

Executive Sustainability Report

2024



Content

Letter from the CEO

1. Main milestones and figures of GPG

2. GPG from Strategic to Tactics

3. GPG as a channelling agent for sustainability

4. Rationale for ESG engagement

- 1. The Opportunity of Environmental challenges
- 2. Employee Engagement and Talent Development
- 3. Governance

This report has not been verified. For its preparation, all the data reported and consolidated by the Naturgy Group for its Sustainability Report and Statement of Non-Financial Information 2024 have been taken into account.

This document has been verified by a third party (KPMG Asesores).

Letter from the CEO

Dear Reader,

I am pleased to address you to present GPG's Sustainability Report for the **2024 fiscal year**—a year in which we consolidated the results achieved in 2023 and reaffirmed our commitment to the progressive transformation of our energy model, moving toward a more sustainable and resilient energy matrix.

Throughout 2024, we maintained a strong investment pace, allocating around **300 million euros** to the development of new renewable generation capacity. As a result, we reached **over 40% of installed capacity in clean energy**, with approximately 360 MW under construction that will come into operation in 2025.

Among the year's most notable milestones, we highlight the commissioning in Australia of **373 MW of wind power** across three wind farms, and **128 MW from the Cunderdin photovoltaic solar plant**, which includes **220 MWh of battery storage hybridization**—our group's first project integrating battery storage.

We have also continued to advance projects in **strategic geographies** for GPG (various Latin American countries), consolidating our international presence and diversifying our energy matrix.

At GPG, we understand sustainability as a strategic pillar that guides all our decisions.

In the environmental sphere, we have strengthened our commitment to combating climate change **by reducing carbon intensity** in electricity generation and promoting the restoration of natural capital and biodiversity.

In 2024, we developed multiple initiatives in this area, more than **30% of which were voluntary**, aligned with the principles of impact prevention, reduction, and compensation.

On the social front, we are fully aware of the impact our activities have on local communities. That is why we have **doubled our social responsibility efforts**, collaborating on projects that promote education, economic development, and social inclusion in the regions where we operate.

The achievements of 2024 were made possible thanks to the **effort, professionalism, and commitment of everyone at GPG**. Their dedication has been key to advancing our mission of delivering innovative energy solutions that improve the lives of thousands of people, boost business competitiveness, and contribute to economic development in the countries where we operate.

At GPG, we firmly believe that human talent is our main driver of transformation. That's why we actively promote personal and professional development through inclusive leadership, a flexible organizational culture, and a strong commitment to diversity. All of this is framed within a transparent, ethical, and responsible governance model that strengthens stakeholder trust and ensures the long-term sustainability of our business project.

At GPG, we continue **to move forward with determination**, committed to leading the transition toward a cleaner, more efficient, and fairer energy system. We do so by embracing technology, respecting the environment, and—above all—by investing in people.

Thank you for joining us on this journey.

Sincerely



Francisco A. Bustío Gutiérrez
GPG CEO

1. Main milestones and figures: 2024

Key Milestones

In 2024, GPG achieved a series of notable ESG milestones, thereby strengthening its Environmental, social and governance responsibilities. Below are the most relevant figures that reflect this effort:

Environmental



41% renewable
energy generation
mix



4.5% Reduction in energy
intensity (tCO₂e /GWh)
compared 2022



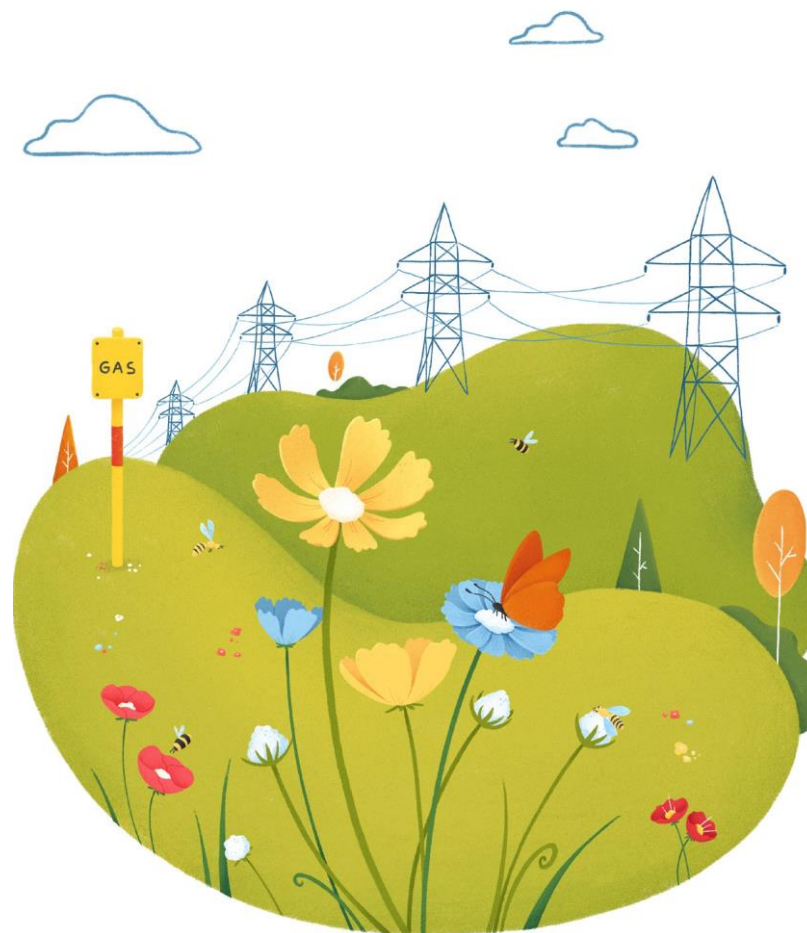
1% decrease in water
consumption compared
to 2022



Biodiversity
initiatives: **18**



36% of total
waste recycled
and recovered



Social



Training hours per employee: **55hr/person**



23% of women hold executive positions



Invest in social management: **1.83 MM€**



Participation in **109** social initiatives around all countries of operation

Governance



Activity with ISO 14001 environmental certification (% EBITDA certifiable en MUSD): **86%**



