## X-ELI®

SUSTAINABILITY REPORT

2024







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## A word from the CEO



At X-ELIO, we act with purpose and conviction when it comes to sustainability, which is why we present, once again, in this report all the actions we have taken to advance our sustainability roadmap.

This conviction is based on fundamentals that we regularly review to determine whether changing circumstances should influence our approach. So far, the answer remains consistently reassuring.

In 2024, record-breaking global temperatures and the accelerating consequences of environmental degradation highlighted the **urgent need to address climate change**<sup>1</sup>. Climate change is a global priority, driven by both its inherent risks and the emerging opportunities it presents<sup>2</sup>. Extreme weather events increasingly threaten economic stability, reinforcing the need for decisive action to reduce emissions and enhance resilience across society.

We are in the right place at the right time, building a **resilient company** while **delivering** meaningful **value to society**.

We are addressing today's challenges and seizing opportunities by advancing clean energy solutions.

In 2024, solar power grew by a record **474 TWh**, the largest annual increase ever, reaching 2,131 TWh and maintaining its position as the **world's fastest-growing electricity source**<sup>3</sup>. We recognize that sustained growth is essential to achieve global climate goals and drive ongoing progress in decarbonisation. For this reason

we continue to strengthen our strategy to lead the **energy transition** and actively contribute to a cleaner, more **resilient world**.

The **global geopolitical landscape** remains unstable, marked by increasing protectionism, shifting alliances, and divergent perspectives on energy sources and their development. Some regions are pushing for deregulation and a roll-back of environmental protections, prioritising short-term energy security concerns over long-term sustainability. Despite these challenges, from our perspective the path forward is clear: Digitalisation, Decarbonisation and Deglobalisation.

Digitalisation is going to add additional pressure to the electrification of the economy<sup>4</sup>. To remain competitive and productive, all major economies where we operate will have to invest in **data centres** to support the rapidly emerging Al ecosystem. The accelerating **digital transformation** strengthens our commitment to delivering clean, reliable energy, poised to be one of the most critical commodities of the next century.

**Decarbonisation** is one of the key drivers of electrification. The impacts of climate change are increasingly evident, with 2024 characterized by record-breaking global temperatures and a surge in extreme weather events<sup>1</sup>. Slowing and ultimately mitigating the impact of climate change is one of the greatest responsibilities of our generation. This requires extensive decarbonisation in transport, heating, industry, among others, challenges we are ready to face in a cost-efficient way through renewable energy-enabled solutions such as electric cars, heat pumps, batteries and sustainable fuels.

Decarbonisation confirms what we have long believed, **the world needs renewable energy** to meet rising demand, and in most regions, solar power combined with storage is already the **most affordable solution**.

In 2024, for the first time, investments in clean energy technology surpassed those in upstream oil and gas, with solar PV alone expected to account for half of all cleantech investments<sup>5</sup>.

<sup>1.</sup> World Meteorological Organization (WMO), State of the Global Climate 2024.

<sup>2.</sup> S&P Global, Top 10 Sustainability Trends to Watch in 2025.

<sup>3.</sup> Ember Climate, 2025 Global Electricity Review

<sup>5.</sup> S&P Global, Top Cleantech Trends for 2025.

This shift signals that, despite current challenges, the global transition to renewable energy is not just necessary but inevitable, driving long-term economic stability and resilience for both our planet and future generations.

COVID-19 and rising geopolitical tensions have exposed the fragility of key elements in the global economic system, most notably our supply chains, emphasising the growing call for deglobalisation. We recognised early on the importance of resilience and adaptability, choosing the path of internationalisation nearly 20 years ago. This experience has allowed us to operate effectively across diverse markets, adapt to local needs and deliver the energy solutions that each region demands.

In this context, we achieved a series of milestones in 2024 that strengthen our business and reaffirm our commitment to a sustainable future while delivering positive results for all our stakeholders.

In 2023, we announced the X-NOOR joint venture with DUTCO to develop renewable energy solutions in the **Gulf Cooperation Council region**, marking a significant step in advancing our renewable energy footprint in a region traditionally focused on oil and gas. In 2024, our advancement in the energy storage industry was highlighted by our

strategic investment in **ECO STOR**, a premier German storage developer. We now operate or are constructing storage assets in the USA and Chile, with fully permitted projects in Australia. Furthermore, this investment has expanded our overall storage pipeline from 8 GW to 14 GW.

We also remain focused on achieving our goal of partnering with industrial and commercial customers to decarbonise their operations. In 2024, we supported businesses such as **Google** in their sustainability journey through a **128 MW energy trade agreement**, helping them further integrate renewable energy into their business models.

We recognise the critical role that companies must play in both addressing climate change and preserving natural resources.

Transparency regarding environmental impact is important, both for building trust and for making progress toward a sustainable future.

In line with this commitment, we are announcing the first **verification of our carbon footprint**, aligned with the **GHG Protocol standard**. This comprehensive assessment covers all three emission scopes, demonstrating our dedication to transparency and proactive climate action. It will be conducted annually to drive continuous improvement and accountability.

Furthermore, we remain committed to the **preservation of biodiversity** and the sustainable management of natural **resources**.

In 2024, we increased our efforts through the advancement of our **Nature Plan**, supported by a comprehensive **Biodiversity Policy**. These efforts reflect our broader commitment to protect ecosystems and minimise environmental impact.

## Empowering communities is central to our business.

In 2024, our **Community Plan** played a pivotal role in fostering successful, long-term relationships with local communities. We launched **over 50 initiatives** across **seven countries**, to boost local employment, education and supporting initiatives that promote the well-being of communities.

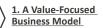
We extend our gratitude to our shareholders, employees, partners, suppliers and local communities for their support. Together, we will continue to drive large-scale, **zero-carbon solutions** that benefit both the planet and people's lives.

We are committed to transparency and continuously improving our management practices to maintain our recognition as a trusted leader. Our strategy and business model are possible thanks to our **diverse team**, united by our shared values. We remain dedicated to promoting a workplace where everyone feels valued, respected, represented and empowered to bring their unique perspectives and skills.

Sincerely,

Lluís Noguera

Chairman and CEO



X-ELI⊕

## A Value-Focused **Business Model**

- 1.1 Business model /6
- 1.2 Our commitments /11

Information related to the following European **Sustainability Reporting Standards (ESRS) of the CSRD:** 

ESRS 2 - General disclosures ESRS G1 - Business conduct

Our contribution to the 2030 Agenda

















## 1.1. Business model

We are a leading global company in the development of renewable and sustainable energy, specialised in developing, building, financing and operating energy projects.

The **renewable energy sector** plays a pivotal role in the modern economic landscape, attracting substantial investment while generating sustainable energy. In a global context shaped by international decarbonisation commitments, we are **supporting the transition** toward a greener, more sustainable future, by **implementing large-scale, zero-carbon electricity solutions.** We actively address global challenges such as energy transition, offering tools and solutions for a decarbonised economy.

We focus our efforts on developing **high quality and profitable sustainable energy projects**, offering solutions and expertise tailored to our customers' needs.

Watch the video





#### Goal

To remain a **global leader** in renewable energy development by supporting organisations in meeting growing energy and climate demands.



#### Vision

To be a leading force in the **energy** transition by engaging companies, **institutions**, and communities worldwide to build a more sustainable and responsible future.



#### Values

Accountability, flexibility, integrity, communication, diversity and teamwork.

Key figures

+19 years of experience

Presence in 10 countries

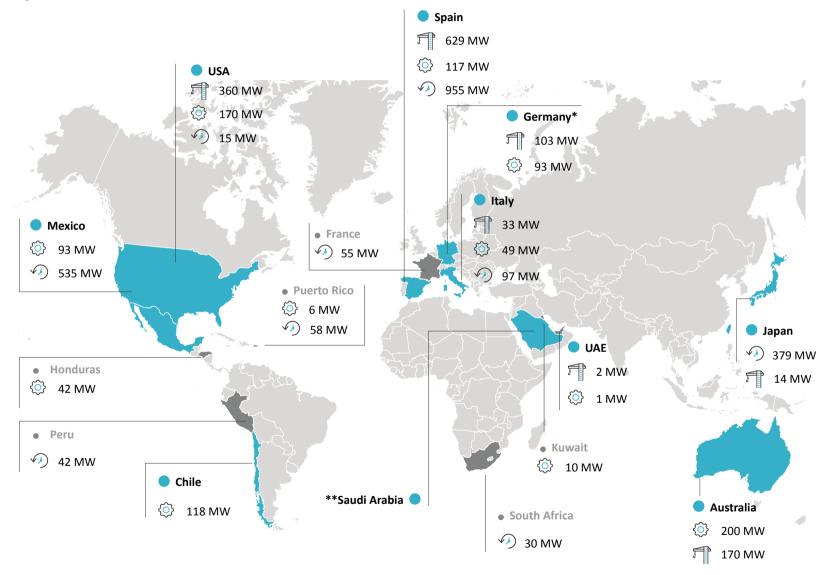
+3 GW of utility-scale renewable energy projects built

+12 GW of PV solar project pipeline

14 GW of Battery Energy Storage System pipeline Backed by a shareholder with significant experience in infrastructure and renewable sectors

**Brookfield** 

#### Our global presence











- Countries where we have a presence
- Countries where we no longer have a presence



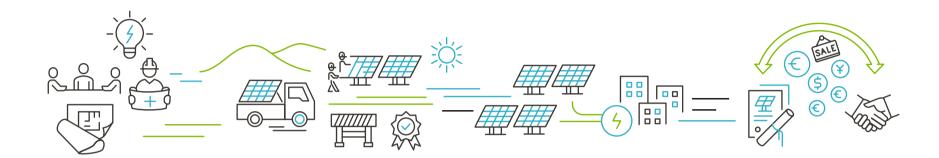
\* German assets are managed by ECO STOR, a BESS company partly owned by X-ELIO



\*\* Assets in UAE and Saudi Arabia are managed by X-NOOR, a joint venture of X-ELIO and Dutco Group

Complete report with financial indicators relating to X-ELIO's performance for fiscal year 2024 will be provided upon request: <a href="mailto:sustainability@x-elio.com">sustainability@x-elio.com</a>

#### What do we do?



#### **Development and financing**

Securing land, permits, and financing is a key initial step to support the proper development of the business and to ensure our projects progress in a stable and efficient manner.

#### Construction

We leverage our expertise to inspect and manage project construction activities, including site preparation and oversight of EPC (Engineering, Procurement, and Construction) contractors who execute the final build.

#### **Operations and maintenance**

After the project connects to the grid, we, either directly or through O&M subcontractors, manage all essential activities to deliver optimal results. During this phase, we monitor operations to ensure smooth performance—achieving expected power production under prevailing climatic conditions—and financial health, by identifying and controlling any deviations that could affect budgeted costs.

#### Commercialisation

We monetize our assets through multiple strategies. These assets, whether under development or operational plants, can be bought or sold at any stage of our business model. In addition, this phase can also include the establishment of power purchase agreements (PPAs) and the management of revenues generated by projects.

#### **Sustainability commitments**

Throughout our project lifecycle, we assess the potential impact of our activities on key stakeholders and the environment, implementing targeted engagement strategies to ensure responsible and effective plant development.





#### X-ELIO, a partner in the path to decarbonisation and energy transition

Recognising the importance of our commitment to prioritise and accelerate decarbonisation, we employ a collaborative approach to address the energy needs of our Net Zero partners through large-scale, zero-carbon solutions. We deliver tailored value through services designed to meet the unique needs of each market segment.

#### **Net Zero Solutions:**





## Establishment of a power purchase agreement (PPA)

We offer **fully customised power purchase agreements (PPA)** thanks to our solar assets and BESS, enabling our partners to achieve their descarbonisation goals.



#### Net Zero Partners

We focus on delivering renewable energy to major corporations while collaborating with lenders to expand our portfolio of sustainable solutions, securing competitive financing from top global financial institutions

Through these partnerships, we assist companies in meeting their sustainability goals.

#### BASF

BASF and X-ELIO have a 12-year PPA to supply 48 MW of solar power to BASF's Verbund site in Freeport, Texas. With this agreement, 100% of the site's imported power will be supplied from renewable sources.



Salesforce and X-ELIO have a 10-year PPA to supply 37 MW of solar power, supporting Salesforce's ambitions to reach 100% renewable energy.



Stanwell and X-ELIO have a 10-year PPA to supply 49 MW of solar power from Blue Grass Solar Farm. This PPA supports Stanwell's efforts in building a renewable portfolio to meet the Queensland Government's renewable energy generation target of 80% by 2035.



X-ELIO closed a financing of €89 million with Société Générale as sole Bookrunner. Mandated Lead Arranger and Hedge Provider. With these funds, which will be allocated to the development and construction of several projects located in Spain, we intend to continue promoting solar PV energy in Spain.





With a joint financing of BBVA and Santander CIB of €82 million of debt. €6 million in RSD Credit and €20 million in Guarantees, X-ELIO successfully closed the financing of three projects in Extremadura, Spain, known as Los Llanos 1 - || - |||

#### bankinter

X-ELIO has successfully closed a financing agreement with Bankinter for €35 million. These funds will be invested in the development. operation and maintenance of three photovoltaic solar energy projects in Spain with a total capacity of 67 MW.









X-ELIO signed a PPA with Google to supply 128 MW of renewable energy from Bell plant (Texas). The agreement shows Google's efforts to expand the use of clean energy across its operations.

## 1.2 Our commitments

Our commitments reflect our dedication to the responsible development of sustainable energy solutions.

#### Quality, Health, Safety, **Security and Environment**

QHSSE remains at the forefront of our efforts to establish ourselves as a **responsible operator**. We are committed to developing and implementing all necessary actions to ensure safe and healthy conditions to our employees, contractors and all involved stakeholders as well as quality in all our processes.

More information





#### **Compliance**

We are committed to international standards of integrity and to ensuring ethical business conduct among employees, investors and business partners.

More information



#### **Community and Nature Plan**

We are committed to establishing meaningful relationships with the communities where we operate, being their partner for environmental and socioeconomic development.

More information



#### **People & Culture**

At X-ELIO, our people are the foundation of our success. We cultivate a culture of respect, inclusion, and high performance—one where individuals are empowered, challenged, and supported to grow. We believe in creating an environment that brings out the best in each person, investing in their development, well-being, and engagement. Our People & Culture practices are designed to attract, retain, and inspire top talent, while reinforcing the collaborative spirit and ambition that define who we are.

More information



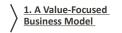
#### **Sustainability**

Sustainability drives our purpose and operations. Through responsible governance, we deliver renewable energy solutions that create positive environmental, social, and economic impacts.

More information







#### Focused on excellence

We uphold quality controls and foster a culture of continuous improvement to integrate the expectations of our stakeholders and the broader renewable energy sector. Our commitment to the highest quality permeates every service, extending to our suppliers and partners, thereby generating value to meet the rising demand for renewable energy.

#### **Quality Corporate Framework**

We manage quality standards through our **Quality Assurance and Control Policy** ensuring that quality requirements and commitments are adhered to by all operators and global offices. This is underpinned by the following mechanisms:

- Involvement and leadership of the C-Suite.
- Organisational structure with clearly defined responsibilities.
- Establishment of specific objectives that allow us to evaluate the effectiveness of our services in our commitment to continuous improvement.
- Ongoing training, education and coaching to strengthen our most important asset: people.
- Compliance with sector legal requirements to ensure the conformity of our products and services.

- Clear focus on processes to identify potential project risks to provide us with evaluation and improvement tools.
- Continuous improvement of the system to boost its effectiveness, including the benefits of improved performance.
- Continuous communication with both collaborators and third parties to increase and maintain adequate satisfaction throughout the process.



To provide a structured framework for improving quality standards and ensuring the correct implementation of processes, our Integrated Management System (IMS) is certified by ISO 9001 - Quality Management Systems. This quality management system improves risk management, drives continuous improvement and reinforces our commitment to excellence across all operational functions.

Our tools and procedures are implemented in 100% of our projects and at a corporate level, ensuring that quality control standards are upheld across all operations and facilities.

# 2. X-ELIO in 2024

2.1 2024 milestones /14



Information related to the following European Sustainability Reporting Standards (ESRS) of the CSRD:

ESRS 2 - General disclosures

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## 2.1 2024 milestones



Battery Energy Storage Systems (BESS) recognised as one of the grid's most disruptive technologies. We energised the BESS addition to the Uribe Solar farm in Chile. This strategic achievement relied on Saft, specialized in advanced technology battery solutions, confirming our commitment towards the energy transition in Latin America.





#### **February**

We joined forces with ECO STOR, a leading German company specialising in the development of Battery Energy Storage Systems (BESS). This strategic move is part of an agreement involving Nature Infrastructure Capital (NIC), a private equity firm focused on the global energy transition, and the Norwegian company Å ENERGY. This partnership strengthens our position in the energy storage sector and represents a significant step into the German market.



We strengthened of our investments in **Extremadura, Spain**. Starting the construction of our seventh project in the region. This new solar photovoltaic plant, called Arco I, is the first infrastructure located in the municipality of Malpartida de Cáceres. It aims to produce **50 MW** of 100% renewable and green energy.





#### March

We received €89 million of investment financing from the French bank, Société Générale. It will be used for the construction of several projects in Spain related to solar photovoltaic plant development. This financing was an important step to ensuring the effective energy transition and creating jobs in the regions where we operate.



The X-ELIO and DUTCO joint venture that created X-NOOR achieved further objectives. Agreement reached with John Crane Middle East FZE from the Smiths Group PLC, a global company from the industrial technology sector. This agreement ensures a total generation of 15 GWh during the next 10 years.





**DWS**, a leading asset manager, **acquired three of our solar photovoltaic plants** in Spain. This investment confirms DWS's objective to drive change and enable European transformation projects, particularly in the energy sector. Furthermore, we show ourselves to be a trustworthy company thanks to the high quality of our infrastructures.



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#### May

We provided fully funded and **certified training** in electricity, solar panel installation, and occupational risk prevention to **50 students** from Malpartida de Cáceres and Casar de Cáceres, under X-ELIO's **Community and Nature Plan programme**. To mark this achievement, we held an event honoring the students who completed the training.



We began construction of the **14 MW** 'Funaki' solar photovoltaic plant in Ube, Japan, marking our first project in the city. This builds on our prior ventures in Japan, adding to the **379 MW** already developed.





#### June

The X-ELIO and DUTCO joint venture that created X-NOOR, went a step further. Agreement reached with Modern Freight Company (MFC), a key logistics industry actor in Dubai, to provide renewable energies at the MFC's Logistics Centre over the next 20 years.







#### July

We reinforced our partnership with Comunitat Valenciana through a media roadshow, during which we visited the region to engage directly with local media and strengthen relationships. The visit also served as an opportunity to discuss a potential future investment of €250 million in the development of new photovoltaic projects in the region.



We officially launched the construction of social housing in collaboration with Dubbo Regional Council in New South Wales, Australia, as part of our commitment to X-ELIO Community and Nature Plan. The agreement sets a project aimed at providing safe and dignified housing for individuals and families at risk of social exclusion, including members of First Nations communities.





We collaborated with local farmers in the **Blue Grass region** in Australia. The action consisted of the introduction of approximately **1,500 sheep** grazing under the **solar photovoltaic plants**. Through the measure we prevented **possible fires** by lowering the height of the grass.



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#### September

**Supporting Google** with **sustainability objectives**. This agreement consisted of an **128 MW** energy trade in Texas. This project contributes to Google's ambition to run on 24/7 carbon-free energy on every grid where they operate.



We collaborated in the creation of an **animal shelter** by **Busot Animal Rescue Concern (BARC)** by creating new spaces. Thanks to our help, the BARC was able to create a protection area for cats.





#### October

**Ecotourism**, the new initiative developed by X-ELIO in collaboration with Malpartida de **Cáceres city hall**. A group of environmentally-friendly infrastructures were established in the exceptional Natural Heritage location of "Los Barruecos". The objective is to **foster sustainable development** and the **creation of nature-related jobs**.



To continue with our battery ambitions, we moved forward with the **hybridization of the Blue Grass project** in Australia through the construction of a **148 MW battery energy storage system**.





#### November

**Commencement** of our **operations** at the second solar photovoltaic plant in Xixona, Valencia. This infrastructure, called **Turroneros II**, has an increased capacity of 15 MW surpassing **50 MW of total capacity.** 





#### **December**

We completed our **first carbon footprint verification**, aligned with the **GHG Protocol standard**. This comprehensive assessment covers all **three emission** scopes, underscoring our commitment to transparency and proactive climate action.





#### Entry into German market with ECO STOR

X-ELIO, in collaboration with Nature Infrastructure Capital (NIC, a private equity firm focused on the global energy transition), has partnered with Å Energi Invest, the corporate venture arm of Norwegian utility Å Energi, to invest in ECO STOR, a leading developer of utility scale battery energy storage systems (BESS) in Germany.

This **strategic agreement** strengthens our European presence by deploying essential capital to advance and construct **ECO STOR's** portfolio of utility-scale BESS projects, totaling **over 6 GW in Germany**. The goal is to address grid congestion challenges across multiple regions in the country, where most projects are located.

#### Our total storage pipeline will increase from



+6 GW

#### with the investment in ECO STOR.

Our goal is to expand energy system storage capacity to foster a more sustainable and independent energy supply. We manage the full value chain, including project development, construction, financing, and operation of battery storage facilities. Holding approximately 20% market share, **ECO STOR** is a leading supplier of battery storage plants in Germany. To date, it has successfully developed around **100 MWh** of storage projects in the country, acting as both co-developer and EPC partner. Its project pipeline exceeds 6 GW, with 1.5 GW currently in advanced development stages.



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## General Information

- 3.1 Basis for preparation /19
- 3.2 Sustainability governance /20
- 3.3 Strategy, business model and value chain /21
- 3.4 Policy overview /24



Information related to the following European Sustainability Reporting Standards (ESRS) of the CSRD:

ESRS 2 - General disclosures

## 3.1 Basis for preparation (BP-1) (BP-2)<sup>1</sup>

This section describes our sustainability strategy and initiatives, confirming our commitment to environmental management, social responsibility, and corporate governance.

We provide an overview of our business model and 2024 performance, noting initiatives to address climate change, support community engagement, and improve operational efficiency.

We have adopted the **European Sustainability Reporting Standards (ESRS)** under the **Corporate Sustainability Reporting Directive (CSRD)** as a framework for reporting on diverse sustainability topics. Although not currently required to comply with the CSRD due to our size, revenue, and employee count, we are committed to promoting transparency and accountability. During our growth, we will continue to align with these standards to strengthen stakeholder trust.

We currently operate in Spain, Italy, Germany, the United States, Mexico, Chile, Japan, Saudi Arabia, the United Arab Emirates, and Australia. Historically we have also operated in Puerto Rico, Peru, Honduras, South Africa, Kuwait, and France.



This report includes information on the countries in which we operate, providing an overview of our sustainability performance. It also considers information on upstream in the value chain.



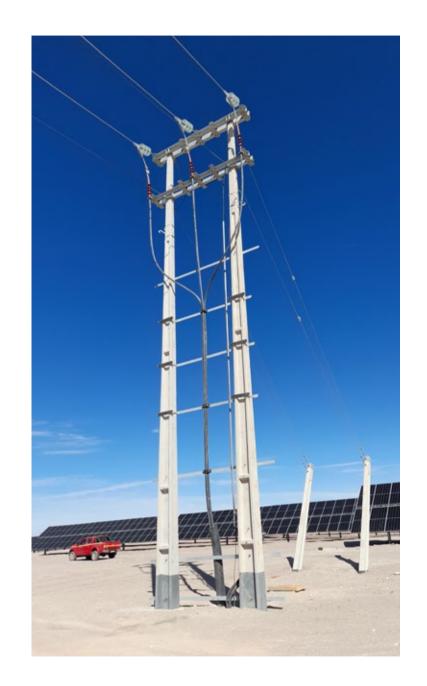
The information contained in this Sustainability Report covers the same scope as the financial statements, published in the Spanish Commercial Registry.



It also follows **short, medium and long-term categorisation** as the reporting period **time horizons** (1 year, between 2 and 5 years, over 5 years respectively).



