

REMUNERATION POLICY OF THE MEMBERS OF THE CORPORATE BODIES 2021-2023

A – INTRODUCTORY RULES

1. SCOPE

1.1. Within the scope of its competence, the Remuneration Committee has been working and adopting the necessary diligences in order to prepare the remuneration conditions and policy of REN's corporate bodies for the current term of office, in particular through a market benchmarking analysis carried out together with specialised consultants and assessing the legal framework and governance recommendations applicable to remuneration matters.

1.2. The present document defines the remuneration rules and policy ("**Remuneration Policy**" or "**Policy**"), under the terms of articles 26-A to 26-F of the Portuguese Securities Market Code of the following members of the corporate bodies:

- a) Board of Directors (including the members of the executive committee and non-executive members) and Audit Committee of REN;
 - b) Board of the General Meeting; and
 - c) Statutory Auditor.
- (hereinafter, the "**Corporate Bodies**")

1.3. On 4 March 2022, the Remuneration Committee approved a proposal to amend the present policy in order to reinforce the ESG (Environment, Sustainability, Governance) component in the Key Performance Indicators of the Executive Committee. In fact, although REN already considered ESG Key Performance Indicators in previous years, the Remuneration Committee decided to reinforce indicators related to the environment, society and corporate governance, in line with what it understands to be the concerns of investors and shareholders and market trends.

- 1.4. This proposal for the Remuneration Policy has been approved by the Remuneration Committee on 15 March 2021 for the current term of office 2021/2023 (“Term of Office”) and was submitted to the General Shareholders Meeting for approval on 23 April 2021 and amended on 28 April 2022.

2. General Principles

- 2.1. The Remuneration Policy of REN shall comply with the following general principles:

- a) To be simple, clear, transparent and aligned with REN’s interests and culture;
- b) To be suitable and fitting to the size, economic conditions, nature, scope, strategy and specificity of REN’s activity;
- c) To ensure an overall, competitive and equitable remuneration, that is in line with the best practices and latest trends in Portugal and in Europe, particularly with regard to REN’s peers, and 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 strategy and long-term interests and sustainability - taking into account the wealth effectively created by the company, the economic situation and the market - and constitute a factor of development of a culture of professionalism and promotion of the merit and transparency in REN;
- d) To be evolutionary, but not disruptive; and
- e) To incorporate a fixed component which matches the duties, availability, competence and responsibility of the Members of the Board of Directors.

- 2.2. The definition of this Policy took into consideration the employment conditions and remuneration of REN employees, through, namely, the relationship between the remuneration assigned to members versus the remuneration assigned to other employees and how these have evolved.

B — COMPONENTS OF THE REMUNERATION OF THE MEMBERS OF REN’S CORPORATE BODIES

3. Remuneration of the Executive Members of the Board of Directors

3.1. Principles

3.1.1. Regarding the remuneration of the executive members of the Board of Directors, the Remuneration Policy is based on the following principles:

- a) Competitiveness, taking into consideration the practice of the Portuguese market;
- b) Based on objective, uniform, consistent, fair and balanced criteria that reward performance;
- c) Performance assessment in accordance with 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 the strategic plan and the budget of REN, the 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;
- d) Incorporation of a variable remuneration component which is overall reasonable in relation to the fixed remuneration component, without encouraging excessive risk taking, with a short-term component and a medium/long term component, both with maximum limits;
- e) Alignment of the interests of 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 the REN's share price; and
- f) Variable remuneration indexed to effective REN's performance, measured against specific, objective and measurable goals which are in line with REN stakeholders' interests.

3.2. Remuneration Structure

3.2.1. The remuneration of the executive members of the Board of Directors ("**Executive Members**") includes:

- a) a fixed component, corresponding to a fixed annual amount ("**Fixed Remuneration**"); and

b) a variable component, the latter corresponding to a non-fixed amount dependent of the annual performance assessment, which may vary between a minimum of 0% and a maximum of 120% of the annual Fixed Remuneration (“**Variable Remuneration**”).

3.2.2. The Variable Remuneration is composed by a short-term component and by a medium/long-term component, each component corresponding to 50% of the Variable Remuneration, as described below.

3.2.3. The members of the Board of Directors shall not enter into any agreements with REN or with any third parties which intend to or have the effect of mitigating the risk inherent to the variability of remuneration established by REN.

3.3. Fixed Remuneration

3.3.1. The Fixed Remuneration of the Executive Members of the Board of Directors corresponds to a gross fixed annual amount of € 388,888.08 (three hundred eighty-eight thousand eight hundred and eighty-eight euros and eight cents) in case of the Chairman of the Executive Committee, and € 308,080.20 (three hundred eight thousand and eighty euros and twenty cents), in case of the other Executive Members of the Board of Directors, which shall be paid in 12 monthly instalments.