Commissioning of **501 MW** of new renewables facilities



Start-up of the Group's **first hybrid solar plant** with a battery storage system



Main milestones and GPG's figures

Figures

Economic Figures:



Net Revenue:

1,060
Million USD



Total Investments:

386
Million USD



EBITDA:

483
Million USD

Operational Figures:

2024

2023

Total installed
capacity in operation
4,368 MWh

Total installed
capacity in operation
3,817 MWh

Net total
production
18,068 GWh

Net total
production
17,557 GWh

Production from
renewable sources
3,107 GWh

Production from
renewable sources
3,012 GWh

Energy Intensity
324 tCO2/GWh

Energy Intensity
326 tCO2/GWh

1 Main Milestones and figures

Mexico

Facility name	State/Municipality (or Shire)
Fuerza y Energía de Tuxpan	Veracruz / Tuxpan
Fuerza y Energía de Hermosillo	Sonora / Hermosillo
Fuerza y Energía de Naco Nogales	Sonora / Agua Prieta y Naco
Fuerza y Energía de Norte Durango	Durango / Durango
La Caridad ¹	Sonora / Nacozari de García Fuerza
y Energía de Bili-Hioxo	Oaxaca / Juchitán de Zaragoza

Dominican Republic

Facility name	State/Municipality (or Shire)
Central Eléctrica Palamara	Santo Domingo / Batey Palamara
Central Eléctrica La Vega	La Vega / La Vega

Puerto Rico

Facility name	State/Municipality (or Shire)
Ecoeléctrica ²	Punta Guayanilla en Peñuelas

Costa Rica

Facility name	State/Municipality (or Shire)
Torito	Cartago/Turrialba

Panama

Facility name	State/Municipality (or Shire)
Dolega	Chiriquí
Macho De Monte	Chiriquí
Algarobos	Chiriquí
La Yeguada I	Veraguas
La Yeguada	Veraguas

1. La Caridad, located in Mexico, is owned by Grupo México. However, GPG is responsible for the operation and maintenance of this facility.

2. GPG holds a 47.5% stake in Ecoeléctrica, a natural gas-based power generation company located in Punta Guayanilla, Peñuelas, in the southwest of Puerto Rico. The organization does not have operational control over this facility; therefore, the information related to Ecoeléctrica is outside the scope of this report.

Chile

Facility name	State/Municipality (or Shire)
PMGDs	Several locations in all regions
Cabo Leones II	Atacama, Huasco, comun a of Freirina
San Pedro I&IV	Antofagasta, Calama

Australia

Facility name	State/Municipality (or Shire)
Crookwell II	New South Gales / Goulburn
Berrybank 1	Victoria / Corangamite y Golden Plains
Berrybank 2	Victoria / Corangamite y Golden Plains
BESS Queanbeyan	New South Gales / Jerrabomberra
Crookwell 3	New South Gales / Goulburn
Ryan's Corner	Victoria / Moyne Shire
Hawksdale	Victoria / Moyne Shire
Cunderdin	Western Australia / Perth

Brazil

Facility name	State/Municipality (or Shire)
Sobral	Piauí / São João do Piauí
Sertão	Piauí / João Costa
Guimaraná I	Minas Gerais / Guimaraná
Guimaraná II	Minas Gerais / Guimaraná

GPG Facilities in Operation

2. GPG from Strategic to Tactics

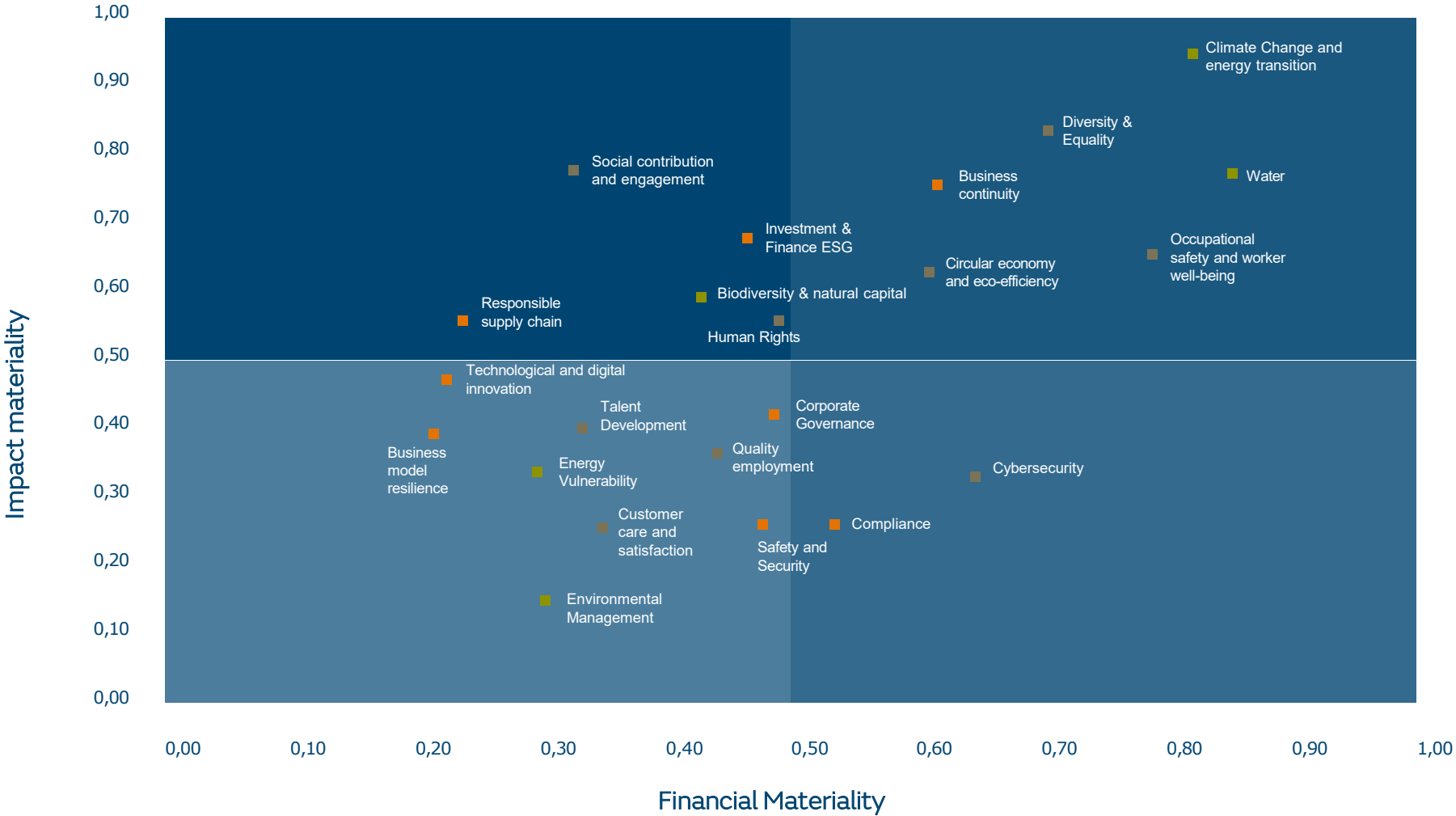
GPG shares the governance policies and codes of the Naturgy Group with the aim of delivering sustainable electricity generation that is efficient, safe, and respectful of the environment and the social context in which it operates.

