Grenergy
renovables

# RESULTS 1Q22

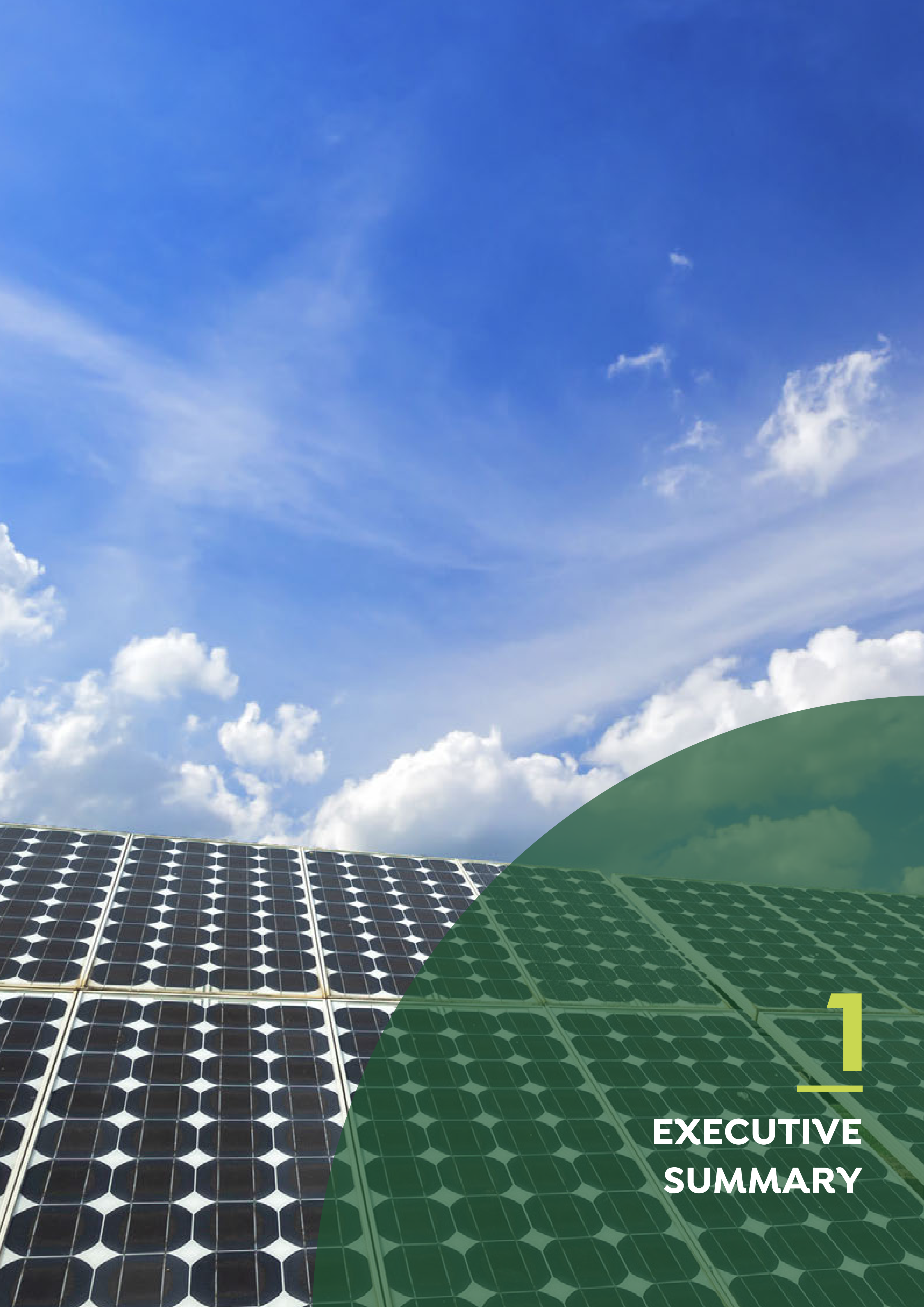
## January - March

Dear Sirs:

Pursuant to the provisions of Article 17 of Regulation (EU) No. 596/2014 on market abuse and Article 228 of the consolidated text of the Securities Market Law, approved by Royal Legislative Decree 4/2015, of October 23, 2015, and concordant provisions, we hereby make available to the market the following information regarding GRENERGY RENOVABLES, S.A. (Hereinafter, "**GRENERGY**" or "the Company").

Madrid, 24th May 2022

D. David Ruiz de Andrés
Chairman of the board
**GRENERGY RENOVABLES, S.A.**



# 1

# EXECUTIVE SUMMARY

| (€k) | 1Q22 | 1Q21 | Var. |
|---|---|---|---|
| Revenue | 46,903 | 18,701 | 151% |
| EBITDA | 7,400 | 1,757 | 321% |
| Net Income | 4,241 | 391 | 985% |
| Capex | 31,758 | 33,475 | 18% |
| Net debt | 291,004 | 61,191 | 376% |
| Funds from operations | -14,364 | 1,219 | - |
| **Main KPIs** | | | |
| EBITDA Margin[1] (%) | 41% | 18% | 23% |
| ND/EBITDA | 6.18 | 3.08 | 100% |
| Earning per share (€) | 0.61 | 0.06 | 985% |
| nº shares (k) | 27,927 | 27,927 | - |

1Q22 results were marked by the start of operations of the Company´s own projects B2O and the energy sales, reaching 566 MW of projects in operation, with the recent connections of PMGDs projects in Chile. On the other hand, during the period one PMGD project (11 MW), was sold in Chile, reaching the target range of B2S stated for the period. The company also has another 28 projects under construction, totalling 661 MW, which will be connected during the following quarters.

