

POLICY BOOK





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ESG Policy





1. Introduction

Eolia considers that sustainable business is a priority. The company is therefore firmly committed to develop long-term sustainable businesses that thrive, create local and quality jobs, and produce economic benefits in an environmentally and socially responsible manner while reducing global energy dependence on fossil fuels.

As a renewable energy company, Eolia is best positioned to lead the efforts of incorporating ESG into their existing energy infrastructure and value chain.

This Policy sets out Eolia's environmental, social and governance commitments, and is intended to provide a framework for additional ESG policies and procedures that address Eolia's approach to sustainability, its effects on society and the environment, ethical and corporate governance factors, and responsible investment activities.

This policy is not incompatible, nor does it repeal the other internal policies of the Company.

2. Purpose and scope

Purpose:

- Create a framework for incorporating ESG aspects at Eolia and among key stakeholders, to generate long-term value in the geographic areas where it operates.
- Integrate ESG issues into the company's daily activities and investment processes, in line with best practices and market standards.
- Communicate ESG performance in a transparent and truthful manner.

Scope:

This Policy applies to Eolia and all group companies over which there is effective control.

This commitment is extended to companies over which effective control is not exercised and to third parties, especially providers and contractors.

3. Eolia and the United Nations Global Compact

Eolia is committed to sustainable development and to create value for its stakeholders in a responsible manner and positively impacting the communities in which it operates. Therefore the company has joined the United Nations Global Compact, committing to accept and incorporate into the organisation the 10 Principles of the Global Compact, essential values in terms of respect for human rights and labour regulations, preserve the environment and act with transparency in its activities and operations.

Eolia is also committed to develop actions that contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).

The renewable energy projects developed by the company contribute directly to the fulfilment of the following United Nations Sustainable Development Goals:



Affordable and clean energy: in particular, to increase the ratio of renewable energies over the total energy produced by 2030.



Responsible consumption and production: specifically regarding contributions to the construction of environmentally friendly infrastructures, the improvement of access to basic services, the creation of green jobs.



Climate action: implementation of urgent measures to combat climate change and its impacts.

In particular, Eolia has committed to comply with the Green Loan Principles ¹(GLP) in the financing of its sustainable economic activities. Accordingly, Eolia is aligned with the requirements of the four GLP components: (i) Use of Proceeds, (ii) Process for Project Evaluation and Selection, (iii) Management of Proceeds and (iv) Reporting.

Eolia is also committed to conduct its business in accordance with the latest version of the Equator Principles ²(EP4) which will be observed during all phases of the projects: design, construction, operation and dismantling.

4. ESG commitments

Eolia is aware that its activity and the activities carried out in its value chain have an impact and is committed to minimising or eliminating it through this policy.

- Environmental commitments:
 - Complying with environmental legislation as a basic premise of Eolia's responsibility towards the environment.
 - Reducing greenhouse gas emissions by contributing to the fight against climate change by generating electricity exclusively from renewable energy sources.
 - Managing waste and resources in its construction, operation and dismantling activities.

¹ <https://www.lsta.org/content/green-loan-principles/>

² <https://equator-principles.com/>

- Protecting and preserving biodiversity, with particular focus on bird conservation.
 - Recovery of habitats and landscape, promoting sustainable practices.
 - Have environmental liability insurance for each asset that is designed to address environmental contingencies and with third-party civil liability coverage.
- Social commitments:
 - Guaranteeing the best safety, health and well-being conditions in accordance with the highest standards in this area, in relation to our own work activities and those of collaborating companies, with the ultimate aim of reducing or eliminating risks.
 - Promoting a framework for professional relationships based on equal opportunities, non-discrimination and respect for diversity and human rights.
 - Training and qualification for employees and contractors in ESG matters.
 - Incorporating ESG requirements in the supply chain, particularly for prime contractors.
 - Fostering good relations with local communities and contributing to the local society and economy.
- Corporate governance:
 - Compliance and respect for all applicable legislation and regulatory compliance initiatives, in particular related to crime prevention and anti-money laundering.
 - Identify potential conflicts of interest that may arise during its activity, trying to prevent them or managing them appropriately in accordance with Eolia Code of conduct.
 - Data protection: preventing the use of both personal and professional information for personal gain.
 - Transparency and truthfulness in the dissemination of ESG information.



