



All Financial Information has been translated into English except for the Annual Corporate Governance Report, which is available in the Spanish versión. In the event of discrepancy, the Spanish-language version prevails.

**STATEMENT OF RESPONSIBILITY OF THE DIRECTORS OF GREENERGY RENOVABLES, S.A. ON THE CONTENT OF THE ANNUAL 2022 SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS**

With regard to the annual separate and consolidated financial statements of Greenergy Renovables, S.A. for 2022, and in accordance with Article 8 of Royal Legislative Decree 1362/2007, of October 19, which enacts the consolidated text of the Securities Market Law, the members of the Board of Directors hereby state:

That, to the best of their knowledge, the annual financial statements, prepared in accordance with applicable accounting principles, provide a true and fair view of the financial position and profit and loss of Greenergy Renovables, S.A. and the undertakings included in the consolidation, taken as a whole, and that the directors' report includes a fair view of the development and performance of the businesses and the position of the Greenergy Renovables, S.A. and the undertakings in the consolidation, taken as a whole, together with a description of the principal risks and uncertainties that they face.

Statement issued by the Board of Directors of GREENERGY RENOVABLES, S.A. on February 24, 2023 for the purpose of authorizing the separate and 2022 consolidated financial statements.

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Mr. David Ruiz de Andrés  
(Chief Executive Officer)

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Mr. Antonio Jiménez Alarcón  
(Board Member)

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Mr. Florentino Vivancos Gasset  
(Board Member)

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Ms. Ana Peralta Moreno  
(Board Member)

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Mr. Nicolás Bergareche Mendoza  
(Board Member)

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Ms. María del Rocío Hortigüela Esturillo  
(Board Member)

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Ms. María Merry del Val Mariátegui  
(Board Member)

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Ms. Teresa Quirós Álvarez  
(Board Member)

**Audit Report on Financial Statements  
issued by an Independent Auditor**

**GREENERGY RENOVABLES, S.A.  
Financial Statements and Management Report  
for the year ended  
December 31, 2022**

## **AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR**

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of GREENERGY RENOVABLES, S.A.:

### **Report on the financial statements**

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#### **Opinion**

We have audited the financial statements of GREENERGY RENOVABLES, S.A. (the Company), which comprise the balance sheet as at December 31, 2022, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2022 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

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#### **Basis for opinion**

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

### *Valuation of investments in and loans to group companies and associates*

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**Description** As disclosed in the accompanying balance sheet at December 31, 2022, the Company recorded equity instruments as well as non-current loans to group companies and associates under "Non-current assets - Investments in group companies and associates," amounting to 39,626 thousand euros and 206,150 thousand euros, respectively.

As explained in Note 4.4.a) to the accompanying financial statements, at least at year end, the Company assesses if there is evidence of impairment and recognizes any impairment loss. Said impairment losses are calculated as the difference between the investment's carrying amount and its recoverable amount, deemed to be the higher of fair value less costs to sell and the present value of the future cash flows from the investment. Unless better evidence is available, impairment losses on these types of assets are estimated taking into account the investee's equity adjusted for any unrealized capital gains existing on the measurement date.

To determine recoverable amount, the directors base their estimates on discounted cash flow analysis, which requires them to make significant judgments with respect to certain key assumptions, particularly, business plan projections and discount rates.

Due to the significance of the amounts involved, as well as the inherent complexity and sensitivity of the estimates made by the complexity, we determined this to be a key audit matter.

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### Our response

Our audit procedures included the following:

- ▶ Understanding the criteria established by management to identify indications of impairment.
- ▶ Comparing the value of investments in group companies and associates and the related loans with their carrying amounts (equity), adjusted by unrealized capital gains existing at year end to identify indications of impairment.
- ▶ Reviewing the consistency and reasonableness of the methodology used to build the cash flow projections by verifying arithmetical calculations of recoverable amount.
- ▶ Reviewing the reasonableness of the financial information included in the financial models, based on the judgments and hypotheses made, and the discount rate applied.
- ▶ Verifying that the accompanying notes to the financial statements include the information required by the applicable financial reporting framework.

### *Sale of subsidiaries*

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**Description** As explained in Note 8.1 to the accompanying financial statements, in 2022, the Company signed agreements with third parties for the sale of several subsidiaries, for which it obtained a profit of 18,372 thousand euros. This amount is shown in “Impairment and gains/(losses) on disposal of financial instruments” on the accompanying income statement.

As explained in Note 4.4.a) to the accompanying financial statements, in accordance with the regulatory financial reporting framework applicable in Spain, the Company will derecognize the investment in group companies when the risks and rewards incidental to ownership have been substantially transferred. The difference between the consideration received, net of attributable transaction costs and the carrying amount of the investment in group companies, determines the gain or loss generated upon derecognition and is included in the income statement for the year to which it relates.

Due to the significant impact of the sale of these subsidiaries on the income statement and the complexity of the sale agreements entered into during the year, we determined this to be a key audit matter.

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**Our  
response**

Our audit procedures included the following:

- ▶ Understanding the transactions carried out by analyzing the sale agreements reached and holding meetings with Company Management.
- ▶ Reviewing the accounting effects arising from the difference between the acquisition cost of the investments in group companies and the value of the consideration received.
- ▶ Examining bank statements to verify collection of the sale of the subsidiaries in accordance with the payment schedule stipulated in the sale agreement.
- ▶ Verifying that the accompanying notes to the financial statements include the information required by the applicable financial reporting framework.

### *Recognition of income from construction contracts*

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**Description** The company carries out a significant part of its business through contracts for the construction of Photovoltaic solar plants. The information on the recognition of revenue from these contracts is provided in Notes 4.9.1 of the accompanying financial statements.

Since it affects the valuation of completed work pending certification, which at December 31, 2022 amounts to 38,239 thousand euros (note 20.1 to the accompanying financial statements), and given that it likewise affects an exceedingly relevant amount of the total volume of revenue, requiring that Group Management make significant estimates related primarily to total costs, costs incurred, completion costs, and the expected profit or loss earned upon project completion, all of which fall within the scope of the criteria established in the standard for measuring revenue in the new general accounting plan, we determined revenue from construction contracts to be a key audit matter.

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**Our****response**

Our audit procedures included the following:

- ▶ Gaining an understanding of the process used to manage projects under construction, including evaluation of the design and implementation of the relevant controls. Choosing a selected sample of contracts, based on their significance, and verifying that their terms and conditions, as well as the invoiced income and related sales costs at year end, were recognized in the income statement in accordance with the input method (based on costs incurred in proportion to estimated total costs) over time, ensuring that costs are allocated at the correct amount and to the correct period, and checking against bank statements that invoiced amounts have been collected.
- ▶ Inquiring with Company Management about the development stage of the most relevant projects to ensure that there are no significant deviations between the projected and actual costs. Checking that the balances of uninvoiced completed construction recognized at December 31, 2022 from invoices issued after year-end have been billed correctly.
- ▶ Reviewing the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.

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**Other information: management report**

Other information refers exclusively to the 2022 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

- a. Checking only that the non-financial statement, certain information included in the Corporate Governance Report and in the Board Remuneration Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.
- b. Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2022 financial statements and its content and presentation are in conformity with applicable regulations.

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## Responsibilities of the directors and the audit committee for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

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## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## **Report on other legal and regulatory requirements**

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### **European single electronic format**

We have examined the digital file of the European single electronic format (ESEF) of GREENERGY RENOVABLES, S.A. for the 2022 financial year, consisting of an XHTML file containing the financial statements for the year, which will form part of the annual financial report.

The directors of GREENERGY RENOVABLES S.A. are responsible for submitting the annual financial report for the 2022 financial year, in accordance with the formatting requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Board remuneration report has been incorporated by reference in the management report.

Our responsibility consists of examining the digital file prepared by the directors of the Company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the financial statements included in the aforementioned digital file correspond in their entirety to those of the financial statements that we have audited, and whether the financial statements and the aforementioned file have been formatted, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital file examined corresponds in its entirety to the audited financial statements, which are presented, in all material respects, in accordance with the ESEF Regulation.

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### **Additional report to the audit committee**

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on February 27, 2023.

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### Term of engagement

The ordinary general shareholders' meeting held on May 11, 2022 appointed us as auditors for two years, commencing on December 31, 2022.

Previously, we were appointed as auditors by the shareholders for three years and we have been carrying out the audit of the financial statements continuously since December 31, 2019.

ERNST & YOUNG, S.L.  
(Registered in the Official Register of  
Auditors under No. S0530)

(Signed in the original version)

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David Ruiz-Roso Moyano  
(Registered in the Official Register of  
Auditors under No. 18336)

February 27, 2023



**GREENERGY RENOVABLES, S.A.**

**FINANCIAL STATEMENTS AND MANAGEMENT REPORT  
FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**GREENERGY RENOVABLES, S.A.**

**Balance sheet at December 31, 2022**

(In thousands of euros)

ASSETS	Notes to the financial statements	Financial Year 2022	Financial Year 2021	EQUITY AND LIABILITIES	Notes to the financial statements	Financial Year 2022	Financial Year 2021
<b>NON-CURRENT ASSETS</b>		<b>253,252</b>	<b>120,433</b>	<b>EQUITY</b>		<b>274,730</b>	<b>180,608</b>
<b>Intangible assets</b>	<b>5</b>	<b>248</b>	<b>81</b>	<b>CAPITAL AND RESERVES</b>		<b>274,730</b>	<b>180,608</b>
Patents, licenses, trademarks, et al.		10	11	<b>Share capital</b>	<b>12.1</b>	<b>10,714</b>	<b>9,774</b>
Software		238	70	Issued capital		10,714	9,774
<b>Property, plant, and equipment</b>	<b>6</b>	<b>2,181</b>	<b>1,851</b>	<b>Share premium</b>	<b>12.2</b>	<b>198,912</b>	<b>109,851</b>
Plant and other PP&E		1,833	1,737	<b>Reserves and retained earnings</b>	<b>12.3</b>	<b>78,895</b>	<b>55,815</b>
PP&E under construction and prepayments		348	114	Legal reserve		1,955	1,701
				Voluntary reserves		76,940	54,114
<b>Investments in group companies and associates</b>	<b>8.1</b>	<b>245,776</b>	<b>116,596</b>	<b>Treasury shares and own equity investments</b>	<b>12.4</b>	<b>(19,728)</b>	<b>(17,577)</b>
Equity instruments		39,626	37,446	<b>Profit (loss) for the year</b>	<b>3</b>	<b>5,937</b>	<b>22,745</b>
Loans to group companies and associates		206,150	79,150	<b>NON-CURRENT LIABILITIES</b>		<b>93,125</b>	<b>39,983</b>
<b>Financial investments</b>	<b>8.2</b>	<b>2,670</b>	<b>803</b>	<b>Borrowings</b>		<b>92,343</b>	<b>39,023</b>
Equity instruments		40	-	Bonds and other marketable debt securities	14.1	83,231	31,223
Other financial assets		2,630	803	Bank borrowings	14.2 and 14.3	8,267	6,712
				Finance lease payables	7.1	845	1,088
<b>Deferred tax assets</b>	<b>16</b>	<b>2,377</b>	<b>1,102</b>	<b>Deferred tax liabilities</b>	<b>16</b>	<b>782</b>	<b>960</b>
<b>CURRENT ASSETS</b>		<b>180,473</b>	<b>202,851</b>	<b>CURRENT LIABILITIES</b>		<b>65,870</b>	<b>102,693</b>
<b>Inventories</b>	<b>9</b>	<b>16,389</b>	<b>51,021</b>	<b>Provisions</b>	<b>13</b>	<b>509</b>	<b>1,792</b>
Raw materials and other consumables		2,136	42,512	<b>Borrowings</b>		<b>39,835</b>	<b>35,320</b>
Work in progress		14,253	8,509	Bonds and other marketable debt securities		34,529	32,146
<b>Trade and other receivables</b>		<b>144,947</b>	<b>93,909</b>	Bank borrowings	14.2 and 14.3	4,875	2,664
Trade receivables	10	259	82	Finance lease payables	7.1	301	354
Trade receivables from group companies and associates	20.1	115,233	63,353	Other financial liabilities	14.4	130	156
Other accounts receivable	10	27,457	29,948	<b>Payables to group companies and associates</b>	<b>15 and 20.1</b>	<b>1,028</b>	<b>277</b>
Receivable from employees		-	7	<b>Trade and other payables</b>		<b>24,498</b>	<b>65,304</b>
Current income tax assets	16	1,610	-	Suppliers		12,208	56,655
Other receivables from public administrations	16	388	519	Suppliers, group companies, and associates	20.1	10,074	5,908
<b>Investments in group companies and associates</b>	<b>8.1 and 20.1</b>	<b>-</b>	<b>1,353</b>	Other accounts payable		530	1,616
Loans to group companies and associates		-	1,353	Employee benefits payable (remuneration pending payment)		1,246	908
<b>Financial investments</b>	<b>8.2</b>	<b>1,367</b>	<b>6,858</b>	Other payables to public administrations	16	295	217
Loans to companies		727	1,539	Customer advances	10	145	-
Other financial assets		640	5,319				
<b>Accruals</b>		<b>404</b>	<b>230</b>				
<b>Cash and cash equivalents</b>	<b>11</b>	<b>17,366</b>	<b>49,480</b>				
Cash in hand		17,366	49,480				
<b>TOTAL ASSETS</b>		<b>433,725</b>	<b>323,284</b>	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>433,725</b>	<b>323,284</b>

The accompanying notes 1 to 22 and appendices are an integral part of the balance sheet at December 31, 2022 and 2021.

**GREENERGY RENOVABLES, S.A.**

**Income statement  
for the year ended December 31, 2022  
(In thousands of euros)**

	Notes to the financial statements	Financial Year 2022	Financial Year 2021
<b>CONTINUING OPERATIONS</b>			
<b>Revenue</b>	<b>17.1</b>	<b>104,061</b>	<b>126,871</b>
Sale of goods		102,002	126,257
Rendering of services		2,059	614
<b>Changes in inventory of finished products and work in progress</b>		<b>5,744</b>	<b>5,053</b>
<b>Work performed by the entity and capitalized</b>		<b>184</b>	<b>41</b>
<b>Cost of sales</b>	<b>17.2</b>	<b>(101,773)</b>	<b>(126,950)</b>
Consumption of goods for resale		(101,773)	(126,950)
<b>Other operating income</b>	<b>20.1</b>	<b>2,757</b>	<b>2,160</b>
Ancillary income		2,757	2,160
<b>Employee benefits expense</b>		<b>(9,140)</b>	<b>(5,980)</b>
Wages, salaries, et al		(7,002)	(4,678)
Social security costs, et al	17.3	(2,138)	(1,302)
<b>Other operating expenses</b>		<b>(7,242)</b>	<b>(5,344)</b>
External services		(6,138)	(3,551)
Other taxes		(8)	(1)
Losses on, impairment of, and changes in trade provisions	13	(1,096)	(1,792)
<b>Depreciation and amortization</b>	<b>5 and 6</b>	<b>(330)</b>	<b>(234)</b>
<b>Impairment and gains (losses) on disposal of assets</b>		<b>-</b>	<b>13</b>
Gains (losses) on disposals		-	13
<b>Other gains or losses</b>		<b>(116)</b>	<b>(53)</b>
<b>OPERATING PROFIT (LOSS)</b>		<b>(5,855)</b>	<b>(4,423)</b>
<b>Finance income</b>	<b>17.4</b>	<b>7,076</b>	<b>3,352</b>
From marketable securities and other financial instruments		7,076	3,352
- Of group companies and associates		7,076	3,344
- Of third parties		-	8
<b>Finance costs</b>	<b>17</b>	<b>(5,085)</b>	<b>(2,490)</b>
Borrowings from third parties		(5,085)	(2,490)
Borrowings from group companies and associates		-	-
<b>Exchange gains (losses)</b>	<b>17.4</b>	<b>5,747</b>	<b>4,688</b>
<b>Impairment and gains (losses) on disposal of financial instruments</b>	<b>8.1 and 17.4</b>	<b>9,320</b>	<b>28,262</b>
Impairment and losses		(9,052)	(3,266)
Gains (losses) on disposals		18,372	31,528
<b>FINANCE COST</b>		<b>17,058</b>	<b>33,812</b>
<b>PROFIT (LOSS) BEFORE TAX</b>		<b>11,203</b>	<b>29,389</b>
Corporate income tax	16.1	(5,266)	(6,644)
<b>PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>5,937</b>	<b>22,745</b>
<b>PROFIT FOR THE YEAR</b>		<b>5,937</b>	<b>22,745</b>

The accompanying notes 1 to 22 and appendices are an integral part of the income statement for the years ended December 31, 2022 and 2021.

**GREENERGY RENOVABLES, S.A.**

**Statement of Changes in Equity  
for the year ended December 31, 2022  
(In thousands of euros)**

	Notes to the financial statements	Financial Year 2022	Financial Year 2021
<b>PROFIT (LOSS) FOR THE PERIOD (I)</b>	<b>3</b>	<b>5,937</b>	<b>22,745</b>
Income and expense recognized directly in equity		-	-
IV. Other adjustments		-	-
V. Tax effect		-	-
<b>TOTAL INCOME AND EXPENSE RECOGNIZED DIRECTLY IN EQUITY (II)</b>		<b>-</b>	<b>-</b>
Amounts transferred to the income statement		-	-
<b>TOTAL AMOUNTS TRANSFERRED TO PROFIT OR LOSS (III)</b>		<b>-</b>	<b>-</b>
<b>TOTAL RECOGNIZED INCOME AND EXPENSE (I+II+III)</b>		<b>5,937</b>	<b>22,745</b>

The accompanying notes 1 to 22 and appendices are an integral part of the statement of recognized income and expense for the years ended December 31, 2022 and 2021.

	Share capital (Note 12.1)	Share premium (Note 12.2)	Reserves (Note 12.3)	Treasury shares and own equity investments (Note 12.3)	Profit (loss) for the year (Note 3)	TOTAL
<b>BALANCE AT DECEMBER 31, 2020</b>	<b>8,507</b>	<b>6,118</b>	<b>28,953</b>	<b>(8,116)</b>	<b>21,916</b>	<b>57,378</b>
Adjustments and/or corrections of errors	-	-	-	-	-	-
<b>ADJUSTED OPENING BALANCE 2021</b>	<b>8,507</b>	<b>6,118</b>	<b>28,953</b>	<b>(8,116)</b>	<b>21,916</b>	<b>57,378</b>
<b>Total recognized income and expense</b>	-	-	-	-	<b>22,745</b>	<b>22,745</b>
<b>Transactions with shareholders or owners</b>						
Capital increases	1,267	103,733	(1,139)	-	-	<b>103,861</b>
Transactions with treasury shares or own equity instruments (net)	-	-	6,085	(9,461)	-	<b>(3,376)</b>
<b>Other changes in equity</b>	-	-	21,916	-	(21,916)	-
<b>BALANCE AT DECEMBER 31, 2021</b>	<b>9,774</b>	<b>109,851</b>	<b>55,815</b>	<b>(17,577)</b>	<b>22,745</b>	<b>180,608</b>
Adjustments and/or corrections of errors	-	-	-	-	-	-
<b>ADJUSTED OPENING BALANCE 2022</b>	<b>9,774</b>	<b>109,851</b>	<b>55,815</b>	<b>(17,577)</b>	<b>22,745</b>	<b>180,608</b>
<b>Total recognized income and expense</b>	-	-	-	-	<b>5,937</b>	<b>5,937</b>
<b>Transactions with shareholders or owners</b>						
Capital increases	940	89,061	(1,075)	-	-	<b>88,926</b>
Transactions with treasury shares or own equity instruments (net)	-	-	1,410	(2,151)	-	<b>(741)</b>
<b>Other changes in equity</b>	-	-	22,745	-	(22,745)	-
<b>BALANCE AT DECEMBER 31, 2022</b>	<b>10,714</b>	<b>198,912</b>	<b>78,895</b>	<b>(19,728)</b>	<b>5,937</b>	<b>274,730</b>

The accompanying notes 1 to 22 and appendices are an integral part of the statement of changes in equity for the years ended December 31, 2022 and 2021.

# GREENERGY RENOVABLES, S.A.

## Cash flow statement for the year ended December 31, 2022 (In thousands of euros)

	Notes	2022	2021
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Profit (loss) before tax</b>		<b>11,203</b>	<b>29,389</b>
<b>2. Adjustments to profit</b>		<b>2,740</b>	<b>(271)</b>
a) Depreciation and amortization (+)	5 and 6	330	234
c) Changes in provisions (+/-)	13	1,096	1,792
e) Gains (losses) from derecognition and disposal of assets (+/-)		-	(13)
f) Gains (losses) on derecognition and disposal of financial instruments (+/-)	17	9,052	3,266
g) Finance income (-)	17	(7,076)	(3,352)
h) Finance costs (+)	17	5,085	2,490
i) Exchange gains (losses) (+/-)	17	(5,747)	(4,688)
<b>3. Changes in working capital</b>		<b>(53,695)</b>	<b>(60,091)</b>
a) Inventories (+/-)		34,632	(46,360)
b) Trade and other receivables (+/-)		(51,038)	(50,416)
c) Other current assets (+/-)		(174)	31
d) Trade and other payables (+/-)		(34,736)	36,654
f) Other non-current assets and liabilities (+/-)		(2,379)	-
<b>4. Other cash flows from operating activities</b>		<b>(10,906)</b>	<b>(8,483)</b>
a) Interest paid (-)		(3,540)	(2,490)
c) Interest received (+)		-	8
d) Income tax receipts (payments) (+/-)	16.2	(7,366)	(6,001)
<b>5. Cash flows from operating activities (+/-1+/-2+/-3+/-4)</b>		<b>(50,658)</b>	<b>(39,456)</b>
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>6. Payments on investments (-)</b>		<b>(133,137)</b>	<b>(61,487)</b>
a) Group companies and associates		(130,026)	(52,520)
b) Intangible assets	5	(195)	(24)
c) Property, plant, and equipment	6	(632)	(1,240)
e) Other financial assets		(2,284)	(7,703)
<b>7. Proceeds from disinvestments (+)</b>		<b>6,131</b>	<b>6,375</b>
c) Property, plant, and equipment	6	-	16
e) Other financial assets		6,131	6,359
<b>8. Cash flows from (used in) investing activities (7-6)</b>		<b>(127,006)</b>	<b>(55,112)</b>
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>9. Proceeds from and payments on equity instruments</b>		<b>89,260</b>	<b>101,623</b>
a) Proceeds from issuance of equity instruments	12.1	90,001	105,000
c) Acquisition of own equity instruments	12.4	(30,242)	(59,634)
d) Disposal of own equity instruments		29,501	56,257
<b>10. Proceeds from and repayment of financial liabilities</b>		<b>56,290</b>	<b>36,023</b>
a) Issues		227,761	73,719
1. Bonds and other marketable debt securities (+)		225,836	73,720
2. Bank borrowings (+)		1,925	-
3. Borrowings from group companies and associates (+)		-	(1)
b) Repayment and redemption of:		(171,471)	(37,696)
1. Bonds and other marketable debt securities (-)		(171,445)	-
2. Bank borrowings (-)		-	(2,642)
4. Other borrowings (-)		(26)	(3,054)
<b>12. Cash flows from financing activities (+/-9+/-10-11)</b>		<b>145,550</b>	<b>137,646</b>
<b>D) Effect of changes in exchange rates</b>		<b>-</b>	<b>-</b>
<b>E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (+/-A+/-B+/-C+/- D)</b>		<b>(32,114)</b>	<b>43,078</b>
<b>Cash and cash equivalents at January 1</b>	<b>11</b>	<b>49,480</b>	<b>6,402</b>
<b>Cash and cash equivalents at December 31</b>	<b>11</b>	<b>17,366</b>	<b>49,480</b>

The accompanying notes 1 to 22 and appendices are an integral part of the cash flow statement for the years ended December 31, 2022 and 2021.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

## **1. Activity**

**GREENERGY RENOVABLES, S.A.** ("the Company") was incorporated in Madrid on July 2, 2007 via public deed, as filed at the Mercantile Registry of Madrid in Tome 24.430, Book 0, Folio 112, Section 8, Page M-439.423, 1st inscription. Its registered business and tax address, where it also performs its activities, is located at Calle Rafael Botí, nº 26, Madrid.

The corporate purpose of the Company and the sectors in which it performs its activities are as follows:

- the promotion, management, exploitation, maintenance, and commercialization of land and installations for the use and production of energy, as well as construction of such installations; and
- the production and commercialization of electric energy and any other complementary activities, including technical advice, assistance, and management in the field of energy.

As described in Note 12.1, the Company is a member of the Daruan group, the parent of which is Daruan Group Holding, S.L.U., which has its registered address at calle Rafael Botí no. 26, Madrid.

The Daruan group's consolidated financial statements for the year ended December 31, 2021, as well as the corresponding management and audit reports, were filed at the Mercantile Registry of Madrid on October 19, 2022. The Daruan group's consolidated financial statements for the year ended December 31, 2022, as well as the corresponding management and audit reports, will also be filed at the Madrid Mercantile Registry.

The shares of the Company have been listed on the Madrid, Barcelona, Bilbao, and Valencia stock exchanges since December 16, 2019.

As disclosed in Note 8, the Company holds shares in subsidiaries and is the head of a group of companies which comprise the Greenergy Group. The consolidated financial statements of the Greenergy Group for the year ended December 31, 2022, as well as the corresponding management and audit reports, will be filed at the Madrid Mercantile Registry.

## **2. Basis of presentation of the financial statements**

The financial statements have been prepared in accordance with the regulatory framework for financial information applicable to the Company, which corresponds to the Spanish GAAP approved by Royal Decree 1514/2007, of November 16, as last amended by Royal Decree 1/2021, of January 12, its enacting regulations, and all other prevailing mercantile legislation.



## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

The financial statements have been prepared by the Company's directors and will be submitted for approval by the shareholders in general meeting. It is expected that they will be approved without modification.

The figures shown in the financial statements are presented in thousands of euros unless otherwise indicated.

#### **2.1 True and fair view**

The accompanying financial statements were prepared from the Company's auxiliary accounting records in accordance with prevailing accounting legislation to give a true and fair view of its equity, financial position, and results. The cash flow statement was prepared to present fairly the origin and usage of the Company's monetary assets representing cash and cash equivalents.

The Company's financial statements for the year ended December 31, 2021, were approved by the shareholders in general meeting on May 11, 2022. The accompanying 2022 financial statements, prepared by the directors, will be submitted for approval at the general shareholders meeting, where they are expected to be approved without modification.

#### **2.2 Critical issues concerning the measurement and estimation of uncertainty**

When preparing the Company's financial statements, the directors made estimates to determine the carrying amounts of certain assets, liabilities, income, and expenses, as well as for the disclosure of contingent liabilities. These estimates were made on the basis of the best information available at the reporting date. However, given the uncertainty inherent in these items, events could occur in the future which may require prospective adjustments in subsequent years.

In addition to other relevant information regarding estimation of uncertainty at the closing date, the key assumptions regarding the future which represent a considerable risk that the carrying amounts of assets and liabilities may require significant adjustments in the next financial year, are as follows:

- Impairment losses on equity instruments (Notes 4.4 and 8.1)
- The probability of occurrence and amounts corresponding to certain provisions and contingencies (Notes 4.10 and 13)
- The recognition of income based on degree of project completion (Notes 4.9 and 17)
- The recognition of transactions with related parties at market prices (Note 20.1).

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

These estimates and hypotheses are based on the best information available at the date of preparation of these financial statements regarding the estimation of uncertainty at the reporting date and are reviewed periodically. However, it is possible that these periodic reviews or future events may require the Company to modify the estimates made in coming periods. Should this occur, the effects of the changes in estimates shall be recognized prospectively in the income statement of the corresponding period and successive periods in accordance with the stipulations established in Spanish GAAP recognition and measurement standard number 22 on changes in accounting criteria, errors, and estimates.

#### **2.3 Comparative information**

In accordance with mercantile legislation, for each of the headings presented in the balance sheet, the income statement, the statement of changes in equity, and the cash flow statement, in addition to the figures for 2022, those for the prior year are also included for comparative purposes. Quantitative information for the previous year is also included in the notes to the accompanying financial statements unless an accounting standard specifically states that this is not required.

Law 18/2022, of September 28, was published on September 29, 2022, on the creation and growth of companies, including additional disclosures relating to volume and invoiced amounts paid within the established deadlines. No comparative information from the previous year is presented.

#### **2.4 Climate change**

The accompanying financial statements were prepared taking into account the provisions of the informative document issued by the International Accounting Standards Board (IASB) in November 2020, which included disclosure requirements with respect to climate change.

In February 2021 Greenergy published its ESG Action Plan 2021, including the objectives for the first phase of the ESG Roadmap 2023, affirming its commitment to informing the public on its progress on a quarterly basis.

The ESG Roadmap 2023 is a strategic plan to boost Greenergy's sustainability in five strategic areas. It is based on the results of an internal diagnostic process and a materiality analysis performed by the Company in 2020.

The Sustainability Policy, approved by the Board of Directors on December 20, 2021, is aligned with the ESG Roadmap 2023 and with the action plans defined for each of the strategic areas.

It integrates the United Nations Sustainable Development Goals into the sustainability strategy, emphasizing those we have chosen as a priority and where Greenergy's contribution can be more significant.

Sustainability permeates all of Greenergy's decisions, with special attention paid to protecting the environment, promoting biodiversity, and contributing in the fight against climate change.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

Greenergy's growth contributes directly to the fight against climate change, enabling the energy transition and decarbonization of the economy. The substitution of fossil fuels with renewable energies is key to reducing society's greenhouse gas emissions and limiting global warming to below 1.5°C.

Analysis measures:

- The scope 1, 2, and 3 emissions that Greenergy generates directly or indirectly in its activity are measured in accordance with the criteria established in the international GHG Protocol standard and the ISO 14064 standard, including emissions corresponding to all greenhouse gases relevant to Greenergy.
- Greenergy's identification of emission sources and carbon footprint calculations for 2021 have obtained independent verification for their alignment with the principles and requirements of the ISO 14064 standard.
- A plan has been drafted to implement a 55% reduction in Greenergy's emissions by 2030 and achieve net zero emissions by 2050 (Scope 1 and 2).

A summary of the main milestones achieved in 2022 is provided below.

- In the second quarter, Greenergy developed an energy efficiency and emissions reduction plan establishing an ambitious program for replacing Greenergy's fossil fuel vehicles with hybrid/electric vehicles, using energy-efficient lighting fixtures, and obtaining certification of electricity supply from renewable sources, amongst others. Finally, three internal sustainability training sessions were organized for both management and key personnel to promote ESG awareness at a transversal level in the Group.
- In the third quarter, a control system was defined with respect to implementation of the policies established within the Group's internal regulatory framework, designating a control manager to carry out each policy. Greenergy has also revised and expanded its internal ESG reporting procedure on a periodic basis, including ESG metrics that depend on financial and material criteria as well as on connection with the commitments established in the Sustainability Policy. Further, in parallel to the previous objectives, the employee training plan was improved during this quarter in order to support professional development, improve team capabilities, and strengthen commitment to the employees.
- With a view to managing ESG risks in Greenergy's supply chain, in the fourth quarter of the year the purchasing procedure was updated by incorporating a series of ESG clauses (human rights protection, conflict minerals, zero tolerance to corruption and bribery, among others).

In addition, in terms of environmental matters, a biodiversity program will be implemented over the coming months dedicated to restoration and conservation of natural resources, while a water use program has also been designed in which the water footprint was measured based on the ISO 14046 standard, using the results obtained to identify improvements for efficient water use and management.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### War in Ukraine

The international geopolitical instability provoked by the Russian Federation's military invasion of Ukraine in February 2022 has led to inflationary pressures in the economy with significant increases for raw materials prices, the price of energy, and currency exchange rates. In light of these developments, the central banks have withdrawn most of the monetary stimulus measures while increasing interest rates in the second half of 2022.

In spite of the aforementioned uncertainty, the impact on the Company's financial statements was of little significance given that it does not operate in the region affected by the war.

#### 2.5 Covid-19

Business activity gradually recovered during 2022. In addition, there were no significant impacts on the financial statements relating to Covid-19.

### 3. Appropriation of profit

The Company's Board of Directors will submit the following proposed appropriation of profit for approval at the general shareholders' meeting:

	Thousands of euros
<b><u>Proposed appropriation</u></b>	
Profit for the year	5,937
<b><u>Appropriation to:</u></b>	
Legal reserve	188
Voluntary reserves	5,749
	<b>5,937</b>

### 4. Recognition and measurement standards

The recognition and measurement standards used in preparing the financial statements for 2022 are as follows:

#### 4.1 Intangible assets

Intangible assets are considered to be identifiable non-monetary assets, without physical substance, which arise as a result of a legal business or are developed internally. Only those assets are recognized whose cost can be estimated reliably and for which the Company considers it probable that future economic benefits will be generated.

Intangible assets are initially recognized at acquisition or production cost, and subsequently they are measured at cost less any accumulated amortization and impairment losses.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### **Licenses and trademarks**

Licenses and trademarks have a finite useful life and are carried at cost less accumulated amortization and impairment losses recognized. Amortization is calculated using the straight-line method to allocate the cost of licenses and trademarks over their estimated useful lives.

#### **Software**

This heading includes the amounts paid to acquire software or user licenses for programs and computer applications, provided the Company plans to use them for several years. They are amortized systematically on a straight-line basis over a period of four years.

Expenses for maintenance or global reviews of the systems, or recurring expenses as a consequence of the modification or upgrading of these applications, are recognized directly as expenses in the year in which they are incurred.

#### **4.2 Property, plant, and equipment**

PP&E items correspond to those assets owned by the Company which are used in production or the provision of goods and services, or for administrative purposes, and are expected to be used over more than one period.

The assets comprising PP&E are recognized at acquisition cost (updated as per various legal provisions, if applicable) or production cost, less accumulated depreciation and any impairment losses.

The cost of PP&E constructed by the Company is determined following the same principles as used for acquisitions. Capitalized production costs are recognized under "Work performed by the entity and capitalized" in the income statement.

Costs incurred to expand, upgrade, improve, substitute or renovate PP&E items which increase productivity, capacity or efficiency, or extend the useful life of the asset, are recognized as a greater cost of said assets with the corresponding derecognition of the assets or items that have been substituted or renovated.

The acquisition cost of the PP&E items which require a period of more than one year to be readied for use includes those financial expenses accrued before being readied for use. No corresponding amounts were recorded in this respect during the period. In contrast, finance interest accrued subsequent to said date, or related to financing acquisition of the remaining PP&E items, does not increase the acquisition cost and is recognized in the income statement for the year in which they accrue.

The costs incurred for refurbishing leased premises are included under the heading for plant, depreciated systematically on a straight-line basis over a period of 8 years and never exceeding the duration of the lease agreement.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

Periodic expenses relating to conservation, repairs, and maintenance that do not increase the useful lives of assets are charged to the income statement for the year in which they are incurred.

Depreciation is calculated systematically on a straight-line basis over the estimated useful life of each asset, based on the acquisition or production cost less the residual value, as follows:

	Years of useful life
Machinery	5-10
Plant and tools	5-12
Transport equipment	5-10
Furniture and fixtures	10
Data processing equipment	4
Other PP&E items	6-8

The values and remaining life of these assets are reviewed at each reporting date and adjusted if necessary.

At the end of each period, the Company analyzes whether there are any indications that the carrying amounts of its PP&E assets exceed their corresponding recoverable amounts, that is, whether any of them are impaired. For those assets identified, it estimates the recoverable amount, which is understood to be the greater of (i) fair value less necessary sales costs and (ii) value in use. In the case of an asset that does not generate cash flows independently of other assets, the Company calculates the recoverable amount for the cash generating unit to which it belongs.

If the recoverable amount thus determined is lower than the asset's carrying amount, the difference is recognized in the income statement, reducing the carrying amount of the asset to the recoverable amount, and future depreciation charges are adjusted in proportion to the adjusted carrying amounts and the new remaining useful life, should a new estimate be necessary.

Similarly, if there is any indication of recovery in the value of an impaired asset, the Company recognizes the reversal of the impairment loss previously recorded and adjusts the future depreciation charges accordingly. Under no circumstances will said reversal result in an increase in the carrying amount of the asset exceeding that amount that would have been recognized had no impairment losses been recognized in previous years.

The gain or loss arising from disposal or derecognition of a PP&E item is calculated as the difference between the consideration received and the carrying amount of the asset and is included in the income statement of the year in which the change occurs.

#### 4.3 Leases

Leases qualify as finance leases when, based on the economic terms of the arrangement, all risks and rewards incidental to ownership of the leased item are substantially transferred to the lessee. All other lease arrangements are classified as operating leases.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### Company as lessee

Assets acquired under finance lease arrangements are recognized, based on their nature, at the lower of the fair value of the leased item or the present value at the outset of the lease term of the minimum lease payments agreed upon, including the associated purchase option. A financial liability is recognized for the same amount. Contingent installments, service expenses, and reimbursable taxes (by the lessor) are not included in the calculation of agreed minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability. The total finance charge under the lease agreement is taken to the income statement in the period accrued using the effective interest rate method. Assets are depreciated, amortized, impaired, and derecognized using the same criteria applied to assets of a similar nature.

Operating lease payments are recognized as expenses in the income statement when accrued.

#### Company as lessor

Rental income from operating lease payments is recognized in the income statement as accrued. Direct costs attributable to the operating lease increase the value of the leased asset and are recognized as an expense over the term of the lease on the same basis as lease income.

## **4.4 Financial instruments**

Financial instruments are recognized in the balance sheet when the Company becomes party to a contract or legal business in accordance with the stipulations contained therein, as either issuer, investor or acquirer of said instrument.

### **a) Financial assets**

#### Classification and measurement

The Company classifies all financial assets under one of the following categories upon initial recognition, thus determining the method applicable for initial and subsequent measurement:

- Financial assets at amortized cost
- Financial assets at cost

#### *Financial assets at amortized cost*

The Company classifies a financial asset under this category, even if it is admitted for trading on an organized market, if the following conditions are met:

- The Company holds the investment under a management model with the objective of receiving the cash flows arising from execution of the contract.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

Management of a portfolio of financial assets to obtain its contractual cash flows does not imply that all the instruments must necessarily be held to maturity; they can also be managed with this objective even if they are sold or are expected to be sold in the future. Thus, the Company takes the frequency, amounts, and timing for sales from prior years into account together with the motivation for these sales and the expectations generated with regard to future sales.

- The contractual terms of the financial assets give rise to cash flows on specified dates which are solely receipts of principal and interest on the outstanding principal. That is, the cash flows are inherent to an agreement which has the nature of an ordinary or common loan, without prejudice to the fact that the transaction may be agreed upon at a zero interest rate or a rate below the market.

This condition is assumed to have been met in the case of a simple bond or loan with a fixed maturity date for which the Company collects a variable market interest rate which can be subject to a limit. On the contrary, it is assumed that this condition has not been met in the case of instruments convertible into equity instruments of the issuer, loans with inverse variable interest rates (that is, rates inversely related to market rates), or those in which the issuer can defer interest payments, if said payments can affect its solvency, without the deferred interest accruing additional amounts.

In general, commercial and non-commercial receivables ("trade receivables" and "other receivables") are included under this category.

Financial assets classified under this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, deemed equivalent to the fair value of the consideration paid plus directly attributable transaction costs. That is, the inherent transaction costs are capitalized.

Nevertheless, trade receivables which mature within less than one year with no explicit contractual interest rate, as well as loans to personnel, dividends receivable, and called-up payments on equity instruments, the amount of which is expected in the short term, are carried at nominal value when the effect of not discounting the cash flows is not significant.

The amortized cost method is used for subsequent measurement. Accrued interest is recognized in the income statement (finance income) using the effective interest rate method.

Receivables maturing within a year that, in keeping with the above, are initially measured at nominal value will continue to be measured at nominal value unless they have become impaired.

In general, when the contractual cash flows of a financial asset measured at amortized cost are modified due to financial difficulties of the issuer, the Company analyzes whether it is appropriate to account for an impairment loss.



## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### *Financial assets at cost*

At any rate, the Company includes the following under this category:

- a) Equity investments in group companies, jointly controlled entities, and associates (in the individual financial statements).
- b) The remaining investments in equity instruments for which fair value cannot be determined by reference to the quoted price of an identical instrument in an active market or for which fair value cannot be estimated reliably, and those derivatives whose underlying assets correspond to these investments.
- c) Hybrid financial assets for which fair value cannot be estimated reliably, unless the requirements for recognition at amortized cost are fulfilled.
- d) Contributions made as a consequence of a joint venture agreement and similar.
- e) Participative loans which accrue interest of a contingent nature, either as a result of agreeing upon a fixed or variable interest rate conditional upon the borrowing company fulfilling an objective (for example, obtaining profits) or as a result of exclusively calculating the interest payable by reference to said company's activity.
- f) Any other financial asset which must initially be classified under the fair value portfolio through profit or loss when it is not possible to obtain a reliable estimate of its fair value.

The investments included under this category are initially measured at cost, which is equivalent to the fair value of the consideration delivered plus directly attributable transaction costs. That is, the inherent transaction costs are capitalized.

In the case of investments in group companies, if an investment has been made prior to qualification as a group company, jointly controlled entity or associate, the cost of said investment is deemed to be the carrying amount that would have been recognized immediately prior to classification of the entity in question.

Subsequent measurement is also performed at cost, less any accumulated impairment losses.

Contributions made as a consequence of a joint venture agreement or similar are measured at cost, increased or decreased by the gain or loss, respectively, which corresponds to the company as non-managing investee, less any accumulated impairment losses.

The same criteria are applied to participative loans which accrue interest of a contingent nature, either as a result of agreeing upon a fixed or variable interest rate conditional upon the borrowing company fulfilling an objective (for example, obtaining profits) or as a result of exclusively calculating the interest payable by reference to said company's activity. Should an irrevocable fixed interest rate also be agreed upon apart from a contingent interest rate, the former will result in the recognition of finance income as accrued. The transaction costs are taken to the income statement on a straight-line basis over the lifetime of the participative loan.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### *Derecognition of financial assets*

The Company derecognizes a financial asset from its balance sheet when:

- the contractual rights to receive cash flows expire. Thus, a financial asset is derecognized when it matures and the Company has received the amounts agreed upon.
- the contractual rights to receive cash flows from the financial asset have been ceded. In this case, the financial asset is derecognized when the risks and rewards incidental to ownership are substantially transferred. Specifically, in sales transactions with repurchase agreements, factoring transactions, and securitizations, the financial asset is derecognized once the Company's exposure, before and after the transfer, to changes in amounts and time schedules for the net cash flows of the transferred asset has been analyzed and the related risks and rewards are deemed to have been transferred.

Subsequent to the risk and reward analysis, the Company derecognizes the financial assets when the risks and rewards inherent to ownership of the asset have been substantially transferred. The transferred asset is derecognized from the balance sheet and the Company recognizes the result of the operation: the difference between the consideration received net of attributable transaction costs (considering any new asset obtained less any liability assumed) and the carrying amount of the financial asset, plus any accumulated amount recognized directly in equity.

#### *Impairment of financial assets*

##### *Financial assets at cost*

In this case, the impairment loss corresponds to the difference between the carrying amount and the recoverable amount, deemed to be the higher of fair value less costs to sell or the present value of estimated future cash flows from the investment. For equity instruments this is calculated by either estimating the amounts to be received from dividend distributions carried out by the investee or the disposal or derecognition of the investment, or by estimating the Company's share of the cash flows expected to be generated by the investee from both its ordinary activities as well as its disposal or derecognition. Unless there is more reliable evidence available regarding recoverable amounts for investments in equity instruments, any estimates of impairment for this type of asset are calculated based on the equity of the investee, adjusted by any tacit gains at the measurement date, net of the tax effect.

Recognition of impairment losses and any subsequent reversals are recognized as an expense or as income, respectively, in the income statement. The reversal of impairment losses may not result in a carrying amount that is higher than the carrying amount of the investment which would have been recognized at the reversal date had no impairment been recognized in the first place.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### *Interest income and dividends received from financial assets*

Interest and dividends from financial assets accrued subsequent to acquisition are recognized as income in the income statement. Interest is recognized using the effective interest rate method and dividends are recognized when the right to receive them is established.

If distributed dividends are clearly derived from profits generated prior to the acquisition date because amounts have been distributed which are higher than the profits generated by the investee since acquisition, the difference is accounted for as a reduction in the carrying amount of the investment and not recognized as income. The assessment of whether profits were generated by the investee will be made exclusively taking into account the profits accounted for in the individual income statements since the acquisition date, unless there is no doubt that the distribution against said profit must be qualified as recovery of an investment from the perspective of the entity which received the dividend.

#### **b) Financial liabilities**

##### *Classification and measurement*

At initial recognition, the Company classifies all financial liabilities under one of the following categories:

- Financial liabilities at amortized cost

##### *Financial liabilities at amortized cost*

The Company classifies all financial liabilities under this category except when they must be measured at fair value through profit or loss.

In general, this category includes trade payables ("suppliers") and non-trade payables ("other payables").

Participative loans which have the characteristics of a common or ordinary loan are also included under this category without prejudice to the fact that the transaction is agreed upon at a zero interest rate or at a rate below that offered by the market.

The financial liabilities included under this category are recognized at fair value upon initial recognition, which, unless there is evidence to the contrary, is deemed the transaction price, which is in turn equivalent to the fair value of the consideration received, adjusted by any directly attributable transaction costs. That is, the inherent transaction costs are capitalized.

Nevertheless, trade payables falling due within one year for which there is no contractual interest rate, as well as called-up payments on shares, payment of which is expected in the short term, are carried at their nominal value when the effect of not discounting the cash flows is not significant.

The amortized cost method is used for subsequent measurement. Accrued interest is recognized in the income statement (finance costs) using the effective interest rate method.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

However, payables maturing within a year that, in keeping with the above, are initially recognized at nominal value will continue to be measured at nominal value.

Contributions received as a consequence of a joint venture agreement or similar are measured at cost, increased or decreased by the gain or loss, respectively, which must be attributed to the non-managing investees.

The same criteria are applied to participative loans which accrue interest of a contingent nature, either as a result of agreeing upon a fixed or variable interest rate conditional upon the borrowing company fulfilling an objective (for example, obtaining profits) or as a result of exclusively calculating the interest payable by reference to said company's activity. Finance costs are recognized in the income statement based on the accruals principle while transaction costs are taken to the income statement in accordance with financial criteria or, if not applicable, on a straight-line basis over the lifetime of the participative loan.

#### **Derecognition of financial liabilities**

The Company derecognizes a previously recognized financial liability when one of the following circumstances arise:

- The obligation has been extinguished since the debt has been settled with the creditor (via cash payment, delivery of other goods or rendering of services) or the debtor has been legally exempt from any related responsibilities.
- Own financial liabilities are acquired, even though the intention is to resell them in the future.
- An exchange of debt instruments is carried out between a borrower and a lender, provided that the terms agreed upon are substantially different, recognizing the new financial liability which arises. A substantial modification to the current terms of a financial liability is recognized in the same manner, as indicated for debt restructuring processes.

The accounting derecognition of a financial liability is calculated as the difference between the carrying amount of the financial liability, or the part of that liability that has been derecognized, and the consideration paid, including attributable transaction costs, which must also include any asset transferred other than cash or liability assumed. The derecognition is presented in the income statement for the reporting period in which it occurs.

#### **c) Fair value**

Fair value corresponds to the price receivable from sale of an asset or the price that would be paid for transferring or canceling a liability in an arm's length transaction between market participants at the measurement date. Fair value is determined without applying any deduction for transaction costs which may be incurred as a result of the disposal or use by other means. The results of a forced or urgent transaction, or those arising as a consequence of a situation involving involuntary liquidation, can never be considered as fair value.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

Fair value is estimated for a specific date and, given that the market conditions can vary over time, this value may be inadequate at another date. In addition, when estimating fair value, the company takes the conditions of the asset or liability into account which market participants would take into account when fixing the price of the asset or liability at the measurement date.

In general, fair value is calculated by reference to a reliable market value. For those items with respect to which there is an active market, fair value is obtained via application of valuation models and techniques. Valuation models and techniques include the use of references to recent arm's length transactions between knowledgeable and willing parties, if available, as well as references to the fair value of other assets that are substantially the same, discounting methods for estimated future cash flows, and the models generally used to value options.

At any rate, the valuation techniques employed are consistent with accepted methodologies used in the market for setting prices, and that technique which has demonstrably obtained the most realistic estimates for prices is used, if possible. Likewise, the techniques take observable market data into account together with other factors which the participants would consider when setting a price, limiting the use of subjective considerations and unobservable or unverifiable data to the maximum extent possible.

The Company periodically evaluates the effectiveness of the valuation techniques used, employing observable prices in recent transactions with the same asset that is being valued as a reference, or using prices based on observable market data or indices which are available and applicable.

Thus, a hierarchy emerges with respect to the variables utilized in the determination of fair value and a fair value hierarchy is established which permits classification at three levels:

- Level 1: estimates which use unadjusted listed prices in active markets for identical assets and liabilities to which the company has access at the measurement date.
- Level 2: estimates which use listed prices in active markets for similar instruments or other valuation methodologies in which all significant variables are based on directly or indirectly observable market data.
- Level 3: estimates in which a significant variable is not based on observable market data.

An estimate of fair value is classified at the same fair value hierarchy level as the lowest level variable which is significant in the result of the valuation. For these purposes, a significant variable is one that has a decisive influence on the result of the estimate. When assessing the importance of a specific variable for the estimate, the specific conditions of the asset or liability being valued are taken into account.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### **d) Own equity instruments**

All equity instruments issued by the Company are classified in "Share capital" under "Capital and reserves" in the accompanying balance sheet. The Company does not hold any other own equity instruments.

