

REN 



*tr*en*sition*

A new word
for the future.



ESG Report

2022

ESG Highlights

Our ESG strategy has to be and will be a way to drive positive impact and create value not just inside our company, but also for all the stakeholders with whom we interact as well our community.

We want to drive change. We are committed to measure and openly disclose our progress.

Our internal and external objectives are simple but impactful:

- Decrease the CO₂ emissions in all scopes - from fleet decarbonization, transport of goods and equipment, through to construction and maintenance activities - and implement robust strategies to reduce other GHG emissions such as methane;
- Contribute effectively to the Sustainable Development Goals and to the creation of resilient and inclusive communities and ecosystems;
- Focus and prioritize the relationship with contractors that are committed to the same ambition and change. We will challenge and support them;
- Our focus is contributing and pushing the government entities with whom we interact and other industry energy players to deliver on the same sustainability effort towards an effective energy transition;
- We will keep investing in our teams: they will make this vision happen.

And finally, we are backed by a Board that believes that we should be committed to have a governance model based on ethics standards that are straightforward and contribute to improve the confidence of the communities we serve.

Rodrigo Costa, Chairman and CEO

Accelerating our ESG commitment

Environmental



-50% CO₂ emissions by 2030
(versus 2019)

-37% in 2022



Achieve carbon neutrality
by 2040

On track

Social



1/3 of women in 1st line
management positions by 2030

30% in 2022

Governance



Increasing ESG weight in
managers' performance
metrics


+5 p.p. in
2022, to a
total of 15%



100% of new bond
emissions to be green



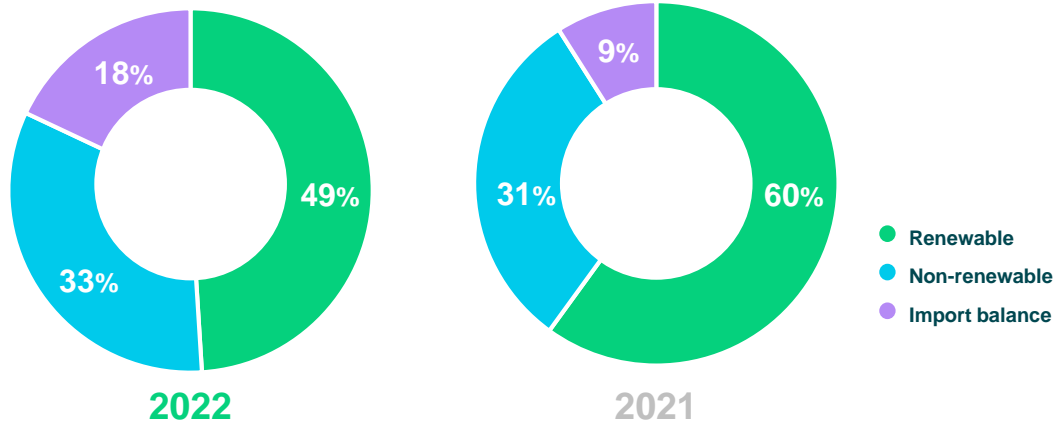
ESG performance at a glance

	INDICATOR	UNIT	2022	2021	YoY
 Environment	Energy consumption	GJ	3 579 369	3 811 265	-6%
	Greenhouse gas emissions (scope 1 and 2)	tCO ₂ eq	165 494	160 816	3%
	Greenhouse gas emissions (scope 3)	tCO ₂ eq	83 444	91 711	-9%
	Intensity of greenhouse gas emissions (scope 1 and 2)	tCO ₂ / GWh	1.41	1.45	-3%
	Capex aligned with EU taxonomy	%	78	-	-
 Social	Women in 1 st and 2 nd line management positions	%	29	28	1 p.p.
	Employee engagement (<i>top of mind question > 75%</i>)	-	✓	✓	-
	Accident frequency index (REN employees)	No	1.6	1.6	-
 Governance	Board independence	%	43	43	-
	Women on the Board	%	36	36	-
	ESG linked to compensation for the Executive Committee	%	15	10	5 p.p.
	Cybersecurity (Security Scorecard)	No	96/100	-	-