In line with its strong commitment to sustainability and transparency, GPG has conducted a preliminary **Double Materiality analysis** (impact materiality and financial materiality). This process enables the identification and assessment of the most relevant topics for its stakeholders, ensuring that the company's strategic decisions are aligned with their expectations and needs.

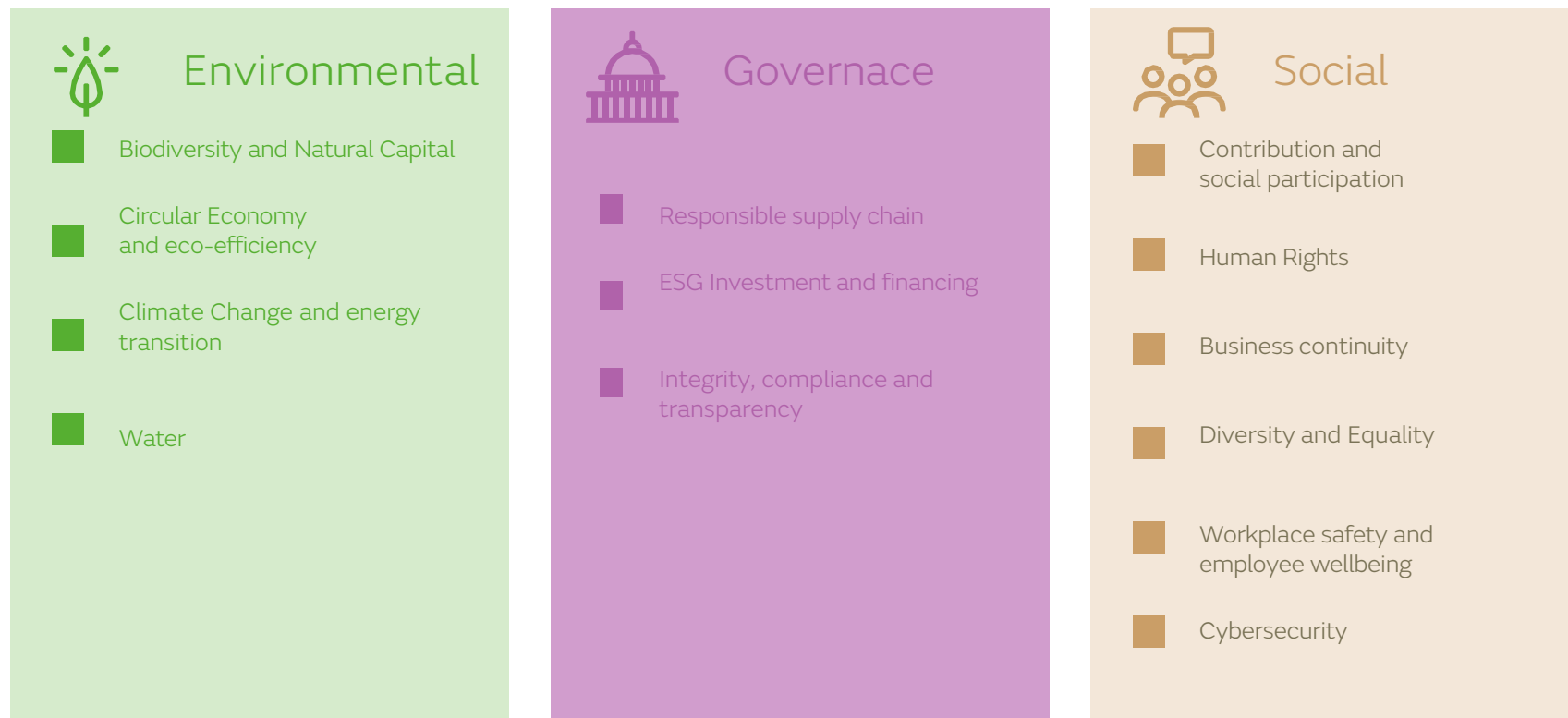
To carry out this preliminary materiality analysis and identify potential and actual impacts—both negative and positive—on the economy, the environment, and people, GPG has used the **Datamaran** tool, a software that enables real-time, data-driven comprehensive analysis to monitor strategic ESG opportunities and risks.