4.1 Commitments for responsible investment

Eolia's ESG commitments for responsible investment are aligned with the PRI initiative, the global leading proponent of responsible investment.

- Principle 1: Incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: work together to enhance our effectiveness in implementing the Principles.
- Principle 6: report on activities and progress towards implementing the Principles.

5. ESG internal structure and procedures

Implementing an ESG Framework in Eolia requires a structure and processes that ensure decisions are made according to the defined criteria.

Internal ESG structure

Eolia is focused on systematically integrating ESG through the following organisational structure.

- Board of Directors: leading ESG actions and being responsible for approving the current ESG Policy and other elements of the ESG Framework.
- ESG Committee: responsible for managing and coordinating ESG actions at Eolia.
- Environmental and H&S managers: members of the ESG Committee and in charge of environmental and H&S integration and coordination with third parties in Eolia activities.



The abovementioned responsibilities of the ESG structure will be developed under a specific procedure.

ESG procedures

The ESG Framework is developed through specific policies and procedures that take into account Eolia's ESG commitments.

ESG Framework in Eolia

ESG Framework			
	Policies	General Procedures	Specific Procedures
ESG Policy	ESG Investment Criteria	ESG Organisational Procedure	Annual ESG Report
			ESG Integration in Procurement
	Environmental Policy	General Management Plan	Waste Management Procedure
			Bird Monitoring and Control Procedure
			Carbon Footprint
	People Management Policy	Relation and communication	
		General ORP Procedure	Operating Procedures
			Incidents
			Business Activities Coordination
	Code of Conduct	Financial Control	Invoicing
			Consolidation
			Accounting Closure
		Crime Prevention Manual	
Anti-Money Laundering			
	Security Document		

ESG
 Environmental
 Social
 Good Governance

This Policy will be public and available on the Eolia website.

This Policy will be reviewed annually.

This policy was approved by Eolia's Board of Directors on 20th May 2021.



ESG Investment Criteria





1. Introduction

Environmental, social and governance (ESG) criteria are a priority factor for Eolia when evaluating companies in which to invest.

ESG criteria also help Eolia to avoid companies that could pose higher risks due to their environmental, social or corporate governance practices.

This document establishes Eolia commitments in including environmental, social and governance matters on its investments.

2. Purpose and scope

Purpose: define Eolia's investment criteria to integrate them in Eolia's investment procedure.

Scope: this document applies to Eolia and all group companies over which there is effective control and to every investment activity.

3. General Criteria: Principles for Responsible Investment

Eolia's commitments for investment are aligned with the Principles for Responsible Investment³ (PRI) initiative, the global leading proponent of responsible investment. The PRI are:

- Principle 1: Incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: work together to enhance our effectiveness in implementing the Principles.
- Principle 6: report on our activities and progress towards implementing the Principles.

³ <https://www.unpri.org/>



4. Eolia ESG criteria

In furtherance of the PRI, mentioned above, Eolia has the following commitments:

1. Eolia only invests in clean and renewable energies.
2. Eolia promotes projects aligned with local needs and demands in the communities in which it operates.
3. Eolia is committed to applying for green finance of its investments.
4. Eolia incorporates ESG analysis in the framework of the due diligence works, before investment. In particular, based on project development status:
 - a. Engineering phase: Environmental Impact Assessment must consider all measures to avoid, mitigate, restore and compensate the environmental impacts generated by the project.
 - b. Construction phase: all environmental permits must have been processed and be in force.
 - c. Operation phase: all environmental permits must have been processed and be in force, the required measures must be developed or under development, and there must be no pending environmental complaints or critical environmental effects that jeopardise the integrity of the project.
5. Eolia will incorporate all new assets into its ESG framework with a maximum transition period of one year from acquisition.
6. In particular, Eolia will review suppliers and contractors ESG obligations in order to adapt them to internal procedures (*procedure: ESG integration in procurement*)
7. Eolia will be aware of responsible investment news, initiatives and tools.
8. Eolia will communicate to stakeholders how ESG issues are incorporated in its investments, and KPIs will be defined for annual reporting.

This Policy will be public and available on the Eolia website.

This Policy will be reviewed annually.

This policy was approved by Eolia's Board of Directors on 20th May 2021.