**No information** on **intellectual property, know-how or innovation** results **has been omitted** from the Sustainability statement.



1. More info at the glossary section



## 3.2 Sustainability governance

(GOV-1) (GOV-2) (GOV-3) (GOV-4) (GOV-5)

## Sustainability management in the corporate governance structure

Our Sustainability Department leads the communication and reporting of sustainability information, develops policies and procedures, drives impactful initiatives, and oversees the supply chain. The department also organises training sessions for external stakeholders, to increase awareness of sustainability reporting and importance of sustainability issues.

We have established **mechanisms for internal sustainability communication**. These ensure efficient sharing of relevant information and effective delivery of sustainability policies, procedures, and actions to business units, company leaders, and key external stakeholders.



3. General

Information



## 3.3 Strategy, business model and value chain

(SMB-1)(SBM-2)(SBM-3)(IRO-1)(IRO-2)

and requirements to be established in contractual relationships with

suppliers (ESRS G1), among other relevant aspects.

#### Value Chain

To ensure our **Double Materiality** assessment accurately reflects our core business activities, **we evaluated our value chain in 2024**. Our goal was to identify critical relationships and dependencies with stakeholders and visually map their positions upstream, or within our operations along the value chain.

The results of this assessment are presented below:



the use and implementation of our

products and services.

#### Interests and views of stakeholders

We deliver value to our stakeholders by building long-term relationships based on trust, respect, transparency and collaboration.

To achieve this, we have identified our key stakeholders and regularly evaluate their expectations through communication and consultation channels, actively involving them in our decision-making processes.

We provide a **variety of channels** to **all stakeholders** to encourage open communication and support policies that may affect them:

- **Internal stakeholders:** they have access to materials via our intranet and are encouraged to submit queries, suggestions or requests by email, chat or phone. These inputs are reviewed and assessed accordingly.
- External stakeholders: based on the nature of their relationship with us, communication is handled through our designated official channels (mail, phone calls and chats). A structured process is in place to manage interactions with external stakeholders, which includes collecting information, reaching agreements and implementing joint action plans. The level of confidentiality and the specifics of our relationships with third parties are always handled carefully throughout the entire process.









#### Focus on own employees and workers in the value chain (SBM-2)

**Our business model and strategy** consider our own workforce, **recognising** both **own** employees and value chain workers as essential stakeholders whose well-being, rights and development are fundamental to sustainable growth and long-term value creation. To this end, we have established a comprehensive framework of that proactively address actual and potential social and environmental impacts while fostering opportunities to improve workplace quality and inclusion.

For our **own workforce**, we ensure continuous engagement through structured dialogue mechanisms and collective bargaining agreements covering key regions, complemented by confidential grievance channels that allow employees to safely report concerns including discrimination or harassment. **No human rights violations were reported in 2024**, reflecting a strong culture of ethical compliance and respect.

Extending these commitments to the **value chain**, we implement **due diligence processes** to assess and monitor suppliers' compliance with human rights and labour standards, including mandatory HSSE training and the empowerment of all workers to invoke the Stop Work Policy if unsafe conditions arise. We also guarantee equal treatment and non-discrimination across our supply chain by providing accessible reporting channels such as an external Ethics Channel and suggestions boxes for confidential complaints.

#### Focus on affected communities (SBM-2)

Our business model is built on a commitment to **creating shared value for the communities** where we operate. Recognising that success depends on **strong stakeholder relationships**, we integrate the interests, needs and expectations of local communities directly into our strategy through the **Community and Nature Plan**. This programme is designed not only to foster socio-economic development but also to generate measurable positive impacts, ensuring that each project aligns with local values and contributes to long-term social and environmental resilience.

We approach the relationship with stakeholders focusing on mutual collaboration and local integration. By incorporating community perspectives into our decision-making processes, we ensure that our business strategy responds dynamically to **evolving social and environmental challenges**. This integrated approach reinforces our role as a responsible actor, driving sustainable value creation while supporting the well-being of our stakeholders and the ecosystems it depends on.





## 3.4 Policy overview (MDR-P)

The following list is a comprehensive overview of the company policies relating to Environmental, Social and Governance (ESG) matters, reflecting the commitment to sustainability, ethical conduct and responsible business practices

#### **Environmental**



- Sustainability Policy
- Health, Safety, Environment and Security Policy (HSSE)
- Biodiversity Policy
- Environmental Impact Statement (EIS)

#### Social



#### **Work-related policies**

- Health, Safety, Environment and Security Policy (HSSE)
- Stop Work Policy
- Diversity Equity and Inclusion Policy (DEI)
- Discrimination & Harassment Policy
- Parental Leave Policy
- Network and Communication Policy

#### **Ethical conduct policies among employees**

- Code of Ethics and Business Conduct
- Discrimination and Anti-Harassment Policy
- Human Rights Policy
- Third-Party Due Diligence Protocol
- Social Contributions Protocol

#### Policies applied to suppliers

- Contractor Safety Management Procedure
- Health, Safety, Environment and Security Policy (HSSE)

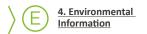
#### Governance



- External Communication Policy
- Trade Sanctions Policy
- Guidelines on Best Practices for Interactions with Public Officials
- Vulnerability Management Policy
- Privacy Policy
- Operations Security Policy
- Quality Assurance and Control Policy

#### Policies to combat corruption and bribery

- Anti-Corruption Policy
- Antitrust Policy
- Conflict of Interest Policy
- Donations & Sponsorship Policy



4.

## **Environmental**<br/>**Information**

- 4.1. Climate change /26
- 4.2. Biodiversity protection /37
- 4.3. Resource use and circular economy /42

Information related to the following European Sustainability Reporting Standards (ESRS) of the CSRD:

ESRS E1 - Climate change

**ESRS E3 -** Water and marine resources

**ESRS E4** - Biodiversity and ecosystems

**ESRS E5** - Resource use and circular economy

Our contribution to the 2030 Agenda











## 4.1 Climate change (E1)

## Description of the processes to identify and assess material climate-related impacts, risks and opportunities (IRO-1)

In terms of climate change, the double materiality analysis has been reinforced by a detailed analysis of climate risks and opportunities, carried out in accordance with the **recommendations** of the Task Force on Climate-related Financial Disclosures (TCFD), in order to ensure a rigorous approach, consistent with international best practices and aligned with the requirements of the current regulatory framework.

Following the materiality analysis, we have identified **eleven material impacts**, **risks and opportunities** related to climate change.

In terms of **impacts**, we identified the following two as material:



- GHG emissions reduction due to renewable energy generation
- Reduction in GHG emissions due to corporate initiatives (sustainable mobility, efficiency programmes, incorporation of ESG criteria in decision-making, etc.)

In terms of **physical risks**, we assessed our exposure using climate scenarios such as the IPCC\* SSP2-4.5 and SSP5-8.5, considering short (2030) and medium-term (2050) time horizons.

- The **SSP5-8.5 scenario** represents a world with fossil fuel drive development in which economic and technological growth is rapid, but with a high dependence on carbon intensive energy sources. This scenario projects a temperature increase of 4.4°C by 2100.
- The SSP2-4.5 scenario represents a world where socioeconomic trends follow historical patterns without dramatic changes. In this scenario CO<sub>2</sub> emissions remain near current levels before declining by the end of the century and reaching Net Zero in 2100. This scenario projects a temperature increase of 2.7°C by 2100

We identified as material the following physical risk:



 Increased exposure of equipment, infrastructures, activities, employees and customers to weather events



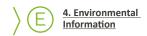
Positive impacts



Risks

\*IPCC (Intergovernmental Panel on Climate Change) y SSP (Shared Socioeconomic Pathways)

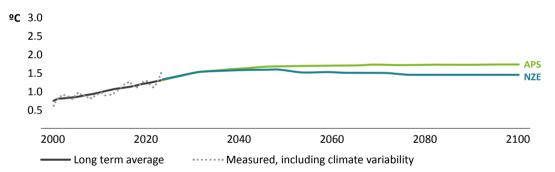




In terms of **transition risks**, we have assessed these risks using the International Energy Agency (IEA) APS and NZE climate scenarios, considering short (2030) and medium-term (2050) time horizons.

- The **Announced Pledges Scenario (APS)** models a world where countries fully and promptly meet their climate commitments, including emission reduction targets and carbon neutrality goals, evaluating their impact on global energy demand and the shift to cleaner energy sources.
- Net Zero Emissions (NZE) describes a pathway for the global energy sector to achieve Net Zero CO<sub>2</sub> emissions by 2050. In this scenario, advanced economies achieve carbon neutrality ahead of emerging and developing economies.

## Global average temperature rise including natural variability since 2000 and long-term average temperature rise by scenario



International Energy Agency (IEA). (2024) World Energy Outlook 2024. Paris: IEA. Available at: <a href="https://iea.blob.core.windows.net/assets/140a0470-5b90-4922-a0e9-838b3ac6918c/WorldEnergyOutlook2024.pd">https://iea.blob.core.windows.net/assets/140a0470-5b90-4922-a0e9-838b3ac6918c/WorldEnergyOutlook2024.pd</a>

We identified as material the following transition risks:



- Misalignment of EPCs with the Paris Agreement
- Increased trade barriers or disruptions due to adjustments in imports and exports to comply with new carbon pricing requirements
- Volatility of fuel prices due to geopolitical conflicts, regulatory changes and market fluctuations

We have begun estimating financial impact of material risks and will refine in the future.

We identified as material the following **opportunities**:



- Improved climate management due to implementation of climate commitments through corporate environmental strategy
- Expansion into new markets as a result of the global ecological transition
- Resilience to regulatory and policy changes through the establishment of a decarbonisation plan
- · Establishment of an internal carbon pricing
- Access to government incentives and grants for energy efficiency and/or renewable energy projects

These opportunities, along with their impact on the value chain, as well as that of the risks, are reported in the section "3.3 Strategy, business model and value chain" of chapter ESRS 2.

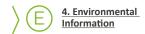


Risks



Opportunities





#### Policies related to climate change mitigation and adaptation (E1-2)

X-ELIO has policies that establish our general principles on climate change adaptation and mitigation.

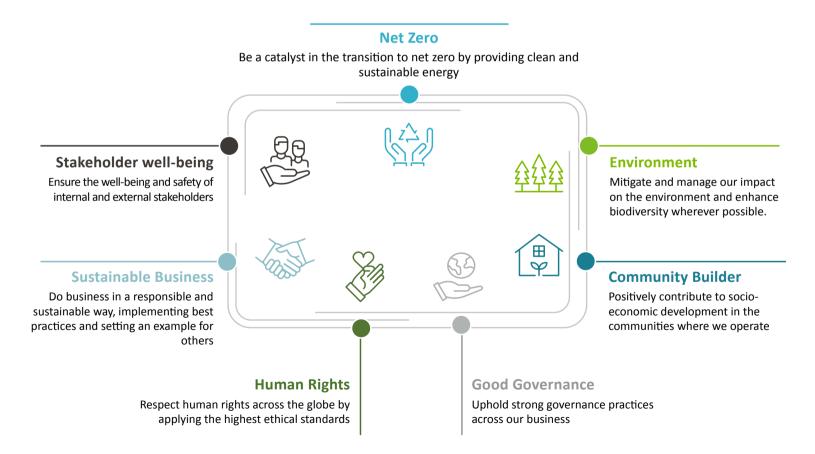
#### **Sustainability Policy**

Through our sustainability policy, we strive to achieve the common global goal of building a better future aligned with the prevention, protection and needs of our environment, our communities, our society and our governance (ESG). We are a signatory of the **UN Global Compact 2030 Agenda for Sustainable Development** and we support the 17 Sustainable Development Goals and the 10 Universal Principles in our day-to-day activities.

This policy, approved by the members of the Board of Directors, applies to X-ELIO Renewables S.L.U. and all subsidiaries under its control. The policy serves as the backbone for all our policies, setting out our principles of action on sustainability.

With these principles we show our commitment to reducing greenhouse gas emissions and the global fight against climate change. We make this policy available to our stakeholders through our corporate website and intranet.

#### The sustainability principles established in the policy are:







#### Health, Safety, Security and Environment Policy

Our Health, Safety, Environment and Security policy, approved by our Executive Committee in 2021, shows our commitment to developing and implementing all actions necessary to **provide safe and healthy working conditions** to prevent accidents in our projects. This commitment extends to the protection of our employees, contractors, the general public, the environment and our assets.

We comply with legal requirements and highest HSSE standards. Responsibility for these principles involves the C-Suite, the whole workforce and contractors through the integration and proactive application of the integrated management system. To fulfil these commitments, we have established an **integrated management system for the environment, occupational health, safety and welfare** in accordance with the **ISO 14001:2015** and **ISO 45001:2018** standards.





The policy includes occupational health and safety, environment and safety commitments.

In terms of **occupational health and safety**, our ultimate goal is to have **zero high-risk incidents** and **zero lost days due to workplace injuries**. To this end, commitments in this area include training and education of the workforce to promote safe behaviour and increase awareness, establishment of response plans to deal with different situations and a clear definition of the organisational structure and responsibilities.

In terms of **security**, we maintain a structured security system based on the foundation of continuous risk management for the security of our personnel, contractors, subcontractors, members of the public and our assets. We are committed to the guiding principles of the policy which includes promoting the participation of managers and employees in relation to the diverse business areas of the organisation, mitigating our exposure in all personal, physical, organisational and cybersecurity areas, and identifying, analysing and assessing the threats that could affect our activity in order to adopt the appropriate protection measures/suitable protection controls to reduce the risk.

The **environment** is a cornerstone of our sustainability agenda and a critical factor in achieving a sustainable energy model.



▶ Observing environmental regulations and complying with legal requirements in the countries where we operate.



▶ Managing and mitigating risks to and impacts on the environment related to our operations with continuous improvement as a global objective.



➤ Consume with responsibility, by making a sustainable, efficient and conscientious use of natural resources.



➤ Establish adequate management systems, based on continuous improvement, that help reduce environmental risks.

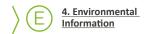


▶ Respect nature, biodiversity, and historical and artistic heritage in the natural environments where our assets are located.



 Establish a constructive dialogue with public administrations, regulatory bodies, non-governmental organisations, multilateral organisations, shareholders, customers, local communities and other stakeholders.

We make this policy available to our stakeholders through our corporate website and intranet.



#### Actions and resources in relation to climate change policies (E1-3)

Striking a balance between protecting and caring for the environment and developing our activities, remains one of our key environmental management pillars

We focus our efforts on accomplishing the commitments stated in our **Health**, **Safety**, **Security and Environment Policy (HSSE)**. All lines of action embody a business model that reflects our responsibility and commitment towards our surroundings: environment, biodiversity and communities.

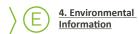
Furthermore, for each of our projects we have an environmental coordinator and specialised local environmental consultants who advise us on the identification of environmental risks. In this way, we ensure compliance with the legal requirements and regulations on environmental matters in force in the countries where we operate. We use a tool to identify and control environmental requirements. It is used in all countries to ensure compliance with each country's environmental management legislation.



X-ELIO is certified according to the ISO 14001:2015\* standard.



<sup>\*</sup>The scope of the certification is management of design, construction, start up and maintenance of solar PV energy facilities.



#### **Net Zero Alignment**

The energy we produce is **100%** renewable and sustainable, so our operations inherently contribute to reducing greenhouse gas emissions and the fight against climate change.

Moreover, we calculate our global carbon footprint, analysing and monitoring several KPIs regarding waste and consumption of materials in all our projects.



#### **Climate Change Asset Analysis**

All tentative projects we develop go through a **four-phase climate change physical asset analysis process**.

- Analysis phase: this phase encompasses two approaches.
   The first involves studies on topics like topography, water, environmental factors, biodiversity, and geotechnical and hydrological conditions, conducted using publicly accessible, updated data at global, regional, and national levels. The second comprises on-site geotechnical, detailed topographic, and hydrological-hydraulic studies.
- **Design phase:** with the results of these studies plus those mandatorily required by public administrations to obtain the necessary permits (e.g.: EIA), as well as EPC commitment to be able to build this renewable project as required, the design of the Project is agreed and closed.
- **Measures:** if necessary some mitigation measures can also be agreed under the EPC contract or deployed directly by us to reduce the impact of the renewable project.
- **O&M:** the Operation and Maintenance Team (may be X-ELIO or EPC subcontracted), ensures these measures are respected throughout the lifetime of the project, or until its sale, as well as the proper maintenance of the renewable project built (repairs, if any, from strong winds or flooding, cleaning of modules, grass cutting, etc.).

Besides this analysis, and as detailed in the section "IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities", we carry out a climate risk and opportunities analysis in which our assets, business model and value chain are analysed.

#### **Environmental Assessment**

We ensure adequate prevention and mitigation of environmental risks in all our projects through the development of Environmental Impact Assessments. For proper project development, we comply with the mandatory requirements of the **Environmental Impact Statements**, which allows us to develop a series of global environmental protection actions. All projects developed by us comply with the legal requirements in the countries where we operate.

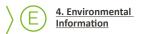
Furthermore, if a project does not require a formal Environmental Impact Assessment, we carry out an environmental risk assessment according to internal procedures.

Depending on the significant impacts identified, different **preventive measures** are included to prevent or reduce air pollution including dust, noise and light. These include:

- Road irrigation and speed limit to prevent dust emissions.
- Mandatory maintenance programmes for cars and machinery, specially verification of gases.
- Avoidance of lighting in plants. If necessary, the type of lighting used should not scatter the light beam, and must be focused downwards.

Whenever environmental impact mitigation and prevention is not possible, we implement **compensation measures** such as:

- Habitat restoration
- Reforestation
- Habitat improvement- agricultural works, rabbit burrows, nest boxes, ponds, bat shelters, etc.
- CO<sub>2</sub> offsetting projects



#### **Energy efficiency and resources reduction**

We implement good environmental management and driving efficiency practices both in offices and projects. During 2024 good practices implemented by us included:

- Reusable water bottles given to all employees.
- A paperless policy, with any documents that need to be printed done so using recycled paper.
- The offices have LED lights and presence detectors to ensure that when an area is not "inhabited" it remains unlit.
- All devices have an energy saving mode and regular communications on best practices are sent to remind all employees how to act.
- Configuration of air conditioning devices to ensure adequate energy efficiency.
- Office sectorisation to turn off lights if unoccupied.

#### **Corporate mobility programme**

We have a travel policy and sustainable mobility programme. The **"Sustainable Mobility Programme"** provides financial support to those employees who wish to purchase electric cars, electric bicycles, scooters (no motorbikes), home chargers or enter into a car rental contract.

#### Energy consumption and mix (E1-5)

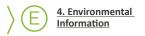
To calculate our energy consumption, we followed the same scope as that used to calculate our carbon footprint, detailed in the section "E1-6. Gross Scopes 1, 2, 3 and Total GHG emissions".

Energy consumption and mix	2024	2023
Fuel consumption from coal and derivatives (MWh)	-	-
Fuel consumption from crude oil and oil products (MWh)	8,765.17	12,233.82
Fuel consumption from other fossil energy sources (natural gas, propane, etc.) (MWh)	7.63	-
Electricity from grid (MWh)	7,317.18	1,943.85
Total energy consumption (MWh)	16,089.98	14,177.67

This information was extracted from the 2024 Carbon Footprint calculation.







#### Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

We contribute to the decarbonisation of the energy sector with the generation of 100% renewable and sustainable energy, helping to reduce greenhouse gas emissions. We are also committed to reducing our own carbon footprint.

#### X-ELIO's GHG Emissions Roadmap

#### 2022

After expanding the scope of the calculation of our carbon footprint in 2021, during 2022 our sustainability team implemented our **General Sustainability Reporting Procedure**, both internally and externally. Among other points, the procedure encompassed:

- Internal and external responsibilities in the reporting structure, including the collection and reporting of sustainability information.
- Awareness, background and context sessions.
- Definition of responsibilities.
- Templates, structure and evidence to be reported.
- Timings and workflow of approvals process.

This procedure led to significant improvements in the accuracy of our carbon footprint results.

#### 2023

We started to request supporting evidence for all reported data, ensuring compliance with the **General Sustainability Reporting Procedure** with quality assurance standards.

- Compared to 2022, we designed a new emissions calculation methodology, moving from an operational control approach methodology to a financial control approach, as per the GHG Protocol.
- Moreover, we expanded our reporting not only with a location-based emissions calculation methodology, based on each country's energy mix, but also a market-based emissions calculation methodology, by applying residual emission factors in markets where this information is available.

Furthermore, we carried out a **gap analysis** to identify potential enhancements in both the calculation and reporting of information.

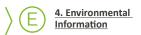
#### 2024

Thanks to all the advancements made by the sustainability team and an internal high-level audit of the reported information, we undertook a **limited verification by an external auditor** during 2024.

In our ongoing commitment to sustainability, we continue to improve the collection of information for the carbon footprint calculation.

#### **Future steps in 2025**

In 2025, we will work on developing a **transition plan** that includes **GHG emissions reduction targets** along with actions and initiatives to support our vision of achieving climate change mitigation and adaptation.



#### **Our Carbon Footprint**

An organisation's carbon footprint quantifies the greenhouse gas (GHG) emissions, both direct and indirect, generated by its activities. Since 2020, we have utilized the globally recognized **GHG Protocol methodology** to calculate our worldwide carbon footprint.



#### **Accuracy:**

The data and methods used reduce, as far as possible, the uncertainty of the results.



#### Relevance:

Ensure that the inventory appropriately reflects our emissions and is suitable for decision-making.



#### **Completeness:**

Accounting and reporting of all material GHG sources included within our scope.



#### **Consistency:**

Consistent methodologies are used to allow comparison over time.



#### **Transparency:**

Disclosure of all significant assumptions, appropriate references, calculation methodologies and sources of information used.

#### **Projects**

#### Under construction

• All 11 PV plant EPCs have reported data

#### In operation

- 9 out of 15 PV plant O&M providers have reported data
- New PV Plants in operation: Castelvetrano, Liberty, Turroneros II, Tabernas
- First BESS in operation: Uribe

#### On hold/sold

 No plants were sold in 2024.
 Los Llanos was closed with DWS in Dec 2023.

Scope 1 emissions represent direct greenhouse gas emissions from fuel combustion and refrigerant leakage sources that are financially owned or controlled by us.

Scope 2 emissions represent indirect greenhouse gas emissions associated with the generation of electricity, heat, or steam that we consume but do not produce ourselves.

**Scope 3 emissions** represent **indirect greenhouse gas emissions** associated with our **value chain**. Following the GHG Protocol and the results from a Scope 3 screening procedure, categories 1, 2, 3, 5, 6, 11 and 15 will be considered material in our carbon footprint.

#### Offices

- Consumption and the majority of waste data are estimated by employee number
- There was no refrigerant leakage





#### **Breakdown of our GHG emissions**

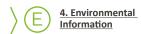
	Base year (2023)	2023	2024	% (2024/2023)
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)	14.24	14.24	33.43	134.76%
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions $(tCO_2eq)$	2,003.45	2,003.45	3,320.49	65.73%
Gross market-based Scope 2 GHG emissions $(tCO_2eq)$	2,115.18	2,115.18	3,418.77	61.63%
Significant scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> eq)	265,657.16	265,657.16	100,737.29	-62.08%
1. Purchase of goods and services	21,547.23	21,547.23	5,773.17	-73.21%
2. Capital goods	236,963.60	236,963.60	91,297.81	-61.47%
3. Fuels and energy-related activities (not included in scopes 1 and 2)	139.21	139.21	184.49	32.53%
5. Waste generated in operations	946.22	946.22	2,086.24	120.48%
6. Corporate travel	645.36	645.36	739.30	14.55%
11. Use of sold products	5,277.16	5,277.16	-	-100%
15. Investments	138.39	138.39	656.29	374.23%
Total GHG emissions				
Total GHG emissions (location-based) (t $CO_2$ eq)	267,674.85	267,674.85	104,091.22	-61.11%
Total GHG emissions (market-based) (tCO <sub>2</sub> eq)	267,786.58	267,786.58	104,189.49	-61.09%

This information was extracted from the 2024 Carbon Footprint calculation.



