



SUSTAINABILITY ANNUAL REPORT

2022

STATEMENT OF NON-FINANCIAL INFORMATION OF IGNIS GROUP

 **IGNIS**

CONTENT

STATEMENT OF NON-FINANCIAL INFORMATION OF **IGNIS GROUP** _ 2022

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Letter from IGNIS Management



When barely 8 years ago we incorporated IGNIS our ambition was to create a **different energy company**. A company that would foster energy transition towards clean energies integrating all areas of the energy cycle favouring our clients' competitiveness and common good of our environment and local communities.

In 2023 we made our debut with our first Sustainability Report. Our company has become a relevant actor in the sector both because of our dimension and business and talent figures which for a young company as ours, represent a particular pride and a strong incentive. Also, with this Memorandum we explain our objective from the beginning and how we work to make it real.

We were always sure that we wanted to promote a **more efficient and sustainable energy model along with a real commitment to our professionals, communities where we operate and society as a whole**. Therefore, we are especially excited about the publication of this Report because it gives us the opportunity to explain not only what we do but also how and why we do it. I am positive that if we have reached the milestones shown below is mostly thanks to our different work methodology and the people who conform IGNIS team

Our first Memorandum refers to 2022, a year of materialisation and growth. Of materialisation because we have developed a Sustainability Strategic Plan that in line with our vision and business mission is aimed at stablishing

sustainable action and governance basis to support our growth and allow us to outstand for our local commitment and contribution to global energy transition.

On the other hand, 2022 has also been a synonym for growth that has allowed us to reach a **portfolio of over 20GW** with over **450 professionals**, being present in nine countries, operating and maintaining **1 GW** including one of the biggest photovoltaic complexes in Europe or increasing in up to **5,000 clients** our trading company. Also we continue working in new energy vectors developing innovative projects for storage, hydrogen and green ammonia.

These are ambitious figures but in IGNIS we are positive that we can **contribute a lot more to energy transition, electrification of the system and decarbonisation of industry**. Therefore we continue working to integrate in the value chain and transform the energy model through renewable energies.

It only remains for me **to thank the whole IGNIS team** not only for its extraordinary performance but also for **its enthusiasm, professionalism and commitment** without which we could have never achieved these so ambitious objectives, part of which are mentioned in this memorandum. I would also like to thank our partners, suppliers and clients who have walked down this road with us and have believed in us. They are the reason we continue working with even greater dedication.

Antonio Sieira Mucientes
CEO of IGNIS ENERGY HOLDINGS, S.L.

About IGNIS

IGNIS is a global energy company vertically integrated in the renewable sector and in the offer of innovative energy solutions.

From the beginning, IGNIS has had a clear goal: to foster the development of a more efficient and sustainable energy model contributing to a more agile and fairer energy transition.

Established in 2015 by a team of engineers, IGNIS has focused its business strategy on the development of clean and competitive energies through projects where it holds a leadership position in Spain and greater international presence. Also, it has a broad track record in a growing management of thermal power stations, key to support the development of renewable energies.

At the same time it has grown briskly in business areas such as energy management (where it currently has approximately 5% share of the Spanish electricity market) and vertically forms part of the value chain of the energy sector with EPC (Engineering, Procurement and Construction) and O&M (Operation and Maintenance) areas.

In this context, IGNIS is clear about the keys for its growth: anticipation to the needs of the energy market; flexibility to meet growth opportunities; strong commitment to talent with highly specialized teams that work in collaboration and close to the territory where it operates.

ANTICIPATION
AGILITY
TALENT
COMMITMENT

These keys have allowed IGNIS to have over 450 professionals today and be present throughout the whole energy value chain around five main business areas:



All this activity is supported by a sustainability strategy where the drive of a clean energy transition comes along with a strong believe on the local positive impact seeking the long-term improvement of groups of interest in the territories where it operates.



*IGNIS understands that **the transformation of the energy model is only possible if it is present at all stages.***

A conviction that has encouraged the company to integrate itself in the whole energy value chain: from generation to marketing, servicing both big industries and individuals.

A clear goal

and a different work methodology: the keys to IGNIS positioning

From its incorporation IGNIS's goal has been the driver for growth and positioning in the sector. But none of it would have been possible without a clear and disruptive "how": putting all teams who work flexibly and collaboratively at the centre supported by transversal areas (finances, legal, talent, etc.) providing an agile strategy under a common mission, vision and values.

IGNIS works promoting the exchange of opinions combining in the final solution all ideas and skills (technical, financial and commercial) of each team with creatively, dynamically and collaboratively in a listening and respectful environment.

**OUR
TEAMS
AT THE
CENTER**



Mission

Promote a more efficient and sustainable energy model developing integrated and competitive solutions thanks to the talent and commitment of our team.



Vision

Lead the promotion and management of renewable energies in key sectors and countries favouring competition of our clients and the common good of the environment and local communities.



Values

CREATION OF VALUE

Commitment
Competitiveness
Reliability

FLEXIBILITY AND CREATIVITY

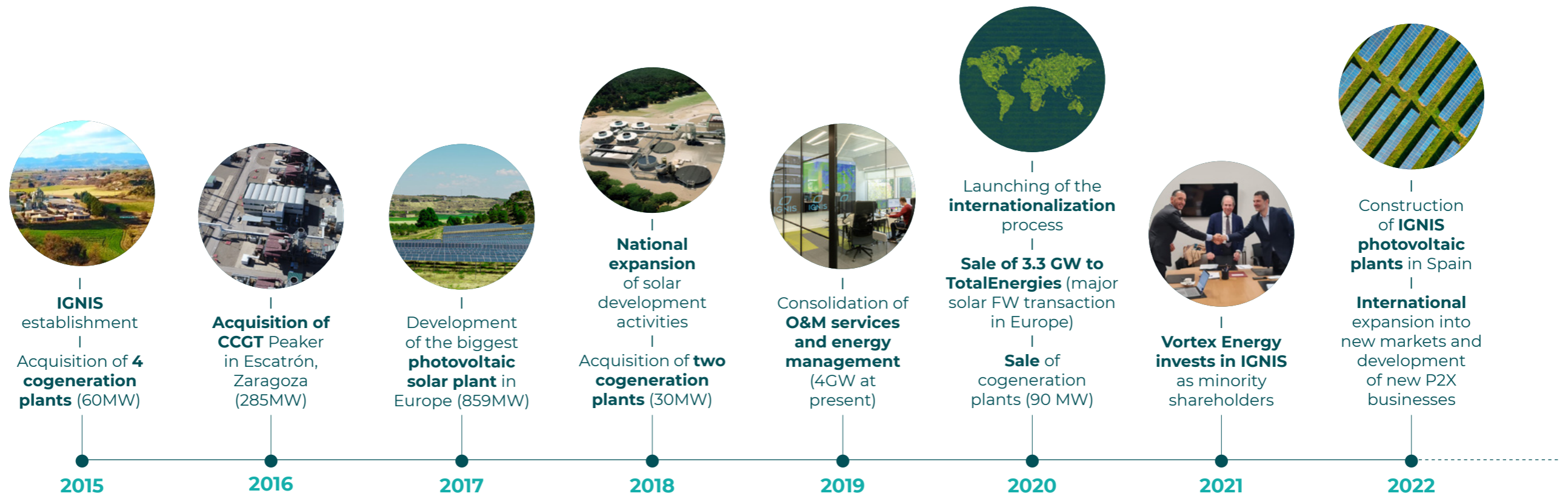
Flexibility
Know - how
Innovation

COLLABORATION AND TEAM

Passion
Involvement
Cooperation

A history of

COMMITMENT AND GROWTH



*IGNIS track record has helped the company become a key actor in **decarbonisation and electrification of the Spanish energy market** which today involves an expansion in the international scope.*

The figures of **GROWTH PATH**



We generate

20 GW	400 MW
of renewable projects under construction in 9 countries.	of PV solar energy under construction.



We operate and maintain

1 GW

under operation and maintenance including **one of the biggest PV complexes in Europe** and nearly **300 MW** of thermal assets.



We manage

+4.5 GW

being managed (~5% of the energy of the Iberian market)



We supply

Trading of 100% renewable energy.

+ 2,500	<small>NEW CLIENTS</small>	~5,800 kW
in our trading company.		self-consumption projects signed and ~150 kW of renewable boilers.



We innovate

7 projects

in new energy vectors

Our economic performance. 2022 Data

Net amount of business turnover	Thousand euros	99,942
Other operation income	Thousand euros	1,650
Financial income	Thousand euros	75
Economic value generated	Thousand euros	101,667
Profits before taxes	Thousand euros	(8,752)
Net profits	Thousand euros	(4,581)
Profit Taxes	Thousand euros	1,225
Vat and IGIC	Euros	14,297,388
Income tax and SS	Euros	(1,282,231)
Charges and IAE	Euros	2,579,390
Subsidies received	Thousand euros	659

Our tax situation and strategy

Ignis Energy Holdings, SL is the parent company of the Group and has its registered and tax address in Spain. It incorporates a Tax Group as parent company along with those companies that meet the conditions to form part of the Tax Group pursuant to Chapter VI of Title VII of Law 27/2014 of 27 November of the Corporate Income Tax. All those companies with registered address in Spain are subject to the Corporate Income Tax according to the Spanish legislation. Those subsidiaries of the parent company and with residence in other tax jurisdictions pay taxes in their places of residence as per local legislation.

Grupo IGNIS's tax structure and strategy is based on a strict fulfilment of tax obligations provided for in each of the jurisdictions where it operates. Grupo IGNIS has a highly qualified in-house tax team and top-level external tax advisors providing the necessary tax knowledge and accuracy to attend and apply local and international tax legislation.

Strict observance of OECD guidelines on transfer prices applied to multinational companies is an intrinsic part of the company's values. The Group is guided by market and best practices criteria and has an optimal tax model consistent with the power sector and the nature of its transactions.

		SPAIN	ITALY	UK	GERMANY	USA	MEXICO	PERU	PHILIPPINES
Profits (before taxes)	Thousand euros	3,521	(2,940)	(3,116)	(14)	(1,279)	(520)	(1,150)	(3,255)
Taxes paid on profits	Thousand euros	1,143	0	0	0	6	74	2	0
Public subsidies received	Thousand euros	659	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(*) Exchange rate as of 31/12/2022:

EUR - USD: 1.0666

EUR - BP: 0.88693

EUR - PERUVIAN SOL : 4.5153

EUR - MEXICAN PESO: 20.856

EUR - PHILIPPINE PESO: 59.32

Our **SUSTAINABILITY** strategic plan a key axis for a fair energy transition

IGNIS from its very beginnings has integrated sustainability in its activity not only in its purpose of becoming a relevant actor in energy transition but also in its day to day, organically, caring for social and environmental aspects of its activity.

In 2022 the company has reached a milestone with respect to sustainability. IGNIS has developed its first Sustainability Strategic Plan that will become the road map for the next 3 years creating a comprehensive and transparent sustainability model aligned with global trends and the best practices in environmental social and good governance aspects (ASG for its Spanish initials) in all company's operations.

The Sustainability Strategic Plan has developed after an intensive diagnosis and analysis task internal, sectorial and global. As a consequence, the company has defined **a strategic objective: to establish the basis for the governance and sustainable action to support IGNIS's growth and help it stand out for its local commitment and contribution to global energy transition.**

4 STRATEGIC LINES



REINFORCEMENT OF CORPORATE GOVERNANCE ESG

Creating a solid governance basis that facilitates an orderly and scalable growth, based on social dialogue and the achievement of corporate commitments.



DRIVING THE GLOBAL ENERGY TRANSITION

Positioning as a key actor in the global energy transition by supporting our customers with innovative, circular and tailor-made solutions.



REVITALISATION OF LOCAL ENVIRONMENTS

Generating opportunities for the recovery of natural capital and revitalising local communities where IGNIS operates.



WE ARE COMMITTED TO THE TALENT OF OUR PROFESSIONALS

Ensuring the professional development of employees in a climate of equality that favours growth and the attraction and retention of talent.

WE FOSTER GLOBAL ENERGY TRANSITION

OUR CONTRIBUTION TO SDG 7 AFFORDABLE AND CLEAN ENERGY



7 AFFORDABLE AND
CLEAN ENERGY



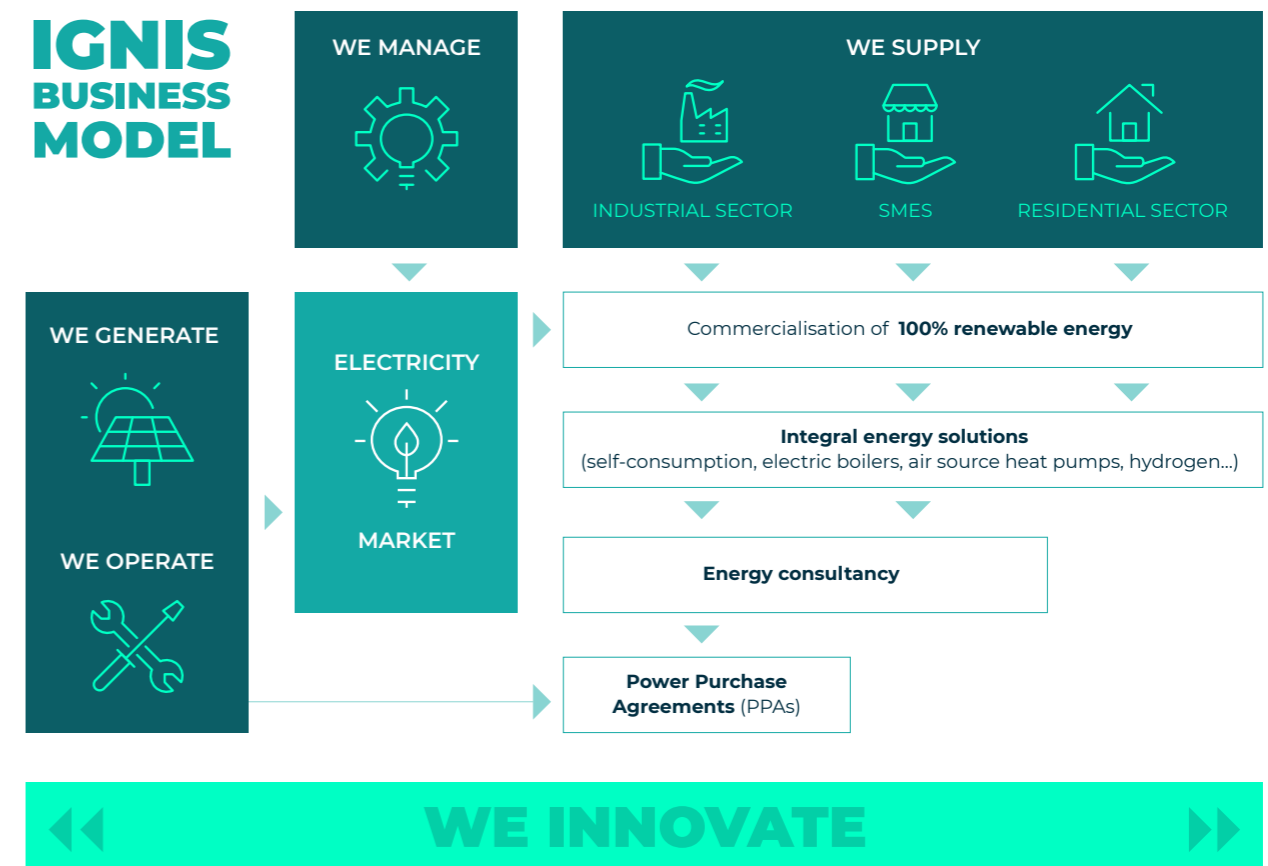
- **20 GW** of renewable projects in the pipeline in nine countries.
- **400 MW** of PV solar energy under construction.
- **Sale of 100% renewable energy.**
- **5,788 KW** of self-consumption projects signed.
- Development of **renewable energies projects** with local partners in **developing countries**.
- Collaboration with “**Energías sin Fronteras**” to improve energy efficiency in developing countries.

