacture, distribution, supply, development, assembly of systems and Solutions in the electrical, electronic and mechanical fields, among other activities:
  - Chairman of the General Meeting > January 2014 to date.
- Super Bock Group:
  - Chairman of the General Meeting > 2019 to date.
- Tabaqueira II, S.A., marketing and distribution of tobacco and related products as well as of equipment used for their consumption:
  - Chairman of the General Meeting > March 2017 to date.
- Portuguese Football Federation:
  - Chairman of the General Meeting > December 2011 to date.

OTHER PROFESSIONAL EXPERIENCE AND COMMUNITY INVOLVEMENT

- Member of the Executive Board of CMS Legal Services EEIG > January 2012 to date;
- Founding Partner and Managing Partner of the Law Firm Rui Pena, Arnaut & Associados > January 2002 to date;
- Awarded with the insignia of Chevalier de la Legion d'Honneur by the President of the French Republic > 2006;
- Conferred with the Grand Cross of the Order of Merit by the President of the Lithuanian Republic > 2006;
- Awarded with the Grand Cross Ordem Nacional do Cruzeiro do Sul by the President of the Republic of Brazil > 2004;
- Awarded the Commend of Great Officer of Ordem do Infante Dom Henrique by the President of the Portuguese Republic > 1995;
- Commissioner for Lisbon 94 - European Capital of Culture > 1994;
- Minister of Cities, Local Administration, Housing and Regional Development in the XVI Portuguese Constitutional Government > July 2004 to March 2005;
- Deputy Minister to the Prime Minister José Manuel Durão Barroso in the XV Portuguese Constitutional Government > April 2002 to July 2004;
- Member of the Portuguese Parliament, where he presided over the Committee on Foreign Affairs and the National Defence Committee > October 1999 to September 2009;
- General Secretary of the Social Democratic Party, led by José Manuel Durão Barroso > May 1999 to May 2004; and
- Lawyer of the Law Firm Pena, Machete & Associados > 1989 to 2002.

EDUCATION

- Graduated in Higher Specialized Studies from the Robert Schuman University, in Strasbourg >1991;
- Admitted to the Portuguese Bar Association > 1991; and
- Graduated in Law from the Lisbon Lusíada University > 1988.

The professional address of each of the abovementioned members of the Board of Directors is the address of REN's head office, located at Avenida Estados Unidos da América, No 55, parish of Alvalade, in Lisbon.

It should be noted that the members of the Board of directors, as demonstrated above, have had training and/ or have relevant professional experience in REN's sector of activity, such as company management, engineering, functions related to electricity and gas, economics and law, thus demonstrating their qualification and suitability for the position and having, as a whole, a varied and suitable range of skills for the management of REN.

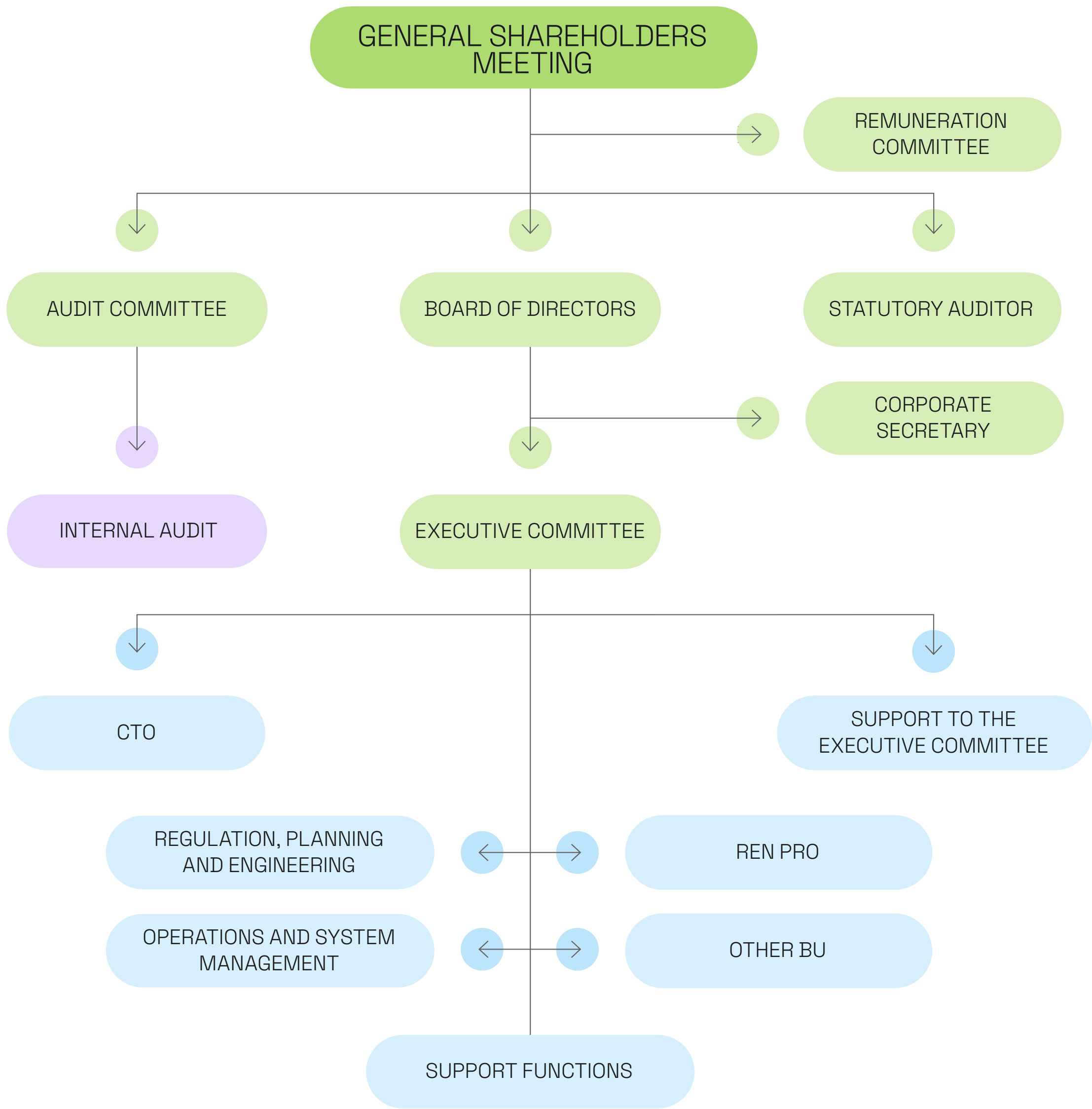
II.20. Common and significant family, professional and commercial relationships of the members of the Board of Directors with shareholders to who a qualifying holding is attributable on 31.12.2024

DIRECTOR	OWNER OF QUALIFIED HOLDINGS	RELATION
Rodrigo Costa	-	-
João Faria Conceição	-	-
Gonçalo Morais Soares	-	-
Guangchao Zhu (on behalf of a State Grid International Development Limited)	State Grid Corporation of China	Vice-President of State Grid Corporation of China (see II.19 and 26)
Yang Qu	State Grid Corporation of China	Advisor
Tang Mingyi	State Grid Corporation of China	Deputy Director of the legal department
Jorge Magalhães Correia	Fidelidade – Companhia de Seguros, S.A.	Chairman of the Board of Directors of Fidelidade – Companhia de Seguros, S.A. (see II.26)
Dulce Mota	-	-
Manuel Ramos de Sousa Sebastião	-	-
Gonçalo Gil Mata	-	-
Rosa Freitas Soares	-	-
Maria Estela Barbot	-	-
Ana Pinho	-	-
Ana da Cunha Barros	-	-
José Luís Arnaut	-	-

II.21. Flowcharts or functional maps on the breakdown of powers among the different corporate bodies, committees and/ or departments of the Company, including information on delegation of powers, particularly with regard to delegation of the day-to-day management of the Company

As per flowchart in II.15., REN has adopted a corporate governance model based on an Anglo-Saxon model which consists of the following corporate bodies elected by the General Shareholders' Meeting[45]: i) a Board of Directors, responsible for the management of the Company's business, which delegates the day-to-day management of the Company to the Executive Committee[46] and which is supported by specialized committees, and ii) an Audit Committee and Statutory Auditor, as supervisory bodies. The Audit Committee consists exclusively of non-executive directors. The General Shareholders' Meeting also elects a Remunerations Committee.

In order to better understand the division of powers among the different corporate bodies, the organization chart below outlines REN's business units in 2024:



[45] See article 8(2)(b) of the Articles of Association.
[46] See article 8(1) of the Board of Directors regulations.

General Shareholders' Meeting

The General Shareholders' Meeting is a corporate body comprising all the company shareholders, and its responsibilities, in particular, include:

a) Appraise the Board of Directors' report, discuss and vote on the balance sheet, accounts and opinions of the Audit Committee and statutory auditor and decide on the appropriation of profits for the year;

b) Elect the members of the General Shareholders' Meeting Board, the directors and the statutory auditor;

c) Resolve on any amendments to the Articles of Association;

d) Resolve on the remuneration of the members of the corporate bodies, with the power to appoint a Remunerations Committee; and

e) Resolve on any other matter falling within its power and for which it has been summoned.

Board of Directors

Pursuant to the Portuguese Companies Code and REN's Articles of Association, the Board of Directors is duly empowered. Of special note are the powers to:

a) Define the Company's goals and management policies;

b) Draw up the annual financial and business plans;

c) Manage business and carry out all actions and operations relating to the corporate object which do not fall within the powers attributed to other Company bodies;

d) Represent the Company actively and passively, in and out of court, and propose and pursue lawsuits or arbitrations, with the power to confess, waiver and settle, as well as to enter into arbitration agreements;

e) Acquire, sell or by any other form dispose of or encumber rights or assets, whether real estate or not;

f) Incorporate companies and subscribe for, acquire, encumber and dispose of shareholdings;

g) Submit proposals to the General Shareholders' Meeting on the acquisition and disposal of own shares, in compliance with the applicable legal restrictions;

h) Determine the technical and administrative organization of the Company and the rules for internal operation, more specifically with regard to its personnel and the corresponding remuneration;

i) Appoint the Company Secretary and the respective alternate;

j) Appoint attorneys with the powers deemed convenient, including those of sub-delegation; and

k) Perform any other functions granted by law or by the General Shareholders' Meeting.

In accordance with the Board of Directors regulations, as at 25 July 2024[47], matters which cannot be legally delegated to the Executive Committee include the co-option of directors, requests to convene General Shareholders' Meetings, approval of the annual report and accounts to be submitted to the General Shareholders' Meeting, the granting of deposits and personal or *in rem* guarantees by the Company, the transfer of the registered office, the increase of the Company's registered share capital and the approval of merger, demerger and transformation projects.

In addition to those matters that may not be delegated by law, the Board of Directors' regulations[48] also stipulate that the following matters may not be delegated to the Executive Committee:

a) Definition of the Company's strategy and general policies;

b) Definition of the corporate structure of REN Group;

c) Definition of the Company's goals and management policies;

d) Approval of the annual budget, the business plan and other long-term development plans;

e) To approve the contracting of debt with a maturity of no less than three years;

f) Presenting proposals to the General Meeting to acquire and dispose of own shares, own bonds or other own securities;

g) Approval of the Company's systems of internal control, risk management and internal audit;

h) Appointment of the secretary of the Company and an alternate;

i) Indication of the persons to be appointed by the Company to go on the lists of members of the corporate bodies to be elected in all affiliates and subsidiaries;

j) Deciding on all matters considered strategic;

k) Approval, on a case-by-case basis, of the disposal of assets and/ or rights, of investments and of the creation of encumbrances to be carried out by the Company and/ or by its affiliates or subsidiaries, with an individual or total value higher than 15,000,000 euros (fifteen million euros), except if already

[47] See Article 3 (5) and article 407(4) of the Portuguese Companies Code.
[48] See Article 3(5).

approved in the Company's annual budget and the corresponding value does not exceed individually or in total 25,000,000 euros (twenty- five million euros);

l) Incorporation of companies and subscription, acquisition, creation of encumbrances and disposal of shareholdings (in any case except if these acquisitions, encumbrances or disposals are between REN Group companies), except when those companies or shareholdings are special purpose vehicles (SPV) for specific investments with an individual or total value of investment by REN Group, that does not exceed 7,500,000 euros (seven million five hundred thousand euros), or if already approved in the Company's annual budget;

m) Indication of the persons to be appointed by the Company to form part of the lists of members of the corporate bodies to be elected in all affiliates and subsidiaries, except for the two transmission system operators;

n) Participation of the Company or any of its affiliates or subsidiaries in activities outside their core activities;

o) Entry of REN or any of its subsidiaries into joint ventures, partnerships or strategic cooperation agreements and the selection of relevant partners;

p) Transactions with related parties with a value exceeding 500,000 euros (five hundred thousand euros) or, regardless of the amount in question, any transactions with related parties which may be considered as not being made on an arms' length basis or not in the ordinary business of REN or the subsidiary in question; and

q) Approval of the half-yearly and, when applicable, quarterly accounts to be published in accordance with the applicable legal provisions.

In turn, the acquisition and transfer of assets, rights or shareholdings with an economic value greater than 10% of the Company's consolidated fixed assets is subject to prior approval from the General Shareholders' Meeting[49].

Currently, REN does not use artificial intelligence mechanisms in its decision-making process, however, such use, under the terms of Article 4(10) of the Regulations of the Board of Directors, may take place provided that it is preceded by a consultive report from the Ethics and Corporate Governance Committee which defines the guidelines for its use.

Executive Committee

On 9 May 2024, the Executive Committee was delegated, to the extent permitted by law, the Company's Articles of Association and by the Board of Directors' own regulations, with all the powers necessary or convenient to the performance of the management acts regarding the activities included in the Company's corporate scope, which include, in particular, the following attributions, to be performed under and within the limits established annually in the operation budget and in the strategic plan, to be approved, upon proposal of the Executive Committee, by the Board of Directors:

a) Manage the Company's ordinary course of business and perform all the acts and operations concerning the corporate purpose which are not the exclusive competence of the Board of Directors by force of law, the Company's Articles of Association or the Board of Directors' own regulations;

b) Approve, on a case-by-case basis, the sale of assets and/ or rights and investments and the creation of encumbrances over assets, except for security interests or personal guarantees, to be made by the Company and/ or by its subsidiaries, the individual and/ or aggregate value for which is equal to or lower than 15,000,000 euros (fifteen million euros) or which have already been approved within the Company's annual budget and the corresponding value is equal to or lower than, individually or in aggregate, 25,000,000 euros (twenty-five million euros);

c) Propose to the Board of Directors and execute the annual budget, the business plan and other long-term development plans;

d) Without prejudice to article 3(3)(f) of the Board of Directors' Regulations, establish the administrative and technical organization of the Company and the internal operation regulations, notably concerning personnel and their remuneration;

e) Represent the Company actively and passively, in or out of court, and propose or pursue lawsuits with the power to confess, waive and settle, as well as to enter into arbitration agreements;

f) Incorporate companies and subscribe, acquire, hold, create encumbrances over or dispose of shareholdings, provided that those companies or shareholdings are special purpose vehicles (SPVs) for specific investments with an individual or aggregate investment value that does not exceed 7,500,000 euros (seven million and fifty thousand euros) or which have already been approved within the Company's annual budget;

g) Negotiate, resolve on, enter into, modify and terminate any agreements, including service provision agreements or labour contracts for a value equal or lower than 5,000,000 euros (five million euros);

h) To approve and promote any and all acts necessary to update the Euro Medium Term Note Program, under such terms as may at any time be more appropriate, including, without limiting the negotiation and conclusion of the

[49] See Article 15(2) of the Articles of Association and Article 3(6) of the Board of Directors Regulations.

all contractual Instruments or related accessories and the pursuit of any steps or taking of any measures necessary for such updating, namely before any supervisory, market or other entity;

i) To approve and practice any and all necessary, useful or convenient acts, including through the execution of contractual instruments, the intra-group allocation of funds obtained through external financing operations;

j) Negotiate, enter into, modify or terminate any short-term debt agreements (i.e., with maturity equal or lower than three years), including through commercial paper programmes;

k) Open, operate and close bank accounts;

l) Resolve on the provision by the Company of technical and financial support to companies in which REN owns shares, quota rights ('quotas') or other shareholdings, in particular, granting loans and providing guarantees in their benefit;

m) Present proposals to the Board of Directors for the submission to the General Shareholders' Meeting relating to the acquisition and disposal of own shares and bonds or other own securities, within the limits established by law and by the General Shareholders' Meeting;

n) Present to the Board of Directors proposals concerning internal control, risk management and internal audit systems of the REN Group;

o) Appoint attorneys with the powers deemed convenient, including those of sub-delegation;

p) Indicate the persons to be appointed by the Company to form part of the lists of members of the corporate bodies to be elected in the two transmission system operators, i.e., REN - Rede Eléctrica Nacional, S.A. and REN Gasodutos, S.A. and for the SPV's referred to in f) above;

q) Take or give in lease any real estate or individual parts of real estate;

r) Manage the shareholdings owned by REN and coordinate the activity of REN's subsidiaries and, with regard to wholly owned companies, issue binding instructions, under applicable legal terms[50]; and

s) Appoint the representative of the Company at the general meetings of all the companies in which the Company holds a shareholding.

Specifically in relation to the entering into medium or long-term debt agreements not covered by paragraph j) above, and taking into account the objective of ensuring the adequate financing of the REN Group, the Board of Directors delegated to the Executive Committee the necessary powers to negotiate the specific terms of each debt instrument with respect to, among other aspects, the amount, term, interest rate, reimbursement conditions, selection of financial intermediaries and other relevant elements. The Executive Committee shall, considering the importance of such operations, submit the relevant contracts or agreements to the Board of Directors for their final approval.

The delegation of powers to the Executive Committee does not exclude the possibility for the Board of Directors to resolve on delegated matters and does not include matters reserved by law, by the Articles of Association, by the Board of Directors Regulations or by the Regulations on "Assessing and Monitoring Transactions with Related Parties and Preventing Situations of Conflicts of Interest":

a) Appointment of the Chairman of the Board of Directors;

b) Co-optation of directors;

c) Request to convene the general shareholders' meetings;

d) Approval of the report and annual accounts to submit to the General Shareholders' Meeting;

e) Approval of the six-monthly and quarterly accounts to be published in accordance with the applicable legal provisions;

f) Provision of deposits and personal guarantees or security interests by the Company;

g) Change of the registered office and increase of the share capital, under the terms of the Articles of Association;

h) Projects for the merger, demerger and transformation of the Company;

i) Appointment of the Company Secretary and the respective alternate;

j) Definition of the Company's strategy and general policies;

k) Definition of the Company's goals and management policies;

l) Approval of the annual budget, the business plan and other long-term development plans;

m) Definition of the Group's corporate structure;

n) The approval, on a case-by-case basis, of the transfer of assets and/ or rights and investments and the creation

[50] On January 2022, new Service Order CE/17/2021 came into force, establishing the cooperative alignment between the various companies in the REN Group, through standards aimed at coordinating the activity and day-to-day management of the REN Group, through binding instructions, without prejudice to strict compliance with the respective Articles of Association, the Commercial Companies Code, the Securities Code and other applicable legislation.

of encumbrances to be made by the Company and/ or by its subsidiaries, where the individual or aggregate value is higher than 15 million euros, except if already approved within the Company's annual budget and the corresponding value does not exceed individually or in total 25 million euros;

o) Incorporation of companies and the subscription, acquisition, holding, encumbrance and disposal of holdings (in any case except if these acquisitions, encumbrances or disposals are between REN Group companies), except in cases in which those companies are, or where the holdings refer to companies which are a special purpose vehicle for making specific investment with an single or aggregate or value of investment by REN Group which does not exceed 7.5 million euros or which have been approved in the annual budget;

p) Adoption of resolutions to contract debt with maturity of no less than 3 years in the national or international financial markets, notably through the issuance of bonds or any other kinds of securities;

q) Presentation of proposals to the General Shareholders' Meeting for the acquisition and disposal of own shares and bonds or other own securities, within the limits established by law;

r) Approval of the Company's systems of internal control, risk management and internal audit;

s) The appointment of the Company's representative in the General Shareholders' Meetings of all subsidiaries;

t) The indication of the persons to be appointed by the Company to form part of the lists of members of the corporate bodies to be elected in all subsidiaries, except for the two TSOs, i.e., REN - Rede Eléctrica Nacional, S.A. and REN Gasodutos, S.A. and for the SPVs referred to in o) above;

u) The participation by the Company or any of its subsidiaries in activities outside their core activities, i.e., transmission of power and gas, storage of gas and regasification and/ or storage of liquid natural gas (LNG), notably by means of the acquisition or subscription of equity or ongoing concerns whose corporate purpose does not include the said activities;

v) The entering of REN into joint ventures, partnerships or strategic cooperation agreements and selection of relevant partners;

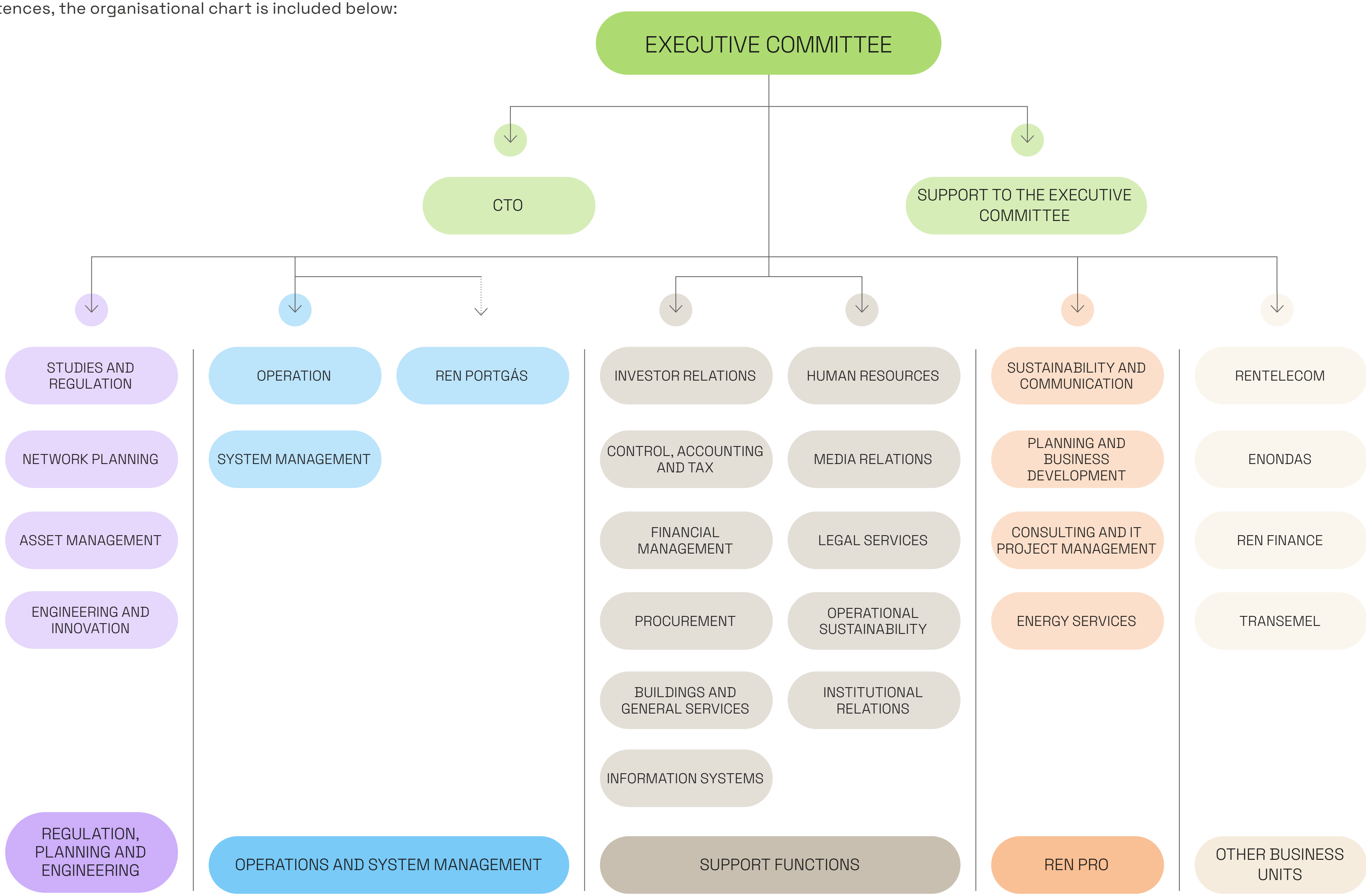
w) Transactions with related parties in excess of 500,000 euros or, regardless of the amount involved, any transaction with related parties which may be considered as not having been executed based on an arms' length basis or not in the ordinary business of REN or the subsidiary in question; and

x) The resolution on all the matters which are deemed strategic, notably because they are related to strategic agreements entered into by REN or due to their risk or special characteristics.

Taking into account the above, non-executive directors, including members of the Audit Committee, participate in the definition by the management body of the strategy, main policies, corporate structure and decisions that should be considered strategic for the company by virtue of their amount or risk, as well as in the evaluation of the compliance with those measures, as these decisions were not delegated to the Executive Committee, but should be decided by the Board of Directors, of which non-executive directors are members, and who in the terms described above, have access to all the information necessary for their duties.

During 2024, the Audit Committee met with REN's Risk Management Committee, where a presentation was made on risk management at REN, and the main risks were also listed, thus allowing the members of this committee to be aware of, assess and give their opinion on these matters, prior to the final approval of the Risk Policy by the Board of Directors.

For a better understanding of the Executive Committee's competences, the organisational chart is included below:



With a view to optimizing management efficiency, the members of the Executive Committee have divided responsibility for the direct monitoring of specific areas of the company's operations among themselves during the 2024 financial year, as shown in the following diagram:

EXECUTIVE COMMITTEE

RODRIGO COSTA
CEO

- Human Resources
- Sustainability and Comunication
- Legal Services
- Media Relations
- Strategic Coordination
- Innovation

JOÃO FARIA CONCEIÇÃO
COO

- Regulation, Planning and Engineering Business Unit
  - Studies and Regulation
  - Network Planning
  - Asset Management
  - Engineering and Innovation
- Operations and System Management Business Unit
  - Operation
  - System Management (Electricity and Gas)
  - REN Portgás
- Institutional Relations
- Operational Sustainability
- Energy Services
- Planning and Business Development (Mozambique)
- Enondas
- R&D Nester

GONÇALO MORAIS SOARES
CFO

- Investor Relations
- Control, Accounting and Taxation
- Procurement
- Buildings and General Services
- Planning and Business Development (excluding Mozambique)
- Financial Management
- Information Systems
- IT Consultancy and Project Management
- Electrogás
- RENTELECOM
- REN FINANCE
- Transemel

Audit Committee and Statutory Auditor
The Audit Committee and the Statutory Auditor are the Company's supervisory bodies, and their main powers are set out in III.38.

Remunerations Committee
The Remuneration Committee is responsible for defining the proposed remuneration policy of the members of the governing bodies and internal committees and for submitting it to the General Meeting, as well as for setting remuneration in accordance with the approved policy.

Within its responsibilities, the Remunerations Committee has also actively participated in performance assessment, particularly for purposes of setting the variable remuneration of executive directors.

b) Operation

II.22. Existence and place where the operating regulations can be found for the Board of Directors

The Board of Directors Regulations and the Executive Committee Regulations, which establish, inter alia, the performance of their respective duties, chairmanship, attendance of meetings, functioning and the framework of duties of its members, are available on the REN website in Portuguese and English.

As detailed in the law and its regulations, at the meetings of the Board of Directors and the Executive Committee, detailed minutes are drawn up, approved and signed by all members present.

II.23. Number of meetings held and attendance by each member of the Board of Directors

The meetings of the Board of Directors are convened and chaired over by the respective Chairman. It is the responsibility of the Board of Directors to decide on the frequency of their ordinary meetings, notwithstanding the fact that bimonthly meetings are mandatory, on dates to be fixed annually[51].

Moreover, the Board of Directors is required to meet on an extraordinary basis whenever convened by the Chairman, or, on his absence, by the Vice-Chairman, by two directors or at the request of the Statutory Auditor[52].

In 2024, the Board of Directors held 6 meetings. The following table shows the number of meetings of the REN Board of Directors at which directors were present or duly represented.

Attendance of Members of the Board of Directors at Meetings

NAME	PRESENT	REPRESENTATION	ABSENT	% ATTENDANCE
Rodrigo Costa	6	0	0	100%
João Faria Conceição	6	0	0	100%
Gonçalo Morais Soares	6	0	0	100%
Guangchao Zhu (on behalf of State Grid International Development Limitedd)	4	2	0	100%
Yang Qu	6	0	0	100%
Tang Mingyi	6	0	0	100%
Jorge Magalhães Correia	5	1	0	100%
Dulce Mota	6	0	0	100%
Manuel Ramos de Sousa Sebastião	6	0	0	100%
Gonçalo Gil Mata	6	0	0	100%
Rosa Freitas Soares	6	0	0	100%
Maria Estela Barbot	6	0	0	100%
Ana Pinho	5	1	0	100%
Ana da Cunha Barros	6	0	0	100%
José Luís Arnaut	5	1	0	100%

[51] See Article 19 (1) of the Articles of Association and article 4(2) of the Board of Directors Regulations.
[52] See Article 19(1) of the Articles of Association and article 4(3) of the Board of Directors Regulations.

In addition, information on the composition of the Board of Directors and the number of meetings held annually can be found at website.

Directors and employees of other companies of the REN Group, as well as their respective advisors, or other interested parties, may be called upon to participate (but not vote) in meetings of the Board of Directors, whenever the Board of Directors deems that their presence is necessary or convenient.

Executive Committee

Meetings of the Executive Committee are convened and chaired over by the respective Chairman and are held, as a rule, once a week[53].

In 2024, the Executive Committee held 41 meetings.

The Chairman of the Executive Committee (who, as already mentioned, is also Chairman of the Board of Directors), sends to the Chairman of the Audit Committee the minutes of the Executive Committee's meetings, with the supporting documentation, as well as the respective convening notices, when applicable. The Executive Committee provides timely and appropriate information to members of other corporate bodies upon their request[54]. This mechanism ensures that the members of the administrative and supervisory bodies have permanent access to all information for the evaluation of the company's performance, situation and prospects for development.

In addition, information on the composition of the Executive Committee and the number of meetings held annually can be found on REN's website.

Attendance of Members of the Board of Directors at Meetings

NAME	PRESENT	REPRESENTATION	ABSENT	% ATTENDANCE
Rodrigo Costa	41	0	0	100%
João Faria Conceição	41	0	0	100%
Gonçalo Morais Soares	41	0	0	100%

II.24. Indication of the competent corporate bodies to conduct the performance assessment of executive directors

The performance of members of the Executive Committee has been assessed by the Nominations and Appraisals Committee and by the Remunerations Committee, within the scope of their respective responsibilities.

Also of note is the role played by the Audit Committee in the verification of the quantitative aspects of assessment.

The Board of Directors, through its Nominations and Appraisals Committee, within the scope of its powers, assesses the overall performance of the Board of Directors and the specialized committees, taking into account compliance with the company's strategic plan and budget, risk management, its internal functioning and the contribution of each member, and the relationship between the company's bodies and committees. This committee should be composed of a maximum of four members, appointed by the Board of Directors from among its non- executive members, unless the Chairman of the Board of Directors is an executive, in which case he may be a member of the committee (Article 2 (1) of the Nominations and Appraisals Committee Regulations). This committee must comprise a majority of independent directors. The Chairman of the Nominations and Appraisals Committee should also be appointed by the Board of Directors from among its independent members.

II.25. Predetermined criteria for the performance assessment of executive directors

The annual performance assessment of executive directors is based on predetermined criteria, under the terms outlined in III.71. below.

[53] See article 2 (1) of the Executive Committee regulation.
[54] See article 5 of the Executive Committee regulation.

II.26. Availability of each member of the Board of Directors, specifying the roles carried out concurrently in other companies, both within and outside the group, and other relevant activities carried out by the members of the aforementioned bodies

Shown below are the duties carried out on administrative, management and supervisory bodies by members of REN's Board of Directors and Audit Committee at 31 December 2024:

↘ Duties carried out on management or supervisory bodies

DIRECTOR	AT 31 DECEMBER 2024
RODRIGO COSTA	• Chairman of the Board of Directors of REN Rede Eléctrica Nacional, S.A. • Chairman of the Board of Directors of REN Gasodutos, S.A. • Chairman of the Board of Directors of REN Atlântico – Terminal de GNL, S.A. • Chairman of the Board of Directors of REN Armazenagem, S.A. • Chairman of the Board of Directors of REN Serviços, S.A. • Chairman of the Board of Directors of REN PRO, S.A. • Chairman of the Board of Directors of Enondas, Energia das Ondas, S.A. • Chairman of the Board of Directors of REN Gás, S.A. • Chairman of the Board of Directors of REN Rentelecom – Comunicações, S.A. • Chairman of the Board of Directors of Aerio Chile, Spa • Chairman of the Board of Directors of Apolo Chile, Spa • Chairman of the Board of Directors of Empresa of Transmisión Eléctrica Transemel, S.A.
JOÃO FARIA CONCEIÇÃO	• Member of the Board of Directors of REN Rede Eléctrica Nacional, S.A. • Member of the Board of Directors of REN Gasodutos, S.A. • Member of the Board of Directors of REN Atlântico – Terminal de GNL, S.A. • Member of the Board of Directors of REN Armazenagem, S.A. • Member of the Board of Directors of REN Serviços, S.A. • Member of the Board of Directors of REN PRO, S.A. • Member of the Board of Directors of Rentelecom – Comunicações, S.A. • Member of the Board of Directors of Enondas, Energia das Ondas, S.A. • Member of the Board of Directors of REN Gás, S.A. • Member of the Board of Directors of the Centro de Investigação em Energia REN – State Grid, S.A. • Non-executive Member of the Board of Directors of Hidroeléctrica de Cahora Bassa • Member of the Board of Directors of Aerio Chile, Spa • Chairman of the Board of Directors of Electrogas, S.A. • Member of the Board of Directors of Apolo Chile, Spa • Member of the Board of Directors of Empresa of Transmisión Eléctrica Transemel, S.A.
GONÇALO MORAIS SOARES	• Member of the Board of Directors of REN – Rede Eléctrica Nacional, S.A. • Member of the Board of Directors of REN Gasodutos, S.A. • Member of the Board of Directors of REN Atlântico – Terminal de GNL, S.A. • Member of the Board of Directors of REN Armazenagem, S.A. • Member of the Board of Directors of REN Serviços, S.A. • Member of the Board of Directors of REN PRO, S.A. • Member of the Board of Directors of Enondas, Energia das Ondas, S.A. • Member of the Board of Directors of REN Gás, S.A. • Chairman of the Board of Directors of REN Finance BV • Member of the Board of Directors of Rentelecom – Comunicações, S.A. • Member of the Board of Directors of Aerio Chile, Spa Member of the Board of Directors of Electrogas, S.A. • Member of the Board of Directors of Apolo Chile, Spa • Member of the Board of Directors of Empresa of Transmisión Eléctrica Transemel, S.A.

Duties Of Executive Directors

As a result of the framework above, REN executive directors exclusively carry out duties on governing bodies of companies that are either directly or indirectly subsidiaries or partly owned by REN. Thus, they are completely dedicated to carrying out their role - seeking at all times to develop the business and serve the interests of the company and the Group to its full potential.

In fact, although not formalized in internal regulations specifically addressing Executive Directors, in practice, REN's policy is that its executive directors perform executive functions during their term of office only in the REN Group. This practice has always been followed in previous terms of office. In addition, the Code of Conduct establishes that, without prejudice to the provisions on incompatibilities regarding the performance of certain duties or the exercise of corporate positions, and except with a prior authorisation of the Board of Directors[55], no employee of REN (including members of corporate bodies, as defined in this code) may engage in professional activities in an entity external to REN , whenever the exercise of such activity interferes with the performance of his duties as an employee of the company or in any way affects the performance or availability for the duties performed by the employee at REN.

Moreover, it should be noted that, upon their appointment, the executive directors declared their full dedication to carrying out their role and pursuing the objectives laid out, and have proven this through their attendance at Board of Directors and Executive Committee meetings and through their work carried out within REN.

Duties of non-independent non-Executive Directors performing duties at 31.12.2024[56]:

↘ Duties carried out on management or supervisory bodies

DIRECTOR	AT 31 DECEMBER 2024
GUANGCHAO ZHU	• Vice-President of the State Grid Corporation of China • Chairman of the Board of Directors at NGCP, Philippines • Board Member of HKEI in Hong Kong, China
YANG QU	• Advisor at SGID • Vice-Chairman of the OETC Board of Directors
TANG MINGYI	• Deputy director of the legal affairs department at State Grid Corporation of China
JORGE MAGALHÃES CORREIA	• Chairman of the Board of Directors of Fidelidade - Companhia de Seguros, S.A. • 1st Non-Executive Vice-Chairman of the Board of Directors of Banco Comercial Português, S.A • Non-Executive Chairman of the Board of Directors of Luz Saúde, S.A.
JOSÉ LUÍS ARNAUT	• Managing Partner at CMS Rui Pena, Arnaut & Associados • Member of the Executive Commission at CMS Legal Services EEIG (Frankfurt) • Chairman of the Board of Directors at ANA - Aeroportos de Portugal (Vinci Airports) • Member of the International Advisory Board at Goldman Sachs (London) • Member of the Advisory Board da AON • Vice-Chairman of the Associação Turismo de Lisboa • Chairman of the General Meeting of Portway, Handling de Portugal, S.A. (Vinci Airports) • Chairman of the General Meeting of Siemens Portugal • Chairman of the General Meeting of Grupo Super Bock • Chairman of the General Meeting of Tabaqueira II, S.A. • Chairman of the General Meeting of Federação Portuguesa de Futebol

[55] See The framework of "Incompatibilities" established in articles 7-A and 7-B of REN's Articles of Association, as well as article 12(3) of the Board of Directors' Regulations.

[56] None of the companies identified belong to the REN Group.

Upon their appointment, the non-executive directors named above stated that they were available to perform their duties in order to achieve established goals. This availability has been proven through their attendance at meetings of the management and supervisory bodies and through their work carried out within REN. Duties of independent non-executive directors at 31.12.2024[57]:

↘ Duties carried out on management or supervisory bodies

DIRECTOR	AT 31 DECEMBER 2024
Manuel Ramos de Sousa Sebastião	• Chairman of the Directive Council of Ulisses - Foundation for the Development of Management • Chairman of the Supervisory Board of IPCG - Portuguese Institute of Corporate Governance
Gonçalo Gil Mata	• Executive Partner and Member of the Board of Directors of C2 Capital Partners - Soc. Capital de Risco, S.A. • Member of the Board of Directors of companies managed by FIAE, Promoção e Turismo • Manager of Goma Consulting, Lda.
Rosa Freitas Soares	• Member of the Remuneration Committee of Sogrape, SGPS, S.A.
Maria Estela Barbot	• Managing Partner at ALETSE (Real Estate) • Member of the Board of Trustees of the Universidade Nova de Lisboa Foundation • President of Fórum Portugal Global - FPG • Chairman of the Portuguese Group of the Trilateral Commission • Vice Chairman of the District of Porto - SEDES - Associação para o Desenvolvimento Económico e Social • Member of the Advisory Board - SEDES- Associação para o Desenvolvimento Económico e Social • Member of the Advisory Board of Ar.Co - Centro de Arte e Comunicação Visual, • Member of the Board of Founders and Remuneration Committee of Museu de Arte Moderna da Fundação de Serralves • Member of the Advisory Board - Associação Laurel
Ana Pinho	• Chairman of the Board of Directors and of the Executive Committee of the Serralves Foundation • Director of ATP - Porto and North Tourism Association • Manager of Arsopi – Lda • Director of Tecnocon-Tecnologia e Sistemas de Controle, S.A.
Ana da Cunha Barros	• Independent Non-Executive Director of Abanca Corporación Bancária, S.A. and Member of the Risk Committee • Non-executive Director of Banco BIC Português, S.A and Member of the Nominations, Remuneration and Governance Committee • Non-executive Director of Statusdesafio Capital SGOIC, S.A.
Dulce Mota	• Non-executive Director of Norgarante and Lisgarante

[57] None of the companies identified belong to the REN Group.