Environmental Policy





1. Introduction

EOLIA considers that sustainable business is a priority. The company is therefore firmly committed to developing long-term sustainable businesses that grow, create local and quality jobs, and produce economic benefits in an environmentally and socially responsible manner while reducing global energy dependence on the use of fossil fuels.

As a renewable energy company, Eolia is best positioned to contribute to the fight against climate change and to preserve habitats and biodiversity.

This Policy establishes Eolia commitments in environmental matters. It is included in Eolia ESG Framework and is derived from Eolia ESG Policy.

This Policy is not incompatible, nor does it repeal the other internal policies of the Company.

2. Purpose and scope

Purpose:

- Incorporating environmental issues as a major element in business decision-making.
- Developing environmental management activities and procedures.
- Communicating in a transparent way the most relevant environmental actions through the preparation and publication of reports.

Scope:

This Policy applies to Eolia and all group companies over which there is effective control.

This commitment is extended to companies over which effective control is not exercised and to third parties, especially providers and contractors.

3. Incorporating environmental issues into business decision-making

Eolia understands that its activity and the activities performed across its value chain have an impact and with this policy it makes the following environmental commitments to minimise it.

- Reduce greenhouse gas emissions by contributing to the fight against climate change by generating electricity exclusively from renewable energies and investing in them.

- Properly manage waste and resources in its construction, operation and dismantling activities.
- Protection of biodiversity, focus on bird conservation.
- Recovery and protection of habitats and landscape, promoting sustainable practices.
- Have environmental liability insurance for each asset that is designed to address environmental contingencies and with third-party civil liability coverage.

4. Developing environmental management activities and procedures.

Implementing environmental commitments requires specific management activities and processes that ensure decisions are made according to these commitments.

Eolia has an ESG Management Plan that identifies environmental aspects considered in its operating, investment and financing activities. Environmental aspects are identified in the following areas:

- Applicable legal framework
- Responsibilities
- Reference documents
- ESG measures
- Contractor/third-party requirements
- Reporting
- Communication with third parties
- Monitoring KPI

Specific environmental procedures are developed within Eolia ESG Framework to manage in detail the environmental priorities in its business: bird monitoring and control, waste management and carbon footprint.

5. Communicating environmental actions in a transparent manner.

Eolia will promote awareness and transparency of its activities by communicating its most relevant environmental activities to its stakeholders, including its employees, environmental authorities, partners, non-governmental organisations, local communities and contractors.



- Raise awareness of the importance of taking measures to prevent and reduce environmental impacts derived from Eolia's activity.
- Collaborate with all stakeholders in the awareness, protection and conservation of the natural environment.
- Report in a transparent and truthful manner on environmental performance and actions, as well as on the positive contribution of Eolia's activity to the fight against climate change.

This Policy will be public and available on the Eolia website.

This Policy will be reviewed annually.

This policy was approved by Eolia's Board of Directors on 20th May 2021.



People Management Policy





1. Introduction

EOLIA considers that sustainable business is a priority. Eolia is therefore firmly committed to developing long-term sustainable businesses that grow, create local and quality jobs, and produce economic benefits in an environmentally and socially responsible manner while reducing global energy dependence on the use of fossil fuels. This is possible thanks to its employees.

This Policy establishes Eolia commitments to its people and aims to create a framework that addresses Eolia's approach: maintain relationships based on mutual trust and respect.

This policy is not incompatible, nor does it repeal the other internal policies of the Company.

2. Purpose and scope

Purpose:

- Create a framework to establish the way Eolia manages its human resources.
- Communicate people management priorities in a transparent manner.

Scope: this Policy applies to Eolia and all group companies over which there is effective control.

3. Principles

Eolia's policy is based on the following principles:

1. **Respect for workers**, rejection of forced labour, child labour, lack of freedoms or any other manifestation of abuse of authority, physical or psychological harassment that intimidates or offends people.
2. **Respect for diversity, non-discrimination and respect for human rights**, encouraging the recruitment of the best professionals, truly guaranteeing equal opportunities, and through a commitment not to participate in or be complicit in actions against fundamental human rights.
3. **Recognition of merit and incentives based on dedication, responsibility and performance** through fair and equitable remuneration and competitive working conditions.
4. **Talent retention** through the consolidation of stable and quality jobs that allow our employees to excel personally and professionally, which will promote a good working environment.