Double Materiality Matrix

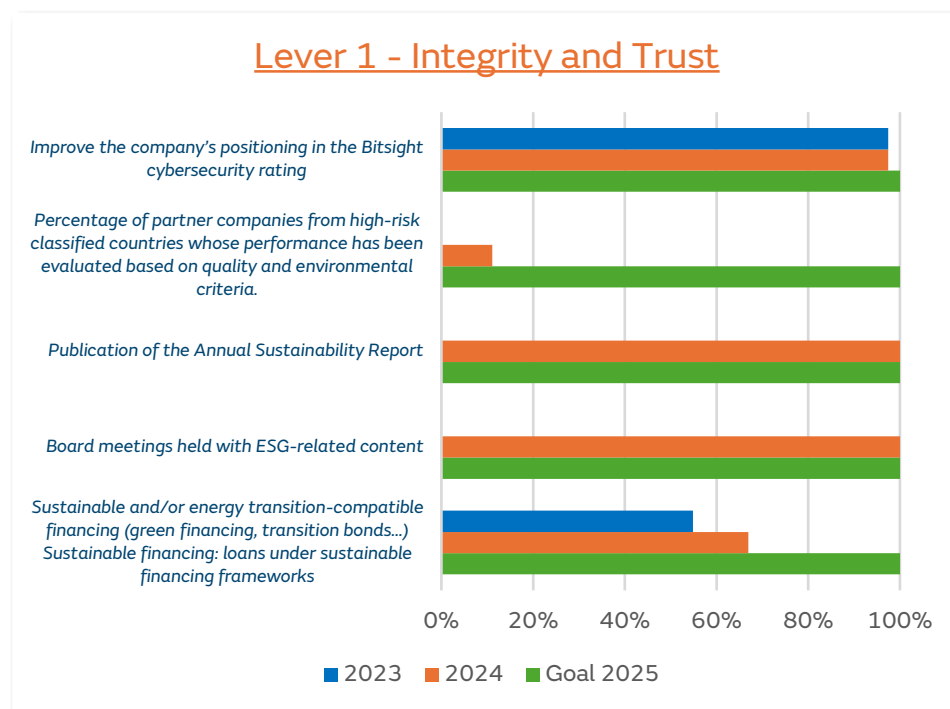


GPG has identified **13 material issues**, structured across three dimensions:

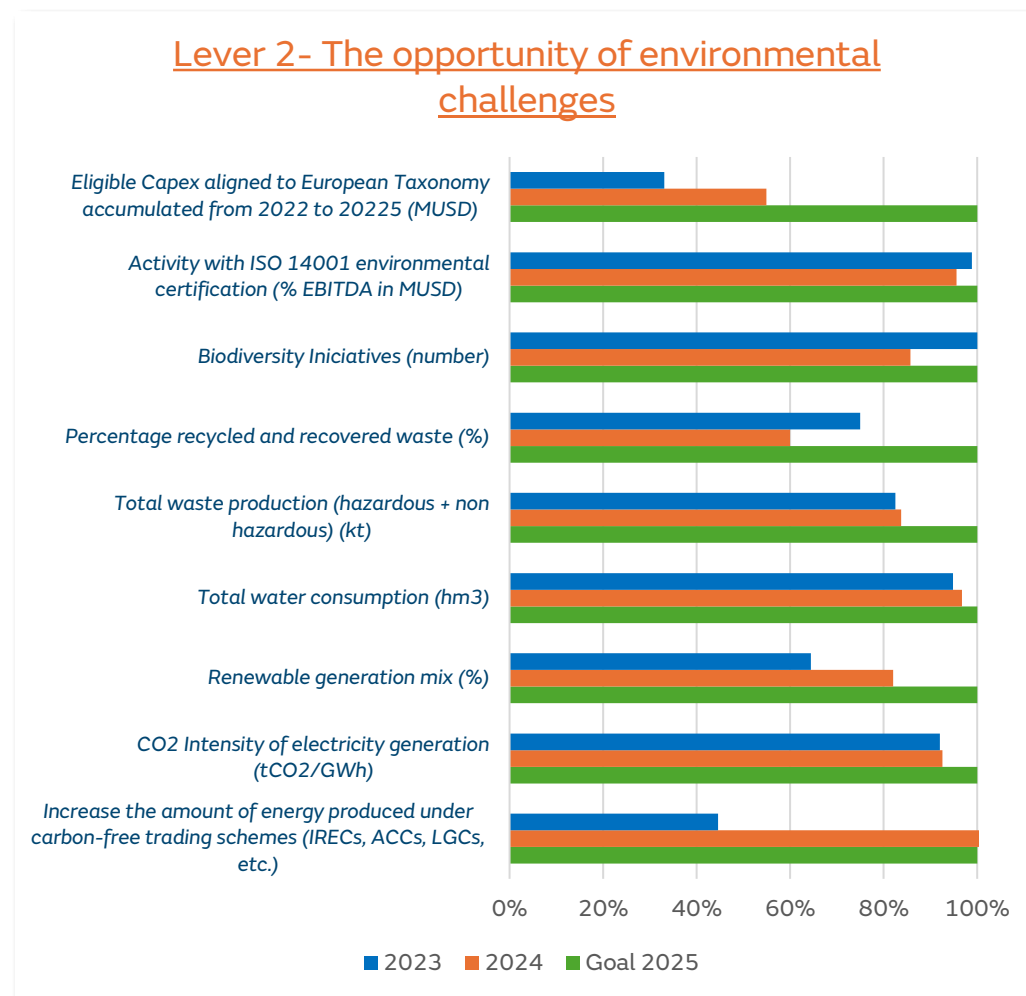


Specifically, GPG's Sustainability Plan includes 6 action levers, 24 objectives for 2025, and 12 monitoring indicators aimed at improving the organization's management and performance in relation to the environmental aspects where it has the greatest potential for contribution.

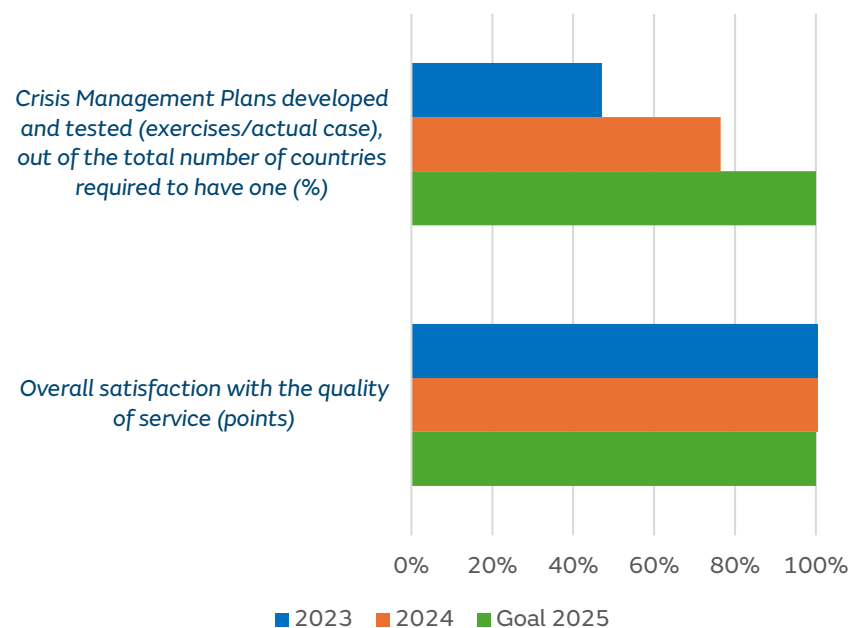
Below is the 2024 progress status of the objectives planned for 2025:



