

**UN Global Compact Communication on Progress****May 4<sup>th</sup>, 2022****Madrid, Spain**

To our stakeholders:

I am pleased to confirm that Greenergy reaffirms its continued support to the United Nations Global Compact and its Ten Principles.

As described in our Sustainability Report 2021 publicly available at our website, our company has taken strategic action during the year on the four areas of **Human Rights, Labour, Environment and Anti-Corruption**. Below, I summarise the key actions for each area:

Regarding **human rights**, our Board of Directors approved a Human Rights Policy that commits Greenergy to supporting, respecting and contributing to the protection of internationally recognised fundamental human rights. In 2021, the company started a human rights due diligence process and carried out an impact assessment together with independent experts on high-risk areas for critical suppliers as well as an additional high-level assessment in all countries where it operates. Following to the assessments, the company already initiated the process of integrating the results of the impact assessments. Greenergy set up a whistleblower channel on its website, aimed at facilitating reporting of instances of failure to comply with the principles described in its Human Rights Policy. No claims of human rights violations were registered in the period.

As for **labour rights**, Greenergy carries out its activity in line with the highest ethical business standards and principles. The company reinforced the dissemination of its policies and ethical codes to its employees and governing bodies, highlighting not only mandatory compliance with policies, but also the importance of working to Greenergy's principles and values. Greenergy aims to ethical conduct of all its employees and collaborators, in line with a series of principles and values on behaviour defined in its Code of Business Ethics and Code of Ethics for Supplier. The principles established are based on respect for people and labour rights, fair treatment of workers, health and safety, respect for confidentiality and work-life balance. On the other hand, discrimination in all its aspects of race, gender, belief, ideology or any other personal or social condition is specifically prohibited.

Caring for the people who make up our team is a priority and, in 2021, Greenergy was granted *Great Place to Work* certification for the 2nd consecutive year, based on blind Trust Index surveys of our employees. This is a recognition in the field of human resource management and business strategy at national and international level, which is awarded annually to the best employers in the world. This certification accredits Greenergy as an organisation with a culture of trust, capable of attracting and retaining talent. The aspects assessed were credibility, respect, impartiality, pride in belonging and team spirit

In 2021, Greenergy was selected together with 30 Spanish listed companies, to become part of BME's IBEX Gender Equality Index, the first index of this type in the Spanish market to measure the gender equality status of Spanish companies, recognising those with a significant female presence in senior management and on the Board of Directors. Furthermore, in 2021 Greenergy has drawn up an Equality Roadmap that outlines the priority actions to be implemented over the next two years to further advance gender equality among employees and joined forces with partners and local institutions to promote the incorporation of women to the construction works of our renewable energy projects. In Spain, the company signed a formal collaboration agreement with the regional Women's Institute of Castilla la Mancha, a region where Greenergy built its Escuderos solar plant (200MW) in 2021 and plans to build additional projects in the next few years.

In the **environment** arena, Greenergy's business model contributes directly to the mitigation of climate change as 100% of its CAPEX is directed to the development, construction and operation of renewable energy projects. Thus,

the company's renewable energy projects in operation avoided the emission of 181,204 tCO<sub>2</sub>eq to the atmosphere in 2021. Last year, the company set additional and more ambitious emissions reduction targets by 2030 ensuring alignment to limit global warming to 1.5°C. The company fulfilled its commitment to build and successfully connect a solar plant to supply electricity to the local community of Quillagua, located in a remote area in the desert of Atacama (Chile), without connection to the grid. Other additional initiatives related to energy efficiency were also implemented among the local communities.

In relation to biodiversity, Greenergy's management approach adopts a mitigation hierarchy with the aim of avoiding, minimising, restoring, and offsetting any environmental impact. On these lines, adequate site selection and exhaustive environmental impact assessments are essential to avoid and minimise impact, followed by the definition of protective measures for each environmental aspect and measures to compensate for impacts that cannot be avoided. Monitoring programmes are also necessary to ensure sound implementation.

With a view on our target to achieve net positive impact on biodiversity by 2025, Greenergy collaborated with WWF Spain in 2021 to identify large-scale ecological restoration projects. The first projects identified with the NGO are for wetland restoration in the province of Cuenca and improve forest management in a high fire risk area at Ayora, in the province of Valencia; the regions where the Escuderos, Belinchón and Ayora solar plants are located.

During the year, Greenergy also organised environmental and climate change awareness-raising activities involving more than 1,900 children and young people of our local communities globally and awarded for the 2<sup>nd</sup> consecutive year, the Kosten University Scholarship to a student from the community local to its wind farm project in Argentina. The Kosten Scholarship helps young people to study university courses in renewable energy by financing the costs of their studies, subsistence and lodging expenses for the entire duration of the course.

Greenergy **works against corruption** in all its forms and the Crime Prevention Protocol approved by the Board defines the crime prevention measures and response phases, including a full definition of corruption and identifying risk behaviours. The Compliance Unit is responsible for implementing the crime prevention system, while the Audit Committee is responsible for supervising its operation. The company has prepared a Catalogue for prioritising crime and risk behaviour and maintains a system for six-monthly reporting to the Audit and Control Committee. Training sessions for employees related to fight against corruption are already scheduled for 2022 with specialised external support. Greenergy did not record any incidents of corruption or bribery of any type, breaches of ethical codes, cases of outstanding or completed legal actions in relation to unfair competition practices, infringements or legal sanctions, including breaches of laws relating to monopolistic practices and threatening free competition.

As we commence a new year, Greenergy continues to advance its sustainability strategy ESG ROADMAP 2023, and already announced to its stakeholders the objectives of its ESG Action Plan 2022. As done throughout 2021, the company remains committed to providing regular updates about progress on achieving targets at every company's results presentations of 2022.

I encourage you to carefully read this report to understand how sustainability is intrinsically linked to our strategy acting as a value creation lever.

Thank you very much.

Sincerely yours,

**David Ruiz de Andrés**

Chief Executive Officer