

GREEN FINANCE REPORT

2025



GREEN FINANCE REPORT 2025

Contribution to the SDGs



REN - Redes Energéticas Nacionais (“REN”) strengthens its role as an active agent and enabler of the energy transition, ensuring the safe, efficient and resilient operation of critical energy infrastructures that connect the present to the future. In a context of constant transformation, REN remains committed to delivering secure and uninterrupted energy while preparing the national system for future challenges, contributing to a more innovative, sustainable and responsible energy sector. Guided by principles of responsibility, balance and long-term vision, REN works alongside its stakeholders to promote progress that respects people, the environment and local communities. 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. This integrated perspective ensures that REN actively contributes to a more resilient and sustainable energy system.

In fulfilling this mission, REN aligns its strategy with the Sustainable Development Goals (SDGs), particularly SDG 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), 11 (Sustainable Cities and Communities), 13 (Climate Action), and 15 (Life on Land).



Since October 2025, REN has been eligible to issue bonds under the European Green Bond Standard (EuGBS), supported by its European Green Bond Factsheet and a “Dark Green” Second Party Opinion from S&P.

In line with this commitment, REN established its [Integrated Sustainable Financing Framework](#), to align its financing strategy with its mission, strategy and sustainability goals. Through this Framework, REN selects and monitors a set of projects eligible for green financing, while strictly observing the principles of the International Capital Markets Association (ICMA) and of the Loan Markets Association (LMA), regarding green financing (the so called “ICMA Green Bond Principles” and “LMA Green Loan Principles”). REN believes that green financing instruments are an effective tool for channelling investment into projects that demonstrate significant benefits about climate action and, therefore, make a valuable contribution to the Sustainable Development Goals.

Following the publication of its Green Finance Framework in February 2021, REN launched its first green bond issue in April 2021, amounting to 300 million euros, with a coupon of 0.50% p.a. and a maturity of eight years.

In February 2024, REN carried out its second green bond issue, also worth 300 million euros, with a coupon of 3.50% p.a. and a maturity of eight years. This issue was significantly oversubscribed, reaching a demand of approximately 2.05 billion euros. Also in 2024, during the third quarter, the Company published its Integrated Sustainable Financing Framework.

REN’s Integrated Sustainable Financing Framework was subject to a Second Party Opinion by the Institutional Shareholder Services (ISS-ESG), thus joining the

certifications verified by external entities already incorporated in REN’s [Integrated Report 2025](#), namely International Standard on Assurance Engagements 3000 (ISAE 3000), with reference to GRI and the European Sustainability Reporting Standards (ESRS) developed under the Corporate Sustainability Reporting Directive (CSRD).

Since October 2025, REN has also been eligible to issue bonds under the European Green Bond Standard (EuGBS). For this purpose, on 17 October 2025, REN published its [European Green Bond Factsheet](#), which was subject to a [European Green Bond Pre-Issuance Review Report \(Second Party Opinion\)](#) by S&P Global Ratings, obtaining a “Dark Green” classification – the highest possible rating.

At this stage, REN is only considering eligible assets under the “Renewable Energy” category, as detailed in its Integrated Sustainable Financing Framework.

This document materialises REN’s commitment to provide annual disclosure on the allocation of Green Financing to the eligible assets, as well as on their associated environmental impacts.

REN has also negotiated five Commercial Paper Programmes and three Revolving Credit Facility Agreements, with an aggregate amount of 1,165 million euros, all bearing green Label, that fall in the scope of its Integrated Sustainable Financing Framework. As of 31 December 2025, the amounts outstanding under this category refer to a 350 million euros commercial paper issue, and a 35 million euros utilisation from one of the Revolving Facility Agreements.

ELIGIBLE GREEN PROJECTS:

- Electricity grid assets built for the sole purpose of connecting renewable energy sources to the grid; and or
- Electricity grid assets aimed at integrating and enhancing the transmission capacity for renewable energy in the Portuguese electricity grid.