Said instruments are recognized under equity at the amount received net of direct issue costs.

When the Company acquires or sells own equity instruments, the amount paid or received is recognized directly in net equity accounts, and no amounts are recognized in the income statement for said transactions (Note 12).

#### **e) Cash and cash equivalents**

This heading in the accompanying balance sheet includes cash in hand, demand deposits at credit entities, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are classified as borrowings under current liabilities in the accompanying balance sheet.

### **4.5 Derivative financial instruments and hedge accounting**

Company policy does not allow for the use of derivative financial instruments or any hedging transactions.

### **4.6 Inventories**

The Company promotes and constructs photovoltaic solar farms for their subsequent operation and/or sale. Further, the Company recognizes the related costs incurred under "Inventories" in the accompanying balance sheet until all the terms and conditions described in Note 4.9 are met, at which time the sale is recognized.

The photovoltaic solar park projects are valued at production cost, which is understood to be the costs directly attributable to the project, as well as a reasonable portion of indirectly attributable costs.

The Company valued projects under construction at year end and transferred the related attributable costs to "Inventories."

The Company assesses the net realizable value of its inventories at each reporting date, recognizing any impairment losses as required if they are overstated. When the circumstances which gave rise to recognition of impairment losses on inventories no longer hold or there is clear evidence justifying an increase in the net realizable value due to changes in economic circumstances, the previously recognized impairment losses are reversed. This reversal is limited to the lower amount of either the cost or the new net realizable value of the inventories. Both impairment losses on inventories as well as their reversal are recognized in the income statement for the period.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### **4.7 Foreign currency transactions and balances**

As the Company's functional currency is the euro, all balances and transactions denominated in currencies other than the euro are considered as denominated in foreign currency. Said transactions are recognized in euros applying the spot exchange rates prevailing at the transaction dates.

At financial year end, the monetary assets and liabilities denominated in foreign currencies are converted to euros utilizing the average spot exchange rate prevailing at said date in the corresponding currency markets.

The gains or losses obtained from settling transactions denominated in foreign currency and the conversion at closing date exchange rates of the monetary assets and liabilities denominated in foreign currencies are recognized in the income statement for the year under "Exchange gains (losses)."

#### **4.8 Corporate income tax**

Income tax expense for the year is calculated as the sum of current tax, resulting from applying the corresponding tax rate to taxable income for the year (after applying any possible tax deductions), and any changes in deferred tax assets and liabilities.

The tax effect relating to items directly recognized in equity is recognized under equity in the balance sheet.

Deferred taxes are calculated in accordance with the balance sheet method, considering the temporary differences that arise between the tax bases of assets and liabilities and their carrying amounts, applying the regulations and tax rates that have been approved or are about to be approved at the reporting date and which are expected to apply when the corresponding deferred tax asset is realized or deferred tax liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences except for those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that is not a business combination and affects neither taxable profit nor accounting profit. Deferred tax assets are recognized when it is probable that the Company will generate sufficient taxable profit in the future against which the deductible temporary differences or the unused tax loss carryforwards or tax assets can be utilized.

At each reporting date the Company reviews the deferred tax assets and liabilities recognized to verify that they remain in force, making any appropriate adjustments on the basis of the results of the analysis performed.

The Company has been filing its tax returns under a consolidated tax regime since 2021 together with the remaining Spanish companies included in the Grenergy Group, the identification number of which is 429/21 (Note 16.1).

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### **4.9 Recognition of income and expenses**

In accordance with the accruals principle, income is recognized when control is transferred and expenses are recognized when they are incurred, regardless of when actual payment or collection occurs. The Company is dedicated to the development, construction, and maintenance of photovoltaic and wind parks. In addition, it acts as supplier of the Greenergy Group for the sale of materials used in the construction of photovoltaic parks.

##### **4.9.1 Recognition**

The most significant criteria utilized by the Company for recognition of its revenue and expenses are the following:

- Revenue from the sale of materials:

The Company acts as supplier for the Group in the purchase of materials used in the construction of photovoltaic parks. Revenue from the sale of materials is recognized when control over the asset is transferred to the client, generally corresponding to the moment when the material is delivered to the location where the photovoltaic park will be built. Given that there is a physical transfer to the client, control is transferred when ownership is implicitly accepted and the risks and rewards are transferred.

- Revenue from construction contracts (EPC) on land owned by third parties:

Contract for the construction of the solar parks at a price payable based on the achievement of certain milestones (milestone billing). Thus, for engineering, procurement, and construction contracts ("EPC contracts"), the Group in general applies the criteria for recognizing income and results corresponding to each contract based on their stage of completion, obtained based on the percentage of costs incurred with respect to the total costs budgeted. Losses which may arise on the contracted projects are recognized, in their totality, at the moment said losses become apparent and can be estimated. The difference between the income recognized for each project and the amount invoiced is recognized as follows: if positive, as "Production executed pending invoice" (deferred billing) under "Trade and other receivables" in the balance sheet; if negative, as "Customer advances" (advance billing) under "Trade and other payables" in the balance sheet.

- Revenue from development fees:

Contracts by virtue of which the Company commits itself to obtaining, on behalf of the SPV, the permits, licenses, and authorizations for construction of the parks. The Company in general applies the criteria for recognizing income from this type of contract when control over the services is transferred, which in general occurs when the contracts are finally obtained.

- Revenue from operation and maintenance contracts and asset management contracts:

Revenue is recognized to the extent the entity satisfies performance obligations by transferring the services contracted, regardless of when actual payment or collection occurs.



**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

**4.9.2 Contract balances**

**a) Contract assets**

*Unconditional right to receive consideration*

When the Company has an unconditional right to receive consideration, regardless of whether control over assets is transferred or not, a collection right is recognized in the subheadings "Trade receivables" or "Trade receivables from group companies and associates" under "Trade and other receivables" in current or non-current assets, depending on maturities and the normal operating cycle.

"Trade and other receivables" under current assets differentiates those client balances which, though within the normal operating cycle, mature in a period exceeding one year (non-current).

*Right to consideration for transfer of control*

When control over a contract asset is transferred without the unconditional right to billing, the Company recognizes a right to consideration for transfer of control. This right is derecognized when an unconditional right to receive consideration arises. However, impairment is analyzed at year end in the same way as for unconditional rights.

These balances, like unconditional rights, are presented as trade receivables. They are classified as current or non-current based on their maturities.

**b) Contract liabilities**

*Contractual obligations*

If the customer pays the consideration, or has an unconditional right to receive it, before transferring the good or service to the customer, the Company recognizes a contract liability when payment has been made or is due.

These contract liabilities are presented as customer advances under trade and other payables (current liabilities) or as non-current accruals (non-current liabilities) depending on their maturity.

*Provision for delays and guarantees*

The Company has recognized a provision for delays and guarantees in compliance with the construction contracts (Note 13).

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### **4.10 Provisions and contingencies**

At the date of authorization of the accompanying financial statements the directors of the Company made the following distinctions:

- Provisions: existing obligations at the reporting date arising from past events that are uncertain as to amount or timing, but for which it is probable that the Company will suffer an outflow of resources which can be reliably estimated.
- Contingent liabilities: possible obligations arising as a consequence of past events, materialization of which is conditional upon one or more uncertain events occurring in the future not entirely within control of the Company and which do not meet the requirements for recognition as provisions.

The financial statements of the Company present all the significant provisions with respect to which it considers the related obligation will probably have to be met. The provisions are quantified based on the best information available at the reporting date regarding the consequences of the triggering events and taking into account the time value of money, if significant.

Their allocation is made with a charge against the income statement for the year in which the obligation arises (legal, contractual, or implicit), and can be fully or partially reversed with a credit to the income statement when the obligations cease to exist or decrease.

The Company did not recognize any contingent liabilities at year end.

#### **4.11 Environmental assets and liabilities**

Environmental assets are classified as those the Company utilizes in its activities over a long period of time whose primary purpose is to minimize the environmental impact and protect or improve the environment, including those assets designed to reduce or eliminate future contamination from the Company's activities.

The criteria for initial recognition, allocation for amortization/depreciation, and possible impairment loss adjustments on said assets are as described in Note 4.2 above.

Given the Company's activities, and in accordance with prevailing legislation, it controls the degree of contamination produced by waste and emissions by applying an appropriate waste disposal policy. Expenses for these purposes are charged to the income statement for the year in which they are incurred.

#### **4.12 Employee benefits expense**

Employee expenses include all the Company's duties and obligations of a social nature, whether mandatory or voluntary, recognizing the obligations for bonus salary payments, holidays, and variable remuneration, as well as associated expenses.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### **a) Short-term employee benefits**

This type of remuneration is measured at the undiscounted amount payable in exchange for services received. These benefits are generally recognized as personnel expenses for the year and are presented as a liability in the balance sheet corresponding to the difference between the total expense accrued and the amount settled at the reporting date.

#### **b) Termination benefits**

In keeping with prevailing legislation, the Company is obliged to pay indemnities to employees who are dismissed through no fault of their own. Said termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it has a demonstrable commitment to terminate its current labor contracts under an irrevocable and detailed plan or to provide termination benefits as part of an offer to encourage voluntary redundancy.

At year end the Company had no plan to reduce personnel that would require it to record a corresponding provision.

#### **4.13 Payments based on shares and share options**

Transactions in which the Company receives goods or services, including services rendered by employees, in exchange for its own equity instruments, or an amount based on the value of its equity instruments, such as share options or share appreciation rights, are considered equity-settled transactions.

The Company recognizes, on the one hand, the goods and services at the time they are received as an asset or expense, depending on their nature, and on the other, the corresponding increase in equity, if the transaction is settled using equity instruments, or the corresponding liability, if it is settled with an amount that is based on the value of equity instruments.

If the Company has the option to settle with equity instruments or in cash, it must recognize a liability to the extent that it has incurred a present obligation to settle in cash or with other assets; alternatively, it shall recognize an increase in equity. If the choice corresponds to the supplier of the goods or services, the Company shall recognize a compound financial instrument, which shall include a liability component for the other party's right to demand payment in cash and an equity component for the right to receive the consideration in own equity instruments.

In transactions in which services must be completed throughout a certain period of time, these services shall be recognized as rendered during said period.

In transactions with employees which are settled with equity instruments, both the services rendered and the increase in equity to be recognized shall be measured at fair value of the equity instruments assigned on the grant date.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

Equity-settled transactions which relate to goods or services other than those provided by employees shall be measured at the fair value of said goods or services, if this can be measured reliably, at the date received. If the fair value of the goods or services received cannot be reliably measured, the goods or services received and the increase in equity shall be measured at the fair value of the equity instruments granted corresponding to the date on which the Company obtains the goods or the other party renders the services.

After recognition of the goods and services received, as established in the above paragraphs, as well as the corresponding increase in equity, no additional adjustments shall be made to equity after the vesting date.

For cash-settled transactions, the goods or services received and the liability to be recognized shall be measured at the fair value of the liability corresponding to the date on which the recognition requirements are met.

Thereafter, and until settlement, the corresponding liability shall be measured at fair value at each year end, and any changes in value during the year shall be recognized in the income statement.

At December 31, 2022, the Company had granted various incentive plans to its employees consisting of options on its shares. Said plan establishes that the transactions shall be settled via delivery of equity instruments (Note 12.5).

#### **4.14 Related-party transactions**

Commercial or financial transactions carried out with group companies, jointly controlled entities, associates, and other related parties are initially recognized at fair value regardless of the degree of relationship.

#### **4.15 Classification of balances between current and non-current**

The Company classifies assets and liabilities in the balance sheet as current and non-current. For these purposes, assets and liabilities are classified as current in accordance with the following criteria:

- Assets are classified as current when they are expected to be realized or are intended for sale or consumption in the Company's normal operating cycle; they are held primarily for trading; they are expected to be realized within 12 months from the reporting date; or are cash or cash equivalents, unless they are restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- Liabilities are classified as current when it is expected that they will be settled in the Company's normal operating cycle; they are held primarily for the purpose of trading; they are due to be settled within twelve months from the reporting date; or if the Company does not have the unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## GREENERGY RENOVABLES, S.A.

Notes to the financial statements  
for the year ended December 31, 2022

### 5. Intangible assets

The breakdown and movements in this balance sheet heading during 2022 and 2021 were as follows:

	Patents, licenses, trademarks, et al.	Software	TOTAL
<b>COST</b>			
Balance at 12.31.2020	4	120	124
Additions	8	16	24
Balance at 12.31.2021	12	136	148
Additions	-	195	195
Balance at 12.31.2022	12	331	343
<b>AMORTIZATION</b>			
Balance at 12.31.2020	-	(43)	(43)
Allowance for the year	(1)	(23)	(24)
Balance at 12.31.2021	(1)	(66)	(67)
Allowance for the year	(1)	(27)	(28)
Balance at 12.31.2022	(2)	(93)	(95)
Net carrying amount at 12.31.2021	11	70	81
Net carrying amount at 12.31.2022	10	238	248

#### **Significant movements**

The additions during the year mainly correspond to the implementation of a new ERP system, which at year end was still in the process of being implemented.

#### **Fully amortized assets**

At 2022 and 2021 year end the Company's intangible assets included fully amortized assets still in use amounting to 8 thousand and 6 thousand euros, respectively.

#### **Intangible assets acquired from group companies and associates**

No intangible assets were acquired from group companies or associates in 2022 and 2021.

#### **Impairment losses**

The directors of the Company consider that there are no indications of any impairment losses on its intangible assets at 2022 and 2021 year end, thus not recognizing any impairment loss allowances for either year.

#### **Leases**

At December 31, 2022 and 2021, the Company held no intangible assets under finance leases. Likewise, the Company is not party to any operating lease agreements in connection with its intangible assets.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### Firm purchase and sale commitments

The Company has no commitments to acquire or sell any intangible assets at significant amounts. Neither are any intangible assets affected by litigation or encumbered as guarantees to third parties.

#### Insurance

The Company has taken out various insurance policies to cover the risks to which its intangible assets are exposed and considers said coverage as sufficient.

## 6. Property, plant, and equipment

The breakdown and movements in this balance sheet heading for 2022 and 2021 are as follows:

	Machinery and technical installations	Other plant, tools, and furniture	Other PP&E items	PP&E under construction and prepayments	TOTAL
<b>COST</b>					
Balance at 12.31.2020	37	816	389	-	1,242
Additions	3	885	238	114	1,240
Disposals, derecognitions, and reductions	-	-	(32)	-	(32)
Balance at 12.31.2021	40	1,701	595	114	2,450
Additions	14	135	249	234	632
Disposals, derecognitions, and reductions	-	-	-	-	-
Balance at 12.31.2022	54	1,836	844	348	3,082
<b>DEPRECIATION</b>					
Balance at 12.31.2020	(21)	(234)	(163)	-	(418)
Allowance for the year	(3)	(102)	(105)	-	(210)
Decreases	-	-	29	-	29
Balance at 12.31.2021	(24)	(336)	(239)	-	(599)
Allowance for the year	(4)	(172)	(126)	-	(302)
Decreases	-	-	-	-	-
Balance at 12.31.2022	(28)	(508)	(365)	-	(901)
Net carrying amount at 12.31.2021	16	1,365	356	114	1,851
Net carrying amount at 12.31.2022	26	1,328	479	348	2,181

The useful lives of these assets and the depreciation criteria applied are disclosed in Note 4.2.

The main additions during 2022 and 2021 correspond to furniture and refurbishment work on the new offices located at calle Rafael Boti no. 26 in Madrid, as well as the acquisition of transport equipment.

The main derecognitions during 2021 correspond to transport equipment.

#### PP&E acquired from group companies and associates

No PP&E items were acquired from group companies in 2022 and 2021.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### Impairment losses

The directors of the Company consider that there are no indications of any impairment losses on the different items comprising its PP&E at 2022 and 2021 year end.

#### Fully depreciated assets

At 2022 year end the Company had fully depreciated PP&E items still in use amounting to 189 thousand euros (2021: 28 thousand euros).

#### Leases

"PP&E" at December 31, 2022 and 2021, presents balances amounting to 1,250 thousand euros and 1,374 thousand euros, respectively, corresponding to the net carrying amount for transport equipment, technical installations, and furniture which is held under finance lease agreements and classified under the corresponding heading according to their nature. The durations of the lease agreements range from 2 to 5 years (Note 7.1).

#### Firm purchase and sale commitments

The Company has no commitments to acquire or sell PP&E items in significant amounts and neither are any of said assets affected by litigation or encumbered as guarantees to third parties.

#### Insurance

The Company has taken out various insurance policies to cover the risks to which its PP&E items are exposed. The coverage of these insurance policies is considered sufficient.

#### Other information

The Company does not have any PP&E items located outside Spanish territory.

## 7. Leases and other similar transactions

### 7.1 Finance Leases - Lessee

At December 31, 2022 and 2021 the assets acquired by the Company by virtue of finance lease agreements were as follows:

Year ended December 31, 2022

Property, plant, and equipment	Gross value	Accumulated depreciation	Net carrying amount
Transport equipment	418	(177)	241
Plant	1,244	(235)	1,009
<b>Total</b>	<b>1,662</b>	<b>(412)</b>	<b>1,250</b>

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

Year ended December 31, 2021

Property, plant, and equipment	Gross value	Accumulated depreciation	Net carrying amount
Transport equipment	353	(113)	240
Plant	1,244	(110)	1,134
<b>Total</b>	<b>1,597</b>	<b>(223)</b>	<b>1,374</b>

The initial value of said assets corresponds to the lower of fair value of the good and the present value of minimum payments agreed upon, including the purchase option if applicable, at the lease date.

The most significant data at December 31, 2022 and 2021 in connection with the goods acquired under finance leases are as follows:

Year ended December 31, 2022

Item	Lease maturity	Number of lease payments	Thousands of euros				
			Cost at source	Lease payments made		Pending payments	
				Prior years	Current year	Current	Non-current
Transport equipment	11/22/2022	48 a)	106	35	71	-	-
Transport equipment	2/26/2024	60 a)	33	17	7	8	1
Transport equipment	6/3/2024	60 a)	37	17	7	9	4
Transport equipment	1/4/2026	60 a)	21	3	4	4	10
Transport equipment	2/8/2026	60 a)	21	3	4	4	10
Transport equipment	2/8/2026	60 a)	21	3	4	4	10
Transport equipment	2/8/2026	60 a)	21	3	4	4	10
Transport equipment	2/13/2026	60 a)	20	2	4	4	10
Transport equipment	2/28/2026	60 a)	26	4	5	5	12
Transport equipment	2/28/2026	60 a)	26	4	5	5	12
Transport equipment	4/22/2027	60 a)	22	-	3	4	14
Transport equipment	4/22/2027	60 a)	22	-	3	4	14
Transport equipment	4/22/2027	60 a)	22	-	3	4	14
Plant	11/1/2026	60 a)	1,244	79	199	242	724
<b>Total</b>			<b>1,642</b>	<b>170</b>	<b>323</b>	<b>301</b>	<b>845</b>

a) Monthly lease payments

Year ended December 31, 2021

Item	Lease maturity	Number of lease payments	Thousands of euros				
			Cost at source	Lease payments made		Pending payments	
				Prior years	Current year	Current	Non-current
Transport equipment	11/22/2022	48 a)	106	23	12	71	-
Transport equipment	2/26/2024	60 a)	33	12	5	7	8
Transport equipment	6/3/2024	60 a)	37	12	8	7	11
Transport equipment	1/4/2026	60 a)	21	-	7	4	14
Transport equipment	2/8/2026	60 a)	21	-	7	4	14
Transport equipment	2/8/2026	60 a)	21	-	7	4	14
Transport equipment	2/8/2026	60 a)	21	-	7	4	14
Transport equipment	2/13/2026	60 a)	20	-	6	4	13
Transport equipment	2/28/2026	60 a)	26	-	8	5	17
Transport equipment	2/28/2026	60 a)	26	-	8	5	17
Plant	11/1/2026	60 a)	1,244	-	79	239	966
<b>Total</b>			<b>1,576</b>	<b>47</b>	<b>154</b>	<b>354</b>	<b>1,088</b>

a) Monthly lease payments



**GREENERGY RENOVABLES, S.A.****Notes to the financial statements  
for the year ended December 31, 2022****7.2 Operating leases - Lessee**

The Company leases the right to use certain goods from third parties or related parties to perform its activity. The conditions attaching to the main lease agreements which were in force during 2022 and 2021 were as follows:

Year ended December 31, 2022

Item	Lease maturity	Expense for the year
		2022
Offices Rafael Botí 26	2026	668
Vehicles	2022-2027	46
Other rents	2022	75
<b>Total</b>		<b>789</b>

Year ended December 31, 2021

Item	Lease maturity	Expense for the year
		2021
Offices Rafael Botí 2	2021	45
Oficinas Rafael Botí 26 (3rd floor)	2026	281
Oficinas Rafael Botí 26 (1st floor)	2024	185
Vehicles	2022-2025	39
Other rents	2021	5
<b>Total</b>		<b>555</b>

At 2022 and 2021 year end the Company had set up the legal guarantees demanded by the lessors, the value of which amounted to 28 thousand and 25 thousand euros, respectively (Note 8.2).

At December 31, 2022 and 2021, the future minimum payments for non-cancellable operating lease agreements, broken down by maturity, are as follows:

	Minimum payments 2022	Minimum payments 2021
Up to one year	771	667
Between 1 and 5 years	3,005	1,279
More than five years	-	-
<b>Total</b>	<b>3,776</b>	<b>1,946</b>

Neither at 2022 nor 2021 year end, or during either year, were the assets leased by the Company subleased to third parties.

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

**8. Financial investments**

**8.1 Investments in group companies**

The breakdown and movements in this balance sheet heading during 2022 and 2021 were as follows:

Year ended December 31, 2022

	Balance at 12.31.2021	Additions	Retirements	Impairment losses	Transfers	Balance at 12.31.2022
<b>Non-current investments</b>						
Equity instruments	37,585	10,408	(31)	(8,159)	-	39,803
Unpaid portion of equity investments	(139)	(38)	-	-	-	(177)
Loans to companies	79,150	128,116	-	(1,116)	-	206,150
	<b>116,596</b>	<b>138,486</b>	<b>(31)</b>	<b>(9,275)</b>	<b>-</b>	<b>245,776</b>
<b>Current investments</b>						
Loans to companies	1,353	-	(1,353)	-	-	-
	<b>1,353</b>	<b>-</b>	<b>(1,353)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>117,949</b>	<b>138,486</b>	<b>(1,384)</b>	<b>(9,275)</b>	<b>-</b>	<b>245,776</b>

Year ended December 31, 2021

	Balance at 12.31.2020	Additions	Retirements	Impairment losses	Transfers	Balance at 12.31.2021
<b>Non-current investments</b>						
Equity instruments	31,901	8,884	-	(3,200)	-	37,585
Unpaid portion of equity investments	(115)	(24)	-	-	-	(139)
Loans to companies	19,754	46,787	-	-	12,609	79,150
	<b>51,540</b>	<b>55,647</b>	<b>-</b>	<b>(3,200)</b>	<b>12,609</b>	<b>116,596</b>
<b>Current investments</b>						
Loans to companies	13,745	1,353	(1,136)	-	(12,609)	1,353
	<b>13,745</b>	<b>1,353</b>	<b>(1,136)</b>	<b>-</b>	<b>(12,609)</b>	<b>1,353</b>
<b>Total</b>	<b>65,285</b>	<b>57,000</b>	<b>(1,136)</b>	<b>(3,200)</b>	<b>-</b>	<b>117,949</b>

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### Equity instruments

The breakdown at 2022 and 2021 year end and the movements for this balance sheet heading are as follows:

Company name	Balance at 12.31.20	Additions	Derecognitions	Impairment losses	Balance at 12.31.21	Additions	Derecognitions	Impairment losses	Balance at 12.31.22
GREENERGY PACIFIC LTDA	43	-	-	-	43	-	-	-	43
GREENERGY PERU SAC	1	-	-	-	1	-	-	-	1
GREENHOUSE SOLAR FIELDS, S.L.	3	-	-	-	3	-	-	-	3
GREENHOUSE SOLAR ENERGY, S.L.	3	-	-	-	3	-	-	-	3
GREENHOUSE RENEWABLE ENERGY, S.L.	3	-	-	-	3	-	-	-	3
GUIA DE ISORA SOLAR 2, S.L.	2	-	-	-	2	-	-	-	2
GR RENOVABLES MÉXICO	3	-	-	-	3	-	-	-	3
GR SOLAR 2020, S.L.	3	-	-	-	3	-	-	-	3
GR SUN SPAIN, S.L.	3	-	-	-	3	-	-	-	3
GR EQUITY WIND AND SOLAR, S.L.	3	-	-	-	3	-	-	-	3
GR TARUCA S.A.C.	4,932	-	-	-	4,932	-	-	(4,079)	853
GR PAINO S.A.C.	5,011	-	-	-	5,011	-	-	(4,080)	931
GREENERGY COLOMBIA S.A.S.	270	-	-	-	270	-	-	-	270
GREENHUB S.L. DE C.V.	20	-	-	-	20	-	-	-	20
LEVEL FOTOVOLTAICA S.L.	2	-	-	-	2	-	-	-	2
GR BAÑUELA RENOVABLES, S.L.	3	965	-	-	968	-	-	-	968
GR TURBON RENOVABLES, S.L.	3	965	-	-	968	-	-	-	968
GR AITANA RENOVABLES, S.L.	3	965	-	-	968	-	-	-	968
GR ASPE RENOVABLES, S.L.	3	965	-	-	968	-	-	-	968
KOSTEN S.A.	5,823	-	-	(3,200)	2,623	-	-	-	2,623
GREENERGY ATLANTICS, S.A.	315	87	-	-	402	-	-	-	402
EIDEN RENOVABLES, S.L.	3	-	-	-	3	-	-	-	3
EL AGUILA RENOVABLES, S.A.	3	-	-	-	3	-	-	-	3
MAMBAR RENOVABLES, S.L.	3	-	-	-	3	-	-	-	3
CHAMBO RENOVABLES, S.A.	3	-	-	-	3	-	-	-	3
EUGABA RENOVABLES, S.L.	3	-	-	-	3	403	-	-	406
TAKE RENOVABLES, S.L.	3	-	-	-	3	423	-	-	426
NEGUA RENOVABLES, S.L.	3	-	-	-	3	395	-	-	398
GREENERGY OPEX, SPA	1	-	-	-	1	-	-	-	1
PEQ, SPA	15,210	-	-	-	15,210	-	-	-	15,210
GREENERGY RINNOVABILI ITALIA, SRL	100	-	-	-	100	250	-	-	350
GR POWER CHILE, SPA	1	-	-	-	1	-	-	-	1
GREENERGY PALMAS DE COCOLÁN, SPA	-	2,191	-	-	2,191	10,165	-	-	12,356
CE CENTINELA SOLAR SPA	-	28	-	-	28	-	(28)	-	-
CE URIBE DE ANTOFAGASTA SOLAR SPA	-	3	-	-	3	-	(3)	-	-
CHAPIQUINA SOLAR SPA	-	1	-	-	1	-	-	-	1
MAITE SOLAR SPA	-	1,268	-	-	1,268	-	(1,268)	-	-
MIGUEL SOLAR SPA	-	1,319	-	-	1,319	-	(1,319)	-	-
GR RINNOVABILI 1 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 2 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 3, SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 4 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 5 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 6 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 7 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 8 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 9 SRL	-	10	-	-	10	-	-	-	10
GR RINNOVABILI 10 SRL	-	10	-	-	10	-	-	-	10
BOTINTO S.P.Z.O. O	-	3	-	-	3	-	-	-	3
PARQUE SOLAR TANGUA, SPA	-	-	-	-	-	913	-	-	913
MANZANO SOLAR SPA	-	-	-	-	-	20	-	-	20
GREENERGY ERNEUERBARE ENERGIEN GMBH	-	-	-	-	-	25	-	-	25
PFV EL LORO CHOROY	-	-	-	-	-	363	-	-	363
VIATRES RENEWABLE ENERGY, S.L.	1	-	-	-	1	-	-	-	1
<b>Total</b>	<b>31,786</b>	<b>8,860</b>	<b>-</b>	<b>(3,200)</b>	<b>37,446</b>	<b>12,957</b>	<b>(2,618)</b>	<b>(8,159)</b>	<b>39,626</b>

#### Significant movements

The main movements during 2022 correspond to the incorporation of new companies, capital increases for those already incorporated, or non-monetary contributions of shares to another investee company, as can be seen in the above table. In addition, the following transactions were carried out in 2022:

- Acquisition of the following companies: Parque Solar Tangua, SpA; Manzano Solar, SpA C; and PFV El Loro Choroy, SpA for amounts of 913 thousand; 20 thousand; and 363 thousand euros, respectively.
- Capital increase for Greenergy Palmas de Cocalán, SpA. amounting to 10,165 thousand euros.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

- Sale of the investments held in the following companies: GR Nahuelbuta, SpA; GR Conguillio, SpA; La Cuesta Solar, SpA; GR Bayovar, SAC; and GR Vale, SAC. Said transactions generated capital gains amounting to 18,372 thousand euros, recognized under "Impairment and gains (losses) on disposal of financial instruments" in the accompanying income statement (Note 17.4).

The main movements during 2021 correspond to the incorporation of new companies or capital increases in those already incorporated as can be seen in the above table. In addition, the following transactions were carried out in 2021:

- Acquisition of the following companies: CE Centinela Solar, SpA; CE Uribe de Antofagasta Solar, SpA; Chapiquina Solar, SpA; Maite Solar, SpA; and Miguel Solar, SpA for amounts of 28; 3; 1; 1,268; and 1,319 thousand euros, respectively.
- Sale of interest held in the following companies: GR Toromiro, SpA; GR Hornopirén, SpA; GR Tolhuaca, SpA; GR Pumalin, SpA; GR Patagonia, SpA; GR Queulat, SpA; GR Lumilla, SpA; GR Villarrica, SpA; GR Lumilla, SpA; GR Archipiélago Juan Fernández, SpA; GR Huanaco, SpA; and GR Piñol, SpA. Said transactions generated capital gains amounting to 31,528 thousand euros, recognized under "Impairment and gains (losses) on disposal of financial instruments" in the accompanying income statement (Note 17.4).

The Company holds interests in numerous group companies. Most of these companies correspond to special purpose vehicles that hold or will hold each of the different projects included in the Group's pipeline. At December 31, 2022 and 2021, several of these companies presented negative equity. The Company's directors consider that there are no indications of impairment on the interests held in these group companies as they expect these companies will restore their equity when the parks become operational.

None of the entities in which the Company has invested are listed on an organized securities market.

At December 31, 2022 and 2021, the Company considers that holding less than 20% of interests in another company means no significant influence can be exercised over it, while holding more than 20% of interests in another company does allow for the exercise of significant influence.

The information on each of the entities in which the Company is invested is attached in Appendix I.

#### Impairment losses

At the end of each reporting period, the directors evaluate whether there are any indications of impairment with respect to the valuations of financial investments in equity instruments and borrowing facilities granted to Group companies. Management uses, amongst other means, financial projections for each company in order to review indications of impairment. Said financial projections are structured in such a manner as to determine the costs of each project (both in the construction phase and the operational phase) and allow for the income to be projected over the entire lifetime of the installation, given that they are either regulated by long-term sales contracts or by means of the price curve obtained from independent experts when they are market-based.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

Given that at December 31, 2022 all investments in equity instruments for companies which own the solar plants and wind parks were obtaining revenue and reasonably complying with the business plans, the directors consider there are no indications of any impairment, except in the case of Kosten S.A. (wind park in Argentina), GR Taruca and GR Paino (wind parks in Peru), and Green Hub (solar park in San Miguel de Allende, Mexico), for which the Company performed an impairment test in light of the situation in which the respective countries find themselves, the increases in interest rates, and the current international environment.

As a result of these tests, an impairment loss was recognized for the interests held in GR Taruca and GR Paino, amounting to 4,079 thousand and 4,080 thousand euros, respectively. In contrast, it was not necessary to recognize any additional impairment losses on the interests held in GR Kosten. Finally, as a consequence of the test, an impairment loss on the balance receivable from the Group company Green Hub was recognized in the amount of 1,116 thousand euros. These amounts were recognized under "Impairment and gains (losses) on disposal of financial instruments" in the accompanying income statement (Note 17).

At December 31, 2021, considering the economic and entrepreneurial environment resulting from COVID-19, current market conditions, the prevailing economic uncertainty, as well as the specific situation in Argentina, the Company performed an impairment test on the cash generating unit ("CGU") belonging to the wind park in Argentina relating to the Group company Kosten, S.A. As a result of said test, the Company recognized 2,336 thousand euros of impairment losses on the interests held in Kosten under "Impairment and gains (losses) on disposals of financial instruments" in the accompanying income statement, in addition to the 3,200 thousand euros of impairment losses recognized in 2020 (Note 17.4).

- Impairment test for GR Kosten (Argentina)

The main hypotheses used for determining the recoverable amount at December 31, 2022 and 2021, by discounting cash flows, were as follows:

	12.31.2022	12.31.2021
Discount rate	10.5%	9.01%
Period (years)	20	20

The useful life of this park is 25 years. However, the number of years for which cash flows have been projected is 20 years, in agreement with the long-term energy sales contract signed with a third party. For the remaining years, a terminal value was included, which is an habitual market practice, corresponding to 25% of the value of the civil engineering work performed, connection rights and infrastructure (which go beyond 20 years), and the project site, of little significance (approximately 1 million euros).

A study was obtained from an independent expert for estimating electricity production.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

- Impairment test for GR Taruca and GR Paino (Peru)

The main hypotheses used for determining the recoverable amount at December 31, 2022 and 2021, by discounting cash flows, were as follows:

	12.31.2022	12.31.2021
Discount rate	7.94%	6.2%
Period (years)	25	25

The useful life of these parks is 25 years.

A study was obtained from an independent expert for estimating electricity production and market prices.

- Impairment test for Green Hub (Mexico)

The main hypotheses used for determining the recoverable amount at December 31, 2022, by discounting cash flows, were as follows:

	12.31.2022
Discount rate	7.25%
Period (years)	25

The useful life of this park is 30 years.

A study was obtained from an independent expert for estimating electricity production and market prices.

The directors of the Company consider that there are no indications of additional impairment losses on interests held in group companies.

### Loans to group companies

These loans correspond to the financing granted by the Company to different group companies. At 2022 and 2021 year end, the breakdown of these borrowing facilities by entity, including their main characteristics, is as follows:

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

Year ended December 31, 2022

Entity	Non-current assets	Current assets	Total
GR RENOVABLES MÉXICO S.A. DE C.V.	4,051	-	4,051
GREENERGY PERU SAC	5,637	-	5,637
GREENERGY COLOMBIA S.S.	21,610	-	21,610
KOSTEN.S.A.	18,034	-	18,034
GREENERGY ATLANTIC, S.A.	439	-	439
GR SOLAR 2020, S.L.U.	1,209	-	1,209
GR SUN SPAIN SLU	103	-	103
GR TARUCA	22,778	-	22,778
GR PAINO	22,500	-	22,500
GR AITANA RENOVABLES, S.L.	5,464	-	5,464
GR BAÑUELA RENOVABLES, S.L.	5,351	-	5,351
GR TURBON RENOVABLES, S.L.	5,323	-	5,323
GR ASPE RENOVABLES, S.L.	5,825	-	5,825
GREEN HUB S. DE R.C. DE C.V.	14,339	-	14,339
EIDEN RENOVABLES, S.L.U.	286	-	286
CHAMBO RENOVABLES, S.L.U.	267	-	267
MAMBAR RENOVABLES, S.L.	257	-	257
EL AGUILA RENOVABLES, S.L.	508	-	508
EUGABA RENOVABLES, S.L.U.	1,714	-	1,714
NEGUA RENOVABLES, S.L.U.	1,665	-	1,665
TAKE RENOVABLES, S.L.U.	1,934	-	1,934
GR SISON RENOVABLES, S.L.U	473	-	473
GR PORRON RENOVABLES, S.L.U	91	-	91
GR BISBITA RENOVABLES, S.L.U	247	-	247
GR AVUTARDA RENOVABLES, S.L.U	308	-	308
GR COLIMBO RENOVABLES, S.L.U	221	-	221
GR MANDARIN RENOVANLES, S.L.U	338	-	338
GR FAISAN RENOVABLES, S.L.U	99	-	99
GR CALAMON RENOVABLES, S.L.U	125	-	125
GR MALVASIA RENOVABLES, S.L.U	62	-	62
GR MARTINETA RENOVABLES, S.L.U	180	-	180
GREENERGY RINNOVABILI ITALIA	2,298	-	2,298
GR LAS PALMAS DE COCALAN	16,072	-	16,072
GREENERGY RENEWABLES UK	1,486	-	1,486
GR ANDINO SAC	1,046	-	1,046
PARQUE FOTOVOLTAICO NUEVO QUILLAGUA	2,068	-	2,068
GREENERGY POLSKA	589	-	589
GR SOL DE BAYUNCA	4,959	-	4,959
GR PARQUE SOLAR LA MEDINA SAS	4,791	-	4,791
GR PARQUE SOLAR CABALLEROS	4,805	-	4,805
GR MONTELIBANO SOLAR SAS	223	-	223
GR POWER CHILE SPA	467	-	467
GREENERGY OPEX SPA	140	-	140
CERRITOS SOLAR SAS	5,028	-	5,028
GREENERGY USA LLP	4,672	-	4,672
GREENERGY EPC EUROPA	8,042	-	8,042
GREENERGY PACIFIC, LTDA.	7,755	-	7,755
Other group companies	271	-	271
<b>Total</b>	<b>206,150</b>	<b>-</b>	<b>206,150</b>

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

Year ended December 31, 2021

Entity	Thousands of euros		
	Non-current assets	Current assets	Total
GR RENOVABLES MÉXICO S.A. DE C.V.	3,589	-	3,589
GREENERGY PERÚ SAC	4,196	-	4,196
GREENERGY COLOMBIA S.S.	4,926	-	4,926
LEVEL FOTOVOLTAICA, S.L.	-	-	-
KOSTEN.S.A.	4,885	-	4,885
KOSTEN.S.A.	5,152	-	5,152
KOSTEN.S.A.	5,350	-	5,350
GREENERGY ATLANTIC, S.A.	393	-	393
GR SOLAR 2020, S.L.U.	1,058	-	1,058
GR SUN SPAIN SLU	103	-	103
GR TARUCA	3,173	-	3,173
GR PAINO	3,456	-	3,456
GR AITANA RENOVABLES, S.L.	4,011	-	4,011
GR BAÑUELA RENOVABLES, S.L.	4,002	-	4,002
GR TURBON RENOVABLES, S.L.	4,002	-	4,002
GR ASPE RENOVABLES, S.L.	4,002	-	4,002
GR AITANA RENOVABLES, S.L.	-	279	279
GR BAÑUELA RENOVABLES, S.L.	-	204	204
GR TURBON RENOVABLES, S.L.	-	211	211
GR ASPE RENOVABLES, S.L.	-	199	199
GREEN HUB S. DE R.C. DE C.V.	15,726	-	15,726
EIDEN RENOVABLES, S.L.U.	70	-	70
CHAMBO RENOVABLES, S.L.U.	71	-	71
MAMBAR RENOVABLES, S.L.	69	-	69
EL ÁGUILA RENOVABLES, S.L.	131	-	131
EUGABA RENOVABLES, S.L.U.	210	-	210
NEGUA RENOVABLES, S.L.U.	210	-	210
TAKE RENOVABLES, S.L.U.	219	-	219
GR SISON RENOVABLES, S.L.U.	176	-	176
GR PORRÓN RENOVABLES, S.L.U.	74	-	74
GR BISBITA RENOVABLES, S.L.U.	170	-	170
GR AVUTARDA RENOVABLES, S.L.U.	218	-	218
GR COLIMBO RENOVABLES, S.L.U.	210	-	210
GR MANDARÍN RENOVABLES, S.L.U.	268	-	268
GR FAISÁN RENOVABLES, S.L.U.	69	-	69
GR CALAMÓN RENOVABLES, S.L.U.	74	-	74
GR MALVASÍA RENOVABLES, S.L.U.	27	-	27
GR MARTINETA RENOVABLES, S.L.U.	128	-	128
GREENERGY RINNOVABILI ITALIA	256	-	256
GR LAS PALMAS DE COCALÁN	7,341	-	7,341
GREENERGY RENEWABLES UK	561	-	561
GR ANDINO SAC	496	-	496
PARQUE FOTOVOLTAICO NUEVO QUILLAGUA	-	418	418
GR AITANA RENOVABLES, S.L.	-	25	25
GR BAÑUELA RENOVABLES, S.L.	-	7	7
GR TURBON RENOVABLES, S.L.	-	9	9
GR ASPE RENOVABLES, S.L.	-	1	1
Other group companies	78	-	78
<b>Total</b>	<b>79,150</b>	<b>1,353</b>	<b>80,503</b>

In 2022 and 2021 the Company recognized interest income amounting to 7,076 and 3.344 thousand euros, respectively. These loans bear interest at market rates.

#### Impairment losses

At December 31, 2022 the Company recognized an impairment loss amounting to 1,116 thousand euros on the borrowing facilities granted to the Group company Green Hub.



## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### 8.2 Financial assets

The movements during 2022 and 2021 in the different balances recognized under the headings for financial investments in the accompanying balance sheet are as follows:

	Balance at 12.31.20	Additions	Decreases	Balance at 12.31.21	Additions	Decreases	Balance at 12.31.22
<b>Non-current investments</b>	<b>25</b>	<b>778</b>	-	<b>803</b>	<b>2,537</b>	<b>(670)</b>	<b>2,670</b>
Equity instruments	-	-	-	-	40	-	40
Security deposits and guarantees (Note 7.2)	25	-	-	25	3	-	28
Other financial assets	-	778	-	778	2,494	(670)	2,602
<b>Current investments</b>	<b>6,359</b>	<b>6,858</b>	<b>(6,359)</b>	<b>6,858</b>	<b>640</b>	<b>(6,131)</b>	<b>1,367</b>
Loans to companies	-	<b>1,539</b>	-	1,539	-	(812)	727
Other financial assets	6,359	5,319	(6,359)	5,319	640	(5,319)	640
<b>Total</b>	<b>6,384</b>	<b>7,636</b>	<b>(6,359)</b>	<b>7,661</b>	<b>3,177</b>	<b>(6,801)</b>	<b>4,037</b>

#### Non-current investments

The balance recognized in connection with non-current equity instruments corresponds to a minority financial stake in an entity, while the balance recognized for other non-current assets corresponds to the amount paid when purchasing various companies in Chile for the construction of solar plants, which at December 31, 2022 had not fulfilled the suspensive contractual conditions and which were therefore not recognized as investments in group companies. The derecognitions under this heading arose as a consequence of transferring items to the heading for investments in group companies given that said suspensive clauses were fulfilled in 2022.

#### Current investments

The balance presented for "Loans to companies" reflects the amount receivable from the former shareholders of Parque Fotovoltaico Nuevo Quillagua SpA for the costs incurred when adapting the substation for delivery of energy to the network, totaling a maximum amount of 1,850 thousand euros. These amounts are being collected to the extent said work is being executed.

Other current financial assets at December 31, 2022 and 2021 mainly correspond to time deposits held at Banco Santander and Bankinter which bear interest at market rates.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

The breakdown at December 31, 2022 and 2021 of the financial investments, based on how the Company manages them, is as follows:

	12.31.2022			12.31.2021		
	Equity instruments	Loans, derivatives, and other	Total	Equity instruments	Loans, derivatives, and other	Total
<b>Non-current financial assets</b>	<b>40</b>	<b>2,630</b>	<b>2,670</b>	-	<b>803</b>	<b>803</b>
Financial assets at amortized cost	-	2,630	2,630	-	803	803
Financial assets at cost	40	-	40	-	-	-
<b>Current financial assets</b>	-	<b>1,367</b>	<b>1,367</b>	-	<b>6,858</b>	<b>6,858</b>
Financial assets at amortized cost	-	1,367	1,367	-	6,858	6,858
<b>Total</b>	<b>40</b>	<b>3,997</b>	<b>4,037</b>	-	<b>7,661</b>	<b>7,661</b>

The Company did not reclassify any financial assets amongst different categories nor did it assign or transfer any financial assets during 2022 or 2021.

At December 31, 2022 and 2021, the financial assets that have fixed maturities, or maturities determinable by residual maturity, present maturities of less than five years.

At December 31, 2022 and 2021 the Company had not delivered or accepted any financial assets as guarantees for transactions.

## 9. Inventories

The breakdown of inventories at December 31, 2022 and 2021 is as follows:

	12.31.2022			12.31.2021		
	Cost	Impairment losses	Balance	Cost	Impairment losses	Balance
Raw materials and other consumables	2,136	-	2,136	42,512	-	42,512
Work in progress	14,253	-	14,253	8,509	-	8,509
<b>Total</b>	<b>16,389</b>	-	<b>16,389</b>	<b>51,021</b>	-	<b>51,021</b>

The amounts recognized as inventories mainly correspond to the costs incurred by the company for materials and personnel in connection with the development and construction of the photovoltaic solar power plants that the Group is building/developing for subsequent sale to a third party or for its own use.

Since the directors of the Company consider that there are no indications of impairment losses on inventories at December 31, 2022 and 2021, no impairment loss adjustments were recorded in either year.

The Company has arranged insurance policies to cover the potential risks to which its inventories are exposed. The coverage of these insurance policies is considered sufficient.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

## 10. Trade receivables and other accounts receivable

"Trade receivables" in the accompanying balance sheet presents amounts receivable for the rendering of operation and maintenance services at photovoltaic installations for third parties.

"Other accounts receivable" reflects the amount pending collection for the sale of interests to third parties.

At 2022 and 2021 year end, the Company did not consider any of its receivable balances as doubtful.

## 11. Cash and cash equivalents

The breakdown for this heading at 2022 and 2021 year end is as follows:

	Balance at 12.31.2022	Balance at 12.31.2021
Cash in hand	17,366	49,480
<b>Total</b>	<b>17,366</b>	<b>49,480</b>

The breakdown of the cash balance included in the above table includes restricted balances amounting to 0 thousand euros at December 31, 2022 (December 31, 2021: 1,518 thousand euros). The remaining balances are freely distributable.

## 12. Capital and reserves

### 12.1 Share capital

At December 31, 2022, the Company's share capital amounted to 10,714 thousand euros, corresponding to 30,611,911 shares with a nominal value of 0.35 euros each.

On June 28, 2022, the Company carried out a capital increase amounting to 90,001 thousand euros via the issue of 2,685,000 new shares at a nominal value of 0.35 euros each and a share premium of 33.17 euros each. The costs incurred for the capital increase amounted to 1,075 thousand euros, recognized by reducing voluntary reserves (Notes 12.3 and 16.1).

At December 31, 2022, the following shareholders held a direct stake of more than 10% of share capital:

Shareholder	2022	2021
Daruan Group Holding, S.L.	54%	58%

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### 12.2 Share Premium

The share premium amounted to 198,912 thousand and 109,851 thousand euros at December 31, 2022 and 2021, respectively. This balance can be used for the same purposes as the voluntary reserves of the Company, including conversion to capital.

#### 12.3 Reserves

The statement of changes in equity which forms a part of these financial statements provides the breakdown for aggregate balances and movements during 2022 and 2021 in this subheading of the accompanying balance sheet. The breakdown and movements of the different balances comprising reserves are shown below:

	Balance at 12.31.20	Increase	Decrease	Balance at 12.31.21	Increase	Decrease	Balance at 12.31.22
<b>Legal and statutory</b>							
Legal reserve	1,447	254	-	1,701	254	-	1,955
<b>Other reserves</b>							
Voluntary reserves	26,727	27,005	(1,139)	52,593	23,901	(1,075)	75,419
Capitalization reserves	778	743	-	1,521	-	-	1,521
<b>Total</b>	<b>28,952</b>	<b>28,002</b>	<b>(1,139)</b>	<b>55,815</b>	<b>24,155</b>	<b>(1,075)</b>	<b>78,895</b>

#### Legal reserve

In accordance with article 274 of the Spanish Corporate Enterprises Act, 10% of profit must be transferred to the legal reserve each year until it represents at least 20% of share capital.

This reserve cannot be distributed to shareholders and may only be used to offset income statement losses provided no other reserves are available. The balance recognized for this reserve can be used to increase share capital.

#### Voluntary reserves

These reserves are freely distributable.

The gains or losses obtained on the purchase-sale of treasury shares are recognized directly under voluntary reserves. The increase in voluntary reserves in connection with this item recognized in 2022 totals 1,410 thousand euros (2021: 6,085 thousand euros).

#### Capitalization reserve

During 2017 the Company set aside a capitalization reserve, with a charge to available reserves, corresponding to 10% of the increase in capital and reserves of 2016, in accordance with the stipulations of article 25 of Law 27/2014 of November 27, on Corporate Income Tax (Note 16). This reserve will be restricted for a period of 5 years.

**GREENERGY RENOVABLES, S.A.****Notes to the financial statements  
for the year ended December 31, 2022****12.4 Treasury shares**

At 2022 and 2021 year end the treasury share portfolio is broken down as follows:

	Balance at 12.31.2022	Balance at 12.31.2021
<b>Number of shares in treasury share portfolio</b>	<b>611,148</b>	<b>580,588</b>
<b>Total treasury share portfolio</b>	<b>19,728</b>	<b>17,577</b>
Liquidity Accounts	540	485
Fixed Own Portfolio Account	19,188	17,092

During 2022 and 2021, the movements in the treasury share portfolio were as follows:

Year ended December 31, 2022

	Treasury shares		
	Number of shares	Nominal value	Average acquisition price
<b>Balance at 12.31.2021</b>	<b>580,588</b>	<b>17,577</b>	<b>30.27</b>
Acquisitions	939,492	30,242	32.19
Disposals	(908,932)	(28,091)	30.91
<b>Balance at 12.31.2022</b>	<b>611,148</b>	<b>19,728</b>	<b>32.28</b>

Year ended December 31, 2021

	Treasury shares		
	Number of shares	Nominal value	Average acquisition price
<b>Balance at 12.31.2020</b>	<b>484,345</b>	<b>8,115</b>	<b>16.75</b>
Acquisitions	1,908,312	59,634	31.25
Disposals	(1,812,069)	(50,172)	27.69
<b>Balance at 12.31.2021</b>	<b>580,588</b>	<b>17,577</b>	<b>30.27</b>

A profit was obtained on Greenergy treasury share transactions during 2022 amounting to 1,410 thousand euros (2021: a profit of 6,085 thousand euros), recognized under "Voluntary reserves" in the accompanying balance sheet.