From the above it can be concluded that 12 non-executive members of the Board of Directors (as opposed to the executive members) hold positions outside the REN Group, at an average of circa four positions per director.

Upon their appointment, the non-executive directors and members of the Audit Committee (where applicable) identified above stated that they were available to perform their duties in order to achieve established goals. This availability has been proven through their attendance at meetings of the management and supervisory bodies and through their work carried out within REN.

c) Committees within the management or supervisor bodies and delegated directors

II.27. Identification of committees set up within the Board of Directors, and place where the operating regulations may be found

In 2024, the Board of Directors was assisted by the specialized committees within the Board of Directors set up in 2015.

The Board of Directors is regularly assisted by the Ethics and Corporate Governance Committee which supports and assists the Board of Directors in the preparation of the annual corporate governance report and generally in meeting legal obligations and adopting best practices regarding corporate governance. This committee is made up of up to four members appointed by the Board of Directors from among its executive or non- executive members.

Additionally, the Nominations and Appraisals Committee also assists the Board of Directors in the preparation of succession plans for executive board members and provides recommendations regarding the profile and relevant nominees for future appointments to the Board of Directors; it also supports the Board of Directors in the assessment of the overall performance of the Board of Directors, its executive members and specialized committees. Each of these committees is chaired by non-executive directors who, among other duties, act as interlocutor with the Chairman of the Board of Directors and the other directors and ensure that all the conditions and means necessary for the performance of the functions and duties of the committees they chair are available.

The Nominations and Appraisals Committee is composed by two independent directors and one non-independent director, which means that the Company complies with recommendation VI.3.2. of the IPCG Code, insofar as "the committee for appointing members of governing bodies includes a majority of independent directors".

Furthermore, in 2021, the Board of Directors approved the creation of the Sustainability Committee, whose purpose is to promote and supervise, together with the Board of Directors, actions on environmental, social and governance responsibility. Pursuant to Article 2(1) of the Sustainability Committee Regulations, the Sustainability Committee may be composed of executive and non-executive members. Currently, the Sustainability Committee is composed by the Executive Committee and by two independent non- executive directors. Its regulations can be consulted on REN's website da REN. Refer also to the information included below in Section 3 of this Report.

Their internal regulations can be consulted on REN's website das well as information on the composition of these committees and the number of meetings held annually.

II.28. Composition, if applicable, of the Executive Committee and/ or identification of delegated directors

At 31 December 2024, the Executive Committee comprised the members indicated in II.17.

II.29. Indication of the powers of each of the committees created

As mentioned in II.27., there are specialized committees operating within the REN Board of Directors, namely the Ethics and Corporate Governance Committee, the Nominations and Appraisals Committee and the Sustainability Committee.

The Ethics and Corporate Governance Committee has the powers and competences conferred by its internal regulations[58]. Among these, of special note are those who:

a) Make recommendations and define policies in order to comply with applicable legislation and best practices in corporate governance matters;

b) Monitor compliance with applicable legislation and best practices in corporate governance matters;

c) Promote the adoption of guidelines in relation to:

   i) structure, role and functioning of the corporate bodies;

   ii) liaison between the corporate bodies and the internal committees;

   iii) incompatibilities and independence of the members of corporate bodies;

   iv) efficiency of the role of non-executive members of the Board of Directors;

   v) voting, representation and equal treatment of shareholders;

   vi) the prevention of conflicts of interests;

   vii) transparency in relation to corporate governance, information disclosed to the market and relations with investors and other stakeholders; and

   viii) promotion of the integration of environmental and social criteria into corporate governance practices and decision-making processes.

d) Issue opinions upon request of the Board of Directors or at its own initiative in relation to any corporate governance matters, in particular with regard to

[58] See Article 3 of the Ethics and Corporate Governance Committee Regulations

incompatibilities and the independence of the members of the Board of Directors;

e) Prepare the questionnaire evaluating the independence of the members of the Board of Directors;

f) Prepare the annual corporate governance report in collaboration with the Company Secretary and other relevant departments of REN;

g) Prepare an annual report reviewing the corporate governance model adopted by the Company and proposing, if applicable, any improvements to the practices being implemented;

h) Review the REN Group Code of Conduct;

i) The overall corporate governance organization of the Company and its subsidiaries;

j) Follow inspections conducted by the Executive Committee for Follow-up and Monitoring of the IPCG (Comissão Executiva de Acompanhamento e Monitorização do IPCG) in relation to corporate governance issues; and

k) Perform any other duties or responsibilities in relation to corporate governance matters delegated to the Ethics and Corporate Governance Committee by the Board of Directors.

The Nominations and Appraisals Committee has the powers and competences conferred by its internal regulation[59]. Among these, of special note are:

a) In relation to appointments, to

i) Support the Board of Directors in identifying and selecting potential candidates for the Board of Directors and present the Board of Directors with a list of individuals recommended for appointment. This presentation will be made according to a set of criteria and requirements regarding the profile of the new members appropriate to the role to be performed. In addition to individual attributes (such as competence, independence, integrity, availability and experience), diversity requirements that may contribute to the improvement the performance of the Board of Directors and to the balance of its composition will be considered, and particular attention will be paid to gender;

ii) Make recommendations in relation to the qualifications, knowledge and professional experience required to be a member of the Board of Directors;

iii) Assist the Board of Directors in the preparation of the succession of its members; and

iv) Perform any other duties or responsibilities delegated to the Nominations and Appraisals Committee by the Board of Directors within the scope of its duties.

b) In relation to appraisals,

i) Advise the Board of Directors on the rules that should govern the annual appraisal process, in particular the key performance indicators ("KPI");

ii) Support the Board of Directors in the annual appraisal of its executive members, the overall performance of the Board of Directors and of the specialized committees;

iii) Prepare a report to the Remunerations Committee in relation to the appraisal of the executive members of the Board of Directors, to be delivered by the end of March of the following year; and

iv) Perform any other duties or responsibilities delegated to the Nominations and Appraisals Committee by the Board of Directors within the scope of its duties;

The Sustainability Committee has the competencies and powers that are granted to it by its internal regulation[60]. These include, in particular:

a) Collaborate in defining, updating and reviewing REN's Group sustainability strategy;

b) Provide advice on the resources required and monitor the implementation of the sustainability strategy;

c) Monitor and report to the Board of Directors on the performance of indicators in the economic, social and environmental dimensions, including matters related to environmental protection and social responsibility, in accordance with the strategy, commitments and objectives established;

d) Monitor and report to the Board of Directors on the application of economic, social and environmental policies;

e) Collaborate in the development of the sustainability annual report, summarising the implementation of the sustainability strategy adopted by the REN Group including the review on the external information relating to sustainability, in particular REN's sustainability report and/ or the sustainability chapter included in the integrated management report;

f) To issue opinions on any topic related to sustainability, at the request of the Board of Directors or on its own initiative, promoting the adoption of the best national and international practices; and

g) Perform other duties or responsibilities in matters of sustainability delegated to the Sustainability Committee by the Board of Directors.

[59] See Article 3 of the Nominations and Appraisals Committee Regulations.
[60] See Article 3 of the Sustainability Committee Regulations.

In its relationship with the other governing bodies, the Sustainability Committee must:

a) Establish processes to collect and process data related to the environmental and social sustainability in order to alert the Board of Directors to risks that the company may be incurring and propose strategies for their mitigation;

b) Assess the resilience of the Company's business model and strategy concerning sustainability risks and matters and collaborate with the Board of Directors to manage such risks;

c) Identify and leverage sustainability opportunities for the Company;

d) Ensure compatibility of the Company's business model and strategy with the transition to a sustainable economy, monitoring exposure to coal, oil and gas-related activities;

e) Evaluate how the Company's business model and strategy consider stakeholder interests and the Company's impact on sustainability matters and, when possible, implement actions to prevent, mitigate, remediate or end to actual or potential adverse impacts;

f) Establish and track KPIs for relevant sustainability matters;

g) Collaborate with the Remuneration Committee to ensure that the non-financial criteria for awarding variable remuneration to executive administrators, including sustainability criteria, are clearly and comprehensively identified within the remuneration policy and regularly review and recommend improvements to these criteria to enhance fairness and accuracy in performance assessments;

h) Collaborate with the Audit Committee, in particular in the supervision of the process of preparing and disclosing sustainability information by the Board of Directors or the Executive Committee;

i) Provide regular updates to the Board of Directors and the Remuneration Committee on the effectiveness and alignment of remuneration practices with the company's sustainability objectives.

REN understands that the definition of senior management only encompasses the members of the company's management and supervisory bodies, hence REN hasn't created an additional nominations committee to the Nominations and Appraisals Committee for the purpose of appointing other management staff. The Nominations and Appraisals Committee is composed by three non-executive directors, two of whom are independent (and one of whom acts as Chairman). With regard to the Executive Committee, see II.2.1.

The Regulations of the Ethics and Corporate Governance Committee, the Nominations and Appraisals Committee and the Sustainability Committee establish, inter alia, the performance of the respective duties, chairing, attendance of meetings, operation and framework of duties of its members and can be consulted on REN website in Portuguese and in its English translation.

As provided for in its regulations, its meetings are drawn up, approved and signed by all members who are present.

III. SUPERVISION (AUDIT COMMITTEE)

a) Composition

III.30. Identification of the supervisory bodies (Supervisory Board, Audit Committee or General and Supervisory Board), corresponding to the adopted model

As stated above[61], REN has adopted an Anglo-Saxon model of corporate governance with supervisory bodies consisting of the Audit Committee and the Statutory Auditor. The Audit Committee is made up solely of independent and non-executive directors[62] (including the Chairman), possessing the necessary powers to perform their duties.

III.31. Composition of the Audit Committee, with indication of the minimum and maximum members and duration of term of office in accordance with the Articles of Association, number of full members, date of first appointment and date of termination of term of office of each member

As of 31 December 2024, the Audit Committee comprised three members as identified in II.17. This structure has proven adequate for carrying out their functions efficiently, taking into account the Company's size and business and the complexity of the associated risks.

REN's Articles of Association stipulate that the Audit Committee shall be made up of three members.

As regards the remaining appropriate information, please also refer to point II.17.

III.32. Identification of the members of the Audit Committee considered to be independent, in accordance with Article 414(5) of the Portuguese Companies Code

See II.18. above.

III.33. Professional Qualifications and other relevant information on the résumés of each of the members of the the Audit Committee

See II.19. above.

[61] See II.15. above.
[62] See Article 3(3) of the Audit Committee regulations.

b) Operation

III.34. Existence and place where the operating regulations can be consulted for the Audit Committee

Audit Committee regulations, which establish, inter alia, the performance of the respective duties, chairing, attendance of meetings, operation and framework of duties of its members which can be consulted on REN website in Portuguese and English.

As provided for in its regulations, its meetings are drawn up, approved and signed by all members who are present.

III.35.Number of meetings and attendance for each member of the Audit Committee

Audit Committee meetings are convened and chaired over by the respective Chairman and are held monthly, except in August. In addition to its ordinary meetings, the Audit Committee may meet whenever convened by its Chairman or by the remaining two members[63].

In 2024, the Audit Committee held 13 meetings.

NAME	PRESENT	REPRESENTATION	ABSENT	% ATTENDANCE
Manuel Ramos de Sousa Sebastião[64]	5	0	0	100%
Gonçalo Gil Mata[65]	5	0	0	100%
Rosa Freitas Soares	13	0	0	100%
Ana da Cunha Barros[66]	8	0	0	100%
Dulce Mota[67]	8	0	0	100%

Moreover, information on the composition of the Audit Committee and the number of meetings held annually may also be consulted on REN's website.

III.36. Duties of each member of the Audit Committee, indicating roles carried out concurrently within other companies, both within and outside the group, and other relevant activities carried out by the members of the aforementioned bodies

With regard to this matter, see II.26.

c) Competences and duties

III.37. Description of the procedures and criteria applicable to the intervention of the supervisory bodies for the purposes of contracting additional services from the external auditor

In accordance with Audit Committee regulations and the Regulation on the External Auditor[68], the Control, Accounting and Tax Department centralises requests to the Audit Committee to contract services with the auditor and specifies whether they are "Audit Services", "Non-Audit Services required by law from the Statutory Auditor" or "Non-Audit Services not required by law from the Statutory Auditor ".

The Audit Committee evaluates proposals for the services to be provided by the external auditor or by entities in the network to which it belongs, taking into account, in particular, whether the services in question are classified as prohibited services or services permitted by law. In the case of services permitted by law, the Audit Committee clarifies whether the services are classified as auditing services, non-auditing services required by law from the Statutory Auditor or non-audit services not required by law from the Statutory Auditor.

[63] *See Article 9(1) and (2) of the Audit Committee Regulations.*
[64] *He has only served as Chairman of the Audit Committee until 9 May 2024.*
[65] *He has only served as a Member of the Audit Committee until 9 May 2024.*
[66] *She has only served as a Member of the Audit Committee from 9 May 2024.*
[67] *She has only served as a Member of the Audit Committee from 9 May 2024.*
[68] *See Article 6(4)(h) of the Audit Committee Regulation and Article 4.2 of the External Auditor Regulation.*

In the case of non-audit services that are not required by law from the Statutory Auditor, the Audit Committee Committee shall define whether the provision of the services complies with the legal quantitative limits and/ or, where applicable, the limits voluntarily established by the Audit Committee and also assesses whether the provision of these services constitutes a threat to the independence of the Statutory Auditor and the safeguard measures adopted. The Audit Committee considers the nature, circumstances and context in which the service is provided, the situation of the person performing it, any other relationship with the Company, the effects thereof and, where appropriate, the safeguard measures adopted with regard to the independence of the Statutory Auditor.

Based on this analysis, the Audit Committee grants prior approval to the Company for the contracting of different audit services from the External Auditor or from any entity with a participating interest with the said auditor or which is part of the same network. The Audit Committee may delegate to its Chairman the approval of the contracting of services in cases deemed urgent, in which case the decision must be ratified at the first subsequent meeting of the Audit Committee (see also point V.46.). The Control, Accounting and Taxation Department keeps a centralised record of of the services contracted with the Statutory Auditor and entities in its network, which includes, among other things, a description of the services provided, including their classification as audit or other services, as well as the corresponding fees.

The approval of non-audit services that are not required by law from the Statutory Auditor is subject to the the fee limits set out in the External Auditor Regulations.

Therefore, using the criteria listed, the Audit Committee's decision is aimed at assessing whether contracting additional services from the external auditor does not jeopardise the external auditor's independence in the fulfilment of his professional duties

In 2024, the Audit Committee granted prior approval to the contracting of non- audit services from the External Auditor and the entities referred to above by REN or companies in a group or controlling relationship.

III.38.Other functions of the supervisory bodies and, where applicable, the Financial Matters Committee

The Audit Committee is, alongside the Statutory Auditor, a supervisory body. It is, therefore, an integral body of the Board of Directors, while consisting of non-executive and independent members (including its Chairman).

The Audit Committee supervises and oversees management activity in an independent and autonomous manner. The intervention of its members, as members of both the supervisory body and the management body, renders the control process even more transparent, notably due to the special access afforded to the members of the Audit Committee to information and decision-making processes.

Directors and employees of other companies of the REN Group, as well as their respective advisors, may be called upon to participate (but not vote) in meetings of the Audit Committee, whenever the Audit Committee deems that their presence is necessary or convenient to the smooth running of the work.

The Audit Committee, as a supervisory body, has the powers and the duties stipulated by law and in the REN Articles of Association, therefore being particularly responsible for[69]:

a) Supervising the management of the Company;

b) Monitoring compliance with the law, the REN Articles of Association and applicable principles of corporate governance;

c) Confirming that the REN corporate governance report includes the information set out in Article 29-H of the Securities Code and in CMVM Regulation No 4/2013, as amended;

d) Expressing their agreement or otherwise with regard to the annual management report and the accounts for the financial year;

e) Verifying, when and in the manner, they see fit, cash in all its forms and stocks of any type of assets or values belonging to REN or received by REN as a guarantee, deposit or in other form;

f) Inspecting the accuracy of records, supporting documents and accounting books;

g) Verifying whether the accounting policies and the valuation criteria adopted by REN lead to a correct evaluation of property and results;

h) Preparing the annual report on their supervisory work;

i) Issuing an opinion on the report, accounts and proposal to distribute profits presented by management;

j) Convening the General Shareholders' Meeting whenever the Chairman of the Board of the General Shareholders' Meeting fails to do so;

k) Receiving alleged whistleblowing communications, in financial or others matters, submitted by shareholders, company employees or third parties;

l) Ensure that the company's arrangements for receiving such communications, in confidence, allow a proportionate and independent investigation of such matters and appropriate follow-up actions;

[69] *See article 6 (3) of the Audit Committee Regulation.*

m) Supervising the preparation and disclosure of financial information, in particular financial information by the Board of Directors or Executive Committee, including the adequacy of accounting policies, estimates, judgements and relevant disclosures, and their consistent application across financial years, in a duly documented and communicated format;

n) Inspecting the review of accounts in accounting documentation;

o) Hiring the services of experts who will assist one or several of its members in exercising their duties. The contracting and remuneration of experts must take into account the importance of the matters they are to deal with and the company's economic situation; and

p) Complying with other provisions set out in law or the Articles of Association.

In its relationship with other corporate bodies, the Audit Committee is also responsible for[70]:

a) Supervising the effectiveness of the risk management, internal control and internal audit systems. including monitoring, evaluating, giving opinion, and making proposals to improve the functioning of those systems so that the risks actually incurred by the company are consistent with the objectives set by the Board of Directors or Executive Committee;

b) Proposing to the General Shareholders' Meeting the appointment of the Statutory Auditor, first and alternate;

c) Supervising the independence of the Statutory Auditor, more specifically with regard to the provision of non-audit of additional services and its suitability for the performance of duties;

d) Representing the Company, for all purposes, with the Statutory Auditor acting as REN's interlocutor with it and being the first recipient of its reports;

e) Ensuring that the proper conditions for the provision of audit services by the REN Statutory Auditor are provided within the company;

f) Monitoring the activities of the Statutory Auditor on a regular basis by analysing their periodic reports and overseeing the audit and review processes. It also assesses any changes in procedures recommended by the or the Statutory Auditor;

g) Assessing the work carried out by the Statutory Auditor on an annual basis;

h) Providing prior approval on the contracting of any audit services from the Statutory Auditor by the Company, or any entity with a participating interest with the said auditor or which is part of the same network, explaining the reasons for such contracting in the annual report on Corporate Governance;

i) Approving the business plan for the following year and the activity report for the previous year from REN's Internal Audit Department; and

j) Approving the annual budget and staff members proposals for the Internal Audit Department of REN, which shall be submitted to the Executive Committee for final assessment, together with the proposals of all other REN departments.

At the level of control of compliance with applicable regulations, the Audit Committee supervises compliance with legal and statutory provisions, and is also responsible for:

a) To issue a prior and binding opinion addressed to the Board of Directors on the internal procedures to be adopted for the purposes of verifying transactions with related parties, under the legal terms in force;

b) Verify if the transactions with related parties are carried out within the scope of the Company's current activity and under market conditions;

c) To give a prior opinion on certain related party transactions, under the terms established by law and REN's internal regulations;

d) To analyse, jointly with the Board of Directors and/ or the Executive Committee, any relevant matters related to the compliance of the Company's activity and business with the applicable legal, regulatory and statutory provisions, as well as with the instructions, recommendations and guidelines issued by the competent entities; and

e) To analyse the communications from the Board of Directors regarding the conduct of business referred to in b) above.

The Audit Committee draws up an annual report on its supervisory activities (including references to any detected constraints). It also submits an opinion on the management report, the financial statements of the financial year, as well as on the corporate governance report. They are published together with accounting documents on the REN website and remain available for ten years.

The Audit Committee is the Company's main discussion partner and the first recipient of reports from the Statutory Auditor, representing it before the Statutory

[70] *See article 6 (4) of the Audit Committee Regulation.*

Auditor and seeking to ensure that, within the Company, suitable conditions are provided for them to carry out their work.

The Audit Committee is responsible for regularly monitoring the activities of the Statutory Auditor by analysing their periodic reports and overseeing the audit and review processes. It also assesses any changes in procedures recommended by the Statutory Auditor[71]. The monitoring of the independence of the statutory auditor is based on regular contact with the auditor, through which he is asked to indicate the absence of circumstances that might hinder his independence, as well as the proper handling of any information that may be obtained by the Audit Committee on the subject, within the scope of its duties.

As REN has adopted a corporate governance model based on an Anglo-Saxon model and the supervisory body consists of non-executive directors who are on the Board of Directors, in addition to the powers referred to above, the Audit Committee, acting as supervisory body, also has the general powers of on-executive directors.

In turn, in accordance with the Portuguese Companies Code[72], the Statutory Auditor is responsible for the examination and verification required for the review and legal certification of the accounts. He is also responsible for verifying the correctness of books, accounting records and documents used as support, the accuracy of documents providing accounting information and if the accounting policies and valuation criteria adopted by REN lead to a correct evaluation of its property and results.

IV. STATUTORY AUDITOR

IV.39. Identification of the Statutory Auditor and of the key auditor partner representing the Statutory Auditor

The office of permanent Statutory Auditor of the Company is carried out by the auditors Ernst & Young, Audit & Associados, SROC, SA, registered with the Portuguese Institute of Statutory Auditors under No 178 and registered at CMVM under No 20161480, represented by Ricardo Miguel Barrocas André (S.A. No 1461), who also carries out the duties of External Auditor.

The alternate Statutory Auditor of the Company is Pedro Miguel Borges Marques, registered with the Portuguese Institute of Statutory Auditors under No 1801.

IV.40. Indication of the number of years which the Statutory Auditor has consecutively carried out duties for the Company and/ or group

The REN Statutory Auditor (Ernst & Young, Audit, SROC SA) was initially hired to carry out these duties in 2018. It is currently in its third term of office (2024-2026).

In light of the applicable legal and regulatory framework, the appointment of Ernst & Young, Audit & Associates, SROC SA for its first term of office took place following a selection process for a new Statutory Auditor. The REN Audit Committee was responsible for this process which was performed in an equitable manner, and legislation and recommendations in force at the time in full compliance with. In 2021, the Audit Committee concluded that, during the first mandate of the Statutory Auditor, corresponding to the 2018-2020 three-year period, it provided its services in a satisfactory and independent manner and showed adequate technical rigour in its work, thus justifying its re-election for the 2021-2023 term, which was approved by the general meeting. More recently, in 2024, the Audit Committee concluded that, during the statutory auditor's second term of office, corresponding to the three-year period 2021-2023, it had provided its services in a satisfactory and independent manner and had shown adequate technical rigor in its work, thus justifying its re-election for the three-year period 2024-2026, which was approved by the general meeting.

IV.41. Description of other services provided by the Statutory Auditor to the Company

In addition to the services as Statutory Auditor detailed in III.38., the services referred to in V.46 were also provided, as external auditor.

V. EXTERNAL AUDITOR

V.42. Identification of the External Auditor for the purposes of Article 8 and of the respective key auditor partner representing the former in the carrying out of these duties, along with the relevant CMVM registration number

REN's External Auditor, as in the case with the Statutory Auditor, is Ernst & Young, Audit & Associados, SROC, S.A., registered with the Portuguese Institute of Statutory Auditors under No 178 and registered at CMVM under No 20161480, represented by Ricardo Miguel Barrocas André (S.A. No 1461).

The election of Ernst & Young, Audit & Associados, SROC S.A. for its first term took place following a selection process for a new external auditor, under the responsibility of REN's Audit Committee and carried out in an equitable manner, thus continuing in full compliance with the legislation and recommendations in force at the time.

V.43. Indication of the number of years during which the External Auditor and respective Statutory Auditor have carried out duties for the Company and/ or group

REN's External Auditor (Ernst & Young, Audit & Associados, SROC SA), has held office consecutively for seven years, and was initially hired to carry out these duties in 2018.

[71] *See article 6 (4) (f) of the Audit Committee Regulation.*
[72] *See article 420.*

The representative partner has functions since 2024, and is in his first year at the office, as detailed in the following section.

V.44. Rotation frequency and policy for the External Auditor and respective key auditor partner representing the former in the performance of these duties

The frequency and rotation policy of the external auditor and the respective statutory audit partner are defined in the External Auditor Regulations, approved by the Audit Committee on 30 November 2023.

As for the periodicity, under the terms of Article 3.2 of the External Auditor Regulation and Article 27 of REN's Articles of Association, the external auditor must be appointed for an initial term of three years, with the initial term and any renewals not exceeding a maximum of ten years, in accordance with Article 17(1) of Regulation (EU) No 537/2014.

As for the partner responsible for directing or carrying out the statutory audit, the maximum period of office is two terms, and they may be reappointed after a minimum period of three years (articles 3.2.3 of the External Auditor Regulation and 54.2 of the Statutes of the Portuguese Institute of Statutory Auditors, applicable to REN as a "public interest entity").

Considering the aforementioned framework, and that Ernst & Young, Audit & Associados, SROC S.A. has been in office since 2018, the Company is in compliance with the legal rotation period for the external auditor. As for the statutory audit partner, considering that he was also elected in 2018 and that the legal period of consecutive exercise of the statutory audit is seven years, and that in accordance with the External Auditor Regulation, he can hold office for two terms, so the partner was replaced for the term of office that began in 2024. In this regard, the company is in compliance with the statutory rotation period of the statutory audit partner.

As for the rotation policy, similarly to the election, the renewal of the Statutory Auditor must be approved by the General Meeting, on a proposal from the Audit Committee (see article 3.2.4. of the External Auditor Regulations).

If the assessment of the Statutory Auditor's work at the end of their term of office is negative, a new selection process for a Statutory Auditor is initiated, under the terms revised in the External Auditor Regulations for the selection, hiring, appointment and dismissal of the Statutory Auditor.

V.45. Indication of the body responsible for assessing the External Auditor and frequency of the assessment

On an annual basis, the Control, Accounting and Tax Department must submit to the Audit Committee an Evaluation Report on the performance of the statutory auditor and external auditor in the previous year (see article 3.3.1 of the External Auditor Regulation). The Audit Committee is then responsible for undertaking an annual assessment of the Statutory Auditor and External Auditor.

The Audit Committee is responsible for regularly monitoring the activities of the External Auditor by analysing their periodic reports and overseeing the audit and review processes. It also assesses any changes in procedures recommended by the External Auditor.

The Audit Committee is also responsible for overseeing the independence of the Statutory Auditor and External Auditor and issuing prior approval of the contracting of different audit services from the External Auditor or from any entity with a participating interest with the said External Auditor or which is part of the same network monitoring the maintenance of this independence. In addition to the independence of the Statutory Auditor, the Audit Committee takes into account other parameters in its assessment, such as knowledge of the business, analysis of the cost of the service, as well as the relationship and collaboration of the Statutory Auditor with REN's management and supervisory bodies (see Article 3.3.3. of the External Auditor Regulation).

If the Audit Committee considers that there are serious or unresolved facts regarding the quality of the audit or that jeopardise the independence of the Statutory Auditor, it must inform the Board of Directors, which, if it so decides, must ensure that they are duly communicated to the supervisory authorities.

In the event of a negative assessment resulting from facts that could be considered just cause for dismissal, the Audit Committee must initiate the procedure for dismissal of the Statutory Auditor, which is provided for in point 3.4. of the External Auditor Regulations.

In 2024, the Audit Committee carried out its evaluation of the services provided to the Company by the External Auditor. The Audit Committee considered that the External Auditor provided its services in a satisfactory manner and complied with the applicable standards and regulations, including international standards on auditing, and that they performed their activities with high technical accuracy.

V.46. Identification of non-audit services provided by the External Auditor to the Company and/ or companies in a controlling relationship, as well as an indication of internal procedures for the approval of the hiring of these services and an indication of the reasons for their contracting

Non-audit services provided by the External Auditor/ Statutory Auditor for REN consisted essentially in agreed auditing procedures such as the interim audit, or procedures to validate financial ratios and issuance of comfort letters.

As part of compliance with the independence rules established in relation to the External Auditor/ Statutory Auditor, in 2024, REN's Audit Committee accompanied the provision of non-audit services in order to ensure that situations of conflicts of interest would not arise. The Audit Committee approved the provision of these services by the External Auditor, due to fact that they were matters in relation to which the specific knowledge of the company in terms of auditing, as well its complementarity regarding audit services, would justify such award, based on the associated cost control.

REN considers that it complies with Article 77 of Law No 140/2015 of 7 September, as in force for the year 2024.

The procedure for contracting services other than auditing services, described in III.37., which has always complied with the law and the Regulation on the External Auditor.

V.47. Indication of the annual amount of remuneration paid by the Company and/ or by companies in a group with or controlling relationship to the auditor or to other companies or individuals belonging to the same network and breakdown of the percentages allocated to the respective services below (for the purposes of this information, the concept of a network is that arising from EU Recommendation C(2002) 1873 of 16 May[73])

In the financial year ending 31 December 2024, the statutory auditor for REN - Redes Energéticas Nacionais, SGPS, S.A. and its subsidiaries was Ernst & Young, Audit & Associados, SROC S.A. The total sum recorded for audit services and the legal review of accounts and other services provided by the statutory auditors in 2024, was 534,702.00 euros, broken down as follows:

↘ Ernst & Young, Audit & Associados, SROC S.A. and its network

NAME	COMPANY (REN S.G.P.S.)[74]	OTHER COMPANIES[74]	TOTAL	%
Audit and legal review of accounts	87,600.00	295,890.00	383,490.00	72
Other reliability guarantee services	123,000.00	15,500.00	138,500.00	26
Services other than audit services or legal review of accounts	10,712.00	2,000.00	12,712.00	2
	221,312.00	313,390.00	534,702.00	100

[73] *In accordance with the corporate governance report Model approved by CMVM Regulation No 4/2013, for the purposes of this information this is the applicable concept of "network". However, Article 3 of the later Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 (on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC) states that the concept of network must be satisfied as defined in Article 2 (7) of Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006. As this is the legislation currently in force for the specific requirements for the legal review of accounts of public-interest entities, this is the concept of network which has been adopted by REN.*

[74] *Including individual and consolidated accounts.*

8.3 INTERNAL ORGANIZATION

I. ARTICLES OF ASSOCIATION

I.48. Rules applicable to changes to the Company's Articles of Association (Art. 29-H(1)(h)

Changes to the Articles of Association are subject to the relevant rules as stipulated by law[75] and in the Articles of Association themselves[76]. In this regard, please see point 8.1.1, II.14.

II. WHISTLEBLOWING POLICY

II.49. Whistleblowing Policy and Means on irregularities occurring in the Company

Stakeholders/ whistleblowers (shareholders, members of corporate bodies, managers, directors, senior officials, employees, service providers, suppliers, contractors, subcontractors, volunteers, interns, clients or other stakeholders in REN, REN Group companies or third parties) may communicate any irregularities, irrespective of whether the reports are based on information obtained in a professional relationship that has since ended, as well as during the recruitment process or during another pre-contractual negotiation phase of an established or not constituted professional relationship. REN Group adopts measures which are intended to prevent, stop or sanction irregularities potentially causing adverse effects on the Group[77].

This system covers the report of irregular practices by shareholders, members of corporate bodies, managers, directors, senior officials, employees, service providers, clients, partners, consultants, suppliers or collaborator of the REN Group, due to or within the context of their duties.

In this regard it is important to note that the concept of "Irregularity"[78] includes any situation that a specific whistleblower detects, is aware of or has well-founded doubts about the commission of any illicit acts, infractions or irregularities relating to violations of the law, statutory, ethical or professional ethics standards, including those contained in the REN Group Code of Conduct and the REN Group Integrity Policy, or any standards contained in any internal documents or regulations, recommendations, or guidelines applicable to REN, or any REN Group company, concerning:

- Acts or omissions;
- Documentation, in a physical or electronic format;
- Decisions, orders, guidelines, recommendations, opinions and press releases,
- Actions by shareholders, members of corporate bodies, any manager, director, senior officials, employee, service provider, client, partner, consultant, supplier or collaborator of the REN Group, due to or within the context of their duties.

It is understood that reportable irregularities include all of those that could result in illegal acts which constitute criminal, civil or administrative offences or which are related to:

i) Public procurement;

ii) Financial services, products and markets and the prevention of money laundering and terrorist financing;

iii) Product safety and compliance;

iv) Transport security;

v) Environmental protection;

vi) Protection against radiation and nuclear safety;

vii) Food and feed security, animal health and animal welfare;

viii) Public health;

ix) Consumer protection;

x) Protection of privacy and personal data and security of information network and systems;

xi) Any accounting and financial matters, including acts or omissions harmfullharmful to the financial interests of the European Union;

xii) The rules of the internal market, including competition and state aid rules, as well as corporate tax rules;

xiii) The internal risk management system; and

xiv) The audit activity carried out at REN or at any of the REN Group's companies.

REN currently offers various means of submitting reports, and the whistleblower can choose whether to submit the report verbally or in writing.

Reports made verbally can be made through telephone (210013511) or voice messaging systems and, at the request of the whistleblower, in a face-to-face meeting. For written reports there are two channels. Written reports can be sent by letter to the address of the head office of the REN

[75] See article 383 of the Portuguese Companies Code.
[76] See Article 11 of REN's Articles of Association.
[77] See Articles 6 (3) (k) and (l) and 8 of the Audit Committee Regulations and the document "Applicable procedures for reporting and investigating irregularities, available at www.ren.pt.
[78] See Section VI (Concept of "Irregularity") of the document "Applicable procedures for reporting and investigating irregularities".

Group, or to the e-mail address comissao.auditoria@ren.pt, which is reserved for the members and secretariat of the Audit Committee. In addition to these means, it is also possible for whistleblowers to use the online whistleblowing channel (preferred means)[79], which also allows the report to be made either in writing or orally, and if the whistleblower chooses to do so orally, they can choose whether or not they want their voice to be distorted[80].

The REN Group adopted at the beginning of 2024, this new whistleblowing online channel, with the aim of strengthening the existing ones and reinforcing the infrastructure for collecting and analysing information on irregular practices, based on an electronic platform that ensures encryption and absolute anonymity of whistleblowers. This initiative is part of the REN Group's commitment to principles of integrity and complete alignment with current legislation.

Reports will always be dealt with confidentially and are of restricted access to the people responsible for receiving and following up reports - which does not prevent the whistleblower, if he or she so wishes, from revealing his or her identity in the report, which will only be disclosed as a result of a legal obligation or court decision (with prior notification to the whistleblower). The identity of the whistleblower shall only be disclosed for the purposes of investigation in cases where the whistleblower expresses his or her consent.

The Audit Committee assesses the situation described in the report and proposes actions that, in each specific case, are deemed appropriate, in accordance with the internal regulations "Applicable procedures for reporting and investigating irregularities" approved by the Board of Directors.

REN implemented the mechanisms with regard to the prevention and detection of fraud and errors and the verification of the operations and business of the REN Group with the applicable legal and regulatory provisions, including the general policies and regulations of REN, carried out by the Risk Management Committee, further described in III.54. below.

REN's Group Integrity Policy, aiming to define the principles of action and duties applicable to employees of REN Group companies and other partners, in order to prevent the commission of illegal acts, namely crimes of corruption, money laundering and terrorism financing, and to promote ethics, integrity and transparency in doing business, ensuring compliance with current legislation and regulations, is attached to the REN Group Code of Conduct, which sets out the principles, values and rules concerning ethic and professional conduct to be complied with by all employees and members of corporate bodies of REN's Group.

Hence, the fight and prevention of the commission of illegal acts, namely corruption, money laundering and terrorist financing crimes, constitute fundamental bases for the principles and duties applicable to the Group and its employees. Within this context reference should be made to the considerations included in chapter 4. Sustainability statement of the 2024 Integrated Report, which details how the stakeholder consultation was carried out and its results, priorities and new materially relevant issues, including those relating to governance and ethics.

III. INTERNAL CONTROL AND RISK MANAGEMENT

III.50. People, bodies or committees responsible for internal audit and/ or for the implementation of internal control systems

The management and supervisory bodies of the Company have attributed growing importance to the development and improvement of the internal control and risk management systems, with a significant impact on the activities of the REN Group companies. This approach has been in line with national and international recommendations, the Company's size and business and the complexity of the associated risks.

The Executive Committee and, ultimately, the Board of Directors, are responsible for creating and managing the internal control and risk management systems, including the setting of objectives, which, with the various contributions of the relevant committees and commissions, is responsible for establishing the policy of risk management for REN and the Group.

The Audit Committee is responsible for assessing the Executive Committee in the analysis of the integrity and efficiency of REN's internal control and risk management systems, including the submission of proposals to improve operations and amendments in accordance with REN's requirements[81]. The Audit Committee reports on the work plans and resources allocated to internal control services, including control of compliance with company rules (compliance services) and internal audit, and receives the reports made by these services. Such reports involve dealing with matters relating to the rendering of accounts, the identification or resolution of conflicts of interest and the detection of potential irregularities. Checks are also made that the risks actually incurred by the company are consistent with the objectives set by the Board of Directors.

For the purposes of this control, the Audit Committee has implemented in particular the following measures: i) holding meetings, up to twice a year, with the Risk Management Committee; ii) periodic audits (performed by the internal audit department); iii) implementing risk detection systems; and iv) implementing mechanisms to verify the obligations of Group companies, in particular, monitoring their compliance with concession agreements.

[79] Available on REN's website in Portuguese, English and Spanish.

[80] In the case of REN Portgás, it is also possible to send written complaints using a form available on the company's website. In these cases, the complaints are received by the Board of Directors of REN Portgás and subsequently forwarded to the Audit Committee (see Section VII. (Communication of irregularities) of the document on the "procedures applicable to the treatment of communications and irregularities and the investigation of irregularities").

[81] See Article 6 (4) (a) of the Audit Committee regulations.

In addition to this annual risks' assessment, the Audit Committee assesses the Company's management which comprises, in particular, the assessment of the internal functioning of the management body, its committees, the accounts and compliance with plans and budgets. It also follows-up on the implementation of recommendations. Therefore, in its action plan for activities to be carried out in 2024, the Audit Committee considered a range of investigations and assessments into the operation and suitability of the internal control and governance and risk management systems, having held several meetings with the Statutory Auditor and External Auditor and with the heads of different departments, namely: Acquisitions, Control, Accounting and Tax, Institutional Relations, Legal Services, Operational Services and Information Systems. The Audit Committee added to the activity plan the monitoring of the implementation of recommendations arising from the internal control system. Finally, the Audit Committee's activity plan included the specific training of REN's managerial staff with audit functions.

The External Auditor verifies the efficiency and operation of the internal control mechanisms, as part of its legal review of financial statements, and reports any significant deficiencies to the Audit Committee.

The Internal Audit Department, which functionally reports to the Audit Committee, has the mission to ensure control of management risks and of the internal control and governance system of REN Group, through objective, independent and systematic auditing actions, particularly with regard to the different Departments, activities, systems, procedures, processes, policies and governance. Internal Audit is also responsible for proposing improvements to established processes and policies, and also propose actions for the monitoring indicators and risks, in order to improve the internal control system, as well as optimize the performance of the various areas of the REN Group.

The mission of the Risk Management Committee, created in 2011, is to support the Board of Directors in monitoring the Group's risks, as well as ensuring the enforcement of risk management policies common to the entire REN Group and the internal disclosure of best practices for risk management. Therefore, REN believes that it complies with Recommendation VII.2. of the IPCG Code, which requires the company to have a specialized commission or committee made up of risk specialists, which reports regularly to the board of directors.