REN's eligible portfolio totals 3,058.5 million euros, supported by 985 million euros in green financing across bonds, loans and commercial paper, exclusively funding renewable-energy-related electricity grid assets.

Funding allocation

32.21%

PORTFOLIO OF ELIGIBLE ASSETS ALLOCATED TO GREEN FINANCING

100%

GREEN FINANCING ALLOCATED TO THE PORTFOLIO OF ELIGIBLE ASSETS

67.79%

PORTFOLIO OF ELIGIBLE ASSETS NOT ALLOCATED

ALLOCATION REPORT

PORTFOLIO DATE: 31 DECEMBER 2025

FUNDING ALLOCATION TABLE

CATEGORY OF ELIGIBLE ASSETS: RENEWABLE ENERGY	VALUE OF ELIGIBLE INVESTMENTS (MILLION EUROS)	GREEN FINANCING			
		INSTRUMENT (ISIN)	ISSUE DATE	MATURITY	AMOUNT (MILLION EUROS)
Electricity grid assets developed to interconnect renewable energy sources with the grid.	134.0	Bond (XS2332186001)	16/04/2021	16/04/2029	300
Electricity grid assets aimed at integrating and improving the transmission capacity of energy from renewable sources in the Portuguese electricity grid.	2,924.5	Bond (XS2771494940)	27/02/2024	27/02/2032	300
		LOAN ICBC (ISIN N/A)	20/05/2022	11/05/2027	35
		Commercial paper SANTANDER TOTTA (PTRE17JM0096)	28/10/2024	28/04/2026	125
		Commercial paper SANTANDER TOTTA (PTRE1VJM0096)	28/10/2024	28/07/2030	125
		Commercial paper BPI (PTRE1BJM0108)	20/11/2025	30/01/2026	100
Total eligible assets	3,058.5	Total Green Financing			985

Reinforcing and adapting electricity transmission networks is essential to deliver Portugal's revised NECP 2030 targets and support Europe's higher climate ambition through renewable integration, flexibility and system resilience.

Tackling climate change places decarbonization at the core of public policy, driving deep and structural changes across the energy sector. In the context of the energy transition, reinforcing and adapting the transmission network infrastructure remains essential to meet both Portuguese and European climate and energy goals. Recent EU-level developments – including strengthened governance frameworks and the comprehensive review of National Energy and Climate Plans (NECPs) – underscore the central role of electricity systems in enabling higher ambition by 2030.

Portugal's revised NECP 2030, approved on 4 October 2024, significantly raises national targets, setting 51% renewable energy in gross final energy consumption, up to 93% renewable electricity, and a 55% reduction in greenhouse gas emissions compared to 2005. These objectives are consistent with the country's broader pathway towards climate neutrality by 2045 and reflect the growing importance of renewable integration, grid reinforcement, flexibility

solutions and green hydrogen deployment. The revised plan also foresees a substantial increase in national energy storage capacity, coupled with an accelerated scale-up of green hydrogen production and a role for offshore wind. To ensure a coordinated and efficient action in delivering the revised NECP 2030 objectives – and to accelerate the deployment of renewable energy projects by making licensing processes clearer and faster – the Government established the Mission Structure for the Licensing of Renewable Energy Projects (EMER 2030).

Complementing this, the Government created the Climate Agency, mandated to enhance the effectiveness of national climate policy by improving planning, monitoring and accountability across sectors. The agency will play a central role in streamlining licensing procedures and public tenders, ensuring greater transparency, predictability and overall agility in environmental and energy-related decision-making.

IMPACT REPORT

PORTFOLIO DATE: 31 DECEMBER 2025

	RENEWABLE ENERGY
Eligible investments (million euros)	3,058.5
Portfolio %	32.21
Evolution of RES Power/Total NES Power ¹	24 p.p. ²
Installed renewable capacity (MW) ¹	8,699 ³
Evolution of renewable generation/Total generation ¹	38 p.p. ⁴
Additional renewable generation (MWh/year) ¹	18,574 ⁵
Estimated avoided emissions of the portfolio of eligible assets (tCO ₂ /year) ⁶	13,388,622
Estimated avoided emissions of the green financing allocated to the portfolio of eligible assets (tCO ₂ /year) ⁷	4,311,844
Contribution to SDGs	 

¹ Source: REN, Evolution 2012 to 2025.