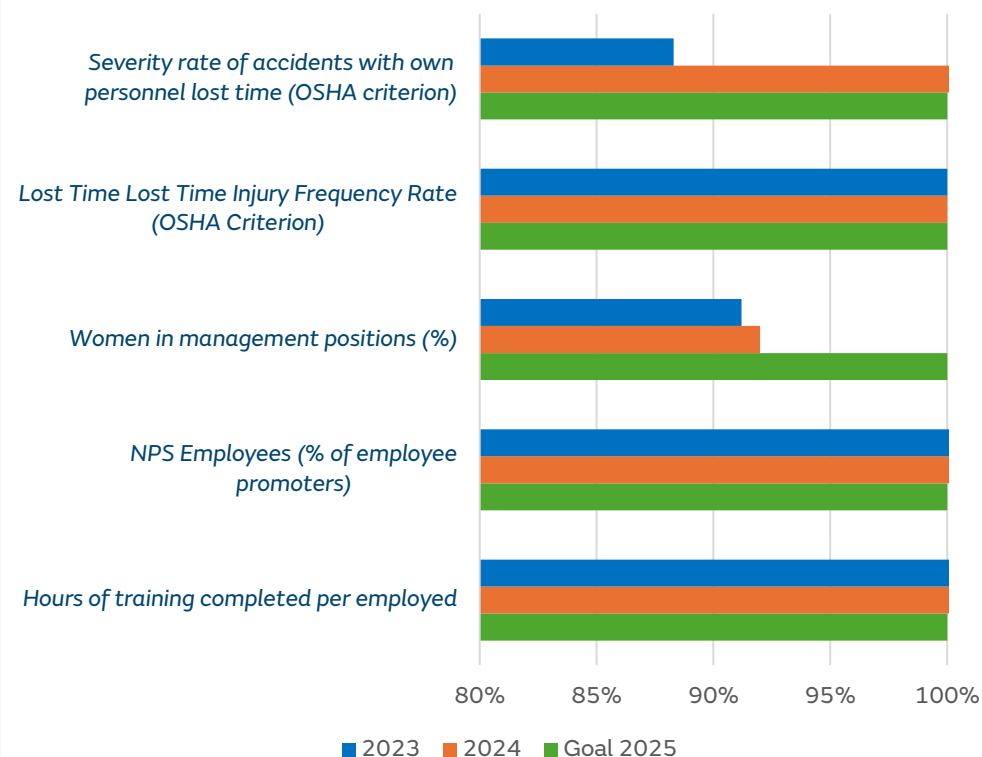
In 2024, 2 out of the 5 proposed objectives for the "Integrity and Trust" Driver have already been achieved.

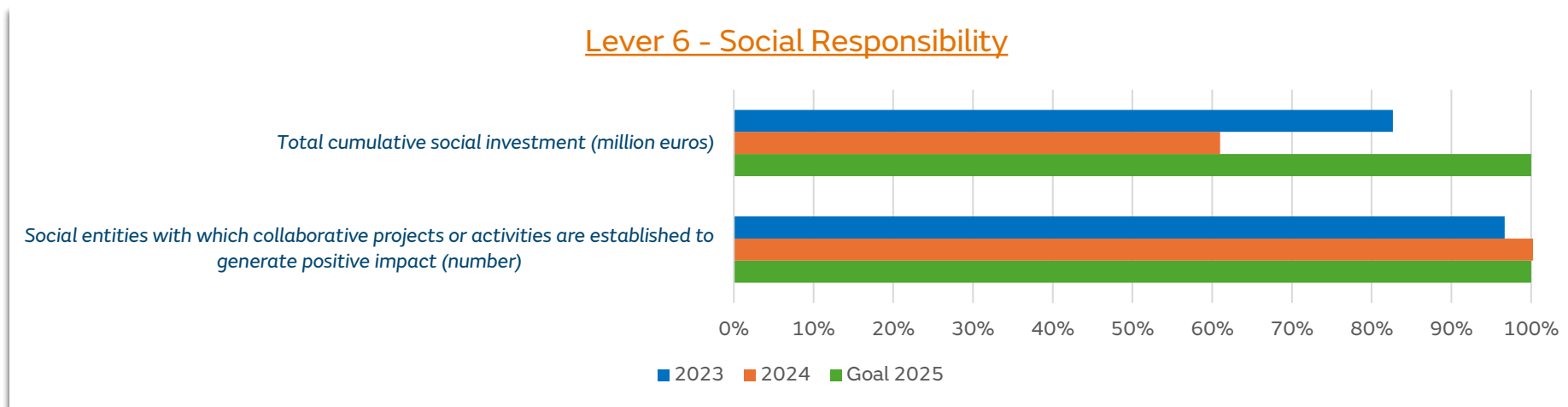
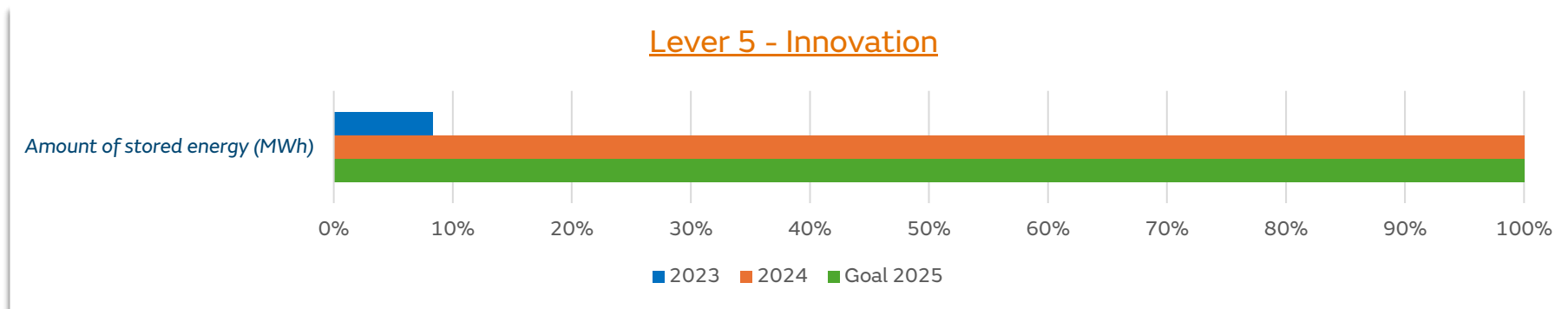


