

Sustainability

Red Eléctrica, among the first TSOs in the world to adapt its green finance framework to the EU Taxonomy

- The electricity transmission activity carried out by the Company contributes to the mitigation of climate change, according to the EU

Madrid, 29 September 2021

The Red Eléctrica Group has updated its green finance framework to adapt it to the [European Union's Taxonomy Regulation](#). This places it among the first companies in the world dedicated to electricity transmission and operation of the electricity system to submit the environmental sustainability of its activity for review to assess whether it is in line with that which the EU has effectively defined as sustainable.

This adaptation strengthens Red Eléctrica's leadership in sustainability, a key element in the Group's strategy to drive the transition towards a greener, more just, more inclusive and diverse development for society.

Since 2019, Red Eléctrica has had a green finance framework to issue financial instruments to support projects that promote respect and conservation of the natural environment. This green finance framework is aligned with the Green Principles of the International Capital Markets Association (ICMA) and the Loan Market Association (LMA). It also has a Second-Party Opinion from the sustainability agency 'Sustainalytics', whose assessment concludes that the electricity transmission activity carried out by Red Eléctrica de España complies with the technical criteria of the European Union to contribute to the mitigation of climate change, while at the same time fulfilling the criterion included in the EU Taxonomy of not causing significant damage to other environmental goals, and it carries out its activity ensuring that the minimum safeguards in terms of responsible business conduct and human rights are in place and observed.

The consideration of Red Eléctrica's activity as a whole as sustainable implies a broadening of the focus of green finance from the financing projects or investments to the financing of net assets.

The update of the green finance framework has again been conducted in collaboration with ING Bank, as the Green Bond Structuring Advisor.