For more information about the calculation, please contact X-ELIO at sustainability@X-ELIO.com

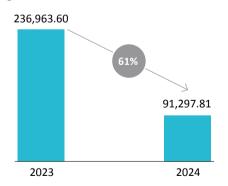




#### 2023 vs 2024 Carbon Footprint Analysis

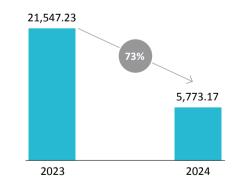
- The main category that has contributed the most to the reduction of our carbon footprint has been **Capital Goods**
- Embodied emissions from the purchase of solar PV modules are reported once the plant reaches CoD.
   Their impact is calculated through an emission factor that correlates the CO<sub>2</sub> associated with each type of module and the total installed capacity.
- In 2023, a total of 433 MWp reached COD, compared to 137 MW in 2024.
   This difference in installed capacity represents a significant impact on the emissions associated with this category.

## **Capital Goods GHG emissions** (tCO<sub>2</sub>e)



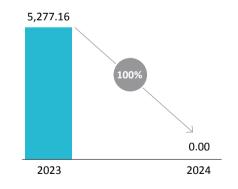
- Purchased Goods and Services is the second-largest contributor to our carbon footprint reduction.
   This category accounts for upstream emissions from products and services we procure.
- Although during 2024 there were more plants under construction and operation, and a greater capacity in MW, it is important to note that several plants were temporarily put on hold during the year.

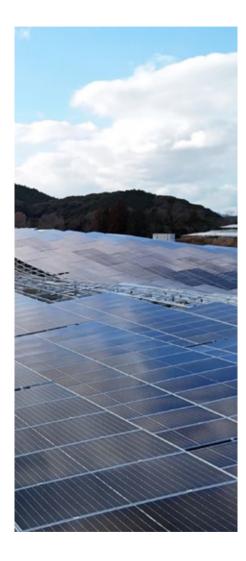
## Purchased Goods and Services GHG emissions (tCO<sub>2</sub>e)



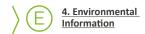
- For calculating our Scope 3 emissions, we account for the electricity consumed by sold plants throughout their operational life\*, as we generate revenue from these transactions despite no longer controlling the plants.
- In 2023, the Sodegaura plant, with 15 MWp, and Los Llanos I, II, and III, with a total of 150 MWp, were sold. In 2024, 0 plants were sold.
- As a result, the Use of Sold Products category has been the third main contributor to the reduction of our carbon footprint in 2024 compared to 2023

## **Use of Sold Products GHG emissions** (tCO<sub>2</sub>e)





<sup>\*</sup>The associated electricity consumption has been estimated based on a 25-year product lifetime, considering both the renewable energy produced in each country and the projected decarbonization of their energy mix by 2050



## 4.2. Biodiversity protection (E4)

Description of processes to identify and assess significant impacts, risks, dependencies and opportunities related to biodiversity and ecosystems (IRO-1)

Following the double materiality analysis, we identified the following IROs.



#### **Positive impacts:**

• Existence of a biodiversity policy that includes commitments to guide our actions in this area



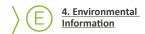
#### Risks:

• Soil sealing caused by heavy machinery used during maintenance and construction of the solar plants

No material negative impacts or opportunities have been identified

In the section "3.3 Strategy, business model and value chain" of chapter ESRS 2, we report, among other issues, the effect of material impacts, risks and opportunities on the different phases of the value chain.





# Transition plan and consideration of biodiversity and ecosystems in strategy and business model (E4-1)

We support the **UN Global Compact**, and are seeking to align with the Post-2020 Global Biodiversity Framework which aims to provide a comprehensive and transformative plan for conserving and restoring biodiversity, ensuring its sustainable use, and promoting fair and equitable benefits for all.

In 2023, we launched **Our Nature Plan**, a dedicated biodiversity programme aligned with global conservation goals and sustainable practices. This initiative underscores our **commitment to positively impacting nature**, ensuring our operations across all regions adhere to leading environmental standards and practices endorsed by prominent conservation organisations.

During the reporting year, we made progress with our biodiversity strategy by conducting a detailed study, analysing the global impact of the business and considering several biodiversity measures. This is evidenced in our Nature Plan where, as detailed in chapter "E4-3 Actions and resources related to biodiversity and ecosystems", initiatives have been carried out in different countries.







### Policies related to biodiversity and ecosystems (E4-2)

As part of our Sustainability and HSSE policies, detailed in chapter "E1-2 Policies related to climate change mitigation and adaptation", we have a **biodiversity policy** that serves as a strategic framework, to promote awareness, collaboration and responsible decision-making among our stakeholders.

The biodiversity policy, approved by our Executive Committee, was developed in 2023 following a prior analysis with the help of an external consultant. With this policy we seek to align with the Post-2020 Global Biodiversity Framework, whose goal is the **conservation** and sustainable use of biodiversity for the next decade and beyond.

We follow environmental regulations and comply with legal requirements in the countries where we operate, following the principles established by relevant international biodiversity frameworks and standards, such as:

- Environmental Impact Assessment actions across countries where we operate, assessing impacts and implementing mitigation measures.
- Corporate Sustainability Reporting Directive (CSRD).
- Taskforce on Nature-related Financial Disclosures (TNFD).
- Global Reporting Initiative Standards for Biodiversity.
- Other future legal requirements regarding biodiversity such as nature restoration and deforestation legal frameworks.

In this policy, we undertake the following steps in our relationship with biodiversity and natural capital, on an ongoing basis and involving the entire company:

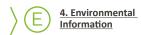
Analysis: to continuously assess our biodiversity performance against market practices, regulations and standards. Policy: to publish, implement and update X-ELIO's biodiversity policy. Reporting: to report annually on Awareness: our biodiversity to promote performance. biodiversity awareness among external and internal stakeholders, including C-Suite. Data collection: to assess our biodiversity impacts, ensure regular biodiversity-related data collection and apply the mitigation hierarchy principle.

We implement the policy and manage our biodiversity commitments though an approach that identifies relevant internal and external stakeholders. These stakeholders collaborate to identify and mitigate potential biodiversity risks and opportunities related to our operations:

- ▶ ESG Team: serves as a liaison between all business units, ensuring an ESG perspective is integrated into all our actions and taking responsibility for all ESGrelated reporting.
- HSSE Team: ensures we are a responsible operator, undertaking to develop and implement our integrated environmental management system in accordance with ISO 14001:2015, as well as all necessary actions to always ensure safe and healthy conditions.
- ▶ **EPC Contractors:** external subcontracted team in charge of building and operating the plant supervised by us.

These representatives have direct contact with the Executive Committee when needed in case a risk is identified in order to implement a possible response and action plan.

This policy applies to 'X-ELIO Renewables S.L.U., and its subsidiaries, and is available to its stakeholders through the intranet and corporate email.



### Actions and resources related to biodiversity and ecosystems (E4-3)



### **Spain**

The guiding biodiversity principle for all X-ELIO's active projects in Spain is to strengthen and enhance local fauna.

In **Badajoz**, several measures were implemented in the projects to **enhance the fauna**:

- Installation of nest boxes for local birds.
- Establishment and creation of "hotels" for insects.
- Construction of stone shelters.
- Vegetation screen.
- Line bird protector plots for steppe birds with beacon installation.
- Installation of reptile shelters.
- Bird diverters.

In **Alicante**, we have implemented several initiatives to **support local fauna**, including:

- Rabbit hutch for safe habitat.
- Irrigated plantation to ensure sustainable growth.
- Almond plantation to promote biodiversity.









In **Almeria**, we have implemented several initiatives to **support local fauna**, including:

- Reusing topsoil to preserve natural habitats.
- Installation of line bird protectors to safeguard avian species.
- Creation of habitat plots with native plantings.
- Bird perches to provide resting and hunting spots.
- Ponds designed specifically for amphibians.
- Construction of stone shelters.
- Placement of nest boxes designed for little owls.

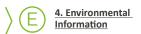


We signed a **collaboration agreement with GREFA** (Group for the Rehabilitation of Native
Fauna and their Habitat) to recover the Lesser
Kestrel populations in the Iberian Peninsula by
repurposing abandoned grain keepers in order to
create a corridor for the Lesser Kestrel throughout
the Iberian Peninsula. This collaboration,
established in 2021, has been maintained thanks
to the programme's success. Some of the project
milestones already accomplished are:

- 963 couples of Lesser Kestrel have been tracked and monitored for data purposes.
- Over 1,723 new birds have been counted.
- A known nesting centre has been restructured.
- Over 100 nests there have been saved.









### Japan

We have been present in Japan since 2012, successfully developing **393 MW** of photovoltaic solar energy projects of great relevance for the country's energy transition.

We have started the construction of a **14 MW solar PV plant in Funaki**, where all its development procedures complied with specific environmental requirements and permits.



In **Tokyo**, our Japan team constantly engages in activities that reflect its environmental and social values.

As part of our Nature Plan, the Japan team has taken part in **voluntary street cleaning activities**. These efforts help maintain a cleaner and more sustainable environment. By actively participating in initiatives that directly improve their surroundings, they help protect natural resources.





### Australia

We have joined forces with a local farmer at the **Blue Grass solar plant** in Australia, where approximately 1,500 sheep will graze under and around the solar panels to control vegetation and reduce fire risks.

This partnership not only **supports sustainable land management and local agriculture** but also **enhances safety,** reinforcing our commitment to environmental stewardship and community collaboration.



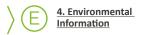
# Impact metrics related to biodiversity and ecosystems change (E4-5)

The metrics for each of our biodiversity actions are set out in the previous section. We also monitor protected areas (land use change, freshwater use change and (or) sea use change) with the **IBAT tool** (Integrated Biodiversity Assessment Tool).

Finally, during 2024, the IBAT tool was used to identify potential **IUCN Red List species** (within a 50 km radius), protected areas and key biodiversity areas.







## 4.3 Resource use and circular economy (E5)

Description of processes to identify and assess significant impacts, risks, dependencies and opportunities related to resource use and circular economy (IRO-1)

Following the analysis, we identified the following IROs.



### **Positive impacts:**

- Initiatives to ensure efficient use of resources and circular design (route optimisation, employee training and awareness, etc.)
- Offering customers remediation options to encourage them to avoid disposing of products



#### Risks:

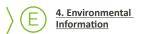
• Price volatility or scarcity of main raw materials

No material negative impacts or opportunities have been identified

In the section "3.3 Strategy, business model and value chain" of chapter ESRS 2, we report, among other issues, the effect of material impacts, risks and opportunities on the different phases of the value chain.

# Policies related to resource use and circular economy (E5-1)

Our use of resources is regulated according to sustainability and HSSE policies, detailed in chapter "E1-2 Policies related to climate change mitigation and adaptation", which establish commitments and principles regarding the use of resources, such as the responsible consumption of natural resources.



## Actions and resources related to resource use and circular economy (E5-2)

Our methodology for resource management emphasises the efficient use of resources such as energy, water and materials in order to reduce our footprint.

### Main actions related to resource management



The **HSSE manual** requires
a transit plan for
each project,
optimising
routes to reduce
emissions
and fuel
consumption.



We appoint **environmental coordinators** for each project to raise staff awareness and ensure the sustainable use of resources. We also schedule regular audits to review and verify the implementation of the management system and applicable legal requirements.



We provide detailed manuals and training sessions that focus on reducing the consumption of materials such as steel, silicon, aluminium and bischofite.



We advocate responsible water usage by promoting the adoption of approved alternative water sources to avoid depleting current supply.



We implement a **paperless policy** by promoting responsible use at our headquarters.

In projects where applicable, water from pits and chemical baths is collected by an **authorised waste management company**, which ensures its proper treatment and disposal. This requirement is mandatory for every EPC Contractor that we work with, and is verified during the aforementioned audits.

## Paperless office campaign

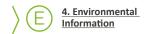


To fight against climate change and guarantee a net zero emission future, we have implemented some **paper consumption reduction initiatives** to align our people with this commitment. Some of these actions are:

- Avoid printing anything redundant.
- Always use recycled paper.
- Use email to send information.

Also, at our new offices some additional practices have already been implemented:

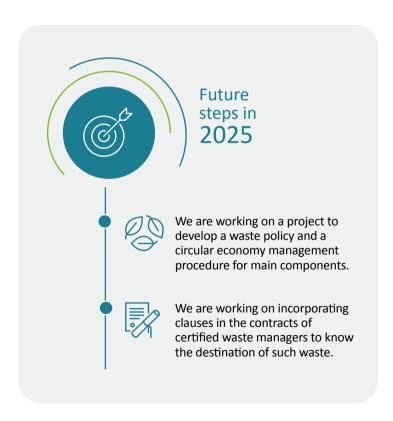
- Placing of recycling bins in the printing areas.
- Use of ipads instead of printed documents in Board meetings.
- Use of recycled paper for printing.



### **Collaboration with local governments**

We have partnered with the **Medina de las Torres town council** to enhance public spaces by installing urban materials like benches, litter bins, flowerpots and decorative letters displaying the town's name.

The initiative focuses on optimising the local environment, encouraging responsible waste management, and enhancing the overall aesthetic of the area, thereby fostering a greener, more sustainable community.



### Resource inflows and outflows (E5-4 and E5-5)

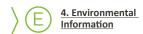
After establishing our general sustainability reporting procedure in 2022, we have concentrated on gathering data on our resource consumption. Our management team reviews this information to pinpoint areas of increased consumption and potential improvements in resource use at our facilities. Continued progress in this area is based on enhancing collaborations with stakeholders and fostering digitalisation and technological advancement.

### **Resource consumption**

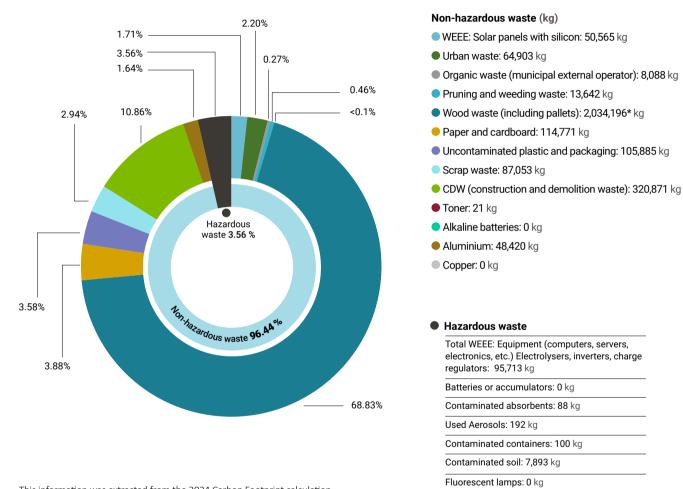
Category	2024	2023
Chemicals (applies according to technology) (L)	-	63.00
Cement/Concrete (kg)	4,568,821.82	3,194,066.86
Natural raw materials (earth rocks and quarry aggregates) (kg)	15,787,713.86	55,437,003.99
Metals (aluminium, bronze, wire, copper, steel, nickel, lead, etc.) (kg)	422,581.86	3,187,169.20
Plastic (kg)	45,366.44	19,518.56
Paper (kg)	9,332.46	3,282.78
Bischofite (kg)	4,067.43	5,539.26
Refrigerant Gas Recharge (kg)	-	9.00

This information was extracted from the 2024 Carbon Footprint calculation.





### Hazardous and non-hazardous waste



This information was extracted from the 2024 Carbon Footprint calculation.

- \* Additionally, the following data have been recorded:
  - Sanitary liquid effluents/septic tanks: 1,698 m³ (non-hazardous waste)
  - Used oil: 1,233 L (hazardous waste)

These data have not been included in the graph because of the different unit of measurement, which prevents comparability.

The waste generated by our operations is managed by a certified waste manager.

### Water (E3)

### Non-potable water irrigation (m³)

Country	2024	2023
US Chile	25,886.57	31,050.95
Chile	17,461.94	9,936.09
Mexico	1,760.00	9,831.28
Spain	3,030.00	6,158.35
Kuwait	0	1,741.46
Japan	0	13.20
Total	48,138.11	58,731.15

### Non-potable water (sanitary, etc.) (m³)

Country		2024	2023
US		42,248.45	313,706.63
Chile		28,242.62	106,019.75
Mexico		431.00	92,259.84
Australia		122.00	48,502.26
Kuwait		0	18,581.71
Italy		176.00	512.75
Japan		157.00	288.89
Spain	iš.	333.00	179.84
Brazil		3.00	0.47
Total		71,797.87	580,152.14

This information was extracted from the 2024 Carbon Footprint calculation.

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## Social Information

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- 5.2 Workers in the value chain /62
- 5.3 Affected communities /70



ESRS S1 - Own workforce

ESRS S2- Workers in the value chain

ESRS S3 - Affected communities

Our contribution to the 2030 Agenda





















## 5.1 Own workforce (S1)

## Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Following the materiality analysis, we have identified **fifteen material impacts, risks and opportunities** related to own workforce.



In terms of impacts, ten positive impacts have been identified as material, three related to promotion of employment and quality working conditions, two related to diversity and inclusion, two related to fostering talent, one related to flexibility working framework, one related to privacy and one related to participation and collective bargaining.



Regarding risks, we have identified three related to health and safety, fostering talent and privacy. Specifically, they refer to potential adverse events related to health and safety, highlighting the importance of robust risk management practices.



Finally, we have identified two material opportunities regarding fostering talent and diversity and inclusion. Specifically, these refer to efforts to strengthen career development and the notable representation of women in leadership roles.

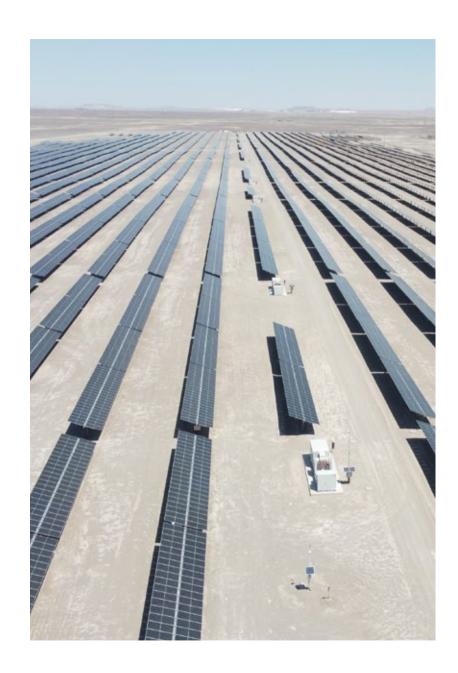


Positive impacts



Opportunities

We implement numerous initiatives to generate positive impacts on the entire workforce, such as wellness and health programmes, training, employee benefits and perks. More details on this issue can be found in the section "S1-4 of this chapter".





Our employees embody professionalism, dedication and a pursuit of continuous development. Their work performance and their commitment to sustainability and corporate goals defines their collective ethos across all countries and business units.

### Policies related to own workforce (S1-1)

### Health, Safety, Security and Environment Policy (HSSE)

Our HSSE policy involves a structured security system based on continuous **risk management**, focused on protecting people and assets. Its goal is **zero high risk incidents and zero lost days** due to workplace injuries. Therefore, we promote health and safety commitments through leadership engagement, workforce responsibility, risk prevention, measurable objectives and continuous training.

Further details on this policy are included in chapter "E1-2 Policies related to climate change mitigation and adaptation".

### **Stop Work Policy**

To improve the organisation and working conditions, we have developed our Stop Work Policy. It will be applied whenever there is a **perceived unsafe act or condition** that could pose a risk to the health and safety of workers, directly or indirectly employed, the environment or the general public.

The policy enhances awareness and understanding of safety among personnel, enabling them to **identify hazards** as early as possible. It also establishes a stop work when it is not possible to follow all **life-saving rules** and ensures that working conditions will be reassessed in cases of doubt or changing conditions, so they are suitable before activities are resumed.

Any situation requiring the application of this Stop Work Policy must be immediately reported to the X-ELIO project manager.

## Diversity Equity and Inclusion Policy (DEI)

Through our DEI Policy. our commitment is that **no** worker is discriminated against based on race, sex. gender identity and/or expression, age, disability, religion or any other basis. This policy **promotes equality** by providing equal growth opportunities, enhances innovation through diverse perspectives and improves employee engagement and retention. It includes inclusive hiring practices, and enforcement mechanisms.

## Discrimination and Harassment Policy

We are committed to maintaining a safe and respectful workplace environment for all employees. In this regard, we have developed the Discrimination & Harassment Policy, a comprehensive zerotolerance procedure for all forms of workplace violence, discrimination, harassment or "bullying" based on any personal criteria in the workplace.

This policy is readily accessible to all employees on our Intranet in English, Spanish, Italian, Japanese, and Portuguese, ensuring that every member of the organisation, regardless of their language preference, is aware of their rights and expected behaviour.

Any instances of harassment are investigated and addressed in accordance with this policy.

## Parental Leave Policy

We implement parental leave policies in line with the laws of each country in which we operate. However, in some regions, we have voluntarily extended benefits beyond legal requirements to gradually narrow the gap between maternity and paternity leave. This approach is designed to promote shared responsibility in caregiving and help mitigate structural bias, contributing to a more inclusive workplace culture.



### Processes for engaging with own workforce about impacts (S1-2)

To ensure meaningful employee engagement, it is essential to implement measures that foster a **positive and supportive workplace culture** that makes it easier for the employees to have a voice in the company. In this regard, we are committed to different initiatives aimed at enhancing **employee communication**.

We organised several activities and events to foster the **company's culture at a global level**, encouraging communication and strengthening relationships. The initiatives carried out included welcome gatherings, visits to PV plants and meeting points at HQ.

We also promote **horizontal communication** across the entire organisation through meetings that bring together people from all levels, including Country Managers and C-Suite. Breakfast activities, newsletters, Agora discussions, all-hands meetings, and periodically newsletters through internal channels such as corporate mail.

### We have established a series of processes and mechanisms to ensure continuous interaction, directly with our employees

We uphold the highest respect for **local labor frameworks—be national laws, collective bargaining agreements**, or enhanced mandatory standards. Across all the countries where we operate, we adapt our working conditions, accordingly, ensuring compliance while striving to uphold fair, responsible, and context-sensitive practices.

Furthermore, we guarantee that all our processes are aligned with the United Nations Universal Declaration of Human Rights, the International Labour Organization (ILO), and the United Nations Global Compact.

## Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)

We have grievance and complaint mechanisms in place so employees can voice their concerns and needs. We provide an **outsourced ethics channel**, which allows confidential reporting of discrimination and harassment incidents through written reports or toll-free calls. If an incident arises, **reports are investigated promptly and impartially**, and actions are taken based on the findings. These channels guarantee the whistleblower's confidentiality and are accessible to all personnel.

## Incidents, complaints and severe human rights impacts (S1-17)

In 2024, **no complaints** were made in relation to Human Rights violations.





# Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

We have a series of policies- mentioned in the section "Policies related to own employees (S1-1)" – that are intended to address actual impacts, mitigate potential future risks, and seize opportunities related to the company's own workforce.



Presented below are the measures implemented to strengthen the most relevant aspects related to own employees. Each material topic is addressed in detail, highlighting the associated impacts, potential risks and opportunities identified.



### **Creation of quality employment**

For a company like ours, creating quality employment is essential to attract and retain talent, foster a committed and skilled workforce, and ensure sustainable growth aligned with our values and long-term vision.

We have identified **three material impacts in terms of quality employment**: stability of own workforce due to the permanent employment model, existence of adequate salaries, a merit-based compensation system, and additional benefits and commitment to rejecting child and forced labour.

Key actions regarding these topics include:

- Predominance of **permanent contracts** and a variety of full-time and part-time contracts.
- We offer a range of benefits aimed at supporting our employees' physical, emotional, financial, and overall wellbeing. These may include flexible working arrangements to support work-life balance, medical, life and accident insurance, and other locally tailored programs. While offerings vary by country, personal preference, and length of service, each is structured to reflect both individual needs and local context.

More information

- Upholding a transparent, merit-based compensation system, which promotes **performance alongside DEI**.
- Channels to raise concerns regarding any irregular or fraudulent event or conduct that contravenes the Code of Ethics, compliance policies, or the law (child or forced labour, violence, harassment, etc.), as well as incident reporting and safe work practices.
- We are committed to the well-being of our employees, recognising that a healthy and supportive work environment is essential for both personal and professional growth. We promote a culture of well-being through initiatives that ensure safe, healthy, and environmentally-friendly working conditions. This includes continuous improvement of health and safety programmes, promotion of healthy lifestyles and fostering social connections among employees.