To carry out its mission, the Risk Management Committee's main functions are to:

- Promote the identification and systematic assessment of corporate risks and their impact on REN's strategic objectives;
- Categorize and prioritize the risks to be addressed, as well as the corresponding preventive opportunities identified;
- Identify and define the persons responsible for risk management;
- Monitor significant risks and REN's general risk profile;
- Approve regular risk reporting mechanisms by different businesses areas; and
- Propose, by submitting to the Executive Committee, recommendations for prevention, mitigation, sharing or transfer of material risks.

In 2024, the Risk Management Committee continued to support the Board of Directors in monitoring the Group's risks, as well as ensuring the enforcement of risk management policies common to the entire Group. Those policies are ultimately approved by the Board of Directors and subsequently disclosed internally and their effective implementation verified.

III.51.Explanation, even though by organisational chart, of the hierarchical and/or functional relationships of other Company bodies or committees

The Internal Audit Department reports in terms of functions and hierarchy to the Audit Committee, notwithstanding its relationship with the Company's Executive Committee.

As part of its supervisory function and powers expressly set out in the internal regulations, the Audit Committee supervises the internal audit procedure, notably through the presentation of proposals to improve its operation[82]. To this effect, the Audit Committee carries out an appraisal of the work plans and resources available to the Internal Audit Department, supervises the activity and has access to all reports prepared by the GSAD-AI including, amongst others, matters relating to accounts, potential conflicts of interest and the detection of possible irregular practices.

The Risk Management Committee is chaired by the executive director Gonçalo Morais Soares, and is composed of several front-line officers, with the REN Executive Committee appointing, in 2023 Nuno Rosário (head of financial management) as operational coordinator. In the same year, following the strategy of strengthening the internal control system, a dedicated area was created for risk management and insurance, which is integrated into the finance department., The Risk Management Committee reports to the Executive Committee and Audit Committee, in line with the periodic control procedures in place.

III.52. Existence of other functional areas with competences for risk control

In addition to those mentioned in III.50, the Compliance area was created, which was integrated into the legal services department and which we believe complies with recommendation VII.4 of the IPCG's

[82] *See article 6 (4)(a)(i) and (j) of the Auditee Commission Regulation.*

corporate governance code, as one of the three functions necessary for the effective functioning of the internal control system (risk management and control, compliance and internal auditing).

III.53. Identification of the main types of risk (economic, financial, legal and operational) to which the Company is exposed when conducting business

When conducting business in all of its areas of operation or those of its subsidiaries, REN is subject to multiple risks. These have been identified with the aim of mitigating and controlling them.

The "appetite for risk" reflects the level of risk the company is willing to take on or to retain in pursuing its goals. REN adopts a prudent position with regard to its appetite for risk.

In 2024, the Risk Management Committee, with support from those responsible for of the units/ organic areas (Risk Owners) and in the light of the current external context (e.g. regulatory, financial markets, interest rates) and other factors related to the development of its activity and responsibility in meeting the targets (e. g., set for decarbonization), began to re-evaluate the various risks to which REN is exposed, leading to the redefining indicators (and monitoring metrics) that are essentially forward-looking, so that they provide quality information for decision-making.

The most serious risks for the REN Group are shown in detail below, with their category and subcategory.

#	CATEGORY	SUBCATEGORY	NATURE	RISK EVENT
1	Surrounding environment	External context	Regulatory	Changes to the regulatory model and parameters
2			Financial Markets	Evolution of REN's rating
3	Processes	Operational	Investment projects	Delay in implementing investment plans (due to licensing)
4				Delayed project execution
5			Interruption of business	Network disruption
6			Health & Safety	Occurrence of serious work accidents
7			Information technology and security	Unavailability of information systems
8				Occurrence of information security events - Cybersecurity

Changes to the regulatory model and parameters

The risk of changes to the regulatory model and/ or regulator decisions may affect the company's ability to run its business efficiently and is linked to the fact that the activity carried out by REN is a regulated activity.

REN manages such risk by systematically monitoring the progress of the regulatory strategy as well as European regulatory trends in relation to activities carried out by REN so as to prevent/ analyse the impacts of possible changes. Following the change in the regulatory model for the electricity sector and its impact on REN's activity, the indicators associated with this risk were revised in order to make the strategic objectives compatible with the model in force.

Evolution of REN's rating

Changes to REN's rating could be affected by REN's financial and business performance, as well as by the international environment and by any rating of Portugal.

The fluctuation of interest rates and credit spreads can have an impact on remuneration from regulated assets and on REN's debt service. A change to relevant benchmarks levels of market interest rates and credit spreads could result in higher financing expenses for the REN Group.

REN manages this risk by building a solid liquidity position and efficiently managing its financing needs through the evolution of some specific indicators and perceived knowledge. Exposure to the effects of changes in interest rates and credit spreads is managed by contracting financial derivatives and the appropriate selection of the terms of the financial instruments and the time of contracting, with the aim of achieving a balanced relationship between fixed and variable interest rates, appropriate medium debt maturities for the duration of the regulatory periods and, naturally, for a relevant degree of immunization of the results and a sustained minimization of financial costs in the medium and long term. These measures are usually accompanied by communication and consultation with the market and the various financial agents.

Delay in implementing investment plans (due to licenses)
The existence of delays both in the approval of investment plans, and in the execution plans, by the grantor or by other authorities can cause significant delays in implementing new infrastructures with an impact on the quality of the service provided.

The processes of obtaining authorisations, environmental licensing or injunctions filed by third parties may compromise the entry into operation of the assets within the deadlines set for the projects included in the investment plans.

REN has adopted preventive management procedures for this risk, which are reflected in the continuous monitoring of the actions of the competent entities, as well as other entities involved and local communities, in the licensing processes for the pursuit of investment projects and network reinforcement.

Delays in project execution
Delays in the approval of both investment plans and execution plans by the grantor or other responsible entities, plus financial/ operational difficulties on the part of service providers and suppliers to ensure compliance with contracted services or contracts, can cause significant time lags in the entry into operation of new infrastructure, with an impact on the quality of the service provided, compliance with agreements signed with promoters and the objectives of decarbonization and combating climate change, as well as in the value of the remuneration of regulated assets.

In order to minimize minimize the impact of this risk, based on prospective indicators and mitigation measures, REN promotes a series of actions with the competent authorities and other entities involved in these processes, in order to obtain the necessary approvals and promote the implementation of network development and reinforcement projects in good time.

Network disruption
The infrastructures supporting REN's operations are exposed to a series of conditions (pollution, atmospheric conditions, natural events, birdlife, fires, rural, events associated with international interconnections, etc.), which could cause interruptions to the service.

The company''s performance may be influenced by the occurrence of these events that cause disruptions to the electricity and/ or gas supply service and by the possible difficulty of restoring the service in good time.

Some of the actions taken to minimize the potential impact of this risk are the development and implementation of the business continuity plan (integrated internally and with other European operators), and other technological and network monitoring measures. Effectiveness is tested by carrying out simulations to check the ability to respond to emergency and crisis situations, the activation of recovery plans and the subsequent restoration of normality in the event of an incident.

Occurrence of serious work accidents
Non-compliance with safety and operational procedures for equipment could result in the occurrence of serious work accidents with personal damage during work organized by REN.

This risk is managed through continuous awareness-raising actions, inspections and the effective implementation of the occupational safety management system, involving all REN employees, service providers and other stakeholders, with specific training for operations involving associated risks and the development and implementation of corrective and preventive actions, based on lessons learned, resulting from the investigation and detailed analysis of incidents that have occurred, in order to prevent their recurrence.

Unavailability of information systems
REN's activities rely heavily on the Information systems and technologies used within the Group. Therefore, the availability of information systems and their capacity to meet Company needs are crucial to REN's good performance.

This risk is managed by constantly updating systems, communications networks and the respective support services, by periodically reviewing and updating network and security configurations, in an integrated manner, to ensure business continuity and service quality at the same time, performance tests are carried out and measures implemented to guarantee the availability of critical systems, such as redundant communications and the protection of these systems from potentially dangerous traffic/ access.

Occurrence of cybersecurity events
In the current context of profound technological disruption, REN, as an operator of essential services and critical infrastructures in the energy sector, it is obliged to reinforce its existing information security capacity, especially due to the increased complexity of the system architectures and perimeters in which REN operates.

In this sense, REN has been training in the management of the resulting risks, investing in good practices in cyber security matters, both in terms of resilience and prevention, using specific systems, processes and controls to identify vulnerabilities and promoting the implementation of solutions that guarantee the resilience of systems and the protection of information.

To manage this risk, REN appointed Gonçalo Morais Soares, member of the Board of Directors, responsible for REN's cybersecurity/ information security strategy.

Environmental and social sustainability
With regard to climate risk, REN takes climate as a risk factor that can both negatively impact REN's activity and generate opportunities to improve its performance. The analysis of this risk is incorporated into decision-making processes, to the extent that its organization has a Sustainability Committee. This Committee supports and advises the Board of Directors on integrating sustainability principles into the REN Group's decision-making and management processes, with the aim of creating a positive impact on employees, communities and ecosystems in which the REN Group works and other stakeholders (Article 3 of the Sustainability Committee Regulations). The Sustainability Committee is responsible for:

a) Collaborate in defining, updating and reviewing the sustainability strategy of the REN Group;

b) Giving an opinion on the resources needed and monitoring the implementation of the sustainability strategy;

c) Monitoring and reporting to the Board of Directors on the application of policies in the economic, social and environmental dimensions, including matters related to environmental protection and social responsibility, in accordance with the strategy, commitments and objectives established;

d) Monitoring and reporting to the Board of Directors on the implementation of policies in the economic, social and environmental dimensions;

e) Collaborate in the development of the annual sustainability report that summarizes the implementation of the sustainability strategy adopted by REN Group, including the review of external information on sustainability, in particular the REN sustainability report and/ or the chapter on sustainability included in the accounts report;

f) Issuing opinions on any topic related to sustainability, at the request of the Board of Directors or on its own initiative, promoting the adoption of the best national and international practices; and

g) Carry out other duties or responsibilities in the area of sustainability delegated to the Sustainability Committee by the Board of Directors.

The Sustainability Committee is an informative and advisory committee whose information is non-binding (Article 3(2) of the Sustainability Committee Regulations).

Considering the competencies and functioning of the Sustainability Committee, REN considers that it complies with Recommendation VII.8 of the IPCG Code, considering climate change in the organization and taking climate risk analysis into account in decision- making processes (see also subchapter 2.3 Risk management and 4.2.2 Climate change of the Integrated Management Report).

Compliance with this Recommendation is further ensured by what is reported below, in section III. 54.

In addition, REN has an internal sustainability platform for collecting and processing sustainability-related data. The Sustainability and Communication and Operational Sustainability areas are responsible for monitoring data related to sustainability, providing information on performance and actions taken to the Sustainability Committee, Executive Committee and Board of Directors. The main events in terms of ESG (Environment, Social and Governance) are reported to the Board of Directors on a monthly basis. In addition, REN identifies the risks and opportunities associated with the climate that affect its activity (see also subchapter 2.3 Risk management and 4.2.2 Climate change of the Integrated Management Report).

Stakeholders are consulted every two years to review materially relevant topics. In 2023, a consultation was carried out based on some of the aspects of the double materiality requirements of the European Sustainability Reporting Standards (ESRS), the guidelines of the GRI Standards and SASB Standards, as well as an analysis of reference peers. This double materiality analysis was revised in 2024 to ensure greater alignment with the ESRS standards. (See also subchapter 4.1.2 Materiality).

The materiality review process in 2023 resulted in the revision of REN's sustainability strategy, which included a review of the priority areas of action, as well as the identification of commitments, targets and initiatives for its fulfilment.

The Sustainability Committee must warn the Board of Directors of the risks related to environmental and social sustainability and propose strategies for mitigating them, by exercising its powers to define, update and review the REN Group's sustainability strategy.

Therefore, REN considers that it complies with Recommendation VII.7. of the IPCG Code.

III.54. Description of the risk identification, assessment, monitoring, control and management process

It is considered that a risk management and internal control system - as implemented by REN - should meet the following objectives:

- Guarantee and supervise compliance with the objectives set by the Board of Directors;
- Ensuring legal compliance, policies, managing the needs and expectations of stakeholders;

- Identify the risk factors, the consequences of the occurrence of risk and the mechanisms for dealing with and minimizing risk;
- Align admissible risk with REN Group strategy;
- Ensuring the quality, reliability and integrity of information;
- Ensure the complete, reliable and timely preparation, processing, reporting and disclosure of all information, including financial and accounting information and apply an appropriate management information system;
- Ensuring the prudent and proper operation, maintenance, safeguarding and valuation of assets;
- Improve the quality of decisions; and
- Promote the rational and efficient use of resources.

As such, in pursuing the objectives stated above, REN's Risk Management Committee in co-operation with the heads of the units/ organic areas of the group companies, is responsible for identifying and evaluating the inherent risks involved in REN's activities stated in III. 53., also seeking to support the monitoring of significant risks and define REN's general risk profile.

Based on an assessment of the context (external and internal) and the benchmarks in which it operates, REN characterises the risks to which it is exposed, defining a risk profile and the criteria for specifying the magnitude and type of risks it may or may not assume (level of risk acceptance or "risk appetite") and their appropriate treatment.

The characterisation of risks makes it possible to i) identify them, establish the probability of occurrence and the magnitude of the impact and ii) determine the priority risks to be dealt with and the respective strategies for controlling and mitigating them. These activities are carried out on an annual basis and take place in three stages:

- Risk appreciation is carried out in the first instance by those responsible for the different business areas (Risk Owners);
- The most severe risks are communicated to REN's corporate Risk Management Committee and monitored by it; and
- REN's Risk Management Committee reports them to the Executive Committee and the Audit Committee.

The Risk Management Committee assesses the severity (seriousness and probability of occurrence of potential risks) and classifies existing risks by category, subcategory and potential impact on business continuity.

In this way, it determines REN's risk profile and the risks that will be monitored and their evolution tracked, based on the following principles, including those associated with ESG and Due Diligence issues:

- To align the defined strategy and objectives;
- To strengthen and improve effectiveness and efficiency in the use of resources;
- To adequate the control measures according to risk appetite, tolerance limits and resilience capacity;
- To resolve vulnerabilities and protecting assets;
- To analyse the information producing, treating and processing system;
- To check the reliability and accuracy of financial, accounting and other kinds of information;
- To check for compliance of the Group's operations and business with applicable legal and regulatory provisions, as well as with general policies and Company regulations; and
- To promote operational effectiveness and efficiency.

After identifying and assessing the risks, the Risk Management Committee identifies the appropriate measures to eliminate, mitigate or control the risks and communicates the result of its analysis to the Executive Committee and the Audit Committee. The Risk Management Committee also endeavours to apply prevention, control and mitigation measures by drawing up an action plan with priorities established according to the degree of risk monitors its implementation and verifies the effectiveness of the respective control measures.

As part of the REN Group's risk management system, the following activities were carried out in 2024, among others:

- Review and updating by the Risk Owners of the risks under their responsibility and communicated to the Risk Management Committee;
- Redefinition of indicators (associated metrics) of the more severe risks; and
- Evaluation of the maturity of the Risk Management System.

It should further be noted that REN has implemented a series of changes to its internal control and risk management systems, involving the components previously provided for in CMVM Recommendations and currently provided for in the IPCG Code. It has also been guided by the rules of the International Organization for Standardization (ISO).

In addition, REN has been integrating sustainability criteria into its decision-making process. This integration is already expressly provided for in the process of selecting the Statutory Auditor, which is also the external auditor. In accordance with article 3.1.2, c), iv, of the External Auditor Regulations, the specifications that must be drawn up for the audit firms invited to take part in the tender to select the Statutory Auditor must include, among the selection criteria, the resources allocated to the audit, namely the team and its qualifications, knowledge and ability to audit ESG criteria.

On the other hand, the agreement to be concluded with the statutory auditor must include an audit of compliance with sustainability reporting, namely in terms of environmental, social and governance information in accordance with the ESG criteria in force (article 3.1.4., k), of the External Auditor Regulations).

The Audit Committee is obliged to review the Regulations on the External Auditor in the event of a revision of the Directive on sustainability reporting or of the standards on sustainability reporting, if this revision has an impact on the Regulations (articles 6.4.1. and 6.4.2., h) and i), of the External Auditor Regulations).

In these terms, REN ensures the necessary control and audit of the sustainability report, which is one of the ways in which REN considers climate risks in the organization and how it considers climate risk analysis in decision-making processes, in compliance with Recommendation VII.8. of the IPCG Code.

In 2024, the company continued to implement a homogeneous and integrated corporate risk management strategy across the entire organization, aligned and structured in accordance with the specific priorities and features of each of the company's areas.

III.55.Main elements in the internal control and risk management systems implemented at the Company with regard to the financial information disclosure process (Art. 29-H(1)(l)

REN regularly provides information, including financial information, to strictly monitor its operations. In this regard, all management information provided both for internal use and for disclosure to other organizations and to the market, is prepared on the basis of sophisticated IT systems. REN carries out initiatives that seek to continually improve the support information processes and systems that produce financial and management information and other information, as better described in the previous section.

It is the Audit Committee's responsibility to supervise the process for the preparation and disclosure of financial information. As such, the Audit Committee held meetings to monitor these processes with the members of the Executive Committee, the Statutory Auditor and External Auditor and with those responsible for the financial management department, accounts and management planning and control.

In addition, it is the responsibility of the Ethics and Corporate Governance Committee to promote the adoption of guidelines regarding information disclosed to the market. It is the responsibility of the Investor Relations Office (IRO) to coordinate, prepare and disclose all the information made available by the REN Group regarding the disclosure of inside information and other communications to the market. IRO is also responsible for the publication of the periodic financial statements, as well as developing and maintaining the investor relations page on the company's website.

IV. INVESTOR SUPPORT

IV. 56. Service responsible for investor support, composition, functions, information provided by this service and contact information

The service responsible for investor support is the IRO. It was founded created in July 2007 and works exclusively in the preparation, management and coordination of all activities necessary to achieve REN's objectives in its relations with shareholders, investors and analysts, as well as the regulator (CMVM). This office ensures communication that offers a full, coherent and comprehensive vision of REN, thereby facilitating investment decisions and creating sustained value for shareholders. It also provides clarification on information published by REN.

IRO contacts:

E-mail: ir@ren.pt

Madalena Garrido (Head of the Department):
madalena.garrido@ren.pt

Mariana Asseiceiro:
mariana.asseiceiro@ren.pt

Telma Mendes:
telma.mendes@ren.pt

Address:
REN - Redes Energéticas Nacionais, SGPS, S.A. A/ C: Direção Relações com Investidores
Avenida dos Estados Unidos da América, 55, 1749-061 Lisboa - Portugal

Telephone: 21 001 35 46

The IRO has the following main duties:

a) Act on REN's behalf with shareholders, investors and financial analysts, ensuring equality of service for shareholders and preventing information asymmetries;

b) Ensure that feedback from institutional investors is communicated to the Executive Committee;

c) Guarantee timely compliance with CMVM obligations and other financial authorities;

d) Coordinate, prepare and disclose all information made available by the REN Group with regard to disclosure of privileged information and other communications to the market, and in relation to the publication of periodic financial statements;

e) Systematically monitor the content of analyst research work with the aim of contributing to a correct evaluation of the Company's strategy and results;

f) Prepare and continuously monitor the financial and operational benchmarking of competitors and peer group;

g) Attract the interest of potential institutional investors, as well as a greater number of financial analysts;

h) Draw up an annual activities plan for the IRO, including road-shows, visits to investors and the organization of Capital Markets Day; and

i) Develop and maintain the Investor Relations page on the Company's website/ Investors app.

IV.57. Representative for market relations

Since 28 March 2012, the REN Representative for Market Relations has been the Director Gonçalo Morais Soares who is also the Chief Financial Officer (CFO) of the REN Group.

IV.58. Information on the proportion of, and response time to, requests for information received this year or in previous years and still pending

Investor requests were responded to in a timely manner, generally on the same day or, in cases where the request required the receipt of information from third parties, as soon as it was received. Within the scope of the IRO office's activity, around 70 requests for information (including emails and telephone contacts) were received from institutional and/ or retail investors, 130 meetings were held with investors, we took part in 15 conferences and roadshows (nationally and internationally), and we had 110 interactions with our analysts (including meetings and other clarifications) throughout the year. The considerable increase in the number of meetings with investors/ analysts, i.e.,. with the market, reinforced our focus on and commitment to these stakeholders, who are so important to REN.

Another form of contact with capital markets remained through conference calls commenting on the results of each quarter of the year, in which both analysts and institutional investors participated.

Also, in relation to information duties, REN published, in line with the stipulated terms, press releases on the Portuguese Securities Market Commission.

REN maintains an updated record of requests for information lodged, as well as the treatment they received.

V. INTERNET SITE

V. 59. Address(es)

The Company's website is available in Portuguese and English.

V. 60. Place where information on the firm can be found, the quality of open company, its registered office and all other information mentioned in article 171 of the Portuguese Companies Code

On REN's website , in the area labelled "Investors", there is a tab called "Current Quotation", where information is published on the company, its type, head office and other details mentioned in article 171 of the CSC.

V. 61. Place where the Articles of Association and operating regulations for the bodies and/ or committees can be found

On REN's website, within the area labelled "Investors", we find a tab on "Corporate governance and structure", within which, in turn, we find a series of tabs with Information on the articles of association, regulations and documents:

- Articles of Association, in the "Articles of Association" tab;
- Board of Directors Regulations, in the "Board of Directors" tab;
- Audit Committee Regulations, in the "Audit Committee" tab;
- Executive Committee Regulations, in the "Executive Committee" tab;
- Ethics and Corporate Governance Committee Regulations, in the " Committees" tab;
- Nominations and Appraisals Committee Regulations, in the " Committees" tab;
- Remuneration Committee Regulations, in the " Committees" tab;
- Sustainability Committee Regulations, in the " Committees" tab;
- External Auditor Regulations, in the "Audit Committee" tab;
- Regulations on transactions with related parties in the "Regulatory Compliance Programme" tab;
- Regulations on transactions of financial instruments by REN directors in the "Regulatory Compliance Programme" tab;
- Regulations on Applicable Procedures for Processing Communications Regarding Irregularities and the Assessment of Irregularities in the "Regulatory Compliance Programme" tab;
- Regulations on procedures relating to the compliance with the Market Abuse Regulation in the "Regulatory Compliance Programme" tab; and
- Integrity Policy of the Group in the "Regulatory Compliance Programme" tab.

V.62. Place where information is made available on the identity of members of the corporate bodies, the Representative for Market Relations, the Investor Support department or similar structure, their respective functions and means of access

On REN's website, within the area identified as "Investors", there is a tab relating to "Corporate governance and structure", within which we find the composition of the governing bodies.

On the other hand, on REN's website, within the area identified as "investors", information is published on the identity of the market relations representative and the investor relations department, as well as their contact details and duties.

V.63. Place where accounting records are made available, which must be accessible for at least ten years , as well as a half-yearly calendar of company events, announced at the start of each semester, including, amongst others, General Meetings, publishing of annual, half yearly and, where applicable, quarterly reports

On REN's website, in the area labelled "Investors", there is a tab for "Results", where the financial statements are published and remain accessible for at least ten years.

The calendar of company events is also available on the same website, in a tab labelled "Events and meetings".

V.64. Place where the notice to convene a General Meeting is published as well as all the preparatory documents and documents resulting from said meeting

On REN's website, within the area identified as "Investors", we find a tab for "Corporate governance and structure", within which, in turn, there is a tab called "General Meeting", where we find the notice of meeting, the proposed resolutions and the minutes of the General Meeting.

V.65. Place where a historic record is made available with all the resolutions adopted at the company's General Meetings, the represented share capital and voting results for the previous three years

On the website, REN provides extracts from the minutes of General Meetings.

On the website, REN maintains an historic record of notices to convene, agendas and resolutions adopted at General Meetings, as well as information on the represented share capital and voting results for the respective meetings, going back a minimum of five years.

See V.64. with regard to where this information is provided.

8.4 REMUNERATION

I. COMPETENCE TO DETERMINE REMUNERATION

I. 66. Indication with regard to competence to determine the remuneration of corporate bodies, members of the Executive Committee or delegated director and the Company's directors

The REN General Meeting is responsible for the appointment of the members of the Remunerations Committee[83], which is responsible for setting the remuneration and for submitting a proposal to the General Meeting on the remuneration policy for members of management and supervisory bodies. The Remunerations Committee is responsible for presenting and submitting to the shareholders of the remuneration policy for corporate bodies, as well as for determining the respective remunerations, including the respective complements to the policy approved at the General Meeting.

The aforementioned remuneration policy covers all company officers (within the meaning of Article 3(1)(25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014), by reference to Article 29-R of the Securities Code. The Board of Directors of REN understands that these officers are only members of the company's management and supervisory bodies, since only those, having regular access to privileged information, also have the power to take management decisions likely to affect the evolution and future prospects of REN.

The Nominations and Appraisals Committee does not have any duties concerning the definition of remuneration of the Board of Directors, but the assessment performed by this Committee may potentially and indirectly impact on such remuneration.

II. REMUNERATION COMMITTEE

II.67. Composition of the Remuneration Committee, including identification of natural or legal persons hired to provide support and declaration on the independence of each of the members and consultants

On 31 December 2024, the following three members, appointed at the annual General Meeting of 9 May 2024, were on the Remunerations Committee (three-year period of 2024-2026):

NAME	POSITION
João Duque (independent)	Chairman
José Galamba de Oliveira (independent)	Member
Fernando Neves de Almeida (independent)	Member

Information on the composition of the Remuneration Committee and the number of meetings held annually can be found on REN website.

The current Remunerations Committee is comprised by members who are independent from the management. To such extent, the Remunerations Committee does not include any member of other corporate bodies for which it determines the respective remuneration. Its three members in office do not have any family relationship with members of such other bodies, notably spouses, relatives and kin, in a direct line, up to the 3rd degree, inclusive.

To support it in its duties, the Remunerations Committee did not hire any natural or legal person which provides, without its prior authorisation, or has provided in the last three years, services to any structure under the Board of Directors, reporting to the Board of Directors itself or which has any current relationship with the Company or with Company consultants, or any natural or legal person related to these bodies through a work or services contract.

In any case, the Remunerations Committee may, in accordance with its regulations, freely decide on the contracting, by the Company, of the consulting services necessary or convenient for the performance of its functions, within the budgetary limits of the Company, ensuring that the services are provided independently and that the respective providers will not be contracted for the provision of any other services to

[83] *See article 8 (2) (d) of the Articles of Association.*

the Company itself or to others that are in a domain or group relationship without its express authorization.

The Remunerations Committee Regulations, approved in January 2019, which establish, inter alia, the performance of the respective duties, chairing, frequency of meetings, functioning and framework of duties of its members are available on REN website.

As set out in its Regulations, and as was already the case prior to the adoption of these regulations, detailed minutes are drawn up, approved and signed by all the members present at the meetings.

At the Annual General Meeting of 2024, João Duque was present, on behalf of the Remunerations Committee. In addition, the Remunerations Committee Regulations provide for the obligation of the Chairman of the Remunerations Committee or, if not possible, another member of the Remunerations Committee, to be present and to provide information or clarifications requested by the shareholders at the Annual General Meeting. Such presence is also required in any other case where the agenda includes a matter related to the remuneration of the members of the company's bodies and committees or when requested by shareholders.

II.68. Expertise and experience of the Remunerations Committee in matters or remuneration policy

All members of the Remunerations Committee have the necessary knowledge, acquired through their academic training and professional experience required to reflect and decide upon all matters under the Remuneration Committee remit, taking into account that set out below.

Each member of the Remunerations Committee has a specific academic background in management, and one of the members (Fernando Neves de Almeida), holds a degree in human resource management. This training provides them with the necessary and relevant theoretical expertise to perform their duties. It should also be noted that Fernando Neves de Almeida continues his academic work in the field of human resources, being executive coordinator of Ph.D., master and bachelor programmes in the fields of strategic management and human resources areas and has published several papers and books on this area.

Moreover, the Remunerations Committee consists of three members with vast professional experience, working for consultancies, the government and in numerous different sectors of activity, both in Portugal and abroad. Therefore, all the members of the Remunerations Committee have continued to perform duties as i) members of the management body of several national and international entities in highly varied sectors of activity, ii) positions of management and consulting in financial regulators, and iii) positions of management at consultancies in the fields of management, technology and human resources, thus consolidating relevant practical knowledge with regard to remunerations policy, performance assessment systems and complementary areas.

III. REMUNERATION STRUCTURE

III.69. Description of the remuneration policy for management and supervisory bodies as referred to in Article 26-C of the Securities Code

As an issuer of shares admitted to trading on the regulated market, REN is subject to Portuguese Securities Code as amended by Law 50/2020 of 25 August, as well as to the recommendations of the IPCG Code. With regard to the modifications made by Law No 50/2020, of 25 August, the report on remuneration for the purposes of the Article 26-G of the Securities Code, as it stands, is attached to this document.

Therefore, on one hand, in the interest of transparency and legitimacy of the setting of the remuneration policy (according to the say-on-pay principle, internationally recognized with regard to good corporate governance) and, on the other hand, for purposes of compliance with legal provisions and recommendations, the Remuneration Committee submitted the remuneration policy for corporate bodies for the term of office of 2024-2026.

On May 9 2024, the proposal of remuneration policy of the corporate bodies presented by the Remuneration Committee was approved by a majority of 99.87% at the General Meeting, which includes the elements described in article 26-C (2) of the Securities Code.

The remuneration policy of REN's corporate bodies follows the guidelines set out below:

- To be simple, clear, transparent and aligned with REN culture;
- To be suitable and fitting to the size, economic conditions, nature, scope, strategy and specificity of REN's activity;
- To ensure total remuneration, which is competitive and equitable and in line with the best practices and latest trends seen in Portugal and in Europe, particularly with regard to REN's peers, that attracts, at an economically justifiable cost, qualified professionals, in order to induce the alignment of interests with those of shareholders and contribute to REN's corporate strategy, long-term interests and sustainability - taking into consideration the wealth effectively created by society, the economic situation and that of the market - and to constitute a factor for the development of a culture of professionalization, and to promote merit and transparency in REN;
- To be evolutionary, but not disruptive; and
- To incorporate a fixed remuneration adjusted to functions, availability, competence and responsibilities of the Board of Directors' Members.

Regarding the components of the remuneration of the executive members of the Board of Directors, including of the CEO, the remuneration policy is mainly determined based on the following principles: i) competitiveness, taking into consideration the practices of the Portuguese market; ii) uniform, consistent, fair and balanced criteria, that award performance; iii) assessment of performance, in accordance with duties and responsibilities, as well as real performance, the assumption of suitable levels of risk and compliance with the rules applicable to REN activity, also taking into account compliance with the strategic plan and REN's budget, risk management, the internal functioning of the Board of Directors and the contribution of each member for this purpose, as well as the relationship between the Company's bodies and committees; iv) incorporation of a variable remuneration component that is globally reasonable in relation to the fixed remuneration component, without encouraging the assumption of excessive risks, with a short-term component and a medium/ long- term component, both with maximum limits; v) alignment of executive directors' interests with the Company's and its sustainability and creation of long-term wealth, including by indexing the medium/ long-term remuneration to the evolution of REN's share price; and vi) the variable remuneration indexed to REN's actual performance, measured against specific, unambiguous and measurable objectives in line with the interests of REN's stakeholders.

The remuneration of the executive directors, including of the CEO, includes a fixed component, superior in the case of the CEO (by comparison to the other Directors), and a variable component. The variable component consists of a parcel which aims to remunerate short-term performance and another with the same purpose based on medium/ long-term performance, as described in further detail below. In the case of unfair dismissal and termination of duties of an Executive Director, no compensation, other than that legally owed, is due if it is the result of inadequate performance by that Executive Director. The fixed remuneration of executive directors is updated annually in line with the Consumer Price Index. However, in 2024, similarly to 2023, it was expressly stated in the remuneration policy that the update of the Fixed Remuneration of executive directors will not exceed the average variation applied that year to most of the REN Group's employees in the remuneration category equivalent to that of directors, and will be adjusted to this update value whenever the equation provided for in the Policy results in a higher increase than that of the employees.

In 2024 the, ESG aggregate, called rating performance, which will assess the evolution of REN's performance in the main ESG indices, as well as its performance compared to the sector and its peers, was maintained by REN.

The assessment will, consequently, continue to be based on three macro aggregates: financial, operational and ESG. Within the ESG aggregate, the weighting is now divided between four criteria: i) health and safety; ii) gender diversity; iii) reduction of greenhouse gas emissions; and iv) rating performance.

Non-executive directors (including members of the Audit Committee) are entitled to fixed monthly remuneration, defined in line with the best practices observed at large- scale companies in the Portuguese market. The remuneration policy for non-executive members of the Board of Directors is guided by the main purpose of compensating the dedication and responsibility required for the performance of their duties.

The remuneration of the members of the Board of the General Meeting corresponds to an annual fixed sum.

Currently, there are no approved variable remuneration plans or programmes that consist of the allocation of shares, options to acquire shares or other incentive schemes based on a variation of the price of shares for members of the management or supervisory bodies (or persons discharging managerial functions, within the meaning of Article 3(1) (25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014), without prejudice to the method of calculating medium/ long-term variable remuneration (MLTVR), as described below.

Furthermore, there is no system of retirement benefits for the members of the management or supervisory bodies (or persons discharging managerial functions, within the meaning of Article 3(1) (25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014).

III.70. Information on how remuneration is structured so as to allow alignment of the interests of members of the management body with the Company's long-term interests, as well as how it is based on performance assessment and discourages taking on excessive risk

As mentioned in III.6.9 above, non-executive directors' remuneration (including the members of the Audit Committee) consists exclusively of a fixed component, paid in 12 monthly instalments over the year, and is not connected to the performance or value of REN, meeting the applicable recommendations on this matter.

The remuneration structure of executive directors consists of a fixed component and a variable component. There is adequate proportionality between both components, as explained in III.69. above and in greater detail described in Point 7 of Annex 1 of this Governance Report dedicated to the Annual Report on Remuneration of REN's Corporate Bodies.

III.71. Reference, if applicable, to the existence of a variable remuneration component and information on possible impact of performance assessment on this component

The remuneration structure of the Executive Committee consists of fixed and variable components, and in accordance with the remuneration policy in force, the variable component of remuneration for 2024 may include short and medium-term parcels - STVR and MLTVR[84].

For further detail on the principles inherent to the attribution of the STVR and the MLTVR, definition and metrics inherent to the Key Performance Indicators indexed to metrics of REN's strategic plan and operationalization of the remuneration policy see Points 7 and 10 of Annex 1 of this Governance Report dedicated to the Annual Report on Remuneration of REN's Corporate Bodies.

[84] *See points III.6.9. and III.7.0 above.*

III.72. Deferral of the payment of the variable remuneration component, with mention of the deferral period

The awarding of variable remuneration is divided into two components, each corresponding to 50% of the total variable remuneration granted for the relevant annual period, as follows.

Regarding the mechanisms inherent to the payment and deferral of the cash payment of variable remuneration see Point 10 of Annex 1 of this Governance Report dedicated to the Annual Report on Remuneration of REN's Corporate Bodies dedicated to the Annual Report on Remuneration of REN's Corporate Bodies.

III.73. Criteria on which the awarding of variable remuneration in shares is based, as well as on the maintaining, by the executive directors, of these shares, on possible signing of contracts which refer to the shares, more specifically hedging contracts or risk transfer contracts, the respective limit, and their relation to the value of total annual remuneration

At present, no plans to award variable remuneration in shares exist.

Furthermore, bearing in mind the objectives sought through the remuneration model stipulated, members of the board of directors of the Company have not entered into agreements either with the company or with third parties, designed to mitigate the risk inherent to the variability of their remuneration.

III.74. Criteria on which the awarding of variable remuneration in options is based and indication of the deferral period and the strike price

There are no variable remuneration plans or programmes that consist of the awarding of options to acquire shares or other incentive systems based on a variation of the price of shares (notwithstanding the method for calculating MTVR) for members of the management or supervisory bodies or persons discharging managerial functions, within the meaning of Article 3(1)(25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014.

III.75. Main parameters and basis of any system of annual bonuses and any other non-monetary benefits

In 2024, Executive Directors were entitled to transport intended for the regular performance of their duties and were also provided with health and life insurance and personal accident insurance for the performance of their duties. It is estimated that the value of these benefits is approximately 25,000 euros/ director.

There is no system of annual bonuses or any other non-monetary benefits, beyond the variable component of remuneration described above and in the previous paragraph.

III.76. Main characteristics of the complementary pensions or early retirement schemes for directors and the date on which they were approved at the General Meeting, in individual terms

There is no system of retirement benefits or pensions for the members of the management and supervisory bodies.

IV. DISCLOSURE OF REMUNERATION

IV.77. Indication of the annual amount of remuneration earned, jointly and individually, by the members of Company management bodies, paid by the Company, including fixed and variable remuneration and, with regard to the latter, mention of the different components where it originated

As regards, remuneration paid in 2024 to members of REN's management body, individually and collectively, please see Point 11 of Annex 1 of this Governance Report.

IV. 78. Sums paid for any reason by other companies in a controlling or group relationship or which are subject to common control

The members of the corporate bodies of REN did not receive any amounts paid by other companies in a controlling or group relationship with REN.

IV. 79. Remuneration paid in the form of profit sharing and/ or payment of bonuses and the reasons why such bonuses and/ or profit sharing were granted

There are no payments in the form of profit sharing and/ or payment of bonuses, beyond the variable component of remuneration described above.

IV. 80. Compensation paid or due to Ex Executive Directors for the termination of their duties during the term of office

During 2024 no executive directors left office and there were no amounts due or paid in the form of compensation to Ex-Executive Directors for the termination of their duties during office.

IV. 81. Indication of the annual amount of remuneration earned, jointly and individually, by the members of the Company's supervisory bodies, for the purposes of Article 26-C of the Securities Code, as it stands

With regard to the members of the Audit Committee, please see IV.77. above, and with regard to the Statutory Auditor, please see V.47. above.

IV. 82. Indication of the remuneration in the relevant year of the Chairman of the General Meeting

In 2024, the Chairman of the General Meeting received the fixed annual amount of 15,000 euros for carrying out the respective duties.

V. AGREEMENTS WITH REMUNERATION IMPLICATIONS

V. 83. Contractual limitations for compensation to be paid for unfair dismissal of a director and its relation to the variable remuneration component

In accordance with the remuneration policy approved by the Remunerations

Committee with regard to the financial year of 2024, which REN considers to be the adequate legal instrument for these purposes, if a director performs below the standards required by REN in the event of dismissal without just cause or termination of duties of an executive member of the Board of Directors through agreement, no compensation will be due, beyond that legally required. The consequences of the termination of the agreement are previously defined in accordance with the reasons for that termination. In 2024, REN also approved a revision of the Remuneration Policy, which consisted in particular in the inclusion of malus and clawback clauses, in order to make the variable remuneration of executive directors conditional on the absence of intentional illicit acts resulting in a conviction requiring a restatement of the company's accounts (with a record of asset depletion).

The legally owed compensation, in the event of unfair dismissal, corresponds to the compensation for damages suffered, which must not exceed the amount of compensation that the director would otherwise have received up to the end of the elected term.

V. 84. Reference to the existence and description, with indication of the amounts involved, of agreements between the Company and the members of the management body or other officers, in the meaning of Article 3(1)(25) of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, that would award compensation in the event of resignation, unfair dismissal or termination of the employment relationship, following a change in control over the Company (Article 29-H(1)(k)

There are no agreements between REN and the members of the management body or other officers (in the meaning of Article 3(1)(25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014), that would award compensation in the event of resignation or unfair dismissal or termination of the employment relationship, following a change in control over the Company.

