






ESG Report 2021

EDP Redes España



ESG PERFORMANCE AT A GLANCE

		Unit	E-REDES	VIESGO	EDP REDES	TARGET EDP REDES	
						2025	2030
	Revenues aligned with EU taxonomy	%	Tbd	Tbd	Tbd	>70%	> 80%
	Scope 1 & 2 Emissions Intensity ¹	gCO2/kWh	4,0	8,4	5,7	-70,0%	0
	Total Waste	kt	8,1	8,3	16,4	-90,0%	-90,0%
	Employee Engagement (top tier company)		✓	✓	✓	✓	✓
	Female Overall	%	13,5%	20,9%	17,2%	30%	35%
	Accident Frequency Rate (LTM)	Fr	1,31	1,35	1,33	1,55	< 1
	Female on Leadership	%	22,0%	21,2%	21,7%	30%	35%
	ESG & equity linked compensation for Top Management		✓	✓	✓	✓	✓
	Cybersecurity	Bitsight rating	✓	✓	✓	✓	✓
	Top quartile in ESG rating Performance	GRESB	NA	✓	NA	✓	✓

Revenues aligned with EU taxonomy will be defined with the regulatory scheme.

Accident Frequency rate increased to 1,33 in the 4Q21, in a very unfortunate quarter, within our own personnel (1 accident) & within our service providers (1 accident) .

EDP continues determined to strengthen the culture of Occupational Health and Safety, having started a new program, “Playitsafe”, to raise awareness of the importance of building and adopting safe habits at EDP. In 2021 **females representation stood at 17,2%** of EDP’s workforce and the ratio of female in leadership is 3,5 points higher than the total number of female in the company (21,7%).

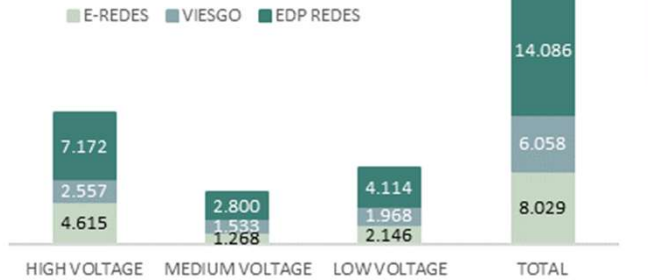
United Nations Global Compact Spain has recognised EDP España **ENTAMA** our leading programme to support local entrepreneurs, as a winner in the category SDG 11: Sustainable Cities and Communities.

Viesgo GRESB 2021 (2020 performance) Top Quintile. 1st position in the Performance assessment of global Network utilities

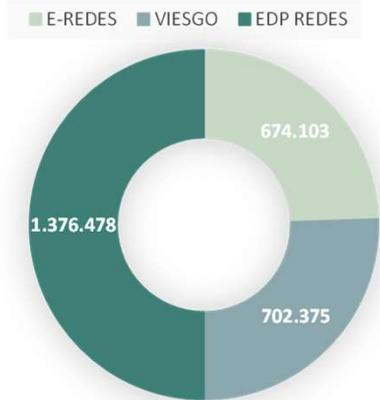
1. Scope 2 emissions according with GHG Protocol based location methodology. 2. 2030 as Carbon Neutral.

COMMITTED TO AN EFFICIENCY PATH

Energy Balance (GWh)



Customers (#)