2

We support decarbonisation of our clients

2.1.1 2.1.1 Our business model at the service of decarbonisation

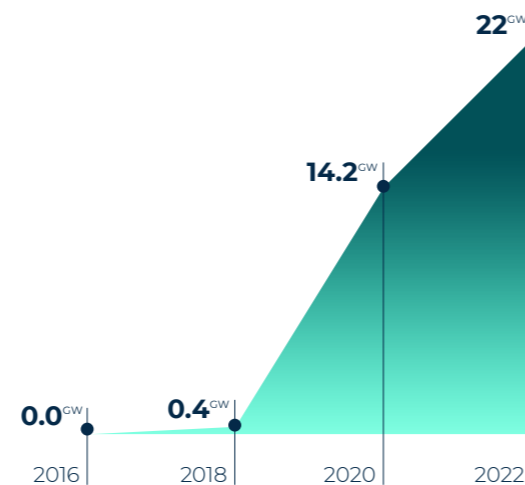
*IGNIS main business areas provide renewable energies with real presence in the market, boosting **decarbonisation of all** sectors both in the industrial sector and in large and small consumers.*



We generate

IGNIS has high renewable energy generation capacity through its expertise in the **development of renewable projects**, being one of the biggest European developers with global presence. At present it develops at different stages >10 GW at national level and >10 GW at international level corresponding to PV, wind farms and batteries projects.

EVOLUTION OF IGNIS RENEWABLE PORTFOLIO



Also IGNIS performs the **comprehensive EPC management** (Engineering, Procurement and Construction) of its own plants including the prior design and optimization analysis of plants and equipment procurement supervising the construction of projects during the whole process up to its commissioning.

IGNIS projects are based on the commitment with local communities and on the contribution to the orderly and responsible creation or maintenance of new industries favouring education, local employment and the respect for the environment.

We operate and maintain

IGNIS carries out the operation and maintenance of large plants streamlining their performance through preventive, predictive and corrective maintenance of the installation. At present, it manages over 1 GW of renewable assets including one of the largest PV complexes in Europe and 300MW of thermal assets specifically two co-generation (10 MW and 7.3 MW) and one combined cycle (275 MW) plants.

Its resources and differential O&M tasks offer tailored solutions through our own operative model for large-scale solar energy (double Asset Control Centre 24x7, SCADA owner solution, advanced technologies and own machinery and equipment). Also, it has internal Big Data and Artificial Intelligence developments to streamline production and plant availability.



*IGNIS has internal **Big Data and Artificial Intelligence** developments to streamline production and plant availability.*

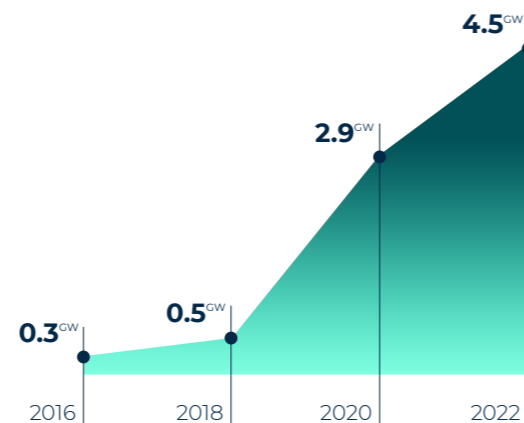


We manage

IGNIS combines the operation of physical assets with the management of the energy they produce in the market. Therefore IGNIS has an electricity market platform 24x7 to manage in real time, the sale of the energy generated using different technologies of its portfolio (PV, wind, hydraulic, biomass, natural gas combined cycle and cogenerations, among others).

Also it takes part in all electricity markets including the services for the adjustment of the system through a dynamic management of portfolio assets included in their regulation areas. This way it does not only maximize profitability of assets but also eases the integration of a new renewable power in the electric system as it provides flexibility services to the whole grid (previously reserved to conventional plants).

EVOLUTION OF ASSETS CONTROLLED BY IGNIS



IGNIS has its **own Control Centre** operating 24x7 and managing 4.5 GW (between 10 and 15% of the solar energy of the Iberian market) operating 90 plants of all kind of technology and supervising 10 substations.



CONTROL CENTER
24x7

MANAGING
4,5 GW



90
OPERATING PLANTS

10
SUBSTATIONS





We supply

IGNIS supplies 100% renewable energy, tailored solutions and energy efficiency measures to industries, companies and residential clients which allow the optimization of consumption, savings in electricity invoices and reduction of emissions.

Within these services we highlight



PPAs (Power Purchase Agreement or Agreements for Long-term Purchase of Energy) between IGNIS renewable plants and large industrial or corporate consumers.



Comprehensive energy solutions for consumers: self-consumption, renewable electricity-based boilers and demand management solutions for industries.



Sale of 100% renewable energy through **our own trading company.**

In 2022 we have developed



5,788 KW self-consumption projects in residential, Pymes and industry sectors.



146 KW of renewable boilers projects in residential and Pymes sectors.

For the provision of this sort of solutions, IGNIS makes available for the client its experience within the energy sector (development, engineering, energy management, asset operation, etc.) This allows the conception and delivery of economically and environmentally optimal solutions in an agile and efficient manner.



We innovate

IGNIS has the clear vision that making progress in the decarbonisation process is at the same time a great global opportunity. Renewable energies provide clean, cheap and reliable energy which impact does not only limit to what represents today the electricity sector (nearly 20-25% of final energy demand).

It is necessary to go beyond developing solutions based on renewables that cover heat, mobility, industrial gases and energy matrix needs. With this in mind, IGNIS commits to the design and development of innovative energy storage projects to maximize the integration of renewables in electric systems and new energy vectors such as hydrogen or green ammonia in order to transfer the impact of renewables to other sectors with massive energy consumption.



2.1.2 Internationalization

IGNIS purpose of transforming the energy model leads to an international expansion through a portfolio of PV, wind and battery storage projects.

Throughout 2022 IGNIS is present in nine countries in three continents: Spain, Italy, UK, Germany, USA, Mexico, Peru, Philippines and Indonesia.

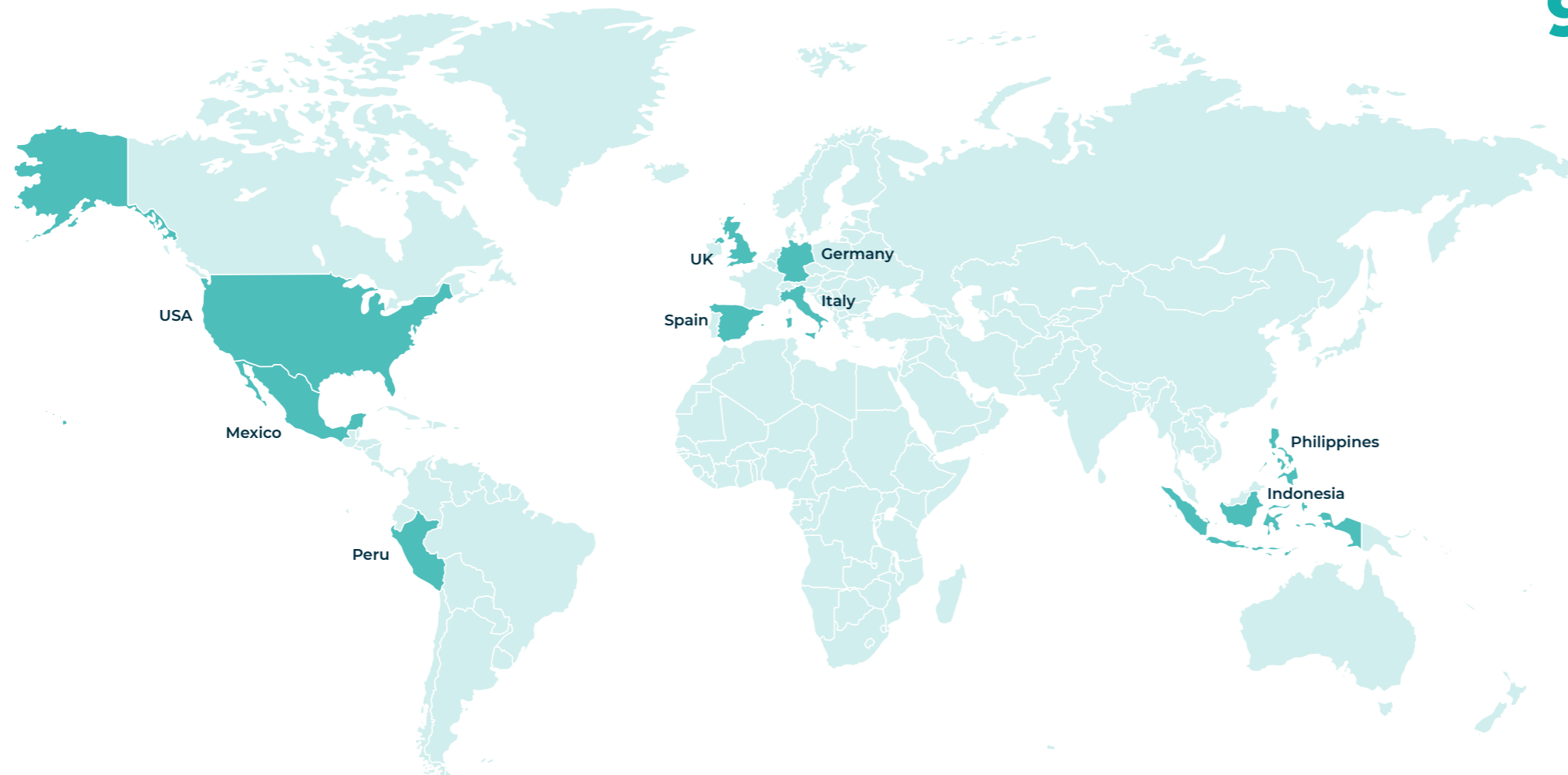
The internationalization process has taken place in collaboration with local partners which has allowed the creation of an international sound, scalable and with significant impact platform of projects.

In all countries where it has presence, IGNIS's objective is to provide its local teams with highly qualified employment and positively impacting on local communities with which it actively collaborates through social contribution (among others, collaboration with an agricultural community in Peru for the construction of an oxygen plant to mitigate COVID impact, the development of long-term contribution plans for agricultural communities of Mexican projects).

Contributing to the transformation of the energy model in

3 Continents

9 Countries 



2.1.3 Customer service: one year to do our very best

During 2022 IGNIS has definitely opened its offer to the final customer through its trading company and its energy-solutions services. Therefore, it has focused its efforts on customer service with the creation of a new Call Centre for its trading company and on a series of actions directed to quality improvement and the increase of client satisfaction:

- Monitoring, traceability and analysis of queries (information, incidents, claims, claims to trading company, etc.).
- AHT (Average Handle Time) and SLA (Service Level) measurements.
- Launching of surveys to measure the NPS (customer satisfaction) and quality surveys and audits in internal processes.
- Management of claims.
- Reports and reporting to assess the quality of the service.



At present IGNIS is immersed in the systematization of customers' claims management.

In 2022 it has not received claims.



Through its **Energy Solutions Department**, IGNIS provides businesses, SMEs, and individuals with the ability to plan, finance, and implement extensive energy projects for self-consumption, as well as demand-side electrification solutions using electric, geothermal, and aerothermal boilers.



It also markets other products such as the installation and operation of charging points, etc., all of which contribute to transform the energy paradigm in a sustainable way.



Innovation as business model



Innovation is essential to guarantee maximum efficiency and sustainability of IGNIS projects. Therefore, it forms part of its mission and strategy innovating every day and testing ideas thanks to an agile structure free from constraints and a trial and error culture that helps facing problems from new perspectives. Encouraging a creative mindset in all company's teams is a key tool to solve daily challenges and to create value for clients and partners.

Likewise, IGNIS is committed to Digitalization, Artificial Intelligence and Data Science to boost businesses deploying its own software to streamline processes.

Therefore IGNIS has a test lab at one of its PV plants under operation that helps the company explore different technologies (modules, structures, installation, inverters, etc.) to perfection the design and operation and maintenance of future projects depending on their features.

On the other hand, it works on the integration of agriculture in renewable energies with a division devoted to streamline synergies from agrivoltaics.

The commitment to innovation and the design of projects with new technologies includes the storage of energy and new energy vectors such as hydrogen or green ammonia, being founding partners of the Spanish Association of Renewable Ammonia and members of the Spanish Hydrogen Association.

Finally in order to promote a culture of inter-company innovation, a series of initiatives have been implemented to favour an open culture where any member of the team can propose ideas and new projects:

Consequence of this effort we have requested two patents in the scope of PV O&M.