VI. PLANS TO ALLOCATE SHARES OR STOCK OPTIONS

VI. 85. Identification of the plan and the respective recipients

There are no variable remuneration plans or programmes that consist of the awarding of shares, options to acquire shares or other incentive systems based on a variation of the price of shares (notwithstanding the method for calculating MLTVR) for members of the management or supervisory bodies or persons discharging managerial functions, within the meaning of Article 3(1)(25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014.

VI. 86. Characteristics of the plan (conditions of allocation, shares non-transferability clauses, criteria relating to the share price and exercise price, period during which options can be exercised, characteristics of the allocated shares or options to be awarded, existence of incentives for the acquisition of shares and/or the exercising of options)

See VI.85. above.

VI. 87. Stock option rights allocated for the acquisition of shares where beneficiaries are the Company workers or employees

See VI.85. above.

VI. 88. Control Mechanisms available in a possible scheme for worker participation in the share capital where voting rights shall not be directly exercised by said workers (Art. 29-H(1)(e)

There are no schemes for worker participation in the share capital of the Company.

8.5 TRANSACTIONS WITH RELATED PARTIES

I. CONTROL MECHANISMS AND PROCEDURES

I.89. Mechanisms implemented by the Company for purposes of controlling transactions with related parties (please see the concept resulting from IAS 24)

So as to provide for monitoring by the Audit Committee of transactions concluded or to be concluded by REN or its subsidiaries with related parties and the methodology to be adopted in the event of potential conflict of interests, the REN Audit Committee proposed to the Board of Directors an internal regulations for the Assessment and Monitoring of Transactions with Related Parties and Prevention of Conflict of Interest', which were approved by the Board of Directors on 11 November 2021 and remain in effect.

Under the internal regulation on "Assessing and Monitoring Transactions with Related Parties and Preventing Situations of Conflicts of Interest", which is in line with IAS 24, which is disclosed on the company's website and summarized herein, as per recommendation II.5.1. of the IPCG Code, the transactions entered into between a related party[85] and, on the other hand, REN or its subsidiaries, which are comprised in the situations provided for therein, and

[85] *In accordance with the meaning of international accounting standards adopted in accordance with European Regulation, in particular Regulation (EC) No 1606/2002. For the purposes of the internal regulations, a related party is: (a) any shareholder who has a qualified shareholding of the share capital of REN or any affiliated company; (b)a person or his family member who holds control 1 or joint control over REN or an affiliated company, or who has a significant influence over REN or an affiliated company, or who is a "key" element of the management of REN or an affiliated company; (c) an entity that is a member of the REN group; (d) an entity that is associated or has a joint venture with REN or an affiliated company; (e) an entity that is associated or has a joint venture with an entity with which REN or an affi liated company is associated or has a joint venture; (f) an entity which manages or somehow administers the post-employment benefits of REN's employees or of an entity related to REN; (g) an entity which is controlled or jointly controlled by a person identified in paragraph a); (h) an entity in which a person (or a relative) controlling or jointly controlling REN has significant influence or is a key element of the management of that entity (or of the parent company of that entity); i) an entity, or any entity of the same group, providing management services to REN or an affiliated company or its parent company.*

which include, inter alia, all the situations provided for in Law No 50/2020, are subject to prior or subsequent control, as provided therein, by the Audit Committee.

If the Audit Committee issues an unfavorable prior expert opinion, approval of the transaction by the Board of Directors is required to and must be particularly well-grounded so as to demonstrate that the completion of the transaction is in line with pursuing the corporate interest of REN or that of its subsidiaries and that the resulting advantages for them outweigh in a positive manner the disadvantages identified by the Audit Committee[86].

Finally, the Audit Committee also submits recommendations to the Board of Directors with regard to measures to prevent and identify conflicts of interests[87].

Moreover, in accordance with the Board of Directors internal regulations, transactions with related parties for sums exceeding 500,000 euros or, regardless of the sum, any transaction which may be considered as not being executed under market conditions or as outside the scope of the Company's ordinary course of business are matters which may not be delegated to the Executive Committee.

Furthermore, the internal regulation on "Assessing and Monitoring Transactions with Related Parties and Preventing Situations of Conflicts of Interest" provides for the adoption of procedures in line with Recommendations II.4.1. and II.4.2. of the IPCG Governance Code, which ensure that the member with a conflict of interest does not interfere with the decision-making process, without prejudice to the duty to provide information and clarifications requested. In particular, the member in conflict of interest i) must not receive any information regarding the matter; ii) must abstain from discussing the matter with other members of a management or supervisory body of REN or any of REN's affiliated companies; and iii) must not participate nor be present in the discussion and voting on the matter in question.

I.90. Indication of the transactions which were subject to control in the reference year

Pursuant to the internal regulations on "Assessing and Monitoring Transactions with Related Parties and Preventing Situations of Conflicts of Interest", the Audit Committee had prior intervention in the two transactions, carried out between companies of REN Group and related parties:

a) Group D&O Insurance and Brokerage Services for 2024-2025, in a deal executed with Fidelidade - Companhia de Seguros, S.A. (shareholder of REN - Redes Energéticas Nacionais, SGPS, S.A.), the maximum amount of which was €271,832.50, plus applicable taxes; and

b) REN Group Health Insurance for 2025-2027, in a deal signed with Costa Duarte / Fidelidade (shareholder of REN - Redes Energéticas Nacionais, SGPS, S.A.)/ Multicare, the maximum value of which was €2,998,698.99, plus taxes.

For more details on Related Party Transactions, see Financial Statements (in accordance with IAS 24 - Related Party Disclosures).

I.91. Description of the procedures and criteria applicable to the intervention of the supervisory bodies for the purposes of assessing business between the Company and the holders of qualified shareholdings or entities with which they are in any relationship pursuant to Article 20 of the Portuguese Securities Code

See I.89. above. The procedures and criteria outlined herein are applicable to transactions with the holders of qualified shareholdings or entities with which they are in any relationship pursuant to Article 20 of the Securities Code, given that these are by definition considered to be related parties in accordance with internal regulations for the "Assessment and Monitoring of Transactions with Related Parties and Prevention of Conflict of Interest".

II. INFORMATION RELATING TO BUSINESS

II.92. Indication of the location of accounting documents providing information regarding business with Related Parties, in accordance with IAS 24 or, alternatively, reproductions of this information

Point 34 of the Appendix to the financial statements of the 2024 Integrated Report, in accordance with IAS 24, includes a description of the principal elements of business with Related Parties, including business and operations carried out between the Company and holders of qualified shareholdings or associated entities.

Business between the Company and the holders of qualified shareholdings or entities with which they are in any relationship pursuant to Article 20 of the Securities Code was conducted under normal market conditions, during normal REN business, and was largely a result of regulatory obligations.

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[86] *See Points 4 and 5 of point VI of the abovementioned internal regulation.*

[87] *See Point X(I)(a) of the abovementioned internal regulation.*

9 ASSESSMENT OF CORPORATE GOVERNANCE

9.1 IDENTIFICATION OF THE ADOPTED CODE OF CORPORATE GOVERNANCE ADOPTED

With regard to the disclosure of Information on corporate governance, as an issuer of shares that are admitted to trading on the Euronext Lisbon regulated market, REN is subject to the regime established in the Securities Code and CMVM Regulation No 4/2013.

In accordance with Article 2 of CMVM Regulation No 4/2013, the Corporate Governance Code which the company is subject to or has voluntarily decided to implement must be identified.

The place where the Corporate Governance Code(s) to which the Company is subject is made available to the public shall also be indicated (Article 29-H(1)(o).

When preparing this report, REN referred to the Portuguese Institute of Corporate Governance Code, approved in 2018, and reviewed in 2023, available on REN website, as well as its rules of interpretation, available at the same address.

9.2 ANALYSIS OF COMPLIANCE ANALYSIS WITH THE ADOPTED CORPORATE GOVERNANCE CODE ADOPTED

Pursuant to Article 29-H(1)(n) of the Securities Code, as it stands, a statement shall be included on the acceptance of the Corporate Governance Code to which the issuer is subject, stating any divergence from the said code and the reasons for the divergence.

In accordance with Regulation 4/2013, in conjunction with the Corporate Governance Code of the Portuguese Institute of Corporate Governance, the information submitted should include, for each recommendation:

a) Information that enables the verification of compliance with the recommendation or referring to the part of the report where the issue is discussed in detail (chapter, title, paragraph, page);

b) Grounds for the potential non-compliance or partial compliance thereof (i.e., compliance with only part of the sub-recommendations, where applicable); and

c) In the event of non-compliance or partial compliance (i.e., compliance with only part of the sub-recommendations, where applicable), the details of any alternative mechanism adopted by the company for the purpose of pursuing the same objective of the recommendation, in this case, the company's judgment as to the existence of equivalence to compliance may be included.

As mentioned above, REN took the decision to adopt all recommendations laid out in the IPCG Code.

Therefore, REN hereby declares that it fully adopts all the abovementioned Portuguese Institute of Corporate Governance recommendations on corporate governance matters laid down in said Code, except for Recommendation IV.1.2., which is not adopted for the reasons described below, Recommendations III.2., III.6., IV.2.5., VI.2.10., VI. 3.3., and VI.3.4., which are not applicable to REN, and Recommendation III. 3., which should be considered materially adopted taking into account the explanation included below.

The chart below identifies IPCG Code recommendations and individually mentions those that have been adopted by REN and those that have not. It also indicates the chapters in this report where a more detailed description of measures taken for their adoption may be found with the aim of complying with the said recommendations.

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
I.	GENERAL PROVISIONS		
General Principle: A. Corporate governance promotes and fosters the pursuit of the respective long-term interests, performance and sustained development, and is structured in order to allow the interests of shareholders and other investors, staff, clients, creditors, suppliers and other stakeholders to be weighed, contributing to the strengthening of confidence in the quality, transparency and ethical standards of administration and supervision, as well as to the sustainable development of the community the companies form part of and to the development of the capital market. B. The Code is voluntary and compliance is based on the comply or explain principle, applicable to all Recommendations.			
I.	COMPANYS RELATIONSHIP WITH SHAREHOLDERS, INTERESTED PARTIES AND COMMUNITY AT LARGE		
	Principle I.I.A.: In their organisation, operation and in the definition of their strategy, companies shall contribute to the pursuit of the Sustainable Development Goals defined within the framework of the United Nations Organisation, in terms that are appropriate to the nature of their activity and their size. *Principle I.I.B.:* The company periodically identifies, measures and seeks to prevent negative effects related to the environmental and social impact of the operation of its activity, in terms that are appropriate to the nature and size of the company. *Principle I.I.C.*: In its decision-making processes, the management body considers the interests of shareholders and other investors, employees, suppliers and other stakeholders in the activity of the company.		
I.1.	The company specifies in what terms its strategy seeks to ensure the fulfilment of its long-term objectives and what are the main contributions resulting here from for the community at large.	Adopted	Integrated Management Report 2024, chapter 2.1 Strategy, 2.2 Commitments and 4. Sustainability statement Part II, chapter 9.3.4.
I.2.	The company identifies the main policies and measures adopted with regard to the fulfilment of its environmental and social objectives.	Adopted	Integrated Management Report 2024, chapter 2.1 Strategy (Sustainability Strategy section for priority areas of activity) Part I, chapter 8.1.2 ff. II.27. and Part 2, chapter 9.3.4.
II.	COMPOSITION AND FUNCTIONING OF THE CORPORATE BODIES		
	Information *Principle II.1.A.:* Companies and, in particular, their Directors treat shareholders and other investors in an equitable manner, namely by ensuring mechanisms and procedures for the adequate treatment and disclosure of information.		
II.1.1.	The company establishes mechanisms to adequately and rigorously ensure the timely circulation or disclosure of the information required to its bodies, the company secretary, shareholders, investors, financial analysts, other stakeholders and the market at large.	Adopted	Part I, chapters 8.1.2. ff. II.18. and III.38 and 8.1.3. ff. III.54., III.55. and IV.56

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
II.2.	*Diversity in the Composition and Functioning of the Corporate Bodies* *Principle II.2.A.:* Companies have adequate and transparent decision-making structures, ensuring maximum efficiency in the functioning of their bodies and committees[88]. *Principle II.2.B.:* Companies ensure diversity in the composition of their management and supervisory bodies and the adoption of individual merit criteria in the respective appointment processes, which shall be the exclusive responsibility of shareholders. *Principle II.2.C.:* Companies ensure that the performance of their bodies and committees is duly recorded, namely in minutes of meetings, that allow for knowing not only the sense of the decisions taken but also their grounds and the opinions expressed by their members.		
II.2.1.	Companies establish, previously and abstractly, criteria and requirements regarding the profile of the members of the corporate bodies that are adequate to the function to be performed, considering, notably, individual attributes (such as competence, independence, integrity, availability and experience), and diversity requirements (with particular attention to equality between men and women), that may contribute to the improvement of the performance of the body and of the balance in its composition.	Adopted	Part I, chapter 8.1.2 ff. II.16., II.27., II.29. and Part II, chapter 9.3.
II.2.2.	The management and supervisory bodies and their internal committees are governed by regulations - notably regarding the exercise of their powers, chairmanship, the frequency of meetings, operation and the duties framework of their members - fully disclosed on the website of the company, whereby minutes of the respective meetings shall be drawn up.	Adopted	Part 1, chapter 8.1.2 ff. II.22., II.27., II.29., III.34., 8.1.3, s. V.61. and 8.1.4 s. II.67.
II.2.3.	The composition and number of meetings for each year of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.	Adopted	Part 1 chapter 8.1.2 ff. II.23., III.35. and 8.1.4 s. II.67.
II.2.4	The companies adopt a whistle-blowing policy that specifies the main rules and procedures to be followed for each communication and an internal reporting channel that also includes access for nonemployees, as set forth in the applicable law.	Adopted	Part 1, chapter 8.1.3 ff. II.49., III.54. and Part 2, chapter 9.3.
II.2.5.	The companies have specialised committees for matters of corporate governance, remuneration, appointments of members of the corporate bodies and performance assessment, separately or cumulatively. If the Remuneration Committee provided for in Article 399 of the Portuguese Commercial Companies Code has been set up, the present Recommendation can be complied with by assigning to said committee, if not prohibited by law, powers in the above matters.	Adopted	Part 1, chapter 8.1.2 ff. II.27., II.29. and III.53.
II.3.	*Relations between Corporate Bodies* *Principle II.3.A.:* The corporate bodies create the conditions for them to act in a harmonious and articulated manner, within the scope of their responsibilities, and with information that is adequate for carrying out their functions.		
II.3.1.	The Articles of Association or equivalent means adopted by the company set out the mechanisms to ensure that, within the limits of the applicable laws, the members of the management and supervisory bodies have permanent access to all necessary information to assess the performance, situation and development prospects of the company, including, specifically, the minutes of the meetings, the documentation supporting the decisions taken, the convening notices and the archive of the meetings of the executive management body, without prejudice to access to any other documents or persons who may be requested to provide clarification.	Adopted	Part 1, chapter 8.1.2 ff. II.18., II.2.3. and III.38.
II.3.2	Each body and committee of the company ensures, in a timely and adequate manner, the inter-organic flow of information required for the exercise of the legal and statutory powers of each of the other bodies and committees.	Adopted	Part 1, chapter 8.1.2 ff. II.18., II.23. and III.38.
II.4.	*Conflicts of Interest* *Principle II.4.A.:* The existence of current or potential conflicts of interest between the members of bodies or committees and the company shall be prevented, ensuring that the conflicted member does not interfere in the decision-making process.		

[88] Committees, company committees, specialized committees or internal committees are understood to be committees composed mainly of members of company bodies, to whom they assign duties in the corporate sphere, excluding the remuneration committee appointed by the General Meeting, under the provisions of article 399 of the Commercial Companies Code, unless the Code expressly states otherwise.

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
II.4.1.	By internal regulation or an equivalent hereof, the members of the management and supervisory bodies and of the internal committees shall be obliged to inform the respective body or committee whenever there are any facts that may constitute or give rise to a conflict between their interests and the interest of the company.	Adopted	Part 1, chapter 8.1.2 ff. II.18. and II.29.
II.4.2.	The company adopts procedures to ensure that the conflicted member does not interfere in the decision-making process, without prejudice to the duty to provide information and clarification requested by the body, committee or respective members.	Adopted	Part 1, chapters 8.1.2 s. II.18. and 8.1.5. s. I.89.
II.5.	*Transactions with Related Parties* *Principle II.5.A.*: Transactions with related parties shall be justified by the interest of the company and shall be carried out under market conditions, being subject to principles of transparency and adequate supervision.		
II.5.1.	The management body discloses, in the corporate governance report or by other publicly available means, the internal procedure for verification of transactions with related parties.	Adopted	Part 1, chapters 8.1.1 s. II.10. and 8.1.5 s. I.89.
III.	**SHAREHOLDERS AND GENERAL MEETING**		
	Principle III.A.: The adequate involvement of shareholders in corporate governance constitutes a positive factor for the efficient functioning of the company and the achievement of its corporate objective. *Principle III.B.:* The company promotes the personal participation of shareholders at general meetings as a space for reflection on the company and for shareholders to communicate with the bodies and committees of the company. *Principle III.C.:* The company implements adequate means for shareholders to attend and vote at the general meeting without being present in person, including the possibility of sending in advance questions, requests for clarification or information on the matters to be decided on and the respective proposals.		
III.1.	The company does not set an excessively large number of shares to be entitled to one vote and informs in the corporate governance report of its choice whenever each share does not carry one vote.	Adopted	Part 1, chapter 8.1.2. ff. II.12.
III.2.	The company that has issued special plural voting rights shares identifies, in its corporate governance report, the matters that, pursuant to the company's Articles of Association, are excluded from the scope of plural voting.	N/A	
III.3.	The company does not adopt mechanisms that hinder the passing of resolutions by its shareholders, specifically fixing a quorum for resolutions greater than that foreseen by law.	Adopted (equivalent explain)	Part 1, chapter 8.1.2. ff. II.14. The company believes that the majorities provided for in Articles 11(2) and 11(3) of the Articles of Association, which are more demanding than those defined by law, are justified by the fact that the matters in question are strategic and of structural importance, and that their amendment should therefore require a broader consensus of the shareholders. With particular regard to the majority provided for in Article 11(3), this is justified by the fact that the articles in question are intended to enable the company to monitor compliance with various legal obligations and the ERSE Decision on full legal and asset separation (full unbundling).
III.4.	The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.	Adopted	Part 1, chapter 8.1.2. ff. II.12.
III.5.	The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically.	Adopted	Part 1, chapter 8.1.2. ff. II.12.
III.6.	The Articles of Association of the company that provide for the restriction of the number of votes that may be held or exercised by one single shareholder, either individually or jointly with other shareholders, shall also foresee that, at least every five years, the general meeting shall resolve on the amendment or maintenance of such statutory provision - without quorum requirements greater than that provided for by law - and that in said resolution, all votes issued are to be counted, without applying said restriction.	N/A	Part 1, chapter 8.1.1. ff. I.2. and I.5. The Articles of Association do not provide for any mechanism for renewing or revoking these statutory rules, since their existence is due to compliance with legal and administrative requirements, so this recommendation should be considered not applicable to REN.

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
III.7.	The company does not adopt any measures that require payments or the assumption of costs by the company in the event of change of control or change in the composition of the management body and which are likely to damage the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the Directors.	Adopted	Part 1, chapter 8.1.1. sec. I.4.
IV.	MANAGEMENT		
IV.1.	*Management Body and Executive Directors* *Principle IV.1.A.:* The day-to-day management of the company shall be the responsibility of executive directors with the qualifications, skills, and experience appropriate for the position, pursuing the corporate goals and aiming to contribute to its sustainable development. *Principle IV.1.B.:* The determination of the number of executive directors shall take into account the size of the company, the complexity and geographical dispersion of its activity and the costs, bearing in mind the desirable flexibility in the running of the executive management.		
IV.1.1.	The management body ensures that the company acts in accordance with its object and does not delegate powers, notably with regard to: i) definition of the corporate strategy and main policies of the company; ii) organization and coordination of the corporate structure; iii) matters that shall be considered strategic due to the amounts, risk and particular characteristics involved.	Adopted	Part 1, chapter 8.1.2. ff. II.21.
IV.1.2.	The management body approves, by means of regulations or through an equivalent mechanism, the performance regime for executive directors applicable to the exercise of executive functions by them in entities outside the group.	Not adopted	Part 1, chapter 8.1.2. ff. II.26. REN's executive directors exclusively serve on the governing bodies of subsidiaries and companies in which REN has a stake. In this way, and despite the fact that there are no internal regulations specifically aimed at executive directors in this regard, the availability of directors to carry out their duties is total, ensuring that the interests of the company and the Group are pursued to their full potential at all times. For this reason, the Board of Directors has not formally approved internal regulations on the exercise of executive functions in entities outside the group.
IV.2.	*Management Body and Non-Executive Directors* *Principle IV.2.A.:* For the full achievement of the corporate objective, the non-executive directors shall exercise, in an effective and judicious manner, a function of general supervision and of challenging the executive management, whereby such performance shall be complemented by commissions in areas that are central to the governance of the company. *Principle IV.2.B.:* The number and qualifications of the non-executive directors shall be adequate to provide the company with a balanced and appropriate diversity of professional skills, knowledge and experience.		
IV.2.1	Notwithstanding the legal duties of the chairman of the board of directors, if the latter is not independent, the independent directors - or, if there are not enough independent directors, the nonexecutive directors - shall appoint a coordinator among themselves to, in particular i) act, whenever necessary, as interlocutor with the chairman of the board of directors and with the other directors, ii) ensure that they have all the conditions and means required to carry out their duties, and iii) coordinate their performance assessment by the administration body as provided for in Recommendation VI.1.1.; alternatively, the company may establish another equivalent mechanism to ensure such coordination.	Adopted	Part 1 chapter 8.1.2. ff. II.18.
IV.2.2.	The number of non-executive members of the management body shall be adequate to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficient performance of the tasks entrusted to them, whereby the formulation of this adequacy judgement shall be included in the corporate governance report.	Adopted	Part 1, chapter 8.1.2. ff. II.18. and III.31.
IV.2.3.	The number of non-executive directors is greater than the number of executive directors.	Adopted	Part 1, chapter 8.1.2. ff., II.17 and II.18.

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
IV.2.4.	The number of non-executive directors that meet the independence requirements is plural and is not less than one third of the total number of non-executive directors. For the purposes of the present Recommendation, a person is deemed independent when not associated to any specific interest group in the company, nor in any circumstances liable to affect his/ her impartiality of analysis or decision, in particular in virtue of: i) Having carried out, continuously or intermittently, functions in any corporate body of the company for more than twelve years, with this period being counted regardless of whether or not it coincides with the end of the mandate; ii) Having been an employee of the company or of a company that is controlled by or in a group relationship with the company in the last three years; iii) Having, in the last three years, provided services or established a significant business relationship with the company or with a company that is controlled by or in a group relationship with the company, either directly or as a partner, director, manager or officer of a legal person; iv) Being the beneficiary of remuneration paid by the company or by a company that is controlled by or in a group relationship with the company, in addition to remuneration stemming from the performance of the functions of director; v) Living in a non-marital partnership or being a spouse, relative or kin in a direct line and up to and including the 3rd degree, in a collateral line, of directors of the company, of directors of a legal person owning a qualifying stake in the company or of natural persons owning, directly or indirectly, a qualifying stake; and vi) Being a holder of a qualifying stake or representative of a shareholder that is holder of a qualifying stake.	Adopted	Part 1, chapter 8.1.2. ff. II.18.
IV.2.5.	The provisions of paragraph i) of the previous Recommendation do not prevent the qualification of a new Director as independent if, between the end of his/ her functions in any corporate body and his/ her new appointment, at least three years have elapsed (cooling-off period).	N/A	There is no REN director in this situation.
V.	**SUPERVISION**		
	Principle V.A.: The supervisory body carries out permanent supervision activities of the administration of the company, including, also from a preventive perspective, the monitoring of the activity of the company and, in particular, the decisions *Principle V.B.:* The composition of the supervisory body provides the company with a balanced and adequate diversity of professional skills, knowledge and experience.		
V.1.	With due regard for the competences conferred to it by law, the supervisory body takes organization of the strategic guidelines and evaluates and renders an opinion on the risk policy, prior to its final approval by the administration body.	Adopted	Part 1, chapter 8.1.2 ff. III.38, chapter 8.1.3 ff. III.50. ff. on risk policy.
V.2.	The number of members of the supervisory body and of the financial matters committee should be adequate in relation to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficiency of the tasks entrusted to them, and this adequacy judgement should be included in the corporate governance report.	Adopted	Part 1, chapter 8.1.2 ff. II.18. and III.31.
VI.	**PERFORMANCE ASSESSMENT, REMUNERATION AND APPOINTMENTS**		
VI.1.	*Annual Performance Assessment* *Principle VI.1.A.:* The company promotes the assessment of performance of the executive body and its individual members as well as the overall performance of the management body and its organization committees.		
VI.1.1.	The management body - or committee with relevant powers, composed of a majority of non-executive members - evaluates its performance on an annual basis, as well as the performance of the executive committee, of the executive directors and of the company committees, taking into account the compliance with the strategic plan of the company and of the budget, the risk management, its internal functioning and the contribution of each member to that end, and the relationship between the bodies and committees of the company.	Adopted	Part 1, chapter 8.1.2 ff. II.24.

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
VI.2	*Remuneration* *Principle VI.2.A.:* The remuneration policy for members of the management and supervisory bodies shall allow the company to attract qualified professionals at a cost that is economically justified by their situation, provide for the alignment with the interests of the shareholders - taking into consideration the wealth effectively created by the company, the economic situation and the market situation - and shall constitute a factor for developing a culture of professionalism, sustainability, merit promotion and transparency in the company. *Principle VI.2.B.:* Taking into consideration that the position of directors is, by nature, a remunerated position, directors shall receive a remuneration: i) that adequately rewards the responsibility undertaken, the availability and competence placed at the service of the company; ii) that ensures a performance aligned with the long-term interests of shareholders and promotes the sustainable performance of the company; and iii) that rewards performance.		
VI.2.1.	The company constitutes a remuneration committee, whose composition shall ensure its independence from the board of directors, whereby it may be the remuneration committee appointed pursuant to Article 399 of the Portuguese Commercial Companies Code.	Adopted	Part 1, chapter 8.1.4 ff. I.66., I.67.
VI.2.2.	The remuneration shall be fixed by the remuneration committee or the general meeting, on a proposal from that committee.	Adopted	Part 1, chapter 8.1.4 ff. I.66.
VI.2.3.	The company discloses in the corporate governance report, or in the remuneration report, the termination of office of any member of a body or committee of the company, indicating the amounts of all costs related to the termination of office borne by the company, for any reason, during the financial year in question.	Adopted	Part 1, chapter 8.1.4 ff. III.76. and IV.80. e V.83.
VI.2.4.	In order to provide information or clarification to shareholders, the president or another member of the remuneration committee shall be present at the annual general meeting and at any other general meeting at which the agenda includes a matter related to the remuneration of the members of bodies and committees of the company, or if such presence has been requested by shareholders.	Adopted	Part 1, chapter 8.1.4 ff. II.67.
VI.2.5.	Within the budget constraints of the company, the remuneration committee may freely decide to hire, on behalf of the company, consultancy services that are necessary or convenient for the performance of its duties.	Adopted	Part 1, chapter 8.1.4 ff. II.67.
VI.2.6.	The remuneration committee ensures that such services are provided independently.	Adopted	Part 1, chapter 8.1.4 ff. II, 67.
VI.2.7.	The providers of said services are not hired by the company itself or by any company controlled by or in group relationship with the company, for the provision of any other services related to the competencies of the remuneration committee, without the express organization of the committee.	Adopted	Part 1, chapter 8.1.4 ff. II.67.
VI.2.8.	In view of the alignment of interests between the company and the executive directors, a part of their remuneration has a variable nature that reflects the sustained performance of the company and does not encourage excessive risk-taking.	Adopted	Part 1, chapter 8.1.4 ff. III.69., III.70. and III.71.
VI.2.9.	A significant part of the variable component is partially deferred over time, for a period of no less than three years, and is linked to the confirmation of the sustainability of performance, in terms defined in the remuneration policy of the company.	Adopted	Part 1, chapter 8.1.4 ff. III.71. e III.72.
VI.2.10.	When the variable remuneration includes options or other instruments directly or indirectly subject to share value, the start of the exercise period is deferred for a period of no less than three years.	N/A	Part 1, chapter 8.1.4 ff. III.74. Variable remuneration does not have the relevant characteristics for the purposes of applying the Recommendation.
VI.2.11.	The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value.	Adopted	Part 1, chapter 8.1.4 ff. III.69. and III.70.

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
VI.3.	*Appointments* *Principle VI.3.A.:* Regardless of the method of appointment, the knowledge, experience, professional background, and availability of the members of the corporate bodies and of the senior management shall be adequate for the job to be performed[89].		
VI.3.1.	The company promotes, in the terms it deems adequate, but in a manner susceptible of demonstration, that the proposals for the appointment of members of the corporate bodies are accompanied by grounds regarding the suitability of each of the candidates for the function to be performed.	Adopted	Part 1, chapter 8.1.2 ff. II.16.
VI.3.2.	The committee for the appointment of members of corporate bodies includes a majority of independent directors.	Adopted	Part 1, chapter 8.1.2 ff. II.27. and II.29.
VI.3.3	Unless it is not justified by the size of the company, the task of monitoring and supporting the appointments of senior managers shall be assigned to an appointment committee.	N/A	Part 1, chapter 8.1.2 ff., I.66., II.27. and II.29. REN believes that only members of the company's management and supervisory bodies are included in the definition of senior management, since only those who have regular access to privileged information also have the power to make management decisions that could affect REN's evolution and future prospects. For this reason, it did not create an appointments committee in addition to the one already existing within the Board of Directors, for the purposes of appointing new members of this body.
VI.3.4.	The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organization, an adequate diversity including regarding gender equality.	N/A	REN understands that the definition of senior management only encompasses the members of the company's management and supervisory bodies[90], hence REN hasn't created an additional nominations committee to the committee already established within the Board of Directors for the purpose of appointing other members of such body.
VII.	**INTERNAL CONTROL**		
	Principle VII.A.: Based on the medium and long-term strategy, the company shall establish a system of internal control, comprising the functions of risk management and control, compliance and internal audit, which allows for the anticipation and minimisation of the risks inherent to the activity developed.		
VII.1.	The management body discusses and approves the strategic plan and risk policy of the company, which includes setting limits in matters of risk-taking.	Adopted	Part 1, chapter 8.1.2 ff II.21. and II.24.; chapter 8.1.3 ff. III.50.
VII.2.	The company has a specialised committee or a committee composed of specialists in risk matters, which reports regularly to the management body.	Adopted	Part 1, chapter 8.1.2 ff. III.50. and III.54.
VII.3.	The supervisory body is organised internally, implementing periodic control mechanisms and procedures, in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the administration body.	Adopted	Part 1, chapters 8.1.3 ff. III.50., III.51. and III.54.
VII.4.	The internal control system, comprising the risk management, compliance, and internal audit functions, is structured in terms that are adequate to the size of the company and the complexity of the risks inherent to its activity, whereby the supervisory body shall assess it and, within the ambit of its duty to monitor the effectiveness of this system, propose any adjustments that may be deemed necessary.	Adopted	Part 1, chapters 8.1.2 s. III.38. and 8.1.3 ff. III.50.
VII.5.	The company establishes procedures of supervision, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance and performance of such system, as well as the prospects for changing the previously defined risk framework.	Adopted	Part 1, chapters 8.1.2 ff. III.38. and 8.1.3 ff. III.50., III.53., III.54.

[89] In this Code, managers are defined as people who are part of senior management, as defined (under the name "managers") by European and national legislation on listed companies, excluding members of company bodies.

[90] In accordance with the Note on the interpretation of the IPCG Code - note No 3, recommendation V.3.4 (now VI.3.4) should be interpreted as referring only to the commission provided for in recommendation V.3.2 (now VI.3.3).

CORPORATE GOVERNANCE CODE		ASSESSMENT	REFERENCE TO THE CORPORATE GOVERNANCE REPORT/ COMMENTS
VII.6.	Based on its risk policy, the company sets up a risk management function, identifying i) the main risks to which it is subject in the operation of its business, ii) the probability of their occurrence and respective impact, iii) the instruments and measures to be adopted in order to mitigate such risks, and iv) the monitoring procedures, aimed at following them up.	Adopted	Part 1, chapters 8.1.3 ff. III.50., III.53. and III.54.
VII.7.	The company establishes processes to collect and process data related to the environmental and social sustainability in order to alert the management body to risks that the company may be incurring and propose strategies for their mitigation.	Adopted	Part 1, chapter 8.1.2, II.27., II.29., III.53. and Part 2, chapter 9.3.4
VII.8.	The company reports on how climate change is considered within the organisation and how it takes into account the analysis of climate risk in the decision-making processes.	Adopted	Part 1, chapter 8.1.2, III.53 and III.54; III.69 and chapter 9.3.4
VII.9.	The company informs in the corporate governance report on the manner in which artificial intelligence mechanisms have been used as a decision-making tool by the corporate bodies.	Adotata	Part 1, chapter 8.2, II.21.
VII.10.	The supervisory body pronounces on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance, and internal audit functions, and may propose adjustments as deemed necessary.	Adopted	Part 1, chapters 8.1.2 ff. III.38 and 8.1.3 ff. III.50.
VII.11.	The supervisory body is the addressee of reports made by the internal control services, including the risk management, compliance, and internal audit functions, at least when matters related to accountability, identification or resolution of conflicts of interest and detection of potential irregularities are concerned.	Adopted	Part 1, chapters 8.1.2 ff. III.38. and 8.1.3 ff. III.50.
VIII.	**INFORMATION AND STATUTORY AUDITO OF ACCOUNTS**		
VIII.1.	*Information* *Principle VIII.1.A.:* The supervisory body, diligently and with independence, ensures that the management body observes its responsibilities in choosing policies and adopting appropriate accounting criteria and establishing adequate systems for financial and sustainability reporting, and for internal control, including risk management, compliance and internal audit. *Principle VIII.1.B.:* The supervisory body promotes a proper articulation between the work of the internal audit and that of the statutory audit of accounts.		
VIII.1.1.	The regulations of the supervisory body requires that the supervisory body monitors the suitability of the process of preparation and disclosure of information by the management body, including the appropriateness of accounting policies, estimates, judgements, relevant disclosures and their consistent application from financial year to financial year, in a duly documented and reported manner.	Adopted	Part 1, chapter 8.1.3 ff. III.38. and III.55.
VIII.2.	*Statutory audit and supervision* *Principle VIII.2.A.:* t is the responsibility of the supervisory body to establish and monitor formal, clear, and transparent procedures as to the relationship between the company and the statutory auditor and the supervision of compliance, by the statutory auditor, with the rules of independence imposed by law and by professional standards.		
VIII.2.1.	By means of regulation, the supervisory body defines, in accordance with the applicable legal regime, the supervisory procedures to ensure the independence of the statutory auditor.	Adopted	Part 1, chapter 8.1.2 ff. III.37., III.38., IV.40., V.44. and V.46.
VIII.2.2.	The supervisory body is the main interlocutor of the statutory auditor within the company and the first addressee of the respective reports, and is competent, namely, for proposing the respective remuneration and ensuring that adequate conditions for the provision of the services are in place within the company.	Adopted	Part 1, chapter 8.1.2 ff. III.38., V.45.
VIII.2.3.	The supervisory body annually evaluates the work carried out by the statutory auditor, its independence and suitability for the exercise of its functions and shall propose to the competent body its dismissal or termination of the contract for the provision of its services whenever there is just cause to do so.	Adopted	Part 1, chapter 8.1.2 ff. III.38., V.45.

9.3 OTHER INFORMATION

The company shall provide any additional Information which, not covered by the previous points, is relevant for understanding the governance model and practices implemented.

9.3.1 EQUALITY

In relation to 2024, for the purpose of no 1 of paragraph q) of Article 29-H of the Securities Code, it should be highlighted that REN has in force i) a Code of Conduct for the REN Group, which establishes a rule of equal treatment and non-discrimination, in particular, based on race, gender, age, physical disability, sexual orientation, political views or religious beliefs; ii) a "Plan for Equal Gender Equal Treatment" applicable to the REN Group; and iii) a Selection and Diversity Policy, which establishes the guiding principles considered by the Nominations and Appraisals Committee in the process of identifying and selecting potential candidates for the Board of Directors. In addition, REN formalised a strategic objective for the REN Group, in accordance with the ESG policy in progress, which aims to promote gender equality in order to 1/3 of 1st line management positions become occupied by women by 2030 see chapter 4.3.1 REN Employees.

REN considers diversity as a value that encourages efficiency, creativity and innovation, in selection of candidates for members of the corporate bodies, as a cross- pilar. As such, diversity has been adequately promoted in relation to qualifications and skills required for the exercise of those functions, as well as an adequate gender representation without negative discrimination of any kind.

In addition, in this respect, in 2015 REN also endorsed the commitment agreement with the Portuguese Government for gender equality in the corporate bodies of listed companies.

9.3.2 RELATIONS WITH STAKEHOLDERS

In 2022, REN formalized its Stakeholder Relations Policy, with the aim of maintaining a mutually positive relationship, with integrity and ethics with key stakeholders. This Policy lists the main principles to which REN is committed in all its activities in its relations with stakeholders.

In addition, REN conducts a stakeholder consultation every two years. In 2023, a new consultation was carried out, with an increase in participation of 83% compared to the previous process, carried out in 2021. The stakeholder consultation resulted in a review of the materially relevant issues for REN, in accordance with the concept of dual double materiality. The results of this analysis also served as the basis for the strategic sustainability review carried out, which is publicly available on the Group's website In 2024, the double materiality analysis was revised to ensure greater alignment with the European Sustainability Reporting Standards (ESRS).

In 2025 REN will conduct a new consultation to its stakeholders, following the European Financial Reporting Advisory Group (EFRAG) recommendations. See chapter 4.1.2. Materiality).

9.3.3 REGULATORY COMPLIANCE PROGRAM

With the aim of achieving excellence in preventing and combating illegal acts, namely those which may constitute the practice of crimes of money laundering, financing of terrorism, corruption and related offences, REN approved a compliance program that reflects this commitment, through the definition of fundamental principles and rules that must be complied with in this area, both by employees and other stakeholders.

Within the scope of the regulatory compliance program, REN's Group Integrity Policy is included, establishing the principles of action and duties of Group companies and other parties, in order to prevent the practice of illicit acts, namely crimes of corruption, money laundering and financing of terrorism, and to promote ethics, integrity and transparency in doing business, ensuring compliance with current legislation and regulations. Among other matters, in its current version, the REN Group Integrity Policy covers the priorities set out in the National Anti-Corruption Strategy.

Internal communication was also reinforced, particularly with regard to whistleblowing, namely with reminders on the intranet, in order to make employees aware of the existence of this whistleblowing mechanism. In addition, in 2022 the course that covered the topics related to the Code of Conduct was revised, and now also covers the aspects and tests related to the Group's Integrity Policy, as well as, in general, the policies and procedures for the prevention of corruption.

In 2024, REN revised the procedures applicable to the handling and investigation of reports of irregularities, making it possible for reports to be made not only by email and/or telephone, but also through a reporting channel exclusively online. This online whistleblowing channel also allows the complaint to be made either in writing or orally, and if the whistleblower chooses to do it orally, he/she can choose whether or not he/she wants the voice to be distorted.

For the same purpose, understanding and compliance mechanisms were reinforced in relation to REN employees, who, from the moment they are hired, and regardless of their contractual relationship, declare that they are aware of and fully accept the provisions of the REN Group Code of Conduct, the procedures applicable to the treatment of communications and investigation of irregularities and the REN Group Integrity Policy. The content of said regulations and policies is made available to all employees and is permanently available at REN's buildings and on its websites (internet and intranet) and is the object of regular training and testing.