- **EBITDA** in 1Q22 reached **€7.4M** (+321% YoY), mainly due to the sales of solar projects to third parties and the generation of energy from operating plants.
- **Net income** for 1Q22 amounted to **€4.2M**, (vs €0.3M in 1Q21).
- During the first quarter of 2022, **GRENERGY invested €31.8M**, mainly in the distribution projects (€19.7M), and utility scale projects (4.7 MW).

  In addition, (€5.7M) was invested in the development of LATAM & USA and (€1.6M) in the development of projects in Europe.
- **Cash flow** in operations amounted to **-€14.4M** (vs €1.2M in 1Q21).
- **Net debt** amounted to **€291.0M**, increasing principally due to non-recourse project debt associated with the construction of our own plants. This trend will continue as the company keeps on increasing the number of projects in operation.

In conclusion, the 1Q22 results demonstrate a clear positive trend in operating and financial figures. A combined portfolio of more than 1 GW between projects in operation and under construction, increasing EBITDA in the meantime, 321% compared to the previous year.

[1] Margen Ebitda: Calculated considering only revenue margin from capitalized works.

GRENERGY key highlights of the period can be summarised as follows:

- **Development and construction of plants for third parties (B2S) continues.**
  - In the first quarter of 2022, one solar plant PMGD in Chile was sold, working towards the B2S annual target of 100-200MW.
  - Currently under construction 6 PMGDs projects earmarked to be sold to third parties.
- **Progress in the connection of own projects (B2O).**
  - 2 PMGDs projects in Chile (25 MW) connected during the first quarter of 2022.
  - 21 PMGDs projects in Chile (189 MW) and 2 distribution projects in Colombia (24 MW) are currently under construction, as well as the Belinchon project in Spain (150 MW), which continues to progress at a good pace in addition to the utility scale project Gran Teno in Chile (240 MW), which also started construction.
  - Construction of utility scale projects in Spain is expected to begin shortly (Tabernas, Ayora, Jose Cabrera).
- **Significant progress in the maturity of the pipeline under development.**
  - Total pipeline under development amounts to 11.5 GWs, an increase of 5.4 GW in the last 12 months.
  - 2.7 GW in Advanced Development and 811 MW in Backlog, securing the Company´s growth in the short and medium term.
  - Tabernas (300 MW), Ayora (172 MW) and Gran Teno (240 MW) projects in final phase of PPA negotiations.
- **Securing financial needs as planned.**
  - Registration of a Green Bond program of up to €100M.
  - Currently in advanced negotiations on project financing in the different regions where the Company is present.
- **New technologies and markets entry.**
  - Exploring five new countries as we drive our strategy in Europe forward
  - Close to 5 GWh of storage pipeline, diversified in three main countries, UK, Chile and Spain, attending different markets wholesale, balancing and capacity markets.
- **ESG Roadmap 2023 in progress.**
  - Sustainability Report 2021 published, guided by the international standard GRI.
  - New emissions reduction target approved, aligned with the 1.5°C ambition.
  - Launch of a dual initiative to support Ukraine and refugees.

# 2

# OPERATIONAL AND FINANCIAL REVIEW

Projects in operation continue to increase, reaching 566 MW with the entry in the last quarter of PMGDs in Chile. The solar and wind pipeline reached 11.5GW, while continuing to make progress in the storage pipeline, with 57 projects and close to 5 GWh under development.

The main variations are explained below:

**In Operation** (+25 MW vs. previous report)

- During first quarter 2022, started operating 3 PMGDs solar projects in Chile totalling 25 MW.

**IN OPERATION**

| Country | Project | Type | MW | Resources (hrs) | Build & Own | COD |
|---|---|---|---|---|---|---|
| Spain | Los Escuderos | Solar | 200 | 2,128 | Yes | 4Q21 |
| Chile | Quillagua | Solar | 103 | 2,950 | Yes | 4Q20 |
| Chile | PMGDs (9 Projects) | Solar | 120 | 2,109 | Yes | 4Q21-1Q22 |
| Mexico | San Miguel de Allende | Solar | 35 | 2,300 | Yes | 1Q21 |
| Colombia | Distribution (4 Projects) | Solar | 48 | 1,957 | Yes | 4Q21-1Q22 |
| Peru | Duna | Wind | 18 | 4,900 | Yes | 4Q20 |
| Peru | Huambos | Wind | 18 | 4,900 | Yes | 4Q20 |
| Argentina | Kosten | Wind | 24 | 5,033 | Yes | 1Q21 |
| **Total** | | | **566** | | | |