Disseminating an innovation culture inside and outside the company

- Innovation portal “Cuéntanos tu proyecto” where employees can present their own innovation projects.
- Organization of 10 webinars on innovation and distribution of an innovation gazette to employees.
- Active technological surveillance and alliances with different key actors (universities, associations, etc.)
- Incorporation of junior researchers (“Investigo” program)

Outstanding innovation projects

- **ACCURATE+ PROJECT:** Predictive solution for PV production.
- **APOLO PROJECT:** PaaS technological solution to predict incidents for the optimal management of PV plants of more than 5MW.
- **ACADIEMS PROJECT:** Intelligent management system for the generation, storage and demand of renewable energy for the electricity market.

Decarbonisation strategy

2.3.1 Our footprint, our plan



During 2022 IGNIS obtained the stamps **Calculo y Compensación** granted by the Ministry of Ecologic Transition and Demographic Challenge.

To this end, it carried out and verified the calculation of the carbon footprint of the company in 2021 for the whole national territory under an operational control approach following GHG Protocol methodology for Scopes 1 and 2.

The indicator “tons of CO2 per MWp⁽¹⁾ under operation” was established as comparable rate to analyse the evolution of the emissions generated on an annual basis in this calculation.

In 2022 we have continued with these calculations and it is expected to include Scope 3 in the 2023 footprint calculation.

The differences of carbon footprints between 2021 and 2022 are mainly due to the stop and start-up of the combined cycle of Escatrón (Zaragoza) as well as to the incorporation of two cogenerations within the portfolio of the company at the end of 2021. Due to this circumstance, the year-on-year comparable rate has been the indicator of tCO2/MWp under operation.

With respect to energy consumption throughout 2022 a total of 1,580.8 MWh were consumed in offices and plants of which 31.75 MWh were origin-certificate sources.

(1) Megawatts peak

YEAR		2021	2022
SCOPE 1	Emissions associated to combustion processes for energy production.		
	Emissions associated to combustion of heating devices or generator sets of buildings and premises.	23,769.9 t CO2e	51,795.4 (*) t CO2e
	Fugitive emissions of fluorinated gases in power devices(transformers) and in air conditioning equipment.		
	Mobile combustion emissions associated to business trips of employees with vehicles property of the Group or personal.		
SCOPE 2	Emissions associated to electricity consumption at Grupo IGNIS premises.	1,094.6 t CO2e	389 (*) t CO2e
TOTAL		24,864.5 t CO2e 967 t CO2e/MWp under operation	52,185 (*) t CO2e 169.6 t CO2e/MWp under operation

As per 2021 footprint, IGNIS offset 200 tons equal to electricity consumption and fuel consumption consequence of transportation in portfolio and machinery (193 t of CO2e) with the projects detailed in section Measures applied to preserve or restore biodiversity. For 2022 footprint, in 2023 new compensation agreements will be signed.

Finally IGNIS has designed a Reduction Plan which among other measures considers a new policy of plug-in hybrid and electric vehicles and the transition towards an origin-guaranteed electricity supply at 100% of offices.

(*) Data subject to verification





2.3

WE FOSTER GLOBAL ENERGY TRANSITION

2.3.2 Our change towards neutrality

With the actual portfolio of renewable projects owned by IGNIS, the Company will be carbon neutral by 2039. After that year it will avoid 2,608 t of CO₂ per year of operation of all its solar plants⁽²⁾. The increase of the number of renewable projects may reduce that path towards neutrality.

Until reaching neutrality, IGNIS is committed to the reduction of emissions through the **Program for Footprint Reduction** that in the short-medium term, considers:

-  A new policy of pluggable hybrid and electric vehicles for the company fleet unless those used for long distances.
-  Prioritization of train journeys vs journeys using personal vehicles.
-  Supply of electricity with origin guarantee in all Group buildings.
-  Self-consumption with solar panels in offices of the combined cycle plant.

(2) The Company has carried out an estimation of the emissions avoided with the actual portfolio of renewable projects fully owned by IGNIS, part of which is under development and under construction. To such end, it is assumed that solar energy of Grupo IGNIS projects replaces that of a combined cycle considered as main energy source in Spain with an emission factor of 0.37t CO₂/MWh.

It includes potential emissions consequence of Scope 1 and 2 of our carbon footprint. Specifically as annual emissions we have considered those from:

- The construction and maintenance of our renewable projects.
- Fuel consumption (corresponding both to road transport of our employees for work journeys in working hours and natural gas consumption of our thermal assets).
- Electricity consumption in plants and offices (year of reference 2022).

*These measures will allow **100% elimination of emissions related to Scope 2** and reduction of around 68% of emissions associated to company vehicles. Until it reaches neutrality, IGNIS will continue signing compensation agreements.*

Sustainable management of resources and circularity

2.4.1 Raw materials consumption

In 2022 the main raw materials acquired to develop the construction process of PV plants are panels and trackers (acquiring a total of 552,735 units of PV modules and 11,938 tons of trackers).

At all times the Company has controlled that such materials fulfill Royal Decree 110/2015, of 20 February on wastes of electric and electronic devices and Law 21/1992 of 16th July of Industry and in the Regulation of the Industrial Integrated Registry approved by Royal Decree 559/2010 of 7th May to guarantee the financing of the collection and management of wastes of electric and electronic devices.

In construction works of PV solar plants aside from what has been mentioned, the main goods consumed are:

- Concrete (3,090t)
- Sand and gravel (11,182 t)
- Reinforced concrete (49.37t)

With respect to combined cycle and cogeneration plants gas consumption has been of 12,983.80 103 m3.

2.4.2 Circularity measures

IGNIS is committed to circularity and therefore it develops several innovation projects seeking to foster circularity within certain productive processes among them the Neosuccess Project.



IGNIS, through its water division collaborates in this project that forms part of the Fast Track to Innovation Program of H2020. The Project is aimed at developing the first plug and play type industrial solution that will integrate two complex and complementary processes: the treatment of biogas to turn it into biomethane and the production of bio-succinic acid from fermentation, two very valuable bio-resources for the industry.

Neosuccess technology represents an innovative solution for the biogas industry as it allows the improvement of the efficiency of resources using sugary wastes and presenting a low environmental footprint because it uses biogas CO2 instead of carbonate salts. This project is in line with EU Circular Bioeconomic Strategy focused on an increasing demand of bio-based and low environmental footprint fuel products.

The sustainability approach of the project comes from the valuation of wastes (SDG 12), treatment of waste waters (SDG 6), production of biofuels (SDG 7) and innovation (SDG 9).

In addition, IGNIS has implemented at its offices circularity initiatives such as:

minibox

Program for PET recovery of water bottles to turn it in new units without generating plastic wastes.

RECICOLES

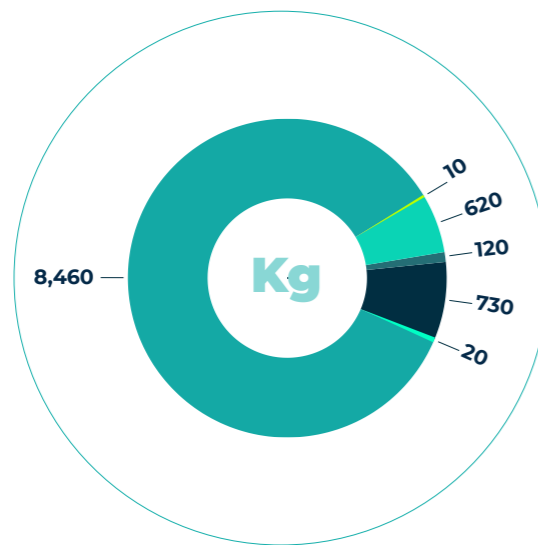
Program for the solidary recycling of writing material in collaboration with the NGO Entreculturas.

2.4.3 Waste management

Throughout 2022, the main sources of wastes generation have been the works for the construction of plants and combined and cogeneration-cycle plants. In all cases wastes are correctly segregated and managed by an authorized manager.

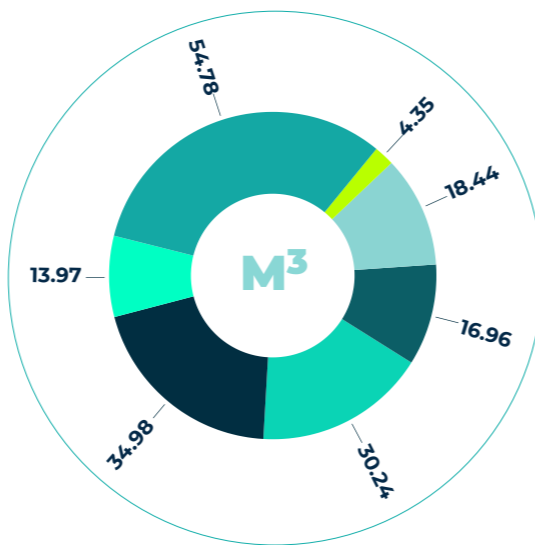
Below we detail the hazardous and non-hazardous wastes generated during 2022^(3,4)

HAZARDOUS WASTES GENERATED



- Land and stones polluted with hazardous substances
- Plastic containers that contain hazardous substances or are polluted
- Metallic containers that contain hazardous substances or are polluted
- Polluted cloths
- Sprays
- Absorbents, filtrations materials, cleaning cloths
- Mineral oils

NON-HAZARDOUS WASTES GENERATED



- Steel and copper wire wastes
- Swage sludges
- Wood
- Cartón
- Plastic
- Concrete debris
- Iron and steel

(3) Wastes generated in offices or urban solid wastes from works are not reported as well as those from operation and maintenance activities are not reported as they are not considered relevant (material).

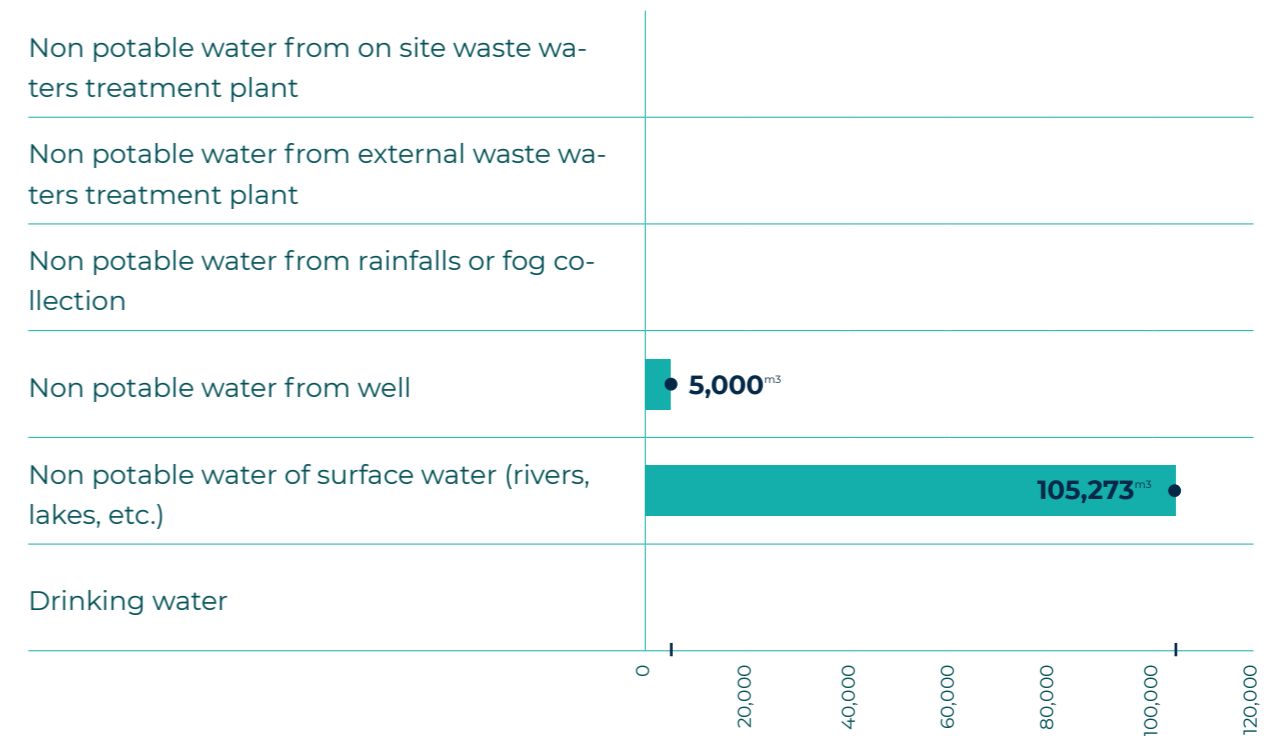
(4) The high amount of mineral oils generated is the consequence of the replacement in 2022 of mineral oil from cogeneration cycle turbines. This preventive activity is done every several years. The oil is sent to an authorized wastes manager for its regeneration.

2.4.4 Water and other resources

With respect to operation, water consumption at solar parks is reduced being limited to the periodical cleaning of dust appearing on panels. Wastes risks are very low due to the reduced handling of chemical substances in these installations. In all works and sites the indications of the relevant hydrographic confederations are fulfilled in order to reduce any potential effect on the public hydraulic domain.

The following table shows industrial water consumptions during 2022 from works, plants under operation and combined and cogeneration cycle plants⁽⁵⁾.

INDUSTRIAL CONSUMPTION OF WATER FROM WORKS, PARKS UNDER OPERATION AND THERMAL ASSETS (M3)



(5) Water consumption in offices is not reported as it is not considered relevant (material).

WE STRENGTHEN CORPORATE GOVERNANCE

OUR CONTRIBUTION TO SDG 16
PEACE, JUSTICE AND STRONG INSTITUTIONS



- **New ESG policies approved.**
- **Training on Compliance** for employees.
- Performance of an **analysis of criminal risks and design of an Action Plan** that will be implemented in 2023.
- **No fines** or sanctions for breaches of social or economic nature.

3

Corporate Governance

IGNIS structures its governance through a **Board of Directors**:

Director and President

IGNIS EQUITY HOLDINGS, S.L.U. (represented by Mr Antonio A. Sieira Mucientes).

Director and Secretary

Mr. Karim Moussa.