1. Figures as 4Q 2021 average – Distribution business

	Unit	E-REDES	VIESGO	EDP REDES
Distributed energy	GWh	8.028,7	6.057,6	14.086,3
Extra HV	GWh	4.134,7	929,2	5.063,9
HV	GWh	480,7	1.627,4	2.108,1
MV	GWh	1.267,5	1.532,9	2.800,4
LV with remote reading	GWh	2.135,1	1.958,3	4.093,3
LV wo remote reading	GWh	10,7	9,8	20,6
Distributed energy with remote reading	GWh	8.018,0	6.047,8	14.065,7
Remote reading/Distributed energy	%	99,9%	99,8%	99,9%
Electricity Grid Losses	%	3,6%	6,2%	4,7%
Clients connected to the network	#	674.103	702.375	1.376.478
Low voltage	#	672.915	700.983	1.373.898
Medium voltage	#	1.153	1.190	2.343
High voltage	#	35	202	237
Quality of Service in the Distribution Network				
TIEPI	hr	26,10	13,50	20,28
NIEPI	nº	0,54	0,40	0,48
SAIDI BT	hr	29,40	14,28	22,20
SAIDI MT	hr	nd	31,14	nd
SAIFI BT	nº	0,58	0,44	0,51
SAIFI MT	nº	nd	0,60	nd
Sustainable Consumption				
E-mobility -Light fleet electrification	%	37,3%	36,3%	36,9%
NPS ¹	%	20,6%	14,3%	16,8%
Lean				
Total ongoing Projects	#	N/A	N/A	5
Total Projects		475	N/A	475
People involved	#	>171	9	> 180

ENVIRONMENTAL REGULATORY DEVELOPMENTS



Spain 2020 Environmental Profile

- On December 14th, MITECO presented the analysis of the key variables that determine the environmental health of our country, in line with the work promoted by the European Environment Agency.
- The report analyses the quality of the air, soil and water; the state of the coasts and the marine and terrestrial environment; and the health of our forests and protected ecosystems, among others, with a total of 109 indicators.
- The results present a particularity, a consequence of the exceptional nature of the year 2020: the impact of Covid-19, the effect of the measures necessary to contain it (limiting mobility, curbing economic activity on a global scale, confinement of the population, etc.) and the economic impact derived from all of this, which affects practically all the indicators.
- Despite the exceptional nature of this exercise, improvements can be identified in areas such as energy efficiency, increase of renewables or the protection of natural spaces; and areas in which measures to protect environmental health must be accelerated or reinforced, such as air and water pollution, the proliferation of invasive exotic species or the advance of soil erosion.



Environmental Footprint to measure environmental performance of products and organizations

- In the framework of the Green Pact and the circular economy, it is necessary to have homogeneous methods for the environmental footprint of products and organisations to compare environmental performance in a reliable and verifiable way.
- For this reason, the Commission has published on 15 December a Recommendation on the use of environmental footprint methods to measure and communicate the environmental performance of products and organisations throughout their life cycle.
- In this line, EDP Spain has participated in the REEF project, where the bases for calculating the environmental footprint of an organisation in the electricity sector have been defined
- This methodology is applied to all EDP Spain's businesses, EDP Redes, enabling opportunities for improvement to be identified.

ENVIRONMENTAL REGULATORY DEVELOPMENTS



Subsidies for investments by Regional Governments in biodiversity and environmental restoration

- On 15 December, the Sectoral Conference on the Environment ratified the territorialised distribution of funds from component 4th of the Recovery, Transformation and Resilience Plan (PRTR) for investment by the Regional Governments in the conservation and restoration of ecosystems and their biodiversity. The agreement will provide them with 226.75 million euros.
- Among the different lines of action, the most notable are investment in ecosystem restoration, with 23% of the total, the development of sustainable forest management plans and tools, with 17%, and the improvement of land-dwelling biodiversity, with 13%.
- Also noteworthy are the interventions in species and habitat conservation, especially in endangered and critical species, habitat improvement, elimination of dangers and mortality, recovery of populations of fauna and flora species, including ex-situ conservation actions, or breeding centres, etc. Also important are the allocations allocated for the control and eradication of invasive alien species.