**Table 2.1** *In Operation*

## Energy production pipeline

| (MW) | In Operation | Pipeline: Under Const. | Backlog | Advanced Dev. | Early Stage | Ident. Opp. | Total Pipeline |
|---|---|---|---|---|---|---|---|
| **SOLAR PV** | | | | | | | |
| **Probability of execution** | | **100%** | **90%** | **70%** | **50%** | **20-40%** | |
| USA | | | | 454 | 420 | 1,008 | **1,882** |
| Total USA | | | | **454** | **420** | **1,008** | **1,882** |
| Chile | 223 | 486 | 149 | 1,098 | 250 | 558 | **2,542** |
| Colombia | 48 | 25 | 60 | 204 | 288 | 880 | **1,456** |
| Mexico | 35 | | | | | | **-** |
| Peru | | | 80 | 150 | | 95 | **325** |
| Total LATAM | **306** | **511** | **289** | **1,452** | **538** | **1,533** | **4,323** |
| Spain | 200 | 150 | 522 | 575 | | 750 | **1,997** |
| Italy | | | | 58 | 188 | 522 | **768** |
| UK | | | | 95 | 375 | 423 | **513** |
| Poland | | | | | 336 | 292 | **628** |
| Total Europe | **200** | **150** | **522** | **728** | **899** | **1,607** | **3,905** |
| **Total** | **506** | **661** | **811** | **2,634** | **1,857** | **4,147** | **10,110** |
| **Number of projects** | **23** | **28** | **19** | **41** | **33** | **98** | **219** |
| **WIND** | | | | | | | |
| **Probability of execution** | | **100%** | **90%** | **70%** | **50%** | **20-40%** | |
| Argentina | 24 | | | | | | |
| Peru | 36 | | | 112 | 360 | 380 | **852** |
| Chile | | | | | 350 | | **350** |
| Total LATAM | **60** | | | **112** | **710** | **380** | **1,200** |
| Spain | | | | | | 200 | **200** |
| Total Europe | | | | | | **200** | **200** |
| **Total** | **60** | | | **112** | **710** | **580** | **1,402** |
| Number of projects | 3 | | | 2 | 3 | 8 | **13** |
| **TOTAL** | | | | | | | |
| **Total** | **566** | **661** | **811** | **2,745** | **2,567** | **4,727** | **11,512** |

**Table 2.2.1** *Pipeline description*

### Storage Pipeline

| ENERGY STORAGE PIPELINE MW/MWH | Under construction MW´s | Backlog MW´s | Advanded development MW´s | Early stage MW´s | Total MW´s | Total MWh´s |
|---|---|---|---|---|---|---|
| **Probability of execution** | **100%** | **80%** | **>50%** | **<50%** | | |
| Chile | - | - | - | 523 | 523 | 2.615 |
| **Total LatAM** | **-** | **-** | **-** | **523** | **523** | **2,615** |
| Spain | - | - | 50 | 327 | 377 | 1,530 |
| Italy | - | - | - | 22 | 22 | 49 |
| UK | - | - | - | 165 | 165 | 165 |
| **Total Europe** | **-** | **-** | **50** | **514** | **564** | **1,744** |
| USA | - | - | - | 146 | 146 | 582 |
| **Total USA** | **-** | **-** | **-** | **146** | **146** | **582** |
| **Total** | **-** | **-** | **50** | **1,183** | **1,233** | **4,941** |
| **Project Number** | **-** | **-** | **1** | **56** | **57** | **57** |

**Table 2.2.2** *Descripción del Pipeline*

**Under Construction** (+237W vs. previous report)

- In Chile, the utility scale plant Teno (240 MW) is under construction. Construction of distribution plants in Colombia progresses, and PMGDs in Chile totalling 246 MW. In Spain, the construction of Belinchon (150 MW) continues.
- The total U.C. amount is adjusted for the projects that have started operating (+25 MW).

| UNDER CONSTRUCTION | | | | | | |
|---|---|---|---|---|---|---|
| **Country** | **Project** | **Type** | **MW** | **Resources (hrs)** | **Build & Own** | **COD** |
| Spain | Belinchón | Solar | 150 | 2,150 | Yes | 4Q22 |
| Chile | PMGDs (21 Projects) | Solar | 189 | 2,000-2,700 | Yes | 2Q22-4Q22 |
| Chile | PMGDs (6 Projects) | Solar | 57 | 2,000-2,700 | No | 1Q22-4Q22 |
| Chile | Teno | Solar | 240 | 2,186 | Yes | 1Q23 |
| Colombia | Distribution (2 Projects) | Solar | 25 | 1,990 | Yes | 4Q22 |
| **Total UC** | | | **661** | | | |

**Table 2.3** *Under Construction*

**Backlog** (+97 MW vs. previous report)

- In Perú, the Matarani project (80 MW) is entering Backlog. The rest of the differences with respect to the previous report are reflected by the entry into Backlog of PMGDs projects in Chile and distribution projects in Colombia.

| BACKLOG | | | | | | |
|---|---|---|---|---|---|---|
| **Country** | **Project** | **Type** | **MW** | **Resources (hrs)** | **Build & Own** | **COD** |
| Spain | Ayora | Solar | 172 | 2,212 | Yes | 2Q23 |
| Spain | Tabernas | Solar | 300 | 2,358 | Yes | 2Q23 |
| Spain | José Cabrera | Solar | 50 | 2,156 | No | 1Q23 |
| Chile | PMGDs (12 Projects) | Solar | 105 | 2,300 | Yes | 2Q22 |
| Chile | Tamango middle size | Solar | 45 | 2,200 | Yes | 3Q23 |
| Colombia | Distribution (5 Projects) | Solar | 60 | 1,900 | Yes | 2Q22-4Q22 |
| Peru | Matarani | Solar | 80 | 2,750 | Yes | 2Q23 |
| **Total Backlog** | | | **811** | | | |

**Table 2.4** *Backlog*

**Advanced Development** (-225 MW vs. previous report)

- Main differences compared with the previous period are due to two countries, Chile and Peru. In Chile, the Teno project (240 MW) is under construction and in Peru, the Matarani project ( 80 MW) is in Backlog. The rest of the differences are explained by new PMGD projects in Chile.