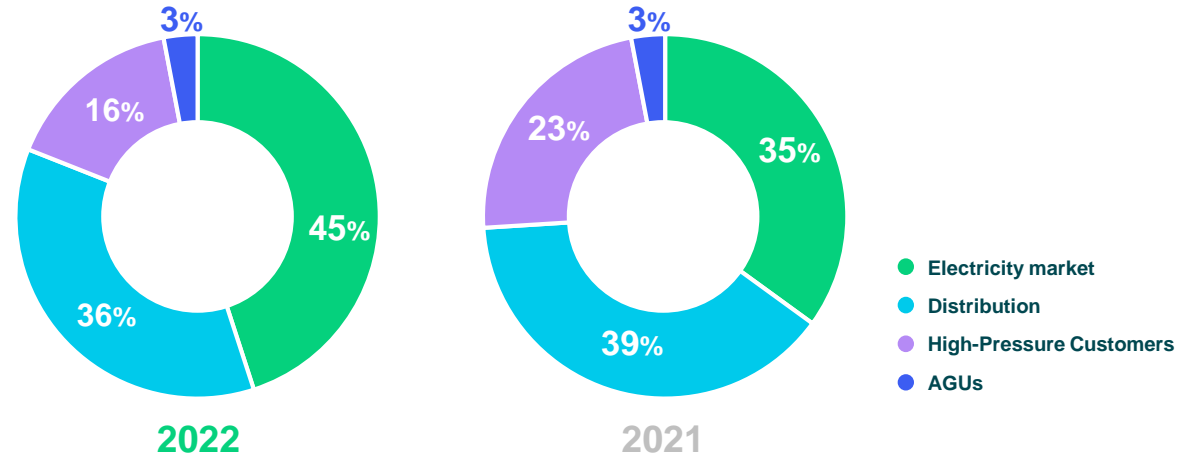
Operational highlights



Electricity Renewable and non-renewable generation



Gas Gas consumption



Energy transmitted by RNT – 43.6 TWh in 2022 vs 42.3 TWh in 2021

+3%

Electricity consumption – 50.4 TWh in 2022 vs 49.5 TWh in 2021

+1.8%

Average interruption time – 0.08 min in 2022 vs 0.05 min in 2021

+60%

Installed power – 20 675 MW in 2022 vs 19 157 MW in 2021

+8%

Installed power RES – 78% in 2022 vs 77% in 2021

+1 p.p.

Energy transmitted by RNTG – 65.6 TWh in 2022 vs 69.0 TWh in 2021

-5%

Gas consumption – 61.8 TWh in 2022 vs 63.8 TWh in 2021

-3.2%

Availability rate – 100% in 2022 vs 99.9% in 2021

+0.1 p.p.

Gas distributed – 6.0 TWh in 2022 vs 7.6 TWh in 2021

-21.1%

Environmental highlights

INDICATOR	UNIT	2022	2021	YoY
Greenhouse gas emissions (GHG)				
Scope 1	tCO ₂ eq	30 389	34 213	-11%
Scope 2	tCO ₂ eq	135 105	126 603	7%
Scope 3	tCO ₂ eq	83 444	91 711	-9%
Total (scope 1, 2 and 3)	tCO ₂ eq	248 938	252 527	-1%
Intensity of scope 1 and 2 emissions	tCO ₂ / GWh	1.41	1.45	-3%
Intensity of scope 1, 2 and 3 emissions	tCO ₂ / GWh	2.12	2.27	-7%
Non GHG emissions				
Total ¹	tCO ₂ eq	50 140	49 646	1%
Water management				
Total water withdrawal	m ³	109 673	n.a.	-
Sea water withdrawal (returned in its entirety)	m ³	127 935 431	n.a.	-
Waste management				
Total waste generated	t	5 236	n.a.	-
Total waste disposed	%	2%	n.a.	-
Total waste recovered	%	98%	n.a.	-

Environmental highlights

INDICATOR	UNIT	2022	2021	YoY
Certification				
Companies certified with ISO 14001 (in relation to the number of employees)	%	98	98	-
Low carbon economy				
Turnover aligned with EU taxonomy	%	64	n.a.	-
Capex aligned with EU taxonomy	%	78	n.a.	-
Opex aligned with EU taxonomy	%	75	n.a.	-
Turnover eligible with EU taxonomy	%	64	64	0.7 p.p.
Capex eligible with EU taxonomy	%	79	77	2 p.p.
Opex eligible with EU taxonomy	%	75	78	-3.6 p.p.