The purpose of holding the treasury shares is to maintain them available for sale in the market as well as for the incentive plans approved for directors, executives, employees, and key collaborators of the Group (Note 12.5).

At December 31, 2022, treasury shares represent 2% of all the Company's shares (2021: 2.1%).

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### 12.5 Incentive plans for employees

The Board of Directors of the Company approved different incentive plans for certain executives and key personnel based on the granting of options on the Company's shares. Options are granted at different times for each incentive plan though with the same characteristics as the incentive plans to which they are associated:

Incentive plan	Grant date	Date of approval	Number of shares designated at 12.31.2022	Exercise price per share (euros)
Incentive Plan I	Options granted 3	11/27/2018	139,143	3.50
Incentive Plan I	Options granted 4	3/29/2019	42,000	6.90
Incentive Plan II	Options granted 1	10/2/2019	56,165	7.73
Incentive Plan II	Options granted 2	9/28/2020	131,451	15.28
Incentive Plan II	Options granted 3	12/10/2021	94,414	30.45
Incentive Plan II	Options granted 4	11/16/2022	226,086	29.18

The beneficiary of Incentive Plan I will be able to acquire:

- a third of the shares granted for the option from the date on which two years have elapsed counting from the grant date.
- a third of the shares granted for the option from the date on which three years have elapsed counting from the grant date.
- a third of the shares granted for the option from the date on which four years have elapsed counting from the grant date.

In Incentive Plan II, each year the beneficiary will have the right to exercise up to 25% of the options granted. The right to exercise shall be approved by the Commission for Appointments and Remuneration based on the beneficiary's compliance with the objectives established in the Remuneration Policy for Senior Management. The beneficiary can exercise the share options starting two years from their grant date and for a period of three years.

The fair value of the equity instruments granted was determined at the grant date utilizing a Black Scholes valuation model based on the share price at the grant date.

As a consequence of accruals with respect to the estimated fair value of the equity instruments granted during the lifetime of the plan, a balance of 410 thousand euros was recognized under "Employee benefits expense" in the income statement with a credit to "Reserves" in the balance sheet.

## GREENERGY RENOVABLES, S.A.

Notes to the financial statements  
for the year ended December 31, 2022

### 13. Provisions and contingencies

The movements during the years ended December 31, 2022 and 2021 in the line items included under this heading in the accompanying balance sheet were as follows:

	Provision for penalties	Provision for guarantees	Total
<b>Balance at 12.31.2020</b>	-	-	-
Amounts provisioned	1,283	509	1,792
<b>Balance at 12.31.2021</b>	<b>1,283</b>	<b>509</b>	<b>1,792</b>
Amounts provisioned	1,096	-	1,096
Amounts applied	(2,379)	-	(2,379)
<b>Balance at 12.31.2022</b>	-	<b>509</b>	<b>509</b>

#### Provision for penalties

This provision relates to the penalties for delays incurred with respect to the construction contract signed for the Escuderos solar park with the following Group companies: GR Aitana, S.L.U.; GR Aspe S.L.U.; GR Bañuela, S.L.U.; and GR Turbón S.L.U. The provision recognized in 2021 increased by 1,096 thousand euros in 2022, recognized under "Losses on, impairment of, and changes in trade provisions" in the accompanying income statement. The entire provision was applied during 2022.

#### Provision for guarantees

At each year end the Company evaluates the need to recognize a provision for guaranteeing and covering any inconsistencies that may arise with respect to materials, supplies, and spare parts delivered for the solar plants. The provision recognized at December 31, 2022 and 2021 corresponds to the Escuderos solar park.

### 14. Non-current and current borrowings

The breakdown of these headings in the accompanying balance sheet at December 31, 2022 and 2021 is as follows:

Year ended December 31, 2022

	Non-current borrowings	Current borrowings	Total at 12.31.22
<b>Bonds and other marketable debt securities</b>	<b>83,231</b>	<b>34,529</b>	<b>117,760</b>
<b>Bank borrowings</b>	<b>8,267</b>	<b>4,875</b>	<b>13,142</b>
Loans	8,267	4,623	12,890
Foreign financing	-	252	252
<b>Other borrowings</b>	-	<b>130</b>	<b>130</b>
<b>Finance lease payables</b>	<b>845</b>	<b>301</b>	<b>1,146</b>
<b>Total</b>	<b>92,343</b>	<b>39,835</b>	<b>132,178</b>

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

Year ended December 31, 2021

	<b>Non-current borrowings</b>	<b>Current borrowings</b>	<b>Total at 12.31.21</b>
<b>Bonds and other marketable debt securities</b>	<b>31,223</b>	<b>32,146</b>	<b>63,369</b>
<b>Bank borrowings</b>	<b>6,712</b>	<b>2,664</b>	<b>9,376</b>
Loans	6,712	2,664	9,376
<b>Other borrowings</b>	<b>-</b>	<b>156</b>	<b>156</b>
<b>Finance lease payables</b>	<b>1,088</b>	<b>354</b>	<b>1,442</b>
<b>Total</b>	<b>39,023</b>	<b>35,320</b>	<b>74,343</b>

All the financial liabilities held by the Company are classified as "Financial liabilities at amortized cost" for measurement purposes.

At December 31, 2022 and 2021, the breakdown of borrowings by residual maturities is as follows:

Year ended December 31, 2022

	<b>Bonds and other marketable debt securities</b>	<b>Bank borrowings</b>	<b>Other borrowings</b>	<b>Finance lease payables</b>	<b>Total</b>
Within one year	34,529	4,875	130	301	<b>39,835</b>
2024	9,846	4,852	-	294	<b>14,992</b>
2025	21,450	2,475	-	294	<b>24,219</b>
2026	-	765	-	257	<b>1,022</b>
2027	51,935	175	-	-	<b>52,110</b>
More than five years	-	-	-	-	-
<b>Total</b>	<b>117,760</b>	<b>13,142</b>	<b>130</b>	<b>1,146</b>	<b>132,178</b>

Year ended December 31, 2021

	<b>Bonds and other marketable debt securities</b>	<b>Bank borrowings</b>	<b>Other borrowings</b>	<b>Finance lease payables</b>	<b>Total</b>
Within one year	32,146	2,664	156	354	<b>35,320</b>
2023	9,773	2,722	-	287	<b>12,782</b>
2024	21,450	2,783	-	282	<b>24,515</b>
2025	-	1,207	-	281	<b>1,488</b>
2026	-	-	-	238	<b>238</b>
More than five years	-	-	-	-	-
<b>Total</b>	<b>63,369</b>	<b>9,376</b>	<b>156</b>	<b>1,442</b>	<b>74,343</b>

During 2022 and 2021, the Company complied with the payment of all its financial debt at maturity. Likewise, at the date of authorization of these financial statements the Company had complied with all obligations assumed.



## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### 14.1 Bonds and other marketable debt securities

The breakdown for this heading is as follows:

Program	Date of program	Nominal amount	Amount issued	Issue date	Interest rate	Maturity date	Balance at 12.31.2022		Balance at 12.31.2021		2022 Finance costs	2021 Finance costs
							Non-current	Current	Non-current	Current		
Green Bond program (MARF) (*)	Mar-22	100,000	52,500	April-22	4%	5 years	21,415	445	21,450	293	1,288	1,197
Green commercial paper program (MARF)	Sept-21	100,000	60,916	Sept-21	0.7%-2.5%	5 years	9,846	32,539	9,773	31,853	758	86
Green Bond program (MARF) (*)	Oct-19	50,000	22,000	Nov-19	4.75%	5 years	51,970	1,545	-	-	1,546	-
<b>TOTAL</b>							<b>83,231</b>	<b>34,529</b>	<b>31,223</b>	<b>32,146</b>	<b>3,592</b>	<b>1,283</b>

(\*) Subject to fulfillment of a series of covenants, which had all been fulfilled at December 31, 2022 and 2021.

The issue of the Green Bond programs was validated by Vigeo Eiris in terms of environmental, social, and governance (ESG) criteria, in accordance with the directives contained in the Green Bond Principles.

The commercial paper program uses a financing framework aligned with the Green Loan Principles 2021 of the Loan Market Association (LMA) and with the Green Bond Principles 2021 of the International Capital Markets Association (ICMA). It is the first such program in Spain.

The Company's green financing framework was subjected to a Second Party Opinion (SPO) issued by the rating agency ESG Sustainalytics. The report considers the positive impact on the environment of the funds used and evaluates the credibility of the green financing framework used by Grenergy, as well as its alignment with international standards.

#### 14.2 Bank borrowings

The breakdown of loans subscribed and their main contractual conditions at December 31, 2022 and 2021 is as follows:

Year ended December 31, 2022

Financial entity	Maturity date	Type of guarantee	Installments	Thousands of euros		
				Non-current liabilities	Current liabilities	Total
Banco Sabadell (ICO)	4/30/2025	Corporate	Monthly	1,027	752	1,779
Bankinter (ICO)	4/30/2025	Corporate	Monthly	2,615	1,793	4,408
BBVA (ICO)	5/13/2025	Corporate	Monthly	174	124	298
Bankia (ICO)	4/30/2025	Corporate	Monthly	795	544	1,339
Banco Santander (ICO)	4/30/2025	Corporate	Monthly	435	301	736
Caixabank (ICO)	4/30/2025	Corporate	Monthly	387	250	637
Banco Santander (ICO)	9/1/2025	Corporate	Monthly	446	249	695
Abanca	2/28/2027	Corporate	Monthly	2,388	610	2,998
<b>Total</b>				<b>8,267</b>	<b>4,623</b>	<b>12,890</b>

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

Year ended December 31, 2021

Financial entity	Maturity date	Type of guarantee	Installments	Thousands of euros		
				Non-current liabilities	Current liabilities	Total
BANCO SABADELL	10/20/2021	Corporate	Monthly	-	3	3
BANCO SABADELL (USD denominated loan)	4/19/2021	Corporate	Monthly	-	0	0
Banco Sabadell (ICO)	4/30/2025	Corporate	Monthly	1,779	737	2,516
Bankinter (ICO)	4/30/2025	Corporate	Monthly	1,231	489	1,720
BBVA (ICO)	5/13/2025	Corporate	Monthly	298	122	420
Bankia (ICO)	4/30/2025	Corporate	Monthly	1,338	529	1,867
Banco Santander (ICO)	4/30/2025	Corporate	Monthly	735	295	1,030
Caixabank (ICO)	4/30/2025	Corporate	Monthly	637	244	881
Banco Santander (ICO)	9/1/2025	Corporate	Monthly	694	245	939
<b>Total</b>				<b>6,712</b>	<b>2,664</b>	<b>9,376</b>

These loans accrue interest at market rates.

**14.3 Credit policies and foreign financing**

At December 31, 2022 and 2021, the Company had subscribed credit facilities and credit financing for foreign operations with various financial entities. The breakdown of the credit drawn at said dates together with the corresponding contractual terms is as follows:

Year ended December 31, 2022

Financial entity	Maturity date	Credit limit granted	Amount drawn	Thousands of euros	
				Amount available	
SANTANDER	5/23/2023	650	-	650	
BANKINTER	3/25/2023	500	-	500	
BBVA	4/29/2023	500	-	500	
BANCO SABADELL (VISA)	(*)	119	-	119	
<b>Total credit facilities</b>		<b>1,769</b>	-	<b>1,769</b>	
SABADELL	(*)	11,500	-	4,588	
SANTANDER	(*)	30,000	-	-	
CAIXABANK	(*)	25,000	-	4,702	
BANKINTER	(*)	15,500	-	1,149	
BBVA	(*)	40,000	252	1,217	
ABANCA	2/9/2023	6,000	-	411	
CAJAMAR	9/6/2023	30,000	-	30,000	
CAJA RURAL DEL SUR	12/16/2023	5,500	-	5,500	
UNICAJA	9/13/2023	11,000	-	10,000	
BANCO COOPERATIVO ESPAÑOL	5/23/2023	10,000	-	7,725	
SCOTIABANK	7/26/2023	25,000	-	23,660	
<b>Total foreign financing</b>		<b>209,500</b>	<b>252</b>	<b>88,952</b>	
<b>Total</b>		<b>211,269</b>	<b>252</b>	<b>90,721</b>	

(\*) Tacit annual renewal

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
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Year ended December 31, 2021

Financial entity	Maturity date	Thousands of euros		
		Credit limit granted	Amount drawn	Amount available
SANTANDER	5/23/2023	650	-	650
SABADELL	6/16/2022	200	-	200
BANKINTER	6/28/2022	500	-	500
BBVA	4/29/2023	500	-	500
BANKIA (VISA)	(*)	3	-	3
BANCO SABADELL (VISA)	(*)	30	-	30
<b>Total credit facilities</b>		<b>1,883</b>	-	<b>1,883</b>
SABADELL	(*)	17,800	-	300
SANTANDER	(*)	12,750	-	-
CAIXABANK	10/4/2022	15,600	-	951
BANKINTER	6/28/2022	21,700	-	11,800
BBVA	(*)	35,000	-	9,630
ABANCA	1/22/2023	3,600	-	1,530
NATIXIS	6/1/2022	10,000	-	2,000
<b>Total foreign financing</b>		<b>116,450</b>	-	<b>26,211</b>
<b>Total</b>		<b>118,333</b>	-	<b>28,094</b>

(\*) Tacit annual renewal

The foreign financing contracted by the Company for the years 2022 and 2021 includes credit transactions as well as warranty coverage, letters of credit, and guarantees (Note 21.2).

The maturities of said credit lines were established for 2022 and beyond, accruing interest at market rates.

**14.4 Other borrowings**

The breakdown of this heading at December 31, 2022 and 2021 was as follow:

Year ended December 31, 2022

Lender	Maturity date	Interest rate	Type of guarantee	Installments	Thousands of euros		
					Non-current liabilities	Current liabilities	Total
Spanish Center for the Development of Industrial Technology (CDTI)	5/12/2022	Zero interest	No	Monthly	-	130	130
<b>Total</b>					-	<b>130</b>	<b>130</b>

Year ended December 31, 2021

Lender	Maturity date	Interest rate	Type of guarantee	Installments	Thousands of euros		
					Non-current liabilities	Current liabilities	Total
Spanish Center for the Development of Industrial Technology (CDTI)	5/12/2022	Zero interest	No	Monthly	-	156	156
<b>Total</b>					-	<b>156</b>	<b>156</b>

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

These balances correspond to the amounts pending repayment at 2022 and 2021 year end on a zero interest rate loan granted by the CDTI on October 13, 2011 in the amount of 521 thousand euros in order to help finance the necessary investments for the project known as "Design and Modeling of a forecasting system for performance and integral control at energy distribution installations."

## 15. Information on deferred payments to suppliers

In accordance with the stipulations of the third additional provision ("disclosure requirements") of Law 15/2010, of July 5, modified by Law 18/2022, of September 28 ("on creation and growth of companies"), the information relating to the average supplier payment period is as follows:

	2022	2021
	Days	Days
Average supplier payment period	56.54	56.01
Ratio of payments made	58	58
Ratio of transactions pending payment	49	51
	Amount (thousands of euros)	Amount (thousands of euros)
Total payments made	118,293	161,604
Total payments outstanding	22,814	64,179

	2022
(Invoicing volume)	
Total invoices payable during the current year	3,486
Number of invoices paid within deadline	3,381
Paid within deadline (%)	97
(Thousands of euros)	
Total invoices payable during the current year	103,903
Total amount of payments within deadline	100,786
Paid within deadline (%)	97

## 16. Public administrations and tax matters

The breakdown of balances with public administrations at December 31, 2022 and 2021 is as follows:

Year ended December 31, 2022

Receivable from public administrations	Non-current	Current	Balance at 12.31.22
Deferred tax assets	2,377	-	2,377
Current tax assets	-	1,610	1,610
Other receivables from public administrations	-	388	388
VAT receivable from the tax authorities	-	388	388
<b>Total</b>	<b>2,377</b>	<b>388</b>	<b>2,765</b>

**GREENERGY RENOVABLES, S.A.****Notes to the financial statements  
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<b>Payable to public administrations</b>	<b>Non-current</b>	<b>Current</b>	<b>Balance at 12.31.22</b>
<b>Deferred tax liabilities</b>	<b>782</b>	<b>-</b>	<b>782</b>
<b>Other payables to public administrations</b>	<b>-</b>	<b>295</b>	<b>295</b>
Payable to the tax authorities for withholdings	-	101	101
Social security agencies	-	194	194
<b>Total</b>	<b>-</b>	<b>295</b>	<b>295</b>

## Year ended December 31, 2021

<b>Receivable from public administrations</b>	<b>Non-current</b>	<b>Current</b>	<b>Balance at 12.31.21</b>
<b>Deferred tax assets</b>	<b>1,102</b>	<b>-</b>	<b>1,102</b>
<b>Other receivables from public administrations</b>	<b>-</b>	<b>519</b>	<b>519</b>
VAT receivable from the tax authorities	-	519	519
<b>Total</b>	<b>1,102</b>	<b>519</b>	<b>1,621</b>

<b>Payable to public administrations</b>	<b>Non-current</b>	<b>Current</b>	<b>Balance at 12.31.21</b>
<b>Deferred tax liabilities</b>	<b>960</b>	<b>-</b>	<b>960</b>
<b>Other payables to public administrations</b>	<b>-</b>	<b>217</b>	<b>217</b>
Payable to the tax authorities for withholdings	-	83	83
Social security agencies	-	134	134
<b>Total</b>	<b>-</b>	<b>217</b>	<b>217</b>

**Tax matters**

Under prevailing tax regulations, tax returns may not be considered final until they have either been inspected by the tax authorities or until the four-year inspection period has expired. The Company is open to inspection of all taxes to which it is liable for the last four years.

Due to the varying interpretations of the tax regulations applicable, certain tax contingencies that are not objectively quantifiable could arise. Nevertheless, the directors consider that tax debts arising from possible future actions taken by the tax authorities would not have a significant effect on the financial statements taken as a whole.

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

**16.1 Corporate income tax**

Due to the differing treatment of certain transactions permitted under prevailing tax legislation, accounting profit differs from taxable income. The reconciliation of accounting profit with taxable income for 2022 and 2021 was the following:

Year ended December 31, 2022

	Income statement			Income and expense recognized directly in equity			Total
	Increase	Decrease	Total	Increase	Decrease	Total	
<b>Income and expenses for the year</b>	<b>5,937</b>	-	<b>5,937</b>	-	-	-	<b>5,937</b>
Corporate income tax	5,266		5,266	-	-	-	5,266
<b>Permanent differences</b>	<b>9,391</b>	<b>(9,082)</b>	<b>309</b>	-	<b>(1,075)</b>	-	<b>(766)</b>
From the individual Company	9,391	(9,082)	309	-	(1,075)	-	(766)
<b>Temporary differences</b>	<b>1,808</b>	-	<b>1,808</b>	-	-	-	<b>1,808</b>
Eliminations of margins - Group	1,808	-	1,808	-	-	-	1,808
<b>Utilization of tax loss carryforwards</b>							<b>(713)</b>
<b>Preliminary taxable income</b>							<b>11,532</b>
<b>Tax charge (25%)</b>							<b>2,883</b>
Tax deductions applied							(1,026)
<b>Tax payable (refundable)</b>							<b>1,857</b>
Withholdings and payments on account							(2,642)
<b>Tax payable (refundable) for the remaining companies in the tax group</b>							<b>(825)</b>
<b>Net amount payable (refundable)</b>							<b>(1,610)</b>

The positive permanent differences mainly correspond to the portfolio provision relating to the Group companies GR Paino and GR Taruca, amounting to 8,159 thousand euros, and the provision recognized for the balance receivable on the borrowing facilities granted to the Group company Green Hub, amounting to 1,116 thousand euros (Note 8.1).

The negative permanent differences recognized in the income statement correspond to the capital gains obtained from the sale of interests in Chilean and Peruvian Group companies (Note 8.1). In accordance with the Double Taxation Agreement signed by Spain and Chile, profits obtained by a Spanish company arising from the sale of interests held in entities resident in Chile may be taxed in Chile. Further, in accordance with said Chilean tax regulations, the purchaser of the stakes is obliged to withhold a certain amount with respect to the payment made to the seller. In Spain, 95% of the capital gain is tax exempt. Consequently, it is treated as a negative permanent difference which adjusts taxable income, though subject to a withholding tax of 16% on the capital gains obtained in Chile.

The negative permanent differences directly attributed to equity correspond to the expenses incurred for the capital increase that was carried out in 2022 (Note 12.1).

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

Eliminations of group margins correspond to the margins obtained in 2022 in the transactions carried out with companies which belong to the tax group in Spain.

Year ended December 31, 2021

	Income statement			Income and expense recognized directly in equity			Total
	Increase	Decrease	Total	Increase	Decrease	Total	
<b>Income and expenses for the year</b>	<b>22,745</b>	-	<b>22,745</b>	-	-	-	<b>22,745</b>
Corporate income tax	6,644		6,644	-	-	-	6,644
<b>Permanent differences</b>	<b>3,255</b>	<b>(29,952)</b>	<b>(26,697)</b>	-	<b>(1,518)</b>	-	<b>(28,215)</b>
From the individual Company	3,255	(29,952)	(26,697)	-	(1,518)	-	(28,215)
<b>Temporary differences</b>	<b>509</b>	-	<b>509</b>	-	-	-	<b>509</b>
Arising in the year	-	-	-	-	-	-	-
Arising in prior years	509	-	509	-	-	-	509
<b>Eliminations of margins - Group</b>		<b>(2,557)</b>	<b>(2,557)</b>	-	-	-	<b>(2,557)</b>
<b>Taxable income (Tax results)</b>	<b>33,153</b>	<b>(32,509)</b>	<b>644</b>	-	<b>(1,518)</b>	-	<b>(874)</b>

The positive permanent differences mainly correspond to the portfolio provision of the Group company Kosten, S.A. in the amount of 3,200 thousand euros (Note 8.1).

The negative permanent differences recognized in the income statement correspond to the capital gains obtained from the sale of interests in Chilean Group companies (Note 8.1). In accordance with the Double Taxation Agreement signed by Spain and Chile, profits obtained by a Spanish company arising from the sale of interests held in entities resident in Chile may be taxed in Chile. Further, in accordance with said Chilean tax regulations, the purchaser of the stakes is obliged to withhold a certain amount with respect to the payment made to the seller. In Spain, 95% of the capital gain is tax exempt (2020: 100%). Consequently, it is treated as a negative permanent difference which adjusts taxable income, though subject to a withholding tax of 16% on the capital gains obtained in Chile.

The negative permanent differences directly attributed to equity correspond to the expenses incurred for the capital increase that was carried out in 2021 (Note 12.1).

The positive temporary differences correspond to the provision allowance for guarantees in connection with the Escuderos solar park construction contract (Note 13).

Eliminations of group margins correspond to the margins obtained in 2021 in the transactions carried out with companies which belong to the tax group in Spain.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

The reconciliation of tax payable and tax expense is as follows:

	12.31.2022	12.31.2021
Tax payable	(1,857)	-
Change in deferred taxes	-	146
Current foreign tax	(4,724)	(6,001)
Unused tax deductions	1,136	-
Capitalization reserve	-	538
Application of tax loss carryforwards	(135)	135
Group margins	452	(960)
Adjustment to 2020 corporate income tax	-	(164)
Other	(138)	(338)
<b>Income tax expense (income)</b>	<b>(5,266)</b>	<b>(6,644)</b>

The line item identified as "Current foreign tax" corresponds to withholding taxes on the gains arising from the sale of interests in foreign Group companies carried out by the Company in 2022 and 2021 (Note 8.1).

As it was in compliance with the stipulations of Law 27/2014, of November 27, on Corporate Income tax, during 2021, via agreements reached by the Board of Directors, the Company chose to avail itself of the tax consolidation regime as Parent company along with the remaining companies which make up the consolidated tax group.

At December 31, 2022 and 2021, the reconciliation of the aggregate accounting results obtained by the companies in the Group and the consolidated tax base was as follows:

#### Year ended December 31, 2022

	Taxable income	Balance receivable	Balance payable
Greenergy Renovables, S.A.	11,532	-	-
Remaining companies in the Tax Group	(3,298)	-	(825)
Consolidated taxable income	8,234		
Tax payable by the Group	2,059		
Deductions	(1,026)		
Withholdings and payments on account	(2,642)		
<b>Payable (Refundable)</b>	<b>(1,610)</b>		

#### Year ended December 31, 2021

	Taxable income	Balance receivable	Balance payable
Greenergy Renovables, S.A.	(874)	-	-
Remaining companies in the Tax Group	162	-	(42)
Consolidated taxable income	712		
Tax payable by the Group	-		
Deductions	-		
Withholdings and payments on account	-		
<b>Payable (Refundable)</b>	<b>-</b>		

Greenergy Renovables, S.A., as Parent company of a tax group (Note 4.8) recognized a balance receivable from the subsidiaries of the tax group, amounting to 825 thousand euros and corresponding to its accounting calculation of the corporate income tax payable for 2022 (2021: 42 thousand euros).



**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

**16.2 Deferred tax assets and liabilities**

The difference between the tax expense for 2022 and prior years as compared to the tax already paid or payable for those years is recorded in "Deferred tax assets" or "Deferred tax liabilities," as applicable. Said deferred taxes were calculated by applying the prevailing nominal tax rate to the corresponding amounts.

The breakdown and movements under these balance sheet headings for 2022 and 2021 are as follows:

Year ended December 31, 2022

	Balance at	Recognized in the		Recognized directly in		Balance at
	12.31.21	Additions	Retirements	Additions	Derecognitions	12.31.22
<b>Deferred tax assets</b>	<b>1,102</b>	<b>1,410</b>	<b>(135)</b>	-	-	<b>2,377</b>
Tax loss carryforwards pending offset	135	-	(135)	-	-	-
Tax deductions pending application	19	1,136	-	-	-	1,155
Temporary differences	213	274	-	-	-	487
Capitalization reserve	735	-	-	-	-	735
<b>Total</b>	<b>1,102</b>	<b>1,410</b>	<b>(135)</b>	-	-	<b>2,377</b>
<b>Deferred tax liabilities</b>	<b>(960)</b>	-	<b>178</b>	-	-	<b>(782)</b>
Temporary differences	(960)	-	178	-	-	(782)
<b>Total</b>	<b>(960)</b>	-	<b>178</b>	-	-	<b>(782)</b>

Year ended December 31, 2021

	Balance at	Recognized in the		Recognized directly in		Balance at
	12.31.20	Additions	Retirements	Additions	Derecognitions	12.31.21
<b>Deferred tax assets</b>	-	135	-	-	-	135
Tax loss carryforwards pending offset	-	135	-	-	-	135
Tax deductions pending application	162	19	(162)	-	-	19
Temporary differences (Group margins)	86	196	(69)	-	-	213
Capitalization reserve	199	735	(199)	-	-	735
<b>Total</b>	<b>447</b>	<b>1,085</b>	<b>(430)</b>	-	-	<b>1,102</b>
<b>Deferred tax liabilities</b>	-	(960)	-	-	-	(960)
Temporary differences (Group margins)	-	(960)	-	-	-	(960)
<b>Total</b>	<b>-</b>	<b>(960)</b>	-	-	-	<b>(960)</b>

The recoverability of deferred tax assets is assessed as soon as they are recognized, and at least at each closing date, in accordance with the results the Company expects to generate in coming years.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### Tax loss carryforwards pending offset

In 2021 the tax group of Greenergy Renovables in Spain generated 708 thousand euros of tax loss carryforwards which were used in their entirety in 2022.

#### Deductions

At 2022 and 2021 year end, there were deductions pending application in the amounts of 1,191 thousand and 55 thousand euros, respectively. These deductions mainly correspond to international double taxation relief generated in 2022 in connection with tax borne in Peru. Said amount can be applied in the tax returns filed for the tax periods which conclude during the 15 subsequent and consecutive years following the tax period of generation.

## 17. Income and expenses

### 17.1 Revenue

#### Disaggregation by categories

The distribution of revenue from the Company's continuing operations by activity, geographical markets, as well as when income is recognized, is as follows:

Year ended December 31, 2022

(Thousands of euros)	2022		
	Sales	Services rendered	Total
<b>Disaggregation by activities</b>			
Sale of materials	17,485	-	17,485
Construction	80,239	-	80,239
Development fees	4,278	-	4,278
Operation and Maintenance and Asset Management	-	2,059	2,059
	<b>102,002</b>	<b>2,059</b>	<b>104,061</b>
<b>Disaggregation by geographical markets</b>			
Chile	62,358	-	62,358
Spain	8,123	1,736	9,859
Colombia	31,521	-	31,521
Peru	-	182	182
Argentina	-	141	141
	<b>102,002</b>	<b>2,059</b>	<b>104,061</b>
<b>Disaggregation by timing of transfer</b>			
Goods and services transferred at a given moment	21,763	2,059	23,822
Goods and services transferred over a period of time	80,239	-	80,239
	<b>102,002</b>	<b>2,059</b>	<b>104,061</b>

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

Year ended December 31, 2021

(Thousands of euros)	2021		
	Sales	Services rendered	Total
<b>Disaggregation by activities</b>			
Sale of materials	20,849	-	20,849
Construction	105,204	-	105,204
Development fees	204	-	204
Operation and Maintenance and Asset Management	-	614	614
	<b>126,257</b>	<b>614</b>	<b>126,871</b>
<b>Disaggregation by geographical markets</b>			
Chile	20,848	-	20,848
Spain	105,081	372	105,453
Mexico	328	-	328
Peru	-	166	166
Argentina	-	76	76
	<b>126,257</b>	<b>614</b>	<b>126,871</b>
<b>Disaggregation by timing of transfer</b>			
Goods and services transferred at a given moment	21,053	-	21,053
Goods and services transferred over a period of time	105,204	614	105,818
	<b>126,257</b>	<b>614</b>	<b>126,871</b>

Contract balances with clients

The breakdown of contract balances with clients is as follows:

(Thousands of euros)	2022	2021
<b>Current contract assets</b>		
Trade receivables, group companies and associates (Note 20.1)	38,239	11,985
<b>Current contract liabilities</b>		
Current provisions	509	1,792

**17.2 Cost of sales**

The breakdown of this income statement heading for 2022 and 2021 is as follows:

Year ended December 31, 2022

	Purchases	Changes in inventories	Impairment (Reversal)	Total consumption
Consumption of goods for resale	61,397	40,376	-	101,773
<b>Total</b>	<b>61,397</b>	<b>40,376</b>	<b>-</b>	<b>101,773</b>

Year ended December 31, 2021

	Purchases	Changes in inventories	Impairment (Reversal)	Total consumption
Consumption of goods for resale	168,945	(41,995)	-	126,950
<b>Total</b>	<b>168,945</b>	<b>(41,995)</b>	<b>-</b>	<b>126,950</b>

**GREENERGY RENOVABLES, S.A.**

**Notes to the financial statements  
for the year ended December 31, 2022**

The breakdown of purchases carried out in 2022 and 2021, by origin, is as follows:

	<b>Balance at 12.31.22</b>	<b>Balance at 12.31.21</b>
Spain	35,261	86,999
Imports	26,136	81,946
<b>Total</b>	<b>61,397</b>	<b>168,945</b>

**17.3 Social security costs, et al.**

The breakdown of this income statement heading for 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Social security payable by the Company	1,745	1,215
Other social security expenses	393	87
<b>Total</b>	<b>2,138</b>	<b>1,302</b>

The average number of employees, by professional category, in 2022 and 2021, was as follows:

<b>Category</b>	<b>2022</b>	<b>2021</b>
Directors and Senior Management	13	12
Managers	6	5
Department heads	15	8
Technical staff	75	50
Laborers	11	11
<b>Total</b>	<b>120</b>	<b>86</b>

The breakdown by gender of employees, directors, and senior management at 2022 and 2021 year end, is as follows:

Year ended December 31, 2022

<b>Category</b>	<b>12.31.2022</b>			<b>12.31.2021</b>		
	<b>Men</b>	<b>Women</b>	<b>TOTAL</b>	<b>Men</b>	<b>Women</b>	<b>TOTAL</b>
Directors and Senior Management	7	6	13	7	6	13
Managers	4	1	5	6	1	7
Department heads	12	6	18	9	1	10
Technical staff	52	33	85	36	20	56
Laborers	8	2	10	11	2	13
<b>Total</b>	<b>83</b>	<b>48</b>	<b>131</b>	<b>69</b>	<b>30</b>	<b>99</b>

Year ended December 31, 2021

<b>Category</b>	<b>Men</b>	<b>Women</b>	<b>TOTAL</b>
Directors and Senior Management	7	6	13
Department directors	4	-	4
Other	61	25	86
<b>Total</b>	<b>72</b>	<b>31</b>	<b>103</b>

**GREENERGY RENOVABLES, S.A.****Notes to the financial statements  
for the year ended December 31, 2022**

At December 31, 2022 and 2021, the Company had no employees under contract with disabilities greater than or equal to 33%.

**17.4 Finance income and expenses**

The breakdown of finance income and expenses recognized in the accompanying income statement is as follows:

Year ended December 31, 2022

	Third parties	Group companies	Total
<b>Income</b>	-	<b>7,076</b>	<b>7,076</b>
Interest from other financial assets (Note 20.1)	-	7,076	7,076
<b>Expenses</b>	<b>(5,085)</b>	-	<b>(5,085)</b>
Interest on borrowings	(4,165)	-	(4,165)
Other finance expenses	(920)	-	(920)
<b>Exchange gains (losses)</b>	<b>5,747</b>	-	<b>5,747</b>
<b>Impairment losses and gains (losses) on disposals (Note 8.1)</b>	<b>9,320</b>	-	<b>9,320</b>
Impairment and losses	(9,052)	-	(9,052)
Gains (losses) on disposals	18,372	-	18,372
<b>Finance cost</b>	<b>9,983</b>	<b>7,076</b>	<b>17,058</b>

Year ended December 31, 2021

	Third parties	Group companies	Total
<b>Income</b>	<b>8</b>	<b>3,344</b>	<b>3,352</b>
Interest from other financial assets	8	3,344	3,352
<b>Expenses</b>	<b>(2,490)</b>	-	<b>(2,490)</b>
Interest on borrowings	(1,674)	-	(1,674)
Other finance expenses	(817)	-	(817)
<b>Exchange gains (losses)</b>	<b>4,688</b>	-	<b>4,688</b>
<b>Impairment losses and gains (losses) on disposals (Note 8.1)</b>	<b>31,462</b>	<b>(3,200)</b>	<b>28,262</b>
Impairment and losses	(66)	(3,200)	(3,266)
Gains (losses) on disposals	31,528	-	31,528
<b>Finance cost</b>	<b>33,669</b>	<b>144</b>	<b>33,812</b>

**GREENERGY RENOVABLES, S.A.****Notes to the financial statements  
for the year ended December 31, 2022****18. Foreign currency**

The breakdown of transactions carried out in foreign currency during 2022 and 2021 is as follows:

Year ended December 31, 2022

	Equivalent value in thousands of euros	
	US Dollars	Total
Purchases	26,136	<b>26,136</b>
Sales	57,538	<b>57,538</b>
<b>Total</b>	<b>83,674</b>	<b>83,674</b>

Year ended December 31, 2021

	Equivalent value in thousands of euros	
	US Dollars	Total
Purchases	81,946	<b>81,946</b>
Sales	21,986	<b>21,986</b>
<b>Total</b>	<b>103,932</b>	<b>103,932</b>

The breakdown of assets and liabilities denominated in foreign currencies at December 31, 2022 and 2021 is as follows:

Year ended December 31, 2022

	Equivalent value in thousands of euros		
	US Dollars	Other	Total
<b>Assets</b>			
Loans to group companies	158,479	2,075	<b>160,554</b>
Trade and other receivables	100,975	-	<b>100,975</b>
Cash and cash equivalents	5,280	-	<b>5,280</b>
<b>Liabilities</b>			
Suppliers	(3,624)	-	(3,624)
<b>Total</b>	<b>261,110</b>	<b>2,075</b>	<b>263,185</b>

Year ended December 31, 2021

	Equivalent value in thousands of euros		
	US Dollars	Other	Total
<b>Assets</b>			
Loans to group companies	55,011	561	<b>55,572</b>
Trade and other receivables	79,310	-	<b>79,310</b>
Cash and cash equivalents	5,529	-	<b>5,529</b>
<b>Liabilities</b>			
Suppliers	(36,313)	-	(36,313)
<b>Total</b>	<b>103,537</b>	<b>561</b>	<b>104,098</b>

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

## **19. Environmental disclosures**

During the development phase of the renewable energy projects, either solar or wind, the Company carries out Environmental Impact Assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and their evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life of the project, and also to define the preventive, corrective, and compensatory measures with regard to said impacts.

Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

The Company contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and execute the Environmental Monitoring Programs together with the associated periodic reports, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The projects performed by the Company are in general mainly affected by the environmental impact arising out of the occupation of land. Thus, the land selection phase plays a fundamental role and the Company searches for and locates land using a system for analyzing current environmental variables with a view to minimizing environmental impact.

## **20. Related-party transactions**

### **20.1 Balances and transactions with related parties**

In addition to group entities, the Company's related parties also include its directors and senior management (including close family members) as well as those entities over which they may exercise control or significant influence.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

At 2022 and 2021 year end, the debit and credit balances the Company held with related parties are broken down as follows:

#### Year ended December 31, 2022

	Parent company	Other group companies	Total
<b>Assets</b>			
Receivable from group companies	-	115,233	115,233
Loans to group companies (Note 8.1)	-	206,150	206,150
	-	<b>321,383</b>	<b>321,383</b>
<b>Liabilities</b>			
Suppliers – group companies	71	10,003	10,074
Borrowings from group companies	-	1,028	1,028
	<b>71</b>	<b>11,031</b>	<b>11,102</b>

#### Year ended December 31, 2021

	Parent company	Other group companies	Total
<b>Assets</b>			
Receivable from group companies	-	63,353	63,353
Loans to group companies (Note 8.1)	-	80,503	80,503
	-	<b>143,856</b>	<b>143,856</b>
<b>Liabilities</b>			
Suppliers - group companies	-	5,908	5,908
Borrowings from group companies	-	277	277
	-	<b>6,185</b>	<b>6,185</b>

The balances with related parties at December 31, 2022 and 2021 are comprised of the following:

- Receivables from group companies: mainly reflects the debt pending collection by the Company from investees and related parties at year end for the sale of consumables and the construction of solar parks, amounting to 71,046 thousand euros and mainly corresponding to Grenergy Renovables Pacific at December 31, 2022 (2021: 49,553 thousand euros) as well as invoices pending issue to different Group companies in connection with the production executed and pending certification for the construction of different projects, amounting to 38,239 thousand euros (2021: 11,985 thousand euros) (Note 17.1).
- Suppliers - group companies: mainly reflects the invoices pending receipt from the Group company Grenergy Renovables Pacific for project development services in the amount of 10,003 thousand euros (2021: 5,908 thousand euros).
- Borrowings from group companies: mainly reflects the amount to be returned to different Group companies as a consequence of the tax consolidation in Spain (Note 16.2).



**GREENERGY RENOVABLES, S.A.****Notes to the financial statements  
for the year ended December 31, 2022**

The breakdown of transactions performed with related parties in 2022 and 2021 is as follows:

Year ended December 31, 2022

	Parent company	Other group companies	Key management personnel	Other related parties	Total
<b>Income</b>	<b>28</b>	<b>113,324</b>	-	-	<b>113,352</b>
Sale of goods	-	102,002	-	-	102,002
Services rendered	-	1,775	-	-	1,775
Other current management income	28	2,471	-	-	2,499
Accrued interest	-	7,076	-	-	7,076
<b>Expenses</b>	<b>658</b>	<b>1,096</b>	-	-	<b>1,754</b>
Services received	658	-	-	-	658
Losses on, impairment of, and changes in trade provisions	-	1,096	-	-	1,096

The transactions with related parties carried out during 2022 relate to the normal course of the Company's business and were carried out on an arm's length basis. The most significant transactions were the following:

- The sale of necessary components for solar installations (panels, inverters, etc.) to Greenergy Pacific Ltda. for a total amount of 17,485 thousand euros.
- Income from the construction of different solar parks amounting to 80,239 thousand euros.
- Development fees invoiced for an amount of 4,278 thousand euros.
- Rendering of operation and maintenance services for solar and wind parks amounting to 1,775 thousand euros.
- Other current management income includes management fees invoiced to the group's subsidiaries. This income was recorded under "Other operating income" in the accompanying income statement.
- Interest accrued on the loans granted to various group companies (Note 8.1).
- Services received mainly correspond to the lease expense for the properties where the Company carries out its activity (Note 7.1).
- Losses on, impairment of, and changes in trade provisions corresponds to the provision for guarantees relating to the construction contract for the Escuderos park.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

Year ended December 31, 2021

	Parent company	Other group companies	Key management personnel	Other related parties	Total
<b>Income</b>	-	<b>131,574</b>	-	-	<b>131,574</b>
Sale of goods	-	126,257	-	-	126,257
Services rendered	-	362	-	-	362
Other current management income	-	1,611	-	-	1,611
Accrued interest	-	3,344	-	-	3,344
<b>Expenses</b>	<b>482</b>	<b>1,792</b>	-	<b>53</b>	<b>2,327</b>
Services received	482	-	-	53	535
Losses on, impairment of, and changes in trade provisions	-	1,792	-	-	1,792

The transactions with related parties carried out during 2021 relate to the normal course of the Company's business and were carried out on an arm's length basis. The most significant transactions were the following:

- The sale of necessary components for solar installations (panels, inverters, etc.) to Greenergy Pacific Ltda. for a total amount of 20,848 thousand euros.
- Income from the construction of the Escuderos park amounting to 104,877 thousand euros.
- Other current management income includes management fees invoiced to the group's subsidiaries. This income was recorded under "Other operating income" in the accompanying income statement.
- Interest accrued on the loans granted to various group companies (Note 8.1).
- Services received mainly correspond to the lease expense for the properties where the Company carries out its activity (Note 7.1).
- Losses on, impairment of, and changes in trade provisions corresponds to the provision for guarantees and the provision for delays relating to the construction contract for the Escuderos park.

#### 20.2 Disclosures relating to the directors and senior management

During 2022 and 2021 the Company did not extend any advances or credit to its directors, nor did it assume any obligations on their behalf by way of guarantees extended. Likewise, the Company has no pension or life insurance commitments for any of its current or former directors.

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

The amounts accrued by members of the Board of Directors during 2022 and 2021 were as follows:

Type of remuneration	2022	2021
Remuneration for membership of Board and/or Board committees	280	133
Salaries	90	155
Variable remuneration in cash	84	139
Share-based remuneration schemes	39	165
Other items	42	50
<b>TOTAL</b>	<b>535</b>	<b>642</b>

The directors of the Parent company are covered by a civil liability insurance policy for which the Company settled a premium amounting to 25 thousand euros in 2022 (2021: 25 thousand euros).

The amounts accrued by senior management corresponding to fixed remuneration, variable annual remuneration, and other items, amounted to 742 thousand euros in 2022 (2021: 829 thousand euros).

### 20.3 Other disclosures relating to the directors

At the date of authorization of these financial statements none of the members of the Board of Directors disclosed any conflicts of interest, direct or indirect, with those of the Company in connection with said members themselves or any persons to whom article 229 of the Spanish Corporate Enterprises Act refers.

## 21. Other disclosures

### 21.1 Risk management policy

The Company's risk management policy has been approved by its Board of Directors. It is the Audit Committee which supervises the efficacy of the risk management system. Based on these policies, the Company's Finance Department has established a series of procedures and controls which make it possible to identify, measure, and manage the financial risks arising from financial instrument activity.

The use of financial instruments exposes the Company to credit, market, exchange rate, interest rate, and liquidity risk.

#### **Market risk**

The market in which the Company operates is related to the sector for production and commercialization of renewable energies. It is for this reason that the factors which influence said market positively and negatively can affect the Company's performance.

Market risk in the electricity sector is based on a complex price formation process in each of the markets in which the Company performs its business activities.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

In general, the price of products offered in the sector of renewable energies contains a regulated component as well as a market component. The first is controlled by the competent authorities of each country or market and can vary whenever said authorities consider it appropriate and necessary, resulting in an obligation for all market agents to adapt to the new circumstances. The cost of energy production would be affected as well as distribution to networks, thereby also affecting the price paid by the Company's clients, either with respect to the negotiation of purchase-sales prices for its projects or price formation in the wholesale market ("merchant"), or under the Power Purchase Agreements ("PPAs").

As far as the market component is concerned, there is the risk that the competitors of Greenergy, both for renewable energies as well as for conventional energies, may be able to offer lower prices, generating competition in the market which, via pricing, may endanger the stability of the Greenergy client portfolio and could thereby provoke a substantial negative impact on its activities, results, and financial position.

At any rate, as the performance of said sector varies significantly from country to country and continent to continent, three years ago the Group initiated a geographical diversification process, breaking into markets outside Spain (currently the Group is present in Spain, Chile, Mexico, Colombia, Argentina, Peru, Italy, the United Kingdom, Poland, the USA, and Germany), thereby reducing this type of risk even more. All the efforts being made by Greenergy at present are focused on further developing the project portfolio it owns in these countries.

#### **Credit risk**

Credit risk relates to the risk of potential loss caused by the Company's counterparties not meeting their contractual obligations, i.e., the possibility that financial assets will not be recovered at their carrying amounts within the established time frames.

Each month a breakdown giving the age of each of the accounts receivable is prepared, which serves as the basis for collection management. The Finance Department requests payment of overdue amounts on a monthly basis.

The percentage of allowances for insolvencies was zero during 2022 and 2021.

#### **Exchange rate risk**

GREENERGY performs a large part of its economic activities abroad and outside the European market, specifically, in Chile, Peru, Argentina, Mexico, and Colombia. At December 31, 2022, practically all the revenue generated by Greenergy in these countries was denominated in currencies other than the euro, specifically, the US dollar. Likewise, a large part of the expenses and investments, mainly corresponding to expenses incurred for consumables required in construction activities and investments in development projects, were also denominated in US dollars.

As a consequence of the fluctuations in the value of the US dollar with respect to the euro, and to the extent that the Group does not at present have any mechanisms or hedging agreements for mitigating these exchange rate risks, Greenergy could suffer a negative impact.

## **GREENERGY RENOVABLES, S.A.**

### **Notes to the financial statements for the year ended December 31, 2022**

#### **Liquidity risk**

Liquidity risk refers to the possibility that the Company may not be able to meet its financial commitments in the short term. As the Company's business is capital intensive and involves long term debt, it is important for the Company to analyze the cash flows generated by the business so that it can fulfill its debt payment obligations, both financial and commercial.

Liquidity risk arises from the financing needs of Greenergy's activities due to the time lag between requirements being met and the generation of funds.

With a view to guaranteeing liquidity should there be an additional deterioration in the generation of cash by the businesses, the sources for liquidity were expanded during 2022, ensuring that even in an environment of low liquidity the Company would receive support from banking entities at competitive prices.

As the Company has no significant financial commitments in the short term, at the date of authorization of these financial statements, the cash flows generated in the short term by the Company are sufficient to meet the maturities of financial and commercial debt in the short term.

#### **Interest rate risk**

The changes in variable interest rates (e.g., EURIBOR) alter the future flows of assets and liabilities referenced to such rates, especially short and long-term financial debt. The objective of Greenergy's interest rate risk management policy is to achieve a balanced structure of financial debt with a view to reducing the financial cost of debt to the extent possible.

Not only Spain experienced a sharp increase in inflation during 2022 but also the remaining countries where the Group operates.

This scenario is leading central banks to raise official interest rates as a measure to reduce the high inflation rates.

Practically all of the Company's debt at December 31, 2022 and 2021 was arranged at fixed rates, thus limiting the exposure to changes in interest rates.

#### **21.2 Guarantee commitments to third parties**

At 2022 year end, the Company held guarantees and sureties with respect to third parties in the amount of 124,421 thousand euros, mainly corresponding to guarantees for the presentation of tenders and participation in auctions for renewable energies (2021: 55,999 thousand euros).

## GREENERGY RENOVABLES, S.A.

### Notes to the financial statements for the year ended December 31, 2022

#### 21.3 Audit fees for the auditors and related entities

The fees accrued during 2022 and 2021 for the audit of accounts and other services rendered by the auditors of the individual financial statements and the consolidated financial statements of the Group (Ernst & Young, S.L. for 2022 and 2021) and by companies belonging to the same network were as follows:

Categories	2022	2021
Audit services	82	73
Limited review at June 30	38	32
Other audit-related services	26	25
<b>Total audit and related services</b>	<b>146</b>	<b>130</b>
Other	-	-
<b>Total other professional services</b>	<b>-</b>	<b>-</b>
<b>Total professional services</b>	<b>146</b>	<b>130</b>

The amount indicated in the table above for "Audit services" includes all fees related to the audit of the financial years 2022 and 2021, irrespective of the invoice date.

#### 22. Events after the reporting period

No significant events took place between December 31, 2022 and the date of authorization for issue of the accompanying financial statements that may require disclosure.