| ADVANCED DEVELOPMENT | | | | | |
|---|---|---|---|---|---|
| **Country** | **Project** | **Type** | **MW** | **Resources (hrs)** | **COD** |
| Spain | Clara Campoamor | Solar | 575 | 2,000 | 4Q23 |
| UK | Pack 2 PYs middle size | Solar | 95 | 1,700 | 2Q24 |
| Italy | Pack 4 projects | Solar | 58 | 2,000 | 4Q24 |
| USA | Letohatchee | Solar | 96 | 1,736 | 1Q24 |
| USA | Coosa Pines | Solar | 96 | 1,689 | 4Q24 |
| USA | Rose Hill | Solar | 152 | 1,681 | 4Q24 |
| USA | Two Dollar | Solar | 109 | 1,791 | 4Q24 |
| Chile | Quillagua 2 | Solar | 111 | 2,950 | 2Q23 |
| Chile | PMGD (15 projects) | Solar | 160 | 2,200-2,700 | 4Q22-4Q23 |
| Chile | Amanita middle size | Solar | 35 | 2,200 | 3Q23 |
| Chile | Gabriela | Solar | 264 | 2,800 | 3Q23 |
| Chile | Victor Jara | Solar | 240 | 2,800 | 3Q23 |
| Chile | San Carlos middle size | Solar | 48 | 2,200 | 3Q23 |
| Chile | Algarrobal | Solar | 240 | 2,300 | 1Q24 |
| Peru | Emma_Bayovar | Wind | 72 | 4,000 | 1Q24 |
| Peru | Nairas | Wind | 40 | 5,100 | 1Q24 |
| Peru | Lupi | Solar | 150 | 2,900 | 4Q24 |
| Colombia | Compostela | Solar | 120 | 2,079 | 1Q23 |
| Colombia | Batará | Solar | 12 | 2,079 | 4Q23 |
| Colombia | Sol Santander | Solar | 48 | 1,990 | 4Q23 |
| Colombia | Centro Solar II | Solar | 12 | 1,990 | 4Q24 |
| Colombia | Brisa Solar II | Solar | 12 | 1,990 | 4Q24 |
| | | | **2,745** | | |

**Table 2.5** *Advanced Development*

**Early Stage** (+229 MW vs previous report)

- Two projects,120MW and 96 MW, were added to the Early Stage phase. The rest of the difference was explained by a new project in Italy.

**Indentified Oppotunities**

- We continue to work in Identified Opportunities projects across the three main platforms, USA, Europe and LATAM, totaling 4,727 MW.

| Revenue (€k) | 1Q22 | 1Q21 | Var. | Delta |
|---|---|---|---|---|
| Development & Construction | 35,990 | 115,084 | 20,906 | 139% |
| Income from customer sales | 7,146 | 6,239 | 907 | 15% |
| Income from related from third party sales | 28,843 | 8,845 | 19,998 | 226% |
| Energy | 10,147 | 3,102 | 7,045 | 227% |
| Services | 766 | 515 | 251 | 49% |
| Total Revenue | 46,903 | 18,701 | 28,202 | 151% |

| EBITDA (€k) | 1Q22 | 1Q21 | Var. | Delta |
|---|---|---|---|---|
| Development & Construction | 3,353 | 246 | 3,107 | 1,263% |
| Energy | 6,320 | 2,718 | 3,602 | 133% |
| Services | 93 | 95 | (2) | -2% |
| Corporate | (2,365) | (1,302) | (1,063) | 82% |
| TOTAL | 7,401 | 1,757 | 5,644 | 321% |

**Table 2.6** *Results by division*

By division,

- **Development and Construction** division posted revenues of **€36M** in 1Q22 (+139% YoY). Revenues come mainly from activations in construction of own plants as well as the sale of projects to third parties, including the sale of one PMGD project in Chile (11 MW).

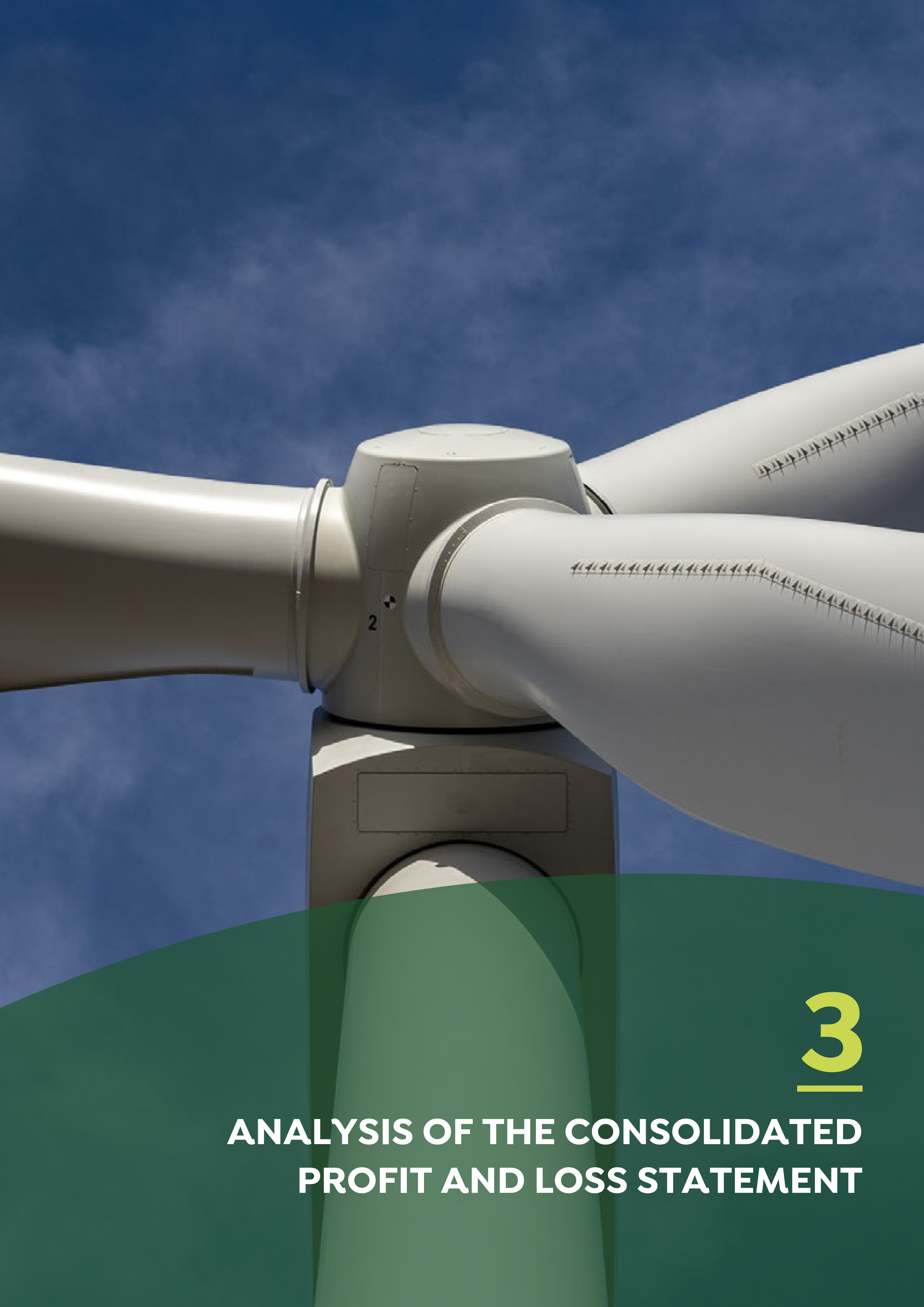
  EBITDA margin in 1Q22 was 47% (vs +43% in 1Q21).

