

COMMITMENT
TO BIODIVERSITY

Committed to intelligent energy



INDEX



ABOUT RED
ELÉCTRICA GROUP
page 4



BIODIVERSITY
AND NATURAL
CAPITAL
page 6



MOTIVATION
page 8



THE PRINCIPLES
BEHIND OUR
COMMITMENT
page 10



COURSES
OF ACTION
page 12



TRANSPARENCY
AND COMMUNICATION
page 17



ACTION
PLAN
page 19

Commitment to biodiversity

At Red Eléctrica Group, our pledge is to generate a positive impact on biodiversity in areas in which we develop our activity, a challenge that is part of the Group's Sustainability 2030 goal of "Generating a positive net impact on the natural capital in the areas surrounding our facilities"¹

1. Our activity generates a clearly positive impact on society as a whole. A recently conducted internal analysis highlights that the global value contributed by the Group's companies' activity is nearly 10 times that of the negative impacts they generate. Nevertheless, given that the value it contributes to society is mainly global in nature, Red Eléctrica is working to increase positive local impacts, assessed in accordance with internationally recognised methodologies.



COMMITMENT
TO BIODIVERSITY

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN



WWW.REE.ES

ABOUT RED ELÉCTRICA GROUP

The company is a worldwide operator of essential infrastructures, managing electricity transmission grids, both in Spain and in Latin America, and telecommunication networks (fibre optic and satellites), with a notable innovation and technological development component.

The electrical infrastructure business represents a high percentage of the Group's total revenue, focusing on the design, construction and maintenance of electricity transmission facilities both in Spain, where it is also an electricity system operator, and in Latin America; while the telecommunication infrastructure business encompasses the leasing of the backbone

dark fibre optic network and technical sites, as well as communications satellites operation, and are world leaders in the distribution of content in Spanish and Portuguese.

A high percentage of the Group's assets are implanted in rural locations, where biodiversity is at its richest levels and, for this reason, we consider terrestrial and marine biodiversity and natural capital to be a key factor in the sustainable development of our business in all the countries in which we are present.



COMMITMENT
TO BIODIVERSITY

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

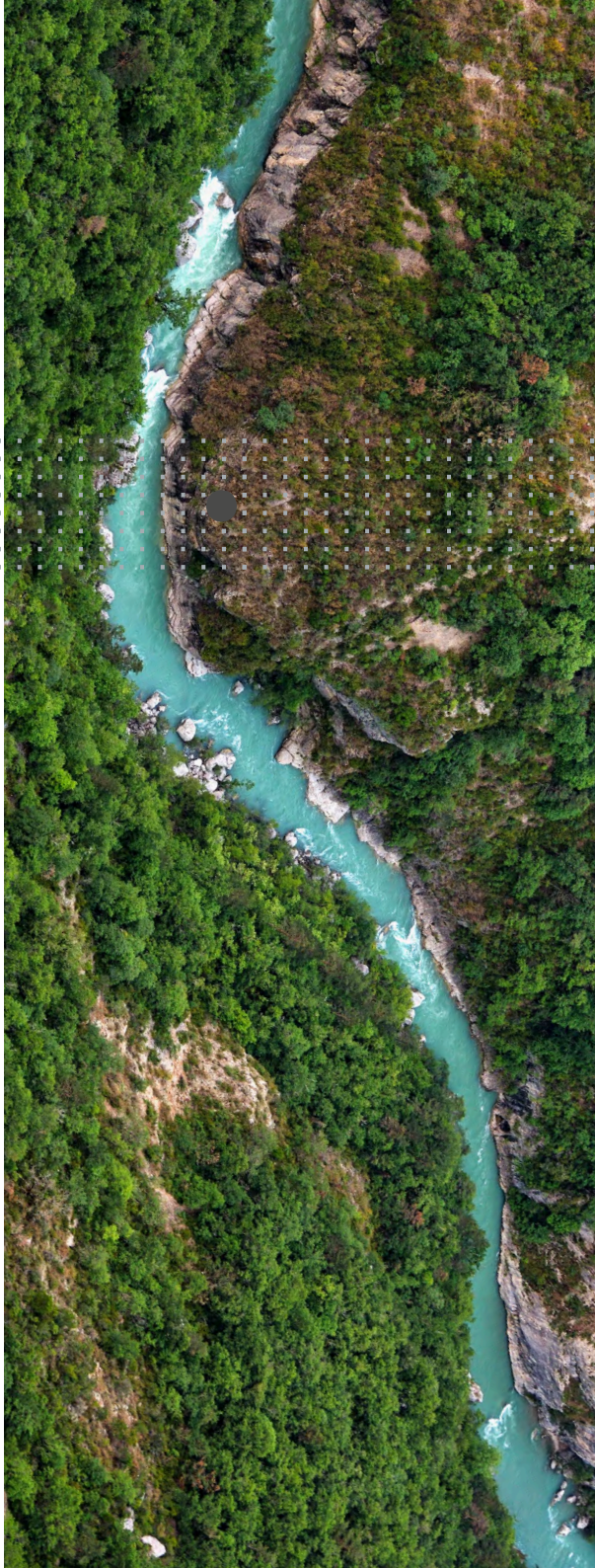
MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN



BIODIVERSITY AND NATURAL CAPITAL

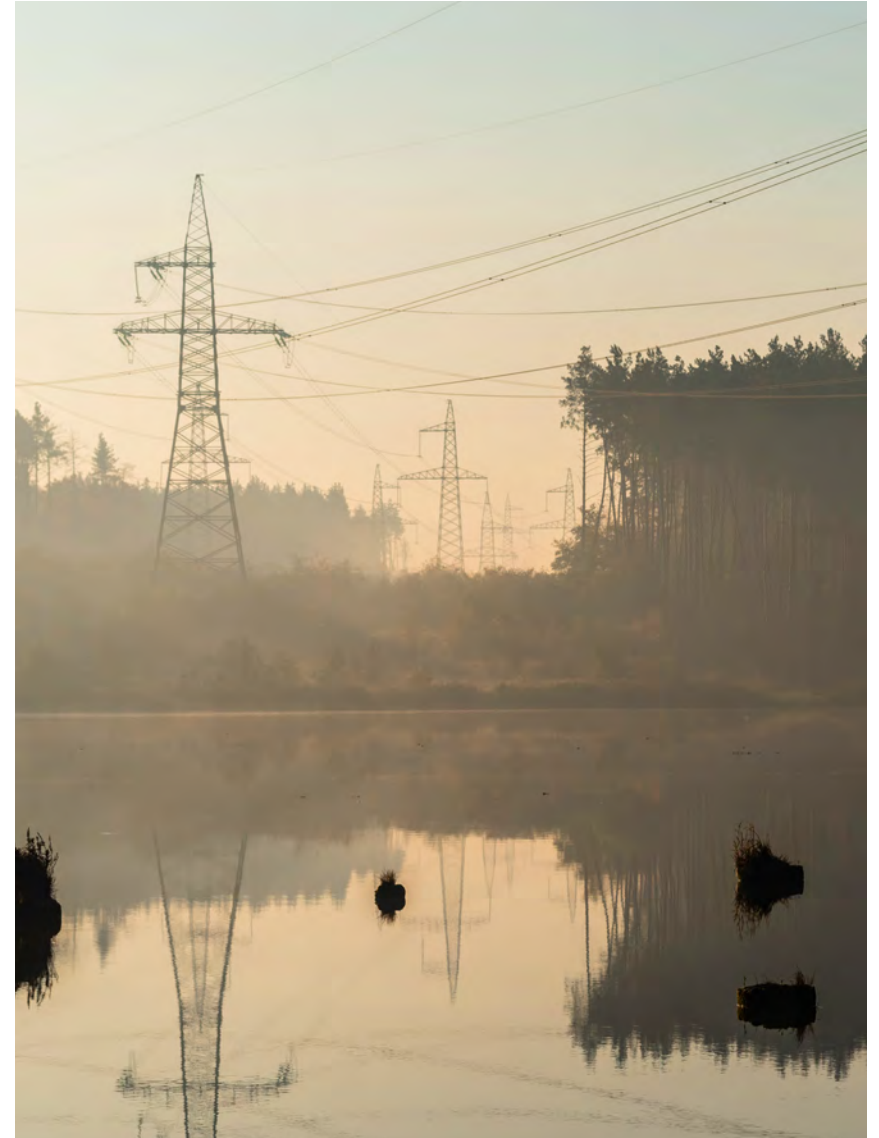
WWW.REE.ES

We understand natural capital as being nature's set of assets, both biotic and abiotic that, either individually or collectively, bring benefits to society, known as ecosystem services.

Biodiversity is the basis for the goods and services provided by the ecosystems that are necessary for life on the planet, and therein lies its importance.

The Convention on Biological Diversity² (UN) defined biodiversity in 1992 as "the variability among living organisms from all sources, including, 'inter alia', terrestrial, marine and other aquatic ecosystems, and the ecological complexes of which they are part: this includes the diversity within species, between species and ecosystems".

