

ESG POLICY

We connect people to green energy



1. Object

Holaluz–Clidom, S.A. (hereinafter referred to as “Holaluz” or the “Company”) presents the following *ESG Policy*, a guiding set of principles and structures in place that determine company's environmental, social and governance (ESG¹) commitments and align overall business operations and procedures according to The Ten Principles of the UN Global Compact and UN Sustainable Development Goals (SDG).

Holaluz was inherently born ESG, the company was created with the conviction that a company can be a tool to change the world, so all business and activities were developed from the start considering its positive impact on society, enabling the transition towards green energy providing sustainable long-term value creation for Holaluz's stakeholders.

ESG commitment is perfectly integrated in Holaluz's culture and is part of the company's daily activity. This Policy reinforces Holaluz support for Universal Declaration of Human Rights and respect of Holaluz's Code of Ethics as essential elements that inspired the principles on which the company's activity is based.

2. Scope

ESG Policy is applicable to all companies and teams that constitute Holaluz, regardless of the activity or country where they are established. Likewise, Holaluz will promote knowledge and application of this Policy by those team members and other companies that collaborate with Holaluz.

3. Creating sustainable long-term value

This Policy sets the grounds for creating sustainable long-term value for Holaluz's stakeholders, with a focus on the achievement of the following objectives:

- Achieve a planet 100% run by green energy, connecting people to green energy and turning every roof into a solar roof, pioneering an energy transition model towards economic decarbonization, and fighting against climate change.
- Place people at the centre and create an inclusive working environment that provides equal opportunities and promotes diversity and gender equality with a strong commitment of Human Rights respect and promotion through all value chain.
- Make all stakeholders' part of Holaluz's success story and ensure fair, transparent, and open communication that entails trust.

¹ ESG is understood as environmental, social, and governance impacts generated by the company. ESG is considered as a synonym of sustainability as a global concept including environment, social and economic dimensions.

Holaluz is leading and disrupting the current electricity sector that has an expiration date, working towards consumers producing and sharing back energy into the grid with other consumers. Holaluz's 100% green energy commercialization is accomplished through certificates of renewable origin, guaranteeing that all supplied electricity comes from a renewable origin (GDO certificates awarded by CNMC).

The company is committed to a business model where people come first, based on employee trust, providing the team members with the flexibility to reach a work/life balance in a results-based approach. Knowing that to work as a team is a symbol of success.

Holaluz has a strong culture founded in following values that catalyse Holaluz's purpose to achieve a planet 100% run by green energy and commitment with ESG principles:

- **#EsPosible²**. Finding the way is how Holaluz makes the difference. There is ALWAYS a way to get done whatever it takes to move a step further towards a planet run by the sun.
- **#KeepRowing**. Things get hard. So, it takes an aligned, focused, and strong team to keep up.
- **#AlwaysPeopleFirst**. Holaluz is built by people working for people, working with people.
- **#SayThingsAsTheyAre**. Transparency in all actions towards customers, team members and partners is the most powerful tool to build up what makes Holaluz unique: trust.
- **#HaveFun**. Changing the world is a long and passionate journey. Having fun along the way makes Holaluz even more creative and powerful.

Holaluz has a Code of Ethics, as a key document that contains these values that inspire the company to achieve its objectives, as well as a behaviour guideline. The Code of Ethics establishes the following ethical principles and is complemented by a group of policies which establish methodologies and systems to ensure its effective implementation.

- Zero tolerance for corruption
- Freedom of association
- No discrimination
- Compliance with standards
- Integrity
- Diligence
- Loyalty and Confidentiality

4. Stakeholders' commitment and engagement

Holaluz is determined to continuously engage its stakeholders to its business operations and fully incorporate their expectations and insights into its sustainability initiatives. This is based on continuous communication through established channels, fostering transparent and meaningful dialogue

² Translation into English would be #It'sPossible

with them that contributes to Holaluz's purpose. Some of Holaluz commitments with its principal stakeholders are highlighted below:

- **Team:** Holaluz is committed to a business model which trusts employees giving them flexibility and autonomy to carry out their responsibilities within project and results-oriented approach, consequently reaching a better work/life balance and fostering health and safety wellbeing. Furthermore, Holaluz aims to empower women at the workplace and consequently focus on keeping a parity of representation in all areas and working teams of the company.
- **Investors:** Holaluz is committed to company growth to achieve its goal of bringing renewable energy to its customers. Company commitment to its investors and shareholders is based on a transparent relationship as well as improving efficiency and productivity of a company's assets to maximize its return.
- **Clients/consumers:** Holaluz follows a customer-centric approach. Clients are the beginning and end of everything the company does. Whatever Holaluz does, it must positively change the lives of its customers, this is Holaluz's "Customer Obsession". Holaluz is committed to provide the highest quality products and services to enable their transition towards renewable energy.
- **Business Partners:** Collaboration with business partners aligned with its interests and vision is imperative for Holaluz, sharing ethical and sustainability principles and commitment to follow the same practices across all value chain.
- **Media:** Holaluz's relationship with the media is guided by the principles of fairness, transparency, and the spirit of meaningful collaboration since it is essential to inform and inspire others to join the movement towards renewable energy.
- **Sectorial Associations, NGOs, local entities and International Organizations:** Holaluz is genuinely committed to society through collaboration with a wide range of organizations, fostering a community-led action as well as being an inspirational leader boosting technological innovation towards green energy and promoting inclusion.
- **Legislators and administrators:** Holaluz is committed with regulatory and public bodies to advance in public policies aligned with its purpose. The company works alongside these regulatory entities following principles of good faith, transparency, honesty, cooperation. Besides, the company has proposed several regulatory changes, to foster competition and empower consumers.