- **Energy** division posted sales of **€10.1M**, mainly produced by the solar and wind projects in operation.

  Division's EBITDA margin for the period was +62%.

- **Services** division increased its revenues by 49% compared to previous year. This increase is mainly due to a higher number of plants delivered to third parties in Chile, to which operation and maintenance (O&M) services will be provided.

  EBITDA margin in 1Q22 was +12% .




# 3

# ANALYSIS OF THE CONSOLIDATED PROFIT AND LOSS STATEMENT

| Profit and losses | | | |
|---|---|---|---|
| **(€k)** | **Q1 2022** | **Q1 2021** | **Delta** |
| Revenue | 46,903 | 18,701 | 151% |
| Income from customer sales | 18,060 | 9,856 | 83% |
| Income from capitalize works | 28,843 | 8,845 | 226% |
| Procurement | (32,766) | (13,808) | 137% |
| Procurement from third parties | (5,365) | (4,963) | 8% |
| Activated cost | (27,401) | (8,845) | 210% |
| **Gross Margin** | **14,137** | **4,893** | **189%** |
| Personnel expenses | (2,988) | (2,015) | 48% |
| Other incomes | 29 | 512 | (94%) |
| Other operating expenses | (3,693) | (1,618) | 128% |
| Other results | (85) | (15) | 467% |
| **EBITDA** | **7,400** | **1.757** | **321%** |
| Depreciation and amortization | (2,580) | (1,018) | 153% |
| **EBIT** | **4,820** | **739** | **552%** |
| Financial incomes | - | - | n.m |
| Financial expenses | (2,709) | (1,708) | 59% |
| Exchange rate differences | 2,900 | 1,249 | 132% |
| **Financial result** | **191** | **(459)** | **(142%)** |
| **Result before taxes** | **5,011** | **280** | **1,690%** |
| Income tax | (770) | 111 | (794%) |
| **Net Income** | **4,241** | **391** | **985%** |

**Table 3.1** *Summarized P&L*

> **Total revenues reached €46.9M**,151% higher than in 1Q21. This increase is mainly due to projects sale agreements with third parties, income from activations in the construction of own plants, as well as energy sales from plants in operation.

> **EBITDA in 1Q22 reached €7.4M (+321% YoY)**. EBITDA margin from energy sales reached +62%, while the sale of projects to third parties reached +47% during the first quarter of 2022.

- **EBIT amounts to +€4.8M (+552% YoY).**
- **The Financial Result amounts to -€2.7M**, mainly due to of the financial expenses associated to the financing of projects in operation and construction, and the remaining corporate debt. This amount is offset by the positive impact of exchange rate differences in the period (+€2.9M).
- **Net Profit** was positive by **+€4.2M.**
- **Annualised EPS** reached **+€0.61.**