Director

Investadaro, S.L.U. (represented by Mr José Francisco Sarasola Jáudenes).

Director

Mr. Manuel María González Ortega.

Director

Mr. Bakr Abdel-Wahab.

Vice-secretary non-Director

Ms. María Pilar García Guijarro.

Also **Committees by Business Area** meet periodically as well as **the Investment Committee**.

Sustainability decisions are agreed by Board members in collaboration with the Management Team each in its scope of action. From 2022 these decisions are led and coordinated by the Responsible of Sustainability, Branding and Institutional Relations.

A management team with interdisciplinary experience, undertaking spirit and commitment



Antonio Sieira
CEO

Manuel González

STRATEGY AND DEVELOPMENT



Ana Peris

EPC MANAGEMENT



Santiago Bordiú

ASSET AND ENERGY



Ramón Paramio

INTERNATIONAL EXPANSION



Álvaro Pozo

ADMINISTRATION AND FINANCE



José Sarasola

INVESTORS AND FINANCIAL INSTITUTIONS RELATIONS



José María Fernández Daza (*Senior Advisor*)

LEGAL ADVISER



Cristina Ysasi- Ysasmendi (*Senior Advisor*)

BRAND, SUSTAINABILITY AND INSTITUTIONAL RELATIONS



Ethics and good governance

IGNIS has a series of policies governing its behaviour and decisions and according to the growth of the company throughout 2022 a series of fundamental codes and policies have been approved for an orderly and consistent growth.

At present, codes and policies in force within the ESG scope are:

- Code of ethics and conduct.
- Anti-corruption code.
- Policy for the prevention of money laundering and financing of terrorism.
- Whistleblowing channel
- Policy on occupational risks prevention.
- Protocol for the prevention of harassment and action in case of moral or sexual harassment complaint or for any sexual or other discriminatory reason at work.
- Code of conduct for suppliers.

APPROVED DURING 2022

COMPLIANCE MANAGEMENT AT IGNIS

- Compliance Officer to ensure adherence to internal policies as well as legal and regulatory requirements.
- General compliance training (1:30 hours) for employees. These sessions will continue to be implemented throughout 2023. Additional tailored compliance training sessions were also provided to particular employee groups.
- Conducting a criminal risk analysis of the company and designing an Action Plan for 2023.

During 2023 new policies to strengthen governance commitments of the company were approved being afterwards published on IGNIS website.

The Whistleblowing Channel gives IGNIS's employees, suppliers, clients and any person affected by the Group's activity, the opportunity to claim any activity which may allegedly be considered as irregular, contrary to the law, good practices or internal procedures and standards in an easy, simple and direct manner. To this end there is an email address and a postal mail address controlled by the Compliance Officer.

During 2023 the Whistleblowing Channel will be revised to adapt it to the regulations on Informant's Protection.

With respect to the prevention of corruption it is worth mentioning that the existence both of an internal procedure and monitoring to guarantee compliance with the

applicable regulation and for the approval of any convention, collaboration or sponsorship in which the Departments of Legal Counsel, Compliance, Sustainability and Institutional Relations may invest, and of a control of meetings held with public administrations. For both actions, there are training sessions on good practices for employees.

Also for the prevention of money laundering through 2022 the company has worked in the implementation of an ERP and a mechanism of approval of payments that would allow the crease of taxation and traceability of payments made by the company to suppliers and any other third party.






In both fields, there are internal policies and codes approved by the company (code of ethics, anti-corruption code, policy on money laundering and code of suppliers) which are mandatory for passive subjects: employees, directors, suppliers, etc.

During 2022 IGNIS has not registered any incident related to the breach of its corporate policies, it has not received fines or sanctions for breaches within social or economic scope and has not received claims of any nature through its whistleblowing channel.

Risks and ESG compliance

The main business areas of the Company are responsible for the analysis and assessment of the risks affecting its areas of action, designing mitigation measures subject to evaluation (depending on their relevance) at a corporate level.

Below we list the most relevant risks mitigation measures adopted during 2022

TYPE OF RISK	MEASSURES ADOPTED
 Compliance	<ul style="list-style-type: none"> • Preparation of a model for criminal risks valuation and a handbook on the prevention of offences. • Systematization of revision of legal requirements in the internationalization process. • Awareness of Management of the social corporate responsibility of IGNIS “tone at the top”. • Training in Compliance. • Training, control and monitoring of Institutional Relations. • Revision of the procedure for the empowerment by the Company. • Appointment of the external DPO to guarantee fulfilment of standards (RGPD).
 Financial	<ul style="list-style-type: none"> • Revision of the procedure for payment validation. • Definition and implementation of the goods and services contracting process. • Homogenization of accounting processes. • Development of the control and finance management software implementation.
 Loss of talent	<ul style="list-style-type: none"> • Definition of Carriers Plans under a TEAL organizations perspective
 Reputational	<ul style="list-style-type: none"> • Creation of the Crisis Management Procedure. • Reinforcement of the Communication Area. • Training of spokesperson. • Protocol of action in case of request of information by third parties.
 Cyber security and management of information	<ul style="list-style-type: none"> • <i>Disaster Recovery Plan</i>: geo-delocalization of the network on two sites and implementation of two environments to mimic services. • Implementation of cybersecurity solutions XDR (eXtended Detection Response). • Implantation of MDM Tools for the control of access to the information from different devices. • Implementation of activity monitoring tools of the final user and access to information. • Audit of the revision of policies for perimeter security. • Implementation of policies for the detection, blockage and monitoring of email malicious traffic.

In the scope of Sustainability there has been a whole process of



Internal diagnosis



Analysis of ESG risks



Global trends

As a result of this process, we have prepared the

STRATEGIC SUSTAINABILITY PLAN

Developing strategic lines of action and giving priority and programming actions for 2023-2025.

Global ESG risks with special effects on IGNIS



- **Global risks** studied by the World Economy Forum with a probability of significant onset in a period of 10 years.



- **Risks for the management of the value chain** related to new regulatory trends (Proposal of Due Diligence Directive on Sustainability, Directive of Minimum Salaries adapted to the EU and Regulation against the Import of Forced-Labour associated goods) and their relation with the renewables sector.



- **Risks of the impact on biodiversity and citizenship** mobilization studying the effect that the proliferation of PV installations in Spain has had on the company.

Global trends with special effects on IGNIS



- **Climatic change:** Acceleration of decarbonisation and climate and fair transition strategy.



- **Sustainable finances and European Taxonomy** as per the Action Plan on Sustainable Finances of the European Commission.



- **Respect for human rights:** Progression of the European regulatory framework in Human Rights and company and EU Action Plan for Human Rights and Democracy 2020-2024.

3.4

WE STRENGTHEN CORPORATE GOVERNANCE

Responsible supply chain

IGNIS has approved the **Suppliers' Code of Ethics** and has developed **Due Diligence** processes in its most relevant international supply contracts in addition to implementing specific social clauses for subcontractors in the self-consumption area.

At this stage it develops a project for the implementation of a sustainable purchases procedure and Due Diligence on human rights and environment.

With respect to the purchase of material for undergoing solar and wind projects there are quality controls involving among others, site inspections and inspections of factories of

our national and international suppliers (Pre-production factory Audit).

As per construction contracts several requirements have been included both to guarantee a correct environmental management on site and to prevent occupational risks of the activity.

As another important milestone it is worth mentioning that during 2022 we have worked in the implementation of an Enterprise Resource Planning (ERP) for the enhancement of IGNIS's purchase procedures providing a better analysis, integration and control of these processes.

3.5

STATEMENT OF NON-FINANCIAL INFORMATION OF **IGNIS GROUP** _ 2022

Sustainable financing framework

Given that IGNIS's activity is focused on fostering renewable energies, the great majority of economic activities of the company are considered eligible pursuant to Regulation (EU) 2020/852 of the European Parliament and Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments and the Delegated Regulation (EU) 2021/2139 of Climatic Delegated Acts.

IGNIS's Strategic Sustainability Plan and Financing Strategy are in line with new regulatory trends of sustainable finances and consider the development of a **Sustainable Financing Framework** throughout 2023.



WE ENCOURAGE OUR EMPLOYEES' TALENTS

OUR CONTRIBUTION TO **SGD 8** DECENT WORK AND ECONOMIC GROWTH



- **223 recruits** during 2022.
- Team formed by young profiles (**76% of our payroll is under 45 years**).
- **96%** of payroll with **indefinite contracts**.
- Development of the **Equality Plan** (*) and drafting of a **Protocol to prevent harassment**.
- **2,519 training hours for our payroll** (87% of payroll has received an average of 26 hours of training per employee).
- Reinforcement of our **Health and Safety Department** and implementation of several actions to raise awareness and provide training.

(*) Pending final approval

People who form IGNIS

IGNIS explosive growth has closed 2022 with a payroll of

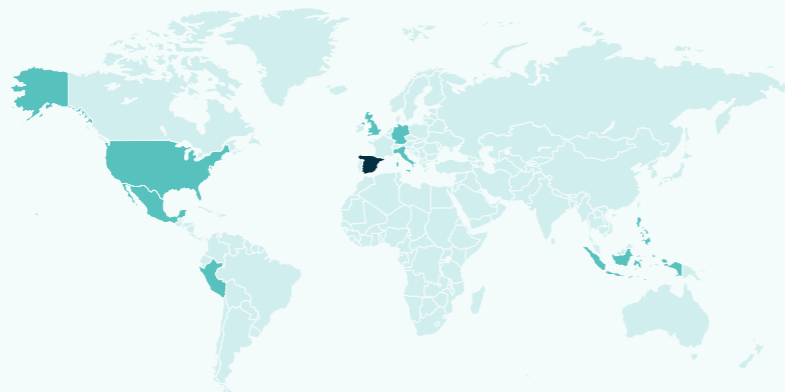
477 PEOPLE

With a total of 223 new recruits during the year.

It is a diverse team that combines a senior management with a young profile

76% OF THE PAYROLL

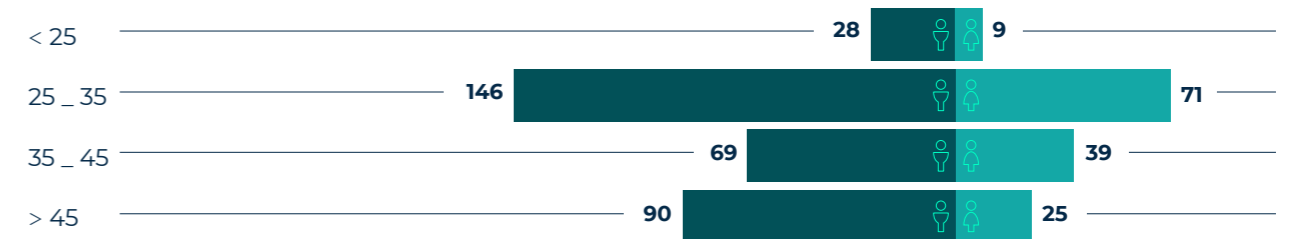
being under 45 years



THE X-RAY OF OUR TEAM

BY AGE AND GENDER

IGNIS's main business areas demand technical qualifications (STEM careers) with men predominance this being the reason for our payroll including more men.



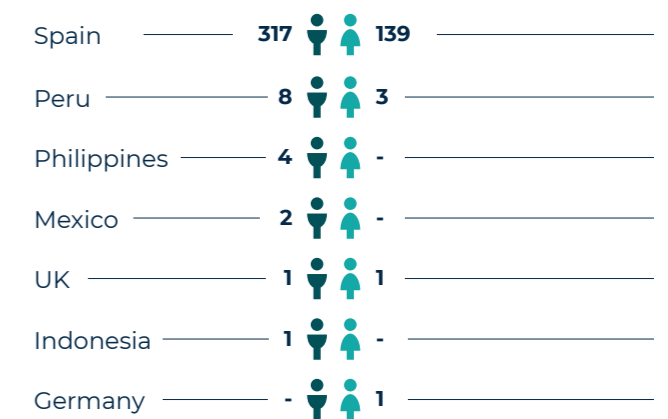
BY PROFESSIONAL LEVEL AND GENDER

On the other hand, IGNIS organizes its payroll depending on the nature of the position defined on the grounds of the area of activity and level of responsibility.



BY COUNTRY AND GENDER

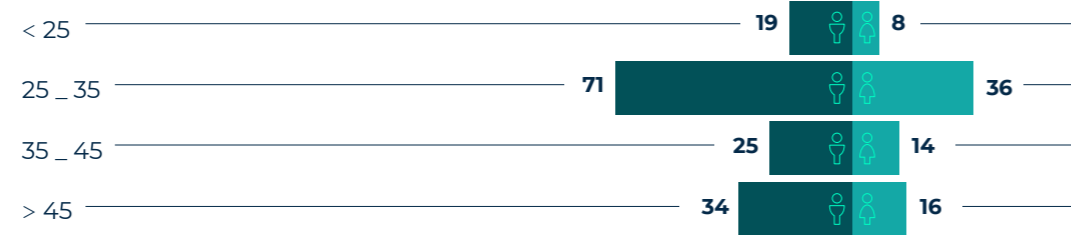
Ninety six per cent of IGNIS payroll develops duties within the national territory while 4% in the international.



New recruits

BY AGE AND GENDER

IGNIS prioritizes the selection of professionals aligned with its values as well as with the dissemination of those values and corporate culture from the moment of incorporation of each employee (see Quality Employment).

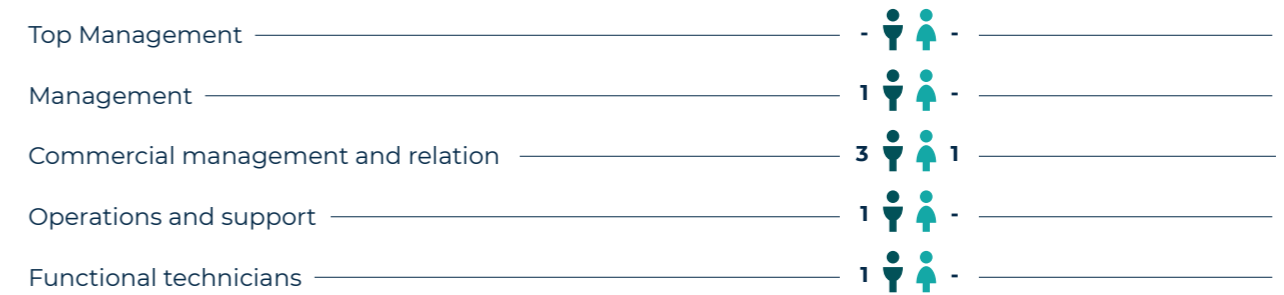


As per Conventions, **100% of employees in Spain are subject to Collective Agreements** and in the rest of geographic areas the Company complies with the employment regulation in force in each country.