	Coef. Terril	Territorialización Dic. 2021 (euros)
Andalucía	17,258974%	39.134.724
Aragón	9,481058%	21.499.660
Canarias	2,326683%	5.275.753
Cantabria	1,183230%	2.682.974
Castilla y León	17,323424%	39.280.864
Castilla-La Mancha	13,238848%	30.019.068
Cataluña	7,224139%	16.380.735
Comunidad Foral de Navarra	2,081368%	4.719.602
Comunidad de Madrid	1,926057%	4.387.334
Comunitat Valenciana	5,525502%	12.529.075
Extremadura	9,641394%	21.861.861
Galicia	4,913498%	11.141.357
Iles Balears	0,907953%	2.058.784
La Rioja	1,148587%	2.604.421
País Vasco	1,482272%	3.361.052
Principado de Asturias	2,446430%	5.547.280
Región de Murcia	1,889983%	4.285.536
Total	100%	228.750.000

ENVIRONMENTAL MILESTONES: CIRCULAR ECONOMY



Circular Economy: ZerØ Project

- EDP España has completed the ZERØ pilot project.
- This is a digital platform that optimises and automates waste control and management processes, adapting to any new regulatory requirement that comes into force or process that arises within the organisation.
- The tool makes it possible to generate, store and send all the required legal documentation to the different Competent Administrations in a simple and intuitive way.
- It also makes it possible to exploit the information stored through reports with the main key indicators in visual way.
- Once its effectiveness has been proven, its implementation will be extended to all EDP España centres in 2022.

Best Environmental Circular Economy Practices CEOE

- After this pilot phase, the tool will be applied to the rest of the Autonomous Regions.
- A web space has been created on the CEOE website to share good business practices in circular economy. EDP España has shared CIRCUMETRIC, the application designed to measure, in a qualitative way, the circularity of initiatives and projects, also assessing their contribution to the sustainable development goals of the 2030 Agenda
- [Buenas prácticas en economía circular de las empresas españolas|CEOE](#)

Joining circular economy platforms

- EDP Spain joins the circular economy action group of Forética, representative of the World Business Council for Sustainable Development (WBCSD). This group, performed by 14 companies, will promote business action in the transformation towards more circular business models, focusing on key aspects that will enable companies to increase their ambition, accelerate their action and strengthen impact partnerships in circular matters

Measuring the circularity of ERedes

- ERedes' circularity has been assessed using the Circulytics tool, created by the Ellen MacArthur Foundation, a benchmark in the field.
- The tool qualitatively assesses (through a grade from A to D) two aspects: the potential to achieve circular performance, and current actual performance.
- In terms of potential, the company has received a grade of B, thanks to the existence of a Strategy and Action Plan
- In terms of current performance, the grade is D- as there is still a long way to go in terms of optimising the circular consumption of materials, water and energy

ENVIRONMENTAL MILESTONES: NATURAL CAPITAL



Project Pigargo

- Following the launch of this project on 2 August, GREFA together with EDP Redes España and the Regional Governments of Asturias and Cantabria to reintroduce the Eurasian Eagle in Spain, EDP Redes has already fulfilled its commitments.
- We have undertaken the adaptations for the protection of birdlife on more than 30 pylons and almost 5 km of lines in two sections of power lines in Pimiango (municipality of Ribadedeva, Asturias) and Pechón (municipality of Val de San Vicente, Cantabria).
- The measures implemented are much more ambitious than the regulatory requirements, having isolated distances much greater than usual, and placed anti-collision devices with a smaller separation than usual.
- In December, we received notice that some of the anti-electrocution measures in place had deteriorated. In January 2022 they were replaced, and everything seems to indicate that it was the birds themselves who broke them.
- We are awaiting a meeting with GREFA to define the next steps.



Birdlife Plans

- EDP Redes España is defining Birdlife Plans to guarantee the adaptation of all the lines located in protected areas in the different Autonomous Communities where it is present.
- More than 6,000 km of lines will have to be fitted with anti-collision and anti-electrocution devices, work that will be carried out over a limited number of years, so that by 2030, 100% of the lines will have been adapted.
- The technical solutions to be implemented are in line with current legislation
- Priority will be given to actions that combine technical and environmental criteria