# 4

# ANALYSIS OF THE CONSOLIDATED BALANCE SHEET STATEMENT

**Balance Sheet**

| (€k) | 31/3/22 | 31/12/21 | Var. |
|---|---|---|---|
| **Non-current assets** | **469,211** | **428,450** | **40,761** |
| Intangible assets | 74 | 81 | (7) |
| Fixed assets | 420,005 | 388,783 | 31,222 |
| Assets with right of use | 13,178 | 13,072 | 106 |
| Deferred tax assets | 24,797 | 25,441 | (644) |
| Other fix assets | 11,156 | 1,073 | 10,083 |
| **Current assets** | **165,655** | **176,358** | **(10,703)** |
| Inventories | 17,670 | 17,347 | 323 |
| Trade and other accounts receivable | 72,846 | 79,693 | (6,847) |
| Current financial investments | 8,538 | 7,961 | 577 |
| Other current financial assets | 1,353 | 2,689 | (1,336) |
| Cash and cash equivalents | 65,248 | 68,668 | (3,420) |
| **TOTAL ASSETS** | **634,866** | **604,808** | **30,058** |
| **(€K)** | **31/3/22** | **31/12/21** | **Var.** |
| **Equity** | **166,030** | **158,708** | **7,322** |
| **Non-current liabilities** | **306,581** | **286,376** | **20,205** |
| Deferred tax liabilities | 15,294 | 14,365 | 929 |
| Non-current provisions | 14,757 | 12,509 | 2,248 |
| Financial debt | 276,531 | 259,502 | 17,029 |
| Bonds & Commercial Paper | 31,287 | 31,223 | 64 |
| Debt with financial entities | 220,010 | 201,905 | 18,105 |
| Derivatives Debts | 14,290 | 15,323 | (1,033) |
| Finance lease | 10,944 | 11,051 | (107) |
| Other debts | - | - | - |
| **Current liabilities** | **162,255** | **159,724** | **2,531** |
| Current provisions | 1,497 | 1,804 | (300) |
| Trade and other accounts payable | 55,145 | 83,755 | (28,610) |
| Financial debt | 105,612 | 74,165 | 31,447 |
| Bonds & Commercial Paper | 50,685 | 32,146 | 18,539 |
| Debt with financial entities | 47,051 | 34,148 | 12,903 |
| Derivatives Debts | 6,290 | 6,326 | (36) |
| Finance lease | 1,457 | 1,389 | 68 |
| Other debts | 130 | 156 | (26) |
| **TOTAL LIABILITIES AND EQUITY** | **634,866** | **604,808** | **30,058** |

**Table 4.1** *Consolidated Balance Sheet*

**> Total Net Debt of €291.0M, equivalent to a leverage of 6.2x.**

- The Company's corporate net debt with recourse at the end of the period was positive by **€89.7M**.

- Project debt with recourse amounted to €35.4M, corresponding to that incurred in the development of the Duna-Huambos and San Miguel de Allende projects.

- **The company has €62.2M of cash and cash equivalents** at the end of the period, positively affected by the commercial paper programme. cash at the company's plants amounts to €0.6M for those with recourse and €41.2M for those with non-recourse financing.

- **Leverage Ratio**[1] ratio for the first quarter 2022 is **6.2X**, with a corporate leverage of 3.6X

**Net Debt**

| (€k) | 1Q22 | FY21 | 1Q22-FY21 |
|---|---|---|---|
| Long-term financial debt | 40,264 | 39,073 | 1,191 |
| Short-term financial debt | 65,266 | 35,181 | 30,085 |
| Long-term Lease debt (IFRS 16) | 10,944 | 9,913 | 1,031 |
| Short-term Lease debt (IFRS 16) | 1,457 | 1,013 | 443 |
| Other long term debt | - | - | - |
| Other short term debt | 130 | 156 | (26) |
| Other current financial assets | (5,312) | (6,423) | 1,111 |
| Cash & cash equivalents | (23,390) | (52,221) | 28,831 |
| **Corporate Net Debt with recourse** | **89,359** | **26,692** | **62,667** |
| Project Finance debt with recourse | 35,989 | 35,238 | 751 |
| Project Finance cash with recourse | (629) | (2,673) | 2,044 |
| **Project Finance Net Debt with recourse** | **35,360** | **32,564** | **2,795** |
| Project Finance debt without recourse | 207,514 | 191,444 | 16,070 |
| Project Finance cash without recourse | (41,229) | (13,773) | (27,456) |
| **Project Finance Net Debt without recourse** | **166,285** | **177,671** | **(11,386)** |
| **Total Net Debt** | **291,004** | **236,928** | **54,076** |

**Table 4.2** *Financial net debt calculation*

[1] Leverage calculated as Net debt divided by last 12m EBITDA (€47.11M for 1Q22)

# 5

# ANALYSIS OF CASH FLOW

**> Total Funds from Operations: €14.4M in 1Q22**

- The change in Net Working Capital was negative in -€17.8M.
- The impact of taxes and financial expenses was -€3.8M.
- The Company invested €31.8M in Capex in 1Q22, broken down into the following projects:
  - Distribution projects: €19.7M
  - Utility Scale projects: €4.7M
  - Capex Development LATAM & USA: €5.7M.
  - Capex Development Europe: €1.6M
- Financial investments -€1.6M.
- Free Cash Flow in 1Q22 was -€47.7M, mainly due to the strong investment in own projects.

| Cash Flow | | |
|---|---|---|
| **(€k)** | **1Q22** | **1Q21** |
| **EBITDA** | **7,400** | **1,757** |
| + Change in operating WK | (17,886) | 774 |
| + Taxes and Financial Exp. Cash out | (3,878) | (1,312) |
| **Funds from operations** | **(14,364)** | **1,219** |
| + Short term-Liquid Investments | (1,596) | 1,511 |
| + Growth capex | (31,758) | (33,475) |
| **Free cash flow** | **(47.718)** | **(30,745)** |
| + Capital increase | - | 105,000 |
| + Bonds | 18,603 | - |
| + Bank borrowings | 30,969 | 13,672 |
| + Other debts | (26) | (1,908) |
| + Buy-back Shares programme | 215 | (462) |
| + Exchange rates differences | (5,463) | 3,612 |
| **Net cash increase** | **(3,420)** | **89,169** |

**Table 5.1** *Free Cash Flow*

# 6

# ESG ANALYSIS

## 2022 ESG Action Plan in progress

In the FY2021 results presentation, the Company announced its **2022 ESG Action Plan**, the second phase of its sustainability strategy ESG Roadmap 2023, and renewed its commitment to publicly report on its progress on a quarterly basis.