During 2024, REN created a Compliance area, with a view to the evolutionary adjustment of the organizational structure to the challenges of a sector that is undergoing profound transformation. This reinforcement is the result of REN's ongoing commitment to compliance with legal standards, internal policies and external guidelines.

Also in 2024, initial face-to-face training adapted to each of the business units most exposed to risks of corruption and related infractions was completed with external collaboration, in accordance with the Plan for the Prevention of Risks of Corruption and Related Infractions, including training specifically aimed at members of REN's governing bodies.

In addition, the "Ethics and Code of Conduct and Prevention of Corruption Risks" course, the content of which was reviewed and renewed during 2023, was completed by 92.76% of REN's employees in 2024. This course is compulsory for all REN employees, and must be renewed every two years. It has a theoretical and a practical component, with the aim of providing information on the most relevant concepts of ethics, the Code of Conduct, REN's Integrity Policy and the Plan for the Prevention of Corruption Risks and Related Infractions, as well as understanding how the recipient of the course should act in the performance of their duties. The course also covers the procedures applicable to reporting and dealing with reports of irregularities.

The course is always available online and can be taken by all employees who wish to take it more than once and whenever they need to go into more depth on any of the topics covered by the course.

Since 2021, the powers and duties of the Corporate Governance Committee have been extended to also and expressly cover ethics issues, in particular, strengthening the management of ethics risks and monitoring the implementation of the Code of Conduct and internal rules and policies, having amended the name of the Committee to be the Ethics and Corporate Governance Committee.

For more information on these topics, see chapter 4.4.1 Ethical culture and fight against corruption.

9.3.4 SUSTAINABILITY

REN's sustainability approach was revised in 2023, driven by the need to be strictly aligned with its strategic commitments. This update was particularly relevant in the context of the energy transition and decarbonization, areas in which REN plays a crucial role. In addition, this strategic review responded to changes in standards and regulations, both national and international, and integrated emerging sustainability best practices. The strategic review included a new stakeholder consultation to define updated material areas and themes.

REN's sustainable development strategy is aligned with the 17 United Nations Sustainable Development Goals (SDGs). Of these 17 SDGs, REN has set six that reflect its strategy and are fundamental to its activity:

1. Ensure access to reliable, sustainable and modern energy sources for all (Goal 7);
2. Promote inclusive and sustainable economic growth, full and productive employment and decent work for all (Goal 8);
3. Build resilient infrastructures, promote inclusive and sustainable industrialization and foster innovation (Goal 9);
4. Make cities and communities inclusive, safe, resilient and sustainable (Goal 11);
5. Take urgent action to combat climate change and its impacts (Goal 13);
6. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss (Goal 15).

The strategic review of the sustainability approach in 2023, in line with the nuclear SDGs, resulted in five priority areas of action that reflect REN's dedication to sustainability and guide its activity in 2024: Energy transition and climate change; Natural capital management; Valuing our people; Creating value for all stakeholders; and Responsible governance.

Following the review of the sustainability approach, and based on the lines of action and consultation with stakeholders, REN published its Sustainability Policy in 2024. The Policy establishes the principles of sustainability, in environmental, social, economic and governance terms, which guide REN's activities towards a responsible business management model.

REN's 2024-2027 Strategic Plan, defined in 2024, establishes three pillars:

1. Reinforcement of sustainability commitments, namely through new and more challenging ESG objectives and also by reinforcing the excellence of our employees;

2. Facilitating the energy transition, by reinforcing investment in electricity transmission, promoting the role of green gases, and consolidating growth in Chile;

3. Sustainable and profitable growth, increasing the asset base in a sustainable manner, maintaining credit metrics consistent with an Investment Grade credit rating, and guaranteeing attractive returns to shareholders.

This Plan defines a set of targets for the sustainability pillar, including reducing scope 1 and 2 emissions by 60% by 2030 (compared to 2019), reducing scope 3 emissions by 30% by 2030 (compared to 2021), achieving carbon neutrality of operations by 2040, having 100% of employees with ESG training by 2030 and having ESG as a performance metric for all employees.

The inclusion of sustainability and investment in the energy transition as strategic pillars demonstrates REN's commitment to building a sustainable future.

Also in 2024, the materiality analysis was revised to allow the identification of Impacts, Risks and Opportunities, enabling alignment with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the associated disclosure requirements (ESRS), to which REN must respond from 2025. The development of the Sustainability Due Diligence process also began, based on the CSDDD, with the aim of preventing, mitigating and remedying impacts on human rights and the environment throughout the value chain.

For more information on our performance in this area, see chapter 4. Sustainability statement.

9.3.5 SUPPLIERS AND OTHER STAKEHOLDERS

REN has maintained control over the implementation of a culture of ethics and the fight against corruption among its suppliers, see chapter 4.4.1 Ethical culture and fight against corruption for more details.

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Annex 1

TO THE GOVERNANCE REPORT

Annual Remuneration Report of the Governing Bodies of REN - Redes Energéticas Nacionais

CONTENTS

1. INTRODUCTION

The Board of Directors of REN - Redes Energéticas Nacionais, SGPS, S.A. ("**REN**" or the "**Company**") approved the remuneration report for the members of the Board of Directors, the Audit Committee and the Board of the General Meeting, as well as the Statutory Auditor (that is, REN's management and supervisory bodies, for the purposes of this report defined as "**Corporate Bodies**") of REN, prepared under the terms and for the purposes set out in Article 26-G of the Portuguese Securities Code, with the support of the Remuneration Committee.

In the dynamic and challenging scenario of the energy sector, transparency and accountability have become fundamental elements for a company's success and sustainability. This remuneration report came about four years ago as a pioneering initiative, representing a milestone in the commitment to transparency.

The step then taken, which has been deepened over time, clearly concretizes the remuneration policy, its principles and criteria, allowing the respective application to be monitored and compared with comparable companies. In summary, all the elements for an understanding of the philosophy that underlies it. Recognizing the fundamental role that remuneration plays in shaping the organizational culture and attracting talent, REN wants the policies and practices adopted in this area to be communicated openly and objectively.

This document goes beyond the mere disclosure of numbers and figures. It seeks to be a strategic tool that reinforces the commitment to corporate governance, unequivocally demonstrating how decisions related to remuneration are aligned with REN's vision, mission and strategic objectives.

The issue of sustainability has been gaining more acuity through its increasing relative weight in the Executive Committee's Key Performance Indicators (KPIs) on which the annual performance appraisal is based, so including it in the remuneration policy is more than good practice, it is also a commitment to the future. An additional note to mention the concern that has always existed in the preparation of the remuneration policy both with internal fairness and as well as with the creation of shareholder value.

The transparency resulting from disclosing the remuneration policy and a detailed remuneration report promotes trust and credibility and fosters a more aligned organizational culture, which is essential for achieving strategic objectives. That's why this document is another opportunity to highlight the values that guide REN on a daily basis. The good results achieved once again this year are largely due to the effort and commitment of all employees who, imbued with a clear purpose of continuing to position REN as a reference in its market.

A final word of thanks to everyone who has collaborated with the Board of Directors, in particular the Remuneration Committee, which has helped the Board to fulfil its mission.

2. STRATEGIC BACKGROUND

Corporate governance establishes the normative and ethical framework for business practices, ensuring that management is conducted with integrity, responsibility and transparency. In the context of remuneration, adherence to corporate governance principles not only strengthens shareholder confidence, but also promotes a solid and sustainable organizational culture. By disclosing its remuneration policy in a clear and accessible manner, REN reinforces its commitment to all stakeholders.

Remuneration within REN is not seen in isolation, but as an extension of the corporate strategy. A well-defined strategy not only guides day-to-day operations, but also shapes the development of skills and the acquisition of talent essential to meeting organizational objectives. And by aligning REN's strategy with remuneration practices, an environment is created that is conducive to performance, innovation and competitiveness within the Company.

As this report shows, REN's remuneration is structured in such a way as to motivate behavior and decisions in line with the corporate strategy. Based on the Strategic Plan for the 2024-27 period, REN guarantees an interconnection between the principles of corporate governance and remuneration policies, laying the foundations for sustainable growth.

STRATEGIC PLAN 2024-27

ENERGETIC TRANSACTION

- Accelerate the energy transition by increasing investment in the expansion of the electricity grid and the integration of renewable energies
- Strengthening green gas infrastructures
- Consolidate presence in Chile

SUSTAINABILITY COMMITMENTS

- Reduce scope 1 and 2 emissions by 60 per cent by 2030
- Attracting the skills needed for the strategic cycle
- Promote internal excellence in culture and talent

SUSTAINABLE GROWTH

- Increase investment and asset base while maintaining solid credit metrics
- Boost net profit
- Increase dividends

3. PERFORMANCE GOALS FOR 2025 AND THE CORRESPONDING REMUNERATION

The remuneration of the executive members of the Board of Directors is strategically aligned with the company's objectives. Decision-making in line with the corporate vision and the contribution to achieving strategic objectives are key factors that directly impact remuneration. For this strategic alignment, a good definition of objectives is recognized as a powerful management tool, if it has the capacity to translate long-term strategy into short-term objectives through both financial and non-financial indicators.

In the current phase of the company's life cycle, it is essential to continue to develop a set of indicators to adequately monitor the operationalization of the new Strategic Plan approved for the 2024/27 period.

When defining Key Performance Indicators, in addition to monitoring the explicit goals of the strategic plan and the main resources and competences, it is important to bear in mind the ability to transform data into strategic assets in order to sustain competitive advantages, namely through innovation, with the consequent creation of value to be distributed among stakeholders.

The objectives, which facilitate a positioning geared towards the sustained development of the business, must also be a vehicle for communicating the strategy to all levels of the organization.

The Executive Committee's assessment objectives for 2025 will continue to be all quantitative and are broken down into specific objectives to ensure complete alignment with the challenges set out in the strategic plan, as detailed below:

AGGREGATED	KEY PERFORMANCE INDICATORS	WEIGHTS	DESCRIPTION
FINANCIAL	Average cost of debt	10%	Average cost of financing for the Group
	ROIC (Return on Invested Capital)	10%	Return on invested capital
	Cash flow operacional	25%	Cash flow generated by operating activities
	Earning per share	25%	Net profit per share
OPERATIONAL	Quality of Service	15%	Performance in network availability indicators, supply interruptions and other quality of service indicators
ESG	Health & safety	3.75%	Attendance rate and rate of days lost compared to pre-established objectives
	Gender Diversity	3.75%	Percentage of women in management positions
	Reducing GHG Emisssions[91]	3.75%	Indicators of fleet electrification, renewable energy production for own consumption and methane reduction, in relation to previously established objectives
	Ratings performance	3.75%	REN's performance in the 5 main ESG indices, in relation to previously established objectives

In conclusion, the financial objectives reflect the company's commitment to sustainable growth through the efficient allocation of resources and the search for strategic opportunities. The objectives related to operational efficiency and quality encourage the pursuit of operational excellence, which optimises internal processes and has a direct impact on profitability. ESG (Environmental, Social and Governance) objectives reflect a commitment to social and environmental responsibility and good governance.

In sum, it is clear that the individual success of executive members is rewarded in proportion to the positive impact they have on REN's financial and operational results and ESG targets.

[91] GHG – Greenhouse Gas Emissions

4. REMUNERATION PRINCIPLES

The remuneration policy of REN follows the guidelines set out below:

a) To be simple, clear, transparent and in line with REN interest and culture;

b) To be suitable and adjusted to the size, economic conditions, nature, scope and specificity of REN's business;

c) To ensure total remuneration which is competitive and equitable and in line with the best practices in Portugal and in Europe, particularly regarding REN's peers and that, while attracting qualified professionals, induces the alignment of interests with those of shareholders, constituting a factor for the development of a culture of professionalization and to promote merit and transparency at REN;

d) To be evolutionary, but not disruptive; and

e) To incorporate a fixed remuneration component adjusted to functions, availability, competence and responsibilities of the Members of the Board of Directors.

The remuneration of the executive members of the Board of Directors is also based on the following principles:

i) Competitiveness, taking into consideration the practice of the Portuguese market;

ii) Based on objective, uniform, consistent, fair and balance criteria that reward performance;

iii) Performance assessment in accordance with the duties and level of responsibility, as well as the effective performance, assumption of suitable levels of risk and compliance with rules applicable to REN's activity, taking into account the compliance with REN's strategic plan and budget, risk management, the internal functioning of the Board of Directors and the contribution of each member for this purpose, as well as the relationship between the Company's bodies and committees;

iv) Incorporating a variable remuneration component which is reasonable overall in relation to the fixed remuneration component, without encouraging excessive risk taking;

v) Alignment of the interests of the executive members of the Board and those of the Company, its sustainability and creation of long-term value, including by indexing medium/ long-term remuneration to the evolution of REN's share price; and

vi) Variable remuneration indexed to the effective performance of REN, measured against specific, objective and measurable goals which are in line with the interests of REN stakeholders.

Non-executive directors (including the members of the Audit Committee) earn a fixed remuneration, monthly paid and defined in line with the best practices of large companies in the Portuguese market. The remuneration policy for these members of the Board of Directors is guided by the core objective of compensating dedication and responsibility required for the performance of their functions.

The remuneration of the members of the Board of the General Meeting corresponds to an annual fixed amount.

5. STRUCTURE OF EXECUTIVE AND NON-EXECUTIVE REMUNERATION

Below is a detailed description of the general structure of executive remuneration, including base remuneration, variable remuneration, benefits and other components.

REMUNERATION POLICY

Fixed component

The fixed component of the remuneration is exclusively composed of the base remuneration, as there is no other remuneration or payment of any costs or allowances (e.g., travel expenses or meal allowance), without prejudice to "Other monetary and non-monetary benefits" described below. This component is paid monthly, in cash.

The fixed remuneration of the executive directors shall be updated according to the Consumer Price Index (CPI) whenever it has not been increased in the relevant year, provided that it has not shown negative figures. However, the application of the equation below is limited, in any case, to not exceeding the average update generally applied that year to REN Group employees:

$$\textit{Fixed remuneration}_{t+1} = \textit{Fixed remuneration}_{t} * \textit{CPIt}$$

Where:

CPI_t = 1 + average annual percentage change in the Consumer Price Index, estimated from January to December of the year prior (year t) to year of the General Meeting.

Variable component
For payment purposes, the Variable Remuneration is divided into two components, each of them corresponding to 50% of the total Variable Remuneration, granted with reference to the relevant annual period, as follows:

- A short-term variable remuneration (STVR), which is awarded and paid in cash within 30 days following the annual shareholders' meeting which approves the relevant annual accounts; and

- A medium/ long-term variable remuneration (MLTVR), which is awarded and paid under the terms and conditions established hereunder.

The MLTVR is attributed in remuneration units (RU), and the number of RU is calculated by dividing the value attributed to the MLTVR by the unit value of the RU.

Each RU has an initial value corresponding to the average closing price of REN shares on the Euronext Lisbon market in the 30 days prior to the date of the General Meeting approving the accounts for the respective year. This value is subsequently adjusted over time by an amount equal to the total shareholder return (TSR) of the REN shares. The number or value of RUs attributed may be subject to occasional adjustments in accordance with corporate facts/ events which affect, namely, the number or nominal value of REN shares or equity.

The proportionality between the fixed and variable components and the limits on variable remuneration (namely, between a minimum of 0% and a maximum of 120% of the fixed annual remuneration, in a gradual manner, without prejudice to the evolution of the value of the RU) have the main objective of discouraging excessive risk-taking and stimulating the pursuit of an adequate risk management strategy.

Non-executive directors
The non-executive directors (including the members of the Audit Committee) receive a fixed remuneration paid monthly and defined in line with the best practices found in large companies, mainly in the Portuguese market.

The Remuneration of non-executive directors will be updated in accordance with the CPI, with the same exceptions and conditions already expressed for updating the fixed remuneration of executive directors.

The remuneration of non-executive members of the Board of Directors does not include the payment of any bonuses related to REN's performance, or the payment of any allowances, subsidies or benefits.

Agreements with remuneration implications
There are no agreements between REN and the members of the management body. The Remuneration Policy stipulates that in the event of dismissal without just cause or resignation by agreement of an Executive Director, compensation will not be due, in addition to that legally due, if it results from inadequate performance by that Executive Director.

The compensation legally due in the event of dismissal without just cause corresponds to compensation for the damage suffered, but may not exceed the amount of remuneration you would presumably receive until the end of the period for which you were elected.

Without prejudice to the above, the General Meeting of 9 May 2024 approved the possibility of entering into written non-competition and information reserve commitments with executive members of the management body, for a period of two years, and which includes compensation in return for this non-competition and information reserve obligation, after leaving office, regardless of the respective cause, but excluding fair grounds ("justa causa").

6. ALIGNMENT OF REMUNERATION WITH MEDIUM-TERM STRATEGY

The MLTVR serves the purpose of strengthening the alignment of the interests of REN's executive directors with those of the company and shareholders, varying according to the annual performance assessment.

In addition, the MLTVR is structured to ensure the deferral of its payment in cash during a period of three years after the award date, with one third being paid each year, starting in the year following its award.

However, without prejudice to the above, the right of each Executive Director to receive payment of MLTVR is still subject to compliance with three principles:

1. REN's positive performance during the period in question, which means that the consolidated net position in years t+1, t+2 and t+3, excluding any extraordinary movements occurring after the end of year t, and reduced, for each year, by an amount corresponding to a 40% payout on the net income determined in the consolidated accounts for each deferral period (regardless of the effective payout), must be higher than that determined at the end of year t.

   For these purposes, are considered extraordinary movements, in the period between year t and t+3, namely, capital increases, purchase or sale of own shares, extraordinary profit distribution, annual payout different from 40% of the consolidated profit for the respective year, or other movements that, affecting the net situation, are not derived from the operating results of the Company. The net situation for years t+1, t+2 and t+3 must be established on the basis of the accounting rules applicable to financial year t in order to ensure comparability.

2. The Executive Director's non-compliance with any mandatory rules applicable to REN, whether legal, regulatory or internal; and

3. The non-occurrence of any termination event leading the Executive Director to cease his mandate or to terminate his professional relationship with REN, taking into consideration what is referred to below.

Termination events

a) If any Executive Director terminates their mandate before its term of office and during an assessment period, the proportional Variable Remuneration for the economic period in which they performed their duties to which the assessment refers shall be due, except if the termination is caused by or imputable to that Executive Director;

b) If any Executive Director terminates their mandate after the end of the period to which the assessment relates, but before the date of attribution, the Variable Remuneration shall be due, except if the termination results from a Termination Event;

c) If an Executive Director terminates his professional relationship with REN due to other facts that do not qualify as a Termination Event, the termination shall not lead to the loss of the MLTVR already granted but not yet paid. REN may then agree with the Executive Director that the MLTVR will be paid upon termination of the professional relationship, in which case the positive performance condition of REN above shall be based on the company's performance up to that moment; and

d) The following events are considered as Termination Events for the purpose of this Remuneration Policy: i) termination of employment by reason of dismissal with cause of the Executive Director; and ii) material breach or default by the Executive Director.

***Malus* and clawback clauses**

The right to the variable remuneration and its effective payment is conditional on the executive members not having carried out any malicious illegal acts known to them, after the assessment has been carried out, and which have resulted in a judicial conviction of the executive member(s) determining the need to restate the accounts, with the recording of asset decreases. In the event of the above occurring, the variable remuneration paid during the period in which the facts occured, whether due or awarded, can be reimbursed, withheld or not awarded in order to compensate for the damage caused to the Company.

7. EVALUATION PERFORMANCE METRICS

The Key Performance Indicators on which the annual performance appraisal of executive members is based, defined on a consolidated basis, are naturally indexed to metrics in the Strategic Plan and for 2024 were as follows:

KEY PERFORMANCE INDICATORS	WEIGHTS	DESCRIPTION
Average cost of debt	10%	Comparison between the Group's average cost of financing and the budgeted amount.
ROIC (Return on Invested Capital)	10%	Comparison between the percentage return generated by the actual capital invested and the budgeted amount.
Cash flow operacional	25%	Comparison between the cash flow generated by the Group's operating activities and the budgeted amount.
Earning per share	25%	Comparison between actual and budgeted earnings per share.
Quality of Service	15%	Performance in network availability indicators, supply interruptions and other quality of service indicators of the different Business Units, in relation to previously established objectives.
Health & safety	3,75%	Performance in work accident indicators in relation to pre-established objectives.
Gender Diversity	3,75%	Comparison of the percentage of women in management positions with the objectives previously set.
Reducing GHG Emisssions[92]	3,75%	Performance in fleet electrification indicators and in the implementation of initiatives aimed at reducing GHG emissions in relation to previously established objectives.
Rating performance	3,75%	Evaluates the evolution of REN's performance in the main ESG indices, as well as its performance compared to the sector and its peers.

[92] GHG – Greenhouse Gas Emissions

The degree of achievement of the established goals is measured through the annual performance assessment, which is based on a predefined matrix. Thus, if the achievement of objectives is below 80% (minimum performance level), no variable remuneration is awarded. On the other hand, if the achievement of objectives is between 80% and 120% or higher, the total variable remuneration attributable shall be between 20% and 120% of the fixed remuneration. In the case of objectives achieved between 100% and 119%, the percentage of fixed remuneration to be awarded as global variable remuneration is totally proportional to the level of achievement (instead of being indexed to steps). The table below summarizes the philosophy behind the measure of achievement of the objectives:

LEVEL OF ACHIEVEMENT OF THE OBJECTIVE	FIXED REMUNERATION TO BE AWARDED AS GLOBAL VARIABLE REMUNERATION
≤ 79.99%	0%
80%-89.99%	20%
90%-94.99%	40%
95%-99.99%	80%
100%-119.99%	In proportion to the level of compliance
≥ 120%	120%

8. REMUNERATION

As already noted, the remuneration of the members of the Board of Directors includes a fixed component and, in the case of the executives, a variable component decomposed into short and medium/ long-term.

Fixed component

The fixed remuneration of the Company's executive directors corresponded, in 2024, to an annual gross amount of 413,615.38 euros (four hundred thirteen thousand, six hundred fifteen euros and thirty-eight cents), in the case of the Chief Executive Director, and 327,669.42 euros (three hundred and twenty-seven thousand six hundred and sixty-nine euros and fourty-two cents), in the case of the other executive directors.

Variable component

Considering the requirements and criteria applicable to the variable component of the remuneration and the value of the fixed remuneration referred to above, the maximum potential amount (gross annual value) of the variable remuneration may reach 496,338.46euros (four hundred and ninety-six thousand three hundred and thirty-eight euros and fourty-six cents), in the case of the Chief Executive Director, and 393,203.30euros (three hundred and ninety-three thousand two hundred and three euros and thirty cents), in the case of the other executive directors, notwithstanding the evolution of the value of the remuneration units awarded, as described above. The said amount corresponds to a potential maximum value established according to maximum performance goals intended, essentially, to stimulate the management team.
As mentioned, these values are dependent on the level of achievement of the objectives for a three-year mandate and on the performance evaluation to be carried out annually, as well as subject to imponderable aspects related to the sector and country conjuncture or the specificities of the business and of the Company.

Non-executive directors

The non-executive directors (including the members of the Audit Committee) received a fixed remuneration paid on a monthly basis and defined in line with the best practices observed in large companies in the Portuguese market, as described herein:

- A gross annual amount of 85,946.01 euros (eighty-five thousand nine hundred and forty-six euros and one cent) for the Vice-Chairman of the Board of Directors;
- An annual gross amount of 80,559.62 euros (eight thousand, five hundred and fifty-nine euros and sixty-two cents) for the Chairman of the Audit Committee;
- A gross annual amount of 64,447.70 euros (sixty-four thousand, four hundred and forty-seven euros and seventy cents) for the remaining members of the Audit Committee;
- A gross annual amount of 45,870.97 euros (forty-five thousand eight hundred and seventy euros and ninety-seven cents) for the remaining non-executive directors; and
- The members of the Ethics and Corporate Governance, Nomination and Evaluation and Sustainability Committees earned the following additional remuneration (except for the Chairman and members of the Executive Committee, who do not receive any additional remuneration for performing these duties):
  - i) Chairman: €7,000.00 (seven thousand euros) per year; and
  - ii) Other members: €4,500.00 (four thousand and five hundred euros) per year.

As already noted, the remuneration of nonexecutive members of the Board of Directors does not include the payment of any bonuses related to REN's performance, or the payment of any allowances, subsidies or benefits.

The individual and aggregate remuneration of the members of the Board of Directors paid in 2024 is detailed in the table following table:

NAME	POSITION	Fixed Remuneration	Remuneration Corporate Committees	Short-term variable Remuneration	Medium-term Variable Remuneration for 2019,2020 and 2021, paid in 2023	Total
Rodrigo Costa	Chairman of the Board of Directors and of the Executive Committee	413,615.38 €	.	223,815.12 €	210,821.54 €	848,252.04 €
João Faria Conceição	Executive Committee	327,669.42 €	.	177,308.12 €	167,014.47 €	671,992.01 €
Gonçalo Morais Soares	Executive Committee	327,669.42 €	.	177,308.12 €	167,014.47 €	671,992.01 €
Guangchao Zhu	Vice-Chairman of Board of Directors	85,946.01 €	.	.	.	85,946.01 €
Houyun Shi[93]	Board of Directors	32,899.19 €	.	.	.	32,899.19 €
Mingyi Tang[94]	Board of Directors	49,745.97 €	.	.	.	49,745.97 €
Yang Qu[95]	Board of Directors	82,645.16 €	16,354.84 €	.	.	99,000.00 €
Maria Estela Barbot	Board of Directors	45,870.97 €	4,500.00 €	.	.	50,370.97 €
Jorge Magalhães Correia	Board of Directors	45,870.97 €	.	.	.	45,870.97 €
José Luís Arnaut	Board of Directors	45,870.97 €	6,999.96 €	.	.	52,870.93 €
Ana Pinho	Board of Directors	45,870.97 €	4,500.00 €	.	.	50,370.97 €
Manuel Sebastião[96]	Board of Directors	57,951.31 €	6,999.96 €	.	.	64,951.27 €
Gonçalo Gil Mata[97]	Board of Directors	52,341.70 €	.	.	.	52,341.70 €
Rosa Freitas[98]	Board of Directors and Audit Committee	74,964.87 €	4,500.00 €	.	.	79,464.87 €
Ana Barros[99]	Board of Directors and Audit Committee	57,988.88 €	4,500.00 €		.	62,488.88 €
Dulce Mota[100]	Board of Directors and Audit Committee	64,363.88 €	.	.	.	64,363.88 €
Total		1,811,285.07 €	48,354.76 €	578,431.36 €	544,850.48 €	2,982,921.67 €

[93] Leaving on 30/11/2023 with remuneration backdated to 2023.
[94] Backdated fixed remuneration of €3,875 relating to 2023.
[95] Backdated fixed remuneration of €36,774.19 and Company Committees of €7,354.84 relating to 2023.
[96] Term of office as Chairman of the Audit Committee on 08/05/2024 and renewal as a member of the Board of Directors on 09/05/2024.
[97] Term of office as Audit Committee Member on 08/05/2024 and renewal as Board Member on 09/05/2024.
[98] Term of office as Audit Committee Member on 08/05/2024 and start as Audit Committee Chairman on 09/05/2024.
[99] Start of term of office as Audit Committee Member on 09/05/2024.
[100] Start of term of office as Audit Committee Member on 09/05/2024 and retroactive fixed remuneration of €6,375.00 relating to 2023.

The STVR paid in 2024 relates to the 2023 financial year. The members of the Executive Committee were also attributed (but not paid) an additional remuneration parcel, as MLTVR referring to the financial year of 2023, set in RU, and to be paid over three years from 2025, in accordance with the terms and conditions set out in the previous chapter.

Taking into account that the REN share price on the date the MLVTR was set at 2.238 euros, the number of RUs attributed to each member of the Executive Committee was as follows:

i) Rodrigo Costa – 100,006.76 RU;

ii) João Faria Conceição – 79,226.15 RU; and

iii) Gonçalo Morais Soares – 79,226.15 RU.

The participation of members of the Board of Directors in the respective Corporate Governance Committees (excluding the Audit Committee) is also detailed:

CORPORATE COMMITTEES	NAME
Sustainability Committee	Rodrigo Costa (Chairman) João Faria Conceição Gonçalo Morais Soares Ana Barros Ana Pinho
Ethics and Corporate Governance Committee	José Luís Arnaut (Chairman) Maria Estela Barbot Yang Qu
Nominations and Appraisals Committee	Manuel Sebastião (Chairman) Yang Qu Rosa Freitas

Other sums paid for any reason

The members of REN's corporate bodies did not receive any amounts paid by other companies in a controlling or group relationship with REN, as defined in paragraph g) of No 1 of article 2 of Decree-Law No 158/2009, of 13 July, in accordance with the provisions of paragraph d) of No 2 of article 26-G of the Portuguese Securities Code.

Remuneration paid in the form of profit sharing

There were no, nor are expected any, payments in the form of profit sharing and/ or payment of bonuses, beyond the variable component of remuneration described above.

Compensation paid or due to former executive directors

In 2024, there were no amounts due or paid in the form of compensation to former executive directors for the termination of their duties during such financial year. Remuneration of the members of the Board of the General Meeting The remuneration of the members of the Board of the General Meeting corresponds to an annual fixed amount with the following values:

- For the Chairman, an amount of €15,000.00 (fifteen thousand euros);
- For the Vice-Chairman, an amount of €5,000.00 (five thousand euros); and
- For the Secretary, an amount of €3,000.00 (three thousand euros).

Remuneration of the Statutory Auditor

The remuneration of the Statutory Auditor, proposed by the Audit Committee, is defined taking into account the criteria and remuneration practices for this type of service under normal market conditions, in accordance with the service agreement signed with him following a proposal to this effect by the Company's Audit Committee. The Statutory Auditor's remuneration is not related to REN's performance.

Other benefits

During 2024, the executive directors were provided with the use of a vehicle to perform their duties, as well as health insurance, life insurance and personal accident insurance for the performance of their functions. The value of these benefits is estimated to be around 25 thousand euros/ director.

Agreements with remuneration implications

There are no agreements between REN and the members of the management body or officers (in the meaning of Article 3(1)(25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014) that would award compensation in the event of resignation, unfair dismissal or termination of the employment relationship, following a change in control over the Company.

Plans to allocate shares or stock options

There are no variable remuneration programmes or plans that consist of the awarding of shares, options to acquire shares or other incentive scheme based on a variation of the price of shares, notwithstanding the method for calculating the medium/ long-term variable remuneration (MLTVR) for members of the management or supervisory bodies or officers, in the meaning of Article 3(1)(25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014.

Retirement benefits or equivalent

There is no retirement benefit system for the members of the management or supervisory bodies (or officers, in the meaning of Article 3(1)(25) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014). Furthermore, bearing in mind the objectives sought through the remuneration model detailed herein, members of the management body of the Company have not entered into agreements either with the Company or with third parties, designed to mitigate the risk inherent to the variability of their remuneration.

Control mechanisms available in a possible scheme for employee participation in the share capital
There are no schemes for employee participation in the Company's share capital.

9. COMPARATIVE REMUNERATION ANALYSIS

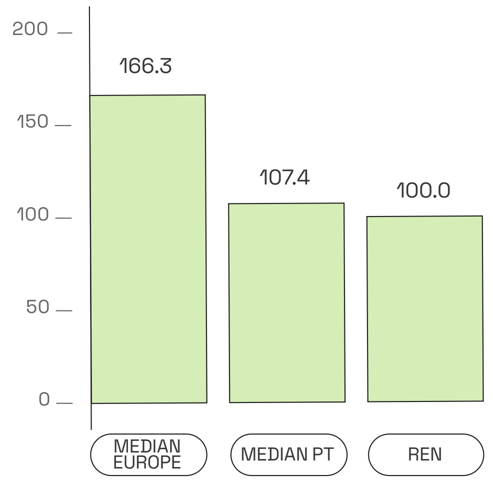
Remuneration market studies with companies that are comparable in size and complexity provide a solid basis for understanding the current formulation of remuneration strategy as well as their degree of competitiveness with both national and European peers.

The two independent studies carried out at the beginning of 2024 by two international reference bodies, the results of which are still valid given the stability of the salary policy, which generally remains constant over the period of their respective mandates, aimed to position REN in relation to other companies and thus confirm whether the general principles of the remuneration policy are being complied with.

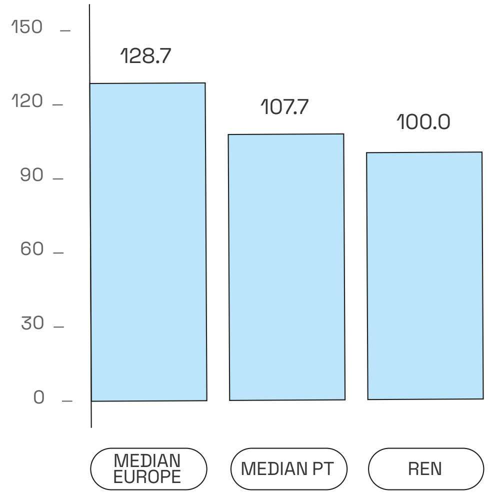
The reference for these studies is the 2022 remuneration of executive and non-executive members of a group of companies comparable to REN. In one of the studies, companies from fifteen sectors of economic activity were analysed, both in Portugal and in seventeen other European countries. In addition, the Portuguese reference market comprised 121 companies and 369 executives, while the European reference market included 461 companies and 1,361 executive members.

Executive members
The analysis of remuneration with groups of executives working in comparable companies, shown in the graphs below, shows that the remuneration policy followed by REN has a conservative profile in a comparative perspective, mainly with European executives – the remuneration of REN's CEO corresponds to the 60th percentile of the median value for functions in comparable companies and that of executive directors at the 78th percentile - showing to be more in line with the median value for equivalent roles in the national market.

↘ Total CEO Compensation (%)



↘ Total Remuneration Executive Directors (%)

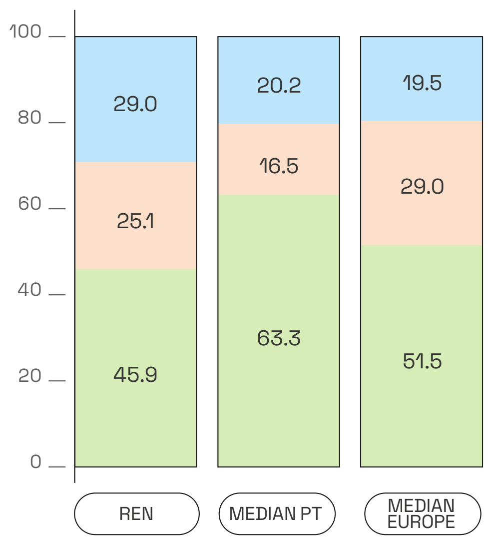


The results show that the Company's salary profile is generally moderate compared to the average of its peers.

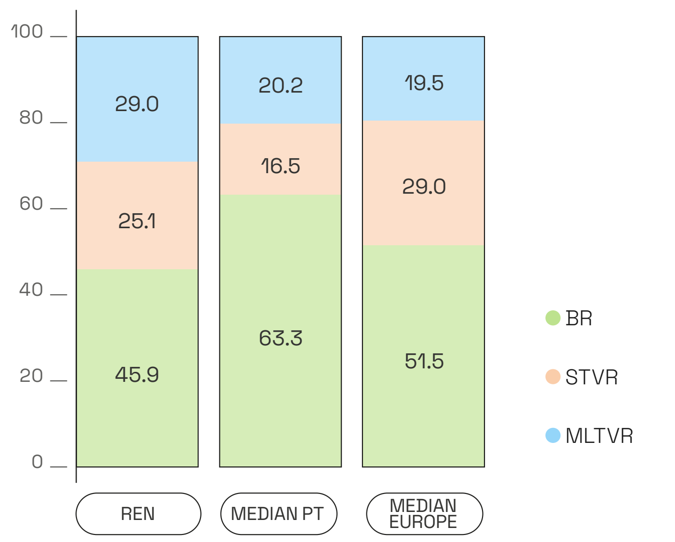
Retributive mix

In terms of the components that make up the compensation policy, the study carried out shows that the remuneration principles in force at the Company, namely the mix of fixed and variable remuneration in the short and medium term, are in line with good market practice. However, compared to the study sample, REN gives greater weight to remuneration directly dependent on the Company's annual performance, since its fixed remuneration is lower than the median for Portuguese and European companies.

↘ CEO Remuneration Mix (%)



↘ Directors Remuneration Mix (%)

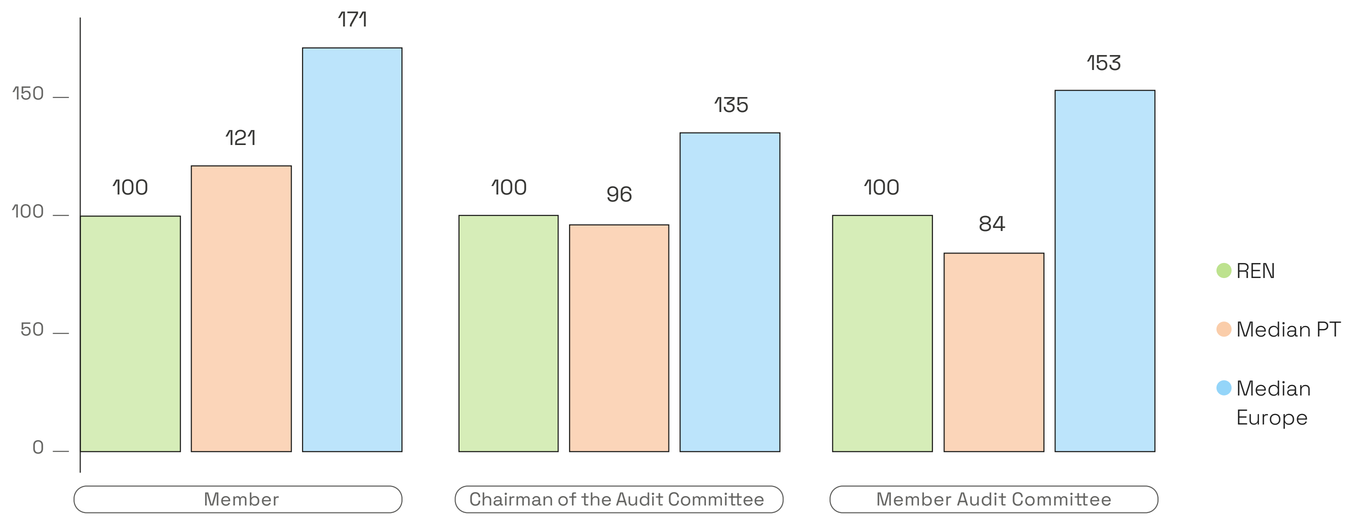


Non-executive members

The non-executive members of the Board of Directors are not involved in operational management but play a crucial role in the strategic direction of the company, so it is also critical to compare their remuneration policy with other salary practices.

The above-mentioned salary study also analyzed the remuneration of the nonexecutive members of REN's Board of Directors, in order to provide a comparative view of REN's remuneration vis-à-vis its counterparts in the Portuguese and European markets.

↘ Remuneration of Non-Executive Directors (%)



The data examined from these samples, and expressed in the graph above, highlights the existence of compensation that does not differ markedly from the national market, although it is clearly below the median for the European market.

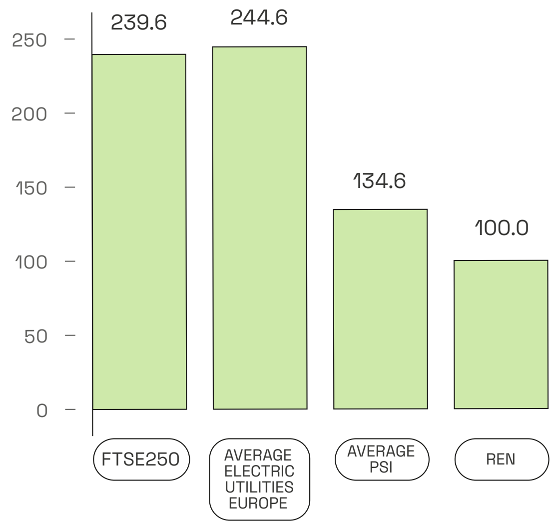
Last year, the work we have been mentioning was also complemented by another study, also conducted by an international company, independent of the first, which analysed the Portuguese and European markets through three new samples with other groups of companies, also comparable to REN, based on the year 2022.