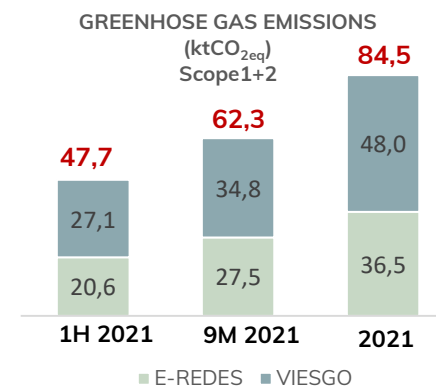
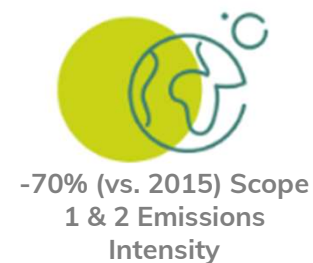
Biodiversity Foundation

- EDP España has participated in the Webinar "Private sector in the post-2020 CBD process", organised within the framework of the Spanish Business and Biodiversity Initiative. Representatives of the Convention on Biological Diversity (CBD) and MITECO also join the event. The content of the new framework on Biodiversity for 2030 was debated, and the main concerns of the organisations present were conveyed, mainly the need for metrics to define and monitor business objectives related to biodiversity and natural capital.

ENVIRONMENTAL HIGHLIGHTS COMMITTED TO A CARBON-FREE ECONOMY

	Unit	E-REDES	VIESGO	EDP REDES
Greenhouse gas emissions				
Scope 1 & 2 Emissions Intensity	gCO ₂ /kWh	4,0	8,4	5,7
Scope 1 GHG Emissions ¹	ktCO _{2eq}	1,0	1,0	2,0
Scope 2 GHG Emissions ^{1,2}	ktCO _{2eq}	35,5	47,0	82,5
Scope 3 GHG Emissions ¹	ktCO _{2eq}	1.103,00	686,10	1.789,10
SF ₆	kg	18,2	11,9	30,1
Waste				
Hazardous	t	439	335	774
Recovered Hazardous	%	64%	47%	57%
Non-hazardous	t	7.653	7.924	15.577
Recovered Non-Hazardous	%	85%	61%	72%
Distribution in Protected Areas³				
HV Overhead Lines	km	84,83	123,79	208,62
MV Lines Overhead Lines	km	827,47	805	1.632
HV Underground Lines	km	0,015	0,03	0,045
MV Underground Lines	km	51,27	92,5	143,77
Transformer	#	743	657	1.400
Substations	#	18	10	28
Environmental fines and penalties				
Complaints	#	33	9	42
Average Response Time	d	25	53	31
Environmental incidents	#	60	159	219
ISO 14001 Certification	%	100%	100%	100%

1. Best estimation FY2021. 2.Scope 2 emissions according with GHG Protocol based location methodology. 3. Pending unification criteria



70% Revenues aligned with EU taxonomy

COMPLAINTS
Average response time (d)



In an exercise of transparency, all environmental complaints are detailed, although they are not considered material, as they are of minor relevance.