Lever 3 - Customer experience



Lever 4 – Employee Engagement and talent Development







3. GPG as a Channelling Agent for Sustainability

The organisation reaffirms and maintains its commitment to the environment, society and the economy, addressing the challenges of the energy transition and the demands of society with excellence and transparency.

Therefore, the purpose of GPG is the transformation of the world through the energy transition and the response to the demands of society and customers, working together with its employees, customers, shareholders, partners and society.

This purpose is guided or supported by four values:

- Innovating for a better future (*Forward Vision*)
- Working with excellence (*Excellence Driven*)
- From a human-centered approach (*People Oriented*)
- To contribute to a more sustainable world (*One Planet*)

The action plan and strategy presented by GPG to achieve this purpose are based on:

- Generation of **renewable energy**
- **Being a best-in-class** company: continuous improvement processes and reinventing new ways of energy generation and storage
- Incorporation of **ESG aspects** aligned with the SDGs, guided by tangible goals to meet commitments
- **Culture**: fostering employee passion.

4. Rationale for ESG engagement

The opportunity of the environmental challenges

GPG bases its environmental management system on prevention, identification and evaluation of risks and opportunities, continuous monitoring and detailed planning.

Thanks to this management, GPG has achieved ISO 14001 certification for environmental management system; ISO 9001 for quality management system; and ISO 45001 for occupational health and safety management.

In 2024, 86% of EBITDA¹ comes from industrial activities with ISO 14001 environmental certification, obtained after passing several external audits..



1. Considering certifiable facilities as those that have been in operation for more than one year..

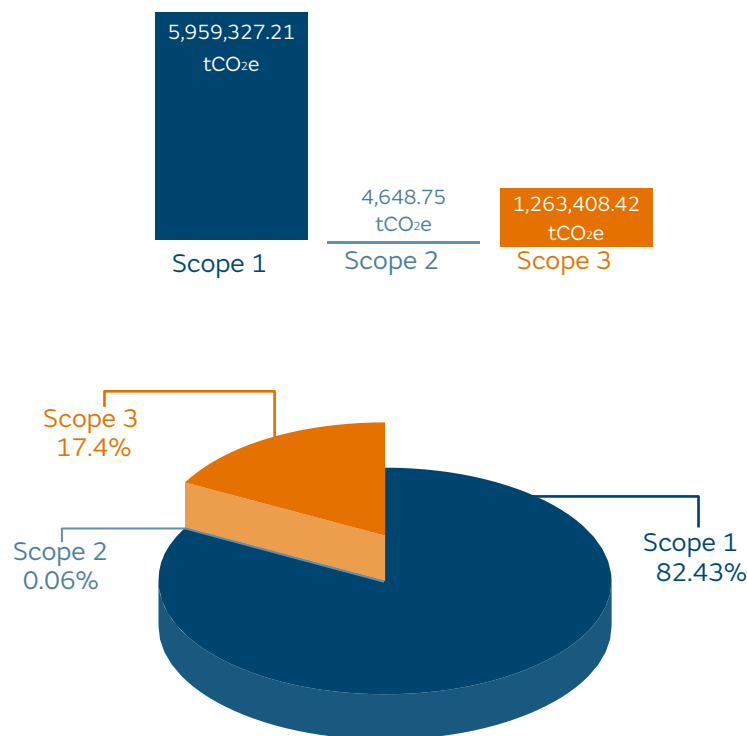


4.1 The opportunity of the environmental challenges

Climate Change and energy transition

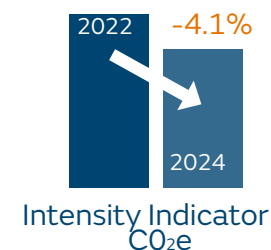


GPG has calculated the **carbon footprint** of its facilities and processes in accordance with the Greenhouse Gas Protocol (GHG Protocol), including direct and indirect emissions generated because of the organisation's activities..



82.43% of the total emissions generated by GPG¹ are direct emissions resulting from the combustion of fossil fuels in Mexico's combined cycle power plants and the engine plants in the Dominican Republic. These facilities play a crucial role in the energy supply of these countries, especially in a context where demand has increased without a corresponding rise in generation capacity. Without these plants, the electricity supply would be at risk.

Evolution 2022-2024



41%
Of the energy
mix is
renewable

844.3 GWh
Produced under carbon free
product commercialisation
systems

¹ Calculated on the sum of total GPG Scope 1, Scope 2 and Scope 3 emissions



Energy

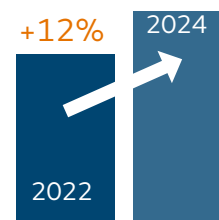
7 AFFORDABLE AND CLEAN ENERGY



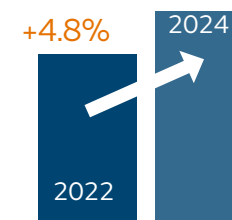
GPG continuously works to improve the energy efficiency of its operations and adopts advanced technologies to optimize its energy consumption. The company has implemented an action plan that includes:

- Significant investments in renewable energy and energy storage systems
- Strict compliance with environmental regulations, going beyond legal requirements in environmental care
- Rigorous system for measuring and controlling emissions and energy consumption, certified under ISO 14001 at its thermal generation plants
- Avoiding investment in new polluting assets to align with the principles of the Paris Agreement

Evolution 2022-2024



Gross Generation



Energy Consumption



Atmospheric pollution

GPG implements rigorous strategies to mitigate atmospheric, light, and noise pollution from its operations at all stages, along with continuous air quality monitoring to reduce impacts and ensure compliance with legal limits.