# APPENDIX

## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros				
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee
GREENHOUSE SOLAR FIELDS, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	(1)	-	-	2
GREENHOUSE SOLAR ENERGY, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	(1)	-	-	2
GREENHOUSE RENEWABLE ENERGY, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	(1)	-	-	2
GUIA DE ISORA SOLAR 2, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	2	3	(7)	-	-	(4)
GR SOLAR 2020, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(2)	-	10	11
GR SUN SPAIN, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(3)	-	-	-
GR EQUITY WIND AND SOLAR, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	287	-	-	290
LEVEL FOTOVOLTAICA S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	50%	0%	50%	2	-	2	3	(328)	-	-	(325)
GR BAÑUELA RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(1,161)	(5,982)	438	(6,702) (**)
GR TURBON RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(1,153)	(6,009)	666	(6,494) (**)
GR AITANA RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(1,110)	(6,063)	691	(6,480) (**)
GR ASPE RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(1,178)	(5,982)	293	(6,864) (**)
VIATRES RENEWABLE ENERGY, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	40%	0%	40%	1	-	1	3	-	-	-	3
EIDEN RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
CHAMBO RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2

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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros				
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee
MAMBAR RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
EL AGUILA RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
EUGABA RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	406	-	406	3	(1)	403	(7)	398
TAKE RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	426	-	426	3	(1)	423	(8)	417
NEGUA RENOVABLES, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	398	-	398	3	(1)	395	(8)	389
GR SISON RENOVABLES, S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR PORRON RENOVABLES, S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR BISBITA RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR AVUTARDA RENOVABLES, S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR COLIMBO RENOVABLES, S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MANDARIN RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR DANICO RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CHARRAN RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CERCETA RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CALAMON RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-



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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros				
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee
GR CORMORAN RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR GARCILLA RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LAUNICO RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MALVASIA RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MARTINETA RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR FAISAN RENOVABLES S.L.U.	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GREENERGY OPEX, S.L	Rafael Botí, 26, 28023 Madrid (Spain)	Operation and maintenance of renewable electric energy installations (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GREENERGY EPC EUROPA, S.L.	Rafael Botí, 26, 28023 Madrid (Spain)	Construction of electric energy installations	100%	0%	100%	3 (3)	-	-	-	-	2,245	2,245	-
GR POWER COMERCIALIZACION, S.L	Rafael Botí, 26, 28023 Madrid (Spain)	Commercialization of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LA PARED 2, SL	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LA PARED 3, SL	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LA PARED 4, S.L	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LA PARED5, S.L	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LA PARED 6, S.L	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LA PARED 7, S.L	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-

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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros				
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee
GR ARLANZON RENOVABLES, S.L	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR ANDALUCIA 1 RENOVABLES, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CARIÑEN RENOVABLES, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CANTABRIA 5 RENOVABLES, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR ASTURIAS 1 RENOVABLES, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CANTABRIA 3, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR VALENCIA 3 RENOVABLES, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MADRID 2 RENOVABLES, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CANTABRIA 4 RENOVABLES, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MADRID 1, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR VALENCIA 2, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR VALENCIA 1, SLU	Rafael Botí, 26, 28023 Madrid (Spain)	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-

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## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GREENERGY PACIFIC LTDA	Chile	Promotion and construction of electric energy installations	99.9%	0%	100%	43	-	43	39	4,972	-	(476)	4,535	(*) (**)
GR PEUMO, S.P.A.	Chile	Production of renewable electric energy	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR QUEULE, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR MAITEN, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR ALGARROBO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR PACIFIC CHILOE SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98%	(1)	-	-	-	-	-	-	-	(*) (***)
GR PACIFIC OVALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98%	(1)	-	-	890	(883)	-	-	7	(*) (***)
GR PIMIENTO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR CHAÑAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR LÚCUMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR LLEUQUE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	100%	100%	-	-	-	1	42	-	767	810	(*) (***)
GR NOTRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR LENGUA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR TEPÚ, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR PACAMA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR TEMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR RUIL, SPA	Chile	Production of renewable electric energy (Inactive company)	-	100%	100%	-	-	-	1	36	-	450	487	(*) (***)
GR POLPAICO PACIFIC, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98%	(1)	-	-	-	-	-	-	-	(*) (***)
GR Manzano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Naranjillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Mañío SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)

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## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR Tara SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Hualo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Corcolén SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Luma SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Fuiñque SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Queñoa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Tayú SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Petra SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Coronillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Liun SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Kewiña SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Frangel SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Maqui SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Petrillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
GR Tepa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
Greenery OPEX SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	0%	100%	1	-	1	1	1,129	-	1,275	2,405	(*) (**)
Parque Fotovoltaico Nuevo Quillagua SpA	Chile	Production of renewable electric energy	100%	0%	100%	15,210	-	15,210	20,583	2,053	-	1,161	23,797	(*) (**)
GR CORCOVADO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR YENDEGAIA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR KAWESQAR	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR ALARCE ANDINO SPA	Chile	Production of renewable electric energy	0%	100%	100%	(1)	-	-	1	-	-	122	123	(*) (****)
GR ALERCE COSTERO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)

# APPENDIX

## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR TORRES DEL PAINE SPA	Chile	Production of renewable electric energy	0%	100%	100%	-	-	-	1	3	-	183	187	(*) (****)
GREENERGY PALMAS DE COCOLÁN, SPA	Chile	Holding company	100%	0%	100%	12,356	-	12,356	9,903	(180)	(1,456)	(1,105)	7,162	(*) (**)
GR LA CAMPANA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR VOLCAN ISLUGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR LAUCA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR PAN DE AZUCAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR MORRO MORENO, SPA	Chile	Production of renewable electric energy	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR NEVADO TRES CRUCES, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR LLULLAILLACO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR SALAR HUASCO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR RAPANUI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR PUYEHUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR CABO DE HORNOS, SPA	Chile	Production of renewable electric energy	100%	0%	100%	1	-	-	1	-	-	(6)	(5)	(*)
GR CERRO CASTILLO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR PALI AIKE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR RADAL SIETE TAZAS, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR ISLA MAGDALENA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GREENERGY LLANOS CHALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR LAGUNA SAN RAFAEL, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR POWER CHILE, SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	1	-	1	1	(191)	-	(648)	(838)	(*) (**)

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## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
CE CENTINELA SOLAR SPA	Chile	Commercialization of renewable electric energy	0%	100%	100%	-	-	-	22	-	-	141	163	(*) (****)
CE URIBE DE ANTOFAGASTA SOLAR SPA	Chile	Commercialization of renewable electric energy	0%	100%	100%	-	-	-	2	-	-	403	405	(*) (****)
CHAPIQUINA SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	1	-	1	1	-	-	3	4	(*)
MAITE SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	-	-	-	1	-	-	-	1	(*)
MIGUEL SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	-	-	-	1	-	-	-	1	(*)
PARQUE SOLAR TANGUA	Chile	Commercialization of renewable electric energy	100%	0%	100%	913	-	913	-	-	-	-	-	(*)
MANZANO SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	20	-	20	-	-	-	-	-	(*)
ECOGREENERGY TRANSMISIÓN SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
PLANTA SOLAR LA PAZ II SPA	Chile	Commercialization of renewable electric energy	0%	100%	100%	(1)	-	-	-	-	-	-	-	(*) (****)
PLANTA SOLAR PEÑAFLORES II SPA	Chile	Commercialization of renewable electric energy	0%	100%	100%	-	-	-	-	-	-	-	-	(*) (****)
PLANTA SOLAR LO MIGUEL II SPA	Chile	Commercialization of renewable electric energy	0%	100%	100%	-	-	-	-	-	-	-	-	(*) (****)
PLANTA SOLAR SANTA TERESITA II SPA	Chile	Commercialization of renewable electric energy	0%	100%	100%	-	-	-	-	-	-	-	-	(*) (****)
PFV EL LORO CHOROY	Chile	Commercialization of renewable electric energy	100%	0%	100%	363	-	363	-	-	-	-	-	(*) (****)
GREENERGY PERU SAC	Peru	Promotion and construction of electric energy installations	99%	0%	99%	1	-	1	1	(1,077)	-	816	(260)	(*)
GR JULIACA, S.A.C.	Peru	Production of renewable electric energy (inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR HUAMBOS, S.A.C.	Peru	Production of renewable electric energy (inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR APORIC, S.A.C.	Peru	Production of renewable electric energy (inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR CORTARRAMA S.A.C.	Peru	Production of renewable electric energy (inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR GUANACO S.A.C.	Peru	Production of renewable electric energy (inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR TARUCA S.A.C.	Peru	Production of renewable electric energy	90%	0%	90%	4,932	(4,079)	853	5,764	(1,858)	-	(2,593)	1,313	(*) (**)

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## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR PAINO S.A.C.	Peru	Production of renewable electric energy	90%	0%	90%	5,011	(4,080)	931	5,866	(2,329)	-	(2,796)	741	(*) (**)
GR PAICHE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	278	-	-	-	-	-	-	-	(*)
GR LIBLANCA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	278	-	-	-	-	-	-	-	(*)
GR ANDINO S.A.C.	Peru	Production of renewable electric energy	100%	0%	100%	-	-	-	-	-	-	(5)	(5)	(*)
GR CAOBA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR CEIBO S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR CHABARBAMBA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR MITOCONGA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR RENOVABLES MÉXICO	Mexico	Promotion and construction of electric energy installations	98%	0%	98%	3	-	3	2	(996)	-	(6)	(1,000)	(*) (**)
GREENHUB S.L. DE C.V.	Mexico	Production of renewable electric energy	20%	80%	100%	20	-	20	109	(2,429)	-	(66)	(2,386)	(*) (**) (*****)
FAILO 3 SACV	Mexico	Production of renewable electric energy (Inactive company)	-	50%	50%	-	-	-	2	(18)	-	(3)	(19)	(*) (***)
ASTILO 1 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3	-	-	2	(31)	-	(12)	(41)	(*) (****)
CRISON 2 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3	-	-	2	(4)	-	(16)	(18)	(*) (****)
MESO 4 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3	-	-	2	(28)	-	(4)	(30)	(*) (****)
ORSIPO 5 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3	-	-	2	(14)	-	(10)	(22)	(*) (****)
MIRGACA 6 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3	-	-	2	(2)	-	(5)	(5)	(*) (****)
GREENERGY COLOMBIA S.A.S.	Colombia	Promotion and construction of electric energy installations	100%	0%	100%	270	-	270	187	(686)	-	(4,515)	(5,014)	(*) (**)
GR PARQUE BRISA SOLAR 2	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE BRISA SOLAR 3	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE PRADO SOLAR 1	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)

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## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR PARQUE SOLAR SANDALO 2	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
SAN AGUSTIN SOLAR S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
SANTAMARTA SOLAR S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR SOL DE BAYUNCA SAS	Colombia	Production of renewable electric energy	100%	0%	100%	-	-	-	-	(66)	-	(1,767)	(1,833)	(*) (**)
CERRITOS SOLAR S.A.S	Colombia	Production of renewable electric energy	100%	0%	100%	-	-	-	-	-	-	153	153	(*) (**)
CENTRO SOLAR, S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
MONTELIBANO SOLAR, S.A.S	Colombia	Production of renewable electric energy	100%	0%	100%	-	-	-	-	-	-	(5)	(5)	(*)
GREENERGY GESTIÓN E INFRAESTRUCTURA S.A.S.	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SOL DE AYAPEL S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE CENTRO SOLAR 2 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE BRISA SOLAR 4 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE GALAPA SOLAR 2 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE CAMPO DE LA CRUZ S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE TUCANES 3 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE NUEVA MONTERIA SOLAR 1 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE NUEVA BARRANQUILLA 2 SOLAR S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SAN JUAN SOLAR 1 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SAN JUAN SOLAR 2 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE BREZO SOLAR 1 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE BREZO SOLAR 2 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)



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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR PARQUE GUACAMAYAL SOLAR S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SOL DE ZAWADY S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SINCE SOLAR S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE LOS CABALLEROS 2 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SOLAR TUCANES 2 S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE NUEVA BARRANQUILLA 1 SOLAR S.A.S E.S.P	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR SOL DE SANTANDER S.A.S E.S.P.	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SOLAR SOL DEL MAR II S.A.S. E.S.P.	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SOLAR SANDALO II S.A.S E.S.P.	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE SOLAR LA MEDINA SAS	Colombia	Production of renewable electric energy	100%	0%	100%	-	-	-	-	-	-	304	304	(*) (**)
GR PARQUE SOLAR LOS CABALLEROS SAS	Colombia	Production of renewable electric energy	100%	0%	100%	-	-	-	-	-	-	382	382	(*) (**)
GREENERGY RINNOVABILI ITALIA SRL	Italy	Promotion and construction of electric energy installations	100%	0%	100%	350	-	350	350	(32)	-	(130)	188	
GR RINNOVABILI 1 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	
GR RINNOVABILI 2 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	
GR RINNOVABILI 3, SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	
GR RINNOVABILI 4 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	
GR RINNOVABILI 5 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	
GR RINNOVABILI 6 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	
GR RINNOVABILI 7 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	
GR RINNOVABILI 8 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10	

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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2022

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2022			Thousands of euros				
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee
GR RINNOVABILI 9 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10
GR RINNOVABILI 10 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	10
GREENERGY RENEWABLES UK LIMITED	UK	Promotion and construction of electric energy installations	100%	0%	100%	-	-	-	-	(42)	-	(153)	(195) (*)
GR RENEWABLES 1 LIMITED	UK	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	- (*)
GR RENEWABLES 2 LIMITED	UK	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	- (*)
GR RENEWABLES 3 LIMITED	UK	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	- (*)
GR RENEWABLES 4 LIMITED	UK	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	- (*)
GR RENEWABLES 5 LIMITED	UK	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	- (*)
GREENERGY POLSKA, S.P. ZOO	Poland	Promotion and construction of electric energy installations	100%	0%	100%	3	-	3	1	-	-	(156)	(155)
GREENERGY ERNEUERBARE ENERGIEN GMBH	Germany	Promotion and construction of electric energy installations	100%	0%	100%	25	-	25	25	-	-	-	-
GREENERGY RENOVABLES USA LLC	USA	Promotion and construction of electric energy installations	100%	0%	100%	-	-	-	-	-	-	-	- (*)
SOFOS HARBERT RENEWABLE	USA	Promotion and construction of electric energy installations	0%	40%	40%	-	-	-	6,450	(1,275)	-	(1,018)	4,157 (*) (*****)
GREENERGY ATLANTIC, S.A.U.	Argentina	Promotion and construction of electric energy installations	100%	0%	100%	402	-	402	227	(245)	-	(138)	(156) (*)
KOSTEN S.A.	Argentina	Operation and maintenance of renewable electric energy installations	100%	0%	100%	8,159	(5,536)	2,623	5,272	(4,788)	-	1,691	2,175 (*) (**)

**39,626**

(\*) Exchange rate at closing of 12.31.2022 applied, with average rates applied to the 2022 income statement.

(\*\*) Audited financial statements

(\*\*\*) Indirect ownership via GR Equity Wind and Solar

(\*\*\*\*) Indirect ownership via GR Las Palmas de Cocalán

(\*\*\*\*\*) Indirect ownership via GR Renovables México

(\*\*\*\*\*) Indirect ownership via Grenergy Renovables USA

## APPENDIX

### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros				
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee
GREENHOUSE SOLAR FIELDS, S.L.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	(1)	-	-	2
GREENHOUSE SOLAR ENERGY, S.L.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	(1)	-	-	2
GREENHOUSE RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	(1)	-	-	2
GUÍA DE ISORA SOLAR 2, S.L.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	2	3	(7)	-	-	(4)
GR SOLAR 2020, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(2)	-	-	1
GR SUN SPAIN, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(3)	-	-	-
GR EQUITY WIND AND SOLAR, S.L.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3	-	3	3	287	-	-	290
LEVEL FOTOVOLTAICA S.L.	Spain	Production of renewable electric energy (Inactive company)	50%	0%	50%	1	-	1	2	(328)	-	-	(326)
GR BAÑUELA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(1)	(1,626)	(1,160)	(2,784) (**)
GR TURBON RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(1)	(1,626)	(1,152)	(2,776) (**)
GR AITANA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(2)	(1,626)	(1,109)	(2,734) (**)
GR ASPE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	968	-	968	3	(1)	(1,626)	(1,177)	(2,801) (**)
VIATRES RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy (Inactive company)	40%	0%	40%	1	-	1	3	-	-	-	3
EIDEN RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
CHAMBO RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
MAMBAR RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
EL ÁGUILA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
EUGABA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
TAKE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2
NEGUÁ RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	0%	100%	3	-	3	3	(1)	-	-	2

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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros				
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee
GR SISON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR PORRÓN RENOVABLES, S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR BISBITA RENOVABLES S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR AVUTARDA RENOVABLES, S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR COLIMBO RENOVABLES, S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MANDARÍN RENOVABLES S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR DÁNICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CHARRAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CERCETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CALAMÓN RENOVABLES S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR CORMORÁN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR GARCILLA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LAUNICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MALVASÍA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR MARTINETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR FAISÁN RENOVABLES S.L.U.	Spain	Production of renewable electric energy	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GREENERGY OPEX, S.L	Spain	Operation and maintenance of renewable electric energy installations (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GREENERGY EPC EUROPA, S.L.	Spain	Construction of electric energy installations (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR POWER COMERCIALIZACIÓN, S.L	Spain	Commercialization of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-
GR LA PARED 2, SL	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-

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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR LA PARED 3, SL	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-	-
GR LA PARED 4, S.L	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-	-
GR LA PARED5, S.L	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-	-
GR LA PARED 6, S.L	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-	-
GR LA PARED 7, S.L	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-	-
GR ARLANZÓN RENOVABLES, S.L	Spain	Production of renewable electric energy (Inactive company)	100%	0%	100%	3 (3)	-	-	-	-	-	-	-	-
GREENERGY PACIFIC LTDA	Chile	Promotion and construction of electric energy installations	99.9%	0%	100%	43	-	43	37	5,147	-	(425)	4,759	(*) (**)
GR PEUMO, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2 (2)	-	-	-	-	-	-	-	-
GR QUEULE, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2 (2)	-	-	-	-	-	-	-	-
GR MAITÉN, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2 (2)	-	-	-	-	-	-	-	-
GR ALGARROBO S.P.A	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-
GR PACIFIC CHILOÉ SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98%	1 (1)	-	-	-	-	-	-	-	-
GR PACIFIC OVALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98%	1 (1)	-	-	853	(846)	-	-	7	(*) (***)
GR PIMIENTO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-
GR CHAÑAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-
GR LÚCUMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-
GR LLEUQUE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	100%	100%	-	-	-	1	(2)	-	40	39	(*) (****)
GR NOTRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-
GR LENGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-
GR TEPÚ, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-

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## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR PACAMA, S PA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR TEMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR RUIL, SPA	Chile	Production of renewable electric energy	-	100%	100%	-	-	-	1	(1)	-	33	33	(*) (****)
GR POLPAICO PACIFIC, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98%	1	-	-	-	-	-	-	-	(*) (***)
GR Manzano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Naranjillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Mañio SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Tara SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Hualo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Corcolén SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Luma SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Fuiñque SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Queñoa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Tayú SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Petra SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Corontillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Liun SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Kewiña SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Frangel SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Maqui SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)

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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR Petrillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	2	-	-	-	-	-	-	-	(*)
GR Tera SpA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(2)	-	-	-	-	-	-	-	(*)
Grenergy OPEX SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	0%	100%	1	-	1	1	259	-	873	1,133	(**) (*)
Parque Fotovoltaico Nuevo Quillagua SpA	Chile	Production of renewable electric energy	100%	0%	100%	15,211	-	15,211	19,471	(3,679)	-	3,645	19,437	(**) (*)
GR CORCOVADO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1	-	-	-	-	-	-	-	(*)
GR YENDEGAIA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR KAWESQAR	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR ALARCE ANDINO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR ALERCE COSTERO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR TORRES DEL PAINE SPA	Chile	Production of renewable electric energy	0%	100%	100%	-	-	-	1	(1)	-	3	3	(*) (****)
GR NAHUELBUTA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR CONGUILILLO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GREENERGY PALMAS DE COCOLÁN, SPA	Chile	Holding company	100%	0%	100%	2,190	-	2,190	2,259	-	(182)	(163)	1,914	(**) (*)
GR LA CAMPANA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR VOLCÁN ISLUGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR LAUCA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR PAN DE AZÚCAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR MORRO MORENO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR NEVADO TRES CRUCES, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)
GR LLULLAILLACO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	(1)	-	-	-	-	-	-	-	(*)

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### GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee		
GR SALAR HUASCO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR RAPANUI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR PUYEHUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR CABO DE HORNOS, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR CERRO CASTILLO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR PALI AIKE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR RADAL SIETE TAZAS, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR ISLA MAGDALENA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GREENERGY LLANOS CHALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR LAGUNA SAN RAFAEL, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	0%	100%	1 (1)	-	-	-	-	-	-	-	-	(*)
GR POWER CHILE, SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	2	-	2	1	(68)	-	(108)	(175)	(*)	
CE CENTINELA SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	28	-	28	21	-	-	-	-	21	(*)
CE URIBE DE ANTOFAGASTA SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	3	-	3	2	-	-	-	-	2	(*)
CHAPIQUINA SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	2	-	2	1	-	-	-	-	1	(*)
MAITE SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	1,268	-	1,268	1	-	-	-	-	1	(*)
MIGUEL SOLAR SPA	Chile	Commercialization of renewable electric energy	100%	0%	100%	1,319	-	1,319	1	-	-	-	-	1	(*)
GREENERGY PERÚ SAC	Peru	Promotion and construction of electric energy installations	99%	0%	99%	-	-	-	1	(442)	-	(554)	(995)	(*)	
GR JULIACA, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
GR HUAMBOS, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
GR APORIC, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)



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## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros					
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee	
GR BAYONAR, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR VALE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR CORTARRAMA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR GUANACO S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR TARUCA S.A.C.	Peru	Production of renewable electric energy	90%	0%	90%	4,933	-	4,933	5,452	(486)	-	(1,220)	3,746	(*) (**)
GR PAINO S.A.C.	Peru	Production of renewable electric energy	90%	0%	90%	5,012	-	5,012	4,782	(472)	-	(1,587)	2,723	(*) (**)
GR PAICHE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	278 (278)	-	-	-	-	-	-	-	(*)
GR LIBLANCA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	0%	100%	278 (278)	-	-	-	-	-	-	-	(*)
GR RENOVABLES MÉXICO	Mexico	Promotion and construction of electric energy installations	98%	0%	98%	3	-	3	2	(490)	-	(348)	(836)	(*) (**)
GREENHUB S.L. DE C.V.	Mexico	Production of renewable electric energy	20%	80%	100%	20	-	20	97	143	-	(2,204)	(1,964)	(*) (*****)
FAILO 3 SACV	Mexico	Production of renewable electric energy (Inactive company)	-	50%	50%	-	-	-	2	(15)	-	(1)	(14)	(*) (***)
ASTILO 1 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3 (3)	-	-	2	(26)	-	(2)	(26)	(*) (***)
CRISON 2 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3 (3)	-	-	2	(3)	-	(2)	(3)	(*) (***)
MESO 4 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3 (3)	-	-	2	(24)	-	(2)	(24)	(*) (***)
ORSIPO 5 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3 (3)	-	-	2	(3)	-	(14)	(15)	(*) (***)
MIRGACA 6 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	100%	100%	3 (3)	-	-	2	(1)	-	(2)	(1)	(*) (***)
GREENERGY COLOMBIA S.A.S.	Colombia	Promotion and construction of electric energy installations	100%	0%	100%	271	-	271	209	(118)	-	(629)	(538)	(*)
GR PARQUE BRISA SOLAR 2	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE BRISA SOLAR 3	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)
GR PARQUE PRADO SOLAR 1	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	(*)

# APPENDIX

## GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2021

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2021			Thousands of euros						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year	Total equity of the investee		
GR PARQUE SOLAR SÁNDALO 2	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
SAN AGUSTÍN SOLAR S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
SANTAMARTA SOLAR S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
GR SOL DE BAYUNCA SAS	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
CERRITOS SOLAR S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
CENTRO SOLAR, S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
MONTELÍBANO SOLAR, S.A.S	Colombia	Production of renewable electric energy (Inactive company)	100%	0%	100%	-	-	-	-	-	-	-	-	-	(*)
GREENERGY RINNOVABILI ITALIA SRL	Italy	Promotion and construction of electric energy installations	100%	0%	100%	100	-	100	100	(8)	-	(20)	-	72	
GR RINNOVABILI 1 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 2 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 3, SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 4 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 5 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 6 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 7 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 8 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 9 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GR RINNOVABILI 10 SRL	Italy	Production of renewable electric energy (Inactive company)	100%	0%	100%	10	-	10	10	-	-	-	-	10	
GREENERGY RENEWABLES UK LIMITED	UK	Promotion and construction of electric energy installations	100%	0%	100%	-	-	-	-	(43)	-	-	-	(43)	(*)
GREENERGY POLSKA, S.P. ZOO	Poland	Promotion and construction of electric energy installations	100%	0%	100%	-	-	-	-	-	-	-	-	-	
GREENERGY ATLANTIC, S.A.U.	Argentina	Promotion and construction of electric energy installations	100%	0%	100%	402	-	402	216	(314)	71	234	207	(*)	
KOSTEN S.A.	Argentina	Operation and maintenance of renewable electric energy installations	100%	0%	100%	8,159	(5,536)	2,623	4,988	(1,188)	62	(3,374)	488	(*) (**)	

(\*) Exchange rate at closing of 12.31.2021 applied, with average rates applied to the 2021 income statement.

(\*\*) Audited financial statements

(\*\*\*) Indirect ownership via GR Equity Wind and Solar

(\*\*\*\*) Indirect ownership via GR Las Palmas de Cocalán

(\*\*\*\*) Indirect ownership via GR Renovables México

37,446

## **1. 2022 Business Performance**

According to Bloomberg New Energy Finance (BNEF), 268GW of solar energy installations were installed globally during 2022. Installing this capacity during the year involves a 36% year on year increase in investments, up to 308 trillion euros.

Though global cost inflation has been putting pressure on costs in the renewable energy industry, increasing the cost of key components for its installations, the cost of other sources of energy, such as gas or petroleum, experienced even more severe inflation, which strengthened the relative competitiveness of renewable energies and evidenced the need for reducing dependency on certain non-renewable energy commodities.

BNEF expects new installed capacity of 317 GW in 2023 for solar energy at a global level as compared to the 266 GW of installed capacity estimated for 2022.

As far as storage installations are concerned, this activity continues to grow exponentially with an estimated 48 GW installed in 2022 and 405 GW expected by 2030.

In the long term BNEF expects exponential growth in the renewable energy sector until it reaches 85% of energy supplied in 2050.

The main headings for the income statement and balance sheet are explained below:

- Total revenue for the year amounted to 104,061 thousand euros, representing a decrease of 18% with respect to 2021. This decrease is mainly due to the fact that another Group company started performing the construction activity towards the end of 2022.
- The breakdown of all operating income by nature in 2022 was as follows:
  - TOTAL Revenue: 104,061 thousand euros:
    - Sale of solar panels and other materials: 17,485 thousand euros
    - Revenue from construction: 80,239 thousand euros
    - Revenue from development fees: 4,278 thousand euros
    - O&M income (maintenance of plants): 2,059 thousand euros
  - TOTAL Other Operating Income: 2,757 thousand euros:
    - Revenue from management fees: 2,471 thousand euros
    - Other operating income: 286 thousand euros

## GREENERGY RENOVABLES, S.A.

### Management Report for the year ended December 31, 2022

- The results for the year before taxes showed profits amounting to 11,203 thousand euros (a decrease of 62% with respect to 2021). Net profits for the year came in at 5,937 thousand euros (a decrease of 74% with respect to 2021). These results confirm the continuity of Greenergy's activities in the development of its projects, construction, and connecting plants, as reflected in last year's management report. In addition, during 2022, 3 photovoltaic parks in Chile and 2 parks in Peru were transferred together with their respective vehicle entities. Greenergy considers these results as very positive given that they reflect the continuity of growth in Latin America and the consolidation of sales of installations in this region.
- The balance for employee benefits expenses increased by 35%, amounting to 9,140 thousand euros in 2022, reflecting the continued strengthening of the workforce and an important sign that talent is being attracted, resulting in a larger corporate structure for Greenergy in all its departments.
- "Finance cost" decreased by 50% with respect to the previous year, amounting to a positive balance of 17,058 thousand euros in 2022 as a consequence of fewer sales of interests held in Group companies, all of which are vehicle entities which own the developments and the project permits which were transferred, the impairment losses on interests held in the Group companies GR Taruca and GR Pain, and the impairment losses on the borrowing facilities granted to the Group company Green Hub.
- Capital and reserves amounted to 274,730 thousand euros, increasing by 94,122 thousand euros with respect to the prior year end (a 52% increase), mainly as a consequence of the capital increase carried out in 2022 for an amount of 90,000 thousand euros.
- In 2023 Greenergy will continue to develop its portfolio of projects via its subsidiaries in Latin America and Europe.
- The average number of employees during 2022, broken down by professional categories, was the following:

Category	2022	2021
Directors and Senior Management	13	12
Managers	6	5
Department heads	15	8
Technical staff	75	50
Laborers	11	11
<b>Total</b>	<b>120</b>	<b>86</b>

## GREENERGY RENOVABLES, S.A.

### Management Report for the year ended December 31, 2022

## 2. Privileged information and other relevant information for FY 2022

- Towards the end of March 2022, the Group published the sustainability report corresponding to 2021. The most noteworthy items in said report are the milestones for the year in terms of sustainability, corporate governance, and social matters, including calculation of the main non-financial KPIs for said period.
- On March 15, 2022, the rating agency Axesor Rating (now called "Ethifinance") increased the rating for Greenergy Renovables, S.A. from "BB+" to "BBB-," while maintaining the stable trend.
- On March 22, 2022, Greenergy announced the placement of a green commercial paper program on the Alternative Fixed Income Market ("MARF") with an outstanding maximum balance of 100,000,000 euros. The program utilizes a financing framework aligned with the 2021 Green Bond Principles of the International Capital Markets Association (ICMA).

Further, the program was set up with a view to diversifying the Company's financing sources and allowing for more options regarding how to fulfill the strategic growth plan in coming years. The Company's green financing framework was subjected to a Second Party Opinion (SPO) issued by the rating agency Sustainalytics. The report considers the positive impact on the environment of the funds used and evaluates the credibility of the green financing framework used by Greenergy, as well as its alignment with international standards.

- The Parent held its ordinary general shareholders meeting on May 11, 2022. All the items included in the agenda were approved by a majority in said meeting. The main points approved included the following:
  - Approval of the annual consolidated financial statements
  - Approval of the proposed application of profits for 2021
  - Approval of the Board of Directors' social management during the year ended December 31, 2021
  - Renewal of the auditor of accounts for the Company and its consolidated Group, covering both 2022 and 2023.
- On June 28, 2022, Greenergy Renovables announced its second capital increase, consequently obtaining a total of 90 million euros. Subsequent to the capital increase the Company's free float amounted to 43.3%.
- On September 16, 2022, Greenergy placed its second green commercial paper program ("Green Commercial Paper Program GREENERGY RENOVABLES 2022") on the Alternative Fixed Income Market ("MARF") with a maximum outstanding balance of 150,000,000 euros.

## GREENERGY RENOVABLES, S.A.

### Management Report for the year ended December 31, 2022

The program uses a financing framework aligned with the Green Loan Principles 2022 of the Loan Market Association (LMA) and with the Green Bond Principles 2022 of the International Capital Markets Association (ICMA).

- On November 24, 2022, Greenergy presented a share repurchase program. The objective of said program is to remunerate the Company's key personnel via share option plans.

The maximum number of shares to be acquired ("MNSA") under the Repurchase Program amounts to 400,000 treasury shares, representing approximately 1.3% of the Company's share capital at the date of this report. In addition, the maximum net investment for the Repurchase Program totals 16,000,000 euros ("Maximum Investment").

### 3. Corporate governance

The governance of Greenergy is conducted in accordance with the established principles of efficacy and transparency as per the main recommendations and standards prevailing at an international level.

#### Board of Directors

Below is a description of Greenergy's Board of Directors at the date of preparation of these consolidated financial statements, indicating the positions filled by each member:

Name/corporate name	Position	Type of director	Date of first appointment	End of appointment
Mr. David Ruiz de Andrés	Chairman / CEO	Executive	5/19/2015	11/15/2023
Mr. Antonio Jiménez Alarcón	Board member	Proprietary	11/15/2019	11/15/2023
Mr. Florentino Vivancos Gasset	Board member	Proprietary	5/19/2015	11/15/2023
Ms. Ana Peralta Moreno	Board member	Independent	6/27/2016	11/15/2023
Mr. Nicolás Bergareche Mendoza	Board member	Independent	6/27/2016	11/15/2023
Ms. María del Rocío Hortigüela Esturillo	Board member	Independent	11/15/2019	11/15/2023
Ms. María Merry del Val Mariátegui	Board member	Proprietary	6/29/2021	6/29/2025
Ms. Teresa Quirós Álvarez	Board member	Independent	6/29/2021	6/29/2025

The Board of Directors has the following committees:

- Audit and Control Committee
- Appointments, Remuneration, and Sustainability Committee

These committees have been attributed legal functions as well as those established in the Code for Good Corporate Governance approved by the CNMV.

## GREENERGY RENOVABLES, S.A.

### Management Report for the year ended December 31, 2022

#### Senior executives

##### *Steering Committee*

The senior executives of the Group (understood as those who report directly to the Board of Directors and/or the CEO) at the date of preparation of these consolidated financial statements follow:

Name	Position
Mr. David Ruiz de Andrés	Chief Executive Officer (CEO)
Mr. Daniel Lozano Herrera	Strategy and Capital Markets Director
Ms. Mercedes Español Soriano	M&A Director
Ms. Emi Takehara	Financial Director
Mr. Álvaro Ruiz Ruiz	Director of Legal Area
Mr. Francisco Quintero Berganza	Generation and Equity Director

##### *Internal Audit*

The internal audit function is performed by Ms. Carlota Seoane, who reports to the Audit Committee.

## 4. Environmental disclosures

During the development phase of the renewable energy projects, either solar or wind, the Company carries out Environmental Impact Assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and their evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life of the project, and also to define the preventive, corrective, and compensatory measures with regard to said impacts.

Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These Programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

## **GREENERGY RENOVABLES, S.A.**

### **Management Report for the year ended December 31, 2022**

The Company contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and execute the Environmental Monitoring Programs together with the associated periodic reporting, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The projects performed by the Company are in general mainly affected by the environmental impact arising out of the occupation of land. Thus, the land selection phase plays a fundamental role and the Company searches for and locates land using a system for analyzing current environmental variables with a view to minimizing environmental impact.

## **5. ESG analysis**

### **Compliance with the ESG Action Plan 2022**

In February 2022 the Company published its ESG Action Plan 2022, including the objectives for the first phase of the ESG Roadmap 2023, affirming its commitment to informing the public on its progress on a quarterly basis.

In accordance with this commitment, the Company has presented the objectives reached in each of its quarterly presentation of results. A summary of the main milestones achieved in 2022 is provided below.

In reflection of the Company's commitment to equality issues, a pay gap analysis was carried out at company level during the first quarter, concluding that there were no gender-related pay differences and obtaining a positive result of 0.27% for the pay gap in 2022. Additionally, at the end of the first quarter the Company prepared and published the 2021 Sustainability Report based on the main sustainability reporting standards, the Global Reporting Initiative (GRI) in its revised version. Thus, we acted in advance of the regulatory processes.

In the second quarter, Greenergy developed an energy efficiency and emissions reduction plan establishing an ambitious program for replacing Greenergy's fossil fuel vehicles with hybrid/electric vehicles, using energy-efficient lighting fixtures, and obtaining certification of electricity supply from renewable sources, amongst others. Finally, 3 internal sustainability training sessions were organized for both management and key personnel to promote ESG awareness at a transversal level in the firm.

In the third quarter, a control system was defined with respect to implementation of the policies established within the Company's internal regulatory framework, designating a control manager to carry out each policy. The Company has also revised and expanded its internal ESG reporting procedure on a periodic basis, including ESG metrics that depend on financial and material criteria in accordance with the commitments established in the Sustainability Policy. Further, in parallel to the previous objectives, the employee training plan was improved during this quarter in order to support professional development, improve team capabilities, and strengthen commitment to the employees.



## GREENERGY RENOVABLES, S.A.

### Management Report for the year ended December 31, 2022

Finally, with a view to managing ESG risks in our supply chain, in the last quarter of the year the purchasing procedure was updated by incorporating a series of ESG clauses relating to protection of human rights, conflict minerals, and zero tolerance for corruption and bribery, amongst others, while an agreement was also signed with the Achilles supplier platform for certification of suppliers and management of supplier risk based on ESG, commercial, and compliance criteria. In addition, a series of impact assessments with respect to human rights were carried out at the project level based on preliminary training for key personnel, followed by interviews with Greenergy personnel and questionnaires submitted later for obtaining a diagnosis of the situation and subsequently identifying and evaluating risks and/or abuses relating to human rights. Furthermore, in terms of environmental matters, a biodiversity program will be implemented over the coming months dedicated to restoration and conservation of natural resources, while a water use program has also been designed in which the water footprint was measured based on the ISO 14046 standard, using the results obtained to identify improvements for efficient water use and management.

Having successfully fulfilled the last objectives programmed for the fourth quarter, the Group has managed to achieve 100% of its ESG Action Plan 2022.



Table: Progress of the ESG Action Plan 2022

**GREENERGY RENOVABLES, S.A.**

**Management Report  
for the year ended December 31, 2022**

**Greater coverage of ESG ratings and sustainability indicators**

Grenergy was acknowledged as TOP ESG RATED amongst more than 15,000 companies evaluated by Sustainalytics at an industrial and regional level. These two distinctions are awarded to the companies which lead in their industry and region with the best ESG performance and lowest ESG risk. In its assessment, Sustainalytics qualifies the management as "strong" in all assessed areas: corporate governance, human capital, community relations, corporate ethics, product governance, health and safety, use of the soil and biodiversity. Likewise, Grenergy has reduced its ESG risk with respect to 2021 from 13.55 to 10.22, reaching the 5th position amongst 712 companies in the utilities sector and 4th position amongst 99 companies which represent the "Renewable Power Production" sub-sector.



Table: Distinctions awarded to Grenergy for its leadership in management of ESG risks.



Table: Comparison of Grenergy's results provided by Sustainalytics in 2022.

## GREENERGY RENOVABLES, S.A.

### Management Report for the year ended December 31, 2022

In 2022, Greenergy was assessed for the second time by CDP, an international non-profit organization providing the most acknowledged climate change indicator at a global level. Thus, the Company was acknowledged to have designed amongst the most ambitious roadmaps for its climate strategy, placing it in the Leadership category with a score of A-, two levels above the B- obtained in the previous year. It is worth highlighting that the CDP methodology is aligned with the recommendations of TCFD and covers the integration of climate change in the areas of governance, management of risk, opportunities, and business strategy, in addition to considering the emissions calculations, the objectives for reduction, and the engagement achieved in the value chain.

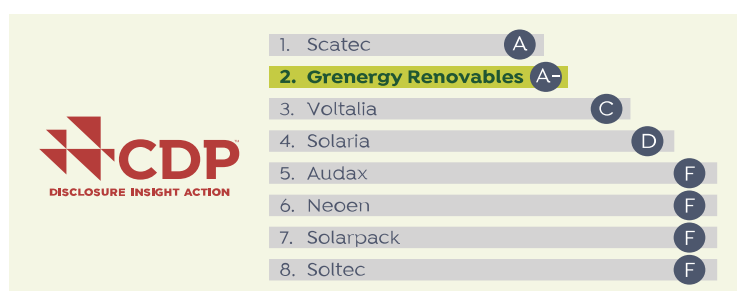


Table: CDP rating obtained by Greenergy in comparison with its peers.

The infographic shows how Greenergy has improved its positioning considerably as compared to the previous year, reflecting the work carried out in 2022 in ESG matters.

In 2022 the Company expanded its coverage in other ratings, amongst which ISS ESG and Refinitiv ESG are noteworthy. Firstly, ISS ESG ranked Greenergy in first position within the renewable electricity sector, with a score of A1 and emphasizing its "very high level of transparency." As for the Refinitiv ESG index, Greenergy obtained a score of 81/100, ranking 2nd out of a total of 79 companies in the renewable energy sector submitted to the index.

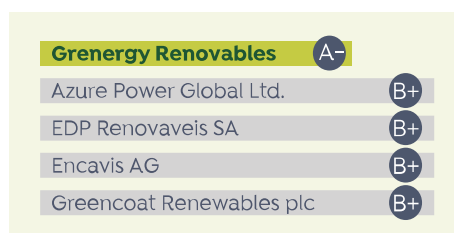


Table: ISS ESG rating obtained by Greenergy in 2022 in comparison with its peers.

## 6. Investment in research and development

The Company did not capitalize any amounts relating to R&D investments in 2022.

However, the Strategy Department created the New Technologies Division, which will focus on implementing the emerging energy storage technologies in the Group's value chain, taking charge of the design in terms of both engineering and economics as well as the development of such plants in the different markets where the Group operates. Further, in order to make these projects competitive as soon as possible, the Group has also organized its own team which is working with consultancy firms to analyze access to public funds aimed at transforming the energy matrix to renewable energies.

## GREENERGY RENOVABLES, S.A.

### Management Report for the year ended December 31, 2022

## 7. Treasury shares

The treasury share portfolio at the closing of FY 2022 is comprised of the following:

	Balance at 12.31.2022
<b>Number of shares in treasury share portfolio</b>	<b>611,148</b>
<b>Total treasury share portfolio</b>	<b>19,728</b>
Liquidity Accounts	540
Fixed Own Portfolio Account	19,188

During FY 2022, the movements in the treasury share portfolio of the Company were as follows:

	Treasury shares		
	Number of shares	Nominal value	Average acquisition price
<b>Balance at 12.31.2021</b>	<b>580,588</b>	<b>17,577</b>	<b>30.27</b>
Acquisitions	939,492	30,242	32.19
Disposals	(908,932)	(28,091)	30.91
<b>Balance at 12.31.2022</b>	<b>611,148</b>	<b>19,728</b>	<b>32.28</b>

The purpose of holding the treasury shares is to maintain them available for sale in the market as well as for the incentive plan approved for directors, executives, employees, and key collaborators of the Company.

At December 31, 2022, treasury shares represent 2% of all the Company's shares.

## 8. Risk management policy

### Organizational model

Greenergy created the Internal Audit function in 2022 with a view to improving and protecting the value of the organization, providing assurance, advice and analysis based on risks, and ensuring independent and objective assurance, internal control, and consultation services that support the organization in effectively fulfilling its responsibilities.

In its Policy for Management, Risk Control and Internal Audit, Greenergy describes the basic principles and general framework for the control and management of the different types of risks which affect Greenergy in the different countries in which it operates, so that the risks are identified, quantified, and managed at all times. The macroeconomic, regulatory, and business risk factors are identified in said Policy. The Audit Committee is responsible for supervising the efficacy of the Company's internal control and risk management systems, periodically reporting to the Board of Directors on their performance. Risk control and management is carried out at the corporate level with three levels of defense involving executives as well as the compliance and internal audit functions. The latter is independent of the businesses and assesses the risk status, reporting periodically to the Board of Directors thereon.

## **GREENERGY RENOVABLES, S.A.**

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Greenergy makes use of a risk map which identifies the main business management risks, a process in which the different corporate businesses and functions participate. Once identified, said risks are assessed in terms of probability and impact, and appropriate action plans are defined for each of them. The risk map, with its corresponding action plans, is periodically updated and presented to the Board of Directors after the Audit Committee has performed a review and determined the prioritization of the risks based on their impact on Greenergy's strategic objectives.

The main ESG risks considered include, amongst others, the risk of climate change and its effects on the business, environmental risks related to the impact of projects on biodiversity, and social risks arising from the relationship with the local community. Mitigation plans for each of the ESG risks identified are also included.

### **9. Average supplier payment period**

In compliance with Law 31/2014 of December 3, modifying the third additional provision, "Disclosure requirements," of Law 15/2010 of July 5, the Company declared an average supplier payment term of 56.54 days.

### **10. Proposed appropriation of profit**

The results obtained during the year by Greenergy Renovables, S.A. amount to 23,561 thousand euros, of which 188 thousand euros will be allocated to the legal reserve and 23,373 thousand euros to voluntary reserves.

### **11. Annual Corporate Governance Report**

The Annual Corporate Governance Report for 2022 is attached as an appendix to this Management Report and forms an integral part thereof, as required by article 538 of the Spanish Corporate Enterprises Act.

### **12. Annual Report on Remuneration for Board members**

The Annual Report on Remuneration for Board members, which forms a part of this management report as required by article 538 of the Spanish Corporate Enterprises Act, is presented in a separate document which can be accessed at the website of the Spanish National Securities Market Commission (CNMV in its Spanish acronym).

## **GREENERGY RENOVABLES, S.A.**

### **Management Report for the year ended December 31, 2022**

#### **13. Non-financial statement**

The statement of non-financial information, referred to in article 262 of the Spanish Corporate Enterprises Act and article 49 of the Commercial Code, is presented in a separate report known as the non-financial statement. The consolidated non-financial statement for Greenergy Renovables, S.A. and its subsidiaries corresponding to FY 2022 expressly states that the information contained therein forms a part of this Management Report. Said document will be subject to verification by an independent verification service provider and is subject to the same criteria for approval, filing, and publication as this Management Report.

#### **14. Events after the reporting period**

No significant events took place between December 31, 2022 and the date of authorization for issue of the accompanying financial statements that may require disclosure.

#### **15. Final considerations**

We would like to thank our clients for their confidence in our business, our strategic suppliers and partners with whom we have been working for their constant support, our investors who have deposited their trust in Greenergy, and, especially, the collaborators and employees of this company, as without their efforts and dedication it would have been difficult to reach the objectives set or achieve the results obtained.

## **GREENERGY RENOVABLES, S.A.**

### **Authorization of the financial statements and management report**

The financial statements and management report for FY 2022 were authorized for issue by the Board of Directors of GREENERGY RENOVABLES, S.A. in its meeting on February 24, 2023, for the purpose of submission for verification by the auditors and subsequent approval by the shareholders in general meeting.

Ms. Lucía García Clavería is authorized to sign all pages comprising the financial statements and management report for FY 2022.

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Mr. David Ruiz de Andrés  
(Chief Executive Officer)

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Mr. Antonio Jiménez Alarcón  
(Board Member)

---

Mr. Florentino Vivancos Gasset  
(Board Member)

---

Ms. Ana Peralta Moreno  
(Board Member)

---

Mr. Nicolás Bergareche Mendoza  
(Board Member)

---

Ms. María del Rocío Hortigüela Esturillo  
(Board Member)

---

Ms. María Merry del Val Mariátegui  
(Board Member)

---

Ms. Teresa Quirós Álvarez  
(Board Member)



THE SKY IS THE LIMIT

Addressing the Challenges

SUSTAINABILITY REPORT

2022



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# Key figures for 2021



**ESG**  
**TOP RATED**  
**2023**

**Sustainalytics**  
Distinction of  
**industry leaders**



**MSCI AAA**  
**CDP A-**

**MSCI Score**  
(industry leader) and  
**Climate Change CDP**

**100%**

executives receiving  
**variable compensation**  
linked to ESG goals

**27.4%**<sup>(1)</sup>

Increase in number of  
employees, a  
double-digit growth **for**  
**the third year in a row**

**50%**

of the members of  
the Board are  
**women**

One of the  
**45**

Spanish companies listed  
in the **IBEX Gender**  
**Equality Index**



**15,431 h**

of **training** in H&S for  
employees and  
contractors

**2,575**

**local attendees**  
at meetings

**1,019**

**local workers** out of a  
total of 2,709  
employees involved in  
our projects

**20%**

of local workers are  
**women**

**0**

**severe accidents**  
among employees

**€235k**

**donations and**  
**investments**  
in the community



**€25M**

**First green**  
**commercial risk paper**  
**programme in Spain**

**€150M**

**Second green bond**  
**programme**

**245,225** tCO<sub>2</sub>e

**avoided emissions**

**55%**

**Scope 1 & 2**  
**emission reduction**  
**target for 2030**

**0**

**Projects in protected**  
**areas** as per local or  
international regulations

Notes: (1) on an EFTP (equivalent full-time persons) basis

# An interview with the CEO

## Sustainability, a strong commitment that has turned into one of the main pillars of the company

Throughout 2022 Grenergy has made progress in achieving important milestones that were marked in its 2020-23 ESG roadmap. If in 2021 sustainability became a cross-cutting priority of this listed company's entire business, in 2022 it permeated even further throughout the organisation, by consolidating processes, developing new tools and methodologies, and reaching even further heights in all areas to design a strategy that integrates sustainability into business decisions.

David Ruiz de Andrés, Grenergy's CEO and Chairman, will be guiding us through this Sustainability Report. With him, we are following a path that has been quite intense, and which has proved that a young, dynamic company is capable of growing and generating profits by acting responsibly, by embracing the environmental and social values required by today's society.

### 1.- What is your take on the company's sustainability strategy in 2022?

Our sustainability strategy, in social and environmental terms, and not forgetting good corporate governance, has always been a priority for Grenergy. However, it was in 2020 when we defined a roadmap to be followed throughout the 2020-2023 period. This past year saw the consolidation of this

plan, and its overall results could not be more positive.