5. **Continuous training** that favours high performance, intellectual development and the promotion of professionals.
6. **Open dialogue communication**, including channels open to suggestions and complaints, as well as an evaluation of the performance of professionals.
7. Safety at work through the continuous improvement of a **safe, healthy and flexible working environment** that enables the well-being of professionals and promotes healthy lifestyle habits.
8. **Work-life balance**.
9. **Dissemination of good practices** among providers, contractors and collaborators.
10. **Responsible people** as a result of the implementation of this policy.

These principles are detailed below:

1. **Respect for people (rejection of forced labour, child labour and lack of freedoms):**

Eolia, through the adoption of employment practices compatible with International Labour Organisation conventions, prohibits forced labour in all its forms. It also rejects in all its forms and manifestations the abuse of authority, physical or psychological harassment that intimidates or offends people.

2. **Respect for diversity non-discrimination and respect for human rights, encouraging the recruitment of the best professionals, truly guaranteeing equal opportunities:**

Eolia respects diversity, equal opportunities - especially between genders - and non-discrimination. Eolia is committed to implement and boast equal treatment that encourages the personal and professional evolution of its staff. Specifically, Eolia promotes gender equality in all areas, from recruitment to promotion and professional remuneration.

The recruitment process at Eolia is at all times objective and impartial, providing equal opportunities for everyone. Eolia values commitment, effort and responsibility above everything else, and does not discriminate any candidate based on their age, race, gender, ethnicity, ideology, nationality, disability, social origin, religion or sexual orientation.

Eolia respects and promotes the protection of fundamental human rights, and is committed not to participate in or be complicit in actions that violate globally recognised human rights, neither in its activities nor in the regions where it operates.

3. Recognition of merit and incentives based on dedication, responsibility and performance through fair and equitable remuneration and competitive working conditions:

Eolia rewards the work of its employees, both individual performance, as well as cooperation and teamwork, through a fair and equitable remuneration, commensurate with the position held. In addition, there are benefit schemes within Eolia companies, including life insurance at company's expense, health insurance and language lessons paid 50% by the company, nursery tickets, and meal service.

4. Talent retention, through the consolidation of stable and quality jobs, promoting a good working environment:

Eolia wishes for its employees to stay with the company over a long period of their working life, and therefore strives to create a good working environment, a high degree of motivation and stable jobs through which employees can excel personally and professionally.

5. Continuous training that favours high performance, intellectual development and promotion of professionals:

Eolia is committed to the sharing of the company's existing knowledge and continuous training. To this end, training programmes are set up, depending on the department and role of each employee.

6. Open dialogue communication, including channels open to suggestions and complaints, as well as an evaluation of the performance of professionals:

Eolia considers that communication is a fundamental pillar of the correct functioning of the company. To this end, it has an internal complaint mechanism and an individual employee evaluation system. The evaluation is carried out annually with the person responsible for the corresponding department and, depending on the results, targets and opportunities for improvement are set.

7. Safety at work through continuous improvement of a safe, healthy and flexible working environment:

Eolia understands that the working environment has to be a safe, healthy and flexible place that enables the well-being of professionals and promotes healthy lifestyle habits. To this end, Eolia H&S Plan is based on an external prevention system, according to the Spanish legislation. The external prevention system is in charge of preparing, for all its facilities, the Business Activity Coordination Plan, the Risk Self-Assessment and the Self-Protection or Emergency Plan; as well as training Eolia's employees; implementing a prevention plan; carrying out a risk assessment; conducting prevention activities; establishing emergency measures; calculating accident rates and offering regular medical examinations.

8. Work-life balance:

Eolia implements measures for balancing and adapting working conditions that encourage respect for the personal and family life of its professionals. These measures include more flexible working times and workplaces.

9. Dissemination of good practices among providers, contractors and collaborators:

Eolia disseminates information on the risks associated with its centres and workplaces, as well as the preventive and emergency measures to be applied, especially with regard to its providers, contractors and collaborators.

10. Responsible people as a result of the implementation of this policy:

We expect from our people responsible and ethical actions, dedication to learning and continuous improvement and commitment to objectives through teamwork.

This Policy will be public and available on the Eolia website.

This Policy will be reviewed annually.

This policy was approved by Eolia's Board of Directors on 20th May 2021.