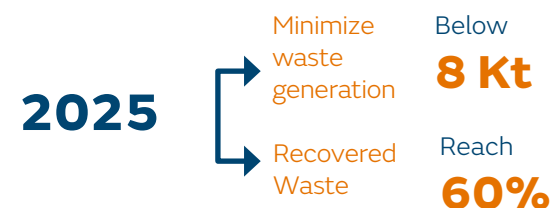
In Mexico, plant operations have been optimized, and, in some facilities, high fogging systems have been implemented to help reduce nitrogen oxide (NOx) emissions. In the engine plants in the Dominican Republic, fuels with low sulfur content (SOx) are used.

Regarding light and noise pollution, GPG considers these aspects from the design stage of its facilities. Noise modeling is carried out, and when necessary, measures are included to reduce acoustic impact.

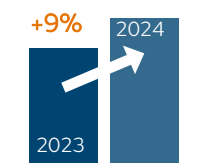


Soil contamination

The organization minimizes negative impacts on soil through proper waste management, prioritizing prevention, reuse, and recycling. Its Sustainability Plan sets the following objectives:

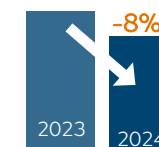


GPG has strict protocols for the handling and storage of hazardous materials, as well as emergency response procedures, including containment and cleanup measures to minimize impact



Total generation waste

In 2024 were generated
6,7 Kt



Recycled and valued waste



Water pollution

In 2024, a single spill was recorded, resulting from an industrial incident at a combined cycle plant. This event did not affect natural soil or watercourses, so **there have been no pollution** episodes at GPG facilities.

GPG has **action protocols** and the necessary resources at its facilities to respond to such unforeseen events, acting swiftly to control them and prevent potential environmental damage.



Substances of concern and substances of very high concern

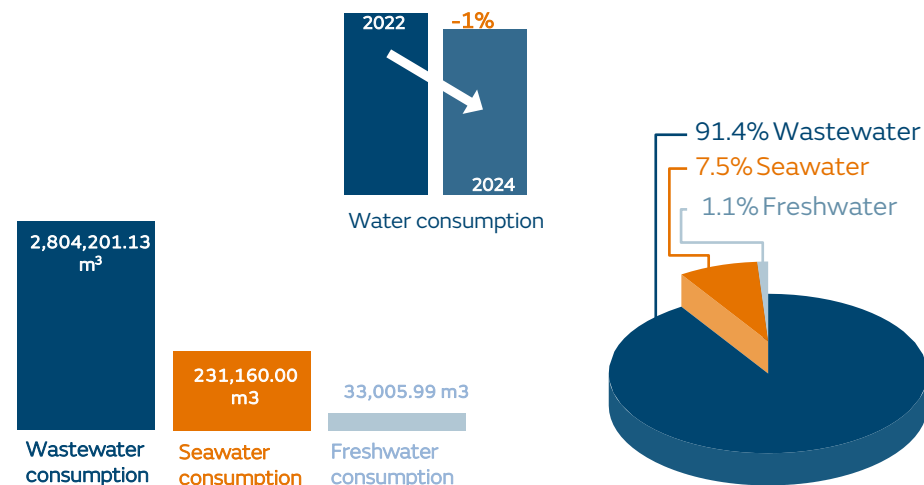
GPG does not generate substances of concern or very high concern in its facilities. However, it does consume some of them in some plants and, although its consumption is minimal and perfectly identified, it adopts proactive measures to avoid any type of contamination or affection to both health and the environment.

This commitment extends to transparency and collaboration with suppliers and customers to ensure the gradual elimination of these substances and wastes throughout the value chain.

Sustainable water management



GPG adopts a proactive approach to water management, carefully managing water resources, both in terms of consumption and discharge management.



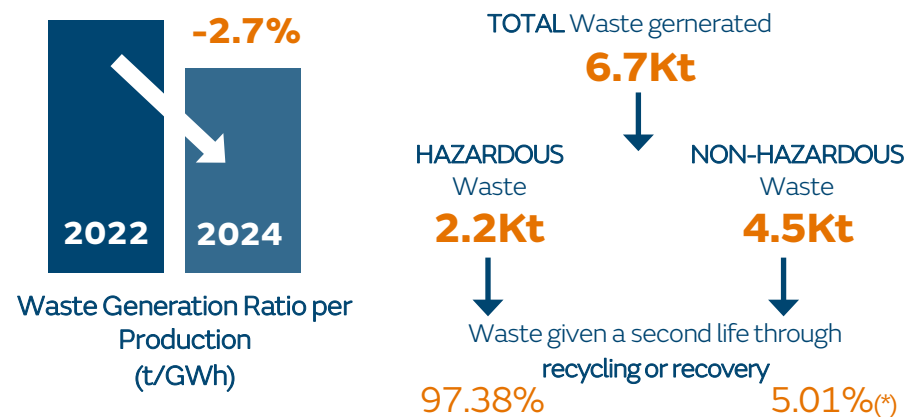
Some of the measures carried out by GPG for sustainable water management include:

- **Minimizing** freshwater consumption, prioritizing the use of seawater or reclaimed water
- Efficient **treatment of effluents** to reduce pollutant loads that may alter the initial conditions of receiving water bodies
- **Control procedures and risk analysis** to prevent incidents and accidental discharges
- **Environmental Management System certified under ISO 14001**, and Clean Industry Certificate by *Profepa* in plants with more intensive water use in Mexico.
- **Meters installed** in facilities and measurements to monitor consumption, inflows, and outflows, detecting leaks and preventing water loss
- **Monitoring** the condition of water bodies and conducting periodic analytical controls of discharge quality.