Throughout these three years, we have taken giant leaps to turn sustainability into a major cross-cutting priority of our business. This approach may now be clearly identified in all its areas: in corporate governance; in the diversity and inclusion strategy that explains our company's attraction of talent; in our responsible management and the creation of new codes of conduct for employees and suppliers; in our long-term relationship with communities, and in the way we encourage social and biodiversity protection as key elements of our commitment.

And this is far from being a personal opinion. This is what the external auditors who independently evaluate our processes are saying. This is what sustainability ratings are showing, thus reaffirming our leadership position thanks to a sustainable financing strategy that makes us stronger while consolidating our position when we move out of traditional markets and liaise with investors to look for their support.

### 2. In your opinion, what are the key factors behind these advances?

The key is to have a clear medium-term strategy, identified annual objectives, and hybrid governance between managers who

implement the plans, and directors who evaluate and analyze such compliance. If ESG goals are actually part of the company's objective, and this has an impact, for example, on the variable compensation of the entire organization, the whole organization will be walking in the right direction.

### 3.- What role do sustainable governance and the compliance system that Grenergy is promoting play in this context?

The Board of Directors is committed to a transparent, effective corporate governance system based on gender and skill diversity among its members and guided by the principles of non-discrimination and absence of conflicts of interest. This is why, for example, the Board has an equal number of men and women and brings diversity of experience and training.

2022 has seen the implementation of two major novelties to reinforce this message. The Code of Ethics for employees and managers has been reviewed and updated to align it even more closely with Grenergy's culture and values. This code has also been reviewed and updated for suppliers.

As regards the compliance system, it has been strengthened by the creation of a multidisciplinary Compliance Executive Committee that provides support to its





manager when performing his functions, and the frequency of this Committee's reporting obligation to the Audit Committee has been increased even further.

**4.- Another area where major changes have been implemented is the defense of Human Rights. Could you tell us what steps have been taken in this area?**

At Grenergy we have taken the commitment to respect and promote human rights to avoid being complicit in any form of abuse thereof or in the violation of human rights among its stakeholders and society in general.

Our Human Rights Policy, as approved by the Board of Directors, is reflected in our procurement policy, in our Codes of Conduct for employees and suppliers and in our local community liaison procedure. We conduct risk analyses in the countries where we operate to identify any potential environmental or social impacts and to avoid or, to the maximum extent possible, mitigate negative impacts and boost positive ones.

**5.- Grenergy is aware that most of the impacts generated by its activities, including environmental and social impacts, take place in its supply chain. What measures are being implemented in this respect?**

Grenergy has taken the commitment to bring ethical, social, and environmental aspects to the management of its supply chain.

In 2022 we signed an agreement with Achilles for the sustainable management of our supply chain. This partnership enables us

to approve our suppliers and to adapt our management to ESG, financial and compliance risks, thus promoting sustainability standards in our supply chain.

**6.- Let's talk about sustainable funding now. What would you highlight about this matter?**

In 2022 we continued consolidating our position as a benchmark company in green financing. Axesor, a credit rating firm, has revised upwards Grenergy's credit rating to investment grade, raising it from 'BB+' to 'BBB'.

Sustainable funding is now part of our DNA. We opened the way in 2019 with the first issue of green bonds in the history of MARF and stuck to the same path in 2020 and 2021, with a green loan and the first green promissory notes programme on the Spanish market, respectively.

In 2022, once again, we were pioneers in green financing with a new issuance of green bonds with Bankinter and the signing of the first line of green commercial risks on the Spanish market, together with Caixa-Bank.

**7- What has been the impact of Grenergy's conduct on the different ratings and benchmarks that measure its performance?**

This commitment has led us to consolidate Grenergy's leadership position in a growing number of ESG ratings that measure its performance in environmental, social and corporate governance terms.

In 2022 the company improved the results of the evaluations conducted by Sustainalytics,

MSCI ESG and CDP, three of the most prestigious agencies in the world, and strengthened its position as ESG leader ahead of its competitors.

And, last but not least, I would like to mention some of the new assessments conducted last year by other rating agencies. Thus, Grenergy was evaluated for the first time in June by ISS ESG and received a grading of A-, with a “very high” level of transparency, which resulted in Grenergy being certified as a Prime Company. In addition, the score obtained by Grenergy in the ESG evaluation conducted by Refinitiv highlights an “excellent performance and a high level of transparency in its public reporting of material ESG data”, which positions our company as the second renewable energy company in the world-wide ranking.

**8.- This strength in terms of sustainable financing obviously relies on the company's proper economic performance. How was 2022 in terms of growth and turnover for the company?**

This year, we are presenting this sustainability report on the same date as our financial report, which is a couple of months earlier than in previous years.

As it may be observed, sales and EBITDA figures maintained their exponential growth, and this trend is definitely here to stay. This year, sales of energy produced by our own parks will practically increase two-fold, and our portfolios for sale will also improve. This is bound to create a positive impact not only on our results, but also on indebtedness ratios, which will undoubtedly strengthen our balance sheet.

The company has gained the confidence of capital markets, on which we have managed to raise 90 million euros through the accelerated capital increase we launched in June last year. We had already capitalised over 1 billion euros, and I can say this is only the beginning.

**9.- What are Grenergy's growth plans for 2023?**

2023 will be a year of strong investments, mainly focused on the projects we are building and connecting in Chile and Spain. Simultaneously, we are considering the option of capitalising part of this value by the sale of minority interests allowing us to add funds to these parks' equity. The funds we could raise will help us boost the company's organic growth, with a priority focus on expanding our business in Europe and the USA, as well as investing in storage projects.

**10.- The war in Ukraine has highlighted the importance of renewable sources of energy and the need not to rely on Russia's fossil fuels. The European Union has decided to make a firm commitment to promoting renewable energies. What is Grenergy's project for Europe?**

Europe is now one of Grenergy's main markets. As a matter of fact, the weight of the company's portfolio in Europe will increase two-fold, from the current 25% to 45% in 2025. We have been operating for years in Spain, Italy, the UK or Poland, and have recently opened our Berlin office, in Germany, one of the countries where we expect to grow by taking advantage of the

government's plans to promote renewable energies.

For instance, the German government, placed under very strong pressure on account of its dependence on Russian gas, has launched a plan to reduce its gas consumption and boost renewables sources of energy. Its objective is for these energies to account for 80% of Germany's electricity production by 2030.

Our plans in this country involve the development of solar plants in 2023, with a minimum pipeline under development of 3 GW by 2025. This country's strategy will be diversified both through public auctions and private PPA.

**11.- Storage has become another one of Grenergy's main ventures. How do you plan to develop this business?**

Storage will be strictly necessary to provide renewable energy during hours in which no resources are available for generation, and therefore to reduce dependence on conventional sources of energy.

For the first time, Grenergy has made publicly available the objective we aim to reach in terms of storage by 2025, namely 1 GW in operation and construction. Reaching this objective will require starting storage lines on the photovoltaic plants we are already operating, storing any surplus energy during peak production hours, and injecting this surplus to the network during hours when little or no resources are available. Batteries allow production hours to increase by 75%, from 2,000 hours per year to 3,500 hours per year (four additional hours per day).





**12.- The positive social impact made on the local communities where our plants are built plays a major role in Grenergy's sustainability strategy. Could you explain what Grenergy has done for the Aymara community in Quillagua, Chile?**

Quillagua is, without a shadow of a doubt, the best example of the positive social impact we can make in the local communities where our renewable energy projects are built, bringing together the values of the actions we carry out.

Grenergy has built a 100 MW solar plant in Quillagua, Chile, in the Atacama Desert, which is one of the driest locations in the world. This area has always suffered from lack of infrastructures, which traditionally prevented the Aymara community that lives there from having electricity supply 24 hours a day.

We were previously aware of this situation and, during the meetings we held with representatives from this community, we discussed the actions we could implement to improve their living conditions.

We realised that providing the members of this community with electricity supply 24 hours a day would not only improve their quality of life but would also have a positive impact on their economy, their security, and their employment opportunities, while also promoting tourism in this area.

So, we made the decision to build a small 35 KW solar plant near the village which would provide electricity 24 hours a day, in collaboration with local authorities, to more than 100 homes, including public street lighting. This is

how we managed to put clean energy at the service of social development.

**13- Integration of women in Grenergy's projects is another key element that is being promoted by the company. Could you explain to us how and where this integration is being achieved?**

The integration of women in all the installation, operation, and maintenance processes that our projects involve is a major part of our sustainability policy. The business of building both wind and photovoltaic parks has traditionally been a mostly male-dominated industry. We have strongly committed ourselves to changing this situation, by giving women the opportunity to enter this sector as labor force, under exactly the same conditions as men.

In recent years we have made substantial headway towards this objective. In fact, 20% of the workers we hire at local level at plant construction stage are women.

We have achieved this progress thanks to the partnership agreements we are signing with local communities, NGOs and other agencies that promote, among other things, participation of women in working life.

An example of this is the partnership agreement we have signed with the Institute for Women's Affairs of Castilla-La Mancha to hire women in the construction of our solar plants in Escuderos and Belinchón. Or in Colombia, where women started working at the park in Tucanes after we signed a partnership agreement with Bayunca's Community Action Board.

**14.- Protection of biodiversity is another major strand of this strategy. In this context, the company has done interesting work at the solar plant in Escuderos, in the Spanish province of Cuenca. What did this work involve?**

Grenergy's objective is to achieve positive net impact in terms of biodiversity in the locations where we build our renewable energy projects. At our 200 MW solar park in Escuderos, we have engaged in several actions aimed at protecting biodiversity.

Our initiatives involved collaborating with local experts to preserve the birdlife in this area. We installed nest boxes to encourage the presence of owls, and also reestablished an old dovecote to better serve the birds of prey in the area, mainly Montagu's harriers. In addition, we have protected the habitats of these species through agreements with local farmers to sow organic seeds and establish bands of natural vegetation stretches.

**15.- Before ending this overview of Grenergy's sustainability report, we would like you to tell us about Grenergy's objectives for 2023.**

We will continue to work hard to implement all the actions highlighted in our sustainability roadmap for 2023 and will design the new roadmap for the next 2024-2027 period.

Grenergy is undoubtedly bound to continue growing and, while we follow this path, we want employees, suppliers and local communities to go hand in hand with us. THE SKY IS THE LIMIT!

# 1

## SUSTAINABLE GROWTH STRATEGY

- Context
- Business model
- Major 2022 milestones
- Materiality
- Relationships with stakeholders
- Sustainability strategy
- Sustainable finance
- ESG ratings

# 1.1 Context

*We capture value in a favourable environment to promote renewable energies.*

The main factors that marked 2022 and will continue marking the coming year are defined by the economic and social effects of the first global pandemic of the 21st century, the war at Europe's doorstep, with

global efforts to prevent it from reaching a larger scale, and disruptions in the supply chain.

Within this economic and political context, the promotion of environmental, social, and corporate governance (ESG) sustainability should be highlighted, with the following main actions:

Promotion of regulations related to **sustainability**, at global and European level.



Orientation of capital flows towards activities with **strong ESG criteria.**

**ENERGY TRANSITION** to renewable sources, without leaving anyone behind.



**Reduction** in **CO<sub>2</sub>** emissions at all the stages of business activity, with special stress on the most polluting industries.



Setting of **Net Zero** objectives





## Energy environment

### European Green Deal

The global energy sector is undergoing a profound process of transformation, where renewable energies are key to accelerating the energy transition and thus achieving the climate neutrality goals that organizations, countries and regions are currently setting. The Green Deal (2020) seeks to ensure that Europe is climate-neutral by 2050. With this objective, it will mobilise at least 1 trillion euros in sustainable investment over the next 10 years.

To reach this objective, the European Union published the REPowerEU<sup>1</sup> plan 2022. The main objectives of this plan are:



- To achieve, at least, a **55%** reduction in greenhouse effect gases (GHG) by 2030, with respect to 1990 levels.
- To ensure that renewable energy accounts for more than **45%** in the energy mix.
- To reach the target of **740 GW** of photovoltaic energy by 2030.
- To accelerate the rollout of renewable energy sources, from **36%** in 2020 to **69%** in 2030.

### Inflation Reduction Act

**The United States**, in its measures to compensate inflation and deficit reduction, is also seeking to reduce its emissions by half by 2030. In August 2022 it was approved the Inflation Reduction Act (IRA) to accelerate the energy transition and boost clean energy.

The act represents the largest investment ever made in the USA to address climate change, as it aims at:



- **RAISING \$739 billion**
- **AUTHORISING \$ 369 billion** in spending associated with energy security and climate change.

The government's solar PV technology rollout target aims for an increase from the current 67 GW to 1000 GW by 2035<sup>2</sup>.

<sup>1</sup> REPowerEU: Joint European action for more affordable, secure and sustainable energy (europa.eu)

<sup>2</sup> [https://www.democrats.senate.gov/imo/media/doc/inflation\\_reduction\\_act\\_one\\_page\\_summary.pdf](https://www.democrats.senate.gov/imo/media/doc/inflation_reduction_act_one_page_summary.pdf)

# 1.2 Business model

An **integrated business model** that boosts the company's overall performance

*We have a sustainable business that fully contributes to the progress of energy transition.*

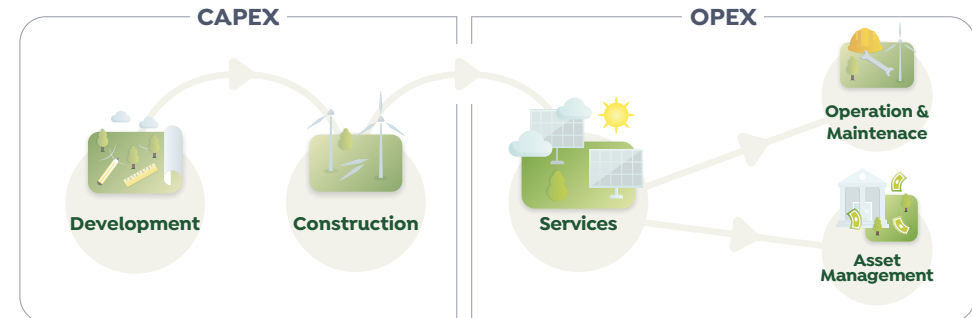
Grenergy is an independent power producer (IPP) that integrates the development, construction, operation and maintenance of large-scale renewable energy plants, to achieve, as a result of this integration, maximum control over processes and cut investment costs and operational expenses. Our activities are focused on the search for viable projects,

both financially and technically, construction management and project commissioning. Likewise, Grenergy carries out asset management, operation, and maintenance tasks, both for its own projects, acting as IPP, and for third-party projects.

In addition, the company has set up its own teams dedicated to structured finance, M&A operations and the negotiation of Power Purchase Agreements<sup>3</sup> (PPA).

## Integrated IPP Player

Grenergy has the expertise to build and operate large-scale renewable plants



## Supported by our global teams:



Energy Sales  
PPA Origination



Structured  
Finance



M&A  
Asset Rotations

A business model that promotes creation of value for everyone:

- By accelerating the growth of renewable activities.
- By diversifying our geographic presence.
- By embracing new technologies.
- By meeting the expectations of our stakeholders.

<sup>2</sup> Power Purchase Agreement: contracts or agreements for the long-term sale and purchase of energy entered into between a renewables developer and a consumer.

## Accelerating the growth of renewable activities

Greenergy has already reached about 1.6 GW of projects in operation or under construction, with a pipeline of 11.7 GW of solar and wind projects at different stages of development in 11 countries. In 2022, the company continued investing in an additional pipeline of storage projects that will reach 7.7GW.

### Solar and Wind Pipeline



### Storage Pipeline



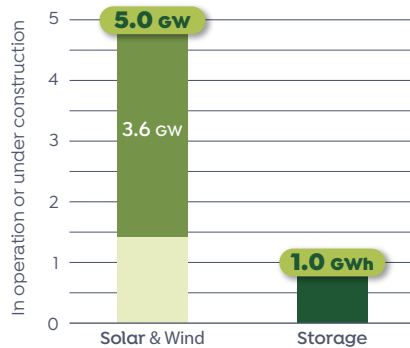
In terms of installed capacity, Greenergy's target for 2025 is to reach **5GW of solar PV energy** and **1 GWh of storage** in operation or under construction

The strategic growth keys for the next three years are as follows:

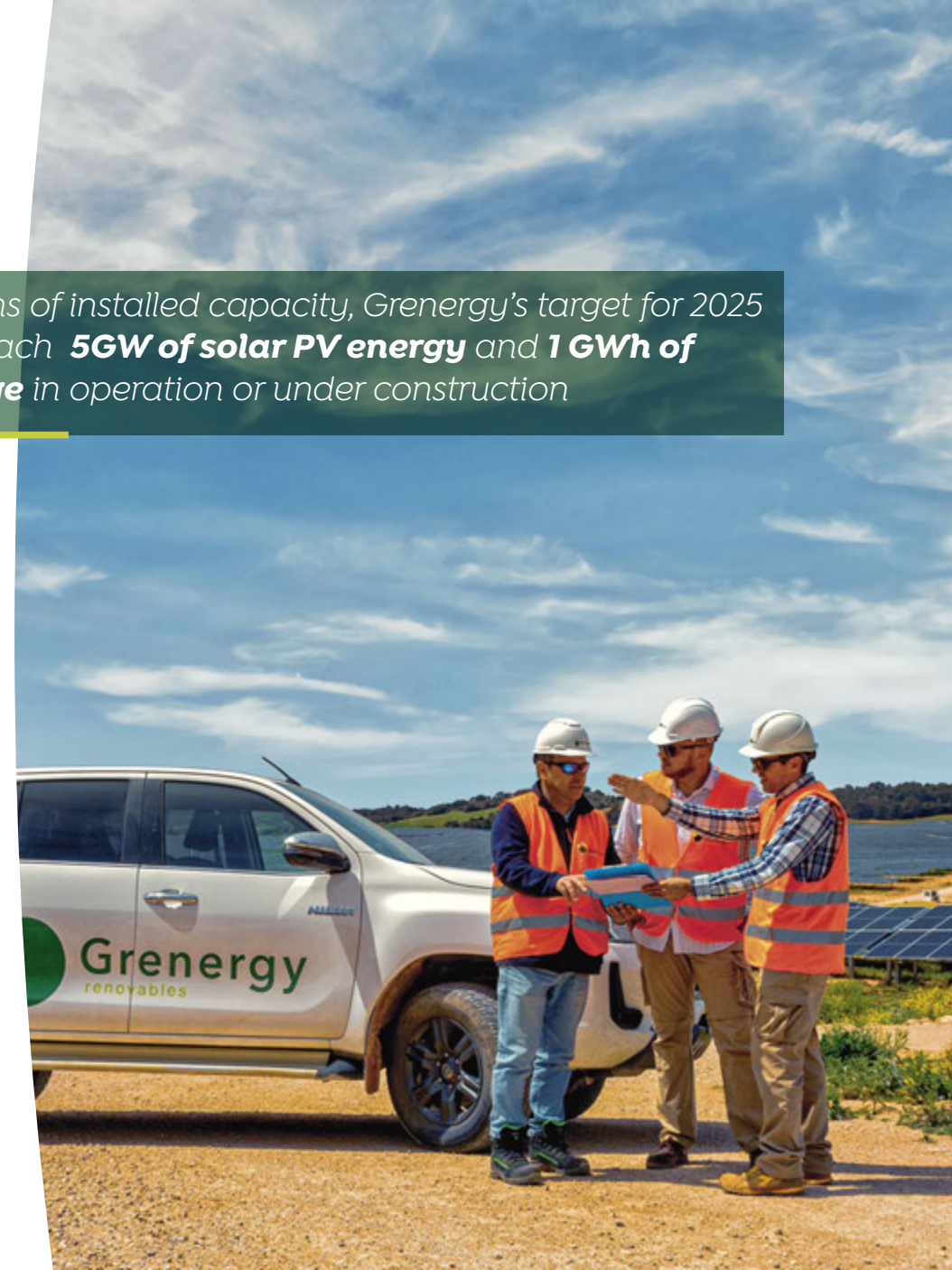
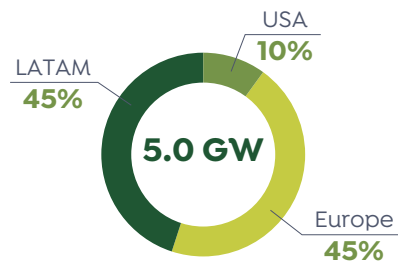
- To strengthen growth in the USA and on key European markets.
- To integrate the sale of minority interests into the asset rotation strategy to improve financial leveraging.
- To lead the implementation of energy storage projects

All the above makes it possible to set ambitious goals for 2025:

### Growth objectives for 2025



### Solar and wind targets by geographic regions for 2025



## Diversifying our geographic presence

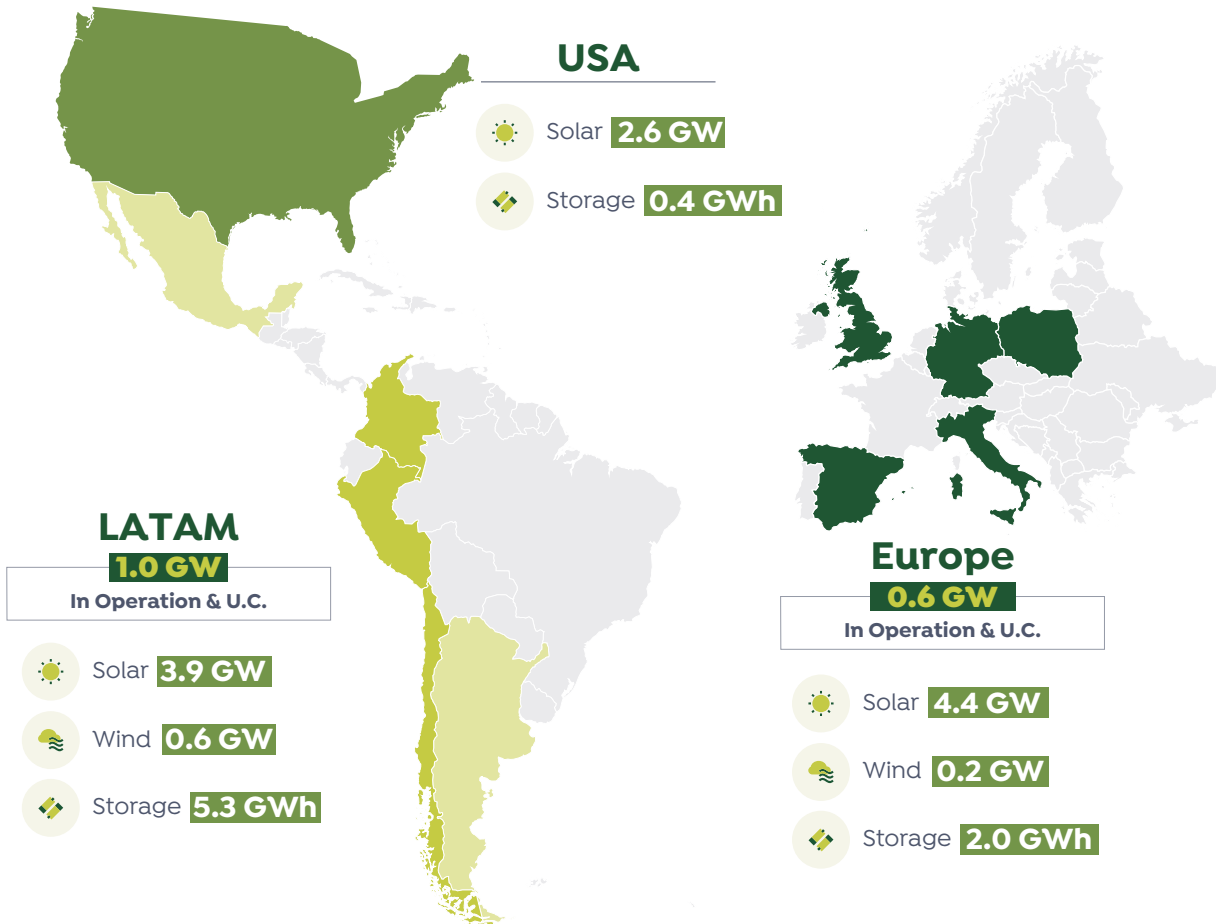
Since it was incorporated in 2007, the company has experienced exponential growth. In 2013, Grenergy moved its growth strategy to Latin America and became a leading company in Chile, and then continued its expansion to other countries in the region such as Colombia and Peru,

among others. In recent years, Grenergy has implemented a geographical diversification strategy on three platforms, Latam, Europe and the United States.

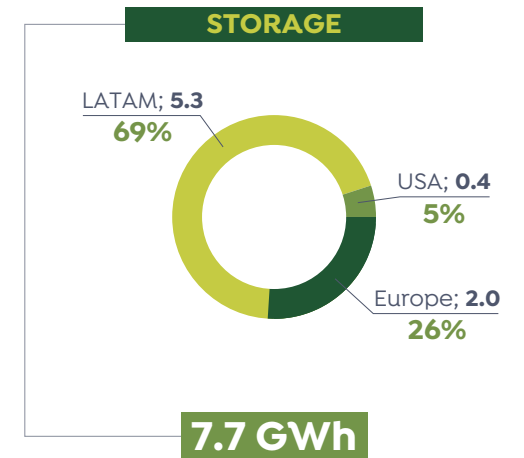
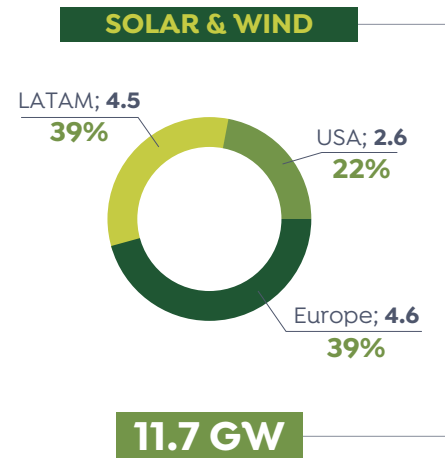
The company is already operating on the most strategic markets in Europe such as Italy, the United Kingdom, Poland and, since June 2022,

Germany as well. In 2022, Grenergy purchased a 40% share in the US solar developer Sofos Harbert, with headquarters in Birmingham (Alabama), and in early 2023 completed the transaction to own 100% of this company. Thus, the company has fully entered the world's largest and most booming renewable energy

market, the United States, which foresees an increase in the rollout of photovoltaic solar energy from the current 61 GW to 1,000 GW by 2035. Thus, the company now operates in 11 countries, keeps its headquarters in Madrid and coordinates Latin American operations from its Santiago de Chile office.



*Grenergy keeps implementing its **geographic diversification strategy** on three platforms: Europe, Latin America and the United States*



## Embracing new technologies

The company sees positioning in storage technology as a major trend and a key factor in the evolution of the business in the coming years and has brought specialised senior talent to its team to boost its development. Grenergy already has a pipeline of about 7.7 GWh of battery projects in Latam, Europe and the United States and has announced its target for the first time, namely reaching 1GWh of storage projects in operation or under construction by 2025.

Positioning in **storage technology** as a key business growth driver for the coming years

## Meeting the expectations of our stakeholders

### Stakeholders



# 1.3 Major 2022 milestones



## Growth:

Presentation of growth targets for 2025:

**5GW**

of solar energy under construction or in operation, and

**1GWh**

of storage.



## Diversification:

**Geographic:** Currently operating in 11 countries. Greenergy entered the German market in 2022 with a growth target (3GW) and purchased 100% of Sofos Harbert in the USA.

**Technological:** Solar and wind power and strengthening of the storage business unit.



## Talent:

Our team grows at a

**27,4%**

rate<sup>4</sup>.



## Impact:

Due diligence exercise in the field of human rights at project level in Chile, Colombia and Spain.



## Responsible management:

New Codes of Ethics for employees and suppliers.

Independent assessment of our suppliers' ESG risk.



## Leadership:

Leadership position in ESG ratings:



Recognition of Greenergy as ESG INDUSTRY TOP PERFORMER 2023.

**10.2**  
Low Risk



Maximum score (AAA) obtained in MSCI ESG.

Leadership position in new ESG assessments: ISS ESG and Refinitiv.



Significant increase in the CDP rating (A-).

## Environmental management and climate change:

Identification of climate change risks and opportunities.

Measurement of the water footprint.

Preservation and restoration of biodiversity.

<sup>4</sup> Comparative of the increase in employees for fiscal year 2022 vs. 2021.

# 1.4 Materiality

*The materiality analysis combines the internal of the different business units with the external view of stakeholders, in accordance with the GRI 1 Standard: Foundation.*

In 2020, Grenergy conducted a materiality analysis to identify the most relevant aspects for the company and its stakeholders. The analysis concerned two aspects:

- **External:** the analysis involved the verification of non-financial reporting standards (4), competitors (10), actors in the investment community (9), opinion leaders (10), analysis of the press and of country risk and sector risk factors. 43 relevant aspects for the industry were identified, involving four dimensions: social, environmental, economic and good governance.
- **Internal:** The aspects referred to above were internally prioritised by means of surveys in which 28 members of the Board of Directors, Management Committee, Business Units and second reporting line took part.

Due to Grenergy's activity and its materiality analysis, the following contents are not considered material and therefore are not reported: food waste and Complaint systems, complaints received and resolution in consumers. The latter is due to the fact that

since we have a very limited number of consumers, we deal with them on a personal basis. In these one-to-one meetings, all the conditions of service supply are discussed in order to guarantee a relationship of trust during the more than 20 years that the contract may last.

**21 material topics** were identified, as the weighted average of internal and external relevance, which were seen as being of critical importance given their potential impact:

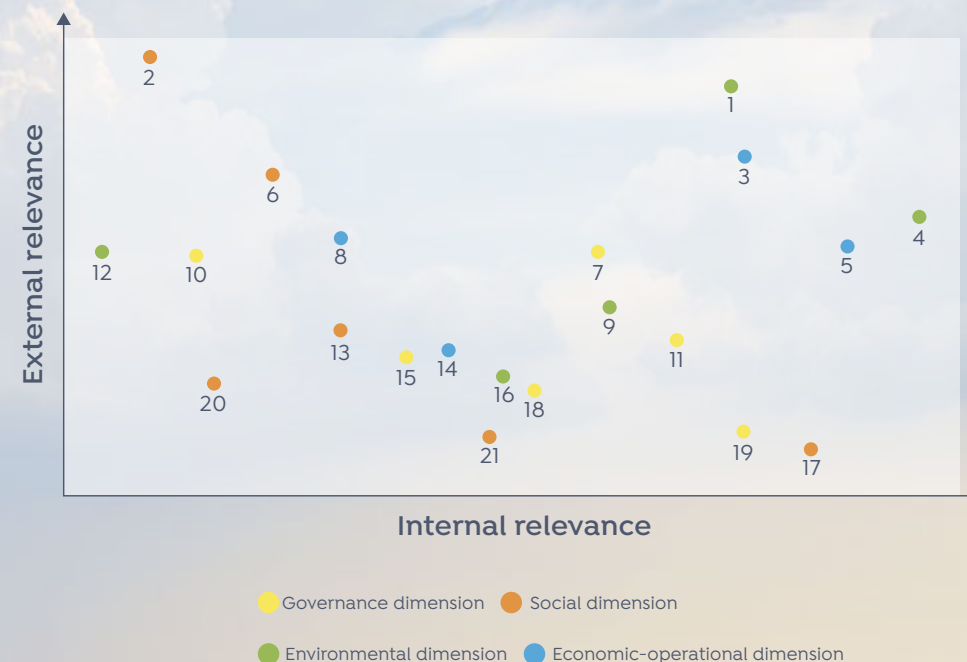
**Governance:** Transparency, non-financial risk management systems, integration of ESG aspects into strategy and decision-making, financial and operational risk management systems, relations with public administrations and Compliance.

**Social:** Local wealth creation: employment, suppliers, economic development, land use; dialogue processes with local communities; diversity and equality policies and commitments; Health and Safety of employees; Human capital development and supply chain control.

**Environmental:** Climate change, energy transition and regulatory changes, protection of biodiversity, circular economy and waste management, environmental safety.

**Economic and operating:** Financial strength, profits, growth; integration of renewable energies into the electricity system; green financing; business context, renewable energies.

- 1 Climate change
- 2 Local wealth creation: employment, suppliers, economic development, land use
- 3 Financial soundness, profit, growth
- 4 Energy transition and regulatory changes
- 5 Integration of renewable energy into the electricity system
- 6 Processes for dialogue with local communities
- 7 Transparency
- 8 Green financing
- 9 Protection of biodiversity
- 10 Non-financial risk management systems
- 11 Integrating ESG aspects into strategy and decision-making
- 12 Circular economy and waste management
- 13 Policies and commitments on diversity, equality, etc.
- 14 Business context/renewable energy
- 15 Financial and operational risk management systems
- 16 Environmental security
- 17 Employee health and safety
- 18 Relations with public authorities
- 19 Compliance (anti-corruption, money laundering, etc. rules)
- 20 Development of human capital
- 21 Control over the supply chain





# 1.5 Dialogue with stakeholders

*Understanding the expectations of our stakeholders makes it possible for us to make solid environmental, social and economic commitments within the framework of responsible governance.*

Greenergy seeks to maintain a relationship of trust based on the creation of shared value with all its stakeholders. Our Sustainability

Policy includes this commitment, on the understanding that this requires fluid and transparent communication. Thus, continuous dialogue is part of our day-to-day tasks, on the basis of all the interactions with our stakeholders. To this end, we have set up different channels and communication tools that provide coverage to our main stakeholders.

<b>Shareholders and investment community</b>	Regular meetings, conferences, roadshows and presentations of corporate results. In addition, the voting procedures at General Meetings of Shareholders are posted on the website.
<b>Clients</b>	Quarterly feedback meetings, visits to facilities.
<b>Employees</b>	Website, internal channels and applications, launch of Greenergy Net (discussions, internal presentations of the different areas). ▶
<b>Suppliers</b>	Meetings, training sessions, questionnaires, environmental engagement (CDP) and visits to facilities. ▶
<b>Local communities and vulnerable groups</b>	Meetings with associations, leaders and local communities, opening of communication channels: web forms, e-mails, telephone numbers and/or suggestion boxes ▶
<b>Public administrations and regulatory bodies</b>	Participation in sectoral associations, meetings, events and visits.
<b>Influence groups (analysts, media, NGOs, etc.)</b>	Presentations, meetings, informational videos and interviews with local and national groups.

Maintaining a fluid relationship with our stakeholders helps us identify actual or potential impacts and the strengthening of these links is, in turn, a risk management and mitigation tool. In addition to the aforementioned channels, Greenergy reinforces its commitment to stakeholders and to safeguarding two-way communication by setting up a whistleblowing channel through which stakeholders can send their complaints, concerns, requests or questions safely.

Greenergy holds quarterly feedback meetings with its clients, which makes it easier for them to notify their complaints, claims or concerns. In addition, access control measures and verification of compliance with basic health and safety measures (PPE, instructions and action measures in the event of unforeseen events, etc.) are implemented when they visit our facilities. Greenergy has had no events of non-compliance with regulations regarding the health and safety impacts of its products/services.



## Investment community

Our goal is to continuously strengthen the relationship with our investors, by seeking opportunities for dialogue for a better understanding of the corporate strategy, the challenges faced and the progress of operational

objectives. We detail financial, operational and ESG information on a quarterly basis at the presentations of the company's results and explain the same at the different investor events in which we participate.

*In 2022, the company implemented **an audiovisual communication strategy on social networks***

Grenergy's executives have used different media to explain the company's strategy in interviews, as well as in discussions and sector

panels. Likewise, our corporate website displays all our communications to investors and media.

*Our number of followers on social networks went up by 28% and our community is now made up of more than **100,000 followers***

Throughout 2022, the company implemented an audiovisual communication strategy on social networks, and published 13 corporate videos, focusing on stories of the social and environmental impact made by our projects in Colombia, Argentina, Peru and Spain. These actions have contributed to increasing

Grenergy's notoriety on social networks, which led to a 28% increase in the number of followers with respect to the previous year. At the end of 2022, Grenergy had a community of more than 100,000 followers with an average of 2,255 new users connecting to our networks every month.

*In 2022, we added on average **2,255 new members** every month*

### Activity with Investors

4

quarterly presentations of virtual results

234

meetings with Investors

34

events and roadshows

526

investors contacted

### Activity on social networks

279

posts on LinkedIn and Twitter

100,000

followers (+28% with respect to the previous year)

2,255

new followers per month on average

13

corporate videos

### Media activity

19

press releases

5

interviews of discussions with executives

5

radio interviews

2

participations in sector panels

### Follow-up by analysts

2021 coverages: JB Capital, Caixabank BPI, RBC, Oddo, Fidentis, Alantra, Barclays, Berenberg, Kempen and Renta 4

### Ratings

Axesor BBB- (upgrade to investment grade in March 2022)

Coverage of indicators and ESG Ratings: Sustainalytics, MSCI, S&P Global, CDP, ISS, Refinitiv

### Organisers of the events we attended in 2022



## Sectoral associations

Grenergy is an active member of different sectoral associations in the countries in which it operates, and contributed € 70,986 in membership fees, participation in forums and training activities in 2022.

SPAIN	Association of the solar photovoltaic sector in Spain (UNEF)
	Spanish battery and energy storage association (AEPICAL)
	Spanish hydrogen association (EAH <sub>2</sub> )
ITALY	Association of Italian electricity sector companies (Electricita Futura)
PERU	Peruvian renewable energy society (SPR)
CHILE	Chilean renewable energy and storage association (ACERA)
	Chilean solar energy association (ACESOL)
	Association of commercialisation companies (ACEN)
	Chilean hydrogen association (H <sub>2</sub> Chile)
COLOMBIA	Colombian renewable energy association (SER Colombia)

# 1.6 Sustainability strategy

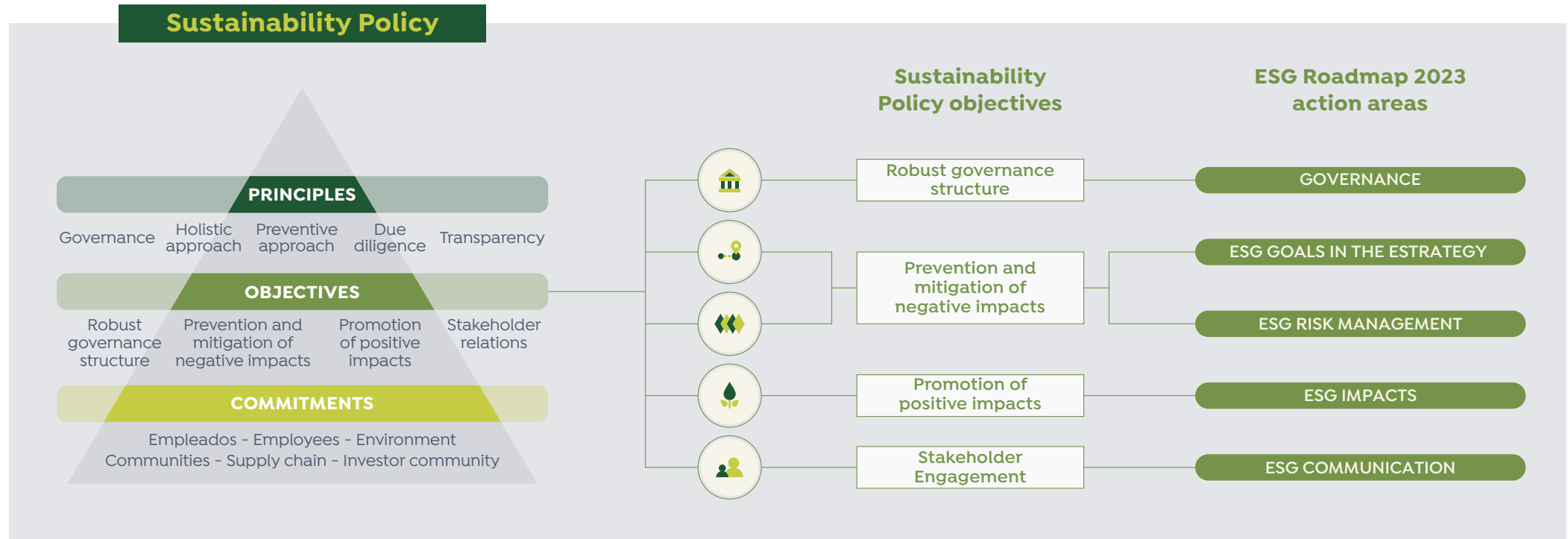
*Our sustainability strategy is based on a materiality analysis and an in-depth diagnosis review.*

Materiality analysis is integrated into the early stages of a broader, in-depth ESG diagnostic process, conducted throughout 2020 with the aim of developing a three-year ESG roadmap, the 2023 ESG Roadmap.

The diagnostic methodology began with an external analysis of the environment and the trends to identify the areas, problems and ESG aspects relevant to our sector, as well as their maturity. Subsequently, an internal analysis of the company was carried out in which the ESG structure and the positioning of Grenergy in respect of each area and

aspect were examined, with this information being confirmed through interviews with key personnel. Both the diagnosis conducted and the 2023 ESG Roadmap obtained on the basis thereof are grouped around five structural areas throughout the company: the corporate governance structure, the alignment of ESG goals with the company's

strategy, the management of ESG risks and their impacts, as well as communication in terms of sustainability. These are vehicular aspects that, on a cross-organisational basis, facilitate the anticipation, diligence, follow-up, control, and monitoring of Grenergy's strategies, objectives and risks in non-financial matters.



Grenergy's Sustainability Policy, as approved by the Board of Directors and revised in 2021, is aligned with the 2023 ESG ROADMAP, so that the action plans defined for each of the strategic areas that make it up correspond to the four founding objectives of the Policy and strengthen the company's performance in connection with its commitments. In order to carry out adequate regular control over the implementation of the principles set forth in the Sustainability Policy, the Board relies on the Audit and Control Committee and the Appointments,

Remuneration and Sustainability Committee, which have been assigned the sustainability functions described in the Board of Directors' Regulations, as made available to the public. To achieve the objectives of the Sustainability Policy, the company has embraced five basic principles of action that cut across the management of its activities: governance, holistic approach, preventive approach, due diligence, and transparency. The Sustainability Policy is applicable to all companies in the Group, including investee companies in which

*True to its commitment to transparency, Grenergy provides its stakeholders with updated information on the progress of its **ESG action plan** in all its presentations of quarterly results.*

Grenergy has effective control, as well as to other types of entities. Likewise, the Policy is applicable in all the jurisdictions in which Grenergy carries out its operations, of any nature, in any geographical area and at any stage of the corporate value chain.

The company publicly presents its annual ESG action plans, as drawn from its three-year ESG Roadmap 2021-23 sustainability strategy, and reports on the progress of the goals on a quarterly basis.

Achieved objectives of the 2021 and 2022 ESG Action Plans.

	2021	2022
 <b>GOVERNANCE STRUCTURE</b>	CREATION OF THE SUSTAINABILITY COMMITTEE ✓	SYSTEM FOR MONITORING CORPORATE POLICY IMPLEMENTATION ✓
	HARASSMENT GLOBAL POLICY ✓	ESG KPIs SUPERVISION PROCEDURE ✓
	PROCUREMENT POLICY ✓	
	HUMAN RIGHTS POLICY ✓	
 <b>ESG OBJECTIVES IN THE STRATEGY</b>	SUSTAINABILITY REPORT 2020 PUBLISHED ✓	2021 SUSTAINABILITY REPORT, IN ANTICIPATION OF REGULATORY REQUIREMENTS ✓
	SDG CONTRIBUTION DISCLOSED ESG RATING OBTAINED ✓	
	ACHIEVING AN ESG RATING ✓	
 <b>ESG RISK MANAGEMENT</b>	ESG RISKS RE-EVALUATED ✓	INTEGRATION OF ESG ASPECTS INTO THE PROCUREMENT PROCEDURE ✓
	MITIGATION MEASURES AND PLANS RE-ASSESSED ✓	IMPROVEMENT OF THE EMPLOYEE TRAINING PLAN ✓
 <b>ESG IMPACTS</b>	GENDER EQUALITY ROADMAP ✓	IMPACT ASSESSMENTS REGARDING HUMAN RIGHTS AT PROJECT LEVEL ✓
	SOCIAL ACTION PLAN ✓	DEFINITION OF A WATER USE PROGRAMME ✓
	CARBON FOOTPRINT AND REDUCTION TARGETS DISCLOSED ✓	DESIGN OF A BIODIVERSITY PROGRAMME ✓
	SUSTAINABILITY TRAINING ✓	DEFINITION OF AN ENERGY EFFICIENCY PLAN ✓
 <b>ESG COMMUNICATION</b>	PROCEDURES FOR INTERNAL ESG REPORTING ✓	COMPLETE PAY GAP ANALYSIS ✓
	GLOBAL COMPACT SIGNED ✓	TRAINING IN SUSTAINABILITY FOR SENIOR MANAGERS AND KEY POSITIONS ✓
	ESG COMMUNICATIONS PLAN ✓	

After moving to stage 3 of its sustainability strategy, the 2023 ESG Action Plan was submitted to the Managers and approved by the Board of Directors in late 2022.

## GOALS OF THE 2023 ESG ACTION PLANS



It should be noted that during the first two years of the 21-23 ESG Roadmap, the quarterly objectives set for both years have been achieved. In the absence of achieving the objectives planned for 2023, Grenergy is working on updating the ESG Roadmap for the 2024-2026 period, with the aim of:

- Complying with all existing and future requirements and regulations in ESG matters.
- Improving its positioning by becoming being at the forefront of the industry in the field of ESG.
- Meeting the expectations of stakeholders.

## 1.7 Sustainable finance

*Demand for sustainable finance is soaring in both equity and bond markets.*

Greenergy reinforces its commitment to the creation of sustainable value by green financing. In 2022, the credit rating firm Axesor revised Greenergy's credit rating upwards from 'BB+' to 'BBB-', an improved rating after an assessment of the competitive positioning and history of the company, its business model and project portfolio, an analysis of its growth plans, its investment plan and the "positive" status of its financial structure.

The company was already the main actor in the first issuance of MARF Green Bonds in 2019, through a green financing framework with verification by Vigeo Eiris regarding its alignment with the Green Bond Principles. In 2020 Greenergy was granted a green loan in line with the Green Loan Principles. In 2021, it issued the first green promissory note program on the Spanish market, worth 100 million euros.

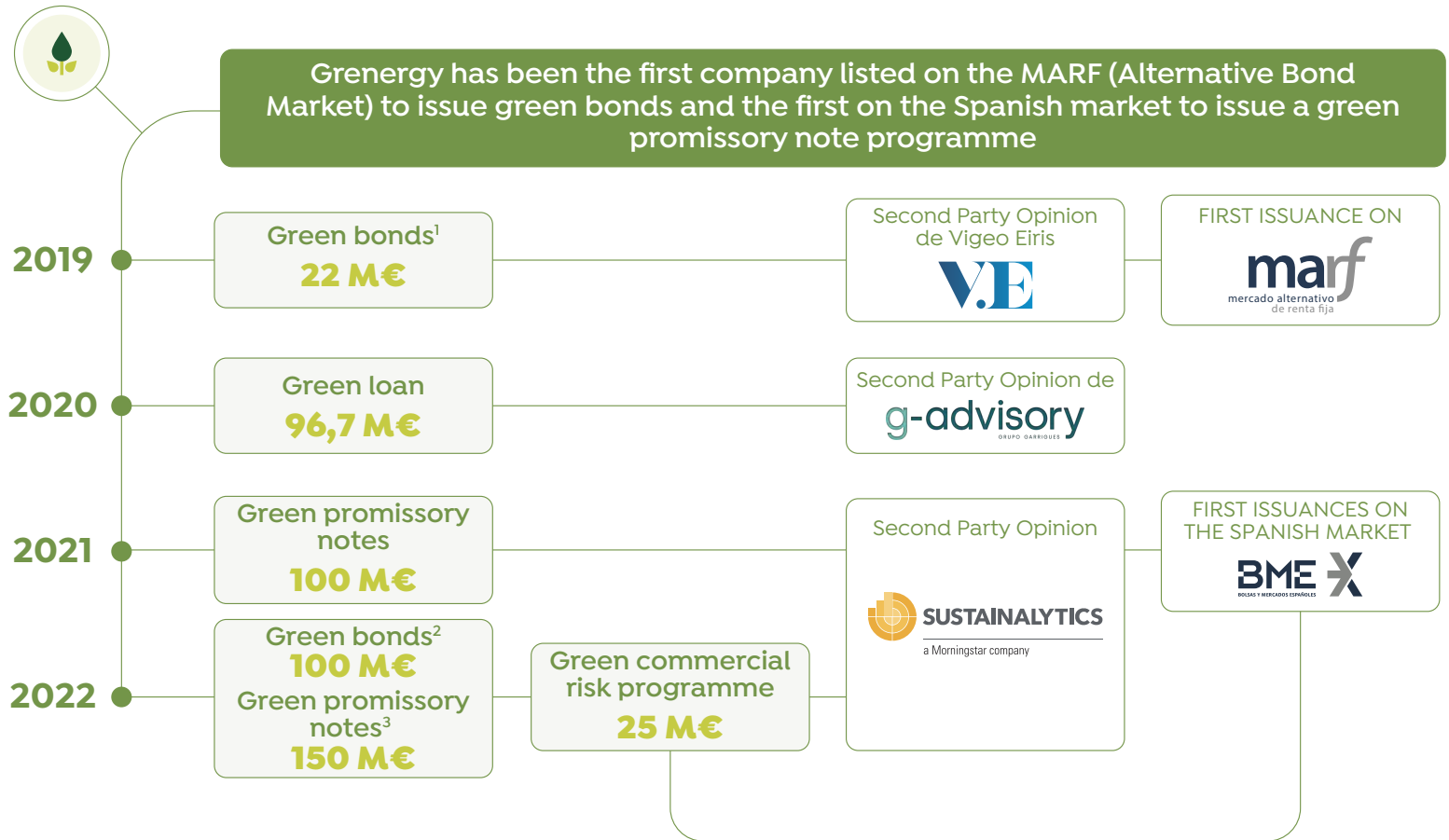
*In 2022, the credit rating firm Axesor revised **the rating of Greenergy upwards**, to investment grade*



In 2022, the company carried out a new green bond issue with Bankinter and signed the first green commercial risks programme on the Spanish market, together with Caixa-bank, acting as a pioneer in sustainable financing for the third time. In addition, it

negotiated 414 million euros in structured financing during the year. In addition, a **90 million accelerated placement** was successfully completed in March 2022 to drive the growth plan in Europe and develop storage capacity.