As evidence of Holaluz's commitment to its stakeholders the company has been distinguished with numerous certifications and recognitions. Some of them are detailed below:

- **B Corp Certification:** first European energy company to obtain the B Corp certification, which measures a company's global social and environmental performance.
- **Conscious Capitalism:** founding company of Conscious Capitalism in Spain, a philosophy that recognizes the innate potential for business to improve the world.

Confianza Online³: is the leading Internet quality certificate in Spain which recognizes those companies that guarantee maximum transparency, security and trust when buying and browsing in their websites.

- **Baby Friendly Company**: first Spanish electricity company to obtain the Baby Friendly Company certificate, which recognizes companies that favour the conciliation between work and family life.
- **Sustainalytics**: the world's leading ESG and corporate governance research and rating agency, out of all the companies reporting worldwide, it placed in 2020 Holaluz number one amongst direct peers in the electricity companies' category.

5. Governance Model

Holaluz has defined a governance structure to assure implementation of ESG commitments to unlock value generation drivers earning stakeholder's trust. The company has set up the Impact Team, a transversal team as a responsible body for the definition and implementation of ESG Strategy aligned with ESG Policy commitments. Impact Team is made up of Holaluz's Co-Founder and Executive Chairman and Managers from most of the company's teams. As a result, Holaluz has these systems in place ensuring ESG Policy accomplishment, developed in detail in a ESG Strategy and non-financial risks supervision.

6. ESG Strategy

Holaluz's ESG Strategy is aligned with Holaluz's vision to connect people to green energy and turn every home roof into a solar roof, promoting the world's access to sustainable energy to achieve a planet 100% run by green energy.

The ESG Strategy is divided into four strategic pillars, which in turn set the foundation for additional strategic lines:

→ Customer Obsession

- Innovate and disrupt electric utilities' industry on client's behalf and commit to future generations.
- Achieve excellence in customer experience and leverage digital customer value proposition.
- Foster an honest engagement with clients, anticipate customer needs and provide innovation, positioning Holaluz as a trustworthy company.



³ Translation into English would be Online Trust

→ People Centricity

- Build value from Holaluz's values, activating the culture on everything the company does to generate a positive and inspire others.
- Prove the true value of diversity and inclusion, as well as women empowerment in the company's success story.
- Help employees achieve their highest potential through a healthy work/life balance.
- Ensure continuous improvement of talent density within the company, by attracting and retaining talented and diverse professionals.



→ Sustainable Business

- Increase global generation, distribution and accessibility of renewable energy and technology.
- Catalyse industry growth, multiplying business positive impacts through effective partnerships with business allies and value chain partners.
- Neutralize environmental impact focusing on carbon emissions management.



→ Act with Responsibility & Build Trust

- Build up a strong governance structure based on the highest ethical and integrity standards.
- Build trust among the stakeholders is Holaluz's unbeatable strategy, making information available, understandable, and simple, according to their expectations and needs, allowing informed decisions.

Become an inspiration leader and spread the values and company's culture, generating global impacts through initiatives with our local communities.



Strategic lines are then further broken down into actions that embed ESG throughout the organization reaching all teams and stakeholders. These actions have specific targets and objectives linked to issues, such as climate change mitigation, diversity and women empowerment, customer experience excellence, strategic alliances in the value chain, trust generation and transparency promotion with stakeholders to measure continuous progress.

7. Commitment to transparency

Holaluz's commitment to transparency is supported by the yearly publication ESG Impact Report based on the following principles: accuracy, balance, clarity, comparability, and reliability. As a result, stakeholders have full access to relevant information about Holaluz business activity and its environmental, social and governance performance. The company uses Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, as a reference for topic's selection and disclosure. Holaluz also discloses ESG relevant information with numerous international organizations such as B Corp and Sustainalytics. The company has established communication channels with all its stakeholders, ensuring effective mechanisms to receive their feedback and integrate it into Holaluz's ESG Strategy.

8. Responsibility, diffusion, and review

Holaluz's Board of Directors, through the Impact Team, is the responsible body for overseeing the effective implementation of ESG Policy. In this regard, it shall receive, on an annual basis, the ESG Action Plan, including a detailed breakdown of its actions and objectives. This ESG Policy will be periodically reviewed and if necessary, updated accordingly. In order to keep raising awareness about ESG impacts and the ESG Policy, the company will develop training pills to its internal and external stakeholders.

9. Approval and update

This ESG Policy has been approved by Holaluz's Board of Directors in its meeting dated 22 December 2021. The same body will be responsible for the approval of its future reviews.