SOCIAL HIGHLIGHTS COMMITTED TO PROVIDE A FAIR AND SAFE WORKPLACE

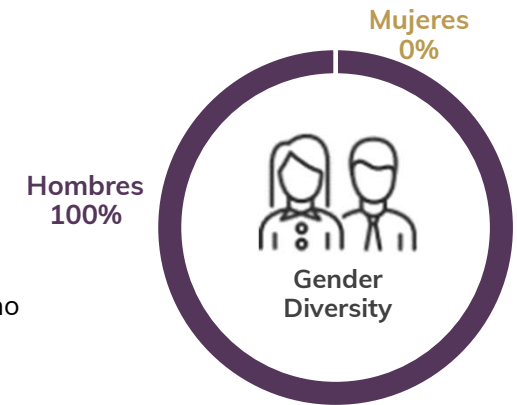
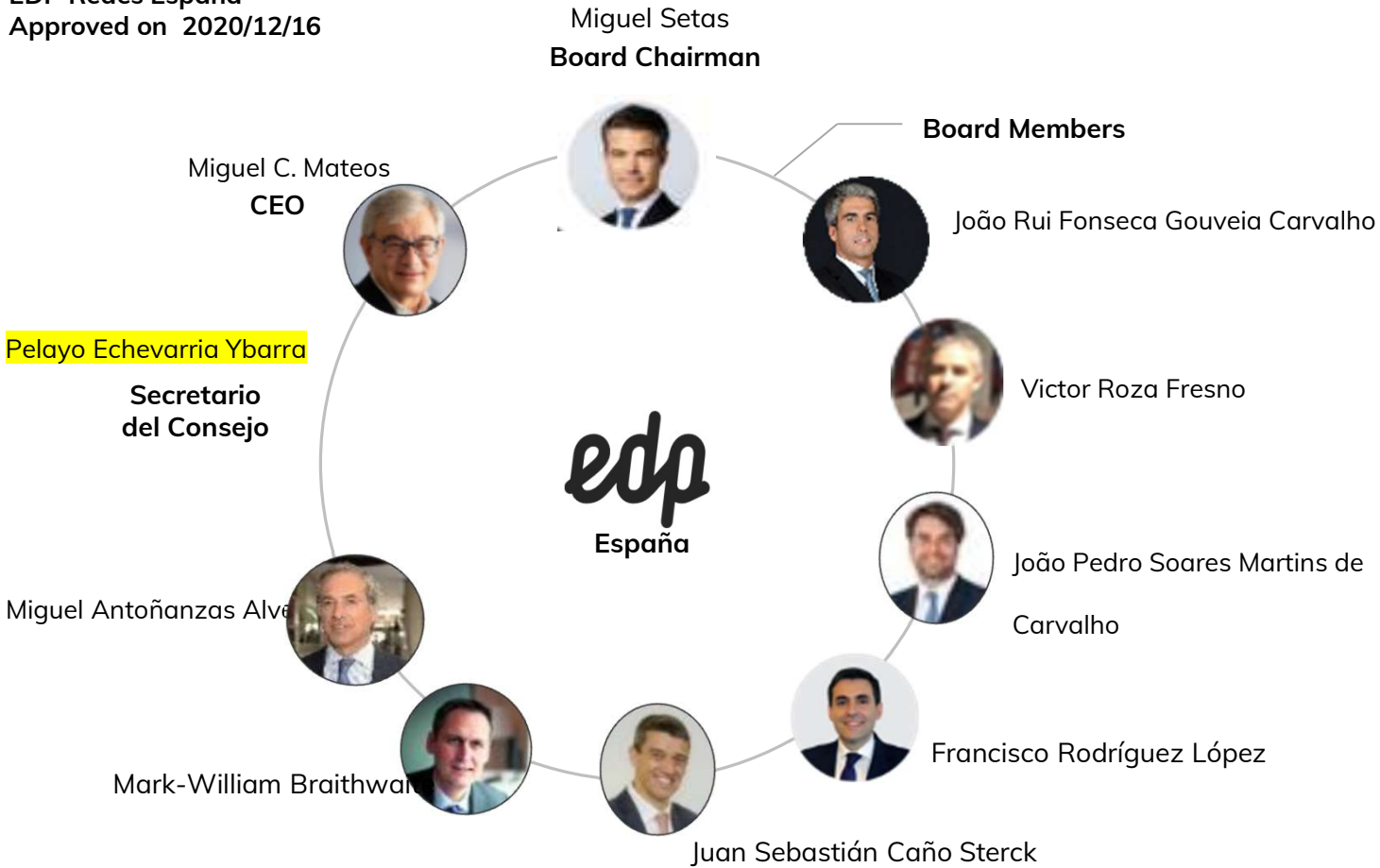
	Unit	E-REDES	VIESGO	EDP REDES
Employment				
Employees	#	281	278	559
Female employees	%	13,5%	20,9%	17,2%
Employee Engagement ^{1,2}	%			65,0%
Employee Enablement ^{1,2}	%			61,0%
Employee Turnover	%			0,9%
Absenteeism ³	%			3,4%
Training				
Total hours of training	h	10.249,0	7.182,3	17.431
Employees with training	#			634
Direct training investment	€ th			182,3
Health and Safety⁴				
Accidents with lost workdays own personnel	#	0	1	1
Accidents with lost workdays contractors ⁵	#	2	1	3
Fatal work-related injuries own personnel	#	0	0	0
Fatal work-related injuries contractors	#	0	0	0
Frequency rate own personnel	Fr	0,00	2,02	1,02
Frequency rate contractors	Fr	1,92	1,02	1,48
Total recordable injury rate	RFr	1,31	1,35	1,33
Total recordable injury rate own personnel	RFr	0,00	2,02	1,02
Total recordable injury rate contractors	RFr	1,92	1,02	1,48
Social Investment				
EDP volunteers	#	89	25	114
EDP time used in volunteering	h	85	32	117