2. <https://www.cbd.int/convention/text/>



COMMITMENT
TO BIODIVERSITY

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN



WWW.REE.ES

MOTIVATION

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN



In 2010, International Year of Biodiversity, Red Eléctrica formalised its commitment to biodiversity by approving its own specific strategy in this area. 10 years on, the Red Eléctrica Group (hereinafter, Group, Company or Organisation) reformulates and reaffirms its pledge to biodiversity with a more ambitious agenda.

This pledge is renewed and inspired by the new agenda of the United Nations Convention on Biological Diversity and its vision 2050 of “living in harmony with nature”, the 2019 IPBES³ (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services) global evaluation report dealing with biodiversity and ecosystem services—in which it sends out a stark warning of a dangerous and unprecedented decline in nature and accelerated rates of extinction of different species— and, Agenda 2030⁴ for Sustainable Development (objectives 14, 15 and 17).

The pledge is aligned with the European Green Deal, the State Strategic Plan for Natural Heritage and Biodiversity in Spain and the Pact for Biodiversity (Spain), which the Organisation has been part of since 2013 and national biodiversity strategies established in Latin American countries in which the Group develops its business.

This fits in with the Group’s 2030 Sustainability Commitment and its environmental policy, ensuring its implementation thanks to sound environmental management aligned with international standards.

3. <https://ipbes.net/global-assessment>

4. <https://www.un.org/sustainabledevelopment/> /sustainable-development-goals/ /

COMMITMENT
TO BIODIVERSITY

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

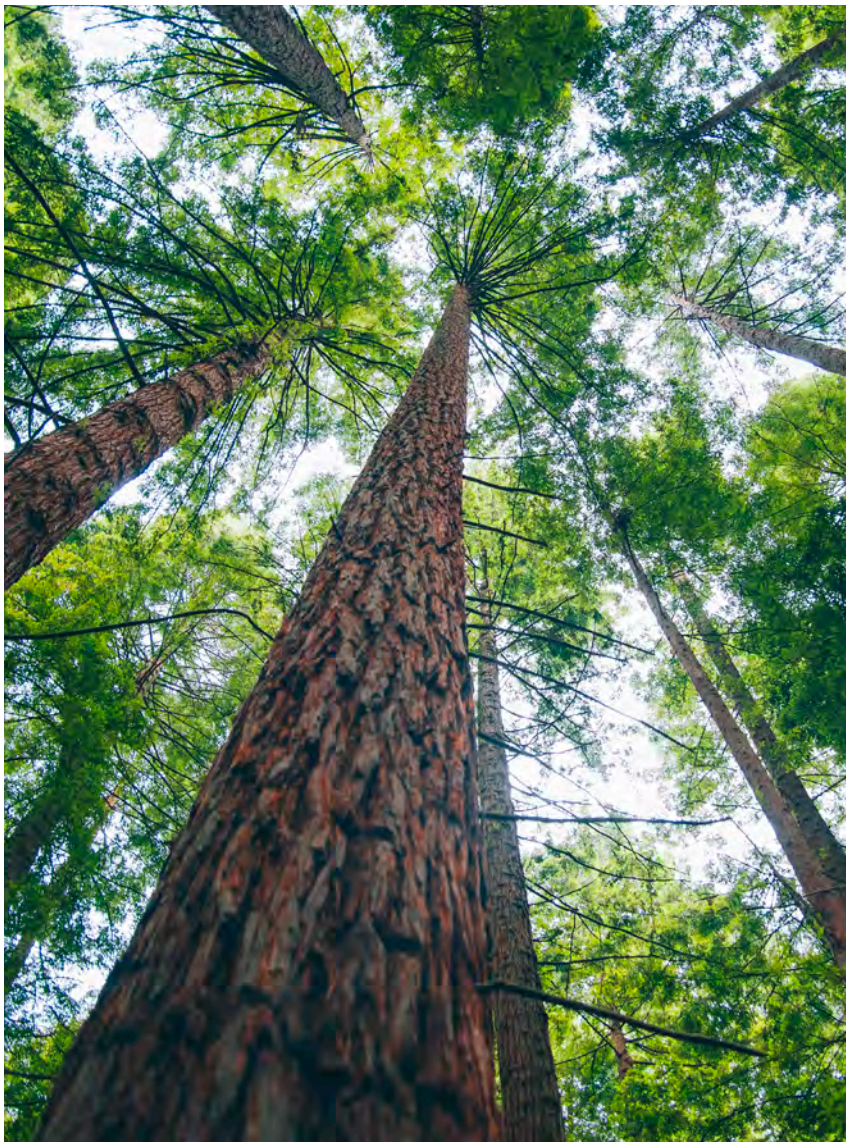
TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN



WWW.REE.ES

THE PRINCIPLES BEHIND OUR COMMITMENT



The basic principles defined by the Group's biodiversity commitment are the following:

- Consider biodiversity and natural capital as a key factor in the Group's strategy.
- Consolidate conservation and the use of biodiversity management in the development of the Group's activity, in all its business areas and in the full life cycle of its facilities, under the theme of "mitigation hierarchy".
- Avoid the implementation of new infrastructures in areas with greater levels of biodiversity, and establish mechanisms to ensure their protection and conservation in territories in which the Group develops its activity, especially in sensitive natural environments.
- Contribute to and boost applied research and innovation aimed at designing solutions and new ways to facilitate the capacity of the environment to play host to the Group's activities.
- Promote communication channels and partnerships with stakeholders, boost the generation of shared value and highlight the Group's pledge to conservation of biodiversity.

COMMITMENT
TO BIODIVERSITY

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN



COURSES OF ACTION

WWW.REE.ES

The principles on which our pledge is built focus on four courses of action:

A. New ways to focus on biodiversity conservation

The Group is working on a new focus, namely “Natural Capital”, understood as nature’s set of assets that, both biotic and abiotic, either individually or collectively, bring benefits to society, known as ecosystem services.

With the aim of moving towards compliance of the objective of generating a positive impact on natural capital in the environment around our facilities, the efforts of the Group start with developing tools, methodologies and new ways of working to enable it to perform a responsible assessment of change made to nature and its repercussion on society, with the aim of restoring or compensating the value of the detracted natural capital, highlight the value of that which is maintained or generated, and know about its influence on its business model.

Under this premise and by following the Natural Capital Protocol⁵ guidelines we have our own methodology which has enabled us to (1) analyse the positive and negative relationships and dependencies that our activity has with nature and, specifically, biodiversity; (2) identify natural assets that our activity affects most relevantly; (3) determine ecosystem services on which we exercise influence and (4) design a qualitative, quantitative and monetary assessment for each of them.

5. <https://naturalcapitalcoalition.org/natural-capital-protocol/>



The application of this methodology will make it possible to progress in the quantification of impacts, both positive and negative, on ecosystem services and, therefore, on the knowledge of the net balance of our impact on biodiversity. This quantification will facilitate, among other aspects, the definition of the compensation measures and their ambition level and will help identify the positive effects to be driven up. In this way it will be possible to move towards the desired positive impact.

B. Development of the activity

The potential effects on terrestrial and marine biodiversity are due to the presence of our facilities and to the construction and maintenance works on them in natural surroundings.

We apply mitigation hierarchy (avoiding, minimising, restoring and compensating) in biodiversity management in the facility's whole life cycle: design, construction, maintenance and dismantling.

Always under the strict compliance of environmental legislation in force in the countries in which we operate.

Avoiding areas rich in biodiversity

The main measure undertaken to avoid the undesired effects of our facilities on the natural environment in areas rich in biodiversity and in local communities is the selection of their location.

In the *design phase* of new facilities, we work with a valued territorial diagnosis, which identifies and describes the assets of the natural environment and the assets and services of the ecosystems that they generate, resulting in a hosting capacity map of the installation in the territory and the definition of possible alternatives. We select the alternative that has the least impact and avoids areas of greatest biological diversity in that territory.

Regarding the wealth of biodiversity in the territory, we focus our attention on:

- Performing a specific analysis of the presence of animal species in the area of the study, paying special attention to birds.
- Carrying out a quantitative assessment of habitat and land-surface ecosystems, their abundance, ecological diversity, rarity and state of conservation.

In the case of Red Eléctrica de España, S.A.U., work is carried out prior to the design phase, as it contributes to the performance of the Strategic Environmental Assessment, which is based on the initial proposal for the development of the electricity transmission grid in Spain which, as the operator of the Spanish electricity system, is transferred to the Ministry of Ecological Transition and the Demographic Challenge of the Spanish Government, guaranteeing the consideration of biodiversity from the early stages.

Minimise impacts and restore affected areas

The company's facilities are distributed all around the territory, in a high percentage of rural locations. Considering that a large part of the territory's surface area is affected by some kind of environmental protection order, it is inevitable in some cases that infrastructures pass through or are situated within protected spaces or areas rich in biodiversity. The definition of appropriate preventive and corrective measures, which include the restoration of affected areas if required, and their application during the *construction and maintenance phases*, ensure the protection of habitats and species throughout the facilities' period of activity and useful life.