## Health and safety

To mitigate HSSE identified risks, we carry out the following key actions:

- HSSE training sessions and workshops to increase health and safety awareness.
- Agreement with an external occupational health and safety prevention company (Vitaly) to identify and control main and potential risks.
- Comprehensive incident investigation procedure to identify potential hazards and implement effective measures to minimise operational safety risks.

More information





### Flexible Working Framework

Flexibility has been a cornerstone of our culture, established well before the global shift to hybrid work. Our approach is designed to support individual needs while ensuring business performance and preserving the strength of our shared culture.

Key initiatives include:

- Flextime Menu: A set of adaptable scheduling options that employees can choose from, based on their role and responsibilities, allowing for greater personalisation of work routines.
- Flexible Start and End Times: Designed to accommodate international collaboration across time zones, providing employees with greater autonomy over their daily schedule.
- Flex Fridays: In some regions, employees can access extended flexibility at the end of the week, helping to promote work-life balance without compromising productivity.
- Hybrid Work Model: Employees can choose how they balance in-office and remote work, with a commitment to being in the office at least three days per week to foster connection and collaboration.

These flexible arrangements are the result of years of experience and continuous refinement. We remain committed to evolving them in ways that reflect employee needs while reinforcing the X-ELIO culture and maintaining operational excellence.



### Diversity, equity and inclusion

We have identified two material impacts regarding DEI, related to fostering a **respectful and inclusive environment** and establishing measures against workplace violence and harassment. These lines of action aim to ensure respect for diversity and an environment in which equality prevails:

Key actions include:

- We guarantee equality in employee recruitment through inclusive and respectful processes that focus solely on candidates' skills, experience, and potential, supported by interviewer training to ensure a fair and unbiased approach.
- Collaborating with leading organisations that are essential to fostering inclusive development.

These actions, aimed at promoting equality and diversity, reinforce the opportunity identified in the double materiality analysis regarding the percentage of women in leadership positions.

Also, we offer paternity leave in regions where the gap between maternity and paternity leave remains significant. Beyond meeting legal requirements.

More information



More information





### Fostering talent

Regarding talent attraction and development, we have identified two material positive impacts on effective **development** of skills and objective performance evaluation, both aimed at promoting training and education programmes to keep the workforce up to date with market requirements.

Key actions include:

- Providing employees with customised training approach, including technical specialisation and skills training.
- Tracking of employee progress through a Talent Grid tool, in order to assess and evaluate performance, experience, knowledge, growth potential and development needs.
- All employees are given the opportunity to apply internally and to be considered for available positions.





## Participation, representation and collective bargaining

We operate with respect for the legal frameworks of all the countries where we are present, always complying with the applicable **laws and collective bargaining** agreements, in many cases, meeting or even exceeding the standards they set.

- We ensure compliance and, in some cases, even exceed, the conditions set by the collective bargaining agreements applicable in each country.
- We ensure that all processes are aligned with the United Nations Universal Declaration of Human Rights, the International Labour Organization (ILO) and the United Nations Global Compact.





### **Privacy**

We have implemented an improvement plan to strengthen the **protection of our employees' personal data**, with the intention of reducing the risk related to cases of improper disclosure or loss of data.

We operate in strict compliance with data privacy regulations and are continuously working to enhance our **security frameworks** and protect the privacy of our employees. By implementing a number of procedures and mechanisms, we ensure that information is secure, and no improper loss of personal data occurs.

- Cybersecurity training courses for all employees to improve awareness and knowledge.
- **Privacy audits** to identify possible gaps by external companies.
- Prioritisation of key initiatives to strengthen information security and drive digitalisation across its operations.

Further information on this topic can be found in "Chapter 6.3 Information security and digital transformation".

All these measures have led to zero substantiated claims regarding breaches of privacy and loss of data.







### Health and safety (S1-14)

We operate within the framework of our HSSE policy, which applies to both **employees and all stakeholders**. Both receive **HSSE workshops** where occupational health and safety standards are shared and discussed.



## The health and safety training we provide includes:

- Occupational Health and Safety courses for risk identification, prevention and management.
- Training on preventive measures for remote work, in compliance with legal mandates.
- Specific equipment training, including basic life support and automated external defibrillator (AED) usage.

These training initiatives are a key component of our strategy to involve all stakeholders in upholding and enhancing our health and safety standards.

During 2024, all our employees received training sessions and workshops to increase HSSE awareness. At the end of the year, own workers were provided with 444 hours of Occupational Health and Safety training.

In this regard, we keep up to date with health and safety issues as follows:

- Corporative HSSE procedures and standards are reviewed on a regular basis to guarantee that they are comprehensive and robust enough to ensure that applicable requirements are covered and managed.
- Our HSSE team participates in all sessions in which HSSE awareness and discussions may be recommended, to ensure that stakeholders have the required knowledge for successful ISO IMS System implementation.
- We have software for the identification and verification of legal requirements, which is complemented with third party verification.
- Trends and analysis of HSSE events are also registered in a software program.

Additionally, we ensure the maintenance of our integrated management system certifications based on **ISO 45001**, **ISO 9001 and ISO 14001**.

Regarding impact remediation processes and channels to raise concerns, we have a partnership with an external **occupational health and safety prevention company** (Vitaly) that helps them to identify and control main and potential risks.

We have also designed a comprehensive incident investigation procedure to identify potential hazards and implement effective measures to minimise operational safety risks, as well as a suggestions box regarding improvements or requirements.

100% of our employees are covered by a health and safety management system based on legal requirements.



In 2024, we maintained the certification in accordance with ISO 45001:2018 "Occupational health and safety management systems".





Training hours on Occupational Health and Safety	Men	Women
< 30 years old	69 h	35 h
Between 30-50 years old	112 h	152 h
> 50 years old	44 h	22 h

Occupational accidents	Men	Women
Number of cases of recordable work-related ill health detected among former own workers	0	0
Number of occupational accidents occurring in the reporting period	0	0
Number of fatalities as result of work-related injuries and work-related illness	0	0
Accident frequency rate	0	0
Accident severity rate	0	0

Sick leave and absences	Men	Women
Number of sick days due to occupational disease during the reporting year	0	0
Number of days lost to work-related injuries and fatalities from work-related accidents and work-related ill health	0	0



### Working conditions

### Flexible working framework (\$1-15)

We rely on a **hybrid system**. It consists of 3 days in the office and 2 days remote, plus 2 fully remote weeks and 1 voluntary local or international work week per year at company offices where we have a presence. Although implementation may differ across countries, we are continuously working to harmonise these practices in accordance with **local legislation**.

Furthermore, all employees are entitled to family-related leave through social policy and collective bargaining agreements. In this regard, in 2024, 4 women and 4 men were entitled to maternity and paternity leave.

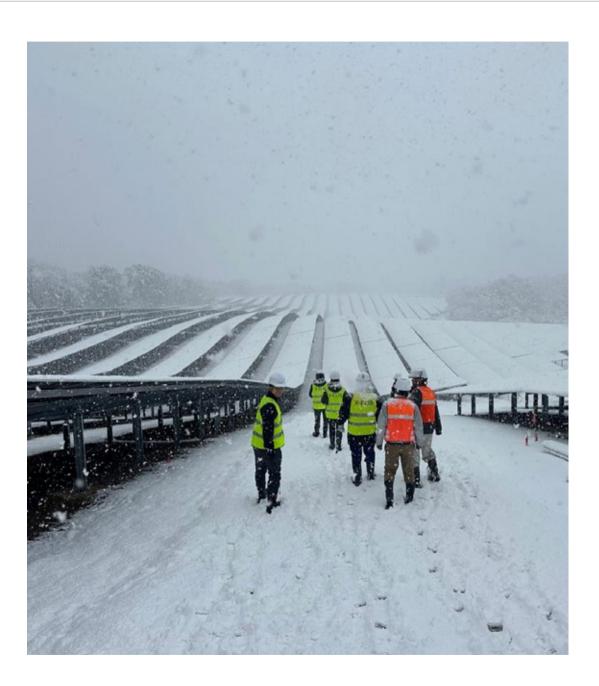
Additionally, we offer related benefits in order to create an inclusive, supportive environment for employees to develop their professional career. This list of initiatives includes childcare, life insurance, accident insurance, pension plans, medical insurance and retirement provision, although they might vary depending on the country and each employee's needs.

### **Remuneration** (S1-16)

We are fully committed to upholding a transparent, **merit-based compensation system** that promotes performance alongside DEI. This approach entails market-driven compensation reviews, ensuring packages are competitive and equitable through annual evaluations.

In this regard, we have developed a **bespoke performance and salary review tool**, strategically enhancing our information system capabilities through:

- ▶ Empowerment and ownership, empowering managers and team members by offering increased ownership of the process, providing superior visibility, tracking capabilities and real-time insights.
- ➤ Centralised digital framework, which serves as a **centralised hub** that consolidates all relevant information within a digital platform and helps monitor progress and facilitates easier tracking of changes.
- ➤ Transparent **feedback** and suggestions repository, which helps evolve the review process and supports well-informed decision-making.







### Training and skills development (\$1-13)

We foster our talent potential by providing employees with tools and methodologies tailored to nurture both their professional growth, as well as the collective progress of the company as a whole.

This customised training approach, tailored to each employee's specific needs, allows us to address challenges. Furthermore, it enables us to position ourselves as an **industry benchmark**, in terms of well-trained professionals with **technical knowledge**.

This training process focuses on:

- Technical specialisation in the workplace and knowledge development.
- Development and growth of our employees through skills training.

During 2024, employees completed 6,999 hours of training, 3.7% more than the previous year.

### **Leadership Development Programmes**

- **Evolve Programme:** tailored to each stage of an employee's professional career in X-ELIO, from entry level to strategic management. It helps develop key leadership skills aligned with our values.
- Expand Leadership and Development Programme: focused on strengthening and broadening an employee's general management skills to improve their leadership effectiveness.
- Emerge Leadership Development Programme: designed to help gain a deeper insight into the strengths and development areas of employees with high potential to become leaders.

### **Onboarding Programme**

We have an **onboarding programme** designed to ensure that new hires are immersed in corporate values and essential training in health, safety and compliance. Additionally, the Buddy programme pairs new hires with organisational mentors to support their integration and help them become familiar with our culture and processes.

### **Induction Day**

In 2024, we promoted **Induction Day**, a full-day experience designed to help new employees integrate into X-ELIO. These sessions, which are held at the headquarters once per quarter, provide an opportunity to connect with colleagues, gain insights into our culture, values and mission, and learn about the renewable energy industry.

### **Training programmes**

- HSSE, Cybersecurity and Compliance training: We offer ongoing courses that increase employee awareness in occupational health and safety to promptly identify hazards, in order to avoid any possible risk or accident at work. We also provide training in cybersecurity and compliance to promote our culture and best practices.
- **ESG training:** the ESG department holds informative sessions for the executive team, employees across the organisation and EPCs who are either affected by or have an impact on our sustainability development.
- **Brown Bag sessions:** technical sector training sessions that provide a platform in which our employees can share their knowledge and experiences and learn new skills, as well as network with colleagues, and promote innovation.
- **English courses:** aiming to enhance employee skills and better communication between teams and different markets.



### Diversity, Equity and Inclusion (DEI)

We foster a diverse environment that enables people to develop their potential. For this, we have rolled out several initiatives aimed at promoting a workplace where everyone feels **valued**, **respected and empowered** to bring their unique perspectives and skills.

Besides the DEI Policy, we implement a series of **initiatives to comply with diversity at all levels**, embracing different backgrounds, experiences and ideas. As well as prioritising equity and inclusion, we create a collaborative environment that enables people to develop their potential.

**45% of our employees are women**, in line with our commitment to fostering a diverse, equitable and inclusive workplace. Regarding gender distribution at senior management level, 40% of those professionals are women. This milestone reflects our commitment to promoting equal opportunities.

In 2024, we acknowledged the results of our commitment to diversity and inclusion with women comprising 45% of our global workforce, and 52% at our headquarters.

### **Diversity, Equity and Inclusion measures**

At X-ELIO, we believe that diversity, equity and inclusion are fundamental to building a fair, high-performing and innovative workplace.

### **Diversity and Inclusion Committee**

- **DEI Committee**: We have established a Committee to uphold and promote DEI across the organisation. Its responsibilities include monitoring our progress on key priorities—such as reducing the gender pay gap and increasing diverse representation—while ensuring compliance and embedding inclusive practices across our operations. DEI targets are linked to the variable compensation of senior management, reflecting our commitment at the highest level.
- Data-Driven Action: The DEI Committee meets quarterly to review workforce data, assess hiring patterns, and proactively identify potential biases. These insights inform our decision-making across recruitment, promotions, and compensation.
- Recruitment Supplier Engagement: We extend our DEI expectations to our value chain, evaluating the diversity measures of suppliers as part of our procurement processes.

### Inclusion and accessibility

We work to ensure that inclusion and accessibility are not only values but practical realities.

- We collaborate with leading organisations that promote inclusive development and provide expertise on accessibility.
- In 2024, our workforce included an employee with a recognised disability (S1-12).
- We promote both physical and digital accessibility, including barrier-free workspaces and flexible remote work options, ensuring all employees can engage meaningfully with their work environment.

### Parental Leave Policy

Our Parental Leave Policy is designed to go beyond compliance with local regulations, particularly in regions where gaps between maternity and paternity leave remain pronounced.

- We offer enhanced paternity leave to support early caregiving involvement and foster a culture of shared responsibility.
- We actively encourage all parents to take their leave—recognising the broader impact this has on reducing bias and promoting gender equity.
- In 2024, parental leave was taken by four women and four men (S1-15), reflecting our commitment to balanced participation.



### Gender pay gap (S1-16)

Narrowing the gender pay gap is a key objective in our broader DEI strategy.

- During annual salary reviews, we make targeted adjustments based on DEI data compiled by our committee.
- Our performance-based compensation model evaluates both goal achievement and alignment with our values.
- Promotions and compensation decisions are guided by equity principles, aiming to ensure fairness across all levels of the organisation (S1-16).

### Ethics and accountability

We maintain robust mechanisms to uphold ethics, transparency, and accountability throughout the organisation.

- In 2024, we received one report through our ethics channel concerning inappropriate workplace behaviour. After due review, the concern was not substantiated (S1-17).
- All hiring decisions require CEO approval. The approval process includes a summary of the gender breakdown of new hires for the current year, ensuring oversight and accountability.
- During tenders for external providers, we request information on their diversity measures and inclusive recruitment practices as part of our responsible sourcing approach.

### **DEI** collaborations

### **Inclusive Development Activities**

Our commitment to DEI continued in 2024 by supporting an equal employment organisation. Under this agreement, a series of diversity, equity and inclusion activities are carried out, as well as the integration of people with disabilities.

We place great importance on integrating **people with disabilities** into the workforce, as we strive to create an environment where every individual, regardless of ability, can thrive and contribute meaningfully to our collective success.





### Fostering talent

Talent is the cornerstone of a business's success. A company's capacity to attract and cultivate innovative, collaborative, and sustainability-focused talent shapes its long-term growth and competitive advantage.

To this end, we support our employees' professional development by providing the tools needed to align with our vision, mission, and purpose. Our goal is to drive progress in a highly competitive industry through the following objectives:



We foster a culture of growth grounded in meritocracy, where talent is developed through opportunity, and individuals grow alongside the company.



We promote training and professional development programs that empower employees to grow and advance their careers.



Encourage an innovative, agile and collaborative culture that nurtures talent. We place culture at the core of our organisation by aligning our bonus system with our values.

This culture has enabled us to **attract skilled talent**. We are continually seeking accountable and proactive individuals. The excellence we pursue not only enhances our operations, but also strengthens the ability to retain the best talent in the industry.

#### COMMUNICATION

Share information with the right people at the right time, clarify roles, responsibilities and expectations to meet needs.

#### **ACCOUNTABILITY**

Give your best, with our global interests in mind and taking full responsibility for your actions and decisions.



Work to understand the needs and expectations of employees and other stakeholders from a continuous learning perspective.

#### **DIVERSITY AND TEAMWORK**

Care about the people behind the professionals; appreciate, accept and celebrate diversity and differences, and harness everyone's strengths. Observe our Compliance Policy, being consistent with what you say and do, managing the company's information in a responsible manner.



## Strengthen the sense of belonging and alignment with corporate values through social action



Throughout the year, activities are organised to make a positive impact and contribute to the **well-being of the communities** in all the territories where we operate. These include solidarity raffles and tournaments, food bank collaboration, solidarity cap collection and Red Cross collaboration, family day, breakfast with leaders, welcome drinks, and positive milestone videos.

## Promoting sustainability as a cross-cutting value in the company



We foster a sustainable work office, implementing practices that prioritise environmental responsibility and **employee well-being**. Our Sustainable Mobility programme, reforestation with volunteers and the installation of electric car chargers in the facilities, are some of the measures implemented.

Our team collaborated with participants from **social integration** and gardening workshops in Madrid to carry out an inclusive reforestation initiative. Together, we planted 60 trees, sowing the seeds of a greener and more inclusive future.

### Fair and inclusive recruitment

We are committed to equality of opportunity throughout the recruitment process, ensuring that hiring is ethical, transparent, and merit-based—regardless of gender, age, race, religion, or background. Our recruitment practices are aligned with leading international frameworks, including the UN Universal Declaration of Human Rights, the ILO Conventions, and the UN Global Compact.

- Talent Acquisition Protocol: Hiring managers
  receive regular training to support fair and unbiased
  recruitment practices. Each process is accompanied
  by HR business partners who help ensure decisions
  are consistent with our equity standards.
- **Bias-Reduction Tools:** We complement human-led processes with recruitment software designed to support objectivity and reduce unconscious bias.
- Internal Mobility: All job openings are shared internally, giving employees visibility and equal opportunity to apply for roles across the organisation.
- Ethical Standards in Provider Selection: When engaging external recruitment partners, we assess their approach to inclusive hiring and give preference to those with demonstrated diversity commitments.

### **Talent review and development**

Our talent management framework is designed to support growth, reward performance, and promote internal mobility through a structured and transparent review process. We use a collaborative tool to define and track KPIs. Additionally we run yearly organisational talent assessments. This process enables managers and the People and Culture to jointly assess:

- Performance against objectives of individuals
- Skills and experience
- Growth potential and development needs

The annual performance review cycle includes two core processes:



#### **Performance Review:** a

two-way dialogue between employees and managers to assess progress, align expectations, and review development.



Self-Assessment: employees are encouraged to reflect on their achievements and identify areas for improvement, fostering ownership of their growth and facilitating more targeted feedback from supervisors.

Benefits of our individual and organisational **talent review** processes include:

- ▶ Strengthening meritocracy and career advancement
- ▶ Informing our workforce planning strategy for the following year
- Supporting organisational growth and capability building

### Acknowledgements of our top talent

We highlight our employees' achievements through internal communication channels. This approach allows the entire organisation to recognise the accomplishments of other colleagues, inspire those who are doing great things, and show the direction in which we are headed.



### Own workforce metrics in 2024

### **Characteristics of own workforce** (S1-6, S1-7)



According to the **International Energy Agency** (IEA), only one in five positions in the energy sector is held by women. In the case of renewable energy, the situation improves slightly, with female participation at 32%.<sup>1</sup>

 International Renewable Energy Agency (IRENA). (2024). Renewable energy and jobs: Annual review 2024. Produced in collaboration with the International Labour Organization (ILO), this eleventh edition provides global data and insights on employment trends in the renewable energy sector.

	_ ~~	764
X-ELIO employees by age group	Men	Women
<30 years old	25	23
Between 30-50 years old	94	84
>50 years old	22	10

Total staff by professional category	Men	Women
Senior management*	8	5
Middle management	87	54
Professionals	46	58

Total staff by type of contract	Men	Women
Permanent	139	116
Temporary	2	1

Total staff by country		Men	Women
United States of America		17	6
Mexico		12	5
Chile	4	3	1
Spain	199	81	88
South Africa	<b>&gt;</b>	0	1
Italy		10	8
Japan	•	8	4
Australia		9	4
Brazil		1	0

<sup>\*</sup>Senior management level consists of the C-Suite and X-ELIO's Country Managers.

### **Collective agreement** (S1-8)





Employees covered by collective agreement	Men	Women
Total percentage of employees covered by collective agreements during the reporting year	65%	82%





### Training (S1-13)

Hours of training by gender	Men	Women
Total hours of training	3,487.25	3,511.50

Hours of training by age	Men	Women
< 30 years old	704.75	910.50
Between 30-50 years old	2,125.25	2,320.50
> 50 years old	657.25	280.50

Hours of training by professional category	Men	Women
Senior management*	1,091.75	1,640.25
Middle management	2,067.25	1,794
Professionals	77.25	328.25

<sup>\*</sup>Senior management level consists of the C-Suite and X-ELIO's Country Managers.

### **Diversity, Equity and Inclusion** (S1-9, S1-15, S1-16)

## Women in management positions Percentage (%) of women overall Women in C-Suite 33% Women in corporate management positions 40% Women in country management positions 50%

### Maternity/paternity leave

	_ 💂	Q
Indicator	Men	Women
Employees who have been entitled to paternity and maternity leave	4	4
Employees who have taken maternity/ paternity leave	4	4

Indicator	Men	Women
Percentage of employees entitled to take family-related leave	100%	100%
Percentage of employees entitled to family-related leave through social policy and/or collective bargaining agreements	100%	100%



## 5.2. Workers in the value chain (S2)

## Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Following the materiality analysis, we have identified **one material positive impact**, three risks and two opportunities related to the value chain workforce.



### **Positive impacts**

 Measures to protect the privacy and personal data of value chain workforce

No negative impacts have been identified.



### Risks

- Lack of monitoring or awareness of working conditions of value chain workers.
- Failure to ensure Human Rights compliance throughout the value chain.
- Cases of improper disclosure or loss of personal data of value chain workforce.



### **Opportunities**

- Raising awareness among the value chain of adequate working conditions.
- Availability of channels through which to report and correctly manage violence and harassment in the workplace.



In this regard, we implement numerous initiatives to generate positive impacts and prevent negative impacts on the value chain workforce, such as health and safety measures and training programmes, due diligences or channels to raise concerns, further described in S2-4.



### Policies related to workers in the value chain (S2-1)

### X-ELIO's Vendor Sustainable Code of Conduct

Through the Vendor Sustainable Code of Conduct we raise awareness and provide guidelines to anyone that provides goods or services directly or indirectly.

This policy includes **guidelines** on environmental, operation and business continuity, legal compliance and governance, and social and labour practices. The latter focuses on the **protection of Human Rights** throughout the value chain, following international guidelines and alignment with our Human Rights Policy, among others.

### Health, Safety, Security and Environment Policy (HSSE)

Our HSSE Policy covers workers in the value chain. We provide all stakeholders with **HSSE workshops**, in which occupational health and safety standards are shared and discussed.

### **Procurement policy**

The procurement policy states a commitment to the **responsible control and management** of the value chain, which establishes strategic priorities for sustainable procurement, such as:

- Extending sustainable and responsible performance to the value chain.
- Building long term relationships based on trust.
- Fostering diversity among our partners, seeking best practices in the market.
- Developing best practices in all countries where we operate.

### Our Human Rights Policy

We are committed to the well-being of all workers in the value chain. Our Human Rights Policy is aligned with the standards of the International Labour Organization (ILO), the United Nations (UN), and the Organization for Economic Co-operation and Development (OECD) principles, such as:

- Respect the right to **freedom of association** unless restricted under local law, without fear of discrimination or reprisal.
- Provide a workplace **free of discrimination or harassment** based on gender, age, disability, culture, ethnicity, religion, sexual orientation, or any other basis prohibited by applicable law.
- Adhere to **all laws on child labour** (set by the International Labour Organization), forced or bonded labour, labour exploitation, fair wages, overtime pay, minimum wage policies, and the provision of benefits, among other basic workers' rights.
- Provide a **safe and secure workplace** for all employees that complies with applicable health and safety laws, regulations and practices.