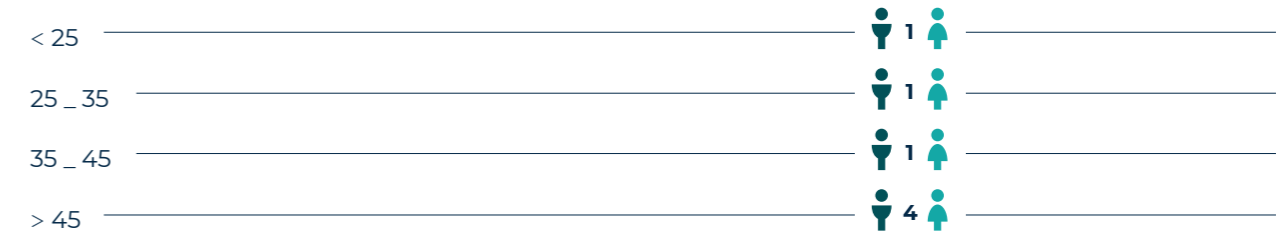
Contract termination for dismissal

With respect to contract termination for dismissal, there have been a total of 7 terminations in 2022.

BY PROFESSIONAL LEVEL AND GENDER



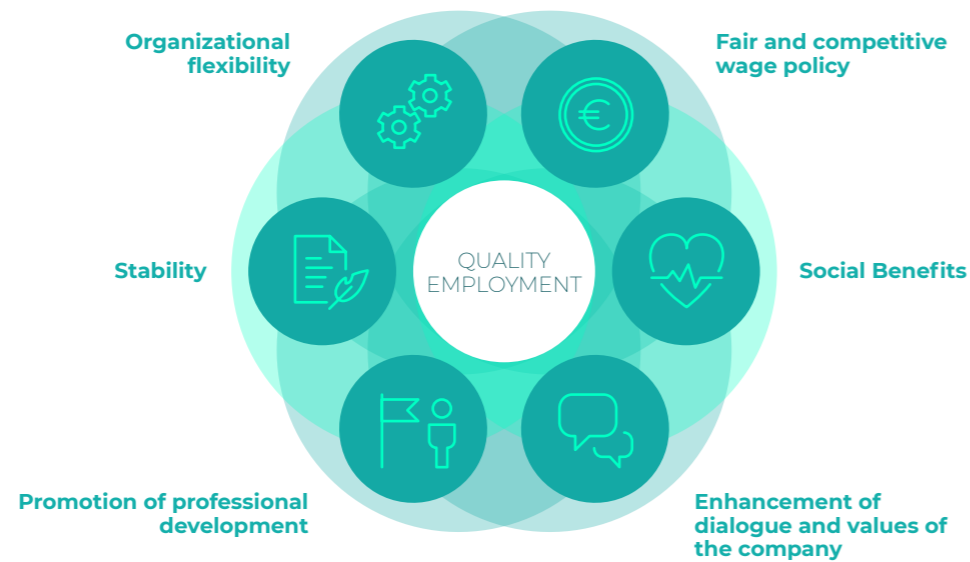
BY AGE



Quality employment

IGNIS is aware that its growth and success is possible thanks to its professionals and to an innovative work methodology that places teams and each and all of the people forming it at the centre. To make this network work it is a priority to offer quality employment which fosters and retains corporate culture.

IGNIS actively works in the **following axis**:



Organizational flexibility with a **flexible schedule and a mix of work** methodologies that combine office (twice a week) and remote (three times a week) work. This work methodology was consulted with employees in 2021 conducting a survey and has been successfully validated in 2022. Also, the company works in additional measures for conciliation and digital disconnection.



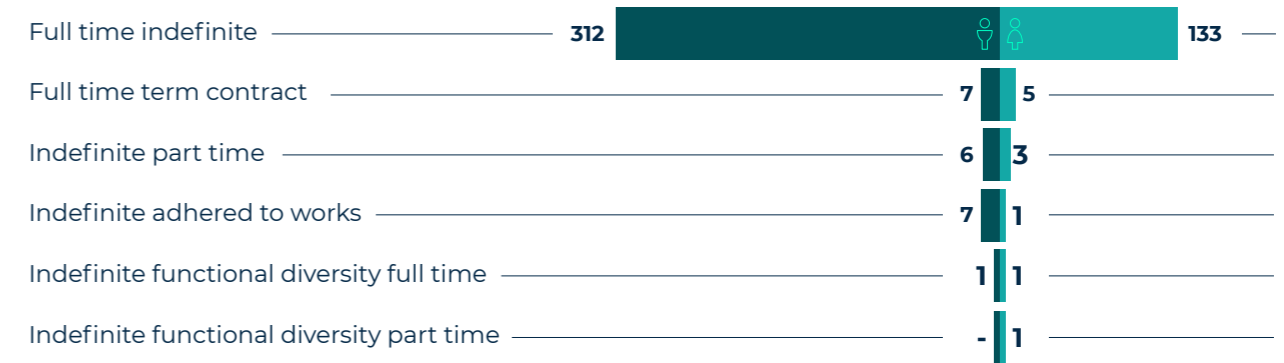
Stability through a policy that gives priority to **indefinite contracts, 97% of the payroll** (98% in men and 96% of women) with this type of contract.



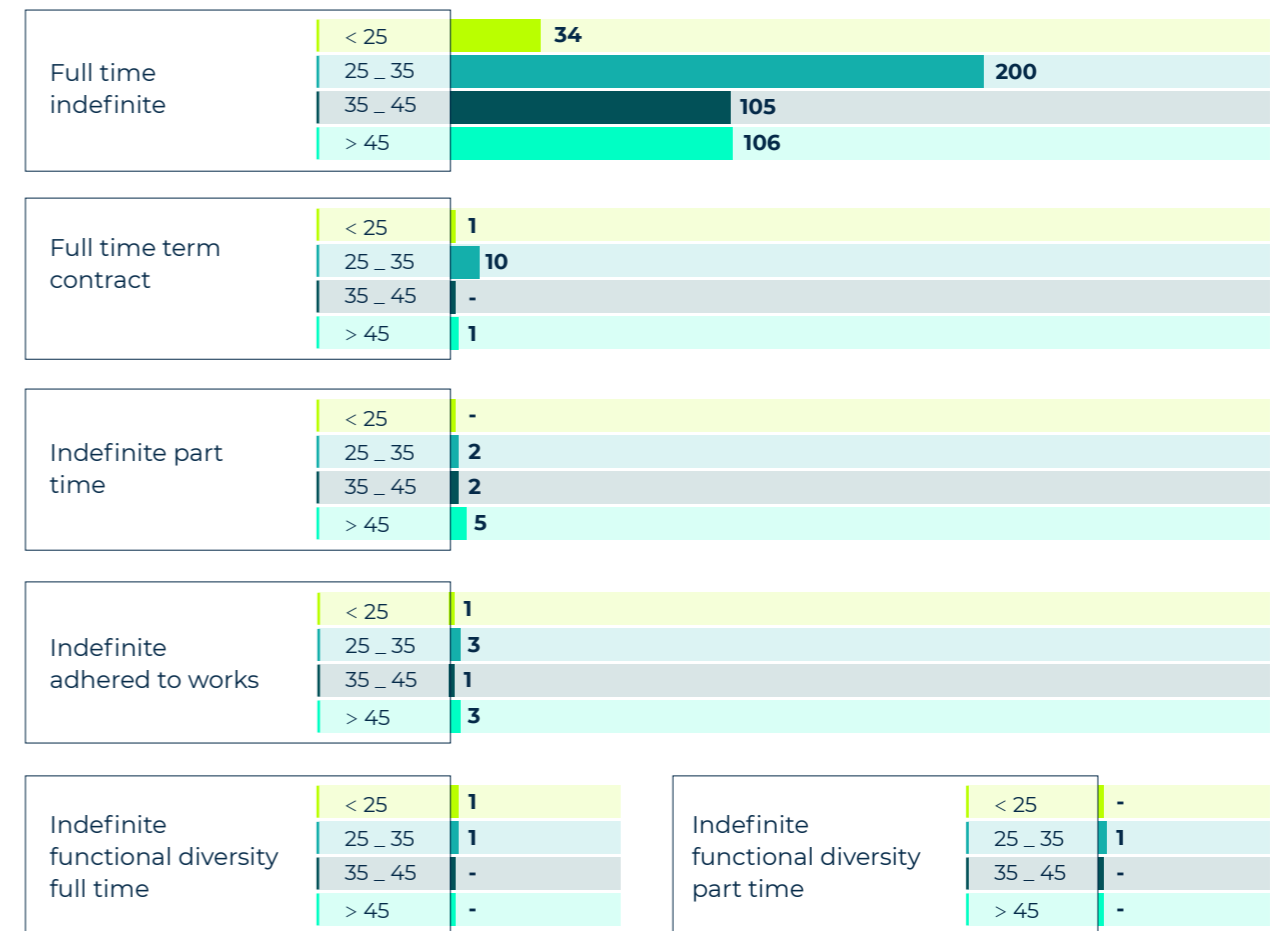
Promotion of professional development perspective of continued improvement led by the Talent Department (see section Professional Development).

Type of contract

BY GENDER



BY AGE



BY PROFESSIONAL LEVEL

Full time indefinite	Top Management	8	Full time term contract	Top Management	-	Indefinite part time	Alta Dirección	-	Indefinite adhered to works	Top Management	-	Indefinite functional diversity full time	Top Management	-	Indefinite functional diversity part time	Top Management	-				
	Management	55		Management	-		Management	-		Management	-		Management	-		C. Management and relation	-	Operations and support	1	Operations and support	1
	Commercial management and relation	61		Commercial management and relation	1		Commercial management and relation	3		Commercial management and relation	-		Commercial management and relation	-		Functional technicians	1	Functional technicians	-	Functional technicians	-
	Operations and support	39		Operations and support	2		Operations and support	2		Operations and support	5		Operations and support	5		Operations and support	1	Operations and support	1	Operations and support	1
	Functional technicians	282		Functional technicians	9		Functional technicians	4		Functional technicians	3		Functional technicians	3		Functional technicians	1	Functional technicians	1	Functional technicians	-



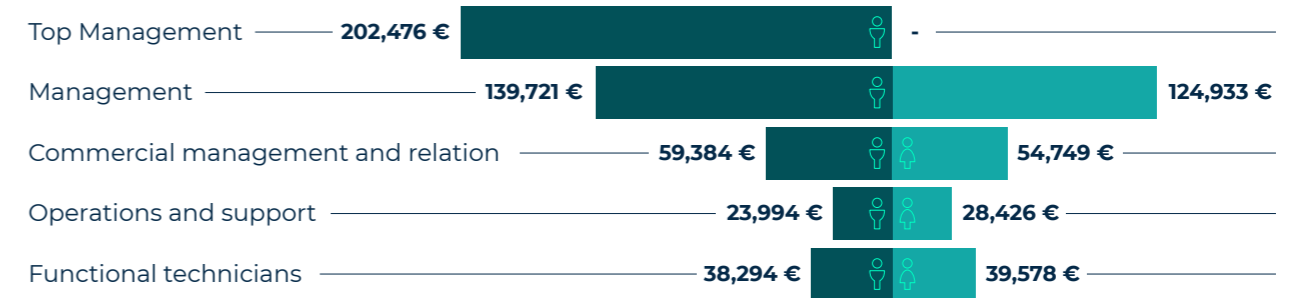
Fair and competitive wage policy: IGNIS defines salaries according to the nature of the position, responsibilities, expertise, experience and accomplishment of objectives.

The calculation of 2022 pay gap has given values of +1.8%⁽⁶⁾ in favour of women, this pay gap should not be considered significant therefore it could be considered that **there is no pay gap**.

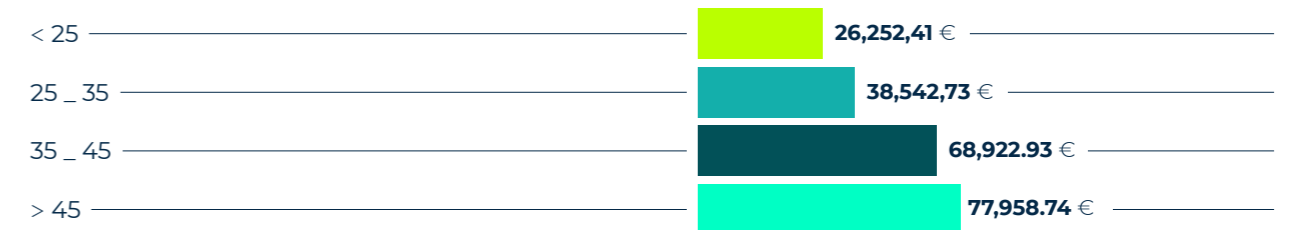
(6) Weighted average attending to the classification by nature of the position. "Top Management" has been excluded as there are no women.

Average remuneration

BY PROFESSIONAL LEVEL AND GENDER



BY AGE



With respect to the remuneration of directors as mentioned in chapter 3, the Board of Directors of Ignis Energy Holdings, parent company of the group is formed by five members. The Board of Directors does not have any conflict of interest, either direct or indirect, that Directors, as defined in the Law on Corporations, may have with the interests of the Company.

During 2022 the Board of Directors has received remuneration for an amount of 680 thousand euros. Part of the members of the Board receives a fixed remuneration as Director, another part according to its profes-

sional relation and another does not receive any remuneration at all. During the year Directors of the Company have received no contribution as funds or pensions plan.

The Group has established a regime of allowances for the members of the Board of Directors. The Board of Directors has not received remuneration for the participation in profits or bonus. As per the payment of life insurance premiums, the Company has underwritten policies that cover those holding a professional relationship with the Company.