In accordance with this commitment, the Company presents the actions carried out to meet the objectives scheduled for the first quarter of the year: **the publication of the 2021 Sustainability Report and the Gender Pay Assessment.**

| | | Q1 | Q2 | Q3 | Q4 |
|---|---|---|---|---|---|
| GOVERNANCE | CORPORATE POLICIES IMPLEMENTATION CONTROL SYSTEM DEFINED | | | ■ | |
| | ESG KPIS OVERSIGHT PROCEDURE ESTABLISHED | | | ■ | |
| ESG GOALS IN OUR STRATEGY | **SUSTAINABILITY REPORT 2021 PUBLISHED AHEAD OF REGULATORY REQUIREMENTS** | ■ | | | |
| ESG RISKS MANAGEMENT | ESG ASPECTS INTEGRATED IN PROCUREMENT PRO-CEDURE | | | | ■ |
| | TRAINING PLAN FOR EMPLOYEES IMPROVED | | | ■ | |
| ESG IMPACTS | SITE LEVEL HUMAN RIGHTS IMPACT ASSESSMENTS COMPLETED | | | | ■ |
| | WATER RESOURCES PROGRAMME DEFINED | | | | ■ |
| | BIODIVERSITY PROGRAMME ESTABLISHED | | | ■ | |
| | ENERGY EFFICIENCY IMPLEMENTATION PLAN DEFINED | | ■ | | |
| | **GENDER PAY GAP ASSESSMENT COMPLETED** | ■ | | | |
| ESG COMMUNICATION | SUSTAINABILITY TRAINING FOR MANAGEMENT AND KEY STAFF PROVIDED | | ■ | | |

**Table 6.1** *Progress of the ESG Action Plan 2022 in Q1*

## Sustainability Report 2021

The Company wrote and published its 2021 Sustainability Report, guided by the international standards of sustainability reporting of Global Reporting Initiative, in its revised version.

When preparing the report, legal requirements derived from the European Directive for disclosure of non-financial information were considered before its application to the Company, as well as the principles of the UN Global Compact to which the Company is adhered.

In line with the objective set in its 2021 ESG Plan, Grenergy measured its annual contribution to the United Nations Sustainable Development Goals selected as priorities, through relevant metrics for each target set by UN.


**Table 6.2** *Cifras principales de la Memoria de Sostenibilidad 2021*

## Gender Pay Gap Assessment

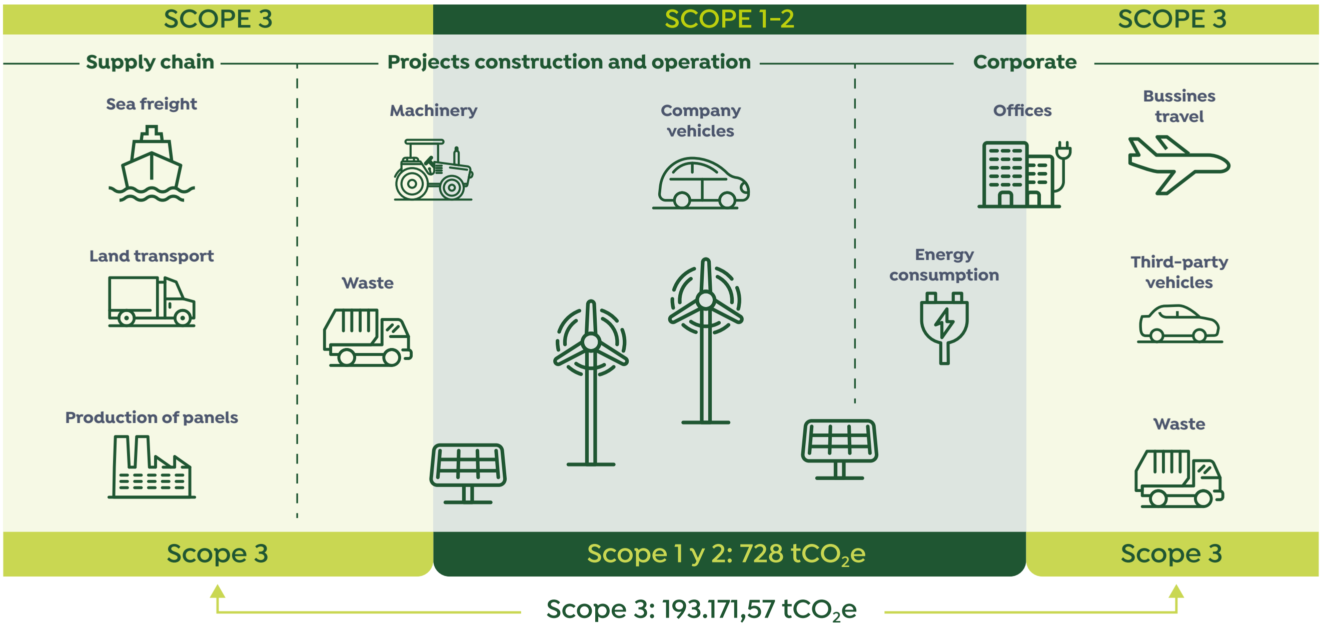
The Company carried out pay gap analysis for its employees in Spain. Prior to conducting the assessment, the workforce was classified in 30 groups according to professional categories. Supported by an expert consultant in equality, the Company carried out an qualitative analysis for the 7 groups in which differences in salary were identified (5 in favor of men and 2 in favor of women), concluding that the differences are not gender driven.

The company continues with the analysis to include the rest of the employees, and therefore this objective is marked as pending.

## Carbon footprint 2022 and emissions reduction targets

The Company calculated its scope 1, 2 and 3 annual greenhouse gas emissions and included the results in its Sustainability Report 2021.

In addition to identifying the emissions sources in accordance with the international standard GHG Protocol as done in the previous year, the Company obtained third-party verification by the accredited independent entity TÜV Rheinland, that ensures the statement of emissions of greenhouse gases is complete, coherent and transparent.