ABOUT
RED ELÉCTRICA
GROUPBIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENTCOURSES
OF ACTIONTRANSPARENCY
AND
COMMUNICATIONACTION
PLAN

We focus our efforts on minimising potential interaction with biodiversity and on ensuring its protection. We work with tools and methodologies developed by the Group, in partnership with related entities of prestigious standing, who provide us with the knowledge of natural values present in facilities' area of influence and improve its management.

The objectives:

- Make facilities compatible with wildlife, especially birds, through the design and execution of action plans, in order to minimise the risk of collision associated to our facilities, and to facilitate the controlled use of our facilities as new niches for the colonisation of wildlife.
- Prevent forest fires, through the use of selective silvicultural treatments, to reduce disease to plants and to ensure compliance with safety distances and the application of best practices in this area, minimising fire risk.
- Protect habitats and ecosystems of great value, thanks to the design and implementation of measures to preserve the quality of habitats and the species of flora and fauna that inhabit them.

An exhaustive supervision and a close working relationship with different local agents, to ensure the correct implementation of all the preventive and corrective measures, enable us to design new solutions during the course of the works and to identify other measures to improve the environment.



C. Compensation and conservation

The Group contributes to the conservation of terrestrial and marine biodiversity, through projects and actions associated to the protection of fauna, flora and habitat.

We lead, promote and collaborate actively in the development of projects aimed at the conservation of biodiversity, and we work in partnership with environmental organisations on a national, regional and local level (public administration, research centres, universities, foundations, NGOs, etc.), in the geographical areas in which we develop our business.

Our actions are focused on:

- Fauna, especially focal birds⁶.
- Vegetation, paying special attention to the fight against forest fires and the restoration of degraded terrestrial woodland and marine areas.
- Habitats and ecosystems rich in biodiversity.

6. Especies focales: Aquellas especies de fauna o flora que pueden verse especialmente afectadas por las instalaciones del Grupo Red Eléctrica.

D. Innovation and research applied to the management, protection and conservation of biodiversity

We foster the development of new technology and innovative ways of working, in the following areas:

- Protection and conservation of wildlife, through the development of new and innovative technologies, in order to make facilities compatible with birds and the monitoring of wildlife, especially birds as bio-indicators and tools that make it possible to know and to ensure their state of conservation and that of the ecosystems that they inhabit.
- Vegetation management, through the development of new technologies and innovative tools, in the prevention and fight against forest fires and in the treatment of vegetation.
- Protection, improvement, conservation and creation of habitats through the establishment of a network of corridors or “green and blue infrastructures”, such as a solution based on nature and biodiversity and an instrument to put a stop to and recover the loss of biodiversity and the creation of resilient landscapes —as ecologically properly adapted systems— and the development of tools that make the business activity compatible and ensure the good state of conservation of the ecosystems over which it has an influence.

COMMITMENT
TO BIODIVERSITY

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN

WWW.REE.ES



TRANSPARENCY AND COMMUNICATION

ABOUT
RED ELÉCTRICA
GROUPBIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENTCOURSES
OF ACTIONTRANSPARENCY
AND
COMMUNICATIONACTION
PLAN

The Group maintains active and ongoing communication with its stakeholders (administration, the local community, NGOs, the media, etc.) on a local, regional and/or national level, with the double aim of transmitting its pledge of conservation of biodiversity and to know its requirements and expectations in this area, applying at all times transparency criteria, with the aim of achieving a long-lasting and trusting relationship.

To this end, it has **participation tools**: of special relevance, the *public information processing/citizen participation* (regulated procedure) which fosters dialogue with interested parties and makes it possible to obtain the best environmental information available and to know what the needs and concerns of its stakeholders are, the *sociological studies and perception survey* including all stakeholders; the *dissemination and exchange of knowledge* through partnerships with environmental organisations and participation in specialist forums, and; *corporate volunteering* with initiatives linked to the conservation of the natural heritage and the participation of employees and their families.

And **communication channels**: highlighting the internal and corporate website, support team for stakeholders, digital and specialist channels, the printed press and specific publications.



COMMITMENT
TO BIODIVERSITY

ABOUT
RED ELÉCTRICA
GROUP

BIODIVERSITY
AND NATURAL
CAPITAL

MOTIVATION

THE PRINCIPLES
BEHIND OUR
COMMITMENT

COURSES
OF ACTION

TRANSPARENCY
AND
COMMUNICATION

ACTION
PLAN



WWW.REE.ES

ACTION PLAN

The Group's Commitment to biodiversity is developed through a plan of action, which includes objectives to be realised and specific actions to be developed in terms of protection and conservation of biodiversity.

The action plan shall be reviewed and updated on an annual basis, and the monitoring of its evolution shall be carried out through indicators defined therein. The objectives and goals defined in the plan are integrated in the Company's annual environmental plan.

