



CORPORATE SUSTAINABILITY POLICY

CONTENTS

1	DOCUMENT CONTRO	2
2	INTRODUCTION	2
3	PURPOSE OF THE POLICY	3
3.1.-	Procedure for articulating corporate regulations deriving from the Policy	3
4	SCOPE OF APPLICATION	3
5	POLICY-DERIVED GOVERNANCE AND RESPONSIBILITIES	4
5.1.-	Role of the Board of Directors	4
5.2.-	Role of the Sustainability Committee	4
5.3.-	Role of the Executive Committee	4
6	BASIC PRINCIPLES OF INTERVENTION	5
6.1.-	Governance	5
6.2.-	Holistic approach	5
6.3.-	Preventive approach	5
6.4.-	Due diligence	5
6.5.-	Transparency	5
7	CORE FOUNDATIONAL OBJECTIVES	5
8	GREENERGY'S COMMITMENTS TO ITS STAKEHOLDERS	6
8.1.-	Employees (SDG 5 and SDG 8)	6
8.2.-	Environment (SDG 7, SDG 13 and SDG 15)	7
8.3.-	Community (SDG 8)	8
8.4.-	Supply chain (SGD 5 & 8)	9
8.5.-	Investor community (SDG 5, 7, 8, 13 & 15)	9
9	PUBLIC NATURE OF THIS POLICY	9
10	POLICY REVIEW PROCESS	9
11	APPROVAL OF THE POLICY BY THE BOARD OF DIRECTORS	10

1. DOCUMENT CONTROL

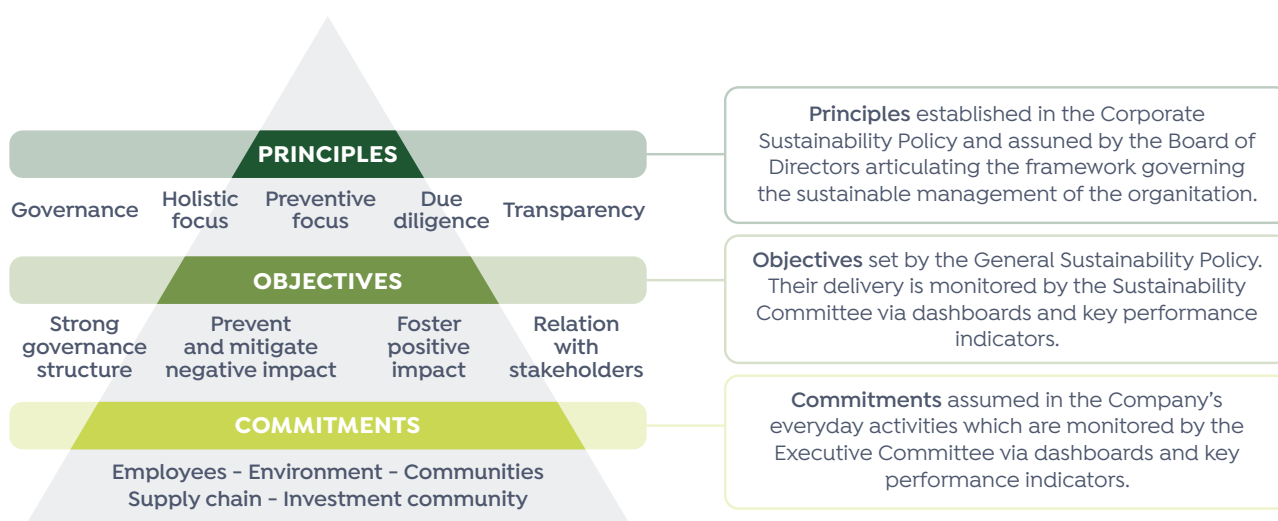
Date formulated	Date approved	Versión N°	Descripción de modificaciones
June 1 st , 2020	June 22 nd 2020	1.0	Original version
Oct 1 st , 2021	Dec 20 th , 2021	2.0	Version 2

2. INTRODUCTION

The Board of Directors of Greenergy S.A. ("Greenergy" or the "Company") has been legally vested with the non-delegable duty of determining the Company's corporate policies and strategies, framed by the **principle of carrying out its mission in consonance with sustainable development principles, especially in the communities in which it operates**. To that end, it has drawn up this Corporate Sustainability Policy (also, the "Sustainability Policy" or the "Policy"), which is articulated around the United Nations Sustainable Development Goals ("SDGs") and Greenergy's strategic targets in its capacity as a renewable energy player.