During the year, the company completed a new issuance of **green bonds** and signed the first green commercial risks programme on the Spanish market



Greenergy has successfully secured its capital needs with an ABB in 1H22.

**ABB (Accelerated bookbuild).** Key figures:

- Size of the deal: 90M€
- Admission to trading 4th July 22
- Strong demand for the new shares, with about **three times the initial demand.**
- Transaction executed by the following banks:






BERENBERG  
PARTNERSHIP SINCE 1590

<sup>1</sup> Green bond issuance in 2019 – <sup>2</sup> Green bond programme in 2022 – <sup>3</sup> Green promissory note programme



Grenergy is recognised as **ESG INDUSTRY TOP PERFORMER 2023** among more than 15,000 companies

# 1.8 ESG Ratings

Grenergy has consolidated its leadership position in a growing number of ESG ratings that measure its environmental, social and governance performance.

As a result of growing investor interest, Grenergy continued expanding the coverage of ESG rating agencies and sustainability indicators. In addition, in 2022 the company improved the score of assessments made by Sustainalytics, MSCI ESG and CDP, three of the most prestigious agencies in the world. Grenergy has been recognized as **TOP ESG RATED** among more than 15,000 companies evaluated by Sustainalytics at industry and regional level.

These are two distinctions awarded to the leading companies in their industry and region with the best ESG performance and lowest ESG risk. In its evaluation, Sustainalytics highlighted Grenergy's sound management in all the areas evaluated: corporate governance, human capital, liaison with the community, business ethics, product governance, health and safety, land use and biodiversity.





## Improved positionings in 2022

The company has brought down its ESG risk compared to 2021 from 13.55 to 10.22, thus reaching position 5 among the 712 companies included in the utilities sector and position 4 among the 99 companies representing the Renewable Power Production subsector.

With this score, the company remains in the low-risk area, very close to the limit of negligible risk limit of sustaining a material finan-

cial impact derived from ESG factors due to its low exposure and proper management of material aspects of ESG.

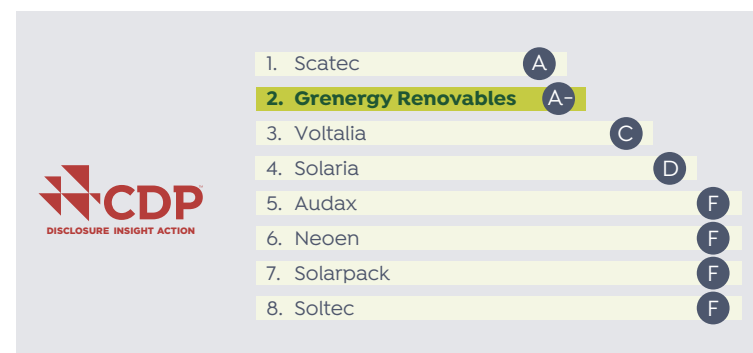
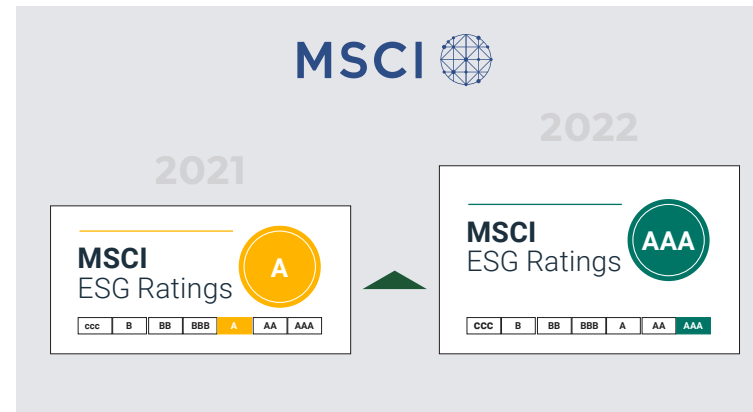
In 2022, Greenergy also improved the score of the MSCI ESG assessment that has given the company the highest AAA score, with an overall industry-adjusted score of 9.8/10. According to MSCI's report, the company is the industry leader at local and global level

in terms of corporate governance structures and capitalization of renewable energy opportunities.

In 2022, the CDP climate index recognised Greenergy's increased level of ambition in terms of climate strategy by positioning the company in the Leadership category, with an A- rating, two scales higher than that received in the previous year, namely B-

## New assessments by ESG rating agencies

June 2022, Greenergy was assessed by ISS ESG for the first time and received an A-score with a "very high" level of transparency, which resulted in its recognition as a Prime company. This score continues to strengthen Greenergy's position as an ESG leader by exceeding the score of all its peers as of the date of publication of the ISS report.



Greenergy's score on Refinitiv's ESG assessment highlights "excellent performance and high level of transparency in its public reporting of material ESG data".



# 2

## RESPONSIBLE LEADERSHIP



- Governance
- Compliance
- Risk management
- Tax transparency
- Responsible supply chain management
- Commitment to Human Rights

# 2.1 Governance

Greenergy's Board of Directors is committed to building a transparent and effective corporate governance system to generate long-term value and protect the interests of all stakeholders.

## Ensuring a composition of governance bodies to meet the company's challenges

### Board of Directors

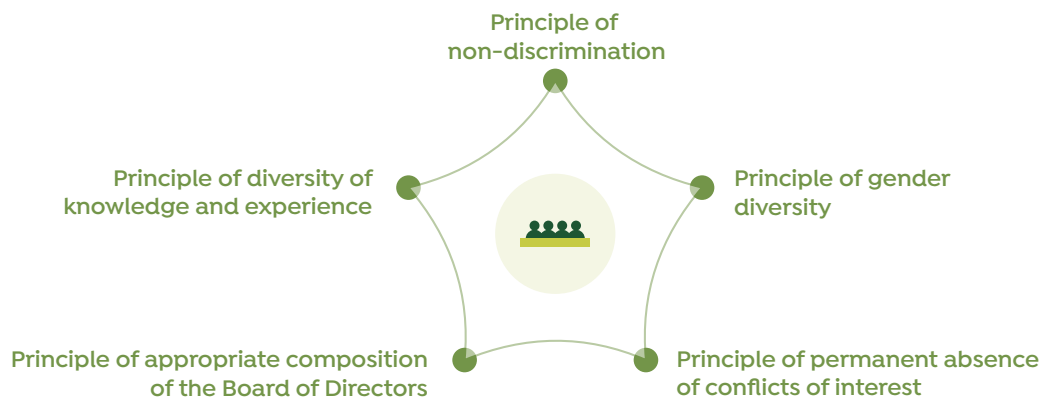
The internal rules of procedure and operation of the Board of Directors are set out in the Board of Directors' Regulations and the selection criteria for the appointment or re-election of its members are defined in the

Board Composition Policy. This policy looks after the best interests of the company and seeks to provide the Board with effectiveness and professionalism to ensure that proposals for the appointment of directors

comply with the recommendations of the CNMV's Code of Good Governance and Greenergy's needs, based on well-founded decisions that can be reviewed by the shareholders and the different stakeholders.

*The Board's Composition Policy **seeks gender and competence diversity among its members, under the principles of non-discrimination and no conflict of interest.***

### The principles of Board composition:



# BOARD OF DIRECTORS



**David Ruiz de Andrés**

Chairman and  
Chief Executive Officer



**Ana Peralta**

Lead Independent Director



**Rocío Hortigüela Esturillo**

Independent director  
Chairwoman of the ARSC



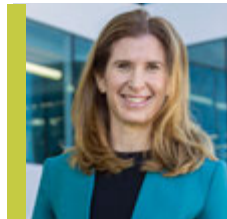
**Teresa Quirós Álvarez**

Independent director  
Chairwoman of the ACC



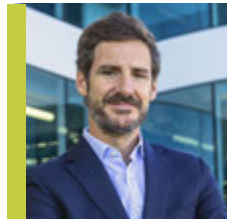
**Florentino Vivancos Gasset**

Proprietary Director



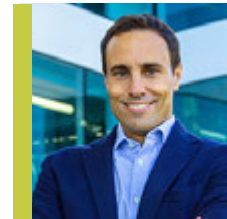
**María Merry del Val Mariátegui**

Proprietary Director



**Nicolás Bergareche Mendoza**

Independent Director



**Antonio Jiménez Alarcón**

Proprietary Director



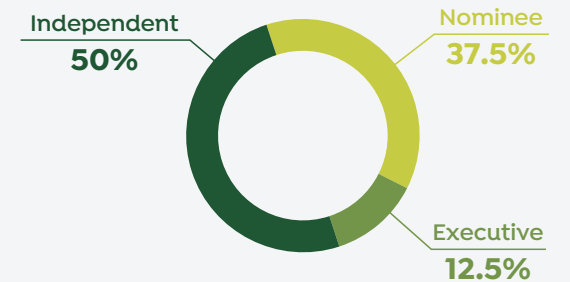
Audit and Control Committee (ACC) Appointments, Remuneration and Sustainability Committee (ARSC)

Expert in finance Expert in industry Risk management expert Sustainability expert

## Distribution by gender



## Distribution by category



## Distribution by age range



Board members are elected individually on the basis of their suitability and matching skills. There is a limit of three memberships on other boards, which is not exceeded by any of the directors. In 2021, Grenergy bolstered its Board of Directors

and complemented it with the addition of two new profiles that bring extensive experience in industry, finance, risk management and sustainability, increasing the total number of directors and achieving gender equity.

*Grenergy's Board of Directors has an equal number of men and women, and **incorporates a diversity of experience and backgrounds***

**Diversity:** The Board of Directors is 50% female, and both committees are chaired by independent female directors.

**Conflict of interest:** Grenergy has 75% of independent Board Members in ACC and ARSC to lead those cases of potential conflict of interest.

**Transparency:** Grenergy publishes transparent information on all remuneration received annually by directors in the remuneration report, available on its website. In 2022, the average total remuneration of non-executive directors, including cash remuneration, gross profit from shares, savings schemes and other items, was 50,700€. Finally, the average remuneration of the executive director is 181,370 €.

**Training:** in 2022 Board members received specific training in corporate taxation and geopolitical issues.

**Performance evaluation:** The Board of Directors carries out internal and external performance evaluations, following best practices of good corporate governance. In 2022, the Board conducted an internal evaluation, having carried out an external evaluation in the previous year with the assistance of a consultant.



In 2022, following a favourable report from the Appointments Committee, the Board agreed to appoint Ms. Lucía García Clavería as the new non-director secretary of the Company's Board of Directors and, consequently, of the Audit Committee and the Appointments, Remuneration and Sustainability Committee. The chair of the Audit Committee has been transferred from Ms. Ana Peralta to Ms. Teresa Quirós effective as of 1 September 2022.



**Lucía García Clavería**

non-director secretary  
of the Company's Board  
of Directors

Grenergy makes its Remuneration Policy publicly available, which is designed to regulate compensation ratios, promote profitability, sustainability and performance, and attract and retain directors with the desired profile, without compromising independent criteria.

*Grenergy has 75% of **independent Board Members in ACC and ARSC** to lead those cases of potential conflict of interest*



### Management Committee

This is the internal body with the highest authority and its mission is to propel Grenergy's activity, develop its business strategy sustainably, lead the human team and ensure compliance with financial and operational goals. Recently in 2021, Grenergy reinforced its team by incorporating two new members to the Management Committee, Emi Takehara, through internal promotion to Chief Financial Officer (Master in Management - EDHEC Business School, Master in Finance and Investments - EBS) and the addition of Francisco Quintero as Head of Generation and Equity (Civil Engineer and MBA - IE Business School).

## MANAGEMENT COMMITTEE



**David Ruiz de Andrés**  
CEO

Chief executive in charge of Grenergy's management and administration



**Daniel Lozano Herrera**  
Strategy and Capital Market  
Manager

Responsible for capital market transactions, external communications, sustainability and new BESS technologies



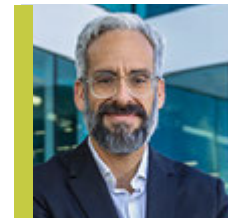
**Emi Takehara**  
CFO

Responsible for corporate and structured finance, audits, taxation and risks



**Mercedes Español Soriano**  
M&A Manager

Responsible for project sale, merger and due diligence processes



**Francisco Luis Quintero Berganza**  
Generation and Equity  
Manager

Responsible for global management of renewable generation assets



**Álvaro Ruiz Ruiz**  
Manager of the Legal  
Area

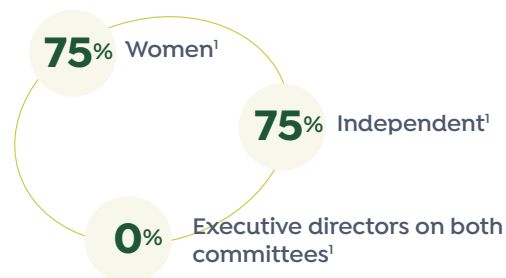
Responsible for corporate and contractual legal aspects

## Backed by governing bodies focused on sustainable management



The **Audit and Control Committee** is primarily responsible for overseeing the effectiveness of the company's internal control, internal audit, risk management systems and auditor independence, as well as overseeing the process of preparing and reporting financial and non-financial information.

The **Appointments, Remuneration and Sustainability Committee** is mainly responsible for the selection, appointment, re-election and removal of directors, assessing their skills, knowledge and experience; the report on proposals for the appointment and removal of senior management; the proposal, report to the Board of Directors and implementation of the remuneration policy for directors and management; supervising compliance with the company's corporate governance rules and internal codes of Ethics; assessing and periodically reviewing the corporate governance system and the company's environmental and social policy; ensuring that the company's practices in environmental and social matters are in line with the strategy and policy established by the Board of Directors.



Both committees have a **majority of women, an independent majority and no executive directors**

Both committees, and specifically the Appointments, Remuneration and Sustainability Committee in its role supervising ESG aspects, benefit from the knowledge, experience and extensive relationship that its directors have with various stakeholders to identify and manage sustainability-related impacts. In particular, we should highlight the professional experience in ESG consultancy and the professional relationships with relevant companies in the electricity sector and financial institutions.

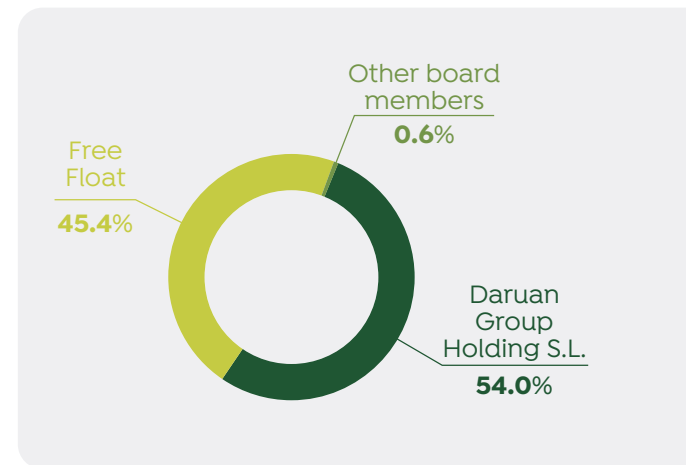
**Sustainability Committee:** responsible for overseeing the founding goals of Grenergy's Sustainability Policy. The members appointed are the Director of Strategy and Capital Markets as Chair, the Director of Sustainability as Secretary, the Director of Generation and Equity and the Legal Director, both as members. This composition enables greater integration of ESG aspects into our corporate strategy.

Its main functions include ensuring the implementation of the ESG roadmap defined by the company and the annual action plans resulting therefrom, reporting to the Appointments, Remuneration and Sustainability Committee on its progress at least once a quarter. At least once a year, the Sustainability Committee shall report to the Audit and Compliance Committee on sustainability information.

## Maintaining an effective, updated body of internal regulations

The Board of Directors is responsible for approving the company's policies and over the past year has approved a number of key documents such as Grenergy's new employee and supplier Codes of Ethics and the regulatory framework that defines the system for monitoring the implementation of corporate policies. The Compliance Manual was drawn up in 2022 and approved at the outset of 2023.

## CAPITAL STRUCTURE



<sup>1</sup>The data reported refer to the Audit and Control Committee (ACC) and the Appointments, Remuneration and Sustainability Committee (ARSC)

## 2.2 Compliance

The aim of the **Code of Ethics** is to set out the principles and values that should inspire and govern our team's activities, relationships and behaviour

*Grenergy's culture of ethics and compliance is fostered from the company's highest levels.*

Grenergy conducts its business with a firm commitment to making a positive impact on society. Part of this positive impact is achieved through respect for the law and the principles of corporate responsibility and, therefore, Grenergy shows zero tolerance for any kind of corruption, breaches of the principles of fair competition and non-compliance with laws and regulations. Furthermore, the company acts immediately when these occur.

During the 2022 financial year, the criminal risk prevention model was reviewed in order to update and adapt it to the company's growth. The assistance of an independent expert has helped to identify and assess the Group's criminal risks. As a result of this exercise, different areas of improvement have been identified in Grenergy's Crime Prevention System, which has led to an update of its Compliance model.

The new Compliance model ensures a uniform, comprehensive approach to compliance throughout the Group. The Compliance department has worked on

harmonising all Compliance processes, guidelines and policies by drawing up a single policy called the Compliance Manual, and 100% of the governing bodies' members have been informed of the organisation's anti-corruption policies and procedures. The Manual, which applies to all of Grenergy, lays down the procedures and controls necessary for correctly implementing the Codes of Ethics. It also sets out the roles and responsibilities of the different governing bodies, the Board of Directors, the Audit Committee, the Executive Compliance Committee, senior management and the directors and managers of the different areas.

As part of this review and improvement process, the company's Code of Ethics has also been revised and updated to ensure that it is more closely aligned with Grenergy's culture and values and that it is a truly inspirational document and a true guide to action for Grenergy's employees and managers. The Code of Ethics has been approved by the Board of Directors, conveyed to all employees through internal communication channels, and is available to the public on our website.

<b>VALUES AND PRINCIPLES</b>	Legal compliance	Your dignity
	Respect for people	Privacy
		Personal rights
	We generate trust	Intolerance of discrimination or harassment
		Transparent
We promise what we can deliver and we deliver what we promise		
We protect our company	We learn from you	
	Your reputation and your values	
We lead by example	Culture of ownership	
	Tone from the top	
<b>HOW WE OPERATE</b>	With people	We protect fundamental rights
		We protect health
		We protect against harassment
		Respecting the rights of workers
		Anti-corruption measures
		Gifts and hospitality
		Sponsorship donations and others
		Political neutrality
		Only legal payments
		We do not use third parties for illegal purposes
	In the markets	Relationships with illicit Public Authorities
		Fair competition
		We manage conflicts of interest
		We prevent money laundering
		We report accurate, correct financial information
		We do not use private information
		We protect individual's data
		We deliver on our products and services
		We are a sustainable supply chain
		We protect the environment
We protect human rights		
We report non-compliance		
we apply the consequences of non-compliance	Penalties	
	Remedial measures	
	Early termination of contracts	



Grenergy's Code of Ethics for suppliers has also been revised and updated, facilitating its understanding, as well as the process of acceptance of it by our supply chain, thus encouraging suppliers to respect our values of integrity and compliance. In the process of finalising any contractual relationship with the supplier,

and prior to the start of providing services or delivering products, the person responsible for the purchase shall ensure that the supplier has signed, and therefore accepted, Grenergy's Supplier Code of Ethics as proof of acceptance of and adherence thereto. For any deviation or exception to this requirement, a request

must be submitted to the Compliance Department for evaluation and its subsequent resolution. The Compliance Department has been reinforced, establishing a multidisciplinary Executive Compliance Committee that supports the Compliance Officer in discharging his or her duties. In addition, frequent

and regular reporting is guaranteed to the Audit Committee, which is responsible for supervising the effective implementation of the programme, ensuring that the relevant Compliance issues are discussed at every scheduled Committee meeting. This Committee has been in operation since January 2023.

**THE PILLARS ON WHICH OUR COMPLIANCE SYSTEM IS BASED ARE AS FOLLOWS:**



**Prevention:**

Effective preventive measures such as risk management, policies and procedures, training and communication systematically prevent misconduct.



**Detection:**

Effective Compliance work requires comprehensive clarification: whistleblowing channels as well as fair and professional investigations.



**Response:**

Explicit consequences and clear reactions support the prevention of misconduct, e.g. punishment of violations and implementing remedial measures.





### Whistleblower Channel

The whistleblower channel set up on the website is aimed at employees, suppliers and other stakeholders who have noticed suspicious behaviour or actions, possible infringements or breaches that go against our codes of Ethics and internal regulations, including the Human Rights Policy and the Protocol for Preventing and Combating Sexual Harassment. Grenergy safeguards the confidentiality of the whistleblower and guarantees the freedom from retaliation for reports made in good faith.

*The whistleblower channel is open to stakeholders and safeguards the confidentiality of the whistleblower*

Separately, mechanisms for receiving and managing complaints are maintained at project level in the corresponding section of the website, which together with communication channels (telephone, email, mailboxes) made available to the local community and other stakeholders offer an alternative channel for expressing concerns, infringements, requests for information or

suggestions. Grenergy keeps a record of how these communications are managed and keeps them active until they are remedied and resolved.

Furthermore, the Compliance Officer is the organisation's mechanism for seeking advice and raising Compliance concerns. To extend and ensure this culture of compliance in 2022, Compliance training was provided in Colombia, with 27 participants. In addition, lectures on Ethical Blindness were held as part of ESG training, which covered 172 employees from Europe and Latin America. By the first quarter of 2023, Compliance training is planned to be carried out in all countries and for all Group employees.

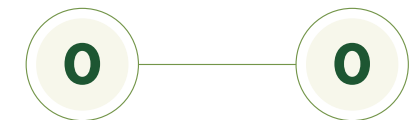
In accordance with the Code of Ethics, corruption of any kind is not tolerated at Grenergy. Grenergy has established procedures and controls to prevent corrupt practices, such as bribery, facilitating payments, collusion, as well as the offer or receipt of gifts, or other advantages as an inducement to do something dishonest, illegal or a breach of trust. As this update and improvement work is ongoing, no operations have yet been assessed for corruption-related risks in 2022.

In addition, in collaboration with Achilles, a service provider specialising in supply chain risk assessment, Grenergy has initiated a supplier assessment that includes risks such as money laundering and terrorist financing.

No cases of corruption have occurred in Grenergy during the 2022 financial year and therefore no disciplinary measures have been taken in this regard. In addition, no contracts with business partners have been terminated due to corruption-related offences. There have also been no public legal cases related to corruption, nor have there been any significant instances of non-compliance with the law resulting in fines or non-monetary sanctions.

### Antitrust

Antitrust violations represent a huge risk for the company and its employees. They involve fines, damages, exclusion from public tenders and reputational damage. Therefore, no breach of antitrust law is tolerated at Grenergy. There are no legal actions pending or finalised at Grenergy during the reporting period with respect to unfair competition and infringements of applicable antitrust and monopoly legislation.



Corruption and/or bribery incidents

unfair competition or anticompetitive practices registrations

## 2.3 Risk management

*The ESG risks identified by the company have been approved by the Board of Directors and included in the **overall risk management system***

*Risk management allows the early identification of internal and external factors that may have an impact on the company and that the company must manage in order to improve and protect its value.*

In 2022, Grenergy created the Internal Audit department with the goal of improving and protecting the value of the organisation, providing assurance, advice and risk-based analysis in order to provide an independent and objective assurance, internal control and consultation service to support the organisation in effectively fulfilling its responsibilities.

The company describes in its Risk Management, Control and Internal Audit Policy the basic principles and general framework of action for control and management of the different types of risks affecting the Group in the various countries where it operates, so that risks are identified, quantified and managed at all times. Macroeconomic, regulatory and business risk factors are identified in this Policy. The Audit Committee is responsible for supervising the effectiveness of the Company's internal control and

risk management systems and for reporting periodically to the Board of Directors on their performance. At corporate level, risk control and management is carried out with three levels of defense involving executives, compliance functions and internal audit. The latter is independent of the business, evaluates the risk situation and reports periodically to the Board of Directors on these risks.

Grenergy has a risk map that identifies the main business management risks and the different businesses and corporate functions involved in identifying these risks. Once identified, they are assessed in terms of probability and impact, and appropriate action plans are defined for each of them. The risk map is periodically updated and presented to the Board of Directors, following review by the Audit Committee.

The main ESG risks considered include climate change risk and its effects on the business, environmental risks related to the impact of projects on biodiversity and social risks arising from the relationship with local communities. The financial year incorporates mitigation plans for each of the ESG risks identified.



## 2.4 Tax transparency

*We are committed to acting with full compliance with the law and with transparency in the management of our tax affairs.*

Aware of its responsibility, Greenergy's Tax Policy prioritises compliance with applicable tax regulations, focusing on transparency and paying taxes responsibly and efficiently. The company reconciles responsible compliance with its tax obligations with a commitment to creating value for its shareholders through efficient management of tax costs and benefits. Furthermore, under this policy, Greenergy is committed to maintaining a cooperative relationship with the tax authorities and stresses the importance of preventing conduct that could generate significant tax risks.

Profits, taxes and subsidies by country (in thousands of euros):

	Revenue	EBT	Corporate income tax accrued	Corporate income tax paid	Subsidies
Chile	164,791	1,912	2,666	(3,204)	-
Spain	64,297	20,323	(6,717)	(2,642)	-
Peru	15,339	(7,846)	3,267	(2,577)	-
Argentina	8,163	(211)	2,922	-	-
Colombia	36,566	(6,325)	877	-	-
Mexico	2,875	(107)	(14)	-	-
Italy	502	(130)	-	-	-
UK	318	(153)	-	-	-
Poland	156	(155)	-	-	-
<b>Total (miles de euros)</b>	<b>293,007</b>	<b>7,308</b>	<b>3,001</b>	<b>(8,422)</b>	<b>-</b>

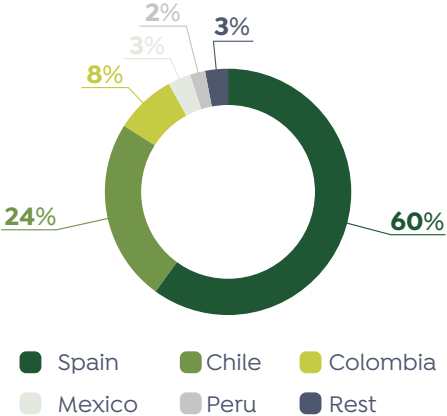
	2021 (€k)	2022 (€k)
<b>ECONOMIC VALUE GENERATED AND DISTRIBUTED</b>		
Revenue	220,837	293,007
<b>ECONOMIC VALUE GENERATED</b>	<b>220,837</b>	<b>293,306</b>
Operating costs		
Depreciation and impairment costs	-9,038	-20,338
<b>ECONOMIC VALUE DISTRIBUTED</b>	<b>43,543</b>	<b>45,779</b>
Personnel expenses	-9,597	-14,772
Providers of capital		
Public administrators	-2,118	3,001
<b>ECONOMIC VALUE RETAINED (Not Income)</b>	<b>16,012</b>	<b>10,309</b>

# 2.5 Responsible management of the supply chain

Grenergy multiplies impact through its supply chain, where it generates opportunities for people and companies through responsible management.

At the end of 2022, Grenergy's supply chain consisted of more than 500 suppliers who have been assigned more than 179 million euros. Our key suppliers account for 85% of our turnover and mainly supply us with panels, structure, inverters, electrical material, mechanical assembly services, electrical assembly, civil works, transport, SCADA and security.

Volume of procurement per country



Grenergy is committed to incorporating **ethical, social and environmental considerations** into its procurement decisions

At Grenergy, the sustainable supply chain management strategy is implemented jointly by the Procurement, Compliance and Sustainability divisions. The main standards and policies in this respect are:

- Code of Ethics for Suppliers
- Procurement Policy
- Procurement Procedure
- Sustainability Policy
- Human Rights Policy

In 2021, Grenergy approved the Procurement Policy whereby it undertook to include ethical, social and environmental aspects in its decisions to purchase and/or contract goods and services. In line with this commitment, in 2022 it developed **the procurement procedure, which is supported by a supplier risk assessment process**. In addition, both the general and supplier

Codes of Ethics were revised in 2022. The latter applies to all procurement and contracting activities for equipment, materials, works and services. Grenergy's Procurement Policy includes the control, mitigation and reduction, as far as possible, of risks associated with the quality and sustainability of materials and equipment purchased, and the commissioning of works and services. In this policy, the company identifies the ethical, environmental and social issues that directly contribute to promoting compliance with the commitments set out in its Sustainability Policy and which support the decision-making process for the procurement or contracting of goods or services. The company's commitments to zero tolerance and the express prohibition of forced labour situations should be highlighted, introducing measures, tools and procedures aimed at preventing human rights violations in the environment of suppliers during their operations in the service of





### Risk management in the supply chain

Greenergy is making progress in its commitment to proactively manage the social and environmental impacts, risks and opportunities arising from its supply chain. In 2022, it has signed an agreement with Achilles to certify and manage supplier risks based on ESG, commercial and compliance criteria. This solution will boost sustainability standards within the company's supply chain.



The issues evaluated for each of the ESG measures and the resulting rating are as follows:

### Governance

- Good governance and transparency
- Human rights
- Organisational ethics and integrity
- Leadership
- CSR/sustainability structure in the organisation

### Social aspects and community

- Equality, Diversity and Work-Life Balance
- Training and promotion of employability
- Health and well-being at work
- Community impact
- Quality
- Dialogue with workers' representatives

### Environmental aspects

- Environmental management
- Climate change
- Circular economy and waste management
- Sustainable use of resources
- Biodiversity

ESG Rating	Evaluation
A+	96-100
A	75-95
B	50-74
C	25-49
D	0-24

*At this stage of Achilles' deployment, 37% of our strategic suppliers are already registered on the platform, of which more than 55% have an ESG score of more than 60 points (B High)*

Grenergy's management is based on four points:

- 1 Minimum standards:** 100% of our suppliers are required to carry out their activity applying ethical standards equivalent to our own, which ensure compliance with current legislation, fundamental human and labour rights, and environmental protection.
- 2 Identification of key suppliers:** based on the importance for the business (volume of the commercial relationship and criticality of the product and/or service), the country risk factors and the risk associated with the product and the service provided.
- 3 Performance evaluation:** our suppliers are invited to register free of charge in Achilles and monitor the ESG evaluation of key suppliers.
- 4 Audits:** Grenergy is part of the Achilles community, which allows us to check whether the appropriate protocols are being followed by carrying out audits, either independently or jointly with other companies in the sector.

Our main suppliers of panels, structures and inverters are ISO14001 certified.

In general, suppliers joining the platform that already have an ESG rating have as a strength the existence of a code of ethics or sustainability policies, while the audit of their supply chain is one of the worst evaluated points. The best evaluated aspect is the social dimension.

### Health and safety of subcontractors

Grenergy is convinced of the importance of passing on its culture and commitment to health and safety throughout the supply chain. The construction of our projects involves the subcontracting of work and therefore the entry of workers from external sites. At this point, Grenergy ensures at all times, from the development phase, through construction, operation and maintenance, a safe working environment with a preventive approach. For this purpose, Grenergy:

- Carries out risk assessment prior to starting its projects, giving rise to a Health and Safety Plan.
- Ensures that subcontractors' employees are provided with appropriate personal protective equipment.
- Trains external workers so that they are aware of the precautions to be taken when carrying out their activity, checking that this training is put into practice through preventive vigilance.
- Maintains good communication to ensure that subcontractors have a good understanding of the risks and safety measures in the workplace.
- Has an incident tracking system in place to report and record any incidents or injuries in the workplace. This allows safety issues to be identified and addressed on an ongoing basis.

*We created jobs for more than **2,700 external collaborators** involved in the construction and operation of our projects in 2022, 22% more than in 2021*

In Spain, before work begins on a plant, a Health and Safety Plan (HSP) is drawn up by a Senior Occupational Risk Prevention Technician, which covers all the risks and preventive measures to be applied throughout the works. The plan is provided to all subcontractors before they start work, who sign a document of adherence to the HSP stating that they have studied it, understood it and agree to adhere to it.

Any new and unforeseen activities not covered by the HSP are included in an Annex to the Plan, which must be reviewed and approved in the same way. A self-protection plan is also drawn up before the works are completed, which will be used when the plants and the substation are completely finished and in the operation and maintenance stage.

In Chile, Grenergy has an Internal Regulation regarding Order, Hygiene and Safety that applies to subcontractors that enter the plants under construction, and which regu-

lates the working methods and conditions, hygiene and safety of the work carried out by subcontractors on behalf of Grenergy. All works are supervised by a preventionist on behalf of Grenergy and another on behalf of each subcontractor, and monthly management reports are drawn up in relation to risk analysis, training and accident records.

In 2022, Grenergy employed nearly 2,700 workers directly involved in the construction and operation of our projects globally, an increase of 22% compared to the previous year. The workers of these subcontractors received more than 15,400 hours of health and safety training provided by both their companies and Grenergy.

In 2022, Grenergy began construction of several plants in Spain and Latin America, and 21 accidents were recorded among the subcontracted personnel of our projects in construction and operation, all of which were minor. No fatal accidents, serious accidents or occupational illnesses were recorded.

SUBCONTRACTORS' SECURITY AND HEALTH INDEXES	Men	Women
Total Recordable Incident Rate* (TRIR)	3.6	0.2
Severity Rate**	0.06	0.005
Absenteeism Rate	0.00053	

(\*) \*Recordable incident frequency X 20,000. - (\*\*) Days lost x 1,000.

### Environment

Grenergy is engaged with its suppliers on environmental issues, as the impact of companies on the environment is not restricted to their direct activity. As a result, Grenergy seeks to involve its value chain in the transition to a sustainable economy. In 2021, Grenergy obtained a B score in the CDP Supplier Engagement Rating. This reflects the strategy and actions undertaken by the company aimed at reducing pollutant gas emissions and managing climate risks throughout its supply chain, which has been reinforced in 2022 by signing the collaboration agreement with Achilles.





# 2.6 Commitment to human rights

Greenergy is committed to **respecting and promoting human rights** and to not being complicit in any form of abuse or violation among its stakeholders and society at large

Greenergy bases its activities on developing sustainable and efficient economic activities with high service quality, generating shared value and respecting human rights.

Greenergy's Code of Ethics, which must be complied with by all company employees, includes respect for internationally recognised human rights, with special emphasis on vulnerable groups. This commitment is reflected in our internal policies and procedures, applying these values to our supply chain through our Procurement Policy. All of this is in accordance, according to our Human Rights Policy, with the Guiding Principles on Business and Human Rights, as well as the International Bill of Human Rights and subsequent developments. These include: the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and its eight fundamental conventions, the United Nations Convention on the Rights of the Child and the European Convention on Human Rights.

Greenergy's approach to human rights comprises 6 steps:





## Setting the tone

The Human Rights Policy, approved by the Board, is the framework that Greenergy's employees and collaborators must adhere to.

The scope of this Policy covers both the workplace and the local community, including the rejection of forced labour, the prohibition of child labour, the elimination of workplace discrimination, the defence of freedom of association, the promotion of occupational health and safety and zero tolerance towards any form of harassment or inhumane treatment, as well as fair working conditions. Our commitment to the defence of human rights also includes local communities, paying special attention to the most vulnerable, including respect for the right to access to food, water and sanitation, energy, education, health and housing, to enjoy a clean and healthy environment, as well as the right to freedom of opinion and expression and freedom of thought and religion.

In 2021, Greenergy also formalised its adherence to the United Nations Global Compact.



## Setting it into the company's DNA

<b>Board of Directors</b>	Approval of the ESG Action Plan, which includes human rights objectives and projects.
<b>Audit and Control Committee Appointments, Remunerations and Sustainability Committee</b>	Monitoring the ESG Action Plan, and therefore human rights performance, through regular reporting by the Sustainability Committee.
<b>Sustainability Committee</b>	Definition and monitoring of the ESG Action Plan, which includes actions in the field of human rights. It brings together the directors of the Strategy and Capital Markets, Sustainability, Generation and Equity, and Legal departments.
<b>Corporate management</b>	Collaboration with local teams to implement due diligence exercise in major operations.

Moreover, our regulatory framework enables the inclusion of human rights in our decision-making processes.



3



### From reactive to proactive

The Guiding Principles lay out the roadmap for the establishment of a five-stage due diligence process:



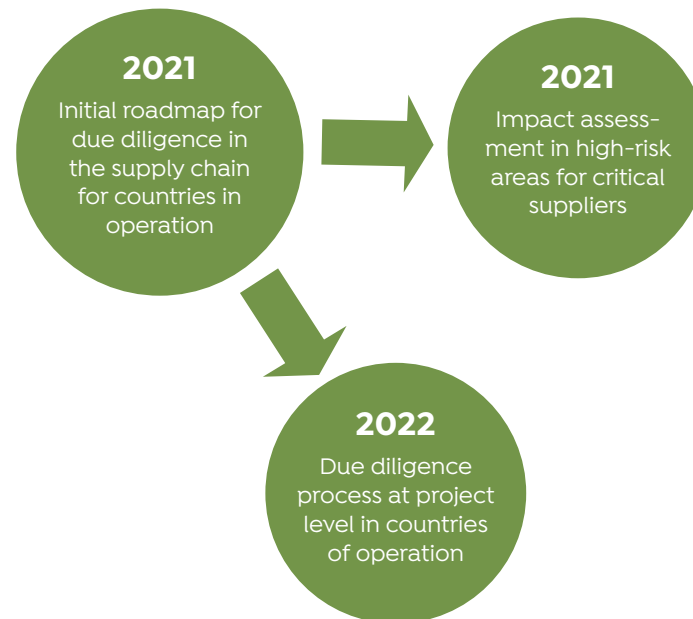
### Policy

A Human Rights Policy was approved by the Board in 2021. This policy is followed by the Procurement Policy, the Codes of Ethics for employees and suppliers and the procedure for dialogue with the community.



### Impact assessments

Risk analyses are carried out in the countries of operation to assess the potential and actual impacts of our activity and to incorporate human rights management criteria into our operations and business relationships.



**Human Rights Impact Assessment in all countries of operation (Initial roadmap)**

In 2021, in collaboration with independent experts, we worked on an initial roadmap to implement a due diligence process in line with our sector, presence and risk suppliers. A human rights impact evaluation was carried out considering all countries of operation, own operations and value chain, with the participation of stakeholder representatives.

Simultaneously, in collaboration with independent experts, an impact evaluation was carried out in high-risk areas for critical suppliers. Aspects of traditional land rights, forced labour, child labour, discrimination, freedom of association and human trafficking, among others, were covered.



The most relevant risks in this financial year were:

- Indigenous peoples
- Communities
- Security and high-risk context
- Environment and health
- Human rights and environmental defenders
- Labour rights - Ore mining

**Project-level due diligence process**

Evaluation of the potential impact of our operations on human rights, at project level, in the countries of operation and in their supply chain. Evaluation carried out with the participation of independent experts.

A sample of Grenergy's operations has been identified according to the different countries and project stages, construction, operation and maintenance in order to obtain a broad vision in accordance with the realities of the different regions (Europe and Latin America).

The evaluation, carried out at the end of 2022, was conducted on two levels:

**Internal:** where different rounds of interviews have been held with corporate and local managers of the areas that have the greatest relationship and impact with the communities, such as Construction, Operation and Maintenance, Environmental and Social Management.

**External:** with the participation of 20 subcontractors that represent the greatest risk, both in terms of their activity (safety and high voltage) and the volume of people that provide support to Grenergy.

Employees of the subcontractors participated in training activities and in survey processes with independent experts.

The results and the proposed action plan will be presented at the beginning of 2023.

In addition, prior to any operation, impact assessments are carried out on all our projects to identify all possible environmental and socio-economic impacts, avoid and mitigate any negative impacts and enhance positive ones.



### Process integration

Based on the results obtained, our regulations and processes are reviewed and adapted to prevent, mitigate and/or remedy potential human rights impacts.



### Assessment and reporting

Monitoring and reporting processes are in place to prevent and avoid adverse consequences on the human rights of our stakeholders. In the event that serious violations are detected, we will report them in a timely manner.



### Complaints and remedy mechanisms

There is an Enquiries and Complaints Channel so that any person or entity can send us their concerns or complaints regarding human rights, among other issues. This channel means that, in addition to resolving the query, appropriate measures can be taken to reduce risks through our policies, processes, etc.

0

human rights complaints of non-compliance

*Grenergy has set up a **whistleblower channel** on its website that **guarantees confidentiality**, aimed at facilitating reporting breaches of the principles described in its Human Rights Policy*

4



### Walking the talk

Grenergy has started the process of integrating the results of the impact assessments, involving different functions within the company.

In 2021, internal working sessions were held with a specialised supplier to analyse the main challenges in the area of human rights with our Chinese suppliers. These are considered high risk, critical suppliers in light of international reports that point to possible forced labour situations in the solar sector. As a result of these sessions, specific clauses are being included in contracts and procurement agreements, also requesting letters of commitment against forced labour from the suppliers.

5



### Knowing

In addition to the due diligence process, different channels of dialogue are held open depending on the nature of stakeholders, as described in section 1.5. Grenergy is also part of the Achilles energy community, which allows us to be aware of the risks associated with our value chain in advance. As far as communities are concerned, the different communication channels offered help us to identify in advance any risk factors or negative impacts.

6



### Showing

In addition to regular web-based communications, our quarterly financial, operational and ESG reporting, which is incorporated into the company's quarterly results presentations, includes human rights aspects.

Furthermore, and in accordance with our Sustainability Policy and Local Community Relations Procedure, Grenergy seeks to establish a fluid dialogue with the local community from the early stages of projects through formal and informal meetings, training sessions and making various communication channels available to the community.

# 3

## BUILDING A GREENER FUTURE

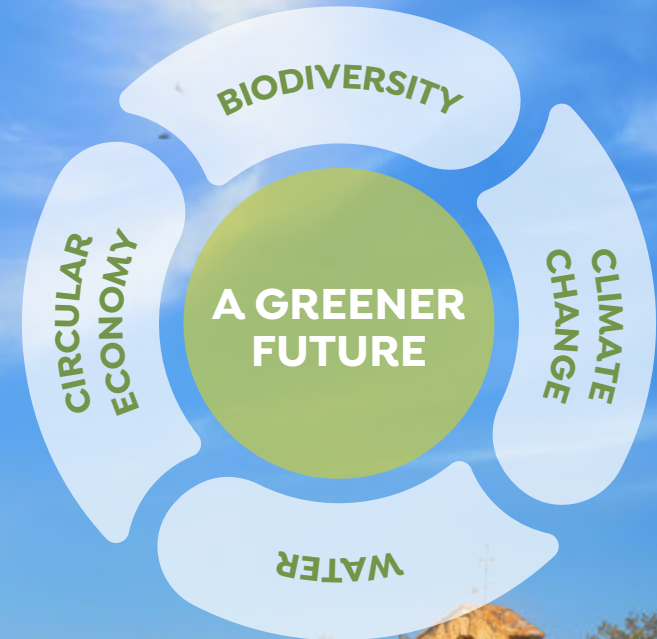


- Biodiversity
- Climate change
- Water management
- Circular economy

Ecosystem care and recovery and sustainable soil management have the potential to reduce annual net greenhouse gas emissions by more than 7 Gt by 2030. The decisions we make today, when we choose how we want to grow, project by project, will shape our future.

At **Greenergy** we believe that our work contributes to solving the major problems of our time, and to **building a greener future**

Our environmental targets are aligned with the United Nations Sustainable Development Goals, to which we mainly contribute through SDG 7, Affordable and Clean Energy, SDG 13, Climate Action and SDG 15, Life on Land.



# 3.1 Biodiversity

*Greenergy's Sustainability policy shows the company's clear commitment to preserve the environment of the projects we carry out.*

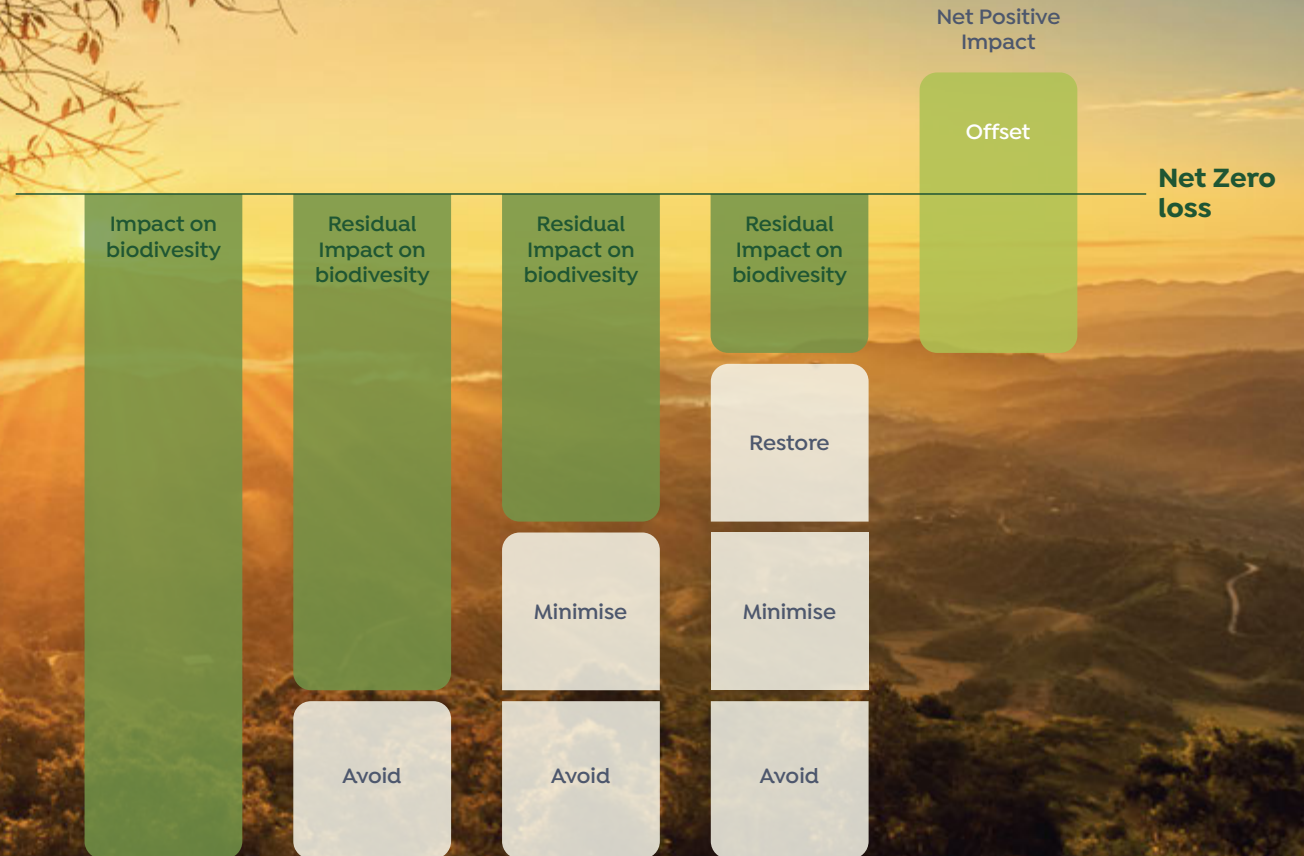
This commitment is embodied in the evaluation of the risks or potential environmental impacts of each operation throughout their life cycle. These assessments, in turn, result in actions that neutralise, minimise or, ultimately, compensate for the impacts or risks detected.

### Mitigation hierarchy

Land use is one of the underlying causes of biodiversity loss due to its impact on ecosystems and the species that comprise them. Renewable energies need soil for their installation, and Greenergy therefore takes into account the potential impacts that this land use can make in the habitat and its species. The management process implemented involves adequately detecting the potential adverse effects, impacts and risks of each action, followed by planning based on a clear hierarchy: avoiding, minimising, restoring and, ultimately, offsetting.

The preventive approach of this hierarchy is reflected by avoiding negative impacts on the basis of an adequate selection of project locations, where little or no impacts have been observed. As a starting point, this selection aims to avoid areas defined as World Heritage and protected areas of Categories I-IV of the International Union for Conservation of Nature (IUCN).

Greenergy's impact mitigation hierarchy







### Identifying impacts

Environmental impact assessments consider all stages of every project's life cycle, with the most relevant being the construction, operation and maintenance stages. At each of the stages and substages, the potential impacts on the atmosphere, soil, water, vegetation, habitats, fauna, historical-archaeological heritage, landscape and

socioeconomic aspects of the area are identified and quantified.

This work, which involves assessing and identifying prevention and mitigation measures, as well as monitoring actions and their outcomes, accounts for an investment of € 894,110.

Thanks to this management, none of our projects are located in protected areas.



**0 Fines**  
for environmental  
infringements



**0 Delays**  
in projects resulting  
from ecological  
impacts



**0 Red flags**  
in  
environmental  
field



**0 Projects**  
in protected areas as  
per local or international  
regulations

Once the potential impacts at each of the stages of the project have been identified, the necessary measures to counteract them are analyzed. These measures are categorized according to the aforementioned hierarchy: avoid, mitigate, restore and offset, which means that compensation measures are only used once the impracticability of implementing other types of measures has been analyzed.