### **Stop Work Policy**

We ensure that the Stop Work Policy, described on page 60, applies to all workers in our value chain, so that it is implemented whenever there is a perceived **unsafe act** or condition that could pose a risk to worker health and safety.



### Health and safety in the value chain

We ensure that health and safety values are also addressed throughout our value chain, from **project development to operations and maintenance**. This commitment extends beyond employees to contractors, suppliers and local communities involved in all operations, to ensure compliance with **regulatory requirements**, as well as promote basic human rights.

As part of our integrated management system, we implement a Contractor Management Procedure. This procedure allows us to assess the **alignment of contractors' management systems** with our own standards before the start of a project. By identifying and addressing any deviations from health and safety requirements early on, we ensure the mitigation of potential risks.

Furthermore, we ensure compliance with health and safety legislation by collaborating with a **third party**, which monitors occupational health and safety throughout all operational phases of projects across countries where we operate.

These partnerships help guarantee adherence to applicable **health and safety standards**, and regulations, while enabling continuous oversight of contractors' teams during project execution through:

- ▶ Identifying and assessing risks inherent to the job description at both offices and project sites.
- Identifying and assessing workplace risks.
- ► Establishing preventive and emergency measures to control, eliminate and/or mitigate risks.
- ▶ Identifying potential adaptation of job positions when these are held by vulnerable personnel.

We are committed to implementing the required measures to ensure safe and healthy working conditions, with the aim of preventing and managing **occupational hazards** across all operations.

If places where personnel are expected to be required other physical security measures, these will be assessed particularly and implemented.

In terms of non-employee training, EPC contractors and Operator representatives are **taught regularly on HSSE** through different workshops. These initiatives are continuously strengthened with the inclusion of new key topics for us.







### Responsible value chain (S2-2)

### **ESG** Due Diligence

We strive to maintain the highest standards of social, environmental, and governance (ESG) responsibility, integrating these values into our strategy, daily operations, and supplier relationships. To select the most compatible partners, we have refined our **ESG Due Diligence process**, structured into six essential steps:























### **New supplier registration**

All new suppliers, whether they have gone through a tender process or have been selected directly, must complete the registration process on an **internal platform**. Here they must provide basic information about the company.

#### **Risk Assessment**

All suppliers, except those included under the third-party review protocol, are required to complete a **questionnaire** to enable the compliance team to assess the associated risk level.

#### Classification

To facilitate data collection and analysis, suppliers are classified into three different groups, depending on turnover, country, product type and other factors (further details in the "Suppliers' classification" table).

### **Due Diligence**

Suppliers are also required to complete a certain number of **questionnaires** about their activity and provide evidence to verify their answers.

### **Evaluation and rating**

All the data provided by suppliers will be analysed and **scored by our internal team** or, if applicable, the external tool.

### Final decision and monitoring

After the analysis, we decide whether to continue with this supplier or look for an alternative. If we continue with them, the supplier's activity will continue to be **monitored** to ensure that it meets our standards.

The due diligence process includes questions related to the promotion of diversity and equity, the commitment to human rights through policies and public engagement, accurate working conditions, environmental policies, management systems, and good governance policies and practices.



### Suppliers' classification

### **CATEGORY A**

- Main suppliers, such as EPC contractors, main material suppliers, and suppliers based in high risk countries.
- They are required to provide data and complete an extensive and in detail Due Diligence process on our external tool.
- Their performance and status are evaluated by an external party in regard to ESG, HSSE, financial, compliance and cybersecurity topics.
- To facilitate the understanding of the analysis, the external tool provides different scores and ratings.

### **CATEGORY B**

- Suppliers with whom we invoice more than €200,000.
- They must complete a Due Diligence process on our internal platform.
- They are asked financial, HSSE, quality management, IT and ESG related questions.
- Our internal teams evaluate their forms and evidence in order to rate how suitable they are to work with.

### **CATEGORY C**

- Suppliers not included in categories A and B and suppliers with whom we invoice less than €200,000.
- They are required to complete a **Basic Due Diligence** process.
- They are asked financial, HSSE, quality management, IT and ESG related questions. However, they are fewer than in Category B and it requires only yes and no answers.



During 2025 and beyond, our aim is to:

- **1. Communicate proactively** with suppliers through internal tools, continue to raise awareness of the importance of being up to date on ESG and provide guidelines for improvements.
- 2. Conduct in-depth assessments of the following stages in the value chain, through on-site audits.



### Channels for value chain workers to raise concerns (S2-3)

We provide all employees, and anyone subject to our policies, including third parties, with a secure and confidential channel. This <a href="Ethics Channel">Ethics Channel</a> allows individuals to report, either in their **own name or anonymously**, any unusual or fraudulent circumstance or conduct that contravenes the Code of Ethics and Business Conduct, any of our compliance policies, or the law. Due to their importance, communications received through the Ethics Channel are fully reported to the members of the Board, in accordance with the **Ethics Channel Management Protocol.** 

For incident reporting and safe work practices, we provide a suggestions box, regular HSSE training sessions and **HSSE Technical Committees** with members from construction, operations and maintenance. These committees serve as a bridge between contractors and the company.

Through these tools, the contractor's personnel can **report** project incidents, as well as identify unsafe acts or conditions which, if left unaddressed, could lead to undesirable consequences.





## Description of the processes to identify and assess material workers in the value chain related impacts, risks and opportunities (S2-4)

We have a **series of policies**- mentioned in the section "Policies related to workers in the value chain (S2-1)" that are intended to address actual impacts, mitigate potential future risks, and seize opportunities related to the value chain workforce. These policies include:

- Health, Safety, Security and Environment Policy (HSSE)
- Procurement policy
- X-ELIO's Vendor Sustainable Code of Conduct
- Our Human Rights Policy
- Stop Work Policy

We implemented the following measures to strengthen the most relevant aspects related to our value chain workforce. Each material topic is addressed in detail, highlighting the associated impacts, potential risks and opportunities identified.

### Working conditions of workers in the value chain

We have identified two risks related to **lack of monitoring or awareness** of the working conditions and failure to ensure Human Rights compliance across the value chain.

- Health, Safety, Security and Environment Policy (HSSE) to ensure that safety values and HSSE training are addressed.
- Stop Work Policy, to be used whenever an unsafe act is perceived.
- We ensure that all partners in the value chain observe the Human Rights Policy and we carry out Due Diligence with questions on this topic.

We have also identified an **awareness-raising opportunity in the value chain** regarding adequate working conditions.

All of the above-mentioned measures positively impact the opportunity identified in the double materiality.

### Equal treatment and opportunities for workers in the value chain

Our double materiality analysis identified an **equal treatment opportunity** and opportunities for value chain workers: availability of channels through which to report and correctly manage violence and harassment in the workplace.

We provide all value chain workers with different channels to raise concerns, such as the Ethics Channel and a suggestions box.

### **Privacy**

A positive impact has been identified regarding measures to **protect privacy and personal data**, as well as a risk related to cases of improper disclosure or loss of personal data of the value chain workforce.

We operate in strict compliance with data privacy regulations and are continuously working to enhance our **security frameworks** and protect the privacy of our employees. By implementing a number of procedures and mechanisms, we ensure that information is secure, and no improper loss of personal data occurs.

- Cybersecurity training courses for all employees to improve awareness and knowledge.
- Privacy audits to identify possible gaps by external companies.
- Prioritisation of key initiatives to strengthen information security and drive digitalisation across its operations.

Further information on this topic can be found in "Chapter 6.3 Information security and digital transformation".



### Metrics of the workers in the value chain



### **Occupational accidents**

Indicator	2024
Number of occupational accidents occurring in the reporting period	40
Number of fatalities as result of work-related injuries and work-related illness	0
Accident frequency rate	4.77
Accident severity rate	0.06

### Sick leave and absences

Indicator	2024
Number of days lost to work-related injuries and fatalities from work-related accidents and work-related ill health	140





## 5.3. Affected communities (S3)

# Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

All **material impacts on affected communities are positive** and are associated with the economic and social effects on these communities, including:



- Promotion of social projects to foster positive impacts in local communities.
- Economic contributions to the local councils of the communities where we operate.
- Active listening to and consideration of the opinions and needs of affected communities.

Policies, a specific engagement process, and Community Plan Actions are among the numerous initiatives to generate positive impacts on affected communities. More details on this topic can be found in Section "S3-4" of this chapter.

### Policies related to affected communities (S3-1)

### Community Plan procedure

The objective of our Community Plan Procedure is to foster enduring, **meaningful relationships** across all regions of our operations. This procedure establishes a standardised framework and provides comprehensive guidelines to ensure the implementation of sustainable, inclusive, equitable, and impactful initiatives.

All activities, professional interactions, and contributions involving public authorities, communities, or private entities under the Community Plan must strictly adhere to all **applicable global, regional, and corporate laws and regulations**. Compliance is required, including but not limited to, the following standards:

- The Human Rights Policy
- The Sustainability Policy
- X-ELIO's Code of Ethics and Business Conduct and Compliance Policies
- HSSE Policy (Health, Safety, Security and Environment)
- Our corporate values and the principles of good governance, transparency, ethical conduct and fairness
- Third-Party Due Diligence Protocol
- The Donations & Sponsorship Policy
- The Anti-Corruption Policy
- The Biodiversity Policy
- Conflict of Interest Policy
- Best Practices Guide for Interactions with Public Officials
- Non-Discrimination and Anti-Harassment Policy
- X-ELIO's Social Contributions Protocol
- Diversity and Inclusion Policy





### **Human Rights Policy**

This applies to the company, its subsidiaries and all stakeholders, both internal and external. This includes agents, subcontractors, customers, suppliers and any other third party with whom we have a commercial or operational relationship.

In our commitment to respecting and promoting human rights, as well as identifying and preventing potential violations, we implement the following measures:

- **Mitigation:** preventing or mitigating adverse human rights impacts that are directly linked to our operations, products or services through our business relationships.
- Raising awareness: promoting a human rights culture among internal and external stakeholders.
- **Due diligence:** including human rights principles in the ESG due diligence process, to identify, prevent, mitigate and assess potential risks.
- **Communication:** though a public and open channel in case of concern or awareness of potential violation of human rights.
- **Reporting:** monitoring and recording grievances raised or reported and actions taken to address them.

Any concerns or observations regarding potential violations of universally recognized human rights or breaches of our Human Rights Policy during the course of our business activities may be promptly reported through our dedicated Ethics Channel or by emailing <a href="mailto:sustainability@x-elio.com">sustainability@x-elio.com</a>.

Anyone who fails to comply with this policy may be subject to disciplinary action, including dismissal for misconduct. We also reserve the right to terminate our relationship with any individual or organisations that breach any contractual clauses related to this policy.

### Alignment with international standards

In addition to complying with all applicable regulations in each region where we operate, the Community Plan Programme integrates a strong commitment ensuring that our operations respect and uphold human rights in affected communities.

### Our **Human Rights Policy** is aligned with **international standards**:



- ► Applicable national and international legislation in countries where we operate.
- ► The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
- ► The OECD Guidelines for Multinational Enterprises on responsible business conduct.
- ► The United Nations (UN) Guiding Principles on Business and Humans Rights.
- ▶ The UN Universal Declaration of Human Rights (UDHR).

No incidents related to human rights violations occurred during 2024.



### Processes for engaging with affected communities about impacts (S3-2)

### **Engagement with affected communities**

One of our primary objectives is to create lasting value for the communities that we impact. This **engagement process** is essential not only for the development of these communities, but also for the company and the successful execution of projects:

• Through this engagement process, we strengthen our **reputation** as a stakeholder committed to social and environmental well-being.



- By addressing community concerns and needs in a transparent and proactive manner, we intend to reduce the risk of conflicts, which contributes to operational stability and long-term project success.
- By investing in renewable energy education and training programmes, we not only contribute to the development of skilled local talent, but also improve their access to local employment and boost socioeconomic development.

Before a project begins, we ensure that communities are actively engaged throughout the process, from initial assessment to development. We maintain open and direct communication channels to listen to their concerns and adapt solutions to the specific needs of each context. This approach allows us to anticipate potential challenges and address them proactively and effectively.

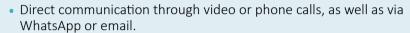
All projects within this programme must adhere to the following guiding principles:

- Actions are compulsory for every project and every location where we operate.
- All actions are tailored and specific to suit the community.
- All actions should fall under the umbrella of one of the programme pillars: education, health, communities and environment.
- We prioritise local employment and suppliers.

Examples of how we engage with communities are provided in the table below.

### How engagement is organised

Face-to-face meetings.





- On-site visits to the area and its surroundings.
- Meetings with the different parties involved and the beneficiaries.
- Email addresses and direct contacts of the local councils as grievance mechanisms.

### **Purpose of engagements**

- Addressing community concerns, questions and feedback.
- Building trust and relationships with local stakeholders affected by renewable energy projects.
- Reducing risk of conflicts, strengthening operational stability and ensuring the longterm success of our projects.

### **Examples of outcomes from the engagements**

- · Design of tailored community benefits and projects.
- Support of local projects for job creation, education, economic development and environmental preservation.







#### **Engagement stages**

We foster **direct communications** with the local community, ensuring transparency, addressing concerns and building a relationship with communities. The **Community Plan** team follows these steps to ensure that the process is carried out appropriately:

- **Community Investigation & Analysis:** Stakeholders, organisations and main actors involved in the project are identified. We also carry out on-site visits to the area and its surroundings where we meet the parties and beneficiaries and involve them from the beginning.
- **Direct dialogue and communication:** When major concerns are raised by the stakeholders and their urgency and relevance have been established, the first step is a face-to-face meeting, as our goal is always close and personalised communication.
- **Action Proposal:** The Community Plan team creates a specific proposal tailored to the community's needs and shares it with all stakeholders.
- **Discussions, Development & Implementation:** After several discussions with the community, an action is chosen, developed and implemented by the Community Plan team.
- **Follow up, Plan Report and Communication:** Once the action is developed and implemented, the Community Plan team holds follow-up sessions and keeps track of the actions implemented through reporting and communications.

The objective is twofold: to **assess the need for action** and, above all, to emphasise our commitment to being more than just a company by being seen as just another neighbour, involved in the well-being of the community.

#### Internal roles and responsibilities

We have defined key roles to ensure the effective approach of this procedure:

- **Community Plan Specialist and Community Plan Sr. Manager:** Leads the design and implementation of Community Plan initiatives.
- **Community Plan Administrator:** Handles the administrative tasks of the Community Plan.
- **Community Plan C-Suite Representative:** Ensures strategic alignment and high-level decision-making for the Community Plan.
- **Country Manager:** Manages the local implementation of the Community Plan, ensuring alignment with regional needs.

Throughout the stages of a project, different departments are involved and any employee can propose a **Community Plan Action**. However, the Community Plan Manager and Community Plan Specialist will be ultimately responsible for implementing the Community Plan throughout the life of the project.

Although Community Plan actions are almost always decided internally, in the case of a Fund the action might be **proposed by communities**.



# Processes to remediate negative impacts and channels for affected communities to raise concerns (S3-3)

Community feelings are always at the core of our actions. Challenges may arise, we remain committed to community understanding, prioritising open communication and making ourselves available to address any concerns.

In all projects we focus on **community consultation and involvement** from the very beginning, with the intention to hear concerns that might arise, and provide tailored solutions for each situation.

Among the resources designed to address these challenges are communication strategies, stakeholder meetings and **impact mitigation plans**. We also provide an email address on our website, as well as direct contact for local councils and principal representatives, enabling them to share their doubts and any negative comments.





## Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions (S3-4)

All the material impacts identified in the double materiality analysis concerning affected communities are positive. We implement a range of measures to strengthen our most relevant socio-economic impact on these communities.

As stated in section "Policies related to affected communities (S3-1)", we have a range of policies in place aimed at ensuring compliance of our third parties with applicable laws and regulations.

We identify those communities that may be affected by our operations by analysing the surrounding area of each project, as well as the upstream and downstream value chain. As affected communities can vary depending on the location, we tailor our actions to meet the specific needs of each area by working closely with local associations and the local population.

In this regard, we undertake two types of actions as part of this community engagement effort:

#### **Value Actions**

These actions have a regional scope and are not linked to a specific project. They focus on **developing the broader areas** where we have one or a group of projects and are long-term oriented.

#### **Local Actions**

These actions have a local focus and are related to communities directly involved by our projects due to their proximity. They tend to be **short term** and one-off actions.

This dual approach allows us to address the needs of each community while also considering the broader regional impacts of its operations.





Each initiative undertaken must align with, at least, one of the following pillars, as part of our commitment to sustainable development:









#### Education

Actions that support educational development at all levels

**Learning:** visits to solar projects, sustainable interactive workshops, scholarships, research centres.

**Professional local training:** certified courses on photovoltaic installation and maintenance and occupational risk prevention.

Financing of research projects and innovation hubs

#### **Environment**

Actions that focus on the preservation and improvement of our ecosystem

**Smart town actions:** installation of solar panels on public building rooftops, energy efficiency actions and electric car chargers.

**Flora and Fauna:** conservation actions, repopulation, environmental improvement, vegetation islands and beekeeping.

#### Health

Actions that target a healthy and sustainable lifestyle

**Healthy lifestyle:** sponsorship of local sports teams with social goals, healthy food and nutrition courses, rehabilitation and/or maintenance of natural spaces.

**Aid in extreme events:** donation of materials to food banks and health and community centres.

#### Communities

Actions to achieve an ecofriendly way of living in the community

**Communal living:** local agricultural and ecological network, adaptation of facilities to people with disabilities and funding of green areas.

**Sustainable tourism:** funding of interpretation centres for historical purposes, improvement of community infrastructure such as roads or signs, etc.

When prioritisation is necessary, we consider **internal indicators** to identify and assess material impacts, risks and opportunities related to affected communities. These include:

- Proximity
- Need for urgency
- Target
- Impact on the local population
- Ethical development
- Previous studies justifying the action
- Approximate cost
- Medium and long-term effects
- Sustainable Development Goals (SDGs) covered

<sup>\*</sup>These actions should be considered as examples.



#### **Community Plan Actions**

In 2024, we developed **over 50 initiatives, in seven different countries** – Spain, Chile, Mexico, USA, Malawi, Japan and Australia. **A clear value proposition** is defined for each of these initiatives, to actively contribute to community development in a meaningful way, extending its impact beyond our core business.

Actions implemented in 2024 are categorised and listed below by pillars:

**Education:** Supporting educational development at all levels

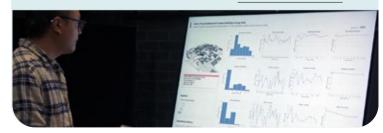
#### Partnerships with universities and institutions



## Monash University Innovation HUB (Queensland, Australia)

We have signed an agreement with Monash University and other partners to create a **research centre called 'Grid Innovation Hub'**. The aim is to explore different matters related to energy system issues, while addressing the physical and financial stability of the grid. Its duration is three years.







#### Local training (Malpartida de Cáceres, Lucainena de las Torres,

Albolote, Lorca, Totana y Zarcilla de Ramos, Spain)
We have financed and offered places on training courses providing training on solar photovoltaic installations or wind power, and occupational risk prevention on

**or wind power**, and occupational risk prevention on construction sites. These courses, which promote local employment, are approved by Spain's Metal Foundation for Training, Qualification and Employment (FMFCE).







## X-ELIO Chair – Villa Romana del Cortijo del Canal (Albolote, Spain)

We collaborated with the University of Granada and the Albolote City Council to develop **research**, **restoration**, **conservation and improvement actions** for the archaeological site of the Villa Romana Cortijo del Canal. This project is aimed at researchers, students, professionals in the field of archaeology and cultural heritage conservation, as well as the local community and general public interested in the history and culture of the region. More than 6 students have been able to validate their professional practices working in this Chair.







#### **Education:** Supporting educational development at all levels

#### **Collaborations with schools**



## Virtual classroom Mexico (Terranova, Mexico)

We collaborated with a local school to provide access to **educational software** and create virtual classrooms in remote areas. This initiative bridges the digital divide and supports equal learning opportunities for children in underserved communities. The project fosters digital inclusion and enhances educational access through technology.





## Computers & material donation to over 6 local schools (Zarcilla de Ramos, Spain)

Through the creation of **virtual classrooms** we managed to connect all the schools in the Pedanías Altas de Lorca area.







## Sponsorship of the end-of-year party for 6 schools

(Zarcilla de Ramos, Spain)

X-ELIO collaborated with a group of six schools to sponsor their **end-of-year celebration**. This initiative not only brought all the schools together for a joint event, but also relieved families from having to cover the associated costs.





#### **Education:** Supporting educational development at all levels

#### **Collaborations with schools**



#### Portable library (Pedanias Altas de Lorca, Spain)

We collaborated with Juan Navarro Educational Centre to create an **outdoor modular library**, offering students a space to enjoy reading in the open air.

The initiative was complemented by a donation of books covering a variety of topics for the school's students. This project encourages reading habits and enhances access to educational resources in a creative and engaging way.





## Mural creations in schools (Lorca, Spain)

We helped restore **two murals** at the CEIP Petra González school. The paintings were done by a local artist, revitalising both the library and the children's area. The theme of the murals covers sustainable development, intergenerational education, and red thyme, typical of the region.





## School visits to solar PV plants (Xixona, Spain)

X-ELIO invited local students from the IES Cayetano Sempere school to **visit one of its solar plants**. The students had the opportunity to learn first-hand how the plants work and operate.





#### **Health:** Target a healthy sustainable lifestyle and humanitarian aid

#### **Sports' sponsorships**



#### Local football clubs (Lorca and Mula, Spain)

X-ELIO sponsored two different local football clubs to promote a healthy lifestyle and sports among children and youth in rural communities. In the case of Muleño C.F, a female and a diverse team were sponsored too. In addition, sporting events were held at both locations to present this sponsorship, where more than 400 people participated.



#### **Nursing Home** (Busot, Alicante)

We partnered with the Nursing Home in Busot, by providing dance classes for one year to senior citizens aged 65 and over residing in the municipality. The aim of the initiative is to enhance physical health and emotional well-being.



#### More information





#### Local Volleyball Sponsorship (Villena, Spain)

We support Club Voleibol Villena, a national First Division team, by **funding sports equipment** and promoting inclusive values through community engagement. The partnership includes inclusive volleyball events with AMIF and APADIS, encouraging participation of people with physical and intellectual disabilities. We also foster healthy habits from an early age through mini volleyball tournaments, promoting well-being and teamwork among local youth.





#### Cycle Tour Sponsorship (Mula, Murcia, Spain)

Collaboration with the Mula City Council for the "Luis León" Combative Rider **Award** in the Murcia Region Tour, presented jointly by the Council and X-ELIO.

We will have prominent visibility through branded jerseys, podium presence, banners at finish lines, digital placements and TV mentions, as well as sponsorship of five eco-friendly "green points" along the route.







#### **Communities:** Achieve an eco-friendly life at a community level

#### Partnership with local foundations and associations



## Monumental letters and urban equipment (Medina de las Torres, Spain)

We improved public spaces by installing benches, litter bins, flowerpots and decorative municipality letters. The initiative promotes **sustainability**, **responsible waste management** and enhances the local environment's aesthetics.



#### MulaFlor - Almond Blossom Fair (Mula, Murcia, Spain)

We collaborated with MulaFlor, the Almond Blossom Festival in Mula, Murcia, which celebrates the region's natural and **cultural heritage** through guided tours, tastings, workshops and contests.



#### Shade Sails Murilla Kindergarten (Chinchilla, Australia)

We partnered with Murilla Kindergarten in Queensland to address the challenge of **intense sun exposure**, which limited outdoor play for children. By installing shade sails, the initiative transformed the playground into a safe, shaded and accessible environment. This collaboration promotes a healthier outdoor space for early childhood development.



#### Ecotourism Stands (Malpartida de Cáceres, Spain)

Four ecotourism booths have been installed in Los Barruecos Natural Park to promote **sustainable tourism**, encouraging visitors to appreciate the park's natural beauty while supporting local businesses that benefit from increased tourism.