This Policy is underpinned by **basic principles of intervention** for managing the business sustainably which materialize in the design of **core foundational objectives**. Those objectives in turn translate into the specific **commitments** pledged by the Company. The pledges made to each of Greenergy's stakeholder groups are aligned with the Sustainable Development Goals (SDGs). Specifically, Greenergy believes it is best positioned to contribute meaningfully to the following goals: SDG 5 Gender equality; SDG 7 Affordable and clean energy; SDG 8 Decent work and economic growth; SDG 13 Climate action and ODS 15 Life on land.

The relationship between the basic principles articulating this Policy, its core objectives and the specific commitments made to the Company's various stakeholders groups is depicted graphically below:



3. PURPOSE OF THE POLICY

The purpose of this Policy is to define the Company's priority lines of initiative in the sustainability arena so that its performance is underpinned by **long-term value creation**.

In general terms, Greenergy is leveraging the SDGs to articulate this Policy. In this document it specifies which targets it considers a priority in light of **the Company's scope for having an impact on both the social and environmental fronts**. This document also sets out the rules stipulating how the Policy will be overseen and monitored.

3.1. Procedure for articulating corporate regulations deriving from the Policy

Due to the need to apply the principles that govern this Policy to specific areas of management, this document contemplates the **articulation of a number of implementing regulations** going forward. By specific areas of management, we refer to both **corporate and operational areas**.

Any implementing rules emanating from Greenergy's Corporate Sustainability Policy must comply with the principles set down herein, including definition, as in section 5 below, of the responsibilities assigned to the various bodies for implementation of the rules and specification of the commitments and objectives required of each such set of rules.

4. SCOPE OF APPLICATION

The Sustainability Policy **applies to all Greenergy companies**, including investees over which Greenergy has effective control, joint ventures and similar arrangements. It similarly applies to **all geographical regions** where Greenergy carries on its operations, no matter their nature, i.e., in any place and at any phase of the value chain.

In the case of investees over which Greenergy does not have effective control, the Company will encourage those entities to align their actions with the commitments stipulated in this document.

By the same token, Greenergy will **endeavor to get all of its stakeholders**, particularly its suppliers, **to align their conduct** with the policy's goals. Thereby, the **Company is extending the framework of this Policy and the resulting commitments to its stakeholders**: distributors, contractors, service providers and other third parties of relevance during the contractual relationship.

The local application principle is of particular significance at Greenergy, due to the variability in the local environmental and employment laws and regulations that define the decision-making process and relationship with local stakeholder groups. To that end, this Policy contemplates the possible formulation of implementing rules tailored for local requirements, so long as they do not present conflicts with or contradict the contents of the Corporate Policy.

5. POLICY-DERIVED GOVERNANCE AND RESPONSIBILITIES

5.1. Role of the Board of Directors

The Board of Directors is **responsible for approving this Policy** and for **appointing a Sustainability Committee**. To ensure adequate ongoing control of the implementation of the principles embraced in this document, the Board will rely on the **assistance of the Audit Committee and the Appointment and Remuneration Committee**. The sustainability functions assigned to the Audit Committee and the Appointments and Remuneration Committee are described in the Board of Directors Regulations.

The Board will be **regularly apprised of Policy-related application milestones** and of any proposals to revise and improve it. The reporting period will be at least quarterly to the Appointments and Remuneration Committee and annually to the Audit Committee.

5.2. Role of the Sustainability Committee

Greenergy will set up a **corporate Sustainability Committee**. That Committee will be governed by its own set of regulations and made up of managers from the various areas of the Company with a vested interest in the matters covered by the Policy.

Specifically, the Sustainability Committee will be tasked with the following duties:

- To ensure **the targets established in the Policy** are layered into the formulation of other internal policies and procedures at Greenergy.
- To analyze the **need for additional rules and procedures for Policy implementation purposes**, as contemplated in section 3.1.
- To formulate **quantifiable commitments to be achieved over a specific time horizon** and define how their delivery will be measured in the form of key performance indicators.
- To **distribute the Policy** and any updates thereto **to all parties with a vested interest** therein.
- To draw up the **annual sustainability report** and any other reports tailored for specific stakeholder groups.
- To perform **any other duties assigned to it by the Board of Directors** as a result of the Company's evolving needs on the sustainability front.
- Define and develop the **sustainability indicators** necessary to measure progress towards objectives and implement data collection mechanisms that guarantee its integrity.

5.3. Role of the Executive Committee

The Executive Committee's role is to **convey the principles, objectives and commitments adopted by the Board under the scope of this Policy**. The Executive Committee will oversee effective application of the Policy in Greenergy's everyday activities and regularly follow up on the level of delivery of the strategic targets deriving from its implementation.