Social Benefits: IGNIS makes available for employees the following social benefits:

- Life insurance.
- Joint savings plan.
- Flexible Remuneration Plan in which the employee can streamline its remuneration through a series of products of its choice:
 - Medical insurance.
 - Meals.
 - Transport.
 - Training for professional development.
 - Nursery.
- Travel insurance and international health insurance for expats and their families.

In addition, IGNIS offers a **baby cheque** (baby allowance) for employees who have had babies.



Enhancement of dialogue and values of the company boosting a philosophy that encourages team spirit, decision making capacity, innovation and listening. For its accomplishment, aside from daily activities, there are several actions throughout the year:

- Virtual encounters of the whole company “Ignis Together”.
- Team building activities.
- Welcome breakfast for new employees with the management team for their “onboarding” process.
- Promotion of sports and healthy life habits through participation in different solidary initiatives.
- Annual individual feed-back meetings.

TEAM SPIRIT



Diversity and equality



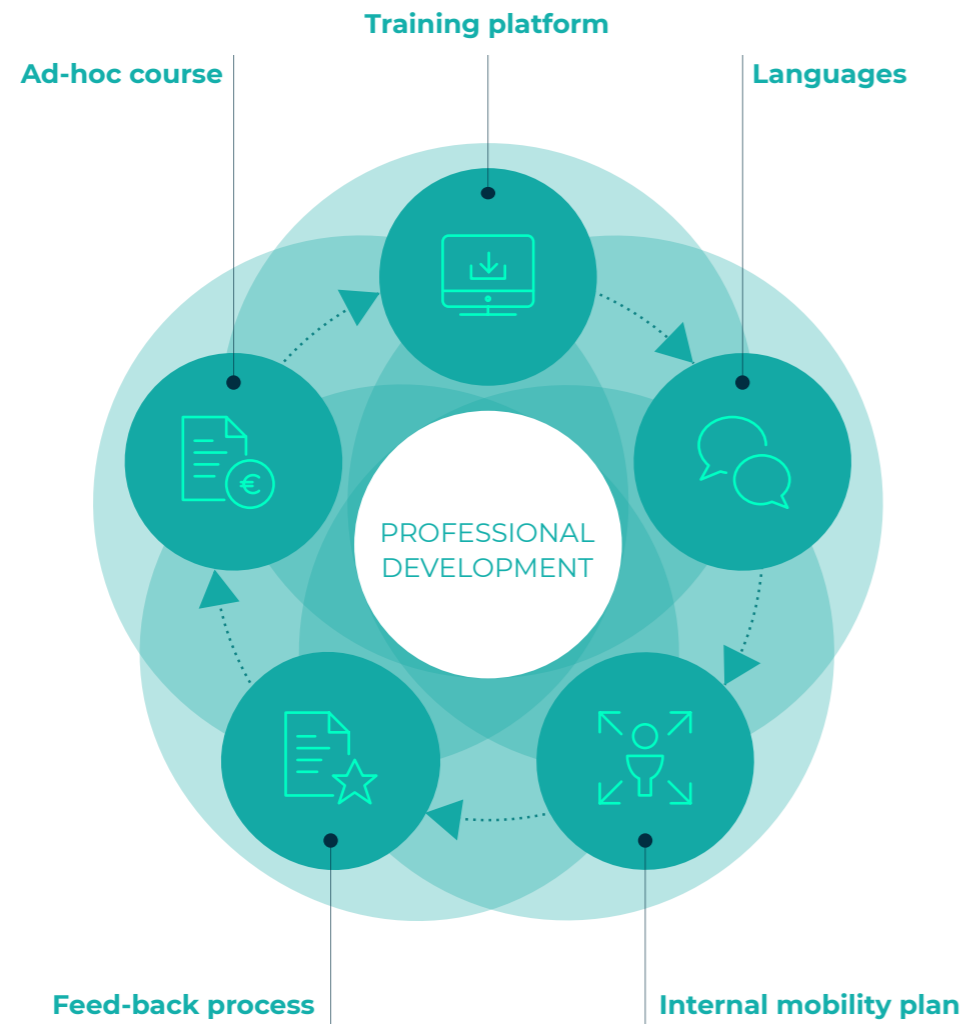
IGNIS works every day for diversity and equality and during 2022 has reached several milestones in this scope:

- **Development of the Equality Plan of the Company.** It has completed the initial diagnosis stage and developed a Plan and according to the legal procedure, it has requested an encounter with the most representative trade unions to agree the measures. Throughout 2023, the process will be completed and the Final Plan will be approved.
- Approval of the **Harassment Prevention Protocol** and action protocol in case of moral, sexual, gender-related or discriminatory cause claims at work in order to prevent and eliminate all situations involving harassment.
- **Increase** of the number of employees with over 33% **functional diversity** (3 employees).
- Collaboration with associations and foundations that work with people with functional diversity such as Prodis, Fundación Simón Ruiz, Norte Joven and Juan XXIII.
- Participation in events that **foster the presence of women in STEM areas** (Science, Technology, Mathematics and Engineering) and speeches in schools about the importance of sciences and technology for the future of our society on the occasion of the International Day of Women and Girls in Science.



Professional Development

In order to respond to the challenges of the market and the society and become a company leader in the energy transition process, **IGNIS is committed to continued training of professionals** and therefore it has a **Talent Department** in charge of fostering the professional development of employees through the following actions:



Training platform: IGNIS offers all its employees access to a **platform with over 700 courses** both on technical (construction, energy, environment, sustainability) and transversal skills.



Languages: IGNIS offers courses of:

- **English** for employees who require it given the nature of their job (in total we offer it to 33% of payroll).
- **Spanish** for foreign employees moved to Spain.
- **Other languages** for expats.



Ad-hoc course: IGNIS analyses the specific needs of people and departments financing and co-financing specific training.



Internal mobility plan: In order to promote professional development and respond to the concerns of employees, IGNIS has a portal of vacancies to allow horizontal mobility of payroll. Thanks to this, IGNIS has multi-skilled professionals with a broad vision of the energy sector.



Feed-back process: IGNIS carries out annual appraisals of employees and organizes meetings in their teams to know the concerns and proposals of its members.

*In this framework of professional development and talent promotion, during 2022 there have been **12,519 training hours.***

84% of payroll has received some kind of training with an average of 25 hours per employee.

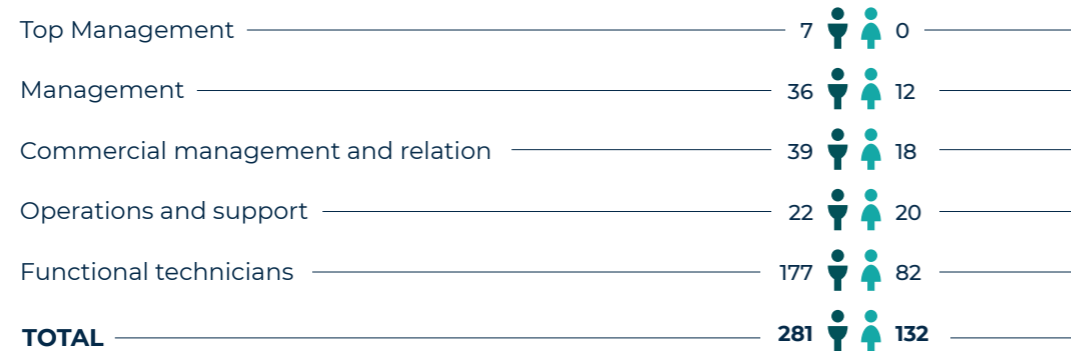
Training hours

BY PROFESSIONAL LEVEL AND GENDER



Employees trained

BY PROFESSIONAL LEVEL AND GENDER



BY AGE AND GENDER

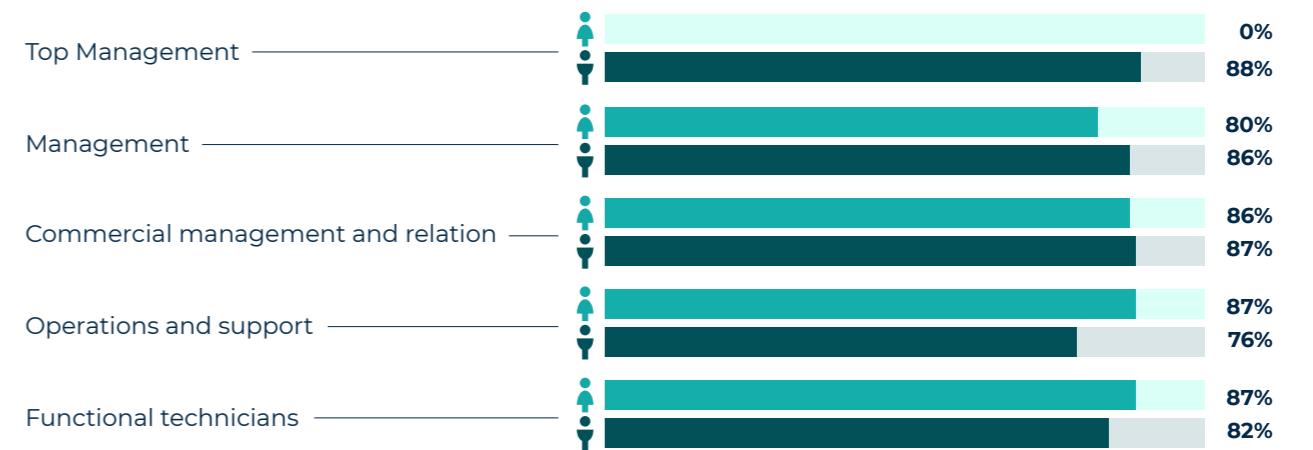


Percentage of employees formed

BY AGE AND GENDER



BY PROFESSIONAL LEVEL AND GENDER



Also during 2022 IGNIS has been working in a Career **Plan under an innovative organizational approach (TEAL)** for all members of each department of the Company.

Health and Safety at workplace

Our commitments

- 1  **To protect employees**, subcontractors and other interested parties creating an environment of safe and healthy work. Therefore, the Company encourages consultation and participation of employees in this scope.
- 2  **To eliminate the hazards and reduce the risks to prevent any damage and/or impairment of health** under the statement that all accidents can and should be avoided.
- 3  **To integrate prevention in all processes and activities of the company.** Any decision adopted in the company shall consider prevention.
- 4  **Training** as key factor for occupational risk prevention.
- 5  Dissemination of the **Occupational Risk Prevention System** to reach the goal of zero serious or fatal accidents.
- 6  **Continued improvement** as engine of the Management System.
- 7  **Compliance of applicable legislation** as well as of other requirements signed by the organization.
- 8  **To adapt the work to the person** considering technology advances.

In 2022 there have been steps to build a sound safety and health culture:

- Approval of the **risks prevention policy** with the commitments stated above.
- **Safety suggestions mailbox:** This mailbox made available for employees promotes the presentation of proposals, recommendations and specific complaints regarding Health and Safety in order to achieve a healthy work environment.
- Creation of a **Health and Safety Committee** formed by the Health and Safety Responsible of the main business areas of the company. The purpose of the Committee is to discuss the most relevant aspects of prevention informing the Management and approving the objectives on prevention and any measure decided to implement.
- **Training** on raising awareness of the importance of occupational risks prevention and dissemination of the policy of the company.
- **External audit of our EPC activity.** Within the context of the continued improvement and with the objective of verifying that EPC activity is appropriate and globally meets regulatory provisions on health and safety the company conducted an audit which conclusions were favourable with respect to the level of integration of the health and safety management system of the company and the level of implementation, documentation and efficiency thereof.
- **Optimization of Coordination of Corporate Activities** using specialized software. This way there is an exchange of documentation in the relevant project which increases effectiveness of document management. Through the verification and validation of documents of companies, employees and machinery it is easier to keep a more rigorous control to prevent accidents at work.
- Drafting of a summary **book of accident datasheets** (of the company or subcontractors) and **lessons learned** to train teams providing details on accidents and significant incidents in order to adopt a preventive culture and avoid the repetition of accidents.

During 2022, IGNIS registered an accident with medical leave which represents an **incident rate** (number of accidents with leave per each 100,000 employees exposed) of 195.

This rate is way lower than the national average for the metal sector which was of 303 as per the IV State Collective Agreement of the sector.

INDICATOR	2022
Incident rate	195
Incident rate. Women	0
Incident rate. Men	281
General frequency index	1.11
General frequency index. Women	0.00
General frequency index. Men	1.60
Low frequency index	1.11
Low frequency index. Women	0
Low frequency index. Men	1.60
Severity index	0.01
Severity index. Women	0
Severity index. Men	0.01
Average duration index	5
Average duration index. Women	0
Average duration index. Men	5

NUMBER OF ACCIDENTS IN 2022	With leave	Without leave
Women	0	0
Men	1	0
TOTAL	1	0

IGNIS has not registered any accident in itinere in 2022

The company has maintained its commitment to continued improvement of employment conditions and occupational risk prevention and has defined as goal for 2023 the reduction even further of its accident rate.

On the other hand, during 2022 IGNIS has undergone an explosive growth of payroll having 477 employees as of closing of the year. On the grounds of this number the Company has calculated **absenteeism** figures that represent 8.8% (42 employees), of which 13 (2.7%) are of very short duration, 21 employees (4.4%) are of short duration, 7 employees (1.5%) of medium duration and 1 employee (0.2%) of long duration. In 2022 the total number of absenteeism hours is of 44,360 hours.

ABSENTEEISM	Employees on sick leave		
	Men	Women	TOTAL
Very short duration	7	6	13
Short duration	19	2	21
Medium duration	1	2	7
Long duration	1	0	1

Long-term absenteeism was mainly due to COVID-19 pandemics impact causing many sick leaves, preventive quarantines and adaptation to remote work.

The company with the help of an external prevention service designed a COVID-19 action plan that included preventive measures to reinforce protection against the pandemics.

Voluntary service and involvement

Commitment and collaboration to make positive impact on our society are values which are very present in our company's daily work and are realised among others, with voluntary activities which in great part appear at the initiative of Company's professionals. Therefore in 2022 the company has activated a **social action mailbox** for employees to share their proposals and initiatives.

Also during 2022 IGNIS has carried out several donations to non-profit associations for a total amount of €34,469:

AREA OF CONTRIBUTION	DONATION(€)
Development and cooperation	21,124.00
Promotion of biodiversity	3,345.00
Support to Local Communities	10,000.00

IGNIS collaborates as Trustee of the Association and has taken part in the design and execution of a PV system for water pumping at Los Jaime (Peru).