Submission of targets to the SBTi

In 2022, with the inclusion of the calculation of scope 3 emissions (which represent around 34% of the total GHG emissions), REN concluded the assessment of its carbon footprint, having submitted a targets proposal to the Science Based Target Initiative (SBTi). Besides the target to reduce scope 1 and 2 emissions by 2030, **REN set the commitment to reduce by 25% its scope 3 emissions by 2030** (comparing to 2021).



Awarded the Gold Standard by OGMP 2.0

In 2022, REN was awarded the “Gold Standard” by the Oil and Gas Methane Partnership (OGMP 2.0), reinforcing our commitment and action to reduce methane emissions. The reinforcement of our commitment in 2022 involved the aim to reduce methane emissions by at least 30% in comparison to 2018 figures, thus increasing the 2021 target of a 20% reduction compared to 2018.



Engagement with suppliers with regard to sustainability

REN conducted a survey of qualified suppliers in order to assess the degree of applicability with respect to ESG. The aim of this analysis was to assess the maturity of REN suppliers, while also seeking to raise awareness and align strategies relating to sustainable practices among all the players in the supply chain. Additionally, REN promoted awareness meetings regarding the need to reduce its carbon footprint with more than 40 main suppliers (which represent about 50% of investments).

Social highlights

INDICATOR	UNIT	2022	2021	YoY
Employment				
Employees	No	719	701	3%
Female employees	%	25.3	24.7	0.6 p.p.
Gender pay gap	%	-1.7	-2.0	15%
Internal recruitment rate	%	37.5	28.6	8.9 p.p.
Employee turnover	%	6.9	3.3	3.6 p.p.
Absenteeism rate	%	2.1	2.1	-
Training				
Total training hours	No	36 738	24 416	50%
Average number of training hours	No	52	35	49%
Employees with training	%	100	100	-
Health and safety				
Non-fatal accidents with lost days REN	No	2	5	-60%
Non-fatal accidents with lost days contractors and service providers	No	14	28	-50%
Fatal work-related accidents REN	No	0	0	-
Fatal work-related accidents contractors and service providers	No	0	1	-

Social highlights

INDICATOR	UNIT	2022	2021	YoY
Accident frequency index REN	No	1.6	1.6	-
Accident frequency index contractors and service providers	No	5.1	6.4	-20%
Accident severity index REN	No	97	152	-36%
Accident severity index contractors and service providers	No	282	373	-24%
Certification				
Companies certified with ISO 45001 (in relation to the number of employees)	%	98	98	-
Community				
Community investment	k€	323	186	74%
Vehicles donated	No	16	18	-11%
REN volunteers	No	86	51	69%
Volunteering hours	No	881	624	41%



Flexibility programme

Internal programme that provides measures in three areas of action: workplaces, working hours and other conciliation measures, including: more flexible working schedules, hybrid working model and 6.5 additional days of rest per year and 2 days of volunteer work. This programme is part of a broader wellness policy, which focuses on a holistic approach to physical, financial, social and mental well-being.



Personal opinion programme

Every two years REN conducts an organizational climate study – POP (Personal Opinion Programme) – which allows the company to hear about the opinion of REN employees and their level of general satisfaction with topics such as Working Conditions, Commitment, Communication, etc. Participation reached a historic level of 91% in 2022.



Safety culture

A study was conducted with the aim of strengthening the safety culture, focusing on sustainable risk reduction and performance improvement.