6. BASIC PRINCIPLES OF INTERVENTION

To attain the objectives stipulated herein, the Company has embraced **five cross-cutting basic principles of intervention** which apply to all its activities and are directly related with compliance with this Policy.

6.1. Governance

The Company has designed a **governance structure for overseeing the implementation and delivery of this Policy** and verifying whether it needs updating or expanding. That governance structure is outlined in section 5 of this document.

6.2. Holistic approach

The Company's approach to the application, updating and fine-tuning of this Policy is cross-cutting and holistic. The goal is to provide a **guide for the Company's actions in all of its geographic markets, at every stage of the value chain and for all corporate events**, to which end it will be adapted for the various environments, activities and geographies with which Greenergy engages in the future.

6.3. Preventive approach

The Company deems that its holistic approach encompasses a dual strategy: amplifying the positive effects of Greenergy's activities while preventing the negative impacts, each with the same level of diligence. Accordingly, the Policy must also be **applied with a view to preventing the Company's negative impacts**. That control thrust translates into the implementation of a governance system and the assignation of responsibilities for overseeing application of the Policy.

6.4. Due diligence

The Company commits to **implement any and all control mechanisms and tools for due application of the Policy at all corporate levels, at every group company and in every market**. To that end it has designed a monitoring and review model which falls within the governance system described in section 5.

6.5. Transparency

The Company will define the steps needed to ensure compliance with this Policy and its objectives. Greenergy will define quantifiable commitments which will be reviewed annually by means of an action plan to be controlled by means of the governance regime described in section 5. The Company will use the **tools for communicating directly with stakeholder groups** outlined in section 8 of this Policy.

7. CORE FOUNDATIONAL OBJECTIVES

Framed by the basic principles of intervention, the Company has established **four core foundational objectives which this Policy is called upon to pursue**. It is up to the Sustainability Committee to oversee delivery of these objectives

by means of appropriate performance indicators, in line with the Company's strategy.

- Building a robust and cross-cutting sustainability or environmental, social and governance (ESG) structure
- Preventing and mitigating negative impacts
- Fostering positive impacts of Greenergy's activity.
- Developing a framework of engagement with stakeholders so as to enable two- way and mutually-beneficial communication for all

8. GREENERGY'S COMMITMENTS TO ITS STAKEHOLDERS

With the aim of involving all of its stakeholders, the Company is committed to fostering transparent communication, underpinned by its belief that information generates confidence among those vested parties. To that end it will set up a number of readily- available external communication and reporting tools.

Among other measures, Greenergy **will issue a sustainability report annually** in which it will give an account of the actions taken and an analysis of the **positive effects brought about, and the negative impacts mitigated during the year**. This annual reporting will be guided by benchmark international standards such as the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD) and the Global Reporting Initiative (GRI), among others. The monitoring of the indicators contained in the report will be based on best market practices and robust systems to generate comparable information.

To ensure due delivery of its commitments to its stakeholders and safeguard the two-way flow of information between them and the Company, Greenergy has set up a whistle-blowing channel and the grievance mechanisms through which stakeholders can communicate their concerns, complaints and questions in a secure environment.

8.1. Employees (SDG 5 & 8)

Greenergy's objectives for its employees are aligned generally with the SDGs. However the Company believes it has the scope to have a bigger impact on **SDG 5, Gender equality and SDG 8, Decent work and economic growth**.

In relation to SDG 5, the UN is striving to bring about **equal participation by men and women at decision-making levels and to reduce differences in pay between the two genders for work of equal value**. The Company's responsibility in this respect is not limited to its own workforce; it plans to work to encourage its suppliers to embrace the above-mentioned gender equality principle to the extent possible.

With regards to SDG 8, the UN's objective is **to guarantee that workers receive decent working conditions in terms of pay, work-life balance and health and safety**, in addition to adequate training for career development purposes.

Against that backdrop, Greenergy has set the following objectives for its employees:

- Increasing female representation at the Company at both the executive and middle management levels.
- Working to reduce the gender pay gap.
- Fostering the provision of equal opportunities, career development options, integration and decent treatment of all employees.
- Taking the measures needed so that employees can achieve work-life balance ensuring that such measures do not undermine their career prospects.
- Generally fostering flexible working arrangements and measures for reconciling work and family life, particularly in special situations.
- Guaranteeing fair pay for all the Company's employees so that they can lead full lives without want for basic needs.
- Fostering a culture of health and safety in the workplace using preventive tools.
- Ensuring universal access to the Company's facilities to ensure perfect integration for all.
- Implementing all measures, tools and procedures required to ensure no human rights are violated in the workplace.