The sample of the Portuguese benchmark market was made up of 16 companies that were part of the PSI (Portuguese Stock Index), while the European benchmark market was studied from two other independent samples of companies operating in Europe, comparable to REN. One of the samples included 11 companies from eight European countries, while the other was made up of companies listed on the FTSE 250 index.

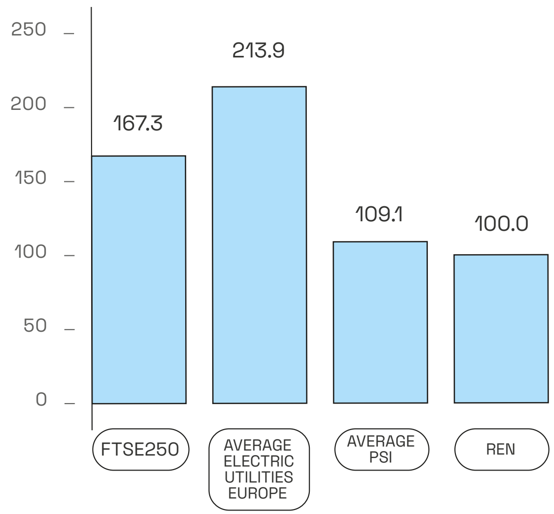
Executive members
Although the conclusions are in line with those of the previous study, the markets considered in these samples reinforce the sense of conservatism in the remuneration policy of REN's Governing Bodies, which is clearly expressed in the next chart.

It should be noted, however, that the difference in REN's remuneration policy compared to the average of the companies in the two European market samples is fundamentally based on the large weight of medium-term variable remuneration, as shown in the next charts.

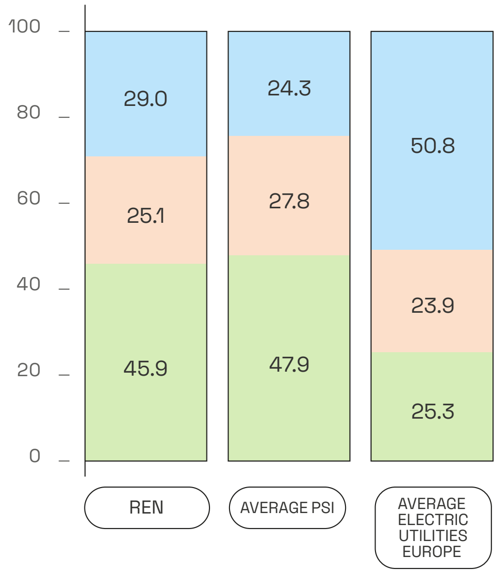
↘ Total Compensation CEO (%)



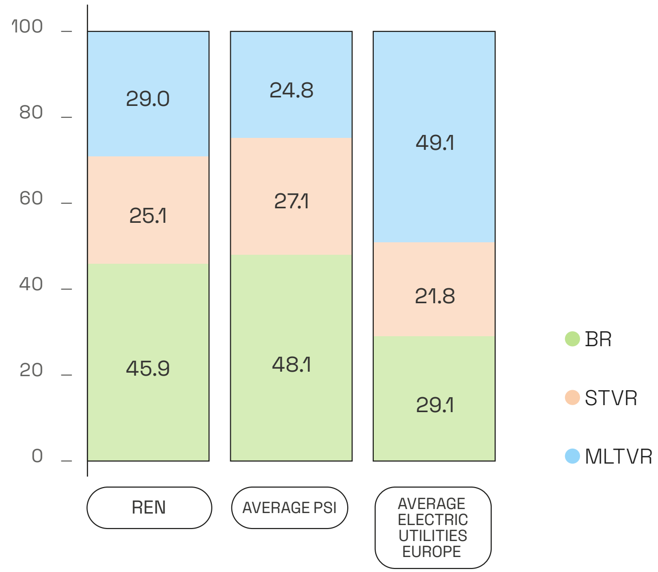
↘ Total Remuneration Executive Directors (%)



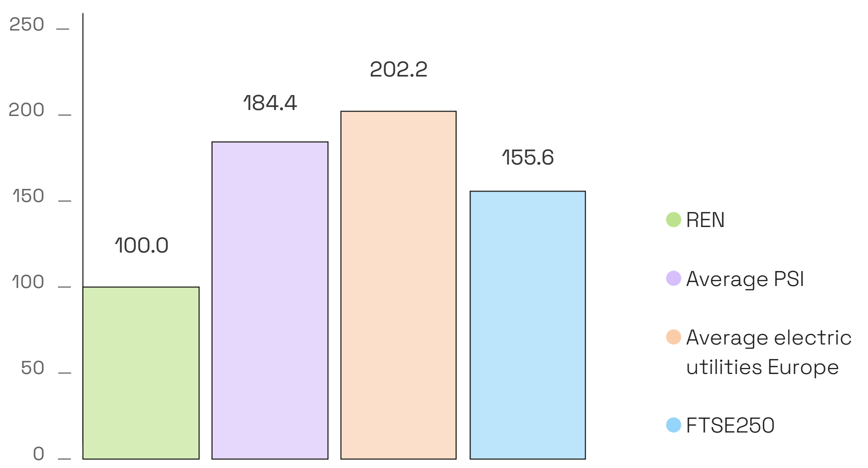
↘ CEO Remuneration Mix (%)



↘ Executive Directors Remuneration Mix (%)



Remuneration Non-Executive Directors (%)



With regard to the remuneration mix, this second salary survey showed a great alignment in the weight of the fixed, short and medium-term variable remuneration components compared to the PSI companies. With regard to the two other European samples - Electric Utilities and the FTSE 250 - the enormous weight of medium-term variable remuneration should be highlighted, which is the basis of REN's salary gap with the companies in these two samples, as mentioned above.

Non-executives
The analysis of the chart below reinforces the conclusions already inferred from the previous study, reinforcing the conviction about the moderation of the remuneration policy of REN's non-executive members, compared to the average values of the companies that made up these samples.

10. ALIGNMENT OF THE REMUNERATIONS WITH THE REMUNERATION POLICY

The principles
In accordance with the principles set out in paragraph 4 above, "(...) total remuneration must be competitive and equitable and in line with best practice in Portugal and 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 (...) encouraging the alignment of the interests of executive members with those of the Company".

Still in relation to the "Principles", the Variable Remuneration is determined based on objective and measurable criteria, based on nine KPIs, duly detailed in paragraph seven, and includes, in an aggregate manner, i) financial ii) operational and iii) ESG KPI.

In turn, the proportionality between the fixed and variable components and the limits on variable remuneration (that is, between a minimum of 0% and a maximum of 120% of the fixed annual remuneration, in a gradual manner, without prejudice to the evolution of the value of the RU) discourages excessive risk-taking, while encouraging the pursuit of an appropriate risk management strategy.

Finally, it should also be mentioned that the MLTVR brings the interests of the executive directors closer to the long-term interests of REN, deferring payment over three years and also making its payment conditional on the future sustainability of the Company. In addition, it also contributes towards aligning the interests of executive directors with those of shareholders, given that the value of this component, through the UR attributed, evolves over time in an amount equal to the total shareholder return (TSR) of REN shares.

Remuneration policy
The fixed remuneration of executive and nonexecutive members is regularly compared with the figures of other companies of comparable size and complexity operating in both the domestic and international markets, as discussed in the previous section.

The two salary studies carried out on a very significant number of comparable companies, from five independent samples, and carried out by two international entities specializing in this type of analysis, showed the conservatism of REN's remuneration policy and its mechanisms to protect against excessive risk-taking.

The remuneration of non-executive directors (including the members of the Audit Committee) was composed exclusively of a fixed component, thus not depending on the performance or value of REN, thus meeting the recommendations applicable to this matter.

The structure of the executive directors' remuneration, on the other hand, included a fixed component and a variable component, although, as has already been seen, there was an appropriate proportionality between the two, confirmed by the salary studies mentioned above.

It should be noted that the performance assessment of the executive directors was carried out by the Remuneration Committee, based on the opinion of the major shareholders of the Company, as well as of the non-executive directors, and also taking into consideration the report prepared by the Appointments and Assessment Committee. The Audit Committee also validated the results that served as reference to the quantitative evaluation process.

If the performance assessment of the executive body takes into consideration the fulfilment of the KPIs defined to evaluate the performance of the Executive Board, while the individual evaluation of its individual members takes into account the performance of each one:

i) In the execution of the Company's strategic plan and budget;

ii) In the internal performance of the respective units;

iii) In their role in good articulation between organs of company; and

iv) On the role of the desired corporate culture, sustainability and "work life balance" in the respective areas.

In short, the value of the variable remuneration proposed by the Remuneration Committee to the shareholders depends on the individual assessment of each executive member and also on the respective alignment with the results achieved. Furthermore, the individual performance assessment of an Executive Director will only be taken into account when negative, in which case the variable remuneration will not be awarded to that Executive Director.

It should also be noted that payment of the short-term variable component only occurred after approval of the accounts, and payment of the medium and long-term component only after compliance with all the conditions and requirements established in the respective policy, explained in the chapter on Remuneration Principles and Policy, and that the value of the variable remuneration indexed to REN's actual performance measured against measurable, specific and unambiguous objectives, complies with the fundamental ideas of the respective Principles.

In short, as has been shown, there was no departure from either the Principles or the Remuneration Policy, nor were any derogations applied.

11. EVOLUTION OF THE EXECUTIVE REMUNERATION

The remuneration policy has been conducted in such a way that ensures a balance between the Company's Corporate Bodies and employees. Analyzing the variation in the salary mass paid to the employees compared to that assigned to the Board, over the last 5 years the latter has decreased compared to the former.

A detailed analysis shows that the change in the wage bill (of employees) is due to the increase in the number of employees over the period under study and the corresponding increase in the average wage.

EMPLOYEES (EXCLUDING GENERAL MEETING BOARD)	2024	2023	2022	2021	2020
Salary Mass[1]	41,786,488	39,498,426	36,338,682	35,049,549	34,546,294
Salary Mass variation (compared to 2020)	21.0%	14.3%	5.2%	1.5%	-
Variation in the average number of employees	10.2%	5.8%	1.7%	0.9%	-
Variation in the average salary of employees	9.7%	8.1%	3.4%	0.6%	-
Average Salary increase (compared to 2020)	20.7%	13.2%	5.4%	2.0%	-

BOARD OF DIRECTORS	2024	2023	2022	2021	2020
Salary Mass attributed to the BoD[2]	3,016,503	2,740,320	2,726,595	2,677,140	2,654,618
Salary Mass variation (compared to 2020)	13.6%	3.2%	2.7%	0.8%	-

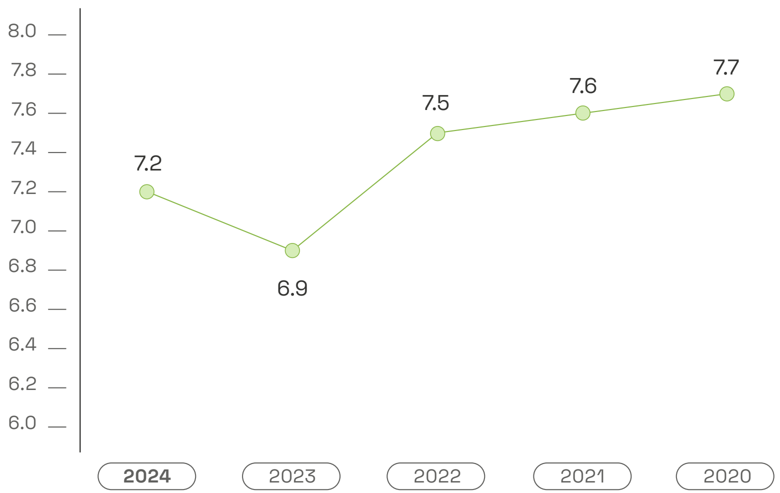
101 1 Excluding S.S. and other personnel costs.
102 2 Salary mass attributed excluding S.S. and other costs. In addition, the attributed salary mass does not take into account the evolution of MLTVR as a function of the TSR.

The fact that REN is rejuvenating its personnel, replacing senior employees with more junior ones, has allowed average wage growth to be much lower than the sum of average increases over the period. It is therefore relevant to analyze not only the evolution of the respective wage bill but also the average increases agreed by the Company over the five years under review, with variations in Board of Directors costs.

A final note on the weight of the total remuneration attributed to the Board of Directors in relation to the employees' payroll, which has seen a downward trend over the last five years. The reversal in 2024 is exclusively due to the fact that, for administrative reasons, the Company paid this year around 87 thousand euros of remuneration due in 2023 to some of its directors (see notes in the table of the Board of Directors' itemised remuneration).

EMPLOYMENT CREATION	2024	2023	2022	2021	2020
Employees on January[102]	748	719	701	697	684
Retired employees[103]	25	14	12	10	15
Employees on December 31	775	748	719	701	697
Employment creation[104]	52	43	30	14	28
Cumulative employment creation	167	115	72	42	28

↘ Remuneration awarded to the Board of Directors[101] compared to that of Employees (%)



As already mentioned, REN has been implementing a policy to rejuvenate its workforce, which has made it possible to make the average remuneration of the employees who remain more competitive, without prejudice to attracting new skills and talent.

The chart above on net job creation, which naturally excludes attracting talent by replacing departures, reflects the important role that REN has been playing in creating quality jobs and its role in keeping young people in Portugal.

Although 25 employees retired in 2024, including managers, the transition took place naturally without affecting operational excellence. This succession was ensured by valuing internal talent, supported by a structured individual development programme that prepared employees in advance for taking on new responsibilities.

12. ESG

In its ongoing quest for responsible and sustainable business management, REN recognizes the importance of environmental, social and corporate governance (ESG) criteria. As a reflection of this commitment, the Company's objectives include a block dedicated exclusively to ESG aspects, representing 15% of the Company's total objectives and therefore affecting the respective remuneration strategy for executive members.

[103] The remuneration awarded to the Board of Directors each year does not take into account the evolution of the MLTVR in relation to the TSR.
[104] Employees who started and ceased working on this day are not included.
[105] In addition to pensioners, includes pre-retirees and other comparable situations.
[106] Job creation in the broad sense: number of people absorbed from the labor market (net balance of the permanent staff+ retirees).

Health and safety
Employee health and safety is a fundamental principle of REN's corporate culture. In addition to strictly complying with safety regulations at the sites where it operates, comprehensive safety training programs are constantly implemented and a culture of accident prevention is encouraged. Regular safety audits are carried out to identify and correct potential risks, thus ensuring a safe and secure working environment for all employees.

Gender diversity
Recognizing the intrinsic value of diversity and promoting gender equality, REN's commitment is reflected in tangible actions and ambitious targets to increase female participation in leadership positions. Initiatives have been implemented to increase the representation of women at all levels of the organization. In addition to the Board of Directors already including a third of women, there is a commitment to generalize this objective to management positions.

Reducing greenhouse gas (GHG) emissions
As part of its environmental responsibility, REN is committed to the continued reduction of greenhouse gas emissions. Measures have been implemented to increase energy efficiency in all operations, using renewable energy production for self-consumption and investing in low-carbon technologies. REN is committed to the transparent measurement and disclosure of its GHG emissions, allowing stakeholders to assess real progress in their environmental impacts.

Rating performance
Believing in the importance of being assessed by independent, internationally recognized organizations that allow ESG performance to be monitored against global standards and areas for improvement to be identified, REN actively participates in the five main ESG ratings - S&P Global, CDP, Sustainalytics, MSCI and ISS ESG - submitting itself to a rigorous and comprehensive analysis of its practices.

Participation in ESG ratings is not only an opportunity to assess performance, but also to demonstrate commitment to transparency and accountability to stakeholders. The recommendations resulting from these assessments serve to drive continuous improvement in all ESG areas, setting ambitious targets and implementing tangible initiatives to promote outstanding performance on environmental, social and corporate governance issues.

ESG ratings strengthen trust and credibility, and help build solid relationships.

In sum, active participation in the top five ESG ratings is a tangible reflection of commitment to corporate responsibility. By incorporating ESG criteria into its remuneration strategy, REN reaffirms its commitment to creating long-term value for shareholders, employees, communities and the environment.
A holistic and balanced approach, which recognizes financial, operational and ESG aspects, is essential for sustainable success and business resilience.

A final note to mention that the ESG dimension is not new for REN, as it is increasingly present in its objectives and respective Key Performance Indicators.

There is a growing awareness that corporate social responsibility is a priority for companies committed to the communities where they operate. it is also crucial to achieve a green recovery that promotes sustainable economic growth, accelerating the transition towards decarbonized societies. For REN, it is also clear that thinking about ESG in a systematic and integrated way also increases the potential for value creation since:

1) ESG practices help to reduce operational costs by improving resource efficiency and consequently financial performance.

2) Help attracting and retaining talent, in addition to improving employee motivation through a sense of purpose. Since the positive correlation between employee satisfaction and shareholder return is peaceful, we can conclude that ESG has a positive impact on productivity.

3) A robust ESG proposal can improve return on investment by allocating capital to more promising and sustainable opportunities, particularly in regulated sectors.

It is also for these reasons that the Company's Objectives for 2025 include four KPIs from this ESG dimension, out of a total of nine.

13. DEFINITION OF THE REMUNERATION POLICY

The Remuneration Committee, appointed by REN's General Meeting, plays a crucial role in defining the remuneration of the management and supervisory bodies. It is also responsible for presenting and discussing the proposed remuneration policy for these members at the General Meeting, ensuring transparency and accountability.

↘ Members of the Remuneration Committee 2024-2026

JOÃO DUQUE
Chairman

JOSÉ GALAMBA DE OLIVEIRA
Member

FERNANDO NEVES DE ALMEIDA
Member

Independence

The current Remuneration Committee is made up of members who are independent from management. To this extent, the Remuneration Committee does not include any member of another corporate body for which it defines the respective remuneration and none of the three members has any family relationship with members of other corporate bodies, reinforcing integrity in the definition of remuneration.

Experience

All members of the Remuneration Committee have the knowledge, acquired through their academic training and/ or professional experience, to reflect on, deal with and decide on all matters within the remit of the Remuneration Committee.

The members of the Remuneration Committee have academic training in management areas, with the exception of one of its members whose specific training is in human resources management, which gives them the necessary and appropriate theoretical knowledge to carry out their duties.

It should also be noted that the Remuneration Committee is made up of three members with extensive professional experience in consultancies, government, higher education and companies in various sectors of activity, both in Portugal and abroad. In fact, all the members of the Remuneration Committee have continuously held positions as members of the management bodies of various national and international entities in a wide variety of sectors, i) management and consultancy positions in financial regulators; and ii) management positions in consultancies in the areas of management, technology and human resources, thus consolidating relevant practical knowledge of remuneration policy, performance evaluation systems and related matters, which complement each other.

Access to external consultants

The Remuneration Committee may, under the terms of its regulations, freely decide on the contracting by the Company of consultancy services necessary or convenient for the performance of its duties, within the Company's budgetary limits, ensuring that the services are provided independently and that the respective providers are not contracted to provide any other services to the Company itself or to others in a control or group relationship with it without its express authorization.

The independence and extensive professional experience of the Remuneration Committee means that decisions on remuneration are duly substantiated and understandable.

It should be noted that, within the scope of the internal committees, the Appointments and Assessment Committee, in accordance with its regulations, has the role of supporting the Board of Directors in the annual assessment of its executive members, and submitting the respective report to the Remuneration Committee by March of each year. Without prejudice to the above, this Committee has no powers to define the remuneration of the Board of Directors, although the evaluation carried out by this Committee may indirectly influence this remuneration.

The Remuneration Committee presents and justifies the rationale behind the remuneration policy to the General Meeting on an annual basis and, in accordance with the provisions of its Regulations, is always available to provide information or clarifications requested by shareholders at this Meeting and at any others if the respective agenda includes a matter related to the remuneration of members of governing bodies, company committees or if such presence has been requested by shareholders.

The main highlights of the Remuneration Committee's role include the increasing relevance of ESG indicators in the Key Performance Indicators, and greater transparency in the disclosure of criteria and methods for calculating remuneration.

The regulations of the Remuneration Committee, approved in January 2019, are available on REN's institutional website. Below are the most important activities carried out during 2024 by the Remuneration Committee as part of the meetings held.

A final note to mention that transparency and clear communication about the remuneration strategy have contributed to building shareholder confidence.

ACTIVITIES	1Q 2024	2Q 2024	3Q 2024	4Q 2024
Evaluation of the 2023 KPIs of the EC				
Evaluation of the members of the EC				
Definition of variable remuneration of the EC of 2023				
Approval of the KPIs and their metrics for the evaluation of the EC in 2024				
Approval of remuneration policy of 2024				
Monitoring the evolution of the relevant KPIs for the evaluation of the EC				
Monitoring the evolution of the Company's activity				

14. STAKEHOLDER ENGAGEMENT AND SUSTAINABILITY

REN's clear commitment to the sustainability of its remuneration policy is based on the following strengths:

Remuneration policy using the best market practices.	√	No discretionary variable remuneration.	X
Variable remuneration dependent on quantitative objectives.	√	No contracts to guarantee remuneration.	X
Objectives articulated with the Strategic Plan and integrating KPIs of sustainability.	√	No objectives that promote excessive risk.	X
50% of variable remuneration deferred over three years.	√	No advance payments of future remuneration.	X
Malus clause in long-term variable remuneration.	√		
Variable remuneration limited to 120% of fixed remuneration.	√		
Regular benchmarking of compensation policies.	√		
Moderation of the weight of the BoD salary mass in relation to employees.	√		

It has received continued and significant support from shareholders over the years, thus attesting to the effectiveness of the remuneration model.

On May 9, 2024, the Remuneration Committee's proposal on the remuneration policy of the members of the governing bodies was approved by a majority of 99.87% at the Annual General Meeting.

The design of the remuneration policy presented by the Remuneration Committee, which received broad consensus from its shareholders and is expressed in the table below, has proved to be appropriate from the perspective of creating value for stakeholders in a sustained manner.

GSM VOTING REGARDING THE RC STATEMENT ON THE REMUNERATION POLICY OF THE MGB

DATE OF GSM	IN FAVOUR	AGAINST
9 May 2024	99.87%	0.13%
27 April 2023	99.12%	0.88%
28 April 2022	99.98%	0.02%
24 April 2021	98.36%	1.64%
7 May 2020	99.61%	0.39%

Also noteworthy is the proactivity in managing stakeholder expectations, anticipating concerns and addressing them in a transparent manner. This includes not only disclosing salary policies, but also explaining the underlying principles and the impacts on REN's performance.

15. CONCLUSION AND FUTURE PROSPECTS

The Remuneration Committees, in general, face today a considerable number of challenges often expressed through General Meetings and even the media. The value of their respective remuneration, the clarity of the relationship between compensation and performance, among others, are issues discussed outside the narrower scope of the Remuneration Committees.

The vectors of REN's compensation policy, set out in detail throughout this report, are based on clear principles that ensure both the transparency and intelligibility of the model.

Prior clarification of the role of each member of the Board of Directors is an important element in defining the Remuneration Policy. Additionally, the awareness that compensation, although very relevant, is only one of the elements that influence the behaviour of the executive members, via variable remuneration, and that other aspects such as career and individual satisfaction of success should not be neglected.

The weight of the remuneration of the Board of Directors in relation to that of the employees reaches a low percentage.

REN's model, foreseeing a relationship between performance and compensation, seeks to guarantee that the pursuit of KPIs depends, as far as possible, on the direct action of the respective executive members.

There is a concern for alignment between executive remuneration and the creation of shareholder value, without prejudice to the understanding that this analysis should be relative, since the evolution of the share price depends on several other forces exogenous to the Company.

The Company's compensation model bears in mind that there is a specific market for executives and that their attraction/ retention presupposes alignment with this same market. The remuneration of the executive members has incorporated the risk associated to compliance with KPIs, and may fluctuate positively or negatively over the years.

The Remuneration Committee, besides being composed of independent members, has the full power to propose to the shareholders the respective remuneration policy for the governing bodies and any revisions thereof. However, as the independent members that they are, they have to ensure the monitoring of the activity, meeting regularly throughout the year with members of the Board of Directors, as well as being able to use the support of external consultants whenever they consider appropriate. The Remuneration Committee, as the body responsible for designing the compensation plan, has been able to guarantee, over time, full alignment with shareholders, which is reflected in the almost unanimous votes in the General Meeting regarding the sanctioning of this policy.

In short, REN's compensation model, as shown, respects all the good practices instituted by corporate governance bodies in the vectors of:

- Transparency of compensation amounts and their business context;
- Independence of the body responsible for defining the compensation policy;
- Alignment with shareholders;
- Objectives adjusted to the strategic plan, guaranteeing medium and long-term sustainability; and
- Executive accountability in the medium and long-term, namely through the malus clause.

In preparing for the future, companies must maintain a flexible approach to defining executive remuneration strategies, adapting to changes in the business environment and the growing expectations of stakeholders. Sensitive management to emerging dynamics is therefore necessary to ensure that remuneration policies are aligned with the company's long-term objectives and therefore with its sustainability.

02 Annex 2

TO THE GOVERNANCE REPORT

LIST OF HOLDERS OF QUALIFYING HOLDINGS

Under the terms of article 20 of the Securities Code, with reference to December 31, 2024 and in accordance with the information provided by shareholders and/or managers, and as set out in section II.7 of the corporate governance report, the qualifying holdings of shareholders to whom voting rights corresponding to at least 5% of the voting rights inherent in REN's share capital are attributable are as follows:

NOME	NO OF SHARES	VOTING RIGHTS %
State Grid Corporation of China (Through State Grid Europe Limited (SGEL), which is dominated and wholly owned by State Grid International Development Limited (SGID), which is dominated and wholly owned by State Grid Corporation of China)	166,797,815	25.0
Pontegadea Inversiones, S.L.	80,100,000	12.0
Lazard Asset Management LLC (shares held on behalf of Clients, and attributable to it for having agreed with them to exercise their voting rights)	51,346,447	7.7
Fidelidade - Companhia de Seguros, S.A. (includes 119,889 shares held by Via Directa, 37,537 shares held by CPR, 98,732 held by Fidelidade Assistência and 63,470 held by Multicare)	35,496,424	5.32
Redeia Corporación, S.A. (through its subsidiary Red Eléctrica Internacional S.A.U.)	33,359,563	5.0

LIST OF SHARES AND BONDS COVERED BY ARTICLE 447(1) AND (2) OF THE CSC

The list of shares and bonds held, as well as the transactions carried out, by members of the management and supervisory bodies, as well as the persons referred to in Article 447(2) of the CSC, can be found in section II.8 of the corporate governance report.

REN

Advancing with balance, in community

Our strategy, policies, and actions are aligned with the objective of harmonizing growth and sustainability. At REN, we are advancing towards the energy transition with clear guidance and a continued focus on the equilibrium between economic growth and environmental responsibility.

Energy in balance.

Annexes

ANNEX 1
ENERGY LEGISLATION PUBLISHED IN 2024

1.1. ELECTRICITY

Order No 367/2024/1 of the Ministry of the Environment and Energy, of 31 December
Establishes the terms and conditions of the energy registration and bilateral contracting activity.

Decree-Law No 123/2024, of 31 December
Extends the deadline for the delimitation of the National Ecological Reserve to align with the new national and regional strategic guidelines.

Decree-Law No 116/2024, of 30 December
Extends the exceptional measures to simplify procedures for renewable energy production.

ERSE Directive 21-B/2024, of 24 December
Distribution of the financing of social tariff costs for 2025, along with adjustments for 2024 and the period from 18 November to 31 December 2023.

ERSE Directive 21-A/2024, of 24 December
Makes the definitive adjustment to the financing of social tariff costs for the period from 1 January to 17 November 2023.

ERSE Directive 21/2024, of 11 December
Approves the standards for the general indicators set out in articles 98, 99 and 100 of the Quality-of-Service Regulations for the electricity and gas sectors (QSR).

Decree-Law No 99/2024, of 3 December
Amends the regulatory framework applicable to renewable energies.

ERSE Directive 20/2024, of 19 November
Approves the transitional rules on the deviation settlement period and the secondary regulation band.

ERSE Regulation No 25280-A/2024/2, of 12 November
Public consultation on the proposed development and investment plan for the national electricity distribution network for the period 2026-2030 (PDIRD-E 2024).

ERSE Regulation No 29230-E/2024/, of 11 November
Public consultation on the development and investment plan for the national electricity transmission network for the period 2025-2034 (PDIRT-E 2024).

Decree-Law No 84/2024, of 4 November
Defines the rules on the energy performance of data centres, partially transposing Directive (EU) 2023/1791 on energy efficiency and ensuring the implementation in the internal legal order of Delegated Regulation (EU) 2024/1364.

Resolution of the Council of Ministers No 122/2024, of 22 August
Proceeds with the first amendment to Council of Ministers Resolution No 27/2024, of 23 February, which established the principles and timetable for awarding municipal concessions for the distribution of low-voltage electricity.

Order No 9132/2024 of the Cabinet of the Minister for the Environment and Energy, of 12 August
Determines the preparation of a proposal for the Electricity Transmission Network Development and Investment Plan (PDIRT-E) for the 2025-2034 period and revokes Order No 4162/2024 of 16 April.

ERSE Directive 19/2024, of 24 July
Performance indicators for smart electricity grids.

Order No 168/2024/1 of the Ministry of the Environment and Energy, of 18 June
Approves the Regulation of the Business Incentive Scheme ‘Promotion of Renewable Hydrogen and Other Renewable Gases - Reinforced Measure’, as part of Investment RP-C21 i06 of the Recovery and Resilience Plan.

ERSE Directive 17/2024, of 21 May
First amendment to Directive 10/2024, of 7 February, approving tariffs and prices for electricity and other services in 2024, exceptionally fixed for the period from June to December 2024.

ERSE Directive 16/2024, of 21 May
Approves the procedures for reporting the reference prices of commercial offers and the average invoiced prices for electricity and gas.

ERSE Directive 15/2024, of 8 May
Amends the legal framework for managing risks and guarantees in the National Electrical System and National Gas System, approved by the Energy Services Regulatory Authority (ERSE) through Directive 7/2021 of 15 April.

ERSE Directive 14/2024, of 16 April
Approves the distribution of the financing of social tariff costs for the period from 18 November to 31 December 2023 and for the year 2024.

ERSE Directive 13/2024, of 16 April
Approves the procedures for operationalising the financing of social tariff costs.

ERSE Directive 11/2024, of 1 March
Changes the term of the commercialisation deviation unit.

ERSE Declaration of Rectification No 112/2024, of 25 January
Rectifies Directive No 7/2024, of 16 January, which approves the methodology for developing distribution network loss profiles in the electricity sector.

ERSE Declaration of Rectification No 100/2024, of 25 January
Rectifies Directive No 4/2024, of 16 January, which approves the methodology for developing loss profiles in the electricity sector's transmission network.

ERSE Directive No 8/2024, of 2 January
Approves the second amendment to the Procedures Manual of the Global Technical Management of the National Gas System, adding procedures No 23, 24, 25, 26, and 27.

Regulation (EU) 2024/223, of the Council, of 22 of December 2023
Amends Regulation (EU) 2022/2577 establishing a framework to accelerate the deployment of renewable energies.

ERSE Directive 10/2024, of 20 December 2023
Approves electricity tariffs and service prices for 2024.

ERSE Directive 7/2024, of 20 December 2023
Approves the methodology for developing distribution network loss profiles in the electricity sector.

ERSE Directive 5/2024, of 20 December 2023
Approves the tariffs of the Electric Mobility Network Management Entity for 2024.

ERSE Directive 4/2024, of 20 December 2023
Approves the methodology for developing loss profiles in the electricity sector's transmission network.

ERSE Directive 3/2024, of 20 December 2023
Approves the rules for calculating and attributing the adequacy factor.

ERSE Directive 2/2024, of 20 December 2023
Approves the methodology for estimating consumption and injection profiles in the electricity grid.

ERSE Directive 1/2024, of 6 December 2023
Approves the distribution of the financing of social tariff costs for the period from 1 January to 17 November 2023 and the adjustments from 2018 to 2022, with an impact on 2024.

ERSE Directive 21/2024, of 5 December 2023
Approves the standards for the general indicators set out in articles 98, 99 and 100 of the QSR for the electricity and gas sectors.

1.2. GAS

ERSE Directive 21/2024, of 11 December
Approves the standards for the general indicators set out in articles 98, 99 and 100 of the QSR for the electricity and gas sectors.

Regulation (EU) 2024/1789, of the European Parliament and of the Council of 13 June 2024
On the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009 (recast).

Directive (EU) 2024/1788, of the European Parliament and of the Council of 13 June 2024
On common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC (recast).

ERSE Directive 18/2024, of 29 May
Approves the gas tariffs and prices for the 2024-2025 gas year.

ERSE Directive 15/2024, of 8 May
Amends the legal framework for managing risks and guarantees in the National Electrical System and National Gas System, approved by the Energy Services Regulatory Authority (ERSE) through Directive 7/2021 of 15 April.

ERSE Directive 16/2024, of 21 May
Approves the procedures for reporting the reference prices of commercial offers and the average invoiced prices for electricity and gas.

ERSE Directive 12/2024, of 3 April
Approves the methodology for determining the reference prices of the tariff for the use of the gas transmission network.

ERSE Directive 9/2024, of 2 January
Approves the Logistics Management Manual for the Supply of Liquefied Natural Gas Autonomous Units and revokes Directive No 17/2014, of 18 August.

ERSE Directive 8/2024, of 2 January
Approves the second amendment to the Manual of Procedures for the Global Technical Management of the National Gas System, adding procedures No 23, 24, 25, 26 and 27.

ERSE Directive 6/2024, of 20 December 2023
Approves the methodology for estimating gas consumption profiles.

ERSE Directive 21/2024, of 5 December 2023
Approves the standards for the general indicators set out in articles 98, 99 and 100 of the QSR for the electricity and gas sectors.