The next step is to monitor the measures and the outcomes obtained by each of them, thus guaranteeing the objectives set. Throughout 2022, 6,618 hours of monitoring were performed and none of our projects received any environmental fines or suffered any delays due to risks or unidentified measures.

The provisions allocated to probable or actual liabilities, ongoing litigation, indemnities or outstanding obligations of an undetermined amount, of an environmental nature and not covered by any of the insurance policies taken out, are made at the very moment in which the liability or obligation determining such compensation is contracted.

**6.618**  
hours

of environmental  
monitoring

**8.867**  
hours

of environmental  
training

### Protected species

The company evaluates the presence of protected species in all its projects according to the IUCN (International Union for Conservation of Nature) Red List of Threatened Species or to national and regional conservation catalogues. No critically endangered IUCN species have been identified in any of the company's projects.

In 2022, 7 bird collisions were recorded in wind farms, which affected birds of non-threatened species of least concern, according to IUCN criteria.

### Habitat restoration

Grenergy implements a hierarchical approach in the mitigation of environmental impacts, with prevention and minimization of impacts being a priority. If it is not possible to avoid an impact, the company focuses on restoring and compensating for that impact. In 2022, Grenergy performed several actions aimed at reforesting next year an area of approximately 255 hectares and other habitat improvement activities. The company works with external experts to implement, track and monitor restoration measures.

Some of **the main habitat restoration measures carried out in 2022 include:**

- Rescue and relocation of fauna at the solar plant in Gran Teno, Chile.
- Compensation plan in the Tucanes solar park, Colombia. The programme for monitoring and follow-up of vascular epiphytes that was launched last year went ahead.
- Promotion of biodiversity in Escuderos.

### Number of species – as per national/ regional catalogues and the UICN list

Type of category	Number
Number of species on national/regional conservation lists living in the project area	33
Number of IUCN species in critical risk (CR)	0
Number of endangered IUCN species (EN)	4
Number of vulnerable IUCN species (VU)	41
Number of nearly threatened IUCN species (NT)	26
Number of least concern IUCN species (LC)	139

During 2022, biodiversity actions managed to rescue 830 vascular epiphytes from 8 different species.

## Rescue and relocation of fauna at the solar plant in Gran Teno, Chile (200 MW)

Prior to commencement of construction, with the aim of avoiding and minimising impacts on biodiversity, multiple measures were implemented in collaboration with a local environmental consultant. In this respect, the rescue and relocation of fauna actions carried out in October 2022 should be highlighted. The program concerned reptiles and amphibians, in addition to monitoring the relocated animals. To this end, we worked with a team of 25 people, including expert biologists and assistants. Additionally, we collaborated with people from the local community for implementation of habitat enrichment measures.

Habitat enrichment was achieved by placing dry-stone walls and mounds of vegetation for target species belonging to the Liolaemidae family and rock clusters for species from the Colubridae family. The arrangements for the reforestation of 255 ha were also carried out at this plant in accordance with the approved Forest Management Plan.



## Promotion of biodiversity at Grenergy's plants

In Altarejos (Cuenca), where our 200 MW Escuderos solar plant is located, different bird conservation initiatives have been launched in coordination with local experts, including the protection of favourable habitats through agreements with local farmers to sow organic seed and install strips of natural vegetation. In addition, nest boxes have been installed to encourage the presence of owls, and an old dovecote was restored and repopulated to better serve the birds of prey in the area.

## Positive Net Impact on Biodiversity

Biodiversity is key to the proper functioning of ecosystems and the services they provide, such as water regulation, carbon dioxide sequestration, nutrient cycling and erosion protection. A diverse ecosystem is more stable and resilient to unfavorable events.

*At Grenergy we are committed to the long-term goal of achieving a **net positive impact on biodiversity** and Sustainable Development Goal 15 is now at the heart of our sustainability strategy*

In order to achieve our goal of making a net positive impact through our operations, Grenergy has partnered with environmental organisations to identify and promote voluntary ecosystem restoration and biodiversity enhancement projects. These projects involving "nature-based solutions" use nature's capacity to address major environmental challenges.

Regarding the ecological restoration of degraded wetlands to improve their condition, encourage the conservation of habitats and enhance CO2 capture, alliances have been established and large-scale ecological restoration projects have been identified and implemented, such as the recovery of wetlands in Cuenca and forest improvement in Ayora, Valencia, where our Escuderos, Belinchón and Ayora solar plants are located.

## 3.2 Climate change

*Grenergy's business model contributes to climate change mitigation by replacing fossil fuels with renewable energies.*

Climate change is a phenomenon that takes place globally and leads to an increase in the average temperature of the Earth, the melting of glaciers, the rise in sea level and the intensification of extreme weather events such as droughts, floods, heat waves and tropical cyclones. **These are some of the main consequences of climate change:**

- It affects human health: Climate change can affect human health through vector-borne diseases (such as mosquitoes), and other health problems related to heat and humidity.
- It affects food production: climate change can affect agricultural productivity through intensified droughts, floods and heat waves.
- It affects ecosystems: Climate change can have an impact on biodiversity, as some species are not able to adapt to new climatic conditions and may become extinct. It can also affect marine ecosystems, such as coral reefs.

However, the construction and operation of plants is not exempt from discharging CO<sub>2</sub> emissions in the current energy system. Therefore, Grenergy has designed a plan to reduce and calculate its own emissions following international standards.

For example, climate variability can affect energy production in renewable energy projects, which might have an impact on the company's revenue. In addition, climate

change can affect the availability of natural resources, such as water, that are necessary for the construction and operation of the company's projects. Meanwhile, the ambition displayed by a number of countries in the last 2-3 years in the face of climate change represents an opportunity for our business, as this ambition requires installing renewable energies. Therefore, Grenergy is alert to these risks and opportunities to manage them effectively.

*Grenergy has identified climate change risks and opportunities in its business activity to **protect its long-term sustainability***

### Climate change risks

Description of risk	Nature	Financial impact	Mitigation strategy
Severe extreme weather phenomena, such as flooding, that could cause material damage to project technological equipment.  HIGH ●●● Long term	Acute	Decreased revenue from energy sales due to reduction in generation resulting from damage to technological equipment (downtime).  Increased operational and maintenance costs.	Flood risk studies and design and implementation of drainage systems.  Risk transfer by taking out insurance for protection against extreme weather events.
Climate variations and extreme high temperatures that could affect inverter operation.  HIGH ●●● Long term	Chronic	Increased costs due to negative impacts on the personnel employed.  Reduced asset value in case of damage to equipment.	Changes in procurement policy and selection of inverters specifically adapted to withstand extreme temperatures.

### Opportunities from climate change

Description of the opportunity	Nature	Financial impact	Opportunity management
Increasing demand for renewable energy, incentivised by European (European Taxonomy) and national regulations.  Short-/medium-/long-term opportunity.	Products and Services	Increased revenue.  Very high impact.	Strategy growth plan, with an installed power target of 5GW in 2025.
Access to sources of financing for installing storage technology.  Short-/medium-/long-term opportunity.	Source of energy	Increased revenue from the sale of energy in the absence of sun.  Very high impact.	Creation of a storage division with senior talent and development of a pipeline of 11.7 GW of projects at different stages of deployment in 11 countries.

## Climate change risks and opportunities

### Governance

The Board of Directors is responsible for establishing the Group's control, risk management and internal audit policy, while identifying the main risks faced by the company, including those arising from climate change. To this end, the Board relies on the support of the Audit Committee, which is responsible for supervising the effectiveness of internal control and risk management systems and for regularly reporting to the Board of Directors on its operation. Greenergy has entrusted the managers of the Operation and Maintenance business unit with the responsibility of assessing and managing climate change risks.

### Strategy

Greenergy is aware that climate change can affect the company in several ways. On the one hand, there are physical risks that may affect the technological equipment of its renewable energy projects. On the other hand, the ambition in responding to climate change challenges requires installing renewable energies, which represents a business opportunity for Greenergy.



### Risk management

Greenergy has integrated climate change impacts into its risk assessment and management system and has implemented monitoring mechanisms to mitigate the same. The different businesses and corporate areas of the company take part in the task of identifying the relevant risks, and risk maps are prepared for assessment thereof. Once identified, quantified, and classified, and appropriate action plans are designed for each of them. The risk map is updated and periodically submitted to the Board of Directors, following review thereof by the Audit Committee. Thus, Greenergy effectively manages the risks associated with climate change.

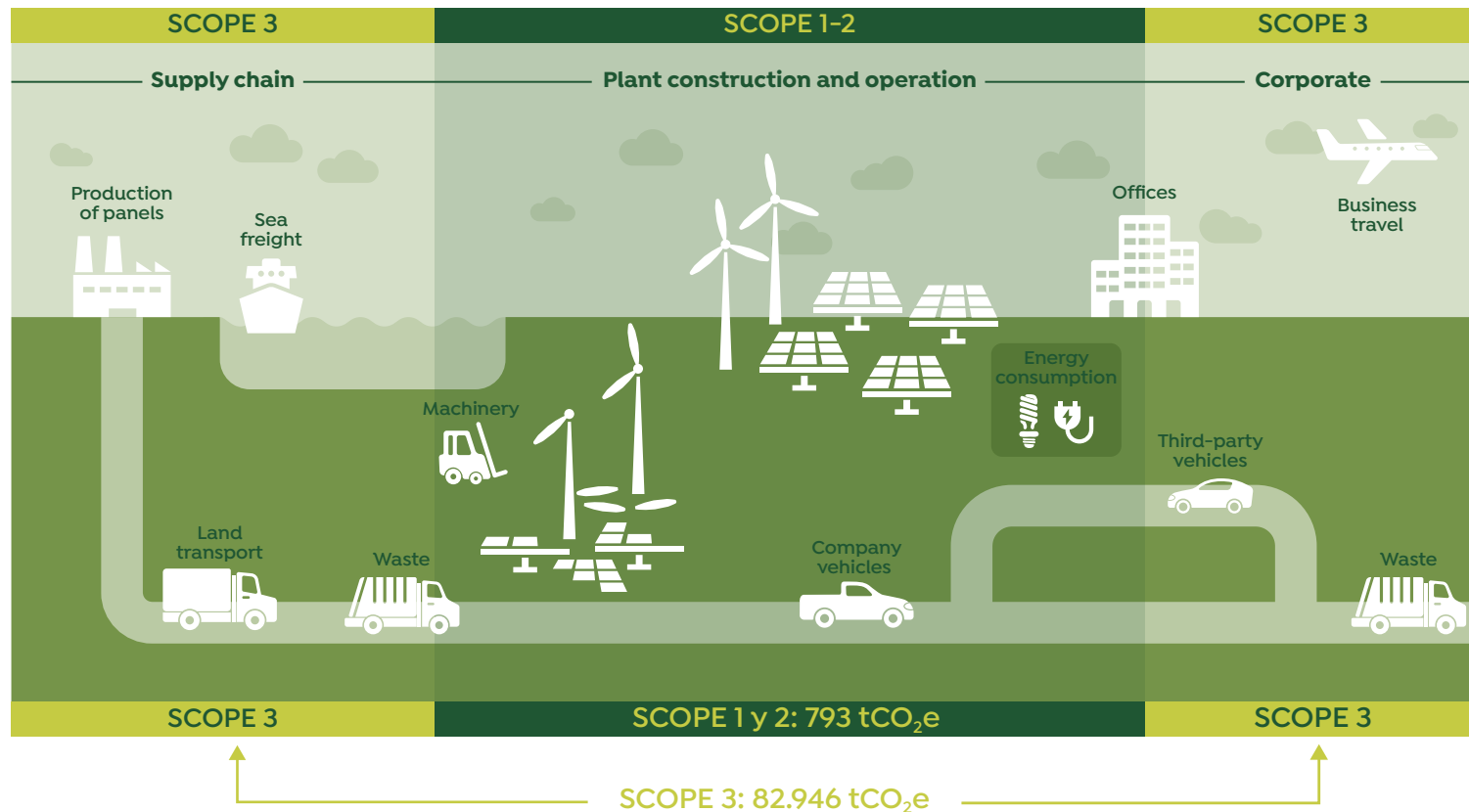
### Metrics and objectives

Greenergy calculates its scope 1, 2 and 3 GHG emissions according to the GHG Protocol standard and has obtained third-party verification on this calculation, according to ISO 14064 for greenhouse gases. In addition, it has set emission reduction targets. For each identified risk, including climate change risk, Greenergy assesses risk, using impact and probability scales and prepares risk maps to effectively identify and manage the risks faced by the company.

### The carbon footprint of our activity

The ISO 14064:1-2018 standard has been used to calculate our greenhouse gas (GHG) emissions. This is an international standard that adds credibility and veracity to any organization's GHG emissions reports. In addition, our carbon footprint calculations **have been verified** by KPMG and meet the criteria of ISO 14064.

The period analysed runs from January 1 to December 31, 2022, and the GHG inventory limits follow the financial control approach. Calculations are presented in tonnes of CO<sub>2</sub> equivalent and include all greenhouse gases relevant to the company: CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. The sources of the emission factors are the latest data published by official bodies such as DEFRA GHG Conversion Factors 2022 and official sources of national energy mix.



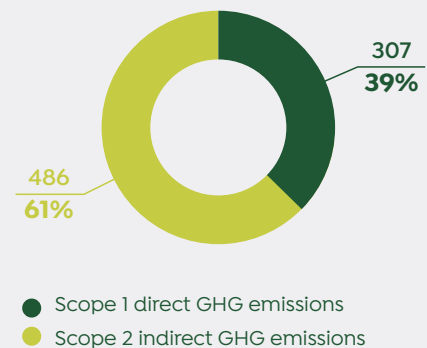


### Our GHG emissions

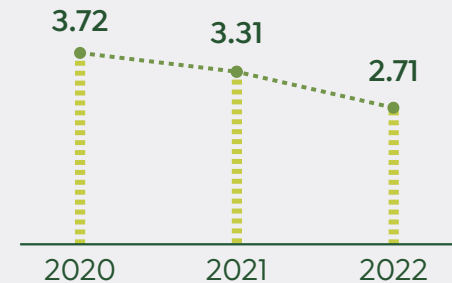
In 2022, our activity generated direct emissions of 307 tCO<sub>2</sub>e, which accounts for a 75% reduction in our scope 1 emissions compared to 2021. As for indirect emissions of scope 2 by energy acquisition, they reach a value of 486 tCO<sub>2</sub>e.

*Just like in the previous year, **Greenergy has reduced the intensity of its scope 1 and 2 emissions**, which reached a value of 2.71 tCO<sub>2</sub>eq/M€ in 2022*

Scope 1 and 2 emissions (tCO<sub>2</sub>e)



Emissions intensity tCO<sub>2</sub>eq/sales (M€)



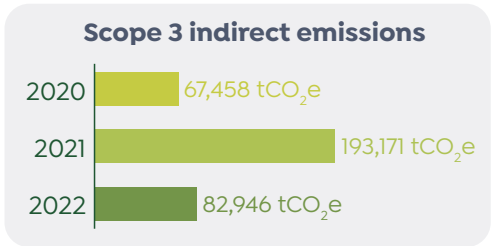
The intensity of scope 1 and 2 emissions per economic unit decreases from the previous year from 3.31 to 2.71. The figure broken down by scope is 1.05 tCO<sub>2</sub>e/M€ for direct GHG emissions and 1.66 tCO<sub>2</sub>eq/M€ for scope 2.

### Our carbon footprint reduction targets

Grenergy is making headway in its strategy to fight climate change and has set targets to reduce the intensity of its scope 1 and 2 emissions (t CO<sub>2</sub>/GWh) by 55% by 2030, as well as to reach net zero emissions by 2050. Grenergy is committed to reducing greenhouse gas emissions as part of its climate strategy. It has set scope 1 and 2 emission reduction targets in absolute terms with respect to 2021, when carbon footprint calculations as per the ISO 14064 standard were verified by a third party. These targets are aligned with SBTi criteria and aim to achieve a 55% reduction by 2030. In order to achieve its emission reduction targets, the company has started to implement energy efficiency measures. These measures are of variable nature, such as moving electricity supply to renewable

*Grenergy is making headway in its strategy to **fight climate change** and has set absolute emission reduction targets to **reduce its scope 1 and 2 emissions by 55%** by 2030 (baseline: 2021)*

energy sources, replacing the fleet of company vehicles with hybrid or electric models, and energy efficiency measures. All these measures evidence Grenergy's commitment to sustainability and environmental responsibility, as well as its determination in the fight against climate change.



Indirect scope 3 emissions in 2022 reached a value of 82,946 tCO<sub>2</sub>e with respect to 2021 (193,171 tCO<sub>2</sub>e). This is a clear example of the company's progression in engagement with the value chain, which has led to improving the transparency of our suppliers in respect of the carbon footprint and the transfer of increasingly solid information.

*Grenergy seeks to involve its value chain in **the transition to a sustainable economy***

*In 2022, thanks to the power generation that our projects involve, Grenergy has managed to **avoid the emission of 245,398 tCO<sub>2</sub>eq** into the atmosphere.*

### Other emissions

There were no refrigerant gas leaks during 2022. Below is a table with the company's scope 1 emissions, divided by type of greenhouse gas:

Category	Tm CH <sub>4</sub>	Tm CO <sub>2</sub>	Tm N <sub>2</sub> O
Other emissions*	0.07	307.12	4.04

### The emissions we avoid

Grenergy has contributed to reducing the amount of greenhouse gases emitted into the atmosphere thanks to our renewable energy generation activity, thus offering a direct solution to the global challenge of climate change. In 2022, thanks to the generation of electricity from our wind farms and solar plants amounting to 744,431 MWh, we managed to avoid the emission of 245,398 tCO<sub>2</sub>eq. This amount is equal to the annual energy consumption emissions of 35,230 households (\*\*).



\* Other emissions refer to direct emissions from other refrigerant gases. \*\*The avoided emissions were calculated on the basis of the production by country and the emission factors of the national electricity mix, as published by official sources and for equivalence of energy consumption in households (IDAE 2022).



Grenergy has prepared and approved an **energy efficiency and emission reduction plan** which contemplates different types of measures, with specific targets and time horizons for their implementation

### Energy consumption and energy efficiency plan

100% of renewable energy consumption comes from purchased certified renewable electricity with a guarantee of origin. Electricity sold amounts to 744,431 MWh.

No fuels from renewable sources are used. Total energy consumption is distributed as follows:

Litres of diesel oil used by machinery and stationery combustion equipment	7,971
Litres of petrol used by machinery and stationery combustion equipment	680.5
Litres of diesel oil used by vehicles	105,976
Energy consumption at construction sites (KWh)	1,578,570
Energy consumption at offices (KWh)	230,597

To summarise, Grenergy is a company engaged in the business of developing, building, operating and maintaining exclusively renewable energy projects, thus contributing to the mitigation of climate change. In addition, the company has approved a Human Rights Policy and incorporates ethical

criteria into its agreements with suppliers. In addition, it is progressively implementing a due diligence process in respect of minimum social safeguards. By acting this way, Grenergy demonstrates its commitment to sustainability and social and environmental responsibility in all its activities.

### MEASURES OF THE ENERGY EFFICIENCY PLAN



**Transition plan for company cars** that run on petrol or diesel oil to hybrid/electric cars.



**Training in eco-driving** for employees who are frequent drivers.



**Awareness** regarding the efficient use of energy at the office.



**Improved planning** during construction stage at project level.



Prioritisation of **electrification** and implementation of **low-emission solutions**, such as biofuel generators or hydrogen generators at construction stage.



**Replacement of lighting fixtures** that need to be changed with low-consumption, efficient-technology LED lights at the company's offices.



General supply of **renewable energy with certified guarantee of origin**.

## 3.3 Water management

*Water resources are a valuable and limited scarce commodity that Grenergy uses responsibly.*

The construction of our renewable energy projects and the subsequent operations and maintenance tasks require the use of water for a number of activities, such as the control of suspended particles and road stabilisation works, the washing of solar panels, general cleaning and hygiene and consumption by employees. Although these activities require using water, the company does not make discharges and installs chemical toilets managed by specialized companies to avoid any type of spillage. This is how Grenergy ensures that it manages water in a way that protects the environment.

### Sustainable use of resources

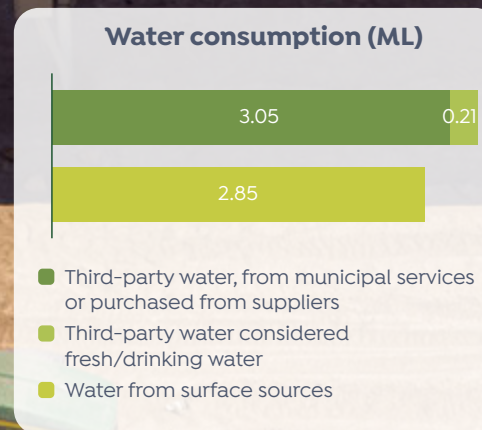
The company, aware of the risks associated with water scarcity, seeks to minimize the environmental impact of its use. The main actions carried out for a more sustainable use of water include: the extraction of surface water is carried out under strict authorization by, and under the control of, the competent authority in charge of its administration. As far as possible, low-impact sources, such as desalinated water produced in neighbouring areas, are sought and no water is stored. As a measure to reduce industrial water consumption, dry panel washing and the use of dust suppressors were incorporated into several projects in 2022.

*100% of the industrial water used in the operation of our **solar plant in Quillagua**, located in the Atacama Desert (Chile), comes from a **desalination plant located in this region***

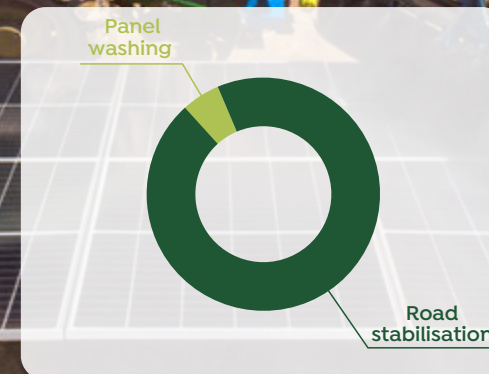
Throughout 2022, the analysis of our water consumption was expanded and improved, through the study of our water footprint as per the ISO 14046 standard. These outcomes have allowed us to identify the most relevant points that require our action.

Water consumption in 2022 amounted to 5.90 ML at global scale, and the proportion of water consumed in areas under water stress amounts to 4.02 ML, according to WRI's Aqueduct. In these areas, 48% of the water consumed comes from surface waters subject to pre-established limits and control by the competent authority responsible for its administration, while the remaining 52% is water purchased from third parties.

In connection with the responsible use of water, it should be highlighted that the amount of surface water consumed in these water stress areas was well below the pre-established limits, without ever reaching 30% of the amount of water authorized.



Globally, the percentage of third-party water considered fresh or drinking water is 7%.



At global scale, 94% of industrial water was used in road stabilization, with the remaining 6% being used in panel washing.

## 3.4 Circular economy

*Circular economy is an economic and management approach that seeks to maximize the use of resources while minimising waste generation. It is based on the principle that all materials must be reused or recycled to the maximum extent possible to extend their useful life and reduce the need to extract new natural resources.*

Circular economy is important for a number of reasons:

- **Reduced dependence on natural resources:** by reusing and recycling materials, the need to extract new natural resources is reduced, which may contribute to the preservation of ecosystems and biodiversity.
- **Energy savings:** The reuse of a product or the recycling process usually requires less energy than the production of materials from natural resources. Therefore, circular economy may contribute to the reduction of greenhouse gas emissions and to energy savings.
- **Waste reduction:** circular economy seeks to minimise waste generation and maximise waste value, which may contribute to reducing the amount of waste sent to landfill.

In our commitment to circular economy, Grenergy monitors water consumption and waste generation in all its plants under construction or in operation, as well as in its offices. This allows the company to detect unusual variations that may indicate inefficiencies in the use of resources. GHG emissions resulting from waste management activities are deemed to be included in Scope 3 when calculating the carbon footprint.

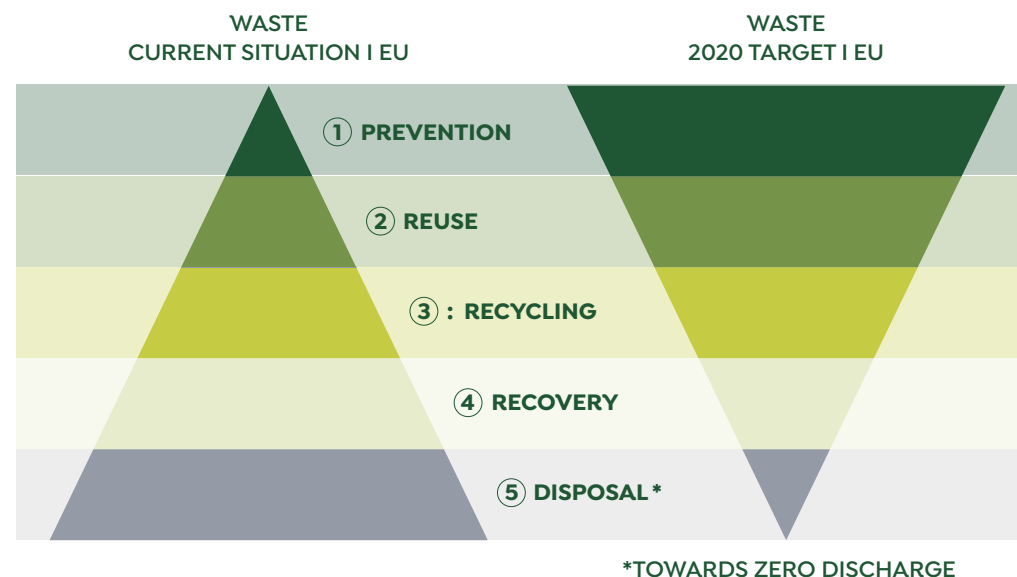
Our goal is to minimise water consumption and its environmental impact, while maximising the reuse and recycling of waste. In this respect, we seek synergies with the local community to promote circular economy and the analysis of our water consumption was expanded and improved in 2022, thanks to the study of our water footprint as per the ISO 14046 standard.

*Grenergy, as is the case with other management systems mentioned, implements a hierarchy of measures in connection with resource and waste management*

### Waste recycling

The hierarchy of waste management measures is reflected in the attempt to reuse a high amount of waste by donating the same to local communities. Waste that cannot be

donated because it has no direct value is mostly sent to recycling plants. Ultimately, the rest of the waste is sent to energy recovery facilities or landfilled.



In 2022, given the increase in its plant construction activity, the company increased the amount of total waste to 1,544 t. Waste has been classified as hazardous, non-hazardous and forest waste. Solar panels are the main hazardous waste generated by Grenergy's activity. Following the hierarchy of measures, the

first action that is performed is the search for actors from the local community or for educational institutions that could reuse our panels. Should the conditions of the panels used prevent them from being reused, they are sent to recycling plants where between 85% and 100% of the materials are recycled.

Non-hazardous waste is generated during plant construction stage and mainly consists of packages, cardboard and wood. This waste is sent to recycling plants as it is easily recycled. The recycling rate depends on the country in which the waste is generated.

*Grenergy recycles part of the waste it generates. Also, a second life is given to waste donated to the local community and to donated forest waste, with **12.1% non-hazardous waste being donated***

This practice is one of the many examples that evidence the company's commitment to environmental responsibility.



#### **Construction of the solar plan in Tucanes, Colombia**

In 2022 Grenergy strengthened local entrepreneurship through a strategic alliance with the local recycling association Ecology and Life of Bayunca (ECOVID), with which joint efforts were made to enable the solid waste generated on site to be reused, thus ensuring the comprehensive management and proper use thereof.

In addition, Grenergy donated 100% of the timber material coming from forest waste to artisans in the project's local community, for carving and manual elaboration of handicrafts, thus improving their livelihood.

The alliance with the **local recycling association ECOVID** allowed the latter to double its staff and triple its revenue.

# 4

## Creating shared value



Growing with our employees

Building links with our communities

# 4.1 Growing with our employees

Our team drives Grenergy's commitment to sustainability. Their determination and trust ensure we meet our goals and set the benchmark for competitive, clean energy.

## A growing talent

Our team continues to grow in line with the expansion and development of business activities delivering on the strategic plan and the ESG Roadmap 2021-2023.

Grenergy's workforce maintains its double-digit growth, with a year-on-year variation of 27.4% versus 2021



EFTP Personnel (Equivalent full-time personnel).

Grenergy's evolution, both from the point of view of the organisation and the people who make it up, is based on sustainable development and respect. We value the potential of each person regardless of their origin, characteristics, attributes and preferences. We always act with people's needs in consideration, taking care of each team member, day by day, to move steadily towards the goals set by the organisation, leaving no one behind. For this reason, the health and well-being of our employees is our priority.

\*The personnel included in the calculation of the total number of employees per year (EFTPs) is the personnel with an employment contract, permanent or temporary, signed with GREENERGY in Spain. In this sense, the figures of the CEO, directors, self-employed and interns have not been considered as computable workforce in this calculation.



Grenergy, through its Sustainability Policy and ESG Roadmap, reaffirms its commitment to guaranteeing equal opportunities, promoting the participation of women in all stages of the business model and stakeholder representation, encouraging labour flexibility, fostering professional development and promoting a culture of health and safety. In this way, the social actions and goals integrated by Grenergy continue to be aligned with the United Nations Sustainable Development Goals, highlighting the social contribution in goals 5 (Gender equality) and 8 (Decent work and economic growth).

A good place to work fosters close communication and collaboration based on respect, credibility and integrity, while at the same time promotes fairness and diversity based on impartiality, encouraging a sense of belonging and pride in belonging. Grenergy is an organisation with a culture of trust, capable of attracting and retaining talent, as accredited by the Great Place to Work certification, which recognises Grenergy as one of the best employers in the world for the third consecutive year. This is an acknowledgement in the field of people management and business strategy at national and international level, which assesses different aspects based on blind employee surveys.

At the end of 2022, the majority of employees (93%) have permanent contracts, while the rest of the workforce (7%) is made up of employees with temporary contracts. This type of contract stems from the need to include technical profiles and field personnel in construction work, adapting to the progress of the different projects.

There are no part-time contracts or other contracts for non-guaranteed hours. Working time is distributed on a full-time basis according to the regulations in force in each country, distributed over 5 days a week. Furthermore, all Grenergy employees work under this working framework, as the organisation does not have any employees with shift work distribution.

*93% of our employees have a permanent contract. 89% of women and 95% of men are hired on permanent contracts.*

### Aspects assessed in Great Place to Work certification



**Great Place To Work®**  
**Certified**  
ESPAÑA

### Employees- Geographic distribution

	Europe					Latin America					Total
	Spain	Italy	UK	Poland	Germany	Chile	Colombia	Peru	Argentina	Mexico	
Women	36	2	0	3	0	25	10	4	0	1	81
Men	77	5	3	3	2	90	19	6	3	0	208
Total	113	7	3	6	2	115	29	10	3	1	289
% of local hires	92%	96%	57%	90%	100%	79%	93%	100%	67%	100%	87%

### Employees – type of contract

	Europe					Latin America					Total
	Spain	Italy	UK	Poland	Germany	Chile	Colombia	Peru	Argentina	Mexico	
% permanent contract	98	100	100	95	100	94	71	96	100	100	93
% of women	32	31	4	55	0	20	30	44	0	92	27
% of men	68	69	96	45	100	80	70	56	100	8	73
% temporary contract	2	0	0	0	0	6	29	4	0	0	7
% of women	0	0	0	0	0	50	50	0	0	0	43
% of men	100	0	0	0	0	50	50	100	0	0	57

### Employees by category

	Senior Management	Area Managers	Middle managers	Technical staff	On-site/field personnel
Permanent contract	5	10	30	141	83
Temporary contract	0	0	0	6	14
Men	3	9	22	90	85
Women	2	1	8	57	12

### Average compensation (€) by category and gender

Gender	Category	Average (€) 2022
Men	Senior management	93,333.32
	Area managers	78,376.15
	Middle managers	54,451.58
	Technical staff	31,708.59
	On-site/field personnel	19,138.28
Women	Senior management	84,999.96
	Area managers	65,000.04
	Middle managers	51,018.97
	Technical staff	29,328.60
	On-site/field personnel	16,987.65

### Average compensation (€) by gender

Gender	Average (€) 2022
Men	31,839.14
Women	31,220.14

### Average remuneration (€) by age range

Age	Average (€) 2022
Under 30	21,855.33
Between 30 and 50	35,754.00
Over 50	30,915.77





## Attracting and retaining talent

**Grenergy offers a diversity of talent**, combining a team of senior professionals with proven experience in the sector with a **younger workforce with opportunities to take part in international projects**

No. of employees by type of contract and age				Distribution by age	
Age	Permanent	Temporary	Total		
Under 30	67	9	76	< 30 (76)	26%
Between 30 & 50	180	9	189	30 a 50 (189)	65%
Over 50	23	1	24	> 50 (24)	9%
	270	19	289		

We attract young talent through long-term collaboration with the public business entity ICEX. Grenergy offers candidates presented by ICEX and selected a roadmap, supervised by a mentor, which allows them to gain experience in the renewable energy sector and in business development, as well as the opportunity to take part in international projects.

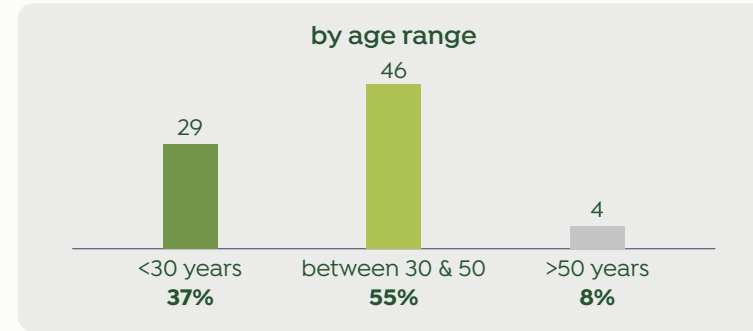
In addition, young talent is promoted through programmes such as the Grenergy Talent Programme, a project in collaboration with the Fundación Universidad Empresa (FUE),

which seeks to recruit young recent graduates for a scholarship programme. After a selection process where the candidates went through different phases that included group dynamics, language tests and individual interviews, a total of 18 people joined us in different departments. All of them are studying, alongside their scholarship programme, a Master's Degree in Decision Making and Innovation, reinforcing their management, communication and leadership skills while acquiring professional experience in different fields of the organisation.

## Distribution of new contracts



**79**  
new contracts  
in 2022



## by gender

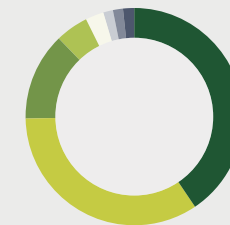


**37%**  
women



**63%**  
men

## by country



- Spain (40.7%)
- Chile (34.2%)
- Colombia (13%)
- Poland (4.89%)
- Italy (2.72%)
- UK (1.63%)
- Peru (1.63%)
- Germany (1.23%)
- Mexico (0)
- Argentina (0)

At Grenergy we are aware of the talent we have and we are committed to their professional development and loyalty.

Employees receive accident cover, including disability and major invalidity commitments undertaken in the different collective bargaining agreements that are applicable, including accident policies, as well as travel assistance for work-related reasons, covering any health care they may require during their journeys.

All employees in Spain are covered by collective bargaining agreements, which represents 39% of the total workforce. Grenergy is governed by the Framework Collective Bargaining Agreement for Industry, Services and Metallurgical Sectors in the Community of Madrid and Cuenca, respectively.

The company operates a culture based on transparency and accessibility between the different levels, with the aim of facilitating and encouraging open communication among everyone, enabling the flow of information and queries from workers on an equal basis. There is currently no formal trade union representation, so agreements with workers are carried out in accordance with current legislation and under a cultural framework of open communication between employee and employer.



Average length of service

**2,18 years**

#### Dismissals by age, gender and professional category

Gender	Women	3.82
	Men	5.19
Age	under 30	2.21
	between 30 and 50	5.74
	Over 50	1.06
Professional category	Senior Management	0
	Area managers	0.37
	Middle managers	0.61
	Technical staff	5.65
	On-site/field personnel	2.37





## Equality, Diversity and Inclusion

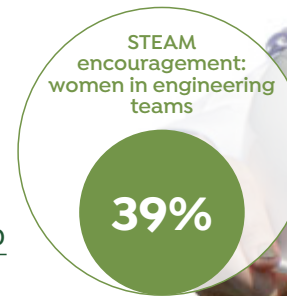
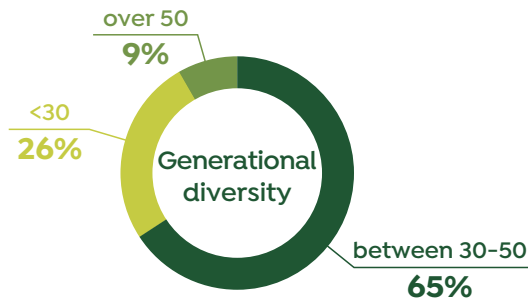
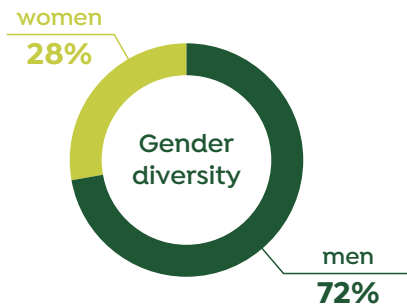
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Total	113	7	3	6	2	115	29	10	3	1	289
% of local hires	92%	96%	57%	90%	100%	79%	93%	100%	67%	100%	87%

At Greenergy, we believe in the added value and benefits of **diversity, inclusion and equality**. These factors are both a priority management commitment and a competitive advantage

Greenergy is committed in its Code of Ethics to ensuring a working environment of equality, respect, safety and non-discrimination on the grounds of race, sex, ideology, belief or any other type of personal or social condition, specifically supervising conduct that could lead to any type of personal harassment. No cases of discrimination were identified during the period. The numbers reflect our commitment:

Operating in  
**10**  
countries \*

**87%**  
local  
employment



\*Sofos Harbert as a subsidiary of the Group in the U.S. will not be consolidated until 2023.

### Distribution of staff by professional category, age and gender



### Employees by Geographic distribution and category

	Spain	Italy	UK	Poland	Germany	Chile	Colombia	Peru	Argentina	Mexico
Diversity of management positions	12	0	0	0	0	3	0	0	0	0
Employment diversity	101	7	3	6	2	112	29	10	3	1
Employment distribution by nationality	38.97	2.44	1.14	1.91	0.69	39.92	9.93	3.59	1.04	0.37

■ Diversity of management positions
 ■ Employment diversity
 ■ Employment distribution by nationality

Since the ESG Roadmap, launched in 2021, Grenergy has drawn up an Equality Roadmap that aims to promote equal opportunities in women's professional development, from the selection and recruitment stages, promote the reduction of salary differences between both genders for positions of the same responsibility, launch initiatives for work-life balance and work flexibility, as well as other measures that contribute to guaranteeing a respectful working environment.

New hires for the period amounted to 79 people, of which 63% were men and 37% women.

In line with the Roadmap submitted, at Grenergy we have worked to draw up our first Equality Plan, carrying

out a diagnosis of Grenergy Spain's workforce, with two main goals in view:

- Identify the existence of gender imbalances in the workforce distribution.
- Act as a basis for the drawing up the Equality Plan as a strategy for optimising Human Resources as regards our commitment to equality.

Thanks to this process, with positive results, we have drawn up our first Equality Plan, which will be communicated to the organisation in 2023.

*In 2022, **Grenergy** was recognised along with 45 Spanish listed companies to join **BME's IBEX Gender Equality Index**, an index that is only accessible to companies with a significant female presence in senior management and on the Board of Directors*

As part of our commitment to the society where we operate, we promote the social and labour inclusion of people with disabilities in our workforce. In addition, Grenergy, in collaboration with the Adecco Foundation, is committed to supporting diversity through activities, such as the meeting with Desirée Vila, which improve the visibility of vulnerable people, raise awareness of the organisation's environment and reduce barriers, inequalities and discriminatory attitudes to accessing the labour market. Both initiatives help us to comply with the LGD Law.

At Grenergy we have publicly stated our commitment to the principles of diversity, inclusion and equality. To protect the people in our team, the company has a Policy to Prevent and Combat Workplace and Sexual Harassment, and a wide range of sub-policies for each of the countries where it operates. Also, as a measure of the company's strong commitment to the fight against situations of harassment at work and sexual harassment, Grenergy has established a complaints channel on its website to guarantee employee confidentiality and security and has set up a disciplinary committee.





## Training and Development

*Greenergy provides specific training tailored to the needs of each employee and is creating leadership and development training programmes to improve the technical and soft skills of managers and employees*

Greenergy has structured an improved employee training plan for 2022, based on four transversal aspects, with the aim of enhancing professional knowledge, promoting Greenergy's culture and the commitment and deve-

lopment of its employees. As a result, a model adaptable to the necessary skills identified for achieving business goals and strategies is promoted, aligning Human Resources policies, people's needs and strategic goals.

**Greenergy Soft Skills** Management skills linked to efficiency and improvement of the organization, such as leadership, communication, diversity and inclusion.

**Greenergy Technical Skills** Basic and complementary knowledge for optimal performance of functions (professional social networks, cybersecurity, internal communication and collaboration areas).

**Greenergy Net** Diffusion of internal knowledge through talks given by key members of personnel.

**Greenergy Growth** Ad hoc training in response to the needs identified.

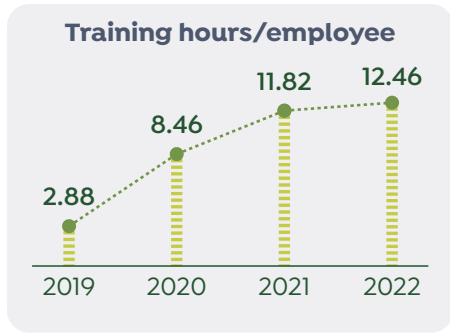
By laying the basis for a structured, in-depth and adapted training strategy, Greenergy optimises the performance of our team's technical and management functions, diversifying its resources and knowledge and maximising employees' motivation to grow and improve their profiles. Accordingly, we have provided our technicians with an average of **19.3 hours** training/employee, middle management with **11.5 hours**/employee, area managers with **19.5 hours**/employee

and members of senior management and board members with **23.4 hours**/employee. From a quantitative perspective, the improvement in managing the team's professional growth is shown in the increase in time dedicated to training, which amounted to 4,162 hours. **The average of training hours per employee is 12.46 hours.** Training hours distributed by gender are **12.19 hours**/man and **12.94 hours**/woman.

*In 2022, we strengthened the team's training in various areas such as finance, technology, sectoral, risk, compliance, health and safety, sustainability and equality, among others*

**12.94** Training hours women

**205.4€** Investment in training/employee



## Compensation

Employee remuneration is defined on the basis of results and following an ongoing annual performance evaluation process that aligns Greenergy's strategic goals with the objectives of each department. This way, there is a significant link between the variable remuneration of managers, middle management and key positions and the ESG integrated into the organisation's corporate strategy.

The performance evaluation procedure addresses each review decision objectively, providing fair compensation from the perspective of the employee's level of responsibility and contribution to Greenergy's goals.

It is a circular process that starts each year with a review and appraisal of contribution to the objectives established at the beginning of the previous year and, subsequently, the goals to be achieved in the coming year are prepared and established between manager and employee, together with notification of the incentives received. To evaluate these specific, measurable, achievable objectives aligned with the corporate strategy, the employee carries out a self-assessment which, together with an assessment of the progress of the business objectives aligned with those of the department or line of business and an identification of areas for improvement, contributes to obtaining

**Greenergy promotes the values of transparency and honesty through one-to-one conversations and feedback processes**

an efficient and fair balance of the corresponding annual progress. In addition, the company offers its executives stock options, thus ensuring alignment of key employees' interests with strategic growth goals.

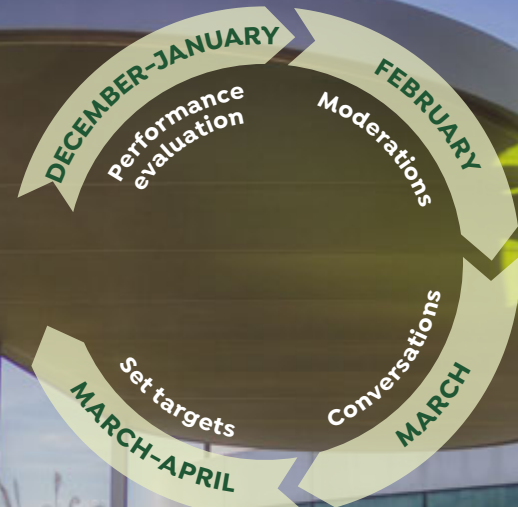
For this reporting period, the average executive remuneration, including variable components, amounts to €89,166.64. 100 % of the employees, excluding site/ground staff, have received performance appraisals, i.e. 85 % of the female and 59 % of male staff.

### Pay gap analysis

In line with the goals set for the year 2022, a remuneration analysis of Greenergy's workforce has been carried out at the Spanish

level, in all its business units, categories and positions. After a detailed study and taking into consideration objective variables such as level of training, experience, responsibilities, among others, we may conclude that in Greenergy Spain there are no gender-related differences in remuneration, obtaining such a positive result as a 0.27% salary gap in 2021. The ultimate purpose of this methodology is based on eliminating any trace of gender pay inequality in any of Greenergy Spain's activities, while at the same time seeking pay equity in all businesses where it operates.

In analysing pay differentials between employees, the ratio of basic salary for men to women at Group level in 2022 was 1.94.





4 accidents among our employees



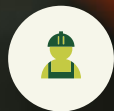
0 occupational illnesses



0 fatal accidents



2,205 hours of employee Health and Safety training



Absenteeism rate 0.00022



## Health, Safety and Welfare

*Greenergy is committed, through its Sustainability Policy, to **promoting a culture of health and safety** at work through the use of preventive tools*

For its activities in Spain, Greenergy has an external occupational risk prevention service that assesses the environmental conditions and the possible risks that workers may face during the course of their activities. This assessment includes preventive and corrective measures if necessary. In addition, an analysis of work stations is carried out, establishing in each case any possible preventive measures, following the Preventive Action Plan and the Emergency Measures Plan. In Chile, Greenergy has an Internal Regulation of Order, Hygiene and Safety that guarantees a safe working environment and promotes a culture of risk prevention. In field operations, Greenergy draws up detailed health and safety plans and has person-

nel specialised in occupational risk prevention. This staff, often in-house and drawn from the local community, is knowledgeable regarding local and national legal requirements.

We believe that awareness and sensitivity play an important role in laying the foundations for healthier lifestyles. A total of 3,078 hours of training were delivered in 2022.

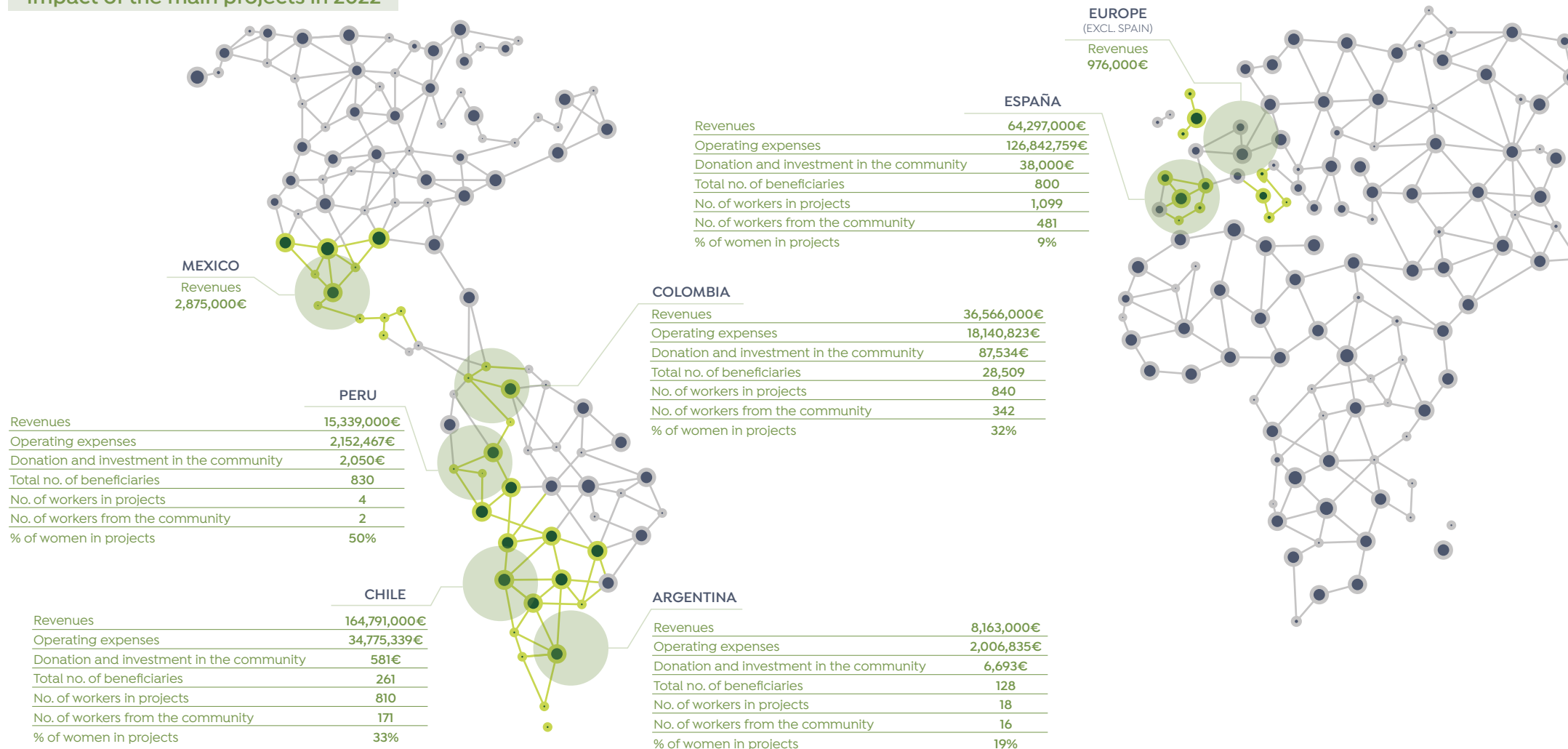
As part of this commitment to a culture of health, safety and well-being at work, Greenergy managed to ensure that, during the 2022 financial year, which was marked by the increase in the number of plants under construction, the few accidents that occurred were minor and that no occupational illnesses were reported.