² Evolution from 58% in 2012 to 81% in 2025 (represents the difference between the ratio of the installed renewable capacity and total installed capacity in 2012 and the same ratio in 2025).

³ Represents the additional capacity of renewable energy generation connected to our transmission and distribution systems, between 2012 and 2025.

⁴ Evolution from 44% in 2012 to 82% in 2025 (represents the difference between the ratio of the renewable electricity generation and the total electricity generation in 2012 and the same ratio in 2025).

⁵ Represents the additional renewable energy generation between 2012 and 2025.

⁶ Source: REN, emissions avoided in 2025 with reference to 2012. Estimated avoided emissions (tCO₂) = [National Electricity Emission Factor 2025 (tCO₂/GWh) - National Electricity Emission Factor 2012 (tCO₂/GWh)] * [Total Portuguese Electricity Production 2025 (GWh)].

Note: baseline considers all the Portuguese Electricity Production 2025 but using the National Electricity Emission Factor 2012.

⁷ Source: REN, emissions avoided in 2025 with reference to 2012. Pro rata considers the percentage of investments compared to the total amount of investments and the correspondent contribution to avoided emissions.

Building on these goals and targets, REN's role in the energy transition and contribution to the European Energy Policy and Domestic Energy Policy can be seen as follows: with regard to the electricity sector infrastructures, the growth targets for Renewable Energy Sources (RES), combined with the decrease of thermal power plant generation in the current Portuguese National Electricity System (NES), determine that there is a permanent need to adapt and develop transmission network infrastructures to guarantee security of supply. The investments carried out by REN (as the concession holder of the electricity transmission activity through the Portuguese National Electricity Transmission Grid – NTG), in the construction of new infrastructure needed to receive and integrate new renewable generation and the necessary adaptation to guarantee the quality, security of supply, and management of the system have been crucial to enable the goals of energy transition, namely the progressive reduction of GHG emissions in the energy sector.

The development and investment plans for the transmission grid include multiple kinds of projects to achieve the decarbonization goals in the electricity sector.

NTG projects completed in 2025 played a key role in strengthening the feeding of the National Electricity Distribution Grid (NDG) 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 SEN.

Of note were the following projects:

- the new Feira – Ribeira de Pena and Fafe – Pedralva 1/2 Lines, the section of the Feira – Lavos line near Lavos, the opening of the Pedralva – Famicão line to connect to the new Ponte de Lima substation, as well as the Estremoz – Alandroal line, built to supply the new international rail corridor between the south, Évora and Caia;
- the new Ponte de Lima substation, which will enable a new interconnection with Spain to be established in 2026, as well as the completion of refurbishment work at the Tunes and Palmela substations;
- reinforcement of transformation capacity at the Ferreira do Alentejo 150/60 kV substation (170 MVA).

In addition to the network development projects mentioned above, further investments were carried out to increase transmission capacity and/or to modernise assets reaching the end of their service life. Notable examples include the refurbishment of the 220 kV Paraimo – Pereiros 1 line, as well as the ongoing refurbishment of equipment and protection, automation and control systems at the Ferreira do Alentejo, Recarei and Alqueva substations, which will continue over the coming years.



OTHER PROJECTS/INVESTMENTS UNDERWAY

AMONG THE MAIN INVESTMENTS UNDERWAY THE FOLLOWING ARE WORTH NOTING:

Connection to the NTG of production other than large hydro or thermal power

Development of new NTG 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 system operator and promoters of new power production centres.

Feeding of consumption centres in distribution networks and VHV clients

Introduction of NTG/NDG transformation or reinforcing of existing power, more specifically, at the Divor substation, to meet supply security requirements and adapt to regulatory standards. Following the designation of the grid area of the existing Sines NTG substation as a High Demand Area under Decree-Law No 80/2023 of 6 September, new network reinforcements to supply large industrial consumption centres in the south are of special note. This decree establishes an exceptional procedure for the allocation of connection capacity to the RESP when demand exceeds available network capacity.