#### **Environment:** Preservation and improvement of our ecosystem

#### **Nurturing our ecosystem**



#### Reintroduction of the Lesser Kestrel (South Spain)

We have had a partnership with GREFA since 2021 to **recover Lesser Kestrel populations** in the Iberian Peninsula by repurposing abandoned grain keepers, creating a breeding corridor along major roads. The project has successfully tracked 963 kestrel pairs, recorded 1,723 new birds, restructured a nesting centre and saved over 100 nests, contributing to conservation of the species.

More information





## Donations of solar PV panels (8 provinces in Spain)

X-ELIO **donated solar panels** to 9 schools in Spain. This initiative aims to promote renewable energy education, allowing students to carry out practical work and solar energy research.

More information





## Smart Hives (Villena, Spain)

We signed a collaboration agreement with the local secondary school "IES Navarro Santa Fe" in Villena (Alicante), to develop a "Smart beehive", as well as other research projects. This project enables the **automation** and digitalisation of a self-sufficient and sustainable apiary, powered by solar energy, while ensuring minimal disruption to the daily lives of the bee population and honey production.

More information





#### Solar-powered street lights (Lucainena de las Torreas & Xixona, Spain)

Installation of solar street lights along the **path connecting the town** to one of its most important tourist landmarks. This project enhances safety and accessibility while promoting sustainable infrastructure. It also highlights our commitment to supporting local heritage and clean energy solutions.



#### Busot Animal Rescue Shelter (Busot, Spain)

We partnered with BARC in Alicante to create "Catland," a facility for rescued cats. We provided essential resources like fencing and kennels, supporting BARC's efforts to care for abandoned and mistreated animals, promote their welfare and improve their life expectancy.







# 6.

## Governance Information

- 6.1. Corporate governance structure /84
- 6.2. Business conduct and compliance /86
- 6.3. Information security and digital transformation /95

Information related to the following European Sustainability Reporting Standards (ESRS) of the CSRD:

ESRS G1- Business conduct ES- Cybersecurity

Our contribution to the 2030 Agenda









## 6.1 Corporate governance structure

X-ELIO's governance model is founded on the principles of **integrity** and **transparency**. Our corporate governance framework is resilient and operates efficiently, enabling the clear definition of strategy and action plans to address both short-term and long-term business challenges.

This governance system is based on compliance with **general good governance** rules and the commitments established with shareholders, consistently aiming to achieve the **highest standards in corporate governance practices**. It provides a supervisory framework that is closely aligned with our business strategy.

Our **Board of Directors** plays a central role in advancing the company's commitment to Corporate Governance. It consists of 4 shareholders representing Brookfield, including one executive director who holds full authority delegated by the Board. They are all appointed considering their expertise and knowledge in their field of operation. None of the members from the Board of Directors are affected by any prohibition under Spanish Commercial Law.

There is also a non-director and non-member secretary, Jaime de la Serna, who does not have voting rights. However, he is responsible for ensuring the confidentiality of documentation and planning the Board's agenda.

We are committed to **transparency** and continuously improving our management practices to maintain our recognition as a trusted leader.



The main functions of the Board of Directors include the following:

- Overseeing the management to promote its social interest.
- Managing, directing, administering and representing operations.
- Approving the annual accounts and management of the company, as well as deciding on the distribution of profit.
- Implementing best practices to avoid conflicts of interest.

The Board meets on a monthly or bi-monthly basis, depending on circumstances and specific needs, and consists of members with a broad range of skills and expertise.



Alongside the Board of Directors, we have a **C-Suite** consisting of a team of executives with expertise in each business unit. Their role is to implement best practices across our operations and ensure a healthy, safe and high-quality environment throughout every stage of the business.

The C-Suite plays an active role in **key decision-making processes** and provides regular reports to the Board of Directors, supporting its functions and promoting greater efficiency and transparency.

This C-Suite is responsible for executing our **policies and procedures**, continuously monitoring and reviewing them, and making updates as needed. They are also in charge of achieving corporate goals and leading the initiatives and projects required to meet them, while responding proactively and responsibly to the expectations of all stakeholders.

**CEO:** Chief Executive Officer

GC: General Counsel

**COO:** Chief Operating Officer

**CFO:** Chief Financial Officer

**CBDO:** Chief Business Development Officer

CP&CO: Chief People & Culture Officer

**CCO:** Chief Commercial Officer

#### X-ELIO's C-Suite



#### **Lluís Noguera** Chairman & CEO

- Oversees corporate functions
- Provides strategic oversight
- Supervises Finance, P&C and Legal
- Closely monitors sector developments and their impacts on the company to keep us at the forefront of the industry



#### Nicholas Pentreath Deputy CEO

- Aligns and coordinates cross-functionally the Business Development, Commercial and Operations areas (these functions will report directly to him)
- Fosters a collaborative culture focused on execution
- Oversees Mergers and Acquisitions (M&A) activity
- Contributes to the asset rotation strategy to facilitate execution and maintain value



#### Juan Navarrete

- Guides our financial strategy as project delivery increases across multiple regions
- Leads and manages a strong, cohesive financial team able to achieve excellence on a global scale
- Ensures that the company remains resilient and agile in a constantly evolving environment
- Structured Finance
- Controlling & Investment Analysis
- Accounting & Administration
- Taxes
- SOX



Mirko Molinari CCO

- Market and revenue analysis
- Commercial strategy
- X-NOOR management (Joint Venture: X-ELIO & Dutco Group)
- PPAs and acquisition of new customers
- Battery strategy



#### **Elena Molina** CBDO

- Business Development
- Coordination across countries
- Siting & Permitting
- Project delivery
- Pipeline
- Sustainability & Community Plan
- Portfolio Management
- External communication



#### **Fernando Lacaci** COO

- Procurement & Supply Chain
- Construction
- Health, Safety, Security and Environment
- Operations and Maintenance (O&M)
- Information Technology (IT)
- Engineering (Global Technical Services)



#### Beatriz Tielve

- Corporate culture
- Recruitment
- Talent retention
- Training
- Office management
- Payroll
- External communication



#### Jaime de la Serna General Counsel

- Legal advisory for project development
- Corporate legal advisory
- Compliance
- Capital markets advisory



## 6.2 Business conduct and compliance

## Description of the processes to identify and assess material governance related impacts, risks and opportunities (IRO-1)

This assessment resulted in the identification of material impacts related to business conduct, compliance culture and management, political engagement and lobbying activities, supplier relationship management, including payment practices, corruption and bribery policies.



#### **Positive impacts:**

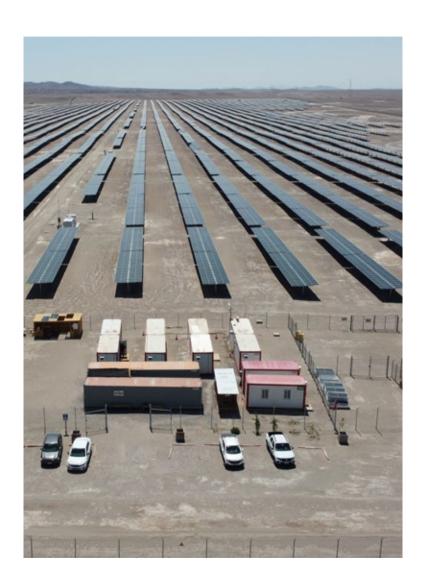
- Implementation of tools such as the code of ethics
- Whistleblower protection through the ethics channel
- Complaints channel in the language of all jurisdictions in which we operate
- Participation in the development of new sector sustainability initiatives and regulations through sector partnerships/initiatives
- Commitment to maintaining timely and fair payment practices
- Conducting sustainability audits of suppliers
- Requirement that third parties adhere to the anti-corruption policy standards



#### Risks:

- Non-compliance with high ESG market and investor standards
- Incidents or questionable practices of our suppliers

No material negative impacts or opportunities were identified.





#### Business conduct and compliance (G1-1)

#### **Ethics and compliance**

management play a vital role in ensuring the proper functioning of our business and the achievement of success. To this end, we apply the highest standards of integrity, ethical conduct and corporate responsibility fostering the engagement of all employees, collaborators, and other internal and external stakeholders.

We maintain a clear and consistent supervisory structure. The **Board** of **Directors** formally adopts the **Code of Ethics** and **Business Conduct** and the **Compliance Policies**, which are followed by all employees and key internal and external stakeholders.

We have implemented a **Compliance Programme** aimed at minimising legal risks identified across all global business activities and supporting our commitment to ethics and compliance. The principles of this programme are promoted by our governing bodies through the enforcement of our Code of Ethics and Business Conduct, and the compliance policies. This programme has adequate, measurable and effective controls and is updated periodically by our Compliance Committee.

The Compliance Programme is based on four pillars:



## Leadership and governance

Compliance is a key element of our corporate culture. Together with the **Compliance Department**, the Board of Directors is responsible for overseeing the Compliance Programme, with corporate culture being one of its fundamental components. This department identifies risks that could directly impact our business. It outlines risks and sub-risks, pre and post-mitigation strategies and assigns a risk rating. Furthermore, it provides a rationale for explaining trends.

The Compliance Department has established **targets and metrics** aligned with internal policies, and the ethical principles guiding the different operations. Throughout the reporting year, we have consistently monitored progress towards these objectives, ensuring full compliance with applicable regulations in every operation.

The **Compliance Committee** and a **Compliance Director**, are fully committed to fostering a strong and healthy culture of compliance, as well as overseeing the implementation and ongoing monitoring of the compliance programme.

For further information, please refer to the "Leadership and Governance" section on the following page.



#### Policies and procedures (G1-1)

We have implemented a comprehensive set of **key compliance policies** for employees, third parties or stakeholders to ensure that our activities align with the **highest international standards** on corporate governance and business ethics, and strictly adhere to all applicable laws, rules and regulations.

Our policies encompass all ethical and compliance commitments, requiring third-party contracts to adhere to these standards.

These policies include the Anti-Corruption Policy, Antitrust Policy, Discrimination and Harassment Policy, Trade Sanctions Policy, Conflict of Interest Policy, Code of Ethics and Business Conduct, as well as Guidelines on Best Practices for Interactions with Public Officials.

We also have protocols in place for Ethics Channel Management, Third-Party Due Diligence, and Social Contribution.



## **Compliance Culture**

Our Compliance team holds **training sessions** to ensure that all employees are well-informed about the company's policies, legal requirements and ethical standards. In 2024, the following training sessions were held:

- General global training to employees on antibribery and corruption (ABC) matters.
- Enhanced training on ABC matters for high-risk profiles.
- Training on ABC matters and best practices to co-developers based in Spain and Italy, ensuring effective collaboration and maintaining high quality and efficiency standards.



We provide an accessible **Ethics Channel** for reporting misconduct confidentially and anonymously, including violations of the **Code of Ethics**. The channel ensures whistleblower protection from reprisal.



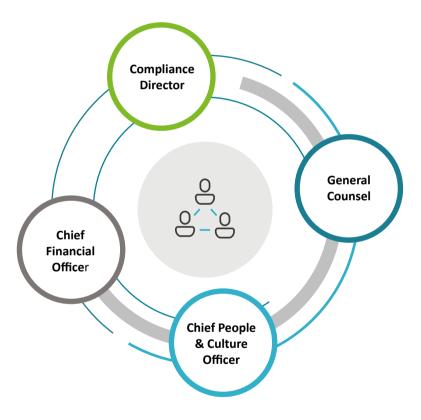
#### Leadership and governance (G1-1 and GOV-1)

Our Compliance Committee is the **primary body for discussing and addressing corporate culture and compliance matters**, as well as for making decisions aligned with our values.

It is also a collegiate body appointed by the Board of Directors that has monthly meetings, and it is responsible for developing, implementing and monitoring international regulatory compliance and integrity practices.



The Committee, functionally independent, met quarterly in 2024. It comprises the following four members of the company:



The Committee's responsibilities include supervising compliance activities across the organisation, tracking key indicators to ensure regulatory adherence, approving suppliers and third parties, investigating reports or complaints, and reviewing compliance-related policies. Committee members contribute with diverse expertise collectively, such as in finance and law, which supports its effectiveness in identifying and mitigating risks.

## Risk analysis and assessment

The established metrics include risk assessments and the effective implementation of internal controls. In terms of achievement, a high level of compliance has been reached in key areas, with a particular focus on continuous personnel training and process improvements to ensure adherence to relevant local and international laws. However, we are always seeking opportunities for further enhancement to ensure that all aspects of compliance are optimised moving forward.



#### **Policies**

Our internal policies embody management commitments and organisational culture, providing decision-making rules for all employees, directors, executives and business partners.



#### Code of Ethics and Business Conduct

- Our Code of Conduct applies to all our directors, officers and employees, and to **all our business activities**, in each of our markets. Therefore, it is the responsibility and obligation of all personnel, regardless of their position, role or geographical location, to know and uphold the values set forth in the code. In fact, 100% of active employees signed the Code of Conduct in 2024.
- It highlights **guidelines regarding several matters**, including but not limited to, compliance with laws (e.g., ABC, AML, Trade Sanctions), human rights, conflicts of interest, discrimination and harassment, and financial integrity. It further sets the standard as to how relations with business partners and third parties should be.
- Furthermore, the values, conduct guidelines and professional standards set forth in our Code are applicable, where necessary and appropriate, to third parties, suppliers, customers, agents, intermediaries, subcontractors or similar. Suppliers will adhere to our Code of Conduct whenever it is contractually requested, although it is not required by default.
- The Code of Ethics and all other policies extend to the governing body, requiring
  its members to abide by it. Consequently, any disciplinary measure taken applies
  to them accordingly. If a board member fails to fulfil their duties, the shareholders
  will propose their removal in accordance with the applicable corporate
  governance laws.



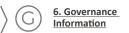
#### **Anti-Corruption Policy**

States our ethical and legal commitments and standards, which applies to all employees both in their daily activity and in their relations with third parties. We carry out corruption risk assessments in each of the countries where we operate. Furthermore, to ensure due diligence and raise awareness on these aspects, we encourage our employees to report and notify any anti-corruption concerns related to their own activity or the activity of others.



## International Trade and Sanctions Policy

Guarantees compliance
with the various national and
international laws on trade
sanctions. This prevents
misconduct and enables us to
respond promptly and effectively
to any request for information
concerning our conduct.





#### **Conflict of Interest Policy**

Establishes the principles, commitments and objectives that promote **transparency** and **fairness** in our processes, procedures and decision-making. The purpose of the policy is to maintain the **independence of judgement and actions** of employees to avoid any conflict with our interests.



#### **Discrimination and Harassment Policy**

Our commitment to diversity, equal opportunities and human relations is based on the values of **respect, tolerance** and **fair treatment in the workplace**.



#### Guidelines on Best Practices for Interactions with Public Officials

We undertake to manage all aspects of our business in compliance with the highest international business integrity standards and applicable law.



#### **Antitrust Policy**

We are fully committed to upholding the principles of **fair competition** and ensuring that our operations do not engage in anti-competitive behaviour. We have implemented an Antitrust Policy as part of our corporate compliance framework. This policy ensures that we adhere to **fair competition practices**, avoid **anti-competitive behaviour** and maintain **transparency** in **all business operations**. These commitments include:

- Prohibition of anti-competitive agreements: We strictly prohibit any form
  of anti-competitive agreements, including collusion, price-fixing or marketsharing arrangements with competitors. We ensure that all business dealings
  are conducted in compliance with applicable antitrust laws, both locally and
  internationally.
- **Prevention of monopolistic practices:** We are committed to preventing monopolistic practices and any abuse of a dominant market position. We actively monitor and evaluate our market activities to ensure operations are competitive and do not engage in conduct that would restrict competition or harm consumer choice.
- **Promotion of free and open markets:** We are dedicated to promoting a free and open market where competition thrives. We support transparent and ethical business practices that encourage innovation, fair pricing and equitable access to services and products. By fostering healthy competition, we aim to contribute to the broader goals of economic growth and consumer benefit.

These commitments are part of our **broader compliance strategy**, reinforcing our dedication to ethical business conduct and ensuring that we operate in a manner that respects the principles of free market competition. We also include contractual commitments with third parties which request adherence to our policies, as well as other requirements, such as adherence to specific local laws and regulations along with international ones, such as the FCPA (Foreign Corrupt Practices Act), UK Bribery Act, OECD and OFAC (Office of Foreign Assets Control) Trade Sanctions list.



#### **Protocols**

These protocols are designed to further promote ethical behavior across all operations and ensure that business activities are carried out in full compliance with applicable regulations and industry best practices.



#### **Ethics Channel Management Protocol**

- Provides guidance for employees, third parties or stakeholders on communicating through the Ethics Channel any query or complaint of improper or irregular conduct contravening our Code of Ethics and Business Conduct, and Compliance Policies or the law. It also outlines the investigation process, among other matters.
- The Ethics Channel Management Protocol is readily accessible to all our employees through the intranet. It was updated in 2024.

Our Board of Directors delegates its legal functions of supervision and control of compliance risks to the **System Manager**, a body composed of three representatives from our shareholders and the Compliance Committee.

Once an incident is confirmed, the Compliance Committee is the body responsible for investigating and analysing the situations and begins a thorough investigation of it, following our <a href="Ethics Channel">Ethics Channel</a> Management Protocol.

Due to their importance, communications received through the Ethics Channel are duly reported to the members of the Board, in accordance with the Ethics Channel Management Protocol.



#### Third Party Due Diligence Protocol

We apply a risk-based approach to the **screening and evaluation of all third-party vendors**, categorizing each as either low or high risk in accordance with legal requirements and established industry standards.

For each category of third party, we have implemented a tailored compliance **due diligence process**. This typically includes: (i) a compliance questionnaire to gather and evaluate relevant information, and (ii) a screening using compliance software to detect any potential risks. While the overall process is standardized, it may be adjusted based on the specific type or risk level of the third party.



#### Social Contribution Protocol

Determines the action principles for **proper decision-making** and for managing people involved in sponsorships, donations or collaboration agreements made by us, ensuring compliance with applicable laws and regulations, our values and principles of good governance, transparency, ethical conduct and fairness. **We do not make any political contributions**.



#### Driving continuous improvements

In 2024, we made significant progress in strengthening transparency, fighting corruption, bribery and money laundering, and promoting ethics and integrity within our regulatory compliance framework. From the Compliance Department's perspective, ongoing risk assessments are conducted following the aforementioned protocols, and tailored training and awareness programmes are implemented.

These programmes are designed to provide an in-depth understanding of internal policies and current legislation while fostering a culture of continuous improvement in compliance efforts. In this way, we aim not only to fulfil our legal obligations but also to **establish an ethical and integrity-driven environment** that guides all our business operations.

To reinforce this compliance culture, we use regular communication tools such as newsletters and "tone at the top" emails to keep employees continuously informed about the importance of business conduct issues. These communications emphasise the risks related to conflicts of interest, bribery and corruption, harassment and discrimination, highlighting the personal responsibility of every individual within the organisation in these areas.

The main advances made in the implementation of our Compliance System in 2024 are as follows:

- Internal policies and regulatory updates:
  We regularly review and update our internal policies to ensure alignment with the latest legal requirements and best practices in combating corruption and bribery. This includes the Anti-Corruption Policy and the Code of Ethics and Business Conduct, all of which have been reinforced to address emerging risks.
- **Procedures to prevent incidents:** We have established robust procedures for preventing compliance-related incidents, including:
  - Comprehensive due diligence protocols for third parties to assess the risk of corruption and bribery before entering business relationships.
  - Strict approval processes for transactions that may pose a heightened risk of corruption, including high-value contracts and dealings with government officials.
  - Internal controls: Regular internal audits and risk assessments are conducted to identify potential vulnerabilities in our operations and supply chains.

- **Communication of policies and procedures:** We have a clear and structured approach to communicating our anti-corruption and anti-bribery policy to all relevant stakeholders. This includes:
  - Mandatory training sessions for employees and partners on compliance matters.
  - Regular newsletters and internal communications to reinforce the importance of ethical behaviour and our zero-tolerance stance on corruption and bribery.
  - Tone at the top: Senior leadership actively communicates our commitment to transparency, ethics and integrity.
- **Improvements and innovation:** The following progress has been made with our compliance principles:
  - Technology upgrades: Always trying to find new tech solutions to facilitate compliance procedures.
  - Improved oversight on compliance activities and better mechanisms to control compliance tasks.
  - Enhanced policies and refined procedures to ensure alignment with other internal business units and new regulatory requirements.
- Detection and remediation of negative impacts:
- We promote a whistleblowing mechanism to encourage the reporting of unethical behaviour without fear of reprisal.



#### Mechanisms for reporting and investigating unlawful or unethical behaviour (G1-1)

Nature of complaints in 2024	Complaints received	Well-founded complaints
Regulatory non-compliance	0	0
Human Rights violations	0	0
Corruption and Bribery	0	0
Workplace/sexual harassment, and/ or discrimination	0	0
Conflict of interest	0	0
Privacy/Information Security	0	0
Inappropriate behaviour and other workplace conflicts	1	0
Others	0	0

- Whistleblower protection: Whistleblowers are protected from reprisal, with a clear process established for reporting concerns without fear of adverse consequences. Reports can be made via the Ethics Channel or directly to the Compliance Committee.
- Investigation process: Reports are investigated promptly and impartially by the System Manager, independent from the chain of management involved. External legal support is used if necessary to ensure objectivity.
- Reporting outcomes: Investigation outcomes are reported to the Board of Directors and Compliance Committee, with corrective actions taken where necessary, including disciplinary measures and remediation.

We maintain active oversight of all reports submitted through our Ethics Channel. To ensure proper handling, we apply a structured approach based on two key steps:



- **Type of complaint:** Complaints are categorised (e.g., human rights, discrimination, privacy) and handled according to the Ethics Channel Management Protocol.
- **Follow-up by the Compliance Committee:** The Compliance Committee reviews and follows up on all complaints, including those related to human rights, discrimination, privacy and other ethical concerns.

In 2024, there were no well-founded complaints, therefore none resulted in dismissal or discipline of our own employees, nor in contracts with business partners being terminated or not renewed due to complaints.





#### Prevention and detection of corruption and bribery (G1-3 and G1-4)

We regularly conduct risk assessments to identify and disclose functions most at risk for corruption, bribery or conflicts of interest. We pay particular attention to areas such as:

**Government contracts and interactions with public officials:** These areas are subject to heightened scrutiny and have specific compliance protocols

**Third-party suppliers and intermediaries:** We continuously assess and monitor third-party relationships to prevent indirect involvement in corrupt practices. These functions are prioritised in the internal controls and training programmes.

In 2024, we reported zero confirmed cases of corruption or bribery. No own workers were dismissed or disciplined for incidents related to such practices, nor were there any convictions or fines for violations of anti-corruption or anti-bribery laws.

As part of our training and awareness efforts, we provide anti-corruption and anti-bribery training to all employees and relevant third parties. These programmes include:

- A focus on practical scenarios and real-life case studies to help employees recognise and respond to potential corruption risks.
- Annual refresher courses to ensure employees are up to date on the latest legal requirements and company policies.
- Targeted training for high-risk areas, such as senior management and employees in finance, procurement and business development departments.

Nature of trainings	Number of training sessions	Number of hours	Percentage of workforce trained	Percentage of risk functions covered by training programmes
Anti-bribery and Anti- corruption (ABC) training sessions delivered in 2024	2	314	100%	100%

No significant non-compliance was detected in 2024, so there were no convictions or fines for violation of anti-corruption and anti-bribery laws.

## Political influence and lobbying activities (G1-5)

We do not engage in any lobbying activities on behalf of the organisation without explicit authorisation. However, we are involved in **industry associations** that promote the **advancement of renewable energy and clean technologies worldwide**. Our memberships span both national and international platforms, offering valuable opportunities for collaboration, knowledge exchange and fostering innovation within the energy sector. Through these associations, we further strengthen our commitment to sustainability and the global energy transition.

In 2024, we did not make any direct or indirect financial or in-kind political contributions in any of the countries where we operate. As a result, there were no beneficiaries of such contributions.



## 6.3 Information security and digital transformation

Innovation and digitalisation are inherently connected to sustainable energy transition. We see this relationship as an opportunity to strengthen resilience by investing in workplace digital transformation, reinforcing our commitment to using digital advancements to enhance efficiency, ensure compliance and support business operations.