1. Annual indicators refers to 2021 EDP España. 2. Engagement - reflects the involvement and commitment by employees; Enablement - reflects the the perception of organizational support by employees. 3. Does not include Viesgo from Jan-May 2021. 4. Figures as LTM. 5. Accidents occurred at the place and working time or on a journey, with 1 or more days of absence and fatal accidents.

GOVERNANCE HIGHLIGHTS COMMITTED TO THE BEST PRACTICES

Executive Board
EDP Redes España
Approved on 2020/12/16



FOR FURTHER INFORMATION



Sustainability Report 2020



Code of Ethics Election of the members of the EB



DIGITALIZATION & INNOVATION HIGHLIGHTS COMMITTED TO DRIVE TRANSFORMATION

		Unit	E-REDES	VIESGO	EDP REDES
Digitalization					
Business					
Customer	Selfcare Interactions ¹	%	25,0%	75,3%	48,1%
Enterprise	Digitalisation ²	%	78,1	79,2	NA
Innovation					
Innovation	Total investment (TOTEX)	€ m	4.141	674	4.815
Team	Employees	#FTE	10,6	3,9	14,5



Innovation in EDP Redes España

- In 2021 EDP Ventures Spain has made its first investment in the Asturian startup Plexigrid. The investment round is close to €2M in a co-investment model with the international fund The Venture City, the Sociedad de Promoción Regional del Principado de Asturias and several prestigious “business angels”. The conversion of Plexigrid's SAFE allowed us to enter the capital with a 2.6% stake.
- In the 9M 2021 the DEPERTEC project was finished, with the collaboration of the University of Cantabria, whose objective was to determine the magnitude of the technical losses for each type of LV Network and which simulated losses in networks with real consumption information.
- Within the Spanish Technological and Innovation Platform for Future Networks, Futured, EDP Redes España has been leading a new Energy Storage Working Group since 2021. This Working Group has set itself the objective for 2022 of drawing up various documents that show cases of use of energy storage in the field of electricity grids.
- Finally, during 2021, EDP redes España has been testing and developing 37 innovation projects, 2 of which were closed or completed in 2021. On the other hand, during the same period, 11 pilots with startups have been under analysis and under development, with 6 of them being closed or concluded this year.

1. Figures as 2021 . 2. To assess the level of digitalisation, 4 variables were considered: Automation, Standardisation, Integration and Traceability and Data Driven. Driven. For the first two, the methodology defined by EDP was adopted, which is used to calculate the Digitisation KPI. In addition, surveys were carried out to measure the level of maturity in terms of Integrity and Traceability of the organisation's information and Data Driven of the organisation, thus obtaining a first wide measurement of the current status of the organisation.

EVALUACIÓN ÍNDICES DE SOSTENIBILIDAD Y RECONOCIMIENTOS – COMPROMETIDOS CON LA EXCELENCIA

GRESB

ESG assessment index for Infrastructure Assets. Assessment conducted in 2021 for Viesgo's Performance 2020.



Viesgo, awarded for its environmental, social and good governance performance: Viesgo scores 21 points above average and achieves the highest score in Environmental aspects

ESG BREAKDOWN.



ENTAMA: GANADOR RECONOCIMIENTO go!ODS

United Nations Global Compact Spain has recognised EDP Spain's ENTAMA programme, our leading programme to support local entrepreneurs, as a winner in the category SDG 11: Sustainable Cities and Communities.



The go!SDG Awards aim to recognise and support innovative projects that contribute to the United Nations Sustainable Development Goals



ESG 2030

The decade of decisive action

Changing tomorrow now.