3.3.2. The Fixed Remuneration of the Executive Members of the Board of Directors will be updated, annually, according to the Consumer Price Index (CPI) whenever there has been no nominal change in relation to the Fixed Remuneration paid on the term of the previous term of office. The update according to the CPI will be carried out provided that it has not presented negative values and is applied annually according to the equation below:

$$\text{Fixed Remuneration}_{t+1} = \text{Fixed Remuneration}_t * CPI_t$$

Where:

CPI_t = Consumer Price Index of year t estimated in the month of the General Shareholders Meeting and in relation to the same month of the previous year.

This update will not apply in years when the fixed remuneration is changed (other than by this inflation update).

- 3.3.3. The Fixed Remuneration is composed only by the base remuneration, not including the payment of any other costs or allowances (*i.e.* travel expenses or meal allowance), without prejudice of “*Other monetary and non-monetary benefits*” described under 3.5 below.

3.4. Variable Remuneration

- 3.4.1. The Variable Remuneration of the Executive Members is attributed in accordance with the performance assessment which is executed in accordance with 3.4.2 below, being the relation between performance and Variable Remuneration established as per 3.4.2.6 below.

3.4.2. Calculation of the Variable Remuneration on the basis of the Performance Assessment

- 3.4.2.1. The annual performance evaluation of the Executive Members for the purpose of granting the Variable Remuneration is carried out by the Remuneration Committee, based on the opinion of the Company’s major shareholders, as well as that of the Non-Executive Members and considering a report to be prepared by the Nominations and Appraisals Committee until March of the following year, based on the fulfilment of predefined objectives, based on the Key Performance Indicators (“KPIs”), indexed to metrics of the strategic plan of REN.

- 3.4.2.2. Up to the end of March of each year, the Audit Committee must validate the numbers that serve as reference to the evaluation of compliance with REN’s KPIs.

- 3.4.2.3. The annual final assessment of performance and the setting of the Variable Remuneration by the Remuneration Committee shall be completed before the General Shareholders’ Meeting approving the accounts for the financial year in question, according to the level of achievement of the KPIs defined

in 3.4.2.5. below and is subject to the approval of the annual accounts by the general meeting of shareholders in the exact same terms.

3.4.2.4. The individual performance evaluation of an Executive Member of the Board of Directors will only be taken into account when it is negative, in which case the Variable Remuneration will not be granted to that Executive Member.

3.4.2.5. The individual performance evaluation of each member of the Executive Committee by the Remuneration Committee will include the contribution of each member to the functioning of the body and the cooperation between the various bodies of the Company, for which purpose, the report prepared by the Nomination and Evaluation Committee will be considered, and the non-executive members of the Board of Directors will be heard.

3.4.2.6. The KPIs of REN are defined on a consolidated basis, as follows:

Objectives related with KPIs of REN	% KPIs
Average Cost of Debt	10%
Return on Invested Capital (ROIC)	10%
Operating Cash Flow	25%
Earnings Per Share	25%
Service Quality	15%
Health & Safety	5%
Gender Diversity	5%
Reduction of greenhouse gas emissions	5%

3.4.2.7. The percentage of achievement with the established objectives by the Board of Directors for each KPI will correspond to a certain Variable Remuneration as indicated in the Variable Remuneration metric below:

% of attained objective	% of Variable Remuneration to be granted as a global Variable Remuneration
≤ 79.99%	0
80% - 89.99%	20%
90% - 94.99%	40%
95% - 99.99%	80%
100% - 119.99%	100% - 119.99%, proportionally to the level of compliance
≥ 120%	120%

3.4.2.8. The final performance evaluation for the calculation of the Variable Remuneration is calculated by the arithmetic average of the degree of achievement of each KPI weighted by the respective weight, and this degree of achievement is expressed by the percentage of Fixed Remuneration to be granted as global Variable Remuneration and quantified in the table in 3.4.2.6. Its equation is as follows:

$$P = \sum_{i=1}^n KPI_i * A_i$$

Where:

P = Performance;

KPI_i = i^{th} KPI;

A_i = Degree of achievement of the i^{th} KPI, *i.e.*, the percentage of the Fixed Remuneration to be granted as a global Variable Remuneration for a certain KPI.

3.4.3. Payment of the Variable Remuneration

3.4.3.1. For payment purposes, the Variable Remuneration is divided into two components, each of them corresponding to 50% of the total Variable Remuneration attributed with reference to the relevant annual period, as follows:

- a) 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
- b) a medium/long-term variable remuneration (“MLTVR”), which is awarded and paid under the terms and conditions established hereunder.