As part of our strategic plan, our IT commitments have been centred on:



- Optimising business operations by advancing digitalisation projects across various areas and enhancing data management.
- ▶ Ensuring information and system integrity by striving for compliance with cybersecurity regulations in all regions where we operate.

For this purpose, we continue to align further with the impact of innovation and technology while ensuring the achievement of the following objectives:

Ensure that innovation and digitalisation serve as key enablers for creating opportunities.

Gain a comprehensive understanding of the **digital landscape** and a clearer insight into the fundamental elements of digitalisation.

Integrate
digitalisation risk
management as a core
component of ours
through the developed
tools.

Develop more efficient and flexible internal systems to enhance our performance.

Transfer knowledge and information across the company on the digitalisation of data processes.





#### Cybersecurity and information security framework

Our sustainable transformation involves increasing our digital footprint, enhancing stakeholder relations and optimising the management of our own networks and assets. In this context, ensuring the security and integrity of our **infrastructures** and **information systems** is essential in the progression to **safeguard against potential threats**.

In recent years, we have focused on designing and implementing the following set of documents, establishing a strong policy framework\*:

#### **Corporate and Regulatory Framework**

The regulatory framework has been reviewed and updated to ensure alignment with the evolving cybersecurity landscape, emerging threats and the current environment.

#### Risk and vulnerability management

- Risk Management Procedure Establishes guidelines to identify, assess and manage risks from third-party relationships to prevent financial or reputational loss, litigation, sanctions, or other potential damages.
- Vulnerability Management Policy Defines guidelines and controls to prevent technical vulnerabilities, strengthening internal security procedures to safeguard information.
- Integration of Internal Control Defines and identifies critical processes within both corporate and plant environments, assessing the associated risks to better understand potential

- vulnerabilities. Mitigation controls will be established and implemented to address these risks, ensuring robust protection measures. These controls will be regularly evaluated for effectiveness and any identified gaps will be addressed through action plans, with ongoing follow-up to ensure they are closed.
- Device and Hardware Improvements
  Update and enhancement of devices and hardware to incorporate the latest security features and technologies. This includes deploying advanced firewalls, Security Information and Event Management (SIEM) systems, and other secure communication protocols to protect against cyber threats.

# Privacy and data management Governs the collection and processing of personal data provided by users when accessing or using the website.



#### **Crisis and incident management**

Establishes the basic principles, guidelines for action, measures and means to guarantee the adequate management of IT incidents, threats or disruptive events that may lead to a crisis.

This document has the following objectives:

- Manage IT incidents.
- Control events that generate a crisis situation.
- Ensure the integrity, safety and protection of people.
- Avoid the concatenation of damages in our assets.
- Ensure that we are prepared and able to effectively manage IT incidents.
- Return to normal production and labour activities as soon as possible.
- Safeguard our image and reputation through consistency in the messages conveyed to stakeholders.

In 2024, the number of substantiated claims regarding breaches of privacy and loss of data was zero.

#### Information security, cybersecurity and protection

Defines guidelines and security measures to control access to network services, preventing unauthorised access, damage and interference with our information.

#### **Training and Awareness Procedure and Plan**

Defines the core principles for the management of training and awareness in information security and the plan to be executed. This plan is managed jointly with Brookfield; for more information regarding the procedure write to the email: administracionit@x-elio.com

#### **Specific policies of the Plan**

#### **▶** Plant Regulatory Framework

The framework will be based on key international standards, including NIST, AESCSF and NERC-CIP. We will finalise the regulatory framework specific to plant operations and proceed with its signature and publication.

NIST: National Institute of Standards and Technology.

AESCSF: Australian Energy Sector Cyber Security Framework.

NERC-CIP: North American Electric Reliability Corporation Critical Infrastructure Protection.

#### **▶** Compliance and Local Regulations

Ensure that all cybersecurity actions and policies comply with the Sarbanes-Oxley Act (SOX) requirements, which mandate stringent controls and reporting standards. In addition to SOX, we will also comply with local regulations such as NERC-CIP and the SOCI Act. This ensures that our operations meet all relevant legal and regulatory requirements.

- NERC-CIP: North American Electric Reliability Corporation Critical Infrastructure Protection.
- SOCI: Security of Critical Infrastructure.



#### Information security and digitalisation objectives and initiatives 2024

We have prioritised key initiatives to strengthen information security and drive digitalisation across our operations. Through these actions, we aim to ensure robust protection of our digital assets, meet regulatory requirements and continuously improve our security posture. We are also enhancing the efficiency and integration of our systems and processes by adopting digital tools and platforms, fostering a more agile and data-driven organisation.

During 2024, we implemented the following projects as part of our digitalisation strategy:

- Microsoft 365 Migration: The transition from Google Workspace to Microsoft 365 has been fully completed, achieving one of the year's main goals. It enhances collaboration, operational efficiency and data security across the organisation.
- SAP S/4HANA Core Model Implementation: All planned milestones for 2024 have also been achieved, including the definition of process details, the deployment of a Core Model for business processes across Finance, Controlling, Taxes, Research and Development (R&D) projects, Real Estate (land leasing), Procurement and Sales. The model was rolled out in Spain and Italy, supporting standardised operations and system integration, with implementation to follow in USA, Australia and Japan in 2025. This achieved objective aimed to improve corporate processes through digitalisation and to contribute to our goal of becoming a lean company.
- Operation and Maintenance (O&M) Data Warehouse Implementation: Regarding our data strategy, very significant progress was made in meeting the planned milestones for 2024, including the implementation of the Operations & Maintenance (O&M) Data Warehouse. It consisted of designing and implementing a cloud-based data management system to centralise information and establish a strong data governance model. The roll-out is progressive, integrating

- data from all business units into a governed Data Hub. In 2024, a current-state assessment was conducted in the O&M department, business needs were defined and development began, with completion planned for March 2025.
- Markets Data Warehouse (DWH) Implementation:
   Implementation of a Data Hub for the Markets department to streamline data consolidation from multiple sources, improve analysis capabilities and enable agile, data-driven decision-making.
- The migration of Lextools (the legal document management tool) to Alfresco has also been fully carried out, with the aim of consolidating Alfresco as our corporate document management platform.
- **Data Maturity Assessment:** Evaluation of data management practices and data architecture to define foundational principles for scalable data governance and support long-term organisational growth.
- Corporate AI Chatbot: Development of a corporate virtual assistant powered by ChatGPT 4.0 to support employees by providing access to internal documentation and guidance across departments. Initial implementation includes Compliance, People & Culture, and IT, with future scalability planned. The solution is complete and pending pilot testing with early adopters.

- Global Technical Services Ticketing Tool: Introduction of a ticketing platform based on JIRA technology to manage requests and workload within the newly formed Global Technical Services area, following the restructuring of Operations.
- Intune Deployment: Microsoft 365 services that allow the remote protection and administration of corporate equipment and applications. This project was initiated in December 2024 and fully implemented in April 2025.



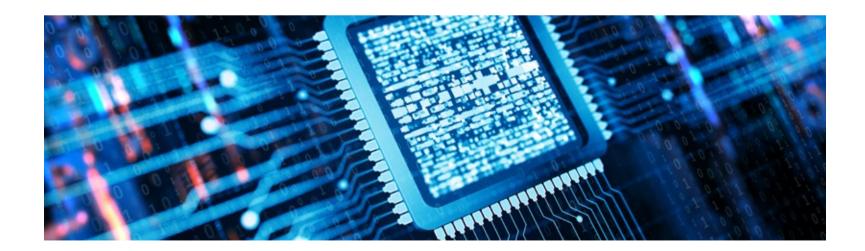


During 2024, we implemented the following projects as part of our cybersecurity strategy:

- Progress has been made in developing the corporate and plant-level cybersecurity framework, with the objective for the year almost fully achieved. A cybersecurity team has been established with a consulting firm to implement the defined cybersecurity policy and strategy.
- Internal and Brookfield-led cybersecurity audits are conducted at plant level to assess and enhance our security posture.
- Monthly vulnerability scans and penetration tests are performed by external service providers, followed by corrective actions to address the findings.
- External vulnerability assessments are conducted by Brookfield.
- **Implementation of SIEM** (Security Information and Event Management) **sensors** across solar plants to meet critical infrastructure security standards required in various regions. It has been successfully implemented in Australian projects.

- Installation of **Fortigate firewalls, switches** and **access points** at corporate offices to replace outdated equipment, ensure compliance with network security policies, and enable unified device management. During 2024 firewalls were successfully installed in all offices apart from Australia.
- **Cybersecurity training sessions** were conducted for all employees, including phishing simulations, to improve cybersecurity awareness and knowledge. These courses are launched jointly with Brookfield through the tool Knowbe4.
- Activation of Multi-factor authentication and Single sign-on for all user accounts as part of the Office 365 migration project.

All these projects will strictly observe the **NIST standards** in the European framework.



## Commitment to data privacy and incident prevention



We implement best practices to safeguard the privacy of our employees and customers, and to ensure the security of our digital environment. We actively monitor and manage suspicious activity on our corporate website and work to strengthen our security infrastructure. Phishing attempts have also been identified and successfully blocked. We also track alerts related to stolen credentials on third-party services. and in the event of a privacy breach. we follow the established protocol outlined in our Incident Management Procedure policy to ensure a timely and effective response.

In 2024, at no point was any information lost or private data compromised.

7.

## **About This Report**

7.1 Scope of reporting and compliance with reporting standards /101

7.2 Commitment to the Equator Principles /112

7.3 CSRD and GRI content index /114



Information related to the following European Sustainability Reporting Standards (ESRS) of the CSRD:

**ESRS 1** - General requirements

**ESRS 2 -** General disclosures

Our contribution to the 2030 Agenda







# 7.1 Scope of reporting and compliance with reporting standards

The scope of the information presented in this report refers specifically to **X-ELIO Renewables S.L.** and extends to the countries where we operate. It consolidates our sustainability activities and data for 2024. Nevertheless, to provide a comprehensive insight into our progress, additional information from previous years has also been included. Furthermore, the report outlines measures and initiatives expected to be implemented in the coming years. The contents included are consistent with the results of our **double materiality assessment**.

As part of our commitment to transparency and continuous improvement, this year we voluntarily prepared this report in alignment with the **Corporate Sustainability Reporting Directive (CSRD)** requirements, despite not being currently subject to this regulation. This decision reflects our dedication to disclosing detailed sustainability information, following the highest international standards and best practices.

Additionally, the report follows recognised voluntary frameworks such as the **Global Reporting Initiative (GRI) standards**, covering key aspects including corporate governance, human rights, diversity and inclusion, and the social and environmental impacts of our operations.

See the traceability of the different chapters and issues in the "CSRD and GRI Content Index" section.



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#### Double materiality assessment

**Double Materiality** is based on the importance of identifying aspects that have a direct impact, either actual or potential, both on us (economic risks and opportunities) and on our environment (positive and negative impacts).

The Double Materiality analysis identifies our most critical aspects from a dual perspective. It evaluates both **impact materiality** (inside-out) and **financial materiality** (outside-in), encompassing direct operations and the entire value chain, including upstream and downstream activities.





#### Financial Materiality (outside-in):

Sustainability aspects that **pose risks or create opportunities** for us by impacting our development, reputation, funding access, and other factors. We identified Financial Materiality, Risks, and Opportunities primarily using our **Risk Register Template** and **Climate Risks and Opportunities Analysis**, aligned with our strategy and business model.





#### Impact Materiality (inside-out):

Actual or potential, **positive or negative impacts** we have on people or the environment (key stakeholders) over short, medium, or long-term horizons. These include aspects tied to internal operations and the entire value chain, both upstream and downstream, including influence through services and business relationships.

The results of this assessment have identified the material IROs (hereafter referred to as "IROs") that should be addressed by implementing action plans.

The methodology used for the double materiality consists of the following steps:

#### 1. Context analysis, value chain and stakeholders

The first phase consists of an **analysis of the sector context** (external analysis) as well as our **business model** (internal analysis), the results of which provide an initial overview of potentially material issues from a cross-cutting sustainability perspective. This analysis provides a deep dive into our operations as well as the current and future state of the sector.

1

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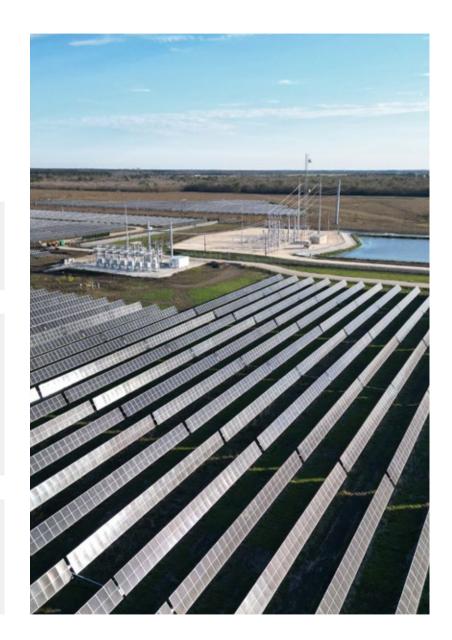
The **internal analysis** helps define the scope of the double materiality assessment by identifying our specific characteristics and our operational structure and strategy (activities, services and geographical locations).

2

The **external analysis** focuses on identifying key sustainability trends in the market and the most relevant ESG risks. It also examines ESG challenges specific to our sector, the applicable regulations in all countries where we build and operate, and the perspectives of analysts regarding which topics should be considered material for companies in our industry. In addition, it reviews the material topics identified in our previous materiality assessments as well as those of our peers, to detect any potential gaps or emerging issues that may not have been previously considered. This external analysis provides an initial understanding of the topics most likely to be relevant in the upcoming materiality assessment.



A graphical representation of the **value chain** has also been developed during this phase, identifying and illustrating the commercial relationships between various stakeholders, their nature (affected stakeholder or user reporting) and the activities they perform. The main goal of this value chain exercise is to map the identified IROs to the specific segments of the chain they affect, and the segments that affect them.





#### 2. Preliminary identification of topics and subtopics

We developed a list of **topics and subtopics** to categorize the IROs for identification and assessment. This structure simplifies the analysis and highlights our most relevant aspects.

The European Sustainability Reporting Standards (ESRS) has been considered to define these topics. This list of topics and subtopics has been defined based on the list set out in ESRS 1 AR 16<sup>1</sup>.

When drafting AR 16 of ESRS 1, we excluded certain topics, subtopics, and sub-subtopics based on their relevance to our business model.

At the topic level **Consumers and End-users** was excluded.

At the subtopic and sub-subtopic level, the following were excluded: Substances of Concern; Substances of Very High Concern; Microplastics; Water Withdrawals; Water Discharges; Marine Resources (including Water Discharges into Oceans and the Extraction and Use of Marine Resources); Invasive Alien Species; Adequate Housing (ESRS S1); Water and Sanitation (ESRS S3); and Animal Welfare.

The list of topics and subtopics we use for this Double Materiality assessment is as follows:

#### **Environmental**



	Climate change adaptation
Climate change	Climate change mitigation
	Energy
	Pollution of air
	Pollution of water
Pollution	Pollution of soil
	Pollution of living organisms and food resources
Water	Water
	Direct impact drivers of biodiversity loss
Biodiversity	Impacts on the state of species
and ecosystems	Impacts on the extent and condition of ecosystems
	Impacts and dependencies on ecosystem services
	Resources inflows, including resource use
Resource use and circular economy	Resource outflows related to products and services
	Waste

#### **Social**



	Creation of quality employment
	Participation, representation and collective bargaining
Own	Flexibility Working Framework
workforce	Health and safety
	Fostering talent
	Diversity, equity and inclusion
	Privacy
	Working conditions of workers in the value chain
Workers in the value chain	Equal treatment and opportunities for workers in the value chain
	Privacy
Affected communities	Economic and social impact on the communities

#### Governance



Business conduct	Corporate culture
	Whistleblower protection
	Political engagement and lobbying activities
	Management of relationships with suppliers including payment practices
	Corruption and bribery

From the context analysis, the following entityspecific topic has been identified.

Cybersecurity	Cybersecurity
---------------	---------------



#### 3. Identification of Impacts, Risks, and Opportunities

A **preliminary identification** of all our **Impacts, Risks, and Opportunities (IROs)** was carried out. To support this process, a series of interviews were conducted with a diverse range of senior-level profiles, including shareholders, managers, among others, including the perspective of silent stakeholders through representatives with knowledge.

To identify the IROs, the information gathered during the first phase of the project section 1: "Context analysis, value chain and stakeholders" was reviewed and considered.





#### Impact:

Current potential effects that our processes, activities, services or relationships have on people or the environment over time.



#### Risk:

Uncertain environmental, social or governance events or conditions which, if they arise, could potentially have a negative financial effect on us and our sustainability strategy, our ability to meet goals and objectives, and to create value. These risks may influence our decisions and our relationships with stakeholders.

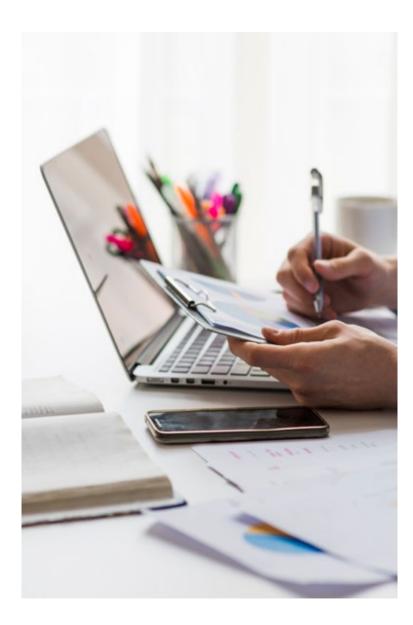


#### **Opportunity:**

Uncertain environmental, social or governance events or conditions which, if they arise, could potentially have a positive financial effect on us and our sustainability strategy, our ability to meet goals and objectives, and to create value. These opportunities may also influence decision-making and stakeholder relationships.



During the identification phase, dependencies between material impacts and the corresponding risks and opportunities were considered. Likewise, each IRO was mapped to the segment of the value chain with which it is related in terms of impact. These were mapped and linked at the subtopic level.

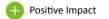


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The list of material impacts, risks and opportunities is presented in the table below. A total of 28 positive impacts, 15 risks and 9 opportunities have been identified as material:

Topic	Subtopic	Туре	Value chain	Description
			(U) (O) (D)	Increased exposure of equipment, infrastructures, activities, employees and customers to weather events
		<b>②</b>	(U) (O) (D)	Improved climate management due to implementation of climate commitments through corporate environmental strategy
		<b>②</b>	(U) (O) (D)	Expansion into new markets as a result of the global ecological transition
		<b>②</b>	(U) (O) (D)	Resilience to regulatory and policy changes through the establishment of a decarbonisation plan
		•	0	GHG emissions reduction due to renewable energy generation
	Climate change adaptation		<b>u o</b>	Competitive disadvantage due to European decarbonisation regulation compared to other countries
Climate change			(U) (O) (D)	Misalignment of EPCs with the Paris Agreement
		<b>②</b>	(U) (O) (D)	Establishment of an internal carbon pricing
			<b>u o</b>	Increased trade barriers or disruptions due to adjustments in imports and exports to comply with new carbon pricing requirements
		•	(U) (O) (D)	Reduction in GHG emissions due to corporate initiatives (sustainable mobility, efficiency programmes, incorporation of ESG criteria in decision-making, etc.)
	Energy	Δ	(U) (O) (D)	Volatility of fuel prices due to geopolitical conflicts, regulatory changes and market fluctuations
		♦	(U) (O)	Access to government incentives and grants for energy efficiency and/or renewable energy projects
		•	<b>u o</b>	Reduction in energy consumption due to implementation of energy efficiency initiatives
Biodiversity and	Direct impact drivers of biodiversity loss	•	(U) (O) (D)	Existence of a biodiversity policy that includes commitments to guide our actions in this area
ecosystems	Impacts on the extent and condition of ecosystems		(U) (O)	Soil sealing caused by heavy machinery used during maintenance and construction of the solar plants
Resource use and circular economy	Resources inflows, including resource use		(U) (O) (D)	Price volatility or scarcity of main raw materials
	Waste		0	Material damage caused by poor waste management





Opportunity

Value chain: (U) Upstream (O) Own operations (D) Downstream



Торіс	Subtopic	Туре	Value chain	Description
	Creation of quality employment	•	0	Promotion of employment and quality working conditions
		<b>•</b>	0	Existence of adequate salaries, a merit-based compensation system and additional benefits for own employees
		<b>•</b>	0	Commitment to rejecting child labour and forced labour
	Participation and collective bargaining	<b>•</b>	0	Promotion of freedom of association through adherence to national agreements and international organisations (e.g., those promoted by the ILO)
	Flexibility Working Framework	<b>•</b>	0	Promotion of labour flexibility through remote work and flexible working hours
	Health and safety		0	Potential adverse events related to health and safety, highlighting the importance of robust risk management practices
Own		•	0	Effective development of own workforce skills
workforce	Foctoring tolent	•	0	Objective performance evaluations and professional growth opportunities for own employees
	Fostering talent		0	High turnover due to the dynamic nature of the sector
			0	Definition and strengthening of career path of own workforce
	Diversity, equity and inclusion		0	High percentage of women in leadership positions and within own workforce
		•	0	Workplace well-being fostered by a respectful, inclusive environment conducive to proper job performance
		<b>•</b>	0	Measures against workplace violence and harassment
	Privacy	•	0	Measures to protect the privacy and personal data of own workforce
			U	Cases of improper disclosure or loss of personal data of own workforce
	Working conditions of workers in the value chain		U	Lack of monitoring or awareness of the working conditions of value chain workers
			U	Failure to ensure Human Rights compliance throughout the value chain
Workers in the		<b>②</b>	U	Raising awareness among the value chain regarding adequate working conditions
value chain	Equal treatment and opportunities for workers in the value chain	<b>②</b>	U	Availability of channels through which to report and correctly manage violence and harassment in the workplace
	Privacy	•	U	Measures to protect the privacy and personal data of the value chain workforce.
	Privacy		(U) (O) (D)	Cases of improper disclosure or loss of personal data of of the value chain workforce
		•	(U) (O) (D)	Promotion of social projects to foster positive impacts in local communities
Affected communities	Economic and social impact on the communities	•	U 0 D	Economic contribution to the local councils of the communities where we operate
			<b>U O</b>	Active listening to and consideration of the opinions and needs of affected communities







Type: Positive Impact 🛆 Risk 😭 Opportunity

Торіс	Subtopic	Туре	Value chain	Description
		<b>•</b>	0	Implementation of tools such as the code of ethics
	Corporate culture		(U) (O) (D)	Non-compliance with high ESG market and investor standards
	Protection of whistle-blowers	<b>+</b>	(U) (O) (D)	Whistleblower protection through the ethics channel
	Protection of whistie-blowers	<b>+</b>	(U) (O)	Complaints channel in the language of all jurisdictions in which we operate
Business conduct	Political engagement and lobbying activities (		(U) (O)	Participation in the development of new sector sustainability initiatives and regulations through sector partnerships/initiatives.
	Management of relationships with suppliers including payment practices	<b>+</b>	(U) (O)	Commitment to maintaining timely and fair payment practices
		<b>+</b>	(U) (O)	Conducting sustainability audits of suppliers
			(U) (O) (D)	Incidents or questionable practices of our suppliers
	Corruption and bribery	<b>+</b>	0	Requirement that third parties adhere to the anti-corruption policy standards.
			0	Cyber attack on the company due to failure to implement adequate system protection measures.
Cybersecurity	Cybersecurity	•	(U) (O) (D)	Establishment of a cybersecurity and information security policy.
		•	(U) (O) (D)	Conducting vulnerability testing for cyber attacks

Value chain: U Upstream O Own operations D Downstream

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#### 4. Stakeholder consultation (questionnaires)

In addition to engaging certain stakeholders through interviews, to identify IROs, complementary surveys were also distributed to a range of both **internal and external stakeholder groups.** These stakeholders were classified as either "financial" or "impact" stakeholders, depending on whether they had sufficient knowledge of our income statement and strategic plans.



#### Financial stakeholders:

X-ELIO's directors of departments and managers.