Reinforcement of the NTG following the shutdown of production at the Sines coal-fired thermal power plant

Development of 400 kV transmission corridors, helping to structurally adapt the network's performance to the termination of production at the Sines coal fired thermal power plant, with reference to the 400 kV Fanhões – Rio Maior connection.

Reinforcement of the interconnection capacity between Portugal and Spain

A new 400 kV interconnection in Minho between the future Ponte de Lima substation on the Portuguese side and the Fontefría substation on the Spanish side, designed to strengthen trading capacity between the two countries, and currently in the final stages of construction.

Remodelling and uprating of equipment and systems at the end of working life

Various projects to modernize transmission grid assets, including the refurbishment and replacement of high and very-high voltage substation equipment, protection, automation and control systems, power transformers and overhead lines. Notable examples include the substations of Recarei and Ferreira do Alentejo.

 70

CONNECTION PROCESSES TO THE NTG

 30

HYBRIDIZATION PROCESSES

CONNECTIONS UNDERWAY IN 2025

At the end of 2025, 70 connection processes to the NTG were underway (47 generation facilities and 23 consumption facilities), as well as 30 hybridization processes for existing plants connected to the NTG.

Also in 2025, the connection process to the NTG was completed for five photovoltaic power plants, one of which corresponds to the hybridization.



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REN – Redes Energéticas Nacionais, S.G.P.S., S.A.
Independent Limited Assurance Report
31 December 2025

Independent Limited Assurance Report

To the Board of Directors of
REN – Redes Energéticas Nacionais, S.G.P.S., S.A.

Scope

We have been engaged by REN – Redes Energéticas Nacionais, S.G.P.S., S.A. (“REN”) to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on the Green Finance Report 2025 (“Green Finance Report”), for the year ended 31 December 2025.

Criteria applied

REN prepared the Green Finance Report in accordance with the REN Integrated Sustainable Finance Framework (the “Criteria”).

Responsibilities of the Management

REN's management is responsible for selecting the Criteria, and for preparing the Green Finance Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining an appropriate internal control system, maintaining adequate records and making estimates that are relevant to the preparation of the Green Finance Report, such that it is free from material misstatement, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to examine the Green Finance Report prepared by REN and to issue a limited assurance report based on the evidence obtained.

Our engagement was conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information – ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (Ordem dos Revisores Oficiais de Contas). These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Green Bond Report is prepared in accordance with the Criteria.

Procedures performed 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. In these circumstances, our independent review procedures comprised the following:

- ▶ Conducting interviews with management and other personnel involved in the preparation of the Green Finance Report, in order to understand the characteristics of the (re)financed projects and how the information system is structured;
- ▶ Inquiries with the personnel responsible for preparing the Green Finance Report in order to understand the processes for collecting, collating, reporting, and validating the allocation and impact report data for the reporting period;
- ▶ Checking the Green Finance Report net proceeds allocation in the eligible project portfolio has been made in accordance with the Criteria;

- ▶ Performing analytical review procedures to support the reasonableness of the allocation and impact report data, including information related to indicators disclosed in the report;
- ▶ Verification of the conformity of the Green Finance Report with the results of our work and with the Criteria applied.

We consider that the evidence obtained is sufficient and appropriate to provide the basis for our conclusion.

Quality and Independence

EY applies 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 Ordem dos Revisores Oficiais de Contas' Code of ethics and of the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentially and professional behavior.

Conclusion

Based on our work and evidence obtained, nothing has come to our attention that cause us to believe that the Green Finance Report, for the year ended 31 December 2025, has not been prepared, in all material respects, in accordance with the Criteria.

Lisboa, 19 March 2026

Ernst & Young Audit & Associados – SROC, S.A.
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Represented by:

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GREEN FINANCE REPORT 2025

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