IGNIS employees and their families participated in a Reforestation Day for the naturalization of Cañada Real Galiana.



Conferences in schools of the communities where we operate to raise awareness on the importance of sustainability, care for the environment and the importance of renewables in energy transition.



Preparation and distribution of food to persons in need.



WE REVITALIZE LOCAL ENVIRONMENTS

OUR CONTRIBUTION TO SDG 11 SUSTAINABLE CITIES AND COMMUNITIES



- **Free courses** on the theory and practice of the assembly of PV solar installations within the rural environment to improve employability in the renewable energy sector **(262 students formed between 2021 and 2022)**.
- **Dialogue** with the main representatives of communities and **information meetings** with neighbours.
- **Participative financing projects.**
Support the rehabilitation of cultural heritage, maintenance of **local roads**, contribution to the reform of **municipal housing** in order to ease the settlement of population, collaboration with local **sports teams** among others.

We promote socio-economic development

Most energy projects are located in rural environments, thus IGNIS's strong commitment to contribute to a sustainable rural development revitalizing the local environments where it operates. As a reflection of this commitment, IGNIS has boosted the following actions:

Promotion of local employability and risk of exclusion

IGNIS has organized different **free courses on the theory and practice of the assembly of PV solar installations** in order to increase employability and favour the contracting of local staff in their PV plants. In the development of these courses the company has given priority to people unemployed and with difficulties to find and employment registered in the areas where courses are developed.

Since the implementation of this local training plan IGNIS has given these courses in different Spanish regions with a total of **262 students**:

Free courses on the theory and practice of pv solar installations **2021-2022**

BEGINNING	END	MUNICIPALITY	ENROLMENTS
17-nov.-21	20-dec.-21	Campo Real	36
18-nov.-21	16-dec.-21	Colmenar de Oreja	17
18-nov.-21	16-dec.-21	Mondéjar	31
17-nov.-21	20-dec.-21	Torres de la Alameda	23
19-apr.-22	27-apr.-22	Guillena	25
10-may.-22	18-may.-22	Guillena	40
11-jul.-22	22-jul.-22	Antequera	8
14-sep.-22	22-sep.-22	Archidona	31
14-nov.-22	22-nov.-22	Muniesa	21
12-dec.-22	20-dec.-22	Cubillos	5
16-jan.-23	24-jan.-23	Pozuelo de Tábara	25



Local presence and contracting

Aware of the importance of being present in the territory and favour direct contact with neighbours, IGNIS has **opened local offices and contracted local people**. Among other regions, we offer this service in Mondéjar, Campo Real, Perales de Tajuña, Torres de Alameda, Cerviá de les Garrigues, Esquivias and Framontanos de Tábara.

In line with energy solutions, IGNIS has reliable local collaborators for assembly and installation duties and gives priority to local environments in its contracts. Also, within that presence and relation with local communities, the Company carries out activities to raise awareness and train younger people giving speeches in schools.

Dialogue and participation

IGNIS is **in permanent conversation with the main representatives of local communities** both with local authorities and associations holding informative meetings with neighbours.

In addition, along with BIB Vogt and in fulfilment of the provisions in article 9bis of Royal Decree 24/2021 on the acceleration of the deployment of renewable energies distributed, the neighbours of 25 municipalities of the region of Alt Camp, in Cataluña, have the possibility to join a **participative financing project of the PV Plant** of Almenara (El Pla de Santa María, Tarragona) through Fundeen, the platform of reference for participative financing of investments in renewable energy projects in Spain.

At an international level, IGNIS is preparing **participative workshops in Rural Communities of San Pedro de Morrope and District Municipality of Olmos (Peru)** in order to inform and solve doubts and suggestions about the wind plants projected for the area.

Contribution

During 2022, IGNIS has carried out several contributions to:

- Promote cultural activities.
- Improve local services and infrastructures.
- Preserve and improve cultural and natural heritage.

In total IGNIS has made contributions for an amount of **€64,140** for the purposes aforementioned.





We take care of the natural environment

OUR CONTRIBUTION TO SDG 15 LIFE ON LAND



- Collaboration in the **preservation and conservation** of the following **forests**:
 - Forest CO2GESTION 'La Carballeda II' in the T.M. de Molezuelas de la Carballeda, Zamora.
 - Forest Santa Cruz de Mudela en el T.M. Santa Cruz de Mudela, Ciudad Real.
 - Forest Arnette Oh Madre El Casar en el T.M. El Casar, Guadalajara.
- **€2,552.5K** invested in environmental consultancy.
- **254 studies** of environmental prefeasibility.
- Participation in the **renaturalization** of Cañada Real Galiana through corporate volunteer activities.
- **No environmental fines or sanctions have been registered.**
- **Partnerships to promote biodiversity** (Group for the Rehabilitation of Indigenous Fauna and its Habitat-GREFA-; Tagonius Active Conservation; Steppe Forward Chair for the assessment of agro-steppe systems and their conservation)

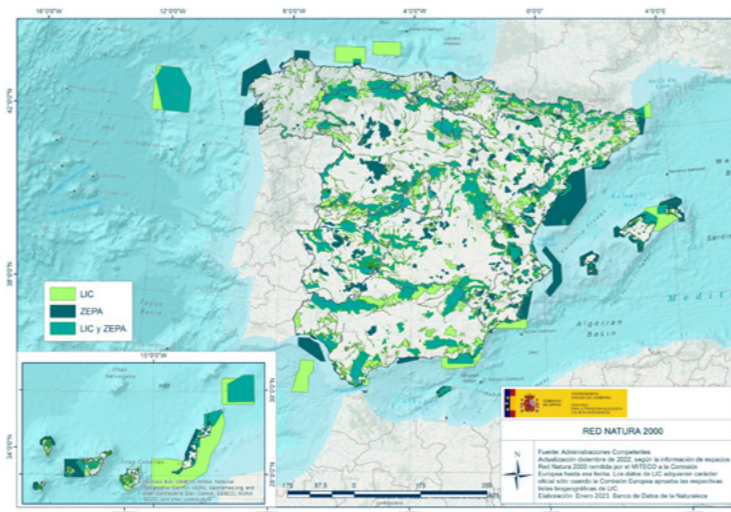
5.2.1 The essential environmental variable to determine the feasibility of our projects

One of the essential components which determines the feasibility of a project is the environmental variable and therefore according to the principle of mitigation, the earliest stages of projects of the company have exhaustive **environmental prefeasibility studies** supported by the development of extensive and detailed **avifauna records** in order to avoid and minimize the global impact of the project.

Moreover there have been several consultations with Administrations in order to known environmental details or alternatives which may be decisive in the location of the project.

Consequence of this process:

- No solar plant managed in 2022 is located in areas of the Red Natura 2000.
- No plant under construction and operation is located in areas of the Red Natura 2000.
- In the event of lineal infrastructures (electric grid), when it has not been possible to avoid the crossing (for example, cases in which SET is surrounded or very close to a protected area), it has been designed to minimize the impact planning its passing through marginal areas and even conceiving its partial undergrounding when necessary.



5.2.2 A process of rigorous environmental assessment and a flexible project

Projects which exceed prefeasibility studies are subject to studies for the assessment of their **environmental impact** (EslA for its Spanish initials).

EslA proposes a series of alternatives, all of them feasible and consequence of the prefeasibility analysis to assess and select the lowest impact. Afterwards, EslA identifies potential impacts of the alternative chosen, proposing a series of mitigation measures (preventive, corrective and compensatory) necessary to project compatibility.

Both during the preparation of the EslAs and during the processing including consultations with administrations and interested parties, the Company has incorporated when necessary, amendments to its projects to streamline their environmental and social feasibility. In this sense, IGNIS has held fluid communications with the administrations involved to incorporate their requirements.

Environmental Impact Studies completed with detailed field studies

- Soil erodibility studies.
- Avifauna records.
- Herpetofauna records.
- Bats records.
- Entomofauna records.
- Hydrological studies.
- Community interest habitats (HIC) studies and records.
- Noise studies.
- Ecological resilience studies.
- Agrologic capacity studies.
- Mammals specific studies (Iberian lynx).
- Archaeological and palentheological studies.
- Socio economic studies.

5.2

WE REVITALIZE LOCAL ENVIRONMENTS

For the development of **Environmental Impact Studies** the company has had the collaboration of expert consultants and University centres such as Universidad Politécnica de Madrid and Universidad Complutense de Madrid.

<p>2,347 MW</p> <p>WITH POSITIVE ENVIRONMENTAL IMPACT STATEMENT</p>	<p>254</p> <p>ENVIRONMENTAL FEASIBILITY STUDIES</p>
<p>€ 2,552.5 k</p> <p>INVESTED IN ENVIRONMENTAL CONSULTANCY</p>	<p>>650,000</p> <p>HECTARES REGISTERED (AVIFAUNA)</p>
<p>18</p> <p>ENVIRONMENTAL PROFESSIONALS IN OUR TEAM</p>	<p>0</p> <p>ENVIRONMENTAL SANCTIONS OR FINES</p>

With respect to the main environmental effects of solar plants, as per the EsIA of PV projects in the pipeline and/or under construction in 2022, environmental effects which are mainly classified as significant⁽⁷⁾, are those regarding fauna (nuisances and disturbances, damage or loss of habitats, barrier effect or loss of sensible species) and in a lesser extent, those referring to the use of land (agricultural and livestock developments and wildlife purposes) and landscape.

As per the case of thermal and combined cycle plants under operation the main environmental effect is focused on atmosphere emissions.

⁽⁷⁾ Those residual impacts considered as moderate or high (severe or critical) for construction and operation stages.

5.2.3 Minimization of environmental risks

In order to carry out all measures and recommendations included in each project's EsIA, during construction there is an environmental management performed by the constructor and external companies carry out the environmental surveillance in coordination with IGNIS Environmental Department to guarantee the fulfilment of the conditions of the Environmental Impact Statement.

During operation, O&M workers are provided with environmental training and installations have their own suppliers for wastes management. In addition, environmental surveillance duties continue to safeguard the correct compliance of all environmental requirements.

5.2.4 Measures taken to preserve and restore biodiversity

According to the principle of mitigation, IGNIS incorporates to its projects many measures for the conservation and improvement of biodiversity of the environment where projects are developed:

Actions foreseen for preservation and promotion of biodiversity

- Improvement of electric lines and supports identified as blackspots for avifauna.
- Tagging and monitoring with GPS emitters of nesting of species of interest.
- Installation of hanging drinking troughs and feeders to increase the number of wildlife species.
- Maintenance of natural areas inside plants as fauna reservoirs by planting local vegetation.
- Permeability measures of PV plants to favour connectivity of populations and avoid the barrier effect.
- Production of ponds acting as drinking troughs for all kind of avifauna and other species.
- Planning of works to respect reproduction and nesting seasons.
- Campaigns for the conservation and rescue of species of interest.
- Agro-environmental programs in order to offset the loss of habitat caused by the project and favour populations of steppe birds.
- Use of livestock for the maintenance of vegetation in parks avoiding the use of herbicides and other chemical substances.

Partnerships for biodiversity promotion

IGNIS has reached agreements with groups for environmental protection in order to implement measures for the sake of achieving the correct naturalization of installations and improvement of biodiversity and habitats with **the aim of achieving a net positive impact on biodiversity.**

BODY/ENTITY	PURPOSE OF COLLABORATION
Group for the Rehabilitation of Local Fauna and its Habitat (GREFA)	Preservation of biodiversity, generation of knowledge and awareness on the protection and preservation of ecosystems within the framework of the development of renewable energies projects.
National Ecologist Association	Monitoring of Aquila Chrysaetos Homeyeri in its reproduction territories around PV Solar Plants.
Conservación Activa Tagonius	Insight and dissemination of scientific knowledge on ecology, management and conservation challenges of steppe birds and their habitats relating them with the energy use of land taking advantage of solar resources.
Chair Steppe Forward for the study of agro-steppe systems and their conservation. Universidad Autónoma de Madrid (UAM) through its Foundation. Centro de Ciencia y Tecnología Forestal de Cataluña (CTFC).	

Finally during 2022, IGNIS has compensated part of its 2021 carbon footprint **collaborating in the preservation and conservation** of the following forests located in provinces where IGNIS has construction projects in the pipeline:

- **Forest CO2GESTION 'La Carballeda II'** in T.M. de Molezuelas de la Carballeda, Zamora.
- **Forest Santa Cruz de Mudela** in T.M. Santa Cruz de Mudela, Ciudad Real.
- **Forest Arnette Oh Madre El Casar** in T.M. El Casar, Guadalajara.

ABOUT THIS REPORT

This Report includes information on environmental, social and governance aspects of subsidiaries, partners and participated companies either directly or indirectly, mentioned in Ignis Energy Holdings, S.L. Consolidated Annual Accounts corresponding to the temporary scope of the calendar year 2022.

All aspects mentioned in the report respond to the relevant issues understood from the materiality analysis (see section Materiality Analysis) and cover the requirements of Law 11/2018, of 28 December amending the Code of Commerce, the refunded text of the Law on Corporations approved by Royal Decree Law 1/2010 of 2 July and Law 22/2015 of 20 July on the Audit of Accounts regarding non-financial information and diversity.