3.4.4. Variable medium/long term remuneration

3.4.4.1. The MLTVR:

- a) Shall be awarded in Remuneration Units (“RU”);
- b) The number of RU is calculated by dividing the value attributed to RVMLP by the unit value of the UR, which is calculated in accordance with subparagraph c) below;
- c) The value of each RU for the purposes of award of MLTVR shall be equal to the average closing price of REN’s shares on Euronext Lisbon in the 30 days before the date of the general meeting of shareholders approving the annual accounts of the relevant financial year;
- d) The RU value will be adjusted over time after its initial calculation, in an amount equal to the *Total Shareholder Return* (TSR) of REN’s shares, and the number or value of RUs attributed may also be adjusted considering facts / corporate actions that affect REN’s shares (such as stock splits, reverse stock splits, reduction of nominal value of shares, share capital reduction, among others), in order to obtain a remuneration financially equal to the actual holding of a number of shares equal to the RUs initially attributed;
- e) The payment of MLTVR shall be made in cash and deferred during a three-year period after the awarding date, being paid one third per year, starting in the year after attribution. MLTVR is paid each year within 30 days from the general shareholders meeting which approves each year’s accounts. That is, assuming that the attribution of RVMLP for year t is made in general meeting that occurs in year t + 1, payment is deferred for years t + 2, t + 3 and t + 4;
- f) In case REN’s shares are delisted, the value of the RU’s to be paid after such delisting shall be (i) the price offered on a takeover bid, in case that was the reason of such delisting, or (ii) the last closing price on other situations;

g) The right of each Executive Member to the payment of MLTVR is subject to:

(i) REN's positive performance during the relevant period, which means: the consolidated net financial situation in the years t+1 or t+2 and t+3, excluding any extraordinary events which have occurred following the year t, and deducted in every financial period the amount corresponding to a pay-out of 40% over the net profit assessed on the annual consolidated accounts of each financial period of deferral (independently of the effective pay-out), shall exceed the assessed amount in the financial period t.

For this propose, extraordinary movements within the period between year t and t+3 are, in particular, share capital increases, acquisition or sale of own shares, extraordinary delivery of dividends, annual pay-out other than 40% of the consolidated results of the respective financial year and other movements which, affecting the net financial situation of REN, are not derived from its operational results.

The assessment of year t+1, t+2 and t+3 net financial situation shall be based on the accounting rules applicable to financial year t for comparing proposes.

(ii) such Executive Member not breaching any mandatory legal, regulatory or REN's internal rules; and

(iii) no occurrence of any termination event, as described below.

3.4.4.2. Termination Events

a) In case any Executive Member ceases its term of office before the end of the term and during an evaluation period, the pro-rata Variable Remuneration relating to such evaluation period will be due, except if such termination is caused by or due to causes attributed to such Executive Director.

b) In case any Executive Member ceases its term of office after the end of the evaluation period but before the awarding date, the Variable Remuneration shall be due, except in case of a Termination Event.

c) In case the Executive Member terminates its professional relationship with REN due to other facts not qualified as Termination Events, this shall

not trigger the loss of the MLTVR already awarded but not yet paid. In this case, REN may agree with the Executive Director that the MLTVR will be paid on termination of the professional relationship with REN in which case the condition of REN's positive performance above shall be based on REN's performance until that date.

- (i) The following events shall be considered Termination Events for the purpose of this Policy: (i) the Executive Member ceasing the professional relationship with REN due to dismissal with cause; and (ii) in case of material default practiced by the Executive Member.
- (ii) REN may request the Executive Directors to return variable remuneration already delivered under the terms of the applicable legislation.

3.5. Other monetary and non-monetary benefits

3.5.1. The Executive Members are entitled to the means of communication and transportation for the performance of their duties, as well as health insurance, life insurance and personal accident insurance, under the terms and conditions approved by the Remunerations Committee in accordance with the best market practices.

3.5.2. No other benefits, including any retirement benefits or pensions, are attributed to the Executive Members.

3.5.3. To these benefits is assigned the value of €25,000.00 (twenty-five thousand euros) per director, which corresponds to 6.5 % (six point five percent) of the fixed remuneration paid to the Chairman of the Executive Committee and 8.2 % (eight point two percent) of the fixed remuneration paid to the Executive Members.

3.5.4. In case of dismissal without cause or resignation upon agreement with REN of an Executive Member, no compensation shall be due except if and to the amount legally due, if such termination results from inadequate performance such Executive Member.

3.5.5. The General Shareholders' Meeting, following a recommendation of the Remuneration Committee, will be responsible for approving the maximum amount of all components to be paid to a member of any body or committee of the company due to termination of office.