# 4.2 Building links with our communities

We are aware of the footprint we leave in the communities where we operate and work to generate a positive social impact.

## Impact of the main projects in 2022



*We are aware of the footprint we leave in the communities where we operate and work to generate a positive social impact.*

### **Local impact**

We focus on building transparent, solid relationships, where the link between projects and local communities will remain over time, thus facilitating mutual growth.

Our aim is that communities can find in us an ally with whom to develop and generate new opportunities.

We identify the potential environmental and social impacts of our activities and work to avoid and/or mitigate the negative ones and enhance the positive ones.

In addition, aware of the impact of Ukraine's invasion, Grenergy has collaborated with Médecins Sans Frontières and the NGO PAH (Poland) with a contribution of 100,000 euros.

### **Fluid communication**

For Grenergy it is essential to build a trustworthy relationship with the local community in each of our projects, ensuring that communication is fluid, two-way and constructive. We therefore ensure that we open opportunities for the different stakeholders to engage with the projects in a direct, transparent way, communicating their concerns and/or suggestions, which are managed in accordance with the procedures in place for this reason.

In line with our Sustainability Policy and Local Community Relations Procedure, we seek to establish a bilateral dialogue with communities from very early stages through formal and informal meetings, training sessions, consultations, and providing the community with different means of communication. We

*Grenergy's goal is that its projects, in addition to contributing to energy transition, promote local development by generating employment and supporting social initiatives that meet the specific needs of the different communities in its area of influence*

distribute the telephone numbers and email addresses of the people who are committed to addressing the queries and concerns of our neighbours, and we provide mechanisms to ensure anonymity if so desired, such as physical and/or virtual mailboxes, through our website. In this way, we ensure that all communications are dealt with through a feedback mechanism that also allows us to evaluate the effectiveness of our actions and make the necessary adjustments.

Our aim is to establish two-way, win-win communication throughout all stages of the project: development, construction, operation and maintenance, and decommissioning.

*In 2022, 300 meetings were held with local communities, involving more than 2,500 people, which more than triples the number of attendees versus 2021*



300 meetings with the local community



+2,500 attendees

*In 2022, we generated jobs for more than 2,700 workers involved in the construction and maintenance of our projects*

### Local development

In our constant pursuit of fostering the development of local communities, we encourage, promote and prioritise, wherever possible, local hiring, both of staff and suppliers. We also engage with communities to jointly carry out strategic social investment initiatives.

These actions are in line with our Local Community Engagement Procedure which outlines how Greenergy interacts with the people and communities surrounding our projects.

Through this procedure, and through a process of considering needs and opportunities in the region, Greenergy implements action plans and supports local impact

initiatives that meet the criteria of alignment with the Sustainable Development Goals identified as a priority or which respond to a basic need detected in the area. To implement and develop initiatives to support the local community, we apply a transparent and orderly mechanism that requires prior approval of budgets and proposed initiatives and monitoring of funds to ensure their correct use, which in turn leads to an improvement in the community's quality of life.

We promote community activities that leave capacities in place in the communities, thus fostering local development.

- We strive to understand the cultural diversity and customs of the communities in our project areas to achieve a respectful approach to implementing these initiatives.
- We provide training and workshops on topics of interest to the community that may catalyse potential trades, promote and facilitate access to renewable energy education. We are committed to a participatory and collaborative process for these initiatives.

We create positive local impact with €116,542 in donations and investments in the local community of an additional €18,300 in in-kind donations.

In addition, through environmental impact statements or similar procedures, we identify possible critical points that

could jeopardise, in the future, the successful development or operation of the project. During 2022, no fines have been received relating to social non-compliance. Nor have any project delays been encountered due to impacts on the local communities.



**0 fines for social violations**



**0 Delays in projects due to community impacts**



**1 Red flags raised in the social sphere in project assessment procedures**



## Basic principles and strategic lines of the social action plan

The creation of positive local impact is guided by the principles and strategic lines of Grenergy's Social Action Plan, following a needs assessment exercise. Grenergy's Social Action Plan, following a needs assessment exercise.

### BASIC PRINCIPLES

PROACTIVE COMMUNICATION

MEDIUM AND LONG-TERM VALUE CREATION

STRENGTHENING TIES

STRATEGIC ALLIANCES

ETHICS AND TRANSPARENCY

RESPECT

LINKAGE TO PRIORITY SDGS

IMPACT MONITORING

### STRATEGIC LINES

The strategic lines delimit the area of definition of the plans and social initiatives and are complemented by the analysis of the needs of the environment of each project and local community, in a context of consideration of the strategic importance of each project.



#### GENDER EQUALITY

Promoting equal opportunities for men and women.



#### AFFORDABLE AND CLEAN ENERGY

Facilitating access to clean energy and improving energy efficiency.



#### ECONOMIC GROWTH AND FULL EMPLOYMENT

Promoting economic growth and full employment under fair conditions.



#### CLIMATE ACTION

Improving education, raising awareness and human capacity with respect to climate change mitigation and adaptation.



## SUCCESS STORY

### Local electrification project in Quillagua, Chile



This is the best example of how Grenergy, besides promoting the development of clean and renewable energy, seeks to generate a positive social impact on local communities.

Our Quillagua solar plant (100MW), where 20% of the plant's workers come from the local community, is located in the Atacama Desert, next to the driest inhabited region in the world and where there are no low and medium voltage infrastructures. The community's electricity came from the use of generators and burning fossil fuels. Grenergy has built a small 350KVA solar plant near the village of Quillagua to supply the entire population, more than 100 homes.

In August 2022, this installation has made it possible for the Aymara community to have a 24-hour electricity supply for the first time, in collaboration with the local authority, including public lighting.

The project is part of a public-private partnership between the Regional Government of Antofagasta, the Energy Ministry and the Municipality of María Elena, on the one hand, and Grenergy, on the other.

Having electricity 24 hours a day, in addition to improving the community's quality of life, has a positive impact on its economy, safety and job opportunities. In addition, in joint management with the community, we promote training in safety and home electrical installation, as well as developing initiatives to promote tourism in the area.

Actualidad Económica, a reference magazine of the Spanish business press, acknowledged this Grenergy initiative as one of the most innovative in the CSR and Volunteering category.

*For the first time, the town has 24-hour electricity supply*



Park capacity:  
**103 MW**



Avoided CO<sub>2</sub> emissions:  
**113,155 TCO<sub>2</sub>e**



Aymará community's  
plant capacity:  
**350Kw**



Direct beneficiaries:  
**100 residential  
units**



## SUCCESS STORY

### Extending our practices to consultants and contractors, Participatory monitoring Víctor Jara, Chile



The Víctor Jara photovoltaic park (200MW) received environmental approval in 2022 for its construction in the commune of Pozo Almonte, in the Tarapacá Region. It is expected to generate around 100 jobs during its construction phase.

In line with our principles of promoting open communication, the community (Asociación Indígena Aymara Campesina de la Pampa del Tamarugal) was contacted beforehand by the community managers, who presented the project comprehensively and proposed participatory monitoring of the project's activities during the construction phase, in accordance with the guidelines of the International Finance Corporation (IFC). In addition, other areas of collaboration have been identified, such as the analysis of transhumance to make way for livestock, the communication of required jobs and profiles that can be filled by the local community, or the donation of disposable material.

Statements from participants show the commitment of Grenergy in enabling participation and communication with local communities: "Thank you for bringing the project to us, it shows how transparent you are", "The presentation was clear and progress was made, thank you. Let's keep moving forward together".

This process of local community involvement and participation is a clear example of Grenergy's day-to-day approach to community relations at all our plants. Dialogue is the basis of coexistence that guarantees the proper development of the project throughout its life cycle, which can last 25 or 30 years.



Park capacity:  
**200 MW**



Community Engagement:  
**Aymará (18 people)**

#### Day 1: Dialogue, Participation and Planning

November 9, 2022

Team presentation

Methodology presentation

Project presentation

Presentation to the  
community regarding  
their worldview and  
relationship with the  
territory

#### Day 2: Conclusions, Commitments, Participation

December 8, 2022

Thematic workshop on the  
basis of the issues raised

Conclusions of the  
indigenous community  
and Grenergy  
Renovables

Closing minutes and  
agreements for next  
meeting

#### Day 3: Conclusions and Commitments

1Q23

Response on the  
conclusions and how it  
will address the issues  
worked on

Adjustments and approval  
of the Community's  
commitment

Delivery of commitment  
document and Ceremony  
closure ceremony

*Consultation and involvement of the local Aymara community started at a very early stage of the project, which has identified the necessary issues to be covered before the park's deployment and construction*

## SUCCESS STORY

### Promoting local employment and integration of women Belinchón, Spain



The Belinchón solar park, whose construction began in 2022, is located in Cuenca, one of the most depopulated provinces in Spain and where Grenergy already has another park in operation: Escuderos, one of Spain's largest solar parks.

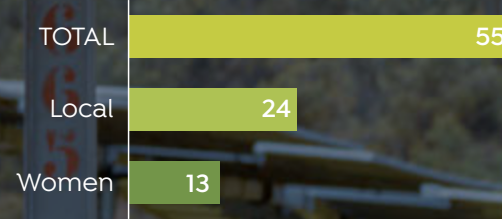
Grenergy has worked closely with women's centres near these plants and has signed a Collaboration Agreement with the Women's Institute of Castilla la Mancha to promote the integration of women and equal opportunities.

As such, both in civil works and electrical and mechanical assembly work, we work with a specialised consultancy firm in the region that promotes job offers and identifies and provides profiles in nearby areas, with special emphasis on the integration of women. Additionally, we collaborate with the Red Cross organisation, which in Escuderos gave courses on Health and Safety in order to speed up the incorporation of local talent safely.

We also support the Cuenca women's football team and have been the main sponsor of the third Red Cross charity race for children, which aims to help children from the most vulnerable families.

*In these projects, in addition to involving the different nearby communities from very early stages, Grenergy promotes the development of both areas by promoting local employment and the integration of women*

#### WORKERS IN ESCUDEROS



*Grenergy was recognised by the magazine "Actualidad Económica" as one of the 100 best ideas of the year in the Sustainability category for promoting the hiring of female workers and making agreements in this regard in renewable energy parks in unpopulated areas*

## SUCCESS STORY

### Supporting the development of local communities, Colombia



In Colombia, during 2022, several solar farms began operating and construction began on a new one, which are part of a set of 72 MW distribution projects. In these projects, the participation of different population groups has been promoted and the participation of women has been encouraged in land preparation, pre-assembly, bolting and assembly of solar panels, with 120 women from the communities in the vicinity of the projects being involved.

Also, the projects prioritise the hiring of local labour, contributing to generating employment in local areas, which meant the hiring of 692 workers by 2022, of which 382 are inhabitants of the area around the solar plants.

As part of the social management processes, Grenergy organises participatory workshops with the communities where its Solar Parks are located to identify social investment projects where the company can contribute to the initiatives proposed by the communities. In line with this, the company analyses the proposals in accordance with the priority SDGs, and once they are aligned, economic, material and/or human resources are identified to address them. This is the model in which Grenergy Colombia has been working with seven communities where nearly 40,000 inhabitants live.

*Grenergy seeks to achieve a positive social impact in all its renewable energy projects*



[▶ Watch video 1](#)

[▶ Watch video 2](#)

[▶ Watch video 3](#)



## Supporting the development of local communities, Colombia

Taking into account the above and based on the social initiatives prioritised among the communities where the seven Solar Parks and Grenergy Colombia are located, a number of actions were carried out during 2022, such as:

- Delivery of 800 school kits in all parks in Colombia and a sports kit.
- Coordination with contractors and project consultants to manage resources and achieve a greater positive impact on the communities.



SEVICO&SOLAR



- The waste generated during the construction phase of the solar parks was recovered and handed over to waste managers for reuse, which contributes positively to municipalities' circular economy and to the economic strengthening of local businesses. Additionally, with the resources generated by waste optimisation, social investments were expanded.

- Raising awareness of local communities on climate change, renewable energies, solid waste management, among others, through talks and activities that explain the role of renewable energies in the decarbonisation of the global economy or the circular economy such as waste collection. Approximately 1,000 people participated in these talks, including children and adults.

- As part of the training processes in solid waste management, two waste containers were delivered to the communities of San Felipe and Las Ceibas, for the proper disposal of waste.

- Improvement of the headquarters of the Junta de Acción Comunal de Bayunca, a place that is used by the population for training processes and informative meetings.

- The enclosure of a children's canteen was strengthened, benefiting 400 children.

- As part of the labour strengthening processes, a plastic grinder was delivered, which has benefited different enterprises in the community and contributes to the proper management and disposal of plastic.

- Rehabilitation of two schools in the communities of El Caucho and San Felipe, in which Grenergy employees and the inhabitants of these communities participated voluntarily, adding significantly to the positive impact of this social initiative.

- Improvement of access roads in the communities where the solar plants are located.

- Strengthening of public lighting, through the installation of 20 photovoltaic luminaires.

- Contribution to the traditional meeting spaces of the communities, supporting them with materials and supplies for their development.

In summary, **Grenergy's way of relating to its communities is based on:**



Definition of guidelines at corporate level



Constant search for positive contribution



Grenergy's direct relationship with its stakeholders



Direct attention to the queries and concerns of our stakeholders



Extending our practices to consultants and contractors

# 5

## GENERATING POSITIVE IMPACT



- SDG 5
- SDG 7
- SDG 8
- SDG 13
- SDG 15

*It is increasingly evident that the corporate success is linked to sustainable development, and in the manner in which it is integrated into a company's strategy and operating model.*

The Sustainable Development Goals offer a comprehensive approach to achieving a world where poverty is eradicated, social justice is achieved, and the planet is preserved for future generations. It is an ambitious program to 2030 where companies have the opportunity to collaborate in reaching the goals, both for the sake of humanity and for the sake of corporate success and durability.

Greenergy, after a deep reflection and prioritisation process, has incorporated into its strategy the contribution to the SDGs where our action can be most significant. Thus, SDGs 5, 7, 8, 13 and 15 have been identified as a priority, and courses of action have been defined to actively contribute to their fulfilment.

## Greenergy supports SDGs

# SUSTAINABLE DEVELOPMENT GOALS



## SDGs that inspire Greenergy's strategy and Sustainability policy









# 5.1 SDG 5



## Greenergy's contribution to SDG 5

Achieve gender equality and empower all women and girls

Stepping up action on gender equality would enable progress towards sustainable development by 2030, leaving no one behind. At Greenergy we work for this respect and equality, both within our company and hand in hand with our subcontractors and local institutions.

2030 Agenda Goal	Greenergy's contribution in 2022	Metrics
<p>5.1 End all forms of discrimination against all women and girls everywhere.</p> <p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p>	<ul style="list-style-type: none"> <li>• 50% female participation in the Board</li> <li>• Greenergy is listed in BME's Gender Equality Index, the first index of this type on the Spanish market.</li> <li>• Progress on the equality roadmap.</li> <li>• Promotion of women's participation in the construction, operation and maintenance of parks, in collaboration with local institutions.</li> </ul>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="text-align: center; width: 30%;">  <p><b>50% of the members of the Board of Directors are women</b></p> </div> <div style="text-align: center; width: 30%;">  <p><b>39% women in senior management positions</b></p> </div> <div style="text-align: center; width: 30%;">  <p><b>39% women in Engineering positions (STEAM)</b></p> </div> <div style="text-align: center; width: 30%;">  <p><b>Signature of an Agreement with Castilla La Mancha's Institute for Women's Affairs</b></p> </div> <div style="text-align: center; width: 30%;">  <p><b>Listing on the IBEX Gender Equality Index</b></p> </div> <div style="text-align: center; width: 30%;">  <p><b>4 women's centres collaborate in the Escuderos project and 7 in the Belinchón project</b></p> </div> </div>






# 5.2 SDG 7



## Greenergy's contribution to SDG 7

Ensure access to affordable, reliable, sustainable and modern energy

Providing access to energy is an objective linked to both our business model and our Sustainability Policy. In addition, the SDG details that it must be affordable, safe, sustainable and modern; all attributes of the renewable energy we offer

2030 Agenda Goal	Greenergy's contribution in 2022	Metrics
7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.	<ul style="list-style-type: none"> <li>Entry into operation of the Quilhagua solar plant, specifically built so that the local community, which had never had access to the grid, can have electricity supply 24 hours a day.</li> </ul>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p><b>€134,858 invested in and donated to the local community</b></p> </div> <div style="text-align: center;">  <p><b>Our plants are reliable and have their own staff to guarantee their operation 365 days/year</b></p> </div> </div>
7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.	<ul style="list-style-type: none"> <li>Greenergy's business activity as a producer of exclusively renewable energy provides a direct response to the global challenge of climate change.</li> <li>Thanks to our presence in 11 countries, our impact can reach the global market.</li> <li>Update of operational targets to 5 GW of installed capacity by 2025.</li> </ul>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p><b>1.6 GW of renewable energy projects under construction and in operation</b></p> </div> <div style="text-align: center;">  <p><b>2025 target: 5GW of solar PV and 1 GWh of storage, in operation or under construction</b></p> </div> </div>
7.3 By 2030, double the global rate of improvement in energy efficiency.	<ul style="list-style-type: none"> <li>Issuance of the second green bond programme<sup>7</sup> on BME' Bond Market.</li> <li>Operation aligned with the Green Bond Principles. In addition, it benefits from a 'Second Party Opinion' (SPO) from the rating agency ESG Sustainalytics.</li> </ul>	 <p><b>€52.5 million to comply with the strategic plan and accelerate pipeline generation</b></p>

<sup>7</sup> Greenergy raises 52,5 million with a new green bond programme on the Alternative Bond Market (MARF) (europapress.es)







# 5.3 SDG 13



## Grenergy's contribution to SDG13

Take urgent action to combat climate change and its impacts

Climate change affects all countries in all continents. Greenhouse gas emissions caused by human activities have made this threat even more acute. Grenergy is committed to promoting clean energy and to reducing emissions associated with its own activity.

2030 Agenda Goal	Grenergy's contribution in 2022	Metrics
<p>13.2 Integrate climate change measures into national policies, strategies and planning.</p>	<ul style="list-style-type: none"> <li>The activities described in goal 7 have a positive impact on this target.</li> <li>In 2022, the emission into the atmosphere of 245.398 tCO<sub>2</sub> was avoided thanks to the generation of renewable electricity from our wind farms and solar plants in our portfolio, an amount equal to the annual energy consumption of 35,230 homes.</li> <li>Preliminary identification of climate change risks and opportunities.</li> </ul>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p><b>Carbon footprint measured and verified according to ISO 14064</b></p> </div> <div style="text-align: center;">  <p><b>Target to cut emissions by 55% by 2030 (Scope 1 and 2)</b></p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">  <p><b>245,398 tCO<sub>2</sub> of avoided emissions into the atmosphere thanks to our service</b></p> </div> <div style="text-align: center;">  <p><b>Emission intensity/sales: 2.71 tCO<sub>2</sub>eq/M€</b></p> </div> </div>
<p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<ul style="list-style-type: none"> <li>Grenergy has designed the Kosten Scholarship to encourage university studies related to renewable energies, by funding students' cost of studies and meal and accommodation expenses until they obtain their degree. Thus, in 2022 the company continued to fund a student from the local community of its wind project in Argentina (Kosten).</li> <li>Awareness actions in Colombia.</li> </ul>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p><b>1 scholarship for a renewable energy degree</b></p> </div> <div style="text-align: center;">  <p><b>1,000 persons, including children and adults, involved in awareness activities</b></p> </div> </div>











# 5.4 SDG 8



## Grenergy's contribution to SDG 8

Promote inclusive and sustainable economic growth, employment and decent work for all

This SDG seeks to achieve sustained, inclusive and sustainable economic growth that benefits all people equally and does not harm the environment. Grenergy is aware of its role as a driver of economic growth and an engine of employment, both direct and indirect.

2030 Agenda Goal	Grenergy's contribution in 2022	Metrics
<p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>	<ul style="list-style-type: none"> <li>In 2022 Grenergy held the Great Place to Work certification that uses <b>Trust Index</b>® surveys for its evaluation.</li> </ul>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p><b>GPTW</b> Great Place to Work certification</p> </div> <div style="text-align: center;">  <p><b>€9,6M</b> in payroll and benefits to employees</p> </div> <div style="text-align: center;">  <p><b>2,200 workers in construction, operation and maintenance of our projects</b></p> </div> </div>
<p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p>	<ul style="list-style-type: none"> <li>Our Sustainability Policy puts employees at the centre of the strategy and is committed to guaranteeing equal opportunities, increasing the participation of women, promoting labour flexibility, encouraging professional development and favouring a safety and health culture.</li> <li>This commitment is put into practice through our professional risk prevention procedures and processes.</li> </ul>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="width: 30%; text-align: center;">  <p><b>13,354 hours of training in health and safety for subcontractors' employees</b></p> </div> <div style="width: 30%; text-align: center;">  <p><b>4 accidents involving employees, none serious</b></p> </div> <div style="width: 30%; text-align: center;">  <p><b>Subcontractors' accident rate: TRIR: 3,8 Severity rate: 0.07 Absenteeism rate: 0.00053</b></p> </div> <div style="width: 30%; text-align: center;">  <p><b>0 work-related sick leaves</b></p> </div> <div style="width: 30%; text-align: center;">  <p><b>0 fatal accidents</b></p> </div> <div style="width: 30%; text-align: center;">  <p><b>0 serious accidents</b></p> </div> </div>
<p>8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.</p>	<ul style="list-style-type: none"> <li>Grenergy is committed to supporting the local community of Quillagua (Chile) to promote local tourism and protect cultural heritage by financing a tourist-archaeological circuit.</li> <li>Assistance was provided to the local community in finding funding to improve museum facilities.</li> </ul>	<div style="text-align: center;">  <p><b>Maintenance and periodic updating of the website (<a href="http://www.turismoquillagua.cl">www.turismoquillagua.cl</a>) and social networks (Facebook) was performed</b></p> </div>












# 5.5 SDG 15



## Greenergy's contribution to SDG 15

Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

Greenergy protects, restores and promotes the sustainable use of inland ecosystems in all its projects. The company takes into account the conservation of biodiversity when devising, planning and subsequently developing all of its actions, thus directly contributing to achieving this goal.

2030 Agenda Goal	Greenergy's contribution in 2022	Metrics
<p>15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements</p>	<ul style="list-style-type: none"> <li>• We conduct comprehensive environmental impact assessments prior to defining and designing any project.</li> <li>• None of our projects are located in protected areas according to local or international regulations.</li> <li>• Greenergy has identified, together with WWF Spain, large-scale ecological restoration projects with the aim of conserving and promoting biodiversity, as well as contributing to mitigation and adaptation to climate change, while enhancing CO2 capture.</li> <li>• Voluntary employees took part in ecosystem restoration and flora and fauna protection processes.</li> </ul>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="text-align: center; margin: 10px;">  <p><b>8,867 hours of environmental training</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>6,618 hours of environmental monitoring</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>0 fines for environmental infringements</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>0 delays in projects due to ecological impacts</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>Environmental investment: € 894,110</b></p> </div> </div>
<p>15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.</p>	<ul style="list-style-type: none"> <li>• Greenergy takes an anticipation and mitigation approach with the aim of avoiding, minimising, restoring and compensating. In 2022 the company implemented several habitat improvement and restoration actions. These actions have often involved the voluntary participation of employees.</li> </ul>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="text-align: center; margin: 10px;">  <p><b>255 ha reforested</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>41 vulnerable (VU) species identified in our projects</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>Installation of nest boxes for owls</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>4 endangered (EN) species identified in our projects</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>Enhancement of the habitat of the Liolaemidae family</b></p> </div> <div style="text-align: center; margin: 10px;">  <p><b>0 species in critical risk (CR) identified in our projects</b></p> </div> </div>





# 6 SCHEDULES

- About this Report
- Key Indicators Table
- Non-financial statement content table, as per Act 11/2018 and GRI indicators
- Principles of the UN Global Compact
- Verification Report

# 6.1 About this Report

This Sustainability Report contains information on the evolution, the results and the situation of Grenergy's sustainability performance in 2022, as well as its management approach and the challenges it faces. The objective of this Report is to provide, in a clear and rigorous manner, the relevant information on the company concerning the most significant positive and negative impacts made on its different stakeholders. The report builds on the challenges described in last year's sustainability report and focuses on the progress made during 2022. The content has been drawn up to comprise the Non-Financial Information Statement for 2022. Furthermore, this Report describes the company's annual progress in implementing the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption, as well as Grenergy's contribution to the achievement of Sustainable Development Goals (SDGs) at local level. The information provided in this document is supplemented with the content of the remaining reports of the company, namely the consolidated Annual Accounts and Management Report and the Annual Corporate Governance Report. The company addresses the main sustainability issues that concern its internal and external stakeholders. The report complies with the principles of comparability, materiality, relevance and reliability:

## **COMPARABILITY**

The Sustainability Report is published on a yearly basis and has been drawn up in accordance with the Principles of report preparation contained in GRI 1: Foundation 2021 of the Global Reporting Initiative (GRI). The principles – such as comparability, integrity and balance – described in this standard have been followed. This report has been prepared in accordance with GRI Standards.

## **MATERIALITY AND RELEVANCE**

The 2021 Materiality Analysis, as conducted by Grenergy under the principles set forth by GRI 1: Foundation 2021, has allowed the company to identify the economic, environmental and social issues with the greatest impact on the development of the company's activity. As a result of this study, Grenergy considers that the information provided in this report is relevant for the company and its different stakeholders. The Materiality Analysis section describes the development process and the methodology implemented to identify the contents of the document.

## **RELIABILITY**

This Report has undergone a verification process by an independent third party, the conclusion of which is expressed in the review report included therein. Grenergy is working on the formalization of an Internal Control System for Non-Financial Information (SCIINF) with which to advance in the principles of reliability, completeness, accuracy, consistency, traceability and internal control of non-financial information, with the aim of tending in the future to a reasonable security level review of its relevant indicators.

## **SCOPE**

The company describes all its activities by providing a view based on the geographical areas in which it operates. The scope of the report includes all the companies in the group in all their significant aspects, as required by Act 11/2018, of December 28, on non-financial information and diversity. Throughout the report, the scope of each of the indicators shown is specified. Likewise, data from previous years is provided for a better understanding of the evolution of the company's performance. The criterion applied for the consolidation of environmental information is based on the financial control scheme.

## 6.2 Key Indicators Table

### GOVERNANCE

Size of the Board of Directors (number)	8
Proportion of independent members on Board of Directors (%)	50%
Women on the Board of Directors (%)	50%
Women on the Audit and Control Committee (%)	75%
Women on the Appointments and Remuneration Committee (%)	75%

### EMPLOYEES

Employees (number)		2022
Gender	Women	81
	Men	208
Age	Under 30	76
	Between 30 and 50	189
	Over 50	24
Type of contract	Permanent	270
	Temporary	19
Professional category	Senior management	5
	Area managers	10
	Middle managers	30
	Technical staff	147
	On-site/field personnel	97
<b>Total</b>		<b>289</b>

## EMPLOYEES

Quality employment		2022
Percentage of women in senior management		40%
Percentage of women in the engineering team		39%
New hires (number)	Total	79
	Women	29
	Men	50
New hires by age range (number)	Under 30	29
	Between 30 and 50	46
	Over 50	4
New hires by region (number)	Europe	40
	Latam	39
Employees with performance assessment by gender (%)	Women	85%
	Men	59%
Dismissals by gender (number)	Total	3.82
	Women	5.19
	Men	9.01
Dismissals by age range (number)	Under 30	2.21
	Between 30 and 50	5.74
	Más de 50	1.06
Dismissals by professional category (number)	Senior management	0
	Area managers	0.37
	Middle managers	0.61
	Technical staff	5.65
On-site/field personnel		2.37

## EMPLOYEES

Employee health and safety		2022
Accidents (number)		4*
Frequency rate, TRIR (x 200.000)		1.2
Severity rate (x 1.000)		0.03
Hours of training in POH		2,205
Occupational diseases (number)		0
Fatal accidents (number)		0
Training		2022
Training hours		4,162
Training hours/employee		12.46
Training hours/woman		12.94
Investment in training/employee (€)		205.4
Compensation		2022
Average salary (€)	Women	31,220
	Men	31,839
Wage gap (%)		1.94

(\*) The 4 accidents correspond to men and, therefore, the frequency and severity rate in women is 0.

## ENVIRONMENT

Water consumption	2022
Water consumption (MLitres)	5.9
Third-party water from municipal services or suppliers (ML) <i>Third-party water considered fresh/drinking water (ML)</i> <i>(Total dissolved solids ≤ 1000 mg/l)</i>	3,05 0.21
Water extracted from surface sources <i>Surface water considered fresh/drinking water</i> <i>(Total dissolved solids ≤ 1000 mg/l)</i>	2.85 0
water extracted from underground sources	0

Waste generated	2022
Hazardous waste (tonnes)	889
Total waste (tonnes)	1,544
Rate of recycled waste (%)	0.46
Rate of waste donated to the community (total) (%)	5
Rate of (non-hazardous) waste donated to the community (%)	12.1

Energy consumption	2022
Diesel oil - vehicles (litres)	105,976
Diesel oil - stationary combustion equipment (litres)	7,971
Petrol - stationary combustion equipment (litres)	680.5
Energy consumed at construction sites (KWh)	1,578,570
Energy consumption at offices (KWh)	230.597

## ENVIRONMENT

Greenhouse gas emissions	2022
Scope 1 (tCO <sub>2</sub> e)	307
Scope 2 (tCO <sub>2</sub> e)	486
Scope 1 and 2 emission intensity (tCO <sub>2</sub> e/million euros)	2.71
Scope 3 (tCO <sub>2</sub> e)	82,946
Electricity (MWh)	744,430
Emissions avoided by own projects in operation (tCO <sub>2</sub> e)	245,398

Biodiversity	2022
Projects in areas protected under local or international regulations (number)	0
IUCN species in critical risk (CR) (number)	0
IUCN endangered species (EN) (number)	4
IUCN vulnerable species (VU) (number)	41
IUCN nearly threatened species (NT) (number)	26
IUCN least concern species (LC) (number)	139
Number of species on national/regional conservation lists living in the project area	33

Environmental management	2022
Environmental investment (M€)	894,110
Hours of environmental monitoring	6,618
Hours of environmental training	8,867
Fines for environmental infringements (number)	0
Delays in projects resulting from ecological impacts (number)	0
Red flags raised in the environmental field in project assessment procedures (number)	0

## COMMUNITY

	2022
Community meetings (number)	300
Attendees (number)	2,575
Donations to and investments in the local community (€)	134,858
Fines for social infringements (number)	0
Delays in projects resulting from impacts on the community (number)	0
Red flags raised in the social field in project assessment procedures (number)	1
Human rights violations reported (number)	0

## SUPPLY CHAIN

	2022
Workers in our projects (number)	2,794
Accidents of subcontracted company workers (number)	21
Frequency rate, TRIR (x 200,000)	3.8
Severity rate (x 1,000)	0.07
Fatal accidents (number)	0
Serious accidents (number)	0
Hours of health and safety training for subcontractors (number)	13,354

## INVESTOR COMMUNITY

	2022
Total revenue (€ M)	293
EBITDA (€ M)	50
CAPEX (€ M)	190
EBITDA margin (%)	45
Net debt/EBITDA	6,77

## 6.3 Non-financial statement content table, as per Act 11/2018 and GRI indicators

SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>GENERAL INFORMATION</b>			
<b>BUSINESS MODEL</b>			
Summarised description of the group's business model	GRI 2-6	1.2. Business model	10
Geographical presence	GRI 2-1 GRI 2-6	1.2. Business model	12
Objectives and strategies of the organisation	GRI 2-6	1.2. Business model	11, 13
Main factors and trends that may affect its future evolution	GRI 2-6	1.1. Context	8, 9
<b>MATERIALITY</b>			
Materiality	GRI 1	1.4. Materiality	15
<b>GENERAL</b>			
Reporting framework	GRI 1	6.1. About this report	90

SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>GENERAL INFORMATION</b>			
<b>MANAGEMENT APPROACH</b>			
Description of the policies implemented	GRI 2-23	1. Sustainable growth strategy 2. Responsible leadership 3. Building a greener future 4. Creating shared value	27-42, 62
The outcomes of these policies	GRI 2-24 GRI 3-3	1. Sustainable growth strategy 2. Responsible leadership 3. Building a greener future 4. Creating shared value 5. Generating a positive impact	27-42, 62
The main risks associated with these matters are linked to the group's activities.	GRI 2-16	1.6. Sustainability strategy 2.3. Risk management	35
<b>ENVIRONMENTAL ISSUES</b>			
<b>ENVIRONMENTAL MANAGEMENT</b>			
Actual and foreseeable effects of the company's activities on the environment and, where applicable, health and safety	GRI 3-3	3. Building a greener future	46-58
Environmental assessment or certification procedures	GRI 3-3	3.1 Biodiversity	48-51
Resources allocated to the prevention of environmental risks	GRI 3-3	3.1 Biodiversity	49
Application of the precautionary principle	GRI 3-3	3.1 Biodiversity	48, 49
Amount of provisions and guarantees for environmental risks	GRI 3-3	3.1 Biodiversity	49, 50



SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>ENVIRONMENTAL ISSUES</b>			
<b>POLLUTION</b>			
Measures to prevent, reduce or redress carbon emissions that seriously affect the environment (including also noise and light pollution)	GRI 305-5	3.2 Climate change	54-56
<b>CIRCULAR ECONOMY AND WASTE PREVENTION AND MANAGEMENT</b>			
Measures for prevention, recycling, reuse, and other forms of waste recovery and disposal	GRI 306-2	3.4 Circular economy	59, 60
Actions to combat food waste	GRI 306-2	Non-material	-
<b>SUSTAINABLE USE OF RESOURCES</b>			
Water consumption and water supply according to local constraints	GRI 303-5 (2018 version)	3.3 Water management	58
Consumption of raw materials	GRI 303-1	3. Building a greener future	46
Direct and indirect energy consumption	GRI 302-1	3.2 Climate change	57
Measures taken to improve energy efficiency	GRI 302-4	3.2 Climate change	57, 85
Use of renewable energies	GRI 302-1	3.2 Climate change	56

SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>ENVIRONMENTAL ISSUES</b>			
<b>CLIMATE CHANGE</b>			
Significant elements of greenhouse gas emissions generated as a result of the company's activities	GRI 305-1 GRI 305-2 GRI 305-3	3.2. Climate change	55, 56
Measures taken to adapt to the consequences of climate change	GRI 201-2	3.2. Climate change	52
Reduction goals established voluntarily in the medium and long term to reduce greenhouse gas emissions and the means implemented for that purpose.	GRI 305-4 GRI 305-5	3.2. Climate change	52
<b>PROTECTION OF BIODIVERSITY</b>			
Measures taken to preserve or restore biodiversity	GRI 304-3	3.1. Biodiversity	48-51
Impacts caused by activities or operations in protected areas	GRI 304-1	3.1. Biodiversity	49

SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>SOCIAL AND PERSONNEL-RELATED ISSUES</b>			
<b>EMPLOYMENT</b>			
Total number and distribution of employees by gender, age and occupational category	GRI 2-7 GRI 405-1	4.1. Growing with our employees	62, 64
Total number and distribution of employment contract modalities	GRI 2-7 GRI 405-1	4.1. Growing with our employees	64
Annual average of permanent, temporary and part-time contracts by sex, age and professional category	GRI 2-7 GRI 405-1	4.1. Growing with our employees	64
Number of dismissals by gender, age and professional category	GRI 401-1	4.1. Growing with our employees	66
Pay gap	GRI 405-2	4.1. Growing with our employees	71
Average compensation of board members (including variable remuneration, allowances, indemnities, contributions to long-term savings pension schemes and any other payments) by sex.	GRI 405-2	2.1. Governance	29
Average compensation of managers (including variable remuneration, allowances, indemnities, contributions to long-term savings pension schemes and any other payments) by sex.	GRI 405-2	4.1. Growing with our employees	71
Employees with disabilities	GRI 405-1	4.1. Growing with our employees	70
<b>ORGANISATION OF WORK</b>			
Organisation of working time	GRI 3-3	4.1. Growing with our employees	62
Number of hours of absenteeism	GRI 403-9	4.1. Growing with our employees	72
Measures aimed at facilitating conciliation of work and family life and promoting the co-responsible exercise conciliation rights by both parents	GRI 401-2	4.1. Growing with our employees	68

SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>SOCIAL AND PERSONNEL-RELATED ISSUES</b>			
<b>HEALTH AND SAFETY</b>			
Health and safety conditions at work	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-7	4.1. Growing with our employees	39, 72
Number of occupational accidents by gender	GRI 403-9	4.1. Growing with our employees 6.2 Key Indicators Table	38, 92
Frequency rate by gender	GRI 403-9	4.1. Growing with our employees	38, 92
Severity rate by gender	GRI 403-9	4.1. Growing with our employees 6.2 Key Indicators Table	38, 92
Occupational diseases by gender	GRI 403-9	6.2 Key Indicators Table	38, 72
<b>SOCIAL RELATIONSHIPS</b>			
Organisation of social dialogue, including procedures for informing, consulting and negotiating with personnel	GRI 3-3	4.1. Growing with our employees	62, 63
Percentage of employees covered by a collective agreement by country	GRI 2-30	4.1. Growing with our employees	66
Review of collective agreements, particularly in the field of health and safety at work	GRI 403-3	4.1. Growing with our employees	66

SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>SOCIAL AND PERSONNEL-RELATED ISSUES</b>			
<b>TRAINING</b>			
Policies implemented in the field of training	GRI 404-2	4.1. Growing with our employees	70
Total number of training hours by professional category	GRI 404-1	4.1. Growing with our employees	70
<b>ACCESSIBILITY</b>			
Universal accesibility for people with disabilities	GRI 3-3	4.1. Growing with our employees	69
<b>EQUALITY</b>			
Measures taken to promote equal treatment and opportunities for women and men	GRI 3-3	4.1. Growing with our employees	68, 69
Equality plans (Chapter III of Organic Act 3/2007, of 22 March, for effective equality between women and men), measures taken to promote employment, protocols against sexual harassment and against harassment on grounds of sex	GRI 3-3	4.1. Growing with our employees	68, 69
Integration of persons with disabilities	GRI 3-3	4.1. Growing with our employees	68, 69
Policy against all types of discrimination and, where appropriate, diversity management	GRI 3-3	4.1. Growing with our employees	68, 69



SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>INFORMATION ON RESPECT FOR HUMAN RIGHTS</b>			
<b>HUMAN RIGHTS</b>			
Implementation of human rights due diligence procedures, prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and remedy potential abuses committed	GRI 2-25 GRI 412-1	2.6. Commitment to human rights	41-45
Human rights violations reported	GRI 406-1	2.2. Compliance 2.6. Commitment to human rights	45
Promotion and enforcement of the provisions of the main conventions of the International Labour Organization relating to respect for freedom of association and the right to collective bargaining, elimination of discrimination in employment and occupation, elimination of forced or compulsory labour, effective abolition of child labour	GRI 406-1 GRI 409-1	2.6. Commitment to human rights	42
<b>INFORMATION RELATING TO THE FIGHT AGAINST CORRUPTION AND BRIBERY</b>			
<b>INFORMATION RELATING TO THE FIGHT AGAINST CORRUPTION AND BRIBERY</b>			
Measures taken to prevent corruption and bribery	GRI 3-3 GRI 205-2	2.2. Compliance	32, 34
Measures taken to combat money laundering	GRI 3-3 GRI 205-2	2.2. Compliance	32, 34
Contributions to foundations and non-profit entities	GRI 2-28 GRI 201-1	4.2. Building links with our communities	73, 74

SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>INFORMATION ON THE COMPANY</b>			
<b>COMPANY'S COMMITMENTS TO SUSTAINABLE DEVELOPMENT</b>			
Impact of the company's activity on employment and local development	GRI 203-2	4.2. Building links with our communities 5. Generating a positive impact	73, 81
Impact of the company's activity on local populations and their territory	GRI 413-1 GRI 413-2	4.2. Building links with our communities 5. Generating a positive impact	73, 81
Relationships with local community actors and modalities of dialogue with them	GRI 2-29 GRI 413-1	1.5. Dialogue with stakeholders 4.2. Building links with our communities	16, 74
Partnership or sponsorship actions	GRI 201-1	1. Sustainable growth strategy	2, 75, 79, 85, 94
<b>SUBCONTRACTORS AND SUPPLIERS</b>			
Integration of social, gender equality and environmental issues into the procurement policy	GRI 308-1 GRI 414-1	2.5. Responsible supply chain management	37-40
In relationships with suppliers and subcontractors, consideration given to their social and environmental responsibility	GRI 308-1 GRI 414-1	2.5. Responsible supply chain management	37-40
Monitoring and audit systems and outcomes thereof	GRI 308-1 GRI 414-1	2.5. Responsible supply chain management	37-40















SPANISH ACT 11/2018	RELATED GRI STANDARD	CHAPTERS	PAGES
<b>INFORMATION ON THE COMPANY</b>			
<b>CONSUMERS</b>			
Measures for the health and safety of consumers	GRI 416-1	1.5 Dialogue with stakeholders	16
Complaint systems, complaints received and resolution thereof	GRI 418-1	Non-material	-
<b>FISCAL INFORMATION</b>			
Benefits obtained by country	GRI 201-1	2.4. Fiscal transparency	36
Taxes on profits paid (by country)	GRI 207-4	2.4. Fiscal transparency	36
Public subsidies received	GRI 207-4	2.4. Fiscal transparency	36



# 6.4 The Principles of the Global Compact

GLOBAL COMPACT TABLE OF CONTENTS		
Global Compact Principles	Most significant GRI indicators	Related SDGs
<b>HUMAN RIGHTS</b>		
1. Support and respect the protection of universally proclaimed human rights	410-1, 412-1, 412-2, 413-1, 413-2	
2. Not be complicit in the violation of human rights	414-2	
<b>LABOUR</b>		
3. Uphold the freedom of association and the effective recognition of the right to collective bargaining	2-30, 407-1, 402-1	
4. Support the elimination of all forms of forced or compulsory labour	409-1	
5. Support the effective abolition of child labour	408-1	
6. Support the elimination of discrimination in respect of employment and occupation	2-7, 202-1, 401-1, 401-3, 404-1, 404-3, 405-2, 406-1	

## GLOBAL COMPACT TABLE OF CONTENTS

Global Compact Principles	Most significant GRI indicators	Related SDGs
<b>ENVIRONMENT</b>		
7. Support a precautionary approach to environmental challenges.	201-2, 301-1, 302-1, 303-1, 305-1 a, 305-3, 305-7	         
8. Undertake initiatives to promote greater environmental responsibility.	301-1, 2-27, 308-2	
9. Encourage the development and diffusion of environmentally friendly technologies.	302-4, 302-5, 305-5	
<b>ANTI-CORRUPTION</b>		
10. Work against corruption in all its forms, including extortion and bribery.	2-23, 2-26, 205-2, 205-3, 415-1	   



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## **Independent Assurance Report on the Consolidated Non-Financial Information Statement of Greenergy Renovables, S.A. and subsidiaries for 2022**

(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails.)

To the Shareholders of Greenergy Renovables, S.A.:

Pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review of the (accompanying) Consolidated Non-Financial Information Statement (hereinafter NFIS) of Greenergy Renovables, S.A. (hereinafter the Parent) and subsidiaries for the year ended 31 December 2022, which is presented as a separate report but forms part of the accompanying consolidated Directors' Report of the Group for 2022.

The consolidated (NFIS/Directors' Report) includes additional information to that required by prevailing mercantile legislation concerning non-financial information, which has not been the subject of our assurance work. In this respect, our work was limited exclusively to providing assurance on the information contained in the "Non-financial statement content table, as per Act 11/2018" table of the accompanying consolidated NFIS.

### **Directors' Responsibility**

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The Directors of the Parent are responsible for the content and authorisation for issue of the NFIS included in the Group's consolidated Directors' Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) based on each subject area in the "Non-financial statement content table, as per Act 11/2018 and GRI indicators" table of the aforementioned consolidated (NFIS/ Directors' Report).

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Directors of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS was obtained.

### **Our Independence and Quality Control**

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We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental



(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails.)

principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

## **Our Responsibility**

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Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed, which refers exclusively to 2022.

We conducted our review engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines for assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of management, as well as of the different units and areas of the Parent that participated in the preparation of the NFIS, reviewing the processes for compiling and validating the information presented in the NFIS and applying certain analytical procedures and sample review tests, which are described below:

- Meetings with the Parent's personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these matters and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS for 20XX based on the materiality analysis performed by the Parent and described in the "Materiality" section, considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2022.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2022.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2022 and whether it has been adequately compiled based on data provided by the information sources.
- Procurement of a representation letter from the Directors and management.



(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails.)

## **Conclusion**

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Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of Grenergy Renovables, S.A. and subsidiaries for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and selected GRI Standards based on each subject area in the Non-financial statement content table, as per Act 11/2018 and GRI indicators table of the aforementioned consolidated NFIS.

## **Use and Distribution**

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This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

*(Signed on original in Spanish)*

Marta Contreras Hernández

24 February 2023

**Agreed-Upon Procedures Report on the “Information regarding  
the System of Internal Control Over Financial Reporting (ICFR)”  
for the year 2022**

**GREENERGY RENOVABLES, S.A.**

## AGREED-UPON PROCEDURES REPORT ON THE "INFORMATION RELATED TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)"

To the Board of Directors of GREENERGY RENOVABLES, S.A.

### Purpose of this agreed-upon procedures report

Our agreed-upon procedures report on design and effectiveness of the Internal Control over Financial Reporting (ICFR) system (the "Subject Matter") of *GREENERGY RENOVABLES, S.A.* (the "Engaging Party") as of December 31, 2022 was prepared exclusively within the framework of the requirements stipulated in article 540 of the Consolidated text of the Corporate Enterprises Act and CNMV Circulars on ICFR description in Annual Corporate Governance Reports.

We assume no liability to parties other than the addressees of this report who may have access to it without our prior consent in writing.]

### Responsibilities of the Engaging Party

GREENERGY RENOVABLES, S.A. has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

GREENERGY RENOVABLES, S.A. is responsible for the Subject Matter on which the agreed-upon procedures are performed.

The intended users of the report are responsible for ensuring that the procedures performed serve the desired purpose.

### Responsibilities of the auditor

We have conducted the agreed-upon procedures engagement in accordance with generally accepted professional standards applicable to agreed-upon procedures engagements in Spain, which are based on the international standard ISRS 4400R. In reviewing a report on agreed-upon procedures, the reader reaches his/her own conclusions based on objective findings described therein and obtained through the application of specific procedures established by you for the purpose mentioned above. Thus, we assume no professional liability whatsoever regarding the adequacy of the procedures performed.

This agreed-upon procedures engagement is not an audit, a review or an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion on the information contained in *Section F of the Annual Corporate Governance Report* taken as a whole. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

### *Our ethical requirements and quality control*

We complied with the ethical requirements in the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA). We are not required to be independent for the purpose of this engagement. We are independent of the Company and thus as auditors we meet the independence requirements established by Spain's Auditing Act (Ley de Auditoría de Cuentas) that are applicable in the contest of our audit of the financial statements.

Our Firm applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Procedures and findings**

The procedures performed have been the following:

1. Read and understand the information prepared by the Entity in relation to the ICFR - which is provided in the Annual Corporate Governance Report disclosure information included in the Directors' Report- and assess whether such information addresses all the required information which will follow the minimum content detailed in section F, relating to the description of the ICFR, as per the model established by CNMV Circular nº 5/2013 dated June 12, 2013 and subsequent amendments, the most recent one being CNMV Circular 3/2021 of September 28, 2021 (hereinafter, the CNMV Circulars).
2. Make enquiries of personnel in charge of preparing the information described in point 1 above in order to: (i) Obtain an understanding of the process followed in its preparation; (ii) Obtain information which will allow us to assess whether the terminology used is adapted to the definitions provided in the reference framework; (iii) Obtain information on whether the control procedures described are implemented by the Entity.
3. Review the explanatory documentation supporting the information described in point 1 above, which should basically include that which is provided directly to those responsible for preparing the ICFR descriptive information. In this respect, the aforementioned documentation includes related reports prepared by senior management and other internal and external experts providing support to the Audit and Compliance Committee.
4. Compare the information described in point 1 above with our knowledge of Entity's ICFR obtained as a result of performing the external audit procedures within the framework of the audit of the financial statements.



5. Read the minutes of the meetings held by the Board of Directors and Audit Committee in order to assess the consistency between the ICFR issues addressed therein and the information provided in point 1 above.
6. Obtain the representation letter related to the work performed, duly signed by the personnel in charge of preparing the information discussed in point 1 above.

The application of the abovementioned procedures revealed no relevant issues.

ERNST & YOUNG, S.L.

(Signed in the original version in Spanish)

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David Ruiz-Roso Moyano

February 27, 2023