Governance highlights

As at 31 December 2022, REN's organizational structure was as follows:

14

Members of the Board of Directors

Attendance by gender

35.7 %

Women on the Board of Directors

64.3 %

Men on the Board of Directors

Independent members

42.9 %

Independent board members

100%

Independent members

66%

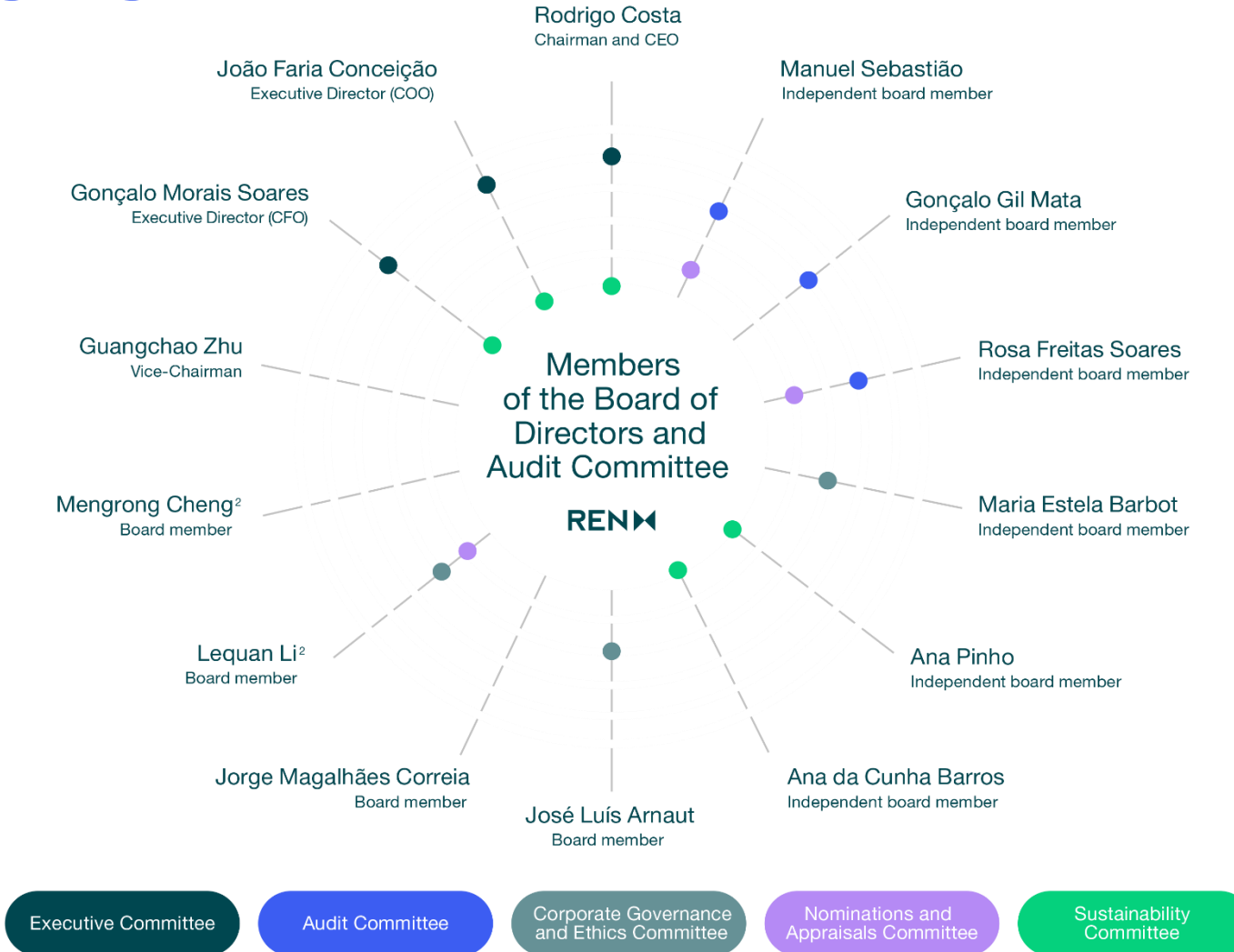
Independent members

33%

Independent members

40%

Independent members



Age diversity

45-49 **7%**

50-55 **29%**

>55 **64%**

Board tenure

years

0-2 **14%**

3-7 **43%**

>8 **43%**

² The Board of Directors resolved on 7 march 2023 to co-opt as board members of REN for the current mandate (i) Shi Houyun, replacing Mengrong Cheng and (ii) Qu Yang, replacing Li Lequan; both co-options to be submitted for ratification by the shareholders at the next Annual General Meeting.