4. Remuneration of the Non-Executive Members of the Board (including the members of the Audit Committee)

4.1. Regarding the other members of REN's Board of Directors, including the members of the supervisory board (Audit Committee), the remuneration policy is guided by the main goal of compensating the dedication and the responsibility demanded by the performance of their duties.

4.2. The Non-Executive Members of the Board of Directors are awarded a remuneration corresponding to an annual fixed amount, paid in 12 monthly instalments, as follows:

- a) For the Vice-Chairman of the Board of Directors, the gross amount of € 80,807.88 (eighty thousand eight hundred and seven euros and eighty-eight cents);
- b) For the Chairman of the Audit Committee, the gross amount of € 75,757.44 (seventy-five thousand seven hundred and fifty-seven euros and forty-four cents);
- c) For the other members of the Audit Committee, the gross amount of € 60,606.00 (sixty thousand six hundred and six euros); and
- d) For the other members of the Board of Directors, the gross amount of € 45,000.00 (forty-five thousand euros).

4.3. The members of the Board of Directors' internal committees are awarded the following additional remuneration, from the date of their appointment;

- a) Chairman: €7,000.00 (seven thousand euros); and
- b) Other members of the related committees: € 4,500.00 (four thousand and five hundred euros).

4.4. Should the Chairman of the Board of Directors and/or the Chairman of the Executive Committee be members of the Ethics and Corporate Governance Committee, of the Nominations and Appraisals Committee, or of the

Sustainability Committee, they will not receive any additional remuneration for the performance of such duty.

- 4.5. The Remuneration of the Non-Executive Members of the Board of Directors will be updated according to the CPI whenever there has been no nominal change in relation to the Fixed Remuneration paid on the term of an earlier term of office and follows the same rules applicable to the executive directors expressed in 3.3.2.
- 4.6. The remuneration of the Non-Executive Members of the Board of Directors does not include the payment of any other bonuses linked to REN's performance, any costs or allowances or any other benefits (such as early retirement benefits or pensions plans or similar).
- 4.7. Unless any of the Directors expressly disagree, the costs with the mandatory insurance of civil liability of the Directors (which shall be paid by them) shall be deducted from the amounts referred to above.

5. Remuneration of the members of the Board of the General Meeting

- 5.1. The members of the Board of the General Meeting shall be awarded a fixed annual amount, as follows:
 - a) For the Chairman, the gross amount of € 15,000.00 (fifteen thousand euros);
 - b) For the Vice-Chairman, the gross amount of € 5,000.00 (five thousand euros); and
 - c) For the Secretary, the gross amount of € 3,000.00 (three thousand euros).

6. Remuneration of the Statutory Auditor

- 6.1. The remuneration of the Statutory Auditor will be proposed by the Audit Committee and includes the audit and legal review of accounts services and will be engaged under standard market conditions and will, in any case, not be linked to REN's performance.

7. Agreements with members of the management and supervisory bodies

- 7.1.** REN has not entered into any agreements or contracts with the members of the management and supervisory bodies, except for the Statutory Auditor appointed on 3 May 2018, Ernst & Young - Audit e Asociados, SROC, S.A., with whom it has entered into (i) a service agreement applicable to the 2018-2020 term of office, as well as (ii) a "Global agreement on services to be provided by EY to the REN Group", applicable to the 2020 financial year.
- 7.2.** In the agreement for the provision of services, it was agreed that the agreement may be revoked by either party upon 60 (sixty) days' notice. In case of revocation, the fees and expenses incurred up to that date shall be immediately settled.
- 7.3.** Assuming that the Statutory Auditor will be re-elected for the 2021-2023 term, the conditions described above should materially remain in place.
- 7.4.** No benefits will be granted to the governing bodies other than those provided for in this policy, including any retirement benefits or pensions.

8. Entry into force

This remuneration policy enters into force on the date of its approval by the General Meeting and shall be reviewed at the beginning of each term of office and whenever a relevant change occurs in the remuneration policy in force. If the proposal submitted by the Remuneration Committee is not approved, the Remuneration Committee shall submit a new proposal at the following General Shareholders' Meeting.

9. Publication

This remuneration policy should be published on REN's website after its approval by the General Shareholders' Meeting, comprising the results of the vote and the respective approval date, and shall remain available to the public, free of charge, while it is in force.

10. Conflicts of Interest

REN's internal rules on the prevention of conflicts of interest apply to the definition, review and implementation of this Policy. Members of the various bodies and committees involved in the process shall immediately inform the Chairman of the respective body or committee, or the Audit Committee, in the case of the Chairman, of any facts that may constitute or give rise to a

conflict between their interests and the interests of REN or the interests of the person to be remunerated/evaluated and, in the event of a conflict, not interfere in the respective decision-making process.