ANNEX 2
ESRS ALIGNMENT TABLE

DISCLOSURE REQUIREMENT	LOCATION	GRI CORRESPONDENCE
ESRS 2 – GENERAL DISCLOSURES		
BP-1 General basis for preparation of sustainability declarations	4.1 General Information - Basis for preparation: p. 112 About the report: p. 5-6	2-2
BP-2 Disclosures in relation to specific circumstances	About the report: p. 5-6 Where necessary, detailed explanations of specific circumstances are provided throughout this Integrated Report. When metrics include estimates based on indirect sources, such as average sector data or approximate values, the methodological basis used is described, the estimated level of accuracy is stated and, where applicable, actions planned to improve the accuracy of these estimates in the future.	2-4
GOV-1 The role of the administrative, management and supervisory bodies	3.1 Governance structure: p. 105-109 4.1.4 Sustainability governance: p. 126 4.3.1 REN Employees- Engagement with employees: p. 227, 230 III – Corporate governance report: p. 494-497	2-9, 2-12, 2-13, 2-17, 405-1
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	4.1.4 Sustainability governance: p. 126	2-12, 2-13, 2-16, 2-24
GOV-3 Integration of sustainability performance in incentive schemes	3.1 Governance structure - Remuneration Policy: p. 108-109 III – Corporate governance report: p. 416, 533-534	2-19, 2-20
GOV-4 Statement on due diligence	4.1.3 Due Diligence process: p. 125	2-23
GOV-5 Risk management and internal controls over sustainability reporting	4.1.4 Sustainability governance - Preparation of the sustainability statement: p. 127	2-14
SBM-1 Strategy, business model and value chain	1.2 Electricity: p. 35-48 1.3 Gas: p. 49-75 1.4 Other activities: p. 76-80 1.5 International: p. 80-85 2.1 Strategy: p. 87-90 4.1.2 Materiality - Value Chain Infographic: p. 124 4.3.1 REN Employees - Characterization of human resources: p. 201-203 Consolidated financial statements and annexes: p. 381	2-6, 2-7, 2-22, 3-3
SBM-2 Interests and views of stakeholders	4.1.2 Materiality - Stakeholder engagement: p. 117-118	2-12

DISCLOSURE REQUIREMENT	LOCATION	GRI CORRESPONDENCE
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.2.1 EU Environmental Taxonomy: p. 128-144 Annex 6. TCFD Recommendations: p. 588-592	3-2, 3-3, 201-2, 303-1, 306-1, 308-2, 413-2, 414-2
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	4.1.2 Materiality - Double materiality analysis: p. 119-123	2-14, 3-1
IRO-2 Disclosure requirements in ESRS covered by the company's sustainability declarations	4.1.2 Materiality - Double materiality analysis: p. 119-123	-
Minimum disclosure requirement – MDR-P Policies adopted to manage material sustainability matters	4.1.1 Sustainability approach - Sustainability Policy: p. 115-116 ESRS E1-2, ESRS E4-2, ESRS S1-1, ESRS S2-1, ESRS S31 and ESRS G1-1	-
Minimum Disclosure Requirement – MDR-A Actions and resources in relation to material sustainability matters	ESRS E1-3, ESRS E4-3, ESRS S1-4, ESRS S2-4, ESRS S3-4	-
Minimum disclosure requirements – MDR-M Metrics in relation to material sustainability matters	ESRS E1-5, ESRS E1-6, ESRS E1-7, ESRS E1-8, ESRS E4-5, ESRS S1-6, ESRS S1-7, ESRS S1-8, ESRS S1-9, ESRS S1-10, ESRS S1-11, ESRS S1-12, ESRS S1-13, ESRS S1-14, ESRS S1-15, ESRS S1-17, ESRS G1-4, ESRS G1-6 and ESRS G1-6	-
Minimum Disclosure Requirements – MDR-T Targets Tracking effectiveness of policies and actions through targets	2.2 Commitments: p. 91-92 ESRS E1-4, ESRS E4-4, ESRS S1-5, ESRS S2-5, ESRS S3-5	
ESRS E1 – CLIMATE CHANGE		
Disclosure requirement related to ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	3.1 Governance structure - Remuneration Policy: p. 108-109	-
E1-1 Transition plan for climate change mitigation	4.2.2 Climate change - Climate change and integration of renewable energy sources: p. 150-151 4.2.2 Climate change - Decarbonization initiatives: p. 153-162	-
Disclosure requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business mode	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.2.2 Climate change - Impacts, Risks and Opportunities: p. 146-147	-
Disclosure requirement related to ESRS 2 IRO-1 Description of processes to identify and assess material climate-related impacts, risks and opportunities	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.2.2 Climate Change - Management of climate-related impacts, risks and opportunities: p. 147-150 Annex 6. TCFD Recommendations: p. 588-592	-
E1-2 Policies related to climate change mitigation and adaptation	4.1.1 Sustainability approach - Sustainability Policy: p. 115-116 4.2.2 Climate change - Policies related to climate change mitigation and adaptation: p. 152	-
E1-3 Actions and resources in relation to climate change policies	4.2.1 EU Environmental Taxonomy: p. 128-144 4.2.2 Climate change - Decarbonization initiatives: p. 153-162 Annex 6. TCFD Recommendations: p. 588-592	305-5

DISCLOSURE REQUIREMENT	LOCATION	GRI CORRESPONDENCE
E1-4 Targets related to climate change mitigation and adaptation	2.2 Commitments: p. 91-92 4.2.2 Climate change - Decarbonization initiatives: p. 153-162 4.2.2 Climate change - Carbon footprint reduction: p. 163-173	305-1, 305-2, 305-3
E1-5 Energy consumption and mix	4.2.2 Climate change - Carbon footprint reduction: p. 163-173 4.2.2 Climate change - Operational efficiency: p. 173-177	302-1, 302-3
E1-6 Gross Scopes 1, 2, 3 and total GHG emissions	4.2.2 Climate change - Carbon footprint reduction: p. 163-173	305-4
E1-7 GHG removals and GHG mitigation projects financed through carbon credits	4.2.2 Climate change - GHG removal projects and carbon credits: p. 178	-
E1-8 Internal carbon pricing	4.2.2 Climate change - Internal carbon pricing: p. 178	-
E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Annex 6. TCFD Recommendation: p. 588-592	-
ESRS E2 – POLLUTION		
Disclosure requirement related to ESRS 2 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	4.1.2 Materiality - Double materiality analysis: p. 119-123 As part of the double materiality analysis, following the methodology proposed by EFRAG, the topic Pollution was not identified as material, either from an impact or financial perspective.	-
ESRS E3 – WATER AND MARINE RESOURCES		
Disclosure requirement related to ESRS 2 IRO-1 Description of processes to identify and assess material water and marine-related impacts, risks and opportunities	4.1.2 Materiality - Double materiality analysis: p. 119-123 As part of the double materiality analysis, following the methodology proposed by EFRAG, the topic of Water and marine resources was not identified as material, either from an impact or financial perspective.	-
ESRS E4 – BIODIVERSITY AND ECOSYSTEMS		
E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	4.2.3 Biodiversity - Biodiversity strategy: p. 181-182	-
Disclosure requirement related to ESRS 2 SBM -3 Material impacts, risks and opportunities and how they interact with the strategy and business model	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.2.3 Biodiversity - Impacts, Risks and Opportunities: p. 180	-
Disclosure requirement related to ESRS 2 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.2.3 Biodiversity - Management of risks and opportunities related to biodiversity and ecosystems: p. 183-184	-
E4-2 Policies related to biodiversity and ecosystems	4.1.1 Sustainability approach - Sustainability Policy: p. 115-116 4.2.3 Biodiversity - Biodiversity-related policies: p. 185	-

DISCLOSURE REQUIREMENT	LOCATION	GRI CORRESPONDENCE
E4-3 Actions and resources related to biodiversity and ecosystems	4.2.3 Biodiversity - Biodiversity initiatives: p. 188-191	304-3
E4-4 Targets related to biodiversity and ecosystems	2.2 Commitments: p. 91-92 4.2.3 Biodiversity - Biodiversity strategy performance: p. 191-192	-
E4-5 Impact metrics related to biodiversity and ecosystems	4.2.3 Biodiversity - Biodiversity strategy performance: p. 191-192	304-2
E4-6 Anticipated financial effects from biodiversity and ecosystem-related impacts, risks and opportunities	In accordance with the provisions of ESRS E4-6, companies are allowed to omit information related to this requirement in the first year of issuing the sustainability statement. REN undertakes to work on a methodology to ascertain and report the requirement in question.	-
ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY		
Disclosure requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	4.1.2 Materiality - Double materiality analysis: p. 119-123 As part of the double materiality analysis, following the methodology proposed by EFRAG, the topic of Resource use and circular economy was not identified as material, either from an impact or financial perspective.	-
ESRS S1 – OWN WORKFORCE		
Disclosure requirement related to ESRS 2 SBM-2 Interests and views of stakeholders	4.1.2 Materiality - Stakeholder engagement: p. 117-118	-
Disclosure requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.3.1 REN Employees - Impacts, Risks and Opportunities: p. 199-200	-
S1-1 Policies related to own workforce	4.1.1 Sustainability approach - Sustainability Policy: p. 115-116 4.3.1 REN Employees - Respect for human rights: p. 226	2-23, 2-25, 2-29, 403-1, 404-2
S1-2 Processes for engaging with own workers and workers' representatives about impacts	4.3.1 REN Employees - Engagement with employees: p. 227, 230	-
S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	4.3.1 REN Employees- Engagement with employees: p. 227, 230 4.4.1 Ethical culture and fight against corruption - Communicating irregularities: p. 264-265	2-26, 403-2
S1-4 Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	4.3.1 REN Employees: p. 198-230	2-24, 203-2, 403-9, 403-10
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.3.1 REN Employees: p. 198 2.2 Commitments: p. 91-92 Targets are set as part of the definition of REN's Strategic Plan.	-
S1-6 Characteristics of the undertaking's employees	4.3.1 REN Employees - Characterization of human resources: p. 201-203	2-7, 401-1, 405-1
S1-7 Characteristics of non-employee workers in the undertaking's own workforce	Workers who are not employees – FTE No: 1,571	2-8
S1-8 Collective bargaining coverage and social dialogue	4.3.1 REN Employees - Collective labour agreements and benefits: p. 228-229	2-30

DISCLOSURE REQUIREMENT	LOCATION	GRI CORRESPONDENCE
S1-9 Diversity metrics	4.3.1 REN Employees - Diversity, equality and inclusion: p. 219-220	-
S1-10 Adequate wages	4.3.1 REN Employees - Impacts, Risks and Opportunities: p. 199-200	202-1
S1-11 Social protection	4.3.1 REN Employees - Collective labour agreements and benefits: p. 228-229 All employees are covered by social protection through public schemes or benefits provided by the company, against loss of income due to important life events such as sickness, unemployment from the time employees start working for the company, accidents at work and acquired disability, parental leave and retirement.	401-2
S1-12 Persons with disabilities	At REN there are 16 employees with a degree of disability equal to or greater than 60%, corresponding to 2% of employees.	405-1
S1-13 Training and skills development metrics	4.3.1 REN employees - Performance management: p. 209-210 4.3.1 REN employees - Training and development: p. 211-215	404-1, 404-3
S1-14 Health and safety metrics	4.3.1 REN employees - Occupational safety: p. 221-226	403-8
S1-15 Work-life balance metrics	All employees are entitled to leave for family assistance through social policy agreements and/ or collective bargaining. In 2024, 30 employees (23% women and 77% men) took parental leave, and 58 employees (33% women and 67% men) enjoyed other leave such as to provide assistance to children under 12 years of age and household assistance, representing 4.6% and 7.5% of employees, respectively.	401-3
S1-16 Compensation metrics (pay gap and total compensation)	4.3.1 REN Employees - Diversity, equality and inclusion: p. 219-220	2-21, 405-2
S1-17 Incidents, complaints and severe human rights impacts	4.3.1 REN Employees - Respect for human rights: p. 226 No cases of human rights violations were recorded.	2-27, 406-1
ESRS S2 – WORKERS IN THE VALUE CHAIN		
Disclosure requirement related to ESRS 2 SBM-2 Interests and views of stakeholders	4.1.2 Materiality - Stakeholder engagement: p. 117-118	-
Disclosure requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.3.2 Supply chain management - Impacts, Risks and Opportunities: p. 232-233	-
S2-1 Policies related to value chain workers	4.1.1 Sustainability approach - Sustainability Policy: p. 115-116 4.3.2 Supply chain management - Supplier Code of Conduct: p. 236-237	2-23, 2-25, 2-29
S2-2 Processes for engaging with value chain workers about impacts	4.3.2 Supply chain management - Engagement with suppliers: p. 237	-
S2-3 Processes to remediate negative impacts and channels for value chain worker to raise concerns	4.3.2 Supply chain management - Engagement with suppliers: p. 237 4.4.1 Ethical culture and fight against corruption - Communicating irregularities: p. 264-265	2-26
S2-4 Taking action on material impacts and approaches to manage material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	4.3.2 Supply chain management: p. 238-240 No cases of human rights violations were recorded in the value chain.	2-24
S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.3.2 Supply chain management: p. 231 2.2 Commitments: p. 91-92 Targets are set as part of the definition of REN's Strategic Plan.	-

DISCLOSURE REQUIREMENT	LOCATION	GRI CORRESPONDENCE
ESRS S3 – AFFECTED COMMUNITIES		
Disclosure requirement related to ESRS 2 SBM-2 Interests and views of stakeholders	4.1.2 Materiality - Stakeholder engagement: p. 117-118 4.3.3 Communities: p. 245	-
Disclosure requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with the strategy and business model	4.1.2 Materiality - Double materiality analysis: p. 119-123 4.3.3 Communities - Impacts, Risks and Opportunities: p. 245	-
S3-1 Policies related to affected communities	4.1.1 Sustainability approach - Sustainability Policy: p. 115-116 4.3.3 Communities - Policies that guide the relationship with the community: p. 247 The relationship with indigenous peoples is not applicable to REN.	2-23, 2-25, 2-29, 411-1
S3-2 Processes for engaging with affected communities about impacts	4.3.3 Communities - Engagement with the community: p. 246	413-1
S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns	4.3.3 Communities - Engagement with the community: p. 246 4.4.1 Ethical culture and fight against corruption - Communicating irregularities: p. 264-265	-
S3-4 Taking action on material impacts and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	4.3.3 Communities: p. 245-259 No cases of human rights violations were recorded.	2-24, 203-2
S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.3.3 Communities: p. 244 2.2 Commitments: p. 91-92 Targets are set as part of the definition of REN's Strategic Plan.	-
ESRS S4 – CONSUMERS AND END-USERS		
Disclosure requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	4.1.2 Materiality - Double materiality analysis: p. 244 As part of the double materiality analysis, following the methodology proposed by EFRAG, the topic Consumers and end-users was not identified as material, either from an impact or financial perspective.	-
ESRS G1 – BUSINESS CONDUCT		
Disclosure requirement related to ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies	3.1 Governance structure: p. 106-109 4.1.4 Sustainability governance: p. 126 III – Corporate governance report: p. 470-480, 494-497	-
Disclosure requirement related to ESRS 2 IRO-1 Description of processes to identify and assess material impacts, risks and opportunities	4.1.2 Materiality - Double materiality analysis: p. 119-123	-
G1-1 Corporate culture and business conduct policies	4.4.1 Ethical Culture and fight against corruption - Ethical culture and business conduct policies: p. 262-263 4.4.1 Ethical culture and fight against corruption - Communicating irregularities: p. 264-265 4.4.1 Ethical culture and fight against corruption - Training and awareness: p. 267 III – Corporate governance report: p. 503-505	2-16, 2-23, 2-24, 2-26

DISCLOSURE REQUIREMENT	LOCATION	GRI CORRESPONDENCE
G1-2 Management of relations with suppliers	4.3.2 Supply chain management - Payment practices: p. 241-243 4.3.2 Supply chain management - Sustainable procurement: p. 238-240	308-1, 414-1
G1-3 Prevention and detection of corruption and bribery	4.4.1 Ethical culture and fight against corruption - Communicating irregularities: p. 264-265 4.4.1 Ethical culture and fight against corruption - Training and awareness: p. 267 III - Corporate governance report: p. 503-505	2-13, 205-1, 205-2
G1-4 Confirmed incidents of corruption or bribery	REN did not record any corruption cases in 2024 and no fines were imposed for violations of anti-corruption laws.	2-27, 205-3
G1-5 Political influence and lobbying activities	4.4.1 Ethical and anti-corruption culture - Contributions to political parties and lobbying activities: p. 269 REN does not make any direct or indirect monetary or cash contributions to political parties. As such, the figure for 2024 is zero. III - Corporate governance report: p. 493	415-1
G1-6 Payment practices	4.3.2 Supply chain management - Payment practices: p. 241-243 There are currently no legal proceedings in process for late payment.	-

LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION (APPENDIX B)

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIAL/ NON MATERIAL	PAGES
ESRS 2 GOV 1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	107
ESRS 2 GOV 1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	107
ESRS 2 GOV 4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	125
ESRS 2 SBM 1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Non material	N/A
ESRS 2 SBM 1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Non material	N/A
ESRS 2 SBM 1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II		Non material	N/A
ESRS 2 SBM 1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II		Non material	N/A
ESRS E1 1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2 (1)	Material	150
ESRS E1 1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Material	164

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIAL/ NON MATERIAL	PAGES
ESRS E1 4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	163
ESRS E1 5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	174
ESRS E1 5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	173
ESRS E1 5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material	173
ESRS E1 6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), 6 and 8 (1)		Material	167
ESRS E1 6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8 (1)		Material	170
ESRS E1 7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2 (1)	Material	178
ESRS E1 9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material	588
ESRS E1 9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)						588
ESRS E1 9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material	588

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIAL/ NON MATERIAL	PAGES
ESRS E1 9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Material	588
ESRS E1 9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material	588
ESRS E2 4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Non material	N/A
ESRS E3 1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Non material	N/A
ESRS E3 1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Non material	N/A
ESRS E3 1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Non material	N/A
ESRS E3 4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Non material	N/A
ESRS E3 4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Non material	N/A
ESRS 2 IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Material	180
ESRS 2 IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Material	180
ESRS 2 IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Material	180
ESRS E4 2 Sustainable land/ agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Non material	N/A
ESRS E4 2 Sustainable oceans/ seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Non material	N/A

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIAL/ NON MATERIAL	PAGES
ESRS E4 2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Material	181
ESRS E5 5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Non material	N/A
ESRS E5 5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Non material	N/A
ESRS 2 SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Material	199
ESRS 2 SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Material	199
ESRS S1 1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	226
ESRS S1 1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	125
ESRS S1 1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Material	226
ESRS S1 1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material	221
ESRS S1 3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	264
ESRS S1 14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	222
ESRS S1 14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Material	222
ESRS S1 16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	220
ESRS S1 16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	220
ESRS S1 17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material	579

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIAL/ NON MATERIAL	PAGES
ESRS S1 17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	226
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Material	232
ESRS S2 1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Material	236
ESRS S2 1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Material	236
ESRS S2 1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	579
ESRS S2 1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Material	125
ESRS S2 4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Material	560
ESRS S3 1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Material	247
ESRS S3 1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	560
ESRS S3 4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Material	560
ESRS S4 1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Non material	N/A
ESRS S4 1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Non material	N/A

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	MATERIAL/ NON MATERIAL	PAGES
ESRS S4 4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Non material	N/A
ESRS G1 1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material	262
ESRS G1 1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	264
ESRS G1 4 Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material	260
ESRS G1 4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	262

ANNEX 3
GLOBAL REPORTING INITIATIVE (GRI) ALIGNMENT TABLE

DECLARATION OF USE	GRI 1 USED	SECTOR STANDARD APPLICABLE
REN reported in compliance with GRI requirements for the period from 1 January to 31 December 2024.	GRI 1: Foundation 2021.	GRI 11: Oil and Gas Sector 2021.

GRI CONTENT	LOCATION	OMISSION			SECTOR REQUIREMENT REF. NO
		REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 2: GENERAL CONTENTS 2021					
2-1 Organization details	REN – Redes Energéticas Nacionais, S.G.P.S., S.A.	-	-	-	-
2-2 Entities included in the organization's sustainability reporting	About the report	-	-	-	-
2-3 Reporting period, frequency and contacts	About the report	-	-	-	-
2-4 Restatements of information	About the report Restatements are indicated throughout the report, where applicable.	-	-	-	-
2-5 External assurance	About the report	-	-	-	-
2-6 Activities, value chain and other business relationships	1. Our activity 4.3.2 Supply chain management	-	-	-	-
2-7 Employees	4.3.1 REN Employees - Characterization of human resources	b. iii. employees without guaranteed timetable, broken down by gender and region.	Not applicable.	REN does not have employees without a guaran-teed timetable.	-

GRI CONTENT	LOCATION	OMISSION			SECTOR REQUIREMENT REF. NO
		REQUIREMENTS OMITTED	REASON	EXPLANATION	
2-8 Workers other than employees	FTE No: 1.571	a. i. the most common types of workers, and their contractual rela-tionship with the organization. a. ii. type of work they perform. b. Description of the methodology used for infor-mation consolida-tion. C. Description of fluctuation of the number of workers other than em-ployees.	Unavailable information/ incomplete.	Information not available as workers other than employees are managed by the departments re-sponsible for hiring.	-
2-9 Governance structure and composition	3.1 Governance structure - Composition of Corporate Bodies III - Corporate governance report	-	-	-	-
2-10 Nomination and selection of the highest governance body	III - Corporate governance report	-	-	-	-
2-11 Chair of the highest governance body	3.1 Governance structure - Composition of Corporate Bodies III - Corporate governance report	-	-	-	-
2-12 Role of the highest governance body in overseeing the management of impacts	3.1 Governance structure - Composi-tion of Corporate Bodies III - Corporate governance report	-	-	-	-
2-13 Delegation of responsibility for managing impacts	4.1.4 Sustainability governance III - Corporate governance report	-	-	-	-
2-14 Role of the highest governance body in sustainability reporting	4.1.4 Sustainability governance III - Corporate governance report	-	-	-	-
2-15 Conflicts of interest	4.4.1 Ethical culture and fight against corruption - Prevention of situations of conflicts of interests	-	-	-	-
2-16 Communication of critical concerns	The Board of Directors of REN SGPS (holding company), the Executive Committee and the other Committees and corporate bodies, within the framework of their competences, ad-dress, discuss and propose decisions on critical concerns.	-	-	-	-
2-17 Collective knowledge of the highest governance body	4.1.4 Sustainability governance III- Corporate governance report	-	-	-	-
2-18 Evaluation of the performance of the highest governance body	3.1 Governance structure - Remuneration Policy III- Corporate governance report	-	-	-	-
2-19 Remuneration policies	3.1 Governance structure - Remuneration Policy III- Corporate governance report	-	-	-	-

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
2-20 Process to determine remuneration	3.1 Governance structure - Remuneration Policy III- Corporate governance report	-	-	-	-
2-21 Annual total compensation ratio	4.3.1 REN Employees - Diversity, equality and inclusion	-	-	-	-
2-22 Statement on sustainable development strategy	Message from the Chairman	-	-	-	-
2-23 Policies	4.4.1 Ethical culture and fight against corruption Website REN - Regulatory compliance programme Website REN - Supplier Code of Conduct REN website - Sustainability management	-	-	-	-
2-24 Embedding policy commitments	4.4.1 Ethical culture and fight against corruption	-	-	-	-
2-25 Processes to remediate negative impacts	4.1.2 Materiality - Stakeholder engagement 2.3 Risk management - Main risks and opportunities 4.3.2 Supply chain management 4.2.2 Climate change 4.2.3 Biodiversity	-	-	-	-
2-26 Mechanisms for seeking advice and raising concernss	4.4.1 Ethical culture and fight against corruption - Communicating irregularities	-	-	-	-
2-27 Compliance with laws and regulations	Website REN - Audit Committee - Activity Report In 2024, no environmental sanction process was opened. One process was completed and two processes were carried forward from previous years. There were no fines resulting from non-compliance with environmental laws and regulations. The amount paid in fines was therefore zero.	-	-	-	-
2-28 Participation in associations	4.5.1 Innovation and development	-	-	-	-
2-29 Approach to stakeholder engagement	4.1.2 Materiality - Stakeholder engagement 4.3.1 REN employees - Engagement with employees 4.3.2 Supply chain management - Engagement with suppliers 4.3.3 Communities - Engagement with the community REN website - Stakeholders	-	-	-	-
2-30 Collective negotiation agreements	4.3.1 REN employees - Engagement with employees	-	-	-	-
GRI 3: MATERIAL TOPICS 2021					
3-1 Process to define material topics	4.1.2 Materiality - Double materiality analysis 4.1.1 Sustainability approach	-	-	-	-
3-2 List of material topics	4.1.2 Materiality - Double materiality analysis 4.1.1 Sustainability approach	-	-	-	-

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
ECONOMIC PERFORMANCE					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 5.1 Financial performance REN monitors the information on this subject and reports annually, in particular, through GRI indicators: 201-1.	-	-	-	11.14.1 11.21.1
OPERATIONAL EXCELLENCE					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 1.2 Electricity 1.3 Gas	-	-	-	-
RISK AND CRISIS MANAGEMENT					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 2.3 Risk management REN monitors the information on this subject and reports annually, in particular through GRI indicators: 2-25.	-	-	-	-
OPERATIONAL SAFETY AND EMERGENCY PREPAREDNESS AND RESPONSE					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 1.2 Electricity 1.3 Gas 4.3.1 REN Employees	-	-	-	-
INTEGRATION OF RENEWABLE ENERGIES					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 1.1 Context 1.2 Electricity 1.3 Gas 4.2.2 Climate change	-	-	-	11.1.1 11.2.1
RESPECT FOR HUMAN RIGHTS					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.3 Supply chain management 4.3.1 REN Employees REN monitors the information on this subject and reports annually, in particular, through GRI indicators: 408-1, 409-1 and 410-1.	-	-	-	11.12.1 11.18.1
OCCUPATIONAL HEALTH AND SAFETY					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.3.1 REN Employees REN monitors the information on this subject and reports annually in particular through GRI indicators: 403-1 to 403-10.	-	-	-	11.9.1

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
HEALTH AND SAFETY OF SURROUNDING COMMUNITIES					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.3.3 Communities Website REN - Wellbeing, development and safety REN monitors the information on this subject and reports annually, in partic-lar through GRI indicators: 416-1 to 416-2.	-	-	-	-
ANTI-CORRUPTION					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.4.1 Ethical culture and fight against corruption REN monitors the information on this subject and reports annually, in particular through GRI indicators: 205-1 to 205-3.	-	-	-	11.20.1
ETHICS AND CONDUCT					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.4.1 Ethical culture and fight against corruption REN monitors the information on this subject and reports annually, in particular through GRI indicators: 2-23 to 2-27 and 205-1 to 205-3.	-	-	-	-
CLIMATE CHANGE					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.2.2 Climate change REN monitors the information on this subject and reports annually, in partic-lar through GRI indicators: 305-1 to 305-7.	-	-	-	11.1.1 11.2.1 11.3.1
ENERGY EFFICIENCY					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.2.2 Climate change REN monitors the information on this subject and reports annually, in particular through GRI indicators: 302-1 to 302-5.	-	-	-	11.1.1 11.2.1
MANAGEMENT OF HUMAN CAPITAL AND TRAINING					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.3.1 REN Employees REN monitors the information on this subject and reports annually, in particular through GRI indicators: 2-7; 2-21; 2-30; 202-1; 401-1 to 401-3; 404-1 to 404-3; 406-1; 407-1; 408-1 and 409-1.	-	-	-	11.10.1 11.13.1
BIODIVERSITY AND FORESTRY					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.2.3 Biodiversity REN monitors the information on this subject and reports annually, in particular through GRI indicators: 304-1 to 304-4.	-	-	-	11.4.1 11.16.1

GRI CONTENT	LOCATION	OMISSION			SECTOR REQUIREMENT REF. NO
		REQUIREMENTS OMITTED	REASON	EXPLANATION	
DIVERSITY, EQUALITY, AND INCLUSION					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.3.1 REN Employees REN monitors the information on this subject and reports annually, in particular through GRI indicators: 405-1 to 405-2.	-	-	-	11.11.1
ENGAGEMENT AND SUPPORT FOR THE COMMUNITY					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.3.3 Communities REN monitors the information on this subject and reports annually, in particular through GRI indicators: 203-1 to 203-2 and 413-1 to 413-2.	-	-	-	11.15.1
SUSTAINABLE SUPPLIER CHAIN					
3-3 Management of material topics	4.1.2 Materiality - Double materiality analysis 4.3 Supply chain management REN monitors the information on this subject and reports annually, in particular through GRI indicators: 204-1; 308-1 to 308-2; 414-1 to 414-2.	-	-	-	11.14.1
THEMATIC STANDARDS					
GRI 201-1: ECONOMIC PERFORMANCE 2016					
201-1 Direct economic value generated and distributed	Economic value generated: 745.8 M€ • Turnover: 628.5 M€ • Other: 117.3 M€ Economic value distributed: 440.5 M€ • Employees: 67.6 M€ • Suppliers 135.5 M€ • Shareholders: 104.1 M€ • Financial sector: 93.8 M€ • Community: 0.6 M€ • Government: 38.9 M€ Economic value retained: 305.3 M€	-	-	-	11.14.2
201-2 Financial implications and other risks and opportunities due to climate change	2.3 Risk management 4.2.2 Climate change Annex 6: Recommendations Task force on Climate-related Financial Disclosures (TCFD)	-	-	-	11.2.2
201-3 Defined benefit plan obligations and other retirement plans	Pensions plan: 3,062,800 Euros Health care plan: 551,236 Euros	-	-	-	-
201-4 Financial assistance received from government	1,557,998 Euros	-	-	-	-

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
GRI 202: MARKET PRESENCE 2016					
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	4.3.1 REN Employees - Diversity, equality and inclusion The lowest wages paid by REN are in line with and/ or higher than the average cost of living in Portugal, according to the Eurostat data marker “Fairly easily ability to make ends meet”. The lowest salary in REN was €1,113 for both male and female employees, corresponding to a ratio of 1.36 in relation to the national minimum wage (€820).	-	-	-	-
GRI 203: INDIRECT ECONOMIC IMPACTS 2016					
203-1 Infrastructure investments and services supported	4.3.3 Communities	-	-	-	11.14.4
203-2 Significant indirect economic impacts	4.3.3 Communities	-	-	-	11.14.5
GRI 204: PROCUREMENT PRACTICES 2016					
204-1 Proportion of spendin on local suppliers	4.3.2 Supply chain management - Description of purchases Local suppliers are understood to be national suppliers.	-	-	-	11.14.6
GRI 205: FIGHTING CORRUPTION 2016					
205-1 Operations assessed for risks related to corruption	2.3 Risk management	-	-	-	11.20.2
205-2 Communication and training about anti-corruption policies and procedures	4.4.1 Ethical culture and fight against corruption - Training and awareness All employees have access to training in policies and procedures to combat corruption, through a range of training courses, more specifically, courses on “Ethics, Code of Conduct and preven-tion of corruption risks”, “REN sustainability” and “REN cybersecurity”.	-	-	-	11.20.3
205-3 Confirmed incidents of corruption and actions taken	4.4.1 Ethical culture and fight against corruption REN did not record any cases of cor-ruption in 2024.	-	-	-	11.20.4
ADDITIONAL SECTOR INDICATORS					
Describe the approach to ensuring transparency of contracts	-	Approach to ensuring transparency of contracts.	Confidentiality restrictions.	Confidentiality restrictions.	11.20.5
Effective beneficiaries	-	Effective beneficiaries.	Confidentiality restrictions.	Confidentiality restrictions.	11.20.6

GRI CONTENT	LOCATION	OMISSION			SECTOR REQUIREMENT REF. NO
		REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 302: ENERGY 2016					
302-1 Energy consumption within the organization	4.2.2 Climate change - Operational efficiency	-	-	-	11.1.2
302-2 Energy consumption outside the organization	-	a. Energy consumption outside the organization, in joules or its multiples. b. Standards, methodologies, assumptions and/or calculation tools adopted. C. Source of the conversion factors used.	Unavailable information.	Energy consumption outside the organization which could be measured is for the air transport of workers when on duty. REN does not have tools to calculate this consumption. However, CO_2 emissions relating to this travel are reported in the chapter on emissions (4.6 Natural capital).	11.1.3
302-3 Energy intensity	4.2.2 Climate change - Operational efficiency	-	-	-	11.1.4
302-4 Reduction of energy consumption	4.2.2 Climate change - Operational efficiency	-	-	-	-
302-5 Reductions in energy requirements of products and servicess	Indicator considered not applicable, given the nature of REN's activity of energy transmission. The measures implemented by REN to reduce energy consumption are re-ferred to in GRI 302-4.	-	-	-	-
GRI 303: WATER AND EFFLUENTS 2018					
303-3 Water withdrawal	4.2.4 Resources - Water	b. Total water withdrawal in all areas with water stress.	Unavailable information.	Given the nature of REN's business and the non-materiality of the subject, no analy-sis on water stress has been carried out as yet.	-
303-5 Water consumption	4.2.4 Resources - Water	b. Total water consumption in all areas with water stress.	Unavailable information.	Given the nature of REN's business and the non-materiality of the subject, no analy-sis on water stress has been carried out as yet.	

GRI CONTENT	LOCATION	OMISSION			SECTOR REQUIREMENT REF. NO
		REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 304: BIODIVERSITY 2016					
304-1 Operating units owned, leased or managed within or adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas	4.2.3 Biodiversity	-	-	-	11.4.2
304-2 Significant impacts of activities, products and services on biodiversity	4.2.3 Biodiversity	-	-	-	11.4.3
304-3 Habitats protected or restored	4.2.3 Biodiversity	-	-	-	11.4.4
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	4.2.3 Biodiversity	-	-	-	11.4.5
GRI 305: Emissions 2016					
305-1 Direct (Scope 1) GHG emissions	4.2.2 Climate change - Carbon footprint reduction	-	-	-	11.1.5
305-2 Indirect (Scope 2) GHG emissions generated as a result of the acquisition of energy	4.2.2 Climate change - Carbon footprint reduction	-	-	-	11.1.6
305-3 Other indirect GHG emissions (Scope 3)	4.2.2 Climate change - Carbon footprint reduction	-	-	-	11.1.7
305-4 GHG emissions intensity	4.2.2 Climate change - Carbon footprint reduction	-	-	-	11.1.8
305-5 GHG Emissions reduction	4.2.2 Climate change - Carbon footprint reduction	-	-	-	11.2.3
305-6 Emissions of ozone layer depleting substances (ODS)	-	a. Production, import and export of ODS in metric tons of CFC-11 (trichloromoro-methane) equiva-lent.	Not applicable.	REN does not produce any products or services that use any ozone layer depleting substances. Over time, all climate control equipment containing ozone layer depleting gases has been replaced in accordance with REN's equipment replacement plan.	-
305-7 NO_x, SO_x and other significant air emissions	4.2.2 Climate change - Carbon footprint reduction	-	-	-	-

GRI CONTENT	LOCATION	OMISSION REQUIREMENTS OMITTED	OMISSION REASON	OMISSION EXPLANATION	SECTOR REQUIREMENT REF. NO
GRI 306: WASTE 2020					
306-3 Waste generated	4.2.3 Resources - Waste	-	-	-	-
GRI 308: ENVIRONMENTAL ASSESSMENT OF SUPPLIERS 2016					
308-1 New suppliers selected based on environmental criteria	4.3.2 Supply chain management Legal compliance is validated during the supervision of subcontractors and during audits. REN complies with Portuguese law, more specifically by ensuring human rights as reflected in the company's Code of Conduct.	-	-	-	-
308-2 Negative environmental impacts in the supply chain and actions taken	4.3.2 Supply chain management - Sustainable procurement In 2024, REN was not aware of any real or potential significant environmen-tal impacts in its supply chain.	-	-	-	-
GRI 401: EMPLOYMENT 2016					
401-1 Hiring of new staff and employee turnover	4.3.1 REN Employees - Characterization of human resources Additional information table 1: GRI 401-1 New employee hires and employee turnover.	-	-	-	11.10.2
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.3.1 REN Employees - Well-being, Equality and Inclusion - NÓS Programme 4.3.1 REN Employees - Social dialogue and benefits	-	-	-	11.10.3
401-3 Maternity/ Paternity leave	In 2024, 30 employees, seven women and 23 men were entitled to and granted parental leave. Those who have already finished their leave have returned to work. The return rate was 100%. Employees taking parental leave in 2023 included two who left employment on their own initiative. For the purpose of internal indicators, this is still considered a return rate of 100%. However, the rate of return with respect to the GRI is 88%, where voluntary depar-tures are discounted. It should be noted that REN complies with Portuguese legislation regarding the leave period. The initial leave period is 120 or 150 consecutive days.	-	-	-	11.10.4 11.11.3
GRI 402: LABOUR RELATIONS 2016					
402-1 Minimum notice periods regarding operational changes	The notice periods follow those of the General Labour Law.	-	-	-	11.10.5
GRI 403: HEALTH AND SAFETY AT WORK 2018					
403-1 Occupational health and safety management system	4.3.1 REN employees - Occupational safety REN has implemented and certified an Occupational Health and Safety Management System in accordance with ISO 45001:2018, which covers 100% of the employees of REN SGPS, REN Eléctrica, REN Serviços, REN Gasodutos, REN Atlântico, REN Armazenagem, REN Telecom, RD Nester, Enondas and REN PRO. Information on this system can be found in the Integrated System Manual (ISM).	-	-	-	11.9.2

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
403-2 Hazard identification, risk assessment, and incident investigation	4.3.1 REN employees - Occupational safety	-	-	-	11.9.3
403-3 Occupational health services	4.3.1 REN Employees - Well-being, Equality and Inclusion - NÓS Programme 4.3.1 REN employees - Occupational safety	-	-	-	11.9.4
403-4 Worker participation, consultation, and communication on occupational health and safety	4.3.1 REN employees - Occupational safety 4.3.1 REN employees - Engagement with employees	-	-	-	11.9.5
403-5 Worker training on occupational health and safety	4.3.1 REN Employees - Wellbeing, Equality and Inclusion - NÓS Programme Consultations with different protocols are held for employees performing specific functions or who start work under a hybrid scheme. An awareness campaign has been launched on the importance of sleep for health. Checkups are also available. Additionally, there was an information and aware-ness campaign on mental health which emphasised Leadership and Mental Health. The psychology consultation programme, available to all employees, has been maintained, which includes a specific protocol to support employees after serious work accidents. REN consolidated its participation in the Mental Health Pact, promoted by the Lisbon Catholic Social Responsibility Centre. This pact holds activities which focus on mental health assessment and diagnosis. Finally, as part of the admission process, all employees per-form mandatory e-learning training on health and telework. 5,049.60 hours of training were provided in occupational safety and health.	-	-	-	11.9.6
403-6 Promotion of worker health	4.3.1 REN Employees - Wellbeing, Equality and Inclusion - NÓS Programme The internal Occupational Medicine Department is organized such that it fully takes into account the different geographical locations and number of REN employees. Legally required occupational medical consultations bring together all services provided to employees. Consultations and auxiliary nursing examinations and analysis are all available and, following diagnosis or at the initiative of the employee, they are referred to doctors, nutritionists, psychologists or social workers, as necessary. Specific health screening for women and men are available for employees over 45 years of age. Other initiatives such as workplace gymnastics are aimed at employees with specific functions that have been seen to be at risk. Yoga and functional training and other sports activities are available at REN clubs (padel, cycling, running, etc.) and are free for all employees. Participation in wellness games is also freely available. The initiatives are publicized on the intranet and promoted through internal communication campaigns. Curative medicine consultations are provided to permanent service providers at their workplace. All employees have an individual health plan and for their respective household. Only REN staff members are covered by REN health activities. The strategy and liaison of all health and wellness activities were recognized externally for the second time. The company won 1st place at the Wellbeing Awards - Best Physical Wellbeing Strategy. At the Healthy Workplace awards, REN was awarded the Level 1 seal. REN was also recognized by the "Practices in Social Responsibility and Sustainability", by the Portuguese Association of Business Ethics (APEE), for our NÓS Programme, which seeks to promote wellbeing, quality of life and general satisfaction.	-	-	-	11.9.7

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.1 REN employees - Occupational safety	-	-	-	11.9.8
403-8 Workers covered by an occupational health and safety management system	4.3.1 REN employees - Occupational safety REN has implemented and certified an Occupational Health and Safety Management System in accordance with ISO 45001:2018, which covers 100% of the employees of: REN SGPS, REN Elétrica, REN Serviços, REN Gasodutos, REN Atlântico, REN Armazenagem, REN Telecom, RD Nester, Enondas and REN PRO. 100% of workers other than employees who work for the abovementioned companies.	-	-	-	11.9.9
403-9 Work accidents	4.3.1 REN employees - Occupational safety Additional information table 2: GRI 403-9 Work accidents.	-	-	-	11.9.10
403-10 Work-related ill health	There were no cases of f workrelated ill health.	-	-	-	11.9.11
GRI 404: TRAINING AND EDUCATION 2016					
404-1 Average number of hours training per year, per employee	4.3.1 REN employees - Training and development	-	-	-	11.10.6 11.11.4
404-2 Programmes for upgrading employee skills and transition assistance programmes	4.3.1 REN employees - Training and development No of Internal Training Courses: 101 No of sabbaticals with guaranteed professional reintegration: 0 No of support programmes for transition to retirement or dismissal: 9	-	-	-	11.10.7
404-3 Percentage of employees regularly receiving performance assessment and career development	4.3.1 REN employees - Performance management 4.3.1 REN employees - Training and development In 2024, 100% of eligible employees received regular performance assessment and career development.	-	-	-	-
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES 2016					
405-1 Diversity in governance bodies and employees	4.3.1 REN Employees - Wellbeing, Equality and Inclusion - NÓS Programme Additional information table 3: GRI 405-1 Employee diversity. At REN there are 16 employees with a degree of disability equal to or greater than 60%, corresponding to 2% of employees.	-	-	-	11.11.5
405-2 Ratio between the base salary and remuneration received by women and those received by men	4.3.1 REN Employees - Wellbeing, Equality and Inclusion - NÓS Programme	-	-	-	11.11.6
GRI 406: NON-DISCRIMINATION 2016					
406-1 Incidents of discrimination and corrective actions taken	REN complies with Portuguese legislation ensuring human rights and is a signatory to the principles of the UN Global Compact. No cases of discrimination were recorded in 2024. However, complaints about cases of discrimination are addressed immediately and treatment and corrective actions are ensured in accordance with the procedures in force.	-	-	-	11.11.7

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
GRI 407: TRADE UNION FREEDOM AND COLLECTIVE BARGAINING 2016					
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	REN guarantees freedom of association and collective bargaining in accordance with the ethical principles and rules of behaviour set out in the Code of Conduct. In 2024, no situations were identified where the right to freedom of association and collective negotiation was at risk. The mechanisms relating to the right to strike are guaranteed by national legislation.	-	-	-	11.13.2
GRI 408: CHILD LABOUR 2016					
408-1 Operations and suppliers considered to have significant risk for incidents of child labour	In compliance with Portuguese legislation and our Code of Conduct, REN prohibits child labour. Compliance with laws and the Code of Conduct is validated during oversight and audits. The company is also a signatory to the principles of the United Nations Global Compact initiative.	-	-	-	-
GRI 409: FORCED OR COMPULSORY LABOUR 2016					
409-1 Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour	In compliance with Portuguese legislation and our Code of Conduct, REN prohibits child labour. Compliance with laws and the Code of Conduct is validated during oversight and audits.	-	-	-	11.12.2
GRI 410: SAFETY PRACTICES 2016					
410-1 Security personnel trained in human rights policies or procedures	Training in human rights is ensured for all employees (100%) including security personnel.	-	-	-	-
GRI 413: LOCAL COMMUNITIES 2016					
413-1 Operations with local community engagement, impact assessments, and development programmes	4.3.3 Communities	-	-	-	11.15.2
413-2 Operations with significant actual or potential negative impacts on local communities	4.3.3 Communities	-	-	-	11.15.3
ADDITIONAL SECTOR INDICATORS					
Number and type of complaints from local communities identified	-	Number and type of complaints.	Unavailable information/ incomplete.	Unavailable information/ incomplete.	11.15.4

GRI CONTENT	LOCATION	OMISSION: REQUIREMENTS OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	SECTOR REQUIREMENT REF. NO
GRI 414: SOCIAL ASSESSMENT OF SUPPLIERS 2016					
414-1 New suppliers that were screened using social criteria	4.3.2 Supply chain management	-	-	-	11.10.8 11.12.3
414-2 Negative social impacts in the supply chain and actions taken	4.3.2 Supply chain management - Sustainable procurement In 2024, REN was not aware of any real or potential significant impacts in human rights in the supply chain.	-	-	-	11.10.9
GRI 416: CONSUMER HEALTH AND SAFETY 2016					
416-1 Assessment of the health and safety impacts of product and service categories	REN assesses health and safety impacts in 100% of our significant categories of services.	-	-	-	-
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In 2024, in the followup audit (ISO 9001:2015, ISO 4001:2015 and SO 45001:2018) of the certification of the Integrated Quality, Environment and Occupational Safety and Health Management System, conducted by APCER, two nonconformities related to health and safety were identified: i) One related to the operational control of equipment (ISO 45001:2018 - Requirement 8.1.1 - Operational planning and control. General); ii) and the second with Subcontracting (ISO 45001:2018 - 8.1.4.3 Outsourcing). Both nonconformities have been addressed and resolved in the meantime.	-	-	-	-

AREAS OF APPLICABLE SECTOR STANDARD DEFINED AS NON-MATERIAL	
GRI 11: OIL AND GAS SECTOR 2021	
11.5 Waste	Explanation: Further to a stakeholder consultation and double materiality analysis carried out in 2023, the topic was not identified as material for REN. This was also the case in the review carried out in 2024 see section 4.1.2 Materiality - Double materiality analysis.
11.6 Water and effluents	
11.7 Closure and restoration	
11.8 Asset integrity and critical incident management	
11.17 Rights of indigenous people	
11.19 Anti-competitive behaviour	
11.22 Public policies	

ADDITIONAL INFORMATION TO ANNEX 2: GRI STANDARDS ALIGNMENT TABLE

TABLE 1 GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER	2024	2023	2022
New hires (by gender)			
Total	73	58	58
Men	60	36	36
Women	13	22	22
New hires (by age group)			
<30 years old	38	38	29
30 to 50 years old	27	27	27
>50 years old	0	0	2
Employees leaving (by gender)			
Total	46	36	40
Men	39	22	27
Women	7	14	13

Continued →

TABLE 1 GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER	2024	2023	2022
Employees leaving (by age group)			
<30 years old	5	7	12
30 to 50 years old	11	16	15
>50 years old	30	13	13
Leaving rate (by gender, as %)[1]			
Total	5.9	4.8	5.6
Men	6.7	3.9	5.0
Women	3.6	7.5	7.1
Leaving rate (by age group, as %)			
<30 years old	5.4	9.1	21.1
30 to 50 years old	2.6	4.0	3.6
>50 years old	11.7	4.9	5.3

TABLE 2 GRI 403-9 WORK ACCIDENTS	
EMPLOYEES	
Deaths resulting from accidents	0
Work accidents with serious consequence	1
Mandatory notification of work accidents	1
No of hours worked	1,329,716
Main types of work accidents	Use of vehicles and walking
EMPLOYEE RATIOS	
Deaths resulting from work accidents	0
Work accidents with serious consequence	0
Mandatory notification of work accidents	0

[1] Change in calculation methodology compared to 2023. Calculation based on the number of employees at the end of the reporting period.