Governance highlights



Review of the Regulatory Compliance Plan

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 revised and approved its 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 stakeholders.



Approval, disclosure and implementation of the Plan to Prevent Risks of Corruption and Related Infractions

During 2022, REN promoted the preparation, approval, disclosure and implementation of its Plan to Prevent Risks of Corruption and Related Infractions. This Plan is a valuable element to frame the relation between members of governing bodies, REN's employees and service providers, public entities and other stakeholders.



Training and awareness on ethics and conducts

REN strengthened communication and instruments for learning and raising awareness among employees in such matters, more specifically with regard to the prevention of corruption and related infractions and reporting irregularities (whistleblowing).

Innovation highlights

44

RDI projects in portfolio

3

applications submitted to the
Recovery and Resilience Plan

32

projects with applications
submitted to SIFIDE (fiscal year 2021)

COTEC 2022

INNOVATIVE Company



Digital Protection of Substations (DPS)

Development of a solution to virtually delimit work areas in substations, monitoring and cross-referencing the location of workers in the work areas and send an alarm when a security zone is breached.



Safety Light Interactive Protection (SLIP)

The main objective of this initiative is to have install interactive sensor barriers in substations that reduce the risk of electrocution by creating delimited work zones, further to the consignment process.



rePLANT – collaborative strategies for the integrated management of forests and fires

Seeks to ensure greater protection of the forest through integrated forest and fire management. As part of the activities coordinated by REN and the University of Coimbra, forest monitoring systems were installed on Very High Voltage line supports and a fire identification and warning system will be developed. The goal of this project is to optimize fire risk management, both to protect RNT infrastructure installed in forests, but also to protect the forest itself.

Reporting and community highlights



Integrated report

Adoption of the integrated report model (according to the International Integrated Reporting Framework), as well as the new GRI Standards (2021), SASB Standards, TCFD and EU Taxonomy.



Engagement with stakeholders

Definition of a stakeholder relationship policy, applicable to all REN employees. This policy defined a series of commitments with the goal of maintaining a mutually positive, honest, and ethical relationship with all stakeholders. Furthermore, a new mechanism for contacts, opinions, and complaints was implemented, and is available to all stakeholders on the REN website.



Community investment

REN's action in the field of corporate social responsibility and the development of sustainable communities has been guided by a purpose of effective impact on local communities. In 2022, REN donated 16 vehicles to fire brigades, local government civil protection teams and other entities, supported 18 entities through the REN Participatory Budget, and continued to promote initiatives such as the REN Award and the AGIR Award. The 2023 AGIR Award will be dedicated to the "Promotion of Sustainable Development".

ESG ratings

	SCALE	SCORE	YoY	STRENGTHS	LATEST ASSESSMENT
	0-100	62	▲	Innovation, environmental reporting, and social reporting	December 2022
	D-A	B	▲	Governance, business strategy, financial planning, scenario analysis, and scope 1 and 2 emissions	December 2022
	100-0	18.3	▲	Emissions, occupational health and safety, land use and biodiversity, human capital, and carbon	February 2023
	CCC-AAA	AAA	▲	Biodiversity and land use, carbon emissions, and governance	March 2023
	D-A	B	▬	Community outreach, occupational health and safety	March 2023

REN



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for the future.

ESG Report

2022

Access all the information
on REN via a single platform.

 REN Investidores

 REN Energia



Renewables
Grid Initiative



THE NETWORK
OF ALL NETWORKS

www.ren.pt