8.2. Environment (SDG 7, 13 & 15)

Although Greenergy's environmental objectives are aligned generally with the SDGs, the Company believes it has the scope to have a bigger impact on **SDG 7, Affordable energy, SDG 13, Climate action and SDG 15, Life on land**.

In relation to SDG 7, the UN is working to ensure **universal access to energy at an affordable cost** and to substantially increase the share of renewable energy in the generation mix by 2030.

With SDG 13, the UN has set the target of integrating **climate change mitigation measures into policies, strategies and planning**, and to improve education on climate change.

Against that backdrop, Greenergy has set the following environmental objectives:

- Overseeing compliance with relevant environmental laws and regulations and with voluntary agreements.
- Promote biodiversity and the conservation of the natural environment in the surroundings and outside the area of the projects where the Company operates with a clear focus on "zero deforestation" and orienting towards the objective of net positive impact on biodiversity. In addition, the Company is committed to avoid operating activities in areas with high biodiversity value

(species classified in the IUCN Red List, areas recognized as having high ecological value at the international and national level, among others).

- Encourage responsible management and consumption of water resources in both offices and projects.
- Establish environmental management systems to achieve excellence, based on continuous improvement of environmental performance in accordance with compliance with environmental legislation.
- Measure and reduce the Company's carbon footprint by using, to the extent possible, renewable sources of energy in its operations as well as other measures that can contribute to reducing the Company's greenhouse gas emissions.
- Operating power generation facilities that enable the delivery of energy at a reasonable and fair price so as to contribute to the supply of clean and affordable energy.
- Articulating an internal organizational structure to enable the recycling of the waste generated by the Company, particularly hazardous waste.
- Boosting awareness and education in environmental matters, particularly among children and adolescents, with a view to fostering more environmentally-friendly attitudes and conduct.
- Assessing, minimizing and offsetting, as appropriate, the environmental impact and risk of the Company's activities at each stage of the business cycle.

8.3. Community (SDG 8)

Greenergy's objectives for its local communities are aligned generally with the SDGs. However the Company believes it has the scope to have a bigger impact on **SDG 8 Decent work** and **economic growth**.

Against that backdrop, Greenergy has set the following objectives for its community engagement effort:

- IfosteringdevelopmentinthelocalcommunitiesinwhichtheCompanyoperates.
- Boosting and fostering local hiring and purchasing.
- Contributing to socio-economic development at the local community level by prioritizing whenever possible the areas in which the Company operates through action plans and results measurement.
- Enhancing dialogue with local communities via formal and informal meetings, training sessions, community suggestion boxes or other communication channels, etc.

8.4. Supply chain (SDG 5 & 8)

The objectives assumed by Greenergy with regards to its employees are applied to its value chain, and the Company extends these principles to its suppliers. Thus, Greenergy's commitments with respect to its supply chain are:

- Facilitating, to the extent possible, the provision of equal opportunities, career development options, integration, and decent treatment of all supply chain employees.
- Encouraging fair pay for all supplier employees so that they can develop a full life without deficiencies in basic needs.
- Communicate a zero tolerance policy and the express prohibition of forced labor situations in the supply chain, introducing measures, tools and procedures aimed at avoiding the violation of human rights in the supply chain environment during their operations at the service of Greenergy.
- Encourage dialogue with suppliers and development of alliances along the supply chain to foster the materialization of shared good practices in the ESG arena.

8.5. Investor community (SDG 5, 7, 8, 13 & 15)

Greenergy's commitments to its existing and prospective investors are based on the principles of transparency and due diligence outlined in section 6 of this Policy, thanks to which the Company has a real and positive impact on its surroundings in addition to the returns it offers its investors. Greenergy has a policy of communication and contact with shareholders, institutional investors and proxy advisors which regulates its engagement with the investor community. The Company is committed to reporting to the investor community in an open and timely manner about the results of its key ESG policies, procedures and initiatives.

9. PUBLIC NATURE OF THIS POLICY

This Policy and subsequent revisions will be hosted permanently on Greenergy's website.

10. POLICY REVIEW PROCESS

The Policy will be reviewed at least twice a year. The main purpose of the review process is to adapt the Policy for new developments affecting the Company and its stakeholders so that it remains a good compass for the Company's strategy in response to its stakeholders' demands. Any changes in the Policy will be approved at the Board level.

11. APPROVAL OF THE POLICY BY THE BOARD OF DIRECTORS

Duly exercising its oversight duty, the Board of Directors of Greenergy, S.A. hereby signs and approves this Policy and accepts the responsibilities deriving therefrom.