**EMISSIONS REDUCTION TARGETS RAISED LEVEL OF AMBITION 1.5°C**

| scope 1&2 absolute target | Reach scope 1&2 emissions |
| --- | --- |
| **55%** | **Net zero** |
| by 2030 | by 2050 |

**Table 6.3** *New emissions reduction target set by the Company*

Grenergy continues to advance in its climate strategy by setting a scope 1 and 2 absolute emissions reduction target, raising the bar to the level of ambition needed to limit the global warming to 1.5°C. This new target is added to those previously established by Grenergy in 2021 to reach net zero emissions by 2050 and to reduce the intensity of its emissions by 55%.

## Launch of a dual initiative in support of Ukraine

In March 2022, Grenergy launched a dual initiative in response to the humanitarian crisis caused by the war in Ukraine.

On the one hand, the Company is promoting the incorporation of five refugees to their teams in Poland, Spain and/or the United Kingdom, in permanent positions in engineering and/or finance, providing the necessary language and relocation support. This initiative aims to offer refugees with an opportunity to recover economic stability and to continue with the development of their professional career.

MEDECINS SANS FRONTIERES
DOCTORS WITHOUT BORDERS

pah
Polish Humanitarian Action

Additionally, Grenergy signed collaboration agreements with two NGOs, Doctors Without Borders (MSF) and the Polish NGO Polish Humanitarian Action (PAH) to support their work in providing medical assistance and humanitarian aid in Ukraine and neighboring countries.

In the case of MSF, the resources were directed to their operations on the borders and inside Ukraine, in places where few NGOs were able to keep operational. Given its expertise in conflict areas, MSF is able to provide medical personnel and material where it is most needed; the support provided by Grenergy is equivalent to the acquisition of all the material and medicine needed to perform 400 emergency surgeries. Through its collaboration with the Polish NGO, Grenergy also channeled its support to the refugees arriving to Poland fleeing from war; an aid equivalent to providing financial support to more than 330 refugees for a month.


*Our country manager Ewelina Szulc at the PAH offices in Poland*

# 7

# RELEVANT ISSUES FOLLOWING THE CLOSING OF THE PERIOD

- Grenergy Renovables, S.A. has approved all the resolutions listed in the Agenda included in the notice of the General Agenda included in the notice of the General Meeting on May 11, 2022, at calle Rafael Botí 26, 28023 Madrid. 2022, at Rafael Botí 26, 28023 Madrid. This General Shareholders' Meeting was communicated as a Significant Event to the market on April 8, 2022.

# 8

# DISCLAIMER

This document and the conference-call webcast (including the Q&A session) may contain forward-looking statements and information (hereinafter, the “Statements”) relating to Grenergy Renovables SA. (hereinafter indistinctly, “GRENERGY”, the "Company“ or the “Group") or otherwise. These Statements may include financial forecasts and estimates based on assumptions or statements regarding plans, objectives and expectations that make reference to different matters, such as the customer base and its evolution, growth of the different business lines and of the global business, market share, possible acquisitions, divestitures or other transactions, Company’s results and other aspects related to the activity and situation of the Company.

The Statements can be identified, in certain cases, through the use of words such as “forecast”, "expectation", "anticipation", “aspiration”, "purpose", “estimates“, “plan” or similar expressions or variations of such expressions. These Statements reflect the current views of GRENERGY with respect to future events, and do not represent, by their own nature, any guarantee of future fulfilment, and are subject to risks and uncertainties that could cause the final developments and results to materially differ from those expressed or implied by such Statements. These risks and uncertainties include those identified in the documents containing more comprehensive information filed by GRENERGY before the different supervisory authorities of the securities markets in which its shares are listed and, in particular, the CNMV.

Except as required by applicable law, GRENERGY does not assume any obligation to publicly update the Statements to adapt them to events or circumstances taking place after the date hereof, including changes in the Company's business or business development strategy or any other unexpected circumstance.

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# 9

# DEFINITIONS

### Pipeline stages

- **Identified opportunities (20-40%):** Project with technical and financial feasibility, given that 1) there is the possibility of land, 2) access to the electricity grid is operationally viable and/or 3) there is the possibility of sale to third parties.
- **Early stage (50%):** Based on an identified opportunity, the project is approved internally to enter the investment phase, with applications for grid access being made and negotiations for land commencing
- **Advanced development (70%)** Project with an advance technical and financial stage, as 1) there is a secure land or at least more than 50% likelihood to obtain it, 2) the necessary permits have been requested to obtain grid access with more than 90% probabilities to obtain it 3) and environmental permits have been requested.
- **Backlog (90%):** Project in a final phase just before construction where 1) land and grid access are secured, 2) there is an over 90% likelihood to obtain environmental permits and 3) there is a PPA, or a term sheet with an off taker or bank ready to be signed, or there is a scheme of stabilized prices.
- **Under construction (100%):** The notice to proceed has been given to the relevant EPC.
- **In Operation:** The provisional project acceptance has been signed. Responsibility for the asset has been handed over by the construction team to the operation team.

### Main Divisions

- **Development and construction:** Include all activities related to the search of feasible projects, both financially and technically, the necessary steps to achieve all the milestones to start construction and field work for the construction and implementation of the project.
- **Energy:** It refers to the revenue from the energy sales in the markets where GRENERGY owns operating projects as an Independent Power Producer (IPP).
- **Services:** It refers to all services provided to projects, once the commissioning has been reached (COD) and therefore they are in an operational phase. It includes all Asset Management and Operation & Maintenance activities which are provided both to own projects (IPP) or third-parties projects.