TABLE 2 GRI 403-9 WORK ACCIDENTS

CONTRACTOR AND SERVICE PROVIDER EMPLOYEES	
Deaths resulting from accidents	1
Work accidents with serious consequence	4
Mandatory notification of work accidents	3
No of hours worked	3,271,259
Main types of work accidents	Sprains, dislocations and strains; wounds and superficial injuries and fractures
RATIOS OF CONTRACTOR AND SERVICE PROVIDER EMPLOYEES	
Deaths resulting from work accidents	4.54
Serious working accidents (excluding deaths)	13.63
Mandatory notification of work accidents	13.63
WORK-RELATED HAZARDS THAT POSE A RISK OF SERIOUS WORK ACCIDENT	
Identification of hazards	The hazards were addressed in the Hazard Identification, Risk Assessment and Control Matrix (HIRACM), which forms part of the Health and Safety Plan (HSP) for works.
Hazards that have contributed to possible serious work accidents	• Work involving electric current • Use of vehicles • Manual handling of loads • Walking • Use of work equipment • Working with machines (self-propelled)
Actions taken or underway to eliminate these hazards and minimize risks using a hierarchy of controls:	All contractors have a Safety and Health Plan (SHP) or a Safety Procedures Sheet (SPS), as applicable. There are other jobs that have a Safety Procedures Guide (SPG). In all cases, there is a Site Safety Coordinator or a Safety Technician, or a team consisting of both, as applicable. All workers involved are subject to awareness-raising/ training before starting operations. Review of HIRACMs.

TABLE 3 GRI 405-1 DIVERSITY OF EMPLOYEES

	2024		
Diversity of nationality (by gender)	MEN	WOMEN	TOTAL
Total	**194**	**194**	**775**
Portuguese	187	187	747
Foreign	7	7	28

ANNEX 4
INTEGRATED REPORTING FRAMEWORK (IR) ALIGNMENT TABLE

CONTENTS	LOCATION
Organizational overview and external environment	Message from the Chairman Our year Value creation 1. Our activity
Governance	2.1 Strategy 2.2 Commitments 3.1 Governance structure
Business model	1. Our activity
Risks and opportunities	2.3 Risk management
Strategy and resource allocation	2.1 Strategy 2.2 Commitments
Performance	Value creation 2.2 Commitments 4. Sustainability statement Annex 3. GRI Standards alignment table
Outlook	1.1 Context 2.1 Strategy 2.2 Commitments 2.3 Risk management
Basis of preparation	About the report 4.1.2 Materiality

ANNEX 5

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) ALIGNMENT TABLE

TOPIC	INDICATOR	METRIC	CATEGORY	UNIT	LOCATION
Greenhouse gas emissions and energy resource planning	EM-MD-110a.1	Gross global scope1 emissions, percentage of methane, percentage covered by emission limitation regulations.	Quantitative	Tons (t) $CO2_2q$, Percentage (%)	4.2.2 Climate change - Carbon footprint reduction
	IF-EU-110a.1	1) Gross global scope 1 emissions; percentage covered under 2) emissions-limiting regulations; and 3) emissions-reporting regulations.	Quantitative	Tons (t) $CO2_2q$, Percentage (%)	4.2.2 Climate change - Carbon footprint reduction
	EM-MD-110a.2 e IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Discussion and analysis	N/A	2.1 Strategy 2.2 Commitments 4.2.2 Climate change - Decarbonization initiatives 4.2.2 Climate change - Carbon footprint reduction
Ecological impact	EM-MD-160a.1	Description of environmental management policie and practices for active operations.	Discussion and analysis	N/A	4.2.3 Biodiversity - Biodiversity-related policies
	EM-MD-160a.2	Percentage of land owned, leased and/ or operated within areas of protected conservation status or endangered species habitat.	Quantitative	Percentage (%) per hectare	4.2.3 Biodiversity - Biodiversity strategy
	EM-MD-160a.3	Terrestrial acreage disturbed, percentage of impacted area restored.	Quantitative	Hectares (ha), Percentage (%)	4.2.3 Biodiversity - Biodiversity initiatives
Water management	IF-EU-140a.1	1) Total water withdrawn; 2) Total water consumed, percentage of each, in regions with high or extremely high baseline water stress.	Quantitative	Cubic meters (m^3), Percentage (%)	4.2.4 Resources - Water[2]
Competitive behaviour	EM-MD-520a.1	Total amount of monetary losses as a result of legal proceedings associated with national gas pipelines and storage regulations.	Quantitative	Euros (€)	Not reported.
Workforce health & safety	IF-EU-320a.1	1) Total recordable incident rate (TRIR); 2) fatality rate; and 3) near miss frequency rate (NMFR).	Quantitative	Ratio	4.3.1 REN employees - Occupational safety Annex 3 - GRI Standards alignment table - GRI 403-9 9[2]
Grid resilience	IF-EU-550a.1	Number of incidents of non-compliance with physical and/ or cybersecurity standards or regulations.	Quantitative	Number	4.5.1 Cybersecurity 1.2 Electricity - Operation

[2] *Partial reporting.*

TOPIC	INDICATOR	METRIC	CATEGORY	UNIT	LOCATION
Integrity of gas delivery infrastructure	IF-GU-540a.1	Number of: 1) reportable pipeline incidents; 2) corrective action orders (CAO); and 3) notices of Probable Violation (NOPV).	Quantitative	Number	1.3 Gas - Operation
	IF-GU-540a.3	Percentage of gas: 1) transmission and 2) distribution pipelines inspected.	Quantitative	Percentage (%) per length	1.3 Gas - Operation
	EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles.	Discussion and analysis	N/A	1.2 Electricity - Operation 1.3 Gas - Operation 4.3.1 REN employees - Occupational safety

INDICATOR	ACTIVITY METRICS	CATEGORY	UNIT	LOCATION
IF-EU-000.B	Total electricity transported.	Quantitative	Megawatt-hour (MWh)	1.2 Electricity - Main performance indicators 1.2 Electricity - Operation
IF-EU-000.C	Length of transmission lines.	Quantitative	Kilometres (km)	1.2 Electricity - Main performance indicators 1.2 Electricity - Operation
IF-GU-000.C	Length of gas 1) transmission; and 2) distribution pipelines.	Quantitative	Kilometres (km)	1.3 Gas - Main performance indicators 1.3 Gas - Technical infrastructure

ANNEX 6
RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

ALIGNMENT WITH TCFD RECOMMENDATIONS

CATEGORY	RECOMMENDATIONS	LOCATION
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	2.3 Risk management CDP – Climate Change 2024 (4.1.2)
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	2.3 Risk management CDP – Climate Change 2024 (4.3)[3]
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long-term.	2.3 Risk management This Annex: Climate-related risks and opportunities CDP – Climate Change 2024 (2.1, C3 3.1, 3.1.1, 3.6 and 3.6.1)[3]
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	2.3 Risk management This Annex: Climate-related risks and opportunities CDP – Climate Change 2024 (3.1.1, 3.6.1, C5 5.1.2, 5.2, 5.3.1, 5.3.2)[3]
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C scenario or lower.	2.3 Risk management 4.2.2 Climate change CDP – Climate Change 2024 (5.1, 5.1.1 and 5.1.2)[3]
Risk management	a) Describe the organization's processes for identifying and assessing climate-related risks.	2.3 Risk management CDP – Climate Change 2024 (2.1, 2.2.1, 2.2.2)[3]
	b) Describe the organization's processes for managing climate-related risks.	2.3 Risk management CDP – Climate Change 20241 (2.1, 2.2.1)[3]
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2.3 Risk management CDP – Climate Change 2024 (2.1 and 2.2.1)[3]
Metrics and targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	2.1 Strategy 2.2 Commitments CDP – Climate Change 20242 (7.52, 7.54, and 7.54.2)[3]
	b) Disclose Scope 1, 2, and 3 greenhouse gas (GHG) emissions and the related risks.	4.2.2 Climate change CDP – Climate Change 20242 (7.6, 7.7, 7.8, 7.8.1)[3]
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2.1 Strategy 2.2 Commitments CDP – Climate change 20242 (7.53, 7.53.1, 7.54, and 7.54.2)[3]

[3] Response from REN– Redes Energéticas Nacionais to the questionnaire CDP Climate Change 2024.

↘ Climate-related risks and opportunities: Climate risks

RISK CATEGORY	RISK AGENT	POTENTIAL IMPACT	MIN.	MAX.	TIMELINE	RISK MANAGEMENT MEASURES
	PHYSICAL RISKS		MIN.	MAX.		
Political/ legal: Current/ emerging regulations **Area of business:** Electricity	**Regulation of existing products and services** The growing concern with fluorinated gases, resulting from national and EU legislation (e.g.: Regulation (EU) 2024/573 of 7 February 2024 on fluorinated greenhouse gases, in particular, changes related to the use of sulphur hexafluoride (SF_6) may pose a risk to REN. SF_6 is a gas used as an electrical insulator (dielectric) in a range of high and very-high voltage equipment, with high Global Warming Potential (GWP) (25,184 times that of CO_2). With the publication of this regulation, REN established the phase-out plan for SF 6 in all new electricity transmission equipment by 2031. The risk of increased requirements arising from the regulation may impact the implementation of criteria to reduce the leakage rates of assets containing SF_6, and the necessary Capex/ Opex to introduce improvements, changing maintenance/ monitoring methodologies and/ or gradually replace equipment.	Increase in Capex (replacement of equipment containing SF_6).	●	●	Medium-term	With regard to SF_6 emissions, the leakage value in 2024 reduced considerably from 0.12% in 2023 to 0.065% in 2024. The effort to reduce SF_6 leakage is considered very positive internationally and REN has implemented a specific monitoring programme for the operation in Chile (Transemel) with a plan to monitor and implement actions to reduce the leakage rate. In Portugal, the focus remains on monitoring and repairing any leaks, in addition to replacing some of the equipment, a process which began in 2023. ▶ See 4.2.2 Climate change
Political/ legal: Emerging regulations **Area of business:** Gas	**Mandates and regulation of existing products and services** In order to mitigate climate effects by reducing greenhouse gases (GHG), the EU is committed to achieve carbon neutrality by 2050. Portugal has brought forward this target date to 2045. This goal is at the heart of the European Green Deal and in line with the EU's commitment to global climate action under the Paris Agreement. The main energy trends (e.g.: IEA-WEO 2024) and those set out in the review of PNEC 2030 and RNC 2050 envisage a reduction in the use of gas, particularly in long-term scenarios. Accordingly, there is a risk that REN's gas infrastructure will be used less, particularly if the process to introduce renewable gases is slow and low-scale.	Reduction in the value/ useful life of assets leading to their depreciation or early withdrawal.	●	●	Long-term	REN's strategy, as the operator of public service concessions in alignment with national energy policy guidelines, is to create conditions for current gas transmission, storage, and distribution infrastructure to accommodate renewable gas produced from local renewable sources which will contribute to the energy transition and to public policy objectives to decarbonize the economy. With this in mind, REN launched the H2REN Programme to assess the condition of assets and identify the requirements to ensure the compatibility of infrastructure for conveying increasing amounts of blended hydrogen with natural gas, as well as replicating the processes for 100% H_2. In 2024, independent third-party certification of the action plan was obtained to transmit mixtures with natural gas of up to 10% H_2 in the Transmission and Underground Storage network and up to 20% in the distribution network. With this certification, the REN Group, as a concessionaire of the public service infrastructure, complies with Decree-Law No 62/2020 of 28 August 2022, the National Gas Transmission Network Regulation (Order No 806-C/2022), the National Gas Distribution Network Regulation (Order No 806-B/2022) and the Gas Storage in Underground Natural Salt Caverns Regulation (Order No 1112/2022). REN has also been adapting the management and operation of the gas system, as well as increasing our ecosystem of scientific and technological partners. We are also participating on a European level in associations such as Hydrogen Europe, the European Clean Hydrogen Alliance. REN also participates in H2med, which is a transnational initiative between Portugal, Spain, France and Germany to connect the hydrogen networks of the Iberian Peninsula to north-west Europe. 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 kind in Portugal. It should be noted that the current infrastructure is already 100% compatible with biomethane and synthetic methane, as they are considered as interchangeable gases with conventional natural gas. ▶ See 4.5.1 Innovation and development

Caption of potential financial impact: ● <25 M€ ● 25-50 M€ ● 50-75 M€ ● > 75 M€

[4] World Energy Outlook 2024 published by the International Energy Agency provides an in-depth analysis and strategic vision of all aspects of the global energy system.
The NRA 2100 National Roadmap for Adaptation 2100 – Assessment of the vulnerability of the Portuguese territory to climate change in the 21st century (NRA 2100), coordinated by APA – Portuguese Environment Agency, addresses the situation of the country up to 2100 in relation to five climate hazards - drought, water scarcity, rural fires, coastal erosion, and coastal overflow and flooding.

RISK CATEGORY	RISK AGENT	POTENTIAL IMPACT	MIN.	MAX.	TIMELINE	RISK MANAGEMENT MEASURES
	PHYSICAL RISKS		MIN.	MAX.		
Severe: Extreme climate events **Area of business:** Electricity and Gas	**Extreme climate events (wind, storms, frost, etc.)** According to the Intergovernmental Panel on Climate Change (IPCC) (6th Assessment Report), a generalized increase in the probability of occurrence, frequency, and severity of impact of extreme (acute) climate events is expected. This is a risk with potential, relevant impact on REN assets, in particular in the electrical infrastructure. Strong winds, extreme rain/ floods, and the formation of ice sleeves are the main factors that can affect REN's very-high voltage pylons and cables, damaging these assets and potentially affecting the integrity and security of supply. We have already experienced this type of event, incurring economic and financial losses.	Increase in Opex/ Capex in repair, maintenance, and replacement of assets.	●	●	Current, medium and long-term	In relation to the process of adapting to the physi-cal impacts associated with climate change, we have analysed the effects on the electricity and gas transmission and distribution infrastructure, 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 infra-structures of energy companies. As such, the PDIRT 2022 and 2024 (National Transport Net-work Development and Investment Plan) and PDIRG 2024 (RNTIAT Development and Invest-ment Plan) submitted by REN, has integrated several initiatives into the Base Projects which will lead to increased infrastructure resilience with regard to the effects of climate change. This work focuses on the infrastructure, with reinforcements of metal structures and their foundations, and upgrading of conductor cables and guards so as to converge with the European and Portuguese NP EN 50 341 standard. As gas infrastructures are mostly underground, they are less susceptible to certain types of cli-mate phenomena.
Severe: Extreme climate events **Area of business:** Electricity and Gas	**Extreme climate events (fires)** According to the IPCC (6th Assessment Report) and to the National Roadmap for Adaptation 2100, 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 their respective impacts, mainly in areas with vegetation. Increased fire risk can impact REN assets (e.g. electrical substations, gas regulation and metering stations and underground gas storage), with consequences for repair/ replacement costs and putting quality and security of supply at risk.	Increase in Opex/ Capex in repair, maintenance, and replacement of assets.	●	●	Current, medium and long-term	REN has developed a series of instruments and practices for managing firebreaks and areas adja-cent 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 Corridor Networks were also created with REN infrastructure forming part of the so-called secondary network. See 4.2.3 Biodiversity. As gas infrastructures are mostly underground, they are less susceptible to certain types of cli-mate phenomena, however, the fire prevention and firefighting systems in the Underground Storage have been improved. 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 ranging) flights which allows 3D representation of vegetation in access corridors with the goal of planning vegeta-tion management. Strategy takes into account the different levels of priority and the risk to infrastruc-ture. 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 contributes the most to the protection and recovery of native for-est and 66% of our access corridors are located in forests. For this reason, management and mitiga-tion of fire risks is a permanent concern. By keep-ing 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 in-volves installing cameras (video, thermal and opti-cal), 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 pur-pose to be given to REN electrical infrastructure as the equipment is installed in VHV network py-lons, also using fibre optic communications, which are located mostly in the forest. In addition to providing a more effective management of our network, it also allows us to predict the behaviour of fire through a simulator, as well as having real-time information on wind speed and air tempera-ture. This project is currently being scaled up via CENTRODEC – a decision support centre with multi-sensory data to help protect REN infrastruc-ture, and the respective land and surrounding in-frastructure against extreme weather phenomena (fire and other events). In 2024, from June to 30 September, we main-tained six prevention and surveillance teams in operation (PST) 24 hours a day, seven days a week. These teams consist of three members and one vehicle with forest firefighting equipment. This work is carried out in close liaison with civil protec-tion authorities (ANEPC, GNR and Firefighting Corporations).

Caption of potential financial impact: ● <25 M€ ● 25-50 M€ ● 50-75 M€ ● > 75 M€

↘ Climate-related risks and opportunities: Climate Opportunities

CATEGORY OF OPPORTUNITY	AGENT OF OPPORTUNITY	POTENTIAL IMPACT	MIN.	MAX.	TIMELINE	MEASURES TO MANAGE/ IMPLEMENT THE OPPORTUNITY
	PRODUCTS AND SERVICES		MIN.	MAX.		
Products and services Area of business: Electricity	**Development and/ or expansion of low-carbon products and services** The development of the existing network to facilitate the energy transition, through new investments in the transmission network, is the most relevant opportunity for REN. More specifically, the possibility exists to invest in new facilities and infrastructure 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 General 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 adapting 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.	Increased revenue associated with higher demand for products and services: increased annual revenue due to growth in the regulated asset base (REN investment in the RNT and the integratio of RES).	> 75 M€	> 75 M€	Medium-term	REN plays the role of facilitator of the energy transition 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 revised National Energy and Climate Plan (PNEC 2030) have recently been raised. To in-crease RES in the SEN and achieve a 93% of RES in the energy mix by 2030, in the most ambi-tious scenario, along with the incorporation of new renewable capacity, which depending on different scenarios, could double current renewable capacity, proportional investment will be required. An increase of 50% in average annual Capex is fore-cast (domestic) in the 2024 - 2027 period (com-pared to 2021-23), and could exceed €1 billion euros. This investment will be made connecting RES projects to the network, in network expan-sion, in solar agreements with promoters and in modernization, resilience and adaptation to climate change. REN is also reinforcing the interconnec-tion capacity between Portugal and Spain.
Products and services Area of business: Gas	**Development and/ or expansion of low-carbon products and services** In the gas sector, the current REN Group under-ground storage, transmission and distribution infrastructure already has external certification regardless of the conditions required to operate with mixtures of hydrogen with gas, a key factor to enable the introduction, distribution, and con-sumption of renewable hydrogen in the different sectors of the economy, as well as to allow increasing levels of RES to be incorporated into final energy consumption. Furthermore, Europe-an cooperation in the creation of green hydrogen transmission infrastructures with the recent pub-lication of the Hydrogen and Decarbonized Gas Market Package , which aims to reduce the carbon footprint of the gas market by transition-ing from fossil natural gas to renewable and low-carbon gases. This package also envisages the development of European-wide projects such as H2Med that will allow Portugal, Spain, France, and Germany to interconnect with 100% H2 in-frastructure. With regard to biomethane, the Portuguese Government has approved the Bio-methane Strategy, which sets targets to intro-duce biomethane into natural gas network by 2030 and 2040. The strategy provides for the connection of new production of this renewable gas into the gas networks as well as some net-work reinforcement. The injection of renewable gases into current networks will help to achieve energy transition objectives, more specifically, the gradual reduction of GHG emissions from the gas sector. On the other hand, the increasingly demanding rules for reducing methane emissions will require new investment in monitoring and control systems.	Increased revenue associated with increased demand for products and services: increased annual revenue due to growth of the regulated asset bas (REN's investment in RNTIAT and the integration of RES).	50-75 M€	> 75 M€	Medium-term	REN intends to invest more than 100 million euros over the next 10 years in infrastructure adaptation projects for H2. We also intend to build a hub in the Sines region and two new underground cav-erns which are fully H2 compatible. With regard to distribution, REN Portgás has al-ready certified existing infrastructure for the transmission of mixtures of up to 20% H2 with natural gas. Certification is also underway for the process of ensuring full compatibility of infrastruc-ture to operate with 100% hydrogen. The comple-tion of this process is a relevant step in the strat-egy to drive the introduction of hydrogen into the networks and decarbonize the existing gas infra-structure. The company is also working to ensure the man-agement 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 Enagas, GRTgaz, and Teréga, REN has signed the "Green2TSO" agreement to drive the transformation of the gas network into a hy-drogen network, employing open innovation. REN started the development of the H2G Backbone project under the H2 Green Valley agenda, an ap-plication 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. REN is also part of the Oil and Gas Methane Part-nership (OGMP 2.0) which aims to reduce me-thane emissions see 4.5.1 Innovation and development and 4.2.2 Climate change. As an entity issuing guarantees of origin (EEGO), in 2024 REN concluded the process to allow the issuing of certificates for gases of renewable origin (hydrogen and biomethane), as is already the case with electricity. REN also held a meeting with national and interna-tional market agents, with the aim of promoting guarantees of origin for renewable gases, as a key factor to drive renewable gases.

Caption of potential financial impact: <25 M€ 25-50 M€ 50-75 M€ > 75 M€

[5] Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas, and hydrogen.

CATEGORY OF OPPORTUNITY	AGENT OF OPPORTUNITY	POTENTIAL IMPACT			TIMELINE	MEASURES TO MANAGE/ IMPLEMENT THE OPPORTUNITY
	MARKETS		MIN.	MAX.		
Markets: Access to new markets Area of business: Electricity	Access to new markets (non-regulated business) In the process of accelerating the energy transition, REN has the opportunity to promote electric mobility, entering this emerging market through the development of an innovative and patented solution in Europe and the USA (underway in other markets) for charging electric vehicles through the very-high voltag (VHV) network. This solution aims to complement conventional solutions, helping to accelerate the transition to electric mobility, providing a direct access solution to the VHV network, providing greater power availability and nationwide coverage. We can thus position the company as a promoter in the energy transition to complement conventional solutions, helping decarbonize the transport sector by using the existing electrical power transmission network to satisfy high-power requirements, as is the case with fast and ultra-fast charging, large charging hubs, and the charging of heavy electric vehicles for passengers and goods, both nationally as well as internationally.	Increased revenue associated with increased demand for products and services: increased revenue associated with the SPEED-E project.	●	●	Medium and long-term	REN signed a memorandum of understanding with Atlante, an Italian multinational specializing in the development, construction, and operation of fast and ultra-fast charging stations for electric vehicles, to develop five projects in Portugal using the SPEED-E solution in electric charging stations. The locations for the installation of the five projects are currently being studied. In July 2024, REN and Siemens Energy signed an Agreement for the Licensing of the SPEED-E Solution on the international market, which gives Siemens Energy exclusive rights to market and implement the SPEED-E Solution in projects worldwide, with the exception of the Iberian Peninsula, where REN maintains exclusive rights with regard to the use and marketing of the solution. REN also continues to develop commercial contacts with other national and international entities with a view to finding new markets and partners and studying other potential markets of application, such as forestry or remote areas where only very-high voltage lines exist.

Caption of potential financial impact: ● <25 M€ ● 25-50 M€ ● 50-75 M€ ● > 75 M€

ANNEX 7

CMVM REPORT MODEL FOR THE DISCLOSURE OF NON-FINANCIAL INFORMATION

REQUIREMENT		LOCATION
PART I – INFORMATION ON POLICIES ADOPTED		
A - Introduction	Description of the company's general policy on sustainability issues, with an indication of any changes to the previously approved policy.	2.1 Strategy 2.2 Commitments 3.1 Governance structure 4. Sustainability statement
	Description of the methodology and the reasons for its implementation in the reporting of non-financial information, as well as any changes that have occurred in relation to previous years and the reasons for such changes.	About the report
B – Business model	A general description of the business model and organisation of the Company/ Group, indicating the main business areas and markets in which it operates (if possible, using organisational charts, graphs or functional charts).	1. Our activity
C – Main risk factors	1. Identification of the main risks associated with the topics being reported on and arising from Company activities, products, services or business relations, including, where appropriate and where possible, supply chains and subcontracting.	2.3 Risk management 4.3.2 Supply chain management Annex 6. Recommendations of the Task force on Climate-related Financial Disclosures (TCFD)
	2. Indication of how these risks are identified and managed by the Company.	2.3 Risk management
	3. Explanation of the internal functional division of competences, including governing bodies, committees, commissions or departments responsible for identifying and managing/ monitoring risks.	2.3 Risk management
	4. Explicit indication of the new risks identified by the Company in relation to those reported in previous years, as well as risks that no longer exist.	2.3 Risk management 4.3.2 Supply chain management Annex 6. Recommendations of the Task force on Climate-related Financial Disclosures (TCFD)
	5. Indication and brief description of the main opportunities that are identified by the Company in the context of the topics being reported on.	2.3 Risk management 4.3.2 Supply chain management Annex 6. Recommendations of the Task force on Climate-related Financial Disclosures (TCFD)
D – Policies implemented		
i. Environmental policies	1. Description of the Company's strategic objectives and the main actions to achieve them.	4.2 Environment Annex 6. Recommendations of the Task force on Climate-related Financial Disclosures (TCFD)
	2. Description of the main performance indicators.	4.2 Environment
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, with reference, as a minimum, to: i. Sustainable use of resources; ii. Pollution and climate change; iii. Circular economy and waste management; and iv. Biodiversity protection.	4.2 Environment Annex 6. Recommendations of the Task force on Climate-related Financial Disclosures (TCFD)

REQUIREMENT		LOCATION
ii. Social and fiscal policies	1. Description of the Company's strategic objectives and the main actions to achieve them.	5.1 Financial performance and proposed allocation of net income 4.3.1 REN employees 4.3.2 Supply chain management 4.3.3 Communities
	2. Description of the main performance indicators defined.	
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, with reference, as a minimum, to: i. Company commitment to society; ii. Subcontracting and suppliers; iii. Consumers; iv. Responsible investment; v. Stakeholders; and vi. Tax information.	5.1 Financial performance and proposed allocation of net income 4.3.1 REN employees 4.3.2 Supply chain management 4.3.3 Communities 4.2.1 European environmental taxonomy
iii. Employees and gender equality and non-discrimination	1. Description of the Company's strategic objectives and the main actions to achieve them.	4.3.1 REN employees
	2. Description of the main performance indicators defined.	
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, with reference, as a minimum, to: i. Employment; ii. Work organization; iii. Health and safety; iv. Social relations; v. Training; and vi. Equality.	
iv. Human rights	1. Description of the Company's strategic objectives and the main actions to achieve them.	4.3.1 REN employees 4.3.2 Supply chain management 4.3.3 Communities
	2. Description of the main performance indicators defined.	
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, with reference, as a minimum, to: i. Due diligence procedures; ii. Risk prevention measures; and iii. Legal proceedings for human rights violations.	
v. Combating corruption and attempted bribery	1. Prevention of corruption	4.4.1 Ethical culture and fight against corruption
	2. Prevention of money laundering (for issuing companies subject to this regime)	4.4.1 Ethical culture and fight against corruption
	3. Codes of ethics	4.4.1 Ethical culture and fight against corruption
	4. Management of conflicts of interests	4.4.1 Ethical culture and fight against corruption
PART II – INFORMATION ON THE STANDARDS/ GUIDELINES FOLLOWED		
1. Identification of standards/ guidelines followed in the reporting of non-financial information		About the report
2. Identification of the scope and methodology used for calculating indicators		About the report

Glossary

FINANCIAL GLOSSARY

ACRONYMS

CAPEX
Capital Expenditure on acquisitions and upgrades of tangible fixed assets

DEBT TO EQUITY RATIO
Net debt/ Equity

DIVIDEND PER SHARE
Ordinary dividend/ total number of shares outstanding

EBIT
Earnings Before Interest and Taxes (operating profit)

EBITDA
Earnings Before Interest, Taxes, Depreciation and Amortisation (operating profit, excluding amortisation and depreciation)

FTR
Financial Transaction Rights

GDP
Gross Domestic Product

HCROI
Human capital return on investment

HICP
Harmonized Index of Consumer Prices

NET DEBT
Short and long-term financial debt – cash balances

OPEX
Operational Expenditure (operational and maintenance spending)

PAYOUT RATIO
Ordinary dividend/ net profit

RAB
Regulated Asset Base (Assets value net of depreciations and subsidies also net of depreciations)

RCCP
Current ROE

ROA
Return on assets (EBIT/ total assets)

ROE
Return on equity (Net profit/ equity)

RoR
Rate of Return

TB
Treasury Bonds

Totex
Total expenditure (CAPEX + OPEX)

TSR
Total Shareholder Return

Turnover
Sales plus services provided

VAT
Value Added Tax

TECHNICAL GLOSSARY

ACRONYMS

A&P
Analysis and Performance

ACER
Agency for the Cooperation of Energy Regulators

ACT
Collective Bargaining Agreement

AERC
Analysis of Environmental Risk of Corridors

AFIR
Alternative Fuels Infrastructure Regulation

AGC
Gas Consumption Management Agreement

AGU
Autonomous Gas Unit

AI
Artificial Intelligence

AIT
Average Interruption Time

APA
Portuguese Environmental Authority

APEE
Portuguese Association of Business Ethics

APPDI
Portuguese Association for Diversity and Inclusion

APREN
Portuguese Association of Renewable Energy

AREP
EDP and REN Pensioners' Association

AS/ US
Underground Storage

BAU
Business As Usual

BD
Board of Directors

BEV
Battery Electric Vehicle

BRIDGE
Horizon 2020 Task Force for R&I Priorities

CBAM
Carbon Border Adjustment Mechanism

CCILC
Luso-Chinese Trade and Industry Chamber

CEF
Connecting Europe Facility

CIGRÉ
Conseil International des Grands Réseaux Électriques

CMVM
Portuguese Securities Market Commission

CNR
Carbon Neutrality Roadmap

CORESO
Regional Coordinating Centre

COTEC
Business Association for Innovation

CRR
Capacity Reservation Rights

CSP
Contractors and Service Providers

CSRD
Corporate Sustainability Reporting Directive

CVP
Comunidade Vida e Paz - Life and Peace Community

DGEG
Directorate-General for Energy and Geology

DMA
Double materiality analysis

DPO
Data Protection Officer

EA
Environmental Assessments

EC
European Commission

EC
Executive Committee

EED
Energy Efficiency Directive

EEGO
Issuing Body for Guarantees of Origin

EERA
European Energy Research Alliance

EF
Emission Factors

EFRAG
European Financial Reporting Advisory Group

EGIG
European Gas Pipeline Incident Data Group

EHB
European Hydrogen Backbone

EIA
Environmental Impact Assessment

EIB
European Investment Bank

EIS
Environmental Impact Statement

EMD
European Electricity Market Design

EMER
Mission Structure for Licensing Renewable Energy Projects

ENAAC
National Strategy for Adaptation to Climate Change

ENAP
Empresa Nacional del Petróleo

ENCORE
Exploring Natural Capital Opportunities, Risks and Exposure

ENNOH
European Network of Network Operators for Hydrogen

ENTSO-E
European Network of Transmission Operators for Electricity

ENTSOG
European Network of Transmission Operators for Gas

EPBD
Energy Performance of Buildings Directive

EPD
Environmental Product Declarations

EPDS
Environmental Product Declaration Sheet

EPIS
Associação Empresários pela Inclusão - Business for Incluir Association

ERSE
Energy Services Regulatory Authority

ETIP-SNET
European Technology & Innovation Platforms

ETS
Emissions Trading System

EU
European Union

EUA
European Unit Allowance

EY
Ernst & Young

FCT
Foundation for Science and Technology

FCT
Science and Technology Foundation

FEUP
Faculty of Engineering, University of Porto

FGG
Fluorinated Greenhouse Gases

GDPR
General Data Protection Regulation

GEDOC
Online Document Management Tool for Works and Service Provision

GHG
Greenhouse Gas

GO
Guarantees of Origin

GRI
Global Reporting Foundation

GRMS
Gas Regulating and Meeting Stations

GSM
General System Management

GSU
General System Use

GTBI
Gas Transmission Benchmarking Initiativea

GUS
General Use of the System

HCB
Hidroeléctrica de Cahora Bassa

HP
High-Pressure

HTNO
Hydrogen Transmission Network Operator

HV
High Voltage Network

HVAC
High Voltage Alternating Current

HVDC
High Voltage Direct Current

IASB
International Accounting Standards Board

IASC
International Accounting Standards Committee

ICT
Information and Communication Technologies

IEA
International Energy Agency

IEC
International Electrotechnical Commission

IEEE
Institute of Electrical and Electronics Engineers

IEQ
Interests and Expectations Questionnaire

IERI
Incentive for the Economic Rationalization of Investment

IFRIC
International Financial Reporting Interpretation Committee

IFRS
International Financial Reporting Standards

IMF
International Monetary Fund

INEGI
Institute of Science and Innovation in Mechanical and Industrial Engineering

IPCC
Intergovernmental Panel for Climate Change

IPCG
Portuguese Institute of Corporate Governance

IR
Integrated Reporting

IREI
Incentive for the Economic Rationalization of Investment

IRO
Impacts, Risks and Opportunities

ISEL
Lisbon Higher School of Engineering

ISGAN
International Smart Grid Action Network

ISMS
Information Security Management System

ISO
International Organization for Standardization

ISPS
Ship and Port Facility Security Protection

JAP
Junior Achievement Portugal

LDAR
Leak Detection and Repair

LNG
Liquefied Natural Gas

LNG Terminal
Liquefied Natural Gas Terminal

LP
Portuguese Language

LULUCF
Regulation on Land Use, Land Use Change and Forestry

mFRR
manual Frequency Restoration Reserve

MIBEL
Iberian Electricity Market

MIE
Internal Energy Market

MPGGS
Procedures Manual for the General Management of the Electrical Sector System

NCRF
Accountancy standards for financial reporting

NDC
Nationally Determined Contributions

NDGN
National Gas Distribution Network

NECP
National Energy and Climate Plan

NGO
Non-Governanmental Organization

NGTN
National Gas Transmission Network

Nova SBE
Nova School of Business and Economics

NZIA
Net-Zero Industry Act

OGMP
Oil and Gas Methane Partnership

OMIE
Iberian Energy Market Operator

OMIP
Iberian Market Operator - Portugal

OPR
Orçamento Participativo REN - REN Participatory Budget

P2P
Purchase to Payment

PBS
Porto Business School

PCI
Projects of Common Interest

PDIRG
Gas Transmission Network Development and Investment Plan

PDIRT
Transmission Network Development and Investment Plan

PHEV
Plug in Hybrid Electric Vehicles

POP
Personal Opinion Programme

PPA
Power Purchase Agreement

PPC
Public Procurement Code

PPE
Personal Protective Equipment

PRS
Pressure Reduction Stations

PWN
Professional Women's Network

QES
Quality, Environment and Safety

QSR
Quality of Service Regulations

R&D
Research and Development

RCA
Root Cause Analysis

RCN
Roadmap for Carbon Neutrality

RDI
Research, Development and Innovation

RDIC
Research, Development and Innovation Committee

RECAPE
Environmental Compliance Report on the Execution Project

RED
Renewable Energy Directive

REMIT
Regulation on Wholesale Energy Market Integrity and Transparency

RES
Renewable Energy Sources

RESP
Public Service Electricity Network

RGI
Renewables Grid Initiative

RMS
Reduction and Metering Stations

RND
National Electric Distribution Network

RNT
National Electric Transmission Network

RNTG
National Gas Transmission Network

RNTIAT
Rede Nacional de Transporte, Infraestruturas de Armazenamento e Terminais de GNL

RRB
Regulation Reserve Band

RRP
Recovery and Resilience Plan

SASB
Sustainability Accounting Standards Board

SBT
Science Based Targets

SBTi
Science Based Targets initiative

SDG
Sustainable Development Goals

SEA
Strategic Environmental Assessment

SEN
National Electric System

SGS
Societé Générale de Surveillance

SIC
Standard Interpretation Committee

SIFIDE
National System of Tax Incentives for Corporate R&D

SMD
Cybersecurity Digital Maturity Seal

SPA
Sines Port Authority

TCFD
Task Force on Climate-related Financial Disclosures

TEP
Transmission of Electrical Power

TNFD
Taskforce on Nature-related Financial Disclosures

ToR
Terms of Reference

TSO
Transmission System Operators

TUGS
Tariff for the General Use of the System

TURT
Tariff for the Use of the Transmission Network

UCP
Portuguese Catholic University

UNEP
United Nations Environment Programme

UNGC
United Nations Global Compact

UPAC
Self-consumption Power Units

USA
United States of America

VHV
Very High Voltage Network

VIP
Virtual Interconnection Point

WHO
World Trade Health Organization

UNITS ACRONYMS

€
Euro

bcm
Billion cubic meters

cent
Cent

CH_4
Methane

CO
Carbon monoxide

CO_2
Carbon dioxide

GHz
Gigahertz

GJ
Gigajoule

GW
Gigawatt

GWh
Gigawatt/ hora

H_2
Hydrogen

k€
Thousands of euros

km
Kilometre

kV
Kilovolt

kWh
Kilovolt/ hour

M€
Millions of euros

m^3
Cubic metre

$m^3(n)$
Standard cubic metre (volume of gas measured at 0º celsius and at standard atmospheric pressure)

mM€
Billion euros

Mva
Megavoltampere

Mvar
Megavoltampere reactive

MW
Megawatt

MWh
Megawatt/ hour

n.a.
Not applicable/ not available

n.m.
Not measurable

NH_3
Ammonia

NMVOC
Non-methane volatile organic compounds

NO_x
Nitrogen oxides

p.p.
Percentage points

PM
Particulate matter

s
Second

SO_x
Sulphur oxides

tcm
1x1.012 cubic metres

tCO_2eq
Ton of carbon dioxide equivalent

t
Ton

TWh
Terawatt/ hour

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