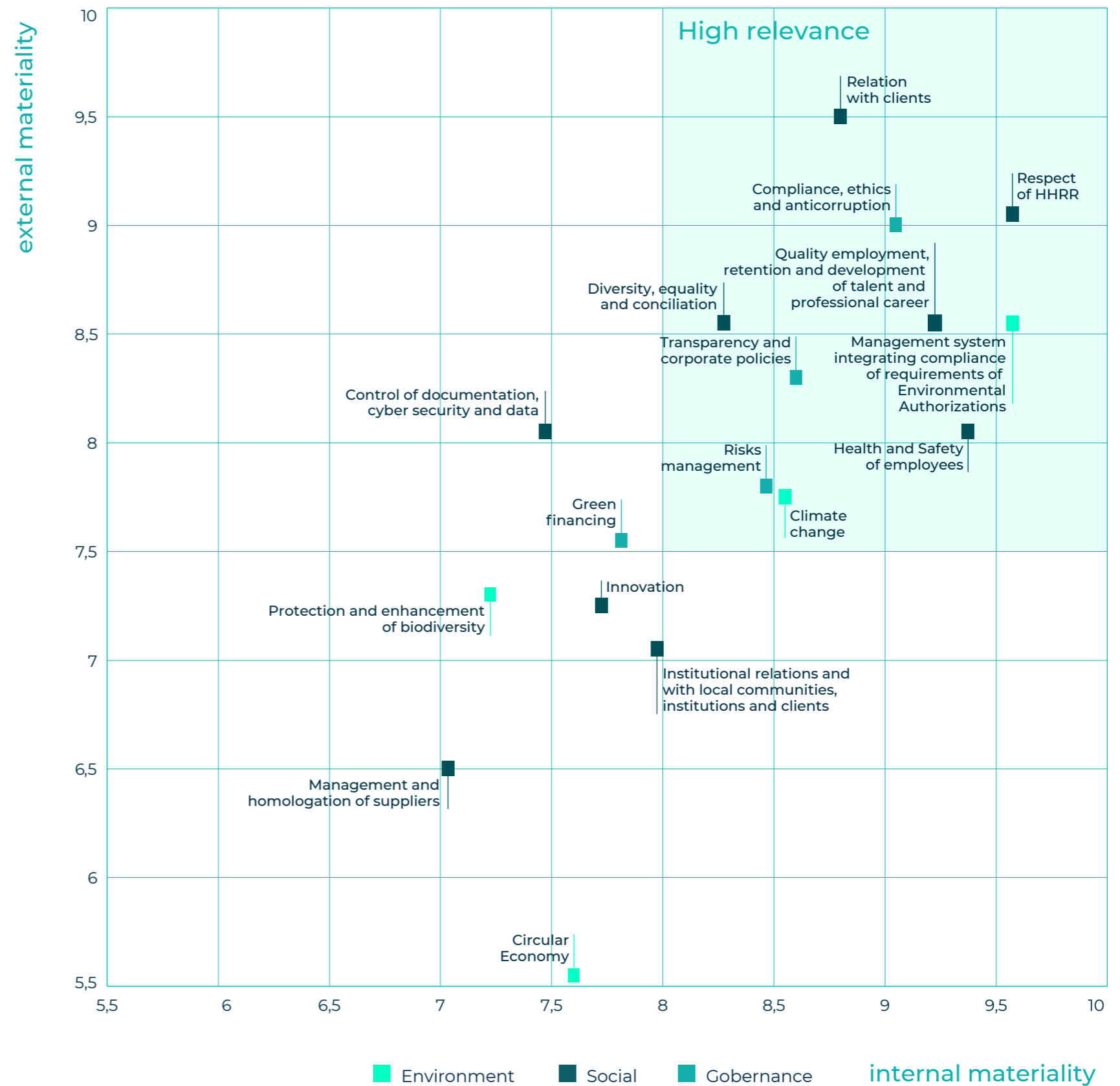


Materiality Analysis

IGNIS has carried out a materiality exercise in order to know all issues which may be relevant both internally and for its main groups of interest. Therefore it first identified 26 ASG topics potentially relevant as per a sector benchmark.

Afterwards it held interviews both with the responsible of the main business areas of the activity and with the contacts of our main groups of interest (employees, clients, suppliers and local communities) to be able to value the list of relevant aspects. Finally to integrate the vision of the group of interest "Public Administration/Regulator" the company analysed which of the 26 potential relevant issues were a priority in the main regulatory progresses on ASG at a national and European level.

The result of the materiality analysis is shown in the following matrix. For their representation, the 26 material aspects have been grouped in 17 considering the content and valuation during consultation. The results obtained have served as the grounds for the preparation of this report and for the design of IGNIS Strategic Plan.



ENVIRONMENT	1	Climate change	
	2	Circular Economy	
	3	Protection and enhancement of biodiversity	
	4	Management system integrating compliance of requirements of Environmental Authorizations.	
SOCIAL	EMPLOYMENT	5	Quality employment, retention and development of talent and professional career.
		6	Diversity, equality and conciliation.
		7	Health and Safety of employees.
		8	Control of documentation, cyber security and data
		9	Innovation
		10	Institutional relations and with local communities, institutions and clients
	GROUPS OF INTEREST	11	Management and homologation of suppliers
		12	Relation with clients
		13	Respect of HHRR
GOVERNANCE	14	Compliance, ethics and anticorruption.	
	15	Transparency and corporate policies	
	16	Risks management	
	17	Green financing	

In this sense, during 2022 IGNIS has reinforced its **communication channels** with its different **groups of interest**, highlighting:

- Renewal of web page boosting the section “Present and Talent”.
- Creation of new websites for product sale.
- Improvement of LinkedIn with continued growth in the number of followers (16,400 new followers in 2022) and in the number of publications (67 in total).
- Creation and dissemination of Press releases.
- Feed-back interviews.
- Whistleblowing channels.
- Audit of suppliers.
- Creation of a Call Center for final customer services.
- Organization of meetings and forums with neighbours from different municipalities where IGNIS is developing its projects.

With respect to **internal communication**, it has been reinforced through the following actions:

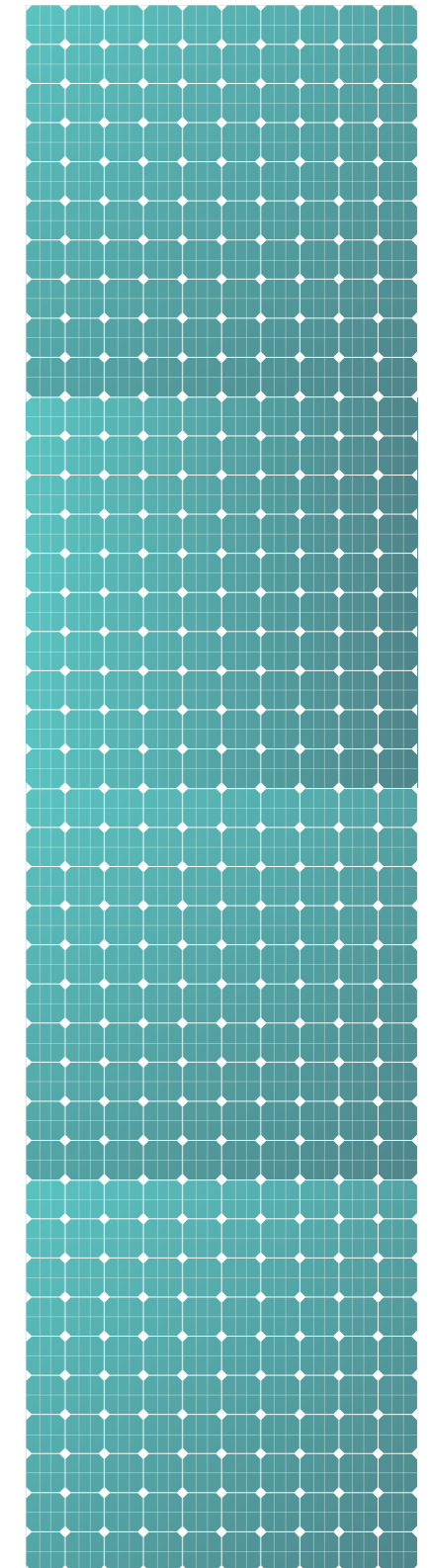
- Renewal of Corporate intranet (under development).
- Preparation and dissemination of internal notifications.
- Mailboxes for employees to promote innovation and social action.



6.2

Table of compliance with Law 11/2018

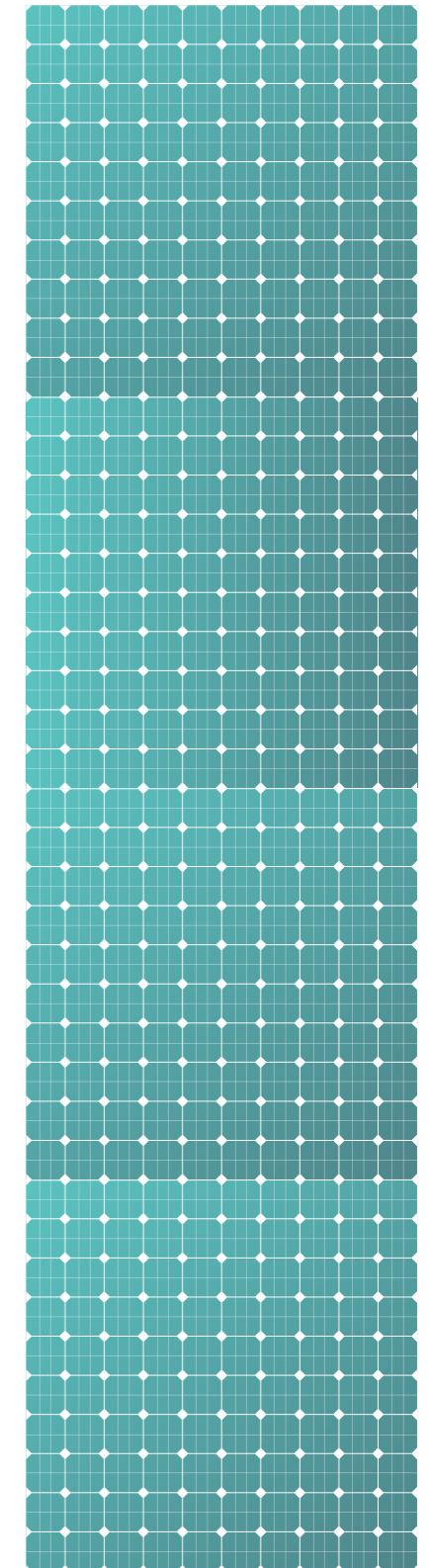
INFORMATION TO REPORT	COMMENT	PAGE
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6.2

Table of compliance with Law 11/2018

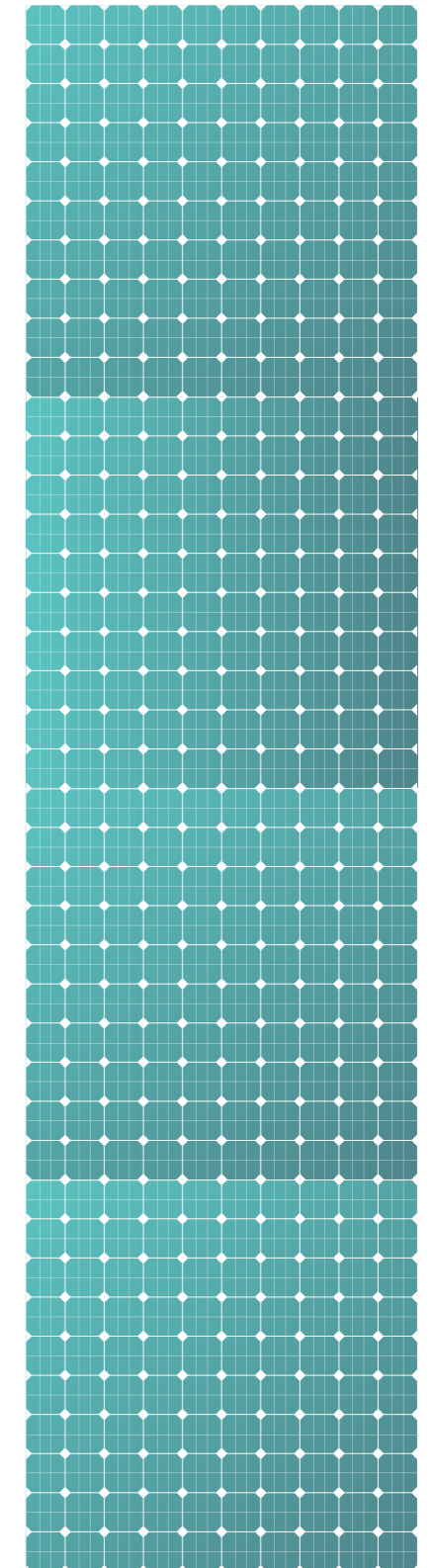
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6.2

Table of compliance with Law 11/2018

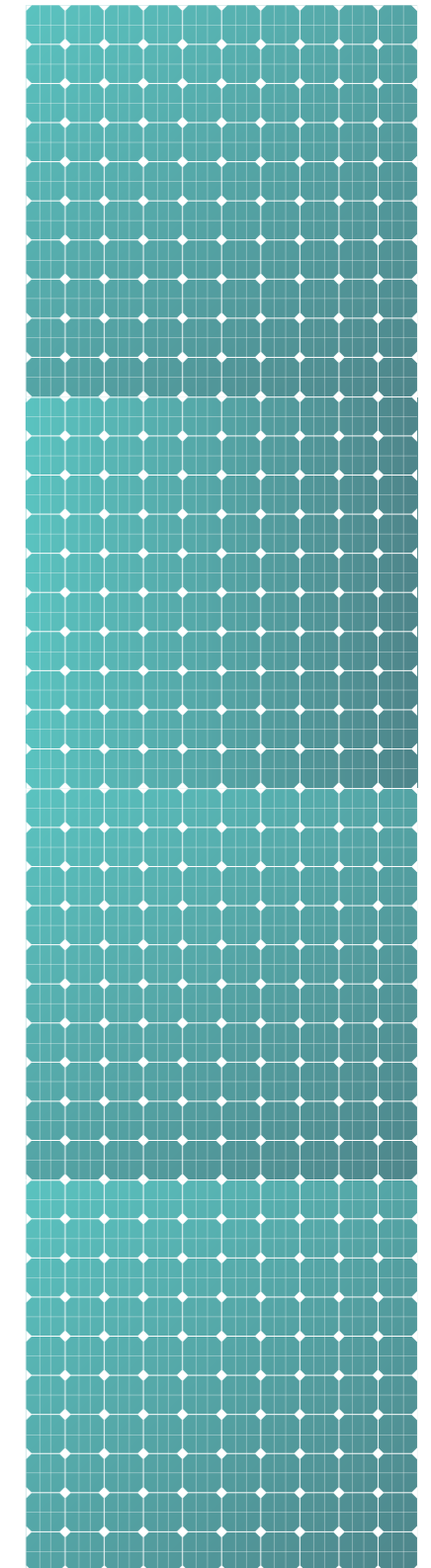
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6.2

Table of compliance with Law 11/2018

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SUSTAINABILITY ANNUAL REPORT 2022

One year working towards **decarbonization**, one year moving towards **more sustainable development**

