



Environmental Policy

22nd June, 2021



RED
ELÉCTRICA
CORPORACIÓN



PURPOSE

To establish environmental principles in order to guarantee the commitment of the Red Eléctrica Group to environmental preservation and enhancement, and the sustainable development of any activity and facility throughout the service life thereof, as well as the needs and expectations of the stakeholders in this field.

Supporting and complying with the principles contained in this Policy contribute to meeting the corporate goal, as well as to achieving the strategic objectives thereof, consistent with the values, principles and conduct guidelines set forth in the Code of Ethics and Conduct of the Red Eléctrica Group.

SCOPE OF APPLICATION

This Policy is applicable to all companies in which the Red Eléctrica Group has a controlling interest. It is the responsibility of all the members of the Red Eléctrica Group to comply with this Policy in the exercise of their roles and responsibilities, and in all professional fields in which they represent the organisation.

In those investee companies in which the Red Eléctrica Group does not have effective control, principles consistent with those set forth in this Policy will be implemented.

PRINCIPLES

- To ensure compliance with environmental legislation, regulations and standards applicable to activities and facilities in the countries in which the company operates, pre-empting to the extent possible the application of new regulations when it is more stringent, as well as complying with the voluntary commitments undertaken in the environmental field.
- To contribute to carry out activities based on a model supporting the service cycle of infrastructures, facilities and buildings, developed in a respectful way and integrated with the environment, minimising its environmental impact.
- To prevent the materialisation of environmental risks and the occurrence of events likely to cause environmental emergencies, applying the necessary preventive measures and, where appropriate, responding effectively, mitigating the consequences of the above-mentioned materialisation.
- To strengthen the commitment to fight against climate change, working to make the energy transition possible and moving forward towards carbon neutrality, facilitating electrification and the integration of renewables and reducing our processes-based emissions through energy efficiency and sustainable mobility, as fundamental pillars, and likewise considering our supply chain.



- To consider biodiversity and natural capital as a key factor in the strategy of the Group, aimed to generate a positive net impact on the environment in which our activities are carried out.
- To integrate circular economy criteria into all of the activities of the Group in order to achieve responsible consumption and a sustainable use of resources.
- To guarantee continuous improvement, risk control and management, the precautionary principle and the prevention of pollution in the environmental management of the Group companies by implementing and maintaining management systems aligned with the requirements of international standards and consistent with the specificities thereof.
- To include environmental criteria and consider environmental risks in decision-making processes regarding investments and acquisitions, as well as in planning and executing activities.
- To promote behaviour consistent with environmental requirements and the principles and commitments undertaken by the Group in the supply chain and partners, encouraging transferring them to the value chain of suppliers.
- To promote a culture of respect for the environment by means of permanent internal and external training, awareness and motivation conveying the importance of environmental protection and the minimisation of environmental impact.
- To contribute and promote innovation aimed to design and adopt solutions and new ways of working in order to avoid or minimise environmental impact.
- To promote communication methods and channels to inform, discuss and generate alliances with stakeholders to promote the generation of shared value.
- To promote visibility and transparency regarding the information provided on the results of the environmental performance of the Group.
- To integrate in the activities carried out by the company and proactively promote the application of the best environmental practices and the decisions adopted by national and international forums and organisations, which promote and encourage sustainable behaviour and environmental preservation in the scope of environmental management, in order to become a leader in this field in terms of the activities carried out by the companies of the Group.
- To ensure the application of the principles of this Policy by partner companies acting on behalf of any of the companies of the Group.

This **Environmental Policy** was approved in its 2nd edition by the Executive Committee on 22nd June, 2021.