#### Impact stakeholders:

X-ELIO's employees and suppliers.

The objective of these surveys was to incorporate **stakeholder opinions** into the assessment of topics and subtopics. The inputs gathered from the **shareholder interviews** conducted in the first phase of the project section 3: "Identification of Impacts, Risks and Opportunities" were also integrated.

Based on the evaluations from the respondents, a **Scale** value was obtained, which reflects the **perceived importance of each topic** presented in the exercise, either for the stakeholders themselves (impact perspective) or for us (financial perspective).

Below are examples of the questions put to each respondent, according to their stakeholder category:

#### Impact stakeholders

"The degree of positive/ negative impacts (individually) you consider that X-ELIO generates in relation to each topic, on a scale of 1 to 5".

#### Financial stakeholders

"The degree of financial risk/opportunity (individually) you consider that each topic generates for X-ELIO, on a scale of 1 to 5, in the short-term [within one year], medium-term [from one year to five years] and long-term [over five years]"

#### 5. Evaluation Methodology

Based on the quantitative data assigned to each IRO, a **materiality value** was calculated for each of them.





#### **Impacts**

Impacts have been assessed according to the following parameters:

- **Likelihood:** only for potential impacts, assesses the **probability** that a potential impact will happen. The possible levels are: remote, unlikely, possible, probable or expected.
- Scale: reflects the degree of relevance the impact has for stakeholders.
- **Scope:** determines the **geographical reach** of the impact, which can be: limited, medium or global.
- Remediability: only for negative impacts. The remediability measures the **level of difficulty** (in economic and time terms) to **return to the prior state** if the negative impact occurs. Levels include: easy, with effort, difficult, very difficult or irremediable.
- Qualitative Information: complements the quantitative assessment and provides additional relevant insights for each material IRO. This includes:
  - **Justification of quantitative parameters:** rationale supporting the assigned values for Scope, Likelihood and Remediability.
  - **Governance and management:** identifies the internal body responsible for monitoring the IRO.
  - **Strategy:** outlines strategies, plans, policies, methodologies, reports and targets in place for managing the IRO (sourced from the Sustainability Report and interview inputs).
  - **Time horizon:** categorised as: short, medium or long term (applicable only to potential impacts).

In assessing impacts, it is important to note that when an impact can be both positive and negative, **negative impacts** are prioritised based on their **severity** and **likelihood**, while **positive impacts** are prioritised based on their **magnitude**, **scope** and **likelihood**.





#### Risks

Risk assessment is based on two main metrics, financial impact and the likelihood of occurrence. The financial materiality value in euros is calculated using the midpoint of the estimated economic range and the corresponding probability percentage. Risks have been assessed across three-time horizons: short-term [up to 1 year], medium-term [1 to 5 years] and long-term [over 5 years].

Relevant information from both the Risk Register Template and the Climate Risks and Opportunities Analysis was incorporated. The first step was to match the risks from these documents to the IRO list. An IRO may be linked to both documents, to only one, or to neither.

The Risk Register Template covers a 1-year horizon and has been used to evaluate the short-term horizon, while the Analysis of Climate Change Risks and Opportunities evaluation methodology has been used to evaluate the medium and long-term time horizons. This alignment allowed for quantitative assessments of all risks that could be matched.

Where no match was found with either document, or only partial matches existed (e.g., only short-term), the Risk Management Procedure was used as a reference. Risks were classified into categories: Strategic, Safety, Operational, Compliance & Legal and Financial, and each was given a score from 1 to 5 for each time horizon, independently of the base documents. The highest score among the different categories was retained.

As with impacts, a qualitative assessment of the different risks was conducted.

To define the financial impact value, predefined economic ranges were used.

- **Probability:** assesses the likelihood of a Risk materialising. (Remote, Unlikely, Possible, Probable, Expected). The same probability thresholds as in the risk map were used to ensure methodological consistency.
- **Economic evaluation:** reflects the estimated financial effect of a Risk on us, using the same five-level scale (Negligible, Minor, Moderate, Major and Extreme)



#### **Opportunities**

Opportunity assessment also uses the metrics of financial impact and likelihood of ocurrence. The midpoint of the economic range and the percentage probability of occurrence are used to calculate the financial materiality value in euros. Opportunities have been assessed across three-time horizons: short-term [up to 1 year], medium-term [1 to 5 years] and long-term [over 5 years].

In cases where Opportunities could not be matched to the Risk Register Template or the Climate Risks and Opportunities Analysis, the same process as the one detailed in risks section was followed.

A qualitative evaluation of Opportunities was also carried out.

To define the financial impact value, predefined economic ranges were used.

- **Probability:** reflects the likelihood of the Opportunity materialising (Remote, Unlikely, Possible, Probable, Expected), using the same thresholds as in the financial materiality risk map.
- **Economic evaluation:** measures the potential economic benefit of the Opportunity to us, also rated from 1-5 (Negligible, Minor, Moderate, Major and Extreme).

Once the final evaluations of the full list of Impacts, Risks and Opportunities were completed, our sustainability department carried out a review, with support from internal experts for each specific topic.





#### 6. Results

The highest value within each subtopic was selected to determine the impact and financial materialty.

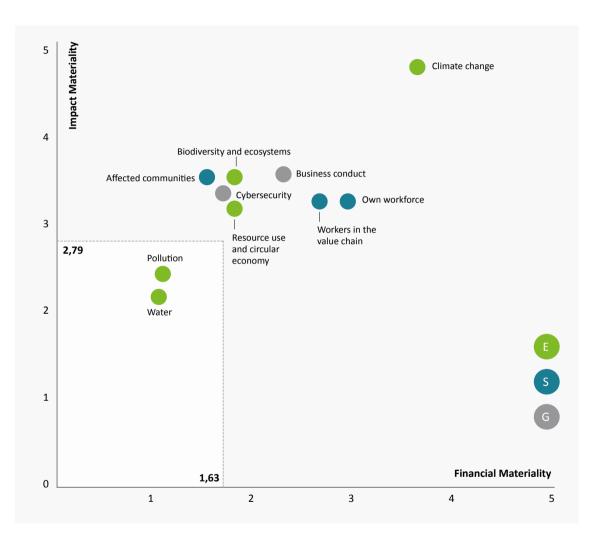
The highest score from among the subtopics within each topic was used to obtain the impact materiality result at the topic level.

The maximum values were chosen instead of averaging the IRO scores within the same subtopic, as averaging would dilute the relevance of the final scores. Once the results were obtained, thresholds were calculated to define which topics and subtopics are considered material. In this case, the threshold was established as the average of the highest values across all subtopics.

By overlaying both materiality dimensions, we identified 8 material topics across environmental, social, governance and entity-specific areas.

Below is the list of material topics and their alignment with the ESRS as well as the double materiality matrix:

ESG	Торіс	Materiality
	Climate change (ESRS E1)	Material
	Pollution (ESRS E2)	Not material
Environmental	Water (ESRS E3)	Not material
	Biodiversity and ecosystems (ESTS E4)	Material
	Resource use and circular economy (ESRS E5)	Material
	Own workforce (ESRS S1)	Material
Social	Workers in the value chain (ESRS S2)	Material
	Affected communities (ESRS S3)	Material
Governance	Business conduct (ESRS G1)	Material
Entity specific	Cybersecurity	Material



This report details the impacts, risks and opportunities identified through the analysis, and outlines the governance, strategy and management approach for each of the material IROs in each chapter.





## 7.2 Commitment to the Equator Principles

We implement the **Equator Principles**, a globally recognised framework adopted by over 140 financial institutions in 39 countries, which defines best practices for managing environmental and social risks in project finance.

The Equator Principles provide a standardised approach for **identifying, assessing and mitigating environmental and social risks**. They facilitate stakeholder engagement, knowledge sharing and the adoption of industry best practices. For us, adherence represents both a

governance requirement and a strategic imperative, enhancing project resilience and aligning with international sustainability and energy transition objectives.

Through our **Equator Principles Corporate Framework**, we work to ensure compliance with these standards across our projects, safeguarding communities and ecosystems while promoting sustainable environmental management.

The	Equator Principles	Application
1	Review and categorisation	The Equator Principles Financial Institution (EPFI) assesses the project and adjusts due diligence to its nature, magnitude and stages.  Due to the countries in which we operate, and the nature of our business focused on renewable projects, our projects have typically been classified as Category B – Low Risk by external assessors. This classification indicates that our projects may have limited social and environmental impacts, which are manageable and controllable.
2	Environmental and social assessment	Once the project has been categorised, it must conduct a risk and impact assessment (e.g., the Environmental Impact Statement).  We align our operations with our Sustainability and HSSE Policies, holding ISO 45001 and 14001 certifications. Projects comply with national laws, including mandatory EIAs, and apply preventive, mitigation, corrective, and, if needed, compensatory measures. We track Scope 1, 2, and 3 emissions (for more detail on categories 1, 2, 3, 5, 6, 11, 15 go to section "Gross Scopes 1, 2, 3 and Total GHG emissions") and implement a Nature Plan to promote biodiversity. Socially, we enforce our Human Rights Policy, operate an ethics hotline and manage a Community Plan to support local socioeconomic development.
3	Applicable environmental and social standards	The EPFI monitors and requires compliance with the country's regulations.  Most of our projects are located in designated countries ( countries deemed to have robust environmental and social governance, legislation systems and institutional capacity designed to protect their people and the natural environment) such as the USA, Chile, Spain, Italy, Japan, and Australia, where we comply with legal and compliance standards. Moreover, all projects, regardless of location, undergo Environmental Impact Assessments (EIA) and implement preventive, mitigation and corrective measures, with compensatory actions applied when necessary.  For projects in non-designated countries like Mexico and Brazil, we comply with the International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability and the World Bank Group's Environmental, Health and Safety Guidelines.

The Equator Principles	Application
Environmental and social management system and Equator Principles Action Plan	The EPFI requires the development of an Environmental and Social Management System (e.g., the Environmental Impact Statement).  Our social and environmental initiatives follow our ISO 14001-certified Integrated System. Contractors receive an HSSE Manual to ensure compliance. Each EIA includes an Environmental Monitoring Plan, complemented by a Nature Plan to boost biodiversity. The Community Plan supports local socioeconomic development, while all contracts include a Vendor Code of Conduct to uphold ESG standards and encourage local hiring.
5 Stakeholder engagement	The EPFI requires evidence that the project developer has promoted participation among affected communities and provided information to them in the right linguistic and cultural characteristics for the location.  We ensure stakeholder participation through structured, culturally appropriate processes. Local developers manage permits and communications with authorities. The Community Plan promotes socioeconomic well-being in nearby communities.  To ensure a responsible supply chain, we perform ESG and HSSE due diligence and require contractors to follow our Vendor Code of Conduct. In areas with indigenous populations, we collaborate with an external First Nations consultant to facilitate communication and engagement.
6 Grievance mechanism	The EPFI requires the project developer to implement communication channels to receive complaints and grievances (Whistleblower Channel).  We provide multiple communication channels for employees, communities and external parties, including an ethics hotline aligned with our Human Rights Policy and Code of Ethics.  Suppliers must sign the Vendor Sustainable Code of Conduct to ensure high standards. We also maintain an HSSE complaint handling process and a Management System SWOT analysis.  Contact forms are accessible via the website, and direct email and phone contacts for Community Plan and Public Relations managers are readily available.
7 Independent review	The EPFI requires an Independent Review of the assessment process.  Our projects subject to Equator Principles analysis have consistently been classified as Category B. In such cases, due diligence from an OECD financial institution may suffice, with the EPFI determining if an independent review is required.
8 Covenants	The project developer contractually undertakes to comply with the above requirements.  In accordance with Principle 2, our projects implement preventive, mitigation and corrective measures, including compensatory actions, when necessary, all within established deadlines. Project execution also includes decommissioning plans for facilities; in their absence, we collaborate with the financial institution to develop a work plan with clear objectives and timelines. The EPFI has the final authority to determine the need for such a work plan.
9 Independent monitoring and reporting	Monitoring reports are required to assess whether the project complies with the Equator Principles.  If the financial institution requires regular reports from us, these will be managed by external experts. We will agree with the EPFI on the appointment of an external expert to verify the reports and monitoring after financial closing.
Reporting and transparency	The EPFI requires regular reporting of the Environmental and Social Impact Assessment.  All of our ESG-related actions are documented and disclosed in our Annual Sustainability Report. The report includes GHG emissions data from scope 1, 2 and 3 (for more detail on categories 1, 2, 3, 5, 6, 11, 15 go to section "Gross Scopes 1, 2, 3 and Total GHG emissions") supported by detailed calculation documents for all projects. We ensure our Human Rights Policy is publicly accessible online and share non-sensitive biodiversity data for each project with the Global Biodiversity Information Facility (GBIF) upon request.

## 7.3 CSRD and GRI content index

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ESRS	Disclosure Requirement (DR)	GRI Indicator	Reference in the report
	BP-1	2-2, 3-1	3.1. Basis for preparation
	BP-2	2-4, 3-2, 3-3	3.1. Basis for preparation
	GOV-1	2-9, 2-12, 2-13, 2-14, 2-17, 405-1	3.2. Sustainability Governance
	GOV-2	2-12, 2-13, 2-16,2-24	3.2. Sustainability Governance
	GOV-3	2-19, 2-20	3.2. Sustainability Governance
	GOV-4	2-23	3.2. Sustainability Governance
	GOV-5	-	3.2. Sustainability Governance
	SBM-1	2-6, 2-7, 2-22, 3-3, 101-1, 201-1	3.3. Strategy, business model and value chain
2- General Information	SBM-2	2-12	3.3. Strategy, business model and value chain
	SBM-3	3-2, 3-3, 101-5, 101-6, 101-8, 201-2, 306-1, 308-2, 413-2, 414-2	3.3. Strategy, business model and value chain
	IRO-1	2-14, 3-1	3.3. Strategy, business model and value chain
	IRO-2	-	3.3. Strategy, business model and value chain
	MDR-P	2-23, 2-24, 2-28, 3-3, 101-1, 202-2, 204-1, 301-3, 302-2, 302-4, 302-5, 306-3, 402-1, 403-4, 403-5, 403-6, 407-1, 410-1	3.4. Policy overview
	SBM-3	3-2, 3-3, 201-2	4.1. Climate Change
E1- Climate	IRO-1	2-14, 3-1	4.1. Climate Change
	E1-2	3-3	4.1. Climate Change
Change	E1-3	3-3, 305-4, 201-2	4.1. Climate Change
	E1-5	302-1, 302-3	4.1. Climate Change
	E1-6	305-1, 305-2, 305-3, 305-4	4.1. Climate Change

ESRS	Disclosure Requirement (DR)	GRI Indicator	Reference in the report
E2- Pollution	IRO-1	2-14, 3-1	3.3. Strategy, business model and value chain
E3- Water and marine resources	IRO-1	2-14, 3-1	3.3. Strategy, business model and value chain
	E3-4	303-4, 303-5	4.3 Resource use and circular economy
	IRO-1	2-14, 3-1, 101-2, 101-4, 101-5, 101-6, 101-7, 101-8	4.2. Biodiversity Protection
-	SBM-3	3-2, 3-3, 101-5, 101-6, 101-8	4.2. Biodiversity Protection
E4-	E4-1	101 3-3, 101-1, 101-2, 304 3-3	4.2. Biodiversity Protection
Biodiversity and Ecosystems	E4-2	101 3-3, 101-1, 101-2, 101-3, 304, 3-3	4.2. Biodiversity Protection
-	E4-3	101 3-3, 101-2, 304 3-3, 304-3	4.2. Biodiversity Protection
-	E4-5	101-5, 101-6, 101-7, 304-1, 304-2, 304-4	4.2. Biodiversity Protection
E5- Resource use and circular economy	IRO-1	2-14, 3-1	4.3 Resource use and circular economy
	E5-1	301 3-3, 306 3-3	4.3 Resource use and circular economy
	E5-2	301 3-3, 306 3-3, 306-2	4.3 Resource use and circular economy
	E5-4	301-1, 301-2, 306-1	4.3 Resource use and circular economy
	E5-5	306-2, 306-3, 306-3, 306-5	4.3 Resource use and circular economy

ESRS	Disclosure Requirement (DR)	GRI Indicator	Reference in the report
	SBM-2	2-12	3.3. Strategy, business model and value chain
	SBM-3	3-2, 3-3	5.1. Own workforce
	S1-1	2-23, 2-25, 2-29, 401 3-3, 402 3-3, 403 3-3, 403-1, 403-3, 404 3-3, 404-2, 405 3-3,	5.1 Own workforce
	S1-2	2-29, 3-3, 401 3-3, 402 3-3, 403 3-3, 404 3-3, 405 3-3, 406 3-3, 407 3-3, 408 3-3, 409 3-3	5.1 Own workforce
	S1-3	2-25, 2-26, 403-2	5.1 Own workforce
S1- Own workforce	S1-4	2-24, 3-3, 203-2, 401 3-3, 402 3-3, 403 3-3, 403-9, 403-10, 404 3-3, 405 3-3, 406 3-3, 407 3-3, 408 3-3, 409	5.1 Own workforce
	S1-7	2-8	5.1 Own workforce
	S1-9	405-1	5.1 Own workforce
	S1-10	202-1	5.1 Own workforce
	S1-11	401-2	5.1 Own workforce
	S1-13	404-1	5.1 Own workforce
	S1-14	403-8, 403-9, 403-10	5.1 Own workforce
	S1-16	2-21, 405-2	5.1 Own workforce
	S1-17	2-27, 401, 402, 403, 404, 405, 406-1, 407, 408, 409	5.1 Own workforce

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ESRS	Disclosure Requirement (DR)	GRI Indicator	Reference in the report
	SBM-2	2-12	3.3. Strategy, business model and value chain
_	SBM-3	3-2, 3-3	5.2. Workers in the value chain
-	S2-1	2-23, 2-25, 2-29, 401, 402, 403, 404, 405, 406, 407, 408, 408-1, 409, 409-1	5.2. Workers in the value chain
S2- Value Chain workers	S2-2	2-29, 3-3, 401, 402, 403, 404, 405, 406, 407, 408, 409	5.2. Workers in the value chain
_	S2-3	2-25, 2-26,	5.2. Workers in the value chain
_	S2-4	2-24, 2-25, 3-3, 203-2, 401, 402, 403, 403-7, 404, 405, 406, 407, 408, 409	5.2. Workers in the value chain
_	S2-5	3-3, 401, 402, 403, 404, 405, 406, 407, 408, 409	5.2. Workers in the value chain
	SBM-2	2-12	3.3. Strategy, business model and value chain
_	SBM-3	3-2, 3-3	5.3. Affected communities
_	S3-1	2-23, 2-25, 410, 411, 411-1, 413	5.3. Affected communities
S3- Affected Communities	S3-2	2-29, 3-3, 410, 411, 413, 413-1	5.3. Affected communities
	S3-3	2-25, 2-26, 413-1	5.3. Affected communities
	\$3-4	2-24, 2-25, 3-3, 101-2, 203-1, 203-2, 410, 411, 411-1, 413, 413-1	5.3. Affected communities
	S3-5	3-3, 410, 411, 413	5.3. Affected communities

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ESRS	Disclosure Requirement (DR)	GRI Indicator	Reference in the report
	GOV-1	2-9, 2-12, 2-13, 2-14, 2-17, 405-1	6.2. Business conduct and compliance
	IRO-1	2-14, 3-1	6.2. Business conduct and compliance
	G1-1	2-23, 2-24, 2-26, 205, 2-16,	6.2. Business conduct and compliance
G1- Business Conduct	G1-3	2-13, 2-16, 2-26, 205, 205-1, 205-2	6.2. Business conduct and compliance
	G1-4	2-27, 205, 205-3	6.2. Business conduct and compliance
	G1-5	415-1	6.2. Business conduct and compliance
	G1-6		6.2. Business conduct and compliance
	GOV-1	2-9, 2-12, 2-13, 2-14, 2-17	6.3. Information security and digital transformation
	IRO-1	2-14, 3-1	3.3. Strategy, business model and value chain
ES- Cybersecurity	MDR-P	2-23, 2-24, 2-28, 3-3	6.3. Information security and digital transformation
	MDR-A	3-3	6.3. Information security and digital transformation
	MDR-T	3-3	6.3. Information security and digital transformation





## Annex

## Glossary

Term	Definition
BESS: Battery Energy Storage System	A set of devices, equipment, management and control logic capable of storing electrical energy to subsequently feed it into the grid. Connected to a wind or solar power plant, it overcomes its intrinsic limitations in terms of flexibility and distribution.
CDW: Construction and Demolition Waste	Waste materials generated from the construction, renovation and demolition of buildings and infrastructure, requiring proper management and recycling.
CSRD: Corporate Sustainability Reporting Directive	The Corporate Sustainability Reporting Directive is a European Union (EU) regulation that requires large companies to report on their environmental and social impacts. It increases transparency on a company's environmental and social impact, ultimately aiming to nurture a more sustainable business landscape.
DD: Due Diligence	Human rights due diligence refers to the process carried out to prevent, identify, address and remedy human rights abuses. This process is crucial for ensuring that businesses operate responsibly and in accordance with international human rights standards.
DEI: Diversity, Equity, and Inclusion	Term that refers to diversity, equitable treatment and fostering an inclusive environment.
EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation	Financial metric that represents the operational profitability of a company by including depreciation and amortisation as well as taxes and debt payment costs.
EPC: Engineering, Procurement and Construction	Type of contract in which the contractor is responsible for the design, procurement of equipment and construction of a project, often used in renewable energy projects.
ESG: Environmental, Social and Governance	Term that represents the environmental, social and governance dimensions. It is equivalent to the term sustainability.
ESRS: European Sustainability Reporting Standards	Standards developed by the EU to guide companies in reporting their sustainability performance in alignment with the Corporate Sustainability Reporting Directive (CSRD).
GHG: Greenhouse Gas	Gases that trap heat in the atmosphere, contributing to global warming and climate change.
GRI: Global Reporting Initiative	An international independent organisation that provides a framework for sustainability reporting, helping businesses communicate their information and impact on sustainability issues.
GW: Gigawatt	A unit of power equal to one billion watts, commonly used to measure the capacity of large-scale power plants or the output of renewable energy facilities.
HR: Human Rights	Refers to the fundamental rights and freedoms to which all individuals are entitled.
IPCC: Intergovernmental Panel on Climate Change	United Nations body for assessing climate change science, providing policymakers and other stakeholders with scientific information.

Term	Definition
MDR-P	Under the ESRS framework, it refers to the minimum disclosure requirements for policies addressing material sustainability issues. It outlines what companies must report about the policies they use to manage sustainability impacts, risks and opportunities.
MDR-A	It stands for the minimum disclosure requirements for actions. It specifies what companies need to report regarding their actions to address material sustainability matters.
MDR-T	It refers to minimum disclosure requirements for sustainability targets. It requires companies to report on the goals they have set to manage material sustainability issues.
MW: Megawatt	Unit of power equal to one million watts, often used to measure the output of power plants or the capacity of renewable energy facilities.
Non-employee	Someone who provides services to an organisation without being formally employed by it. They usually work on a freelance, contract or temporary basis and do not receive the same benefits as regular employees.
O&M: Operations and Maintenance	Activities carried out to ensure the optimal operation of a renewable energy system throughout its lifetime.
P&C: People and Culture	The department within an organisation responsible for managing employee relations, organisational culture and human resources.
PPA: Power Purchase Agreement	Contract between an energy producer and a buyer, specifying the terms under which energy is sold and purchased over a set period.
PV: Photovoltaic	Technology that converts sunlight into electricity using solar cells, a common method of harnessing solar energy.
QHSSE: Quality, Health, Safety, Security and Environment	Comprehensive approach and department to manage quality, health, safety, security and environmental aspects in an organisation.
SBM: Strategy, business model and value chain	SBM-1, SBM-2 and SBM-3 are disclosure requirements under ESRS focused on a company's strategy, business model and value chain. The goal is to ensure the integration of sustainability in the corporate strategy.
SFDR: Sustainable Finance Disclosure Regulation	EU regulation requiring financial market participants to disclose how they integrate sustainability risks and consider adverse impacts in their investment decisions.



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