Circular Economy



GPG integrates the principles of the circular economy into its production process, focusing on the prevention and management of generated waste, creating a continuous and responsible environmental management model that combines innovation and sustainability.



(*) The percentage of recycling and recovery of non-hazardous waste is affected by the difficulty in managing the sludge from the PTA generated at the Hermosillo and Naco Nogales plants in Mexico. This sludge is sent to landfill because there are no authorized managers who can carry out alternative treatment.

The main measures carried out include:

- **Segregation, minimization, and recovery** of waste
- **Optimization** in the use of products at facilities, analyzing the possibility of using more sustainable alternatives
- **Staff training** in waste management and circular economy
- Procedures to **minimize resource consumption** and improve efficiency
- **Prioritization** of sustainable, recycled, and/or renewable materials
- Environmental requirements in **procurement** processes
- Development of advanced treatment and recycling **technologies** to ensure efficient and sustainable waste management
- Non-hazardous and hazardous waste is managed in accordance with current regulations in each country, through **authorized waste managers**.



Biodiversity and natural capital



2024 **18** **Initiatives to
conserve
ecosystems**

GPG is committed to protecting biodiversity, natural capital, and heritage in its operations, integrating them into its objectives and paying special attention to protected species and areas.

These measures carried out by the organization fall into one or more of the following categories:

- **Analysis of risks and opportunities** related to nature and biodiversity at its facilities during all stages of activity
- **Preventive approach** throughout all phases of the project, avoiding potential environmental damage
- Actions to **protect and reduce impacts** on nature
- **Monitoring and periodic follow-up of objectives**, analyzing indicators to determine the level of compliance and effectiveness of the measures adopted
- **Transparency and dialogue** with stakeholders on sustainability matters
- **Environmental education and awareness**: through its social and environmental projects, GPG promotes awareness among local communities

4.2 Employee Engagement and Talent Development

Employee Engagement and Talent Development

In 2024, GPG has a workforce of 487 employees. During the year, the Naturgy Group achieved significant milestones in the areas of commitment and talent, including:

- Development and implementation of the “Happiness School”, aimed at providing a formative and engaging experience focused on well-being
- 360° performance evaluation, applied to employees not covered by collective agreements
- Ongoing training in diversity, communication, and inclusive treatment for LGTBI+ individuals
- Monitoring of the 2024–2025 Safety and Health Plan
- Global psychosocial assessment to enhance employee health and well-being.



Care for people

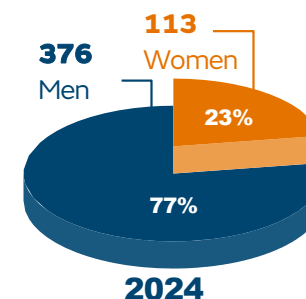
For GPG, people are a key asset to its success, fostering a balance between professional and personal life through a team built on dedication, integrity, honesty, initiative, and human quality. The organization is guided by its Code of Ethics and Human Rights Policy, and promotes principles of safety, health, environmental respect, and respect for individuals.

Flexibility and work-life balance

GPG promotes a balance between professional and personal life, enhancing the quality of life, health, and well-being of its team through the implementation of measures such as flexible working hours, extended paid leave beyond legal requirements, remote work, reduced working hours, and adaptation of the weekly schedule, among others.



Diversity and equality



Additionally, it maintains the **Bequal certification**, Plus category, as recognition of its inclusive policies for people with disabilities



2025



**25%
Women in
positions
managers**

From its program
comprehensive
diversity

Currently it is:
23%

Labor relations

The organization fosters a collaborative and communicative environment, supporting professional development through continuous training, active participation, and health and safety policies. In 2022 and 2023, collective agreements were signed in Spain and Mexico to reinforce negotiation and dialogue with employees.

To enhance the workplace environment, tools such as Happyforce are employed, and employee satisfaction is measured using the Net Promoter Score (NPS) indicator.

Compensation and remuneration

Compensation and remuneration at GPG are founded on the principles of **transparency, fairness, and competitiveness**, ensuring salaries that are both equitable and aligned with market standards.

The **remuneration policy** is structured around **two core pillars**: internal equity and external competitiveness. GPG aims to:

- Provide a **clear and transparent** Total Reward offering
- Foster a culture of **high performance and results orientation**
- Implement **differentiated rewards** based on individual contribution
- Recognize the **diverse needs of different employee** groups
- **Ensure equitable rewards** based on the role's contribution within the organization and competitive positioning in the market
- Develop a **self-financing**, sustainable, and continuously updated reward model



Talent management and retention

GPG conducts periodic evaluations of its team to define Annual Development Objectives (ADO), which serve as the basis for designing targeted training programs. Additionally, the company participates in Naturgy's Flex & Lead program, aimed at recruiting young professionals with or without prior work experience, with the objective of achieving the following targets by 2025:

- 40% female representation in executive and managerial positions in Spain
- 10% of the workforce under the age of 30
- Recruitment of young professionals with STEM profiles
- 60% female participation in the Flex program (young individuals without experience)
- 70% female participation in the Lead program (young individuals with experience)

Health and Safety



Committed to minimising occupational risks, fostering safe environments, and promoting both individual and collective health and safety, GPG integrates this approach into all its operations.

GPG's commitments regarding health and safety are as follows:

- **Ensure** that **health and safety** are recognised as individual responsibilities.
- Establish health and safety as **personal responsibilities**.
- **Promote well-being** through safe and healthy working conditions.
- **Prevent** potential injuries and harm to workers, suppliers, and customers.
- Develop a health, safety, and well-being **management model** based on continuous learning and the active participation of all individuals.
- **Integrate health and safety criteria and objectives** into all processes, activities, and facilities.
- **Be a benchmark** in new strategies for health education, disease prevention, and health promotion.
- **Provide the necessary resources and means** to comply with applicable legal requirements.



The Global Health and Safety Policy is based in 5 principles:

Health and Safety principles

01

Nothing is more important than safety and health

04

Safety is an individual responsibility

02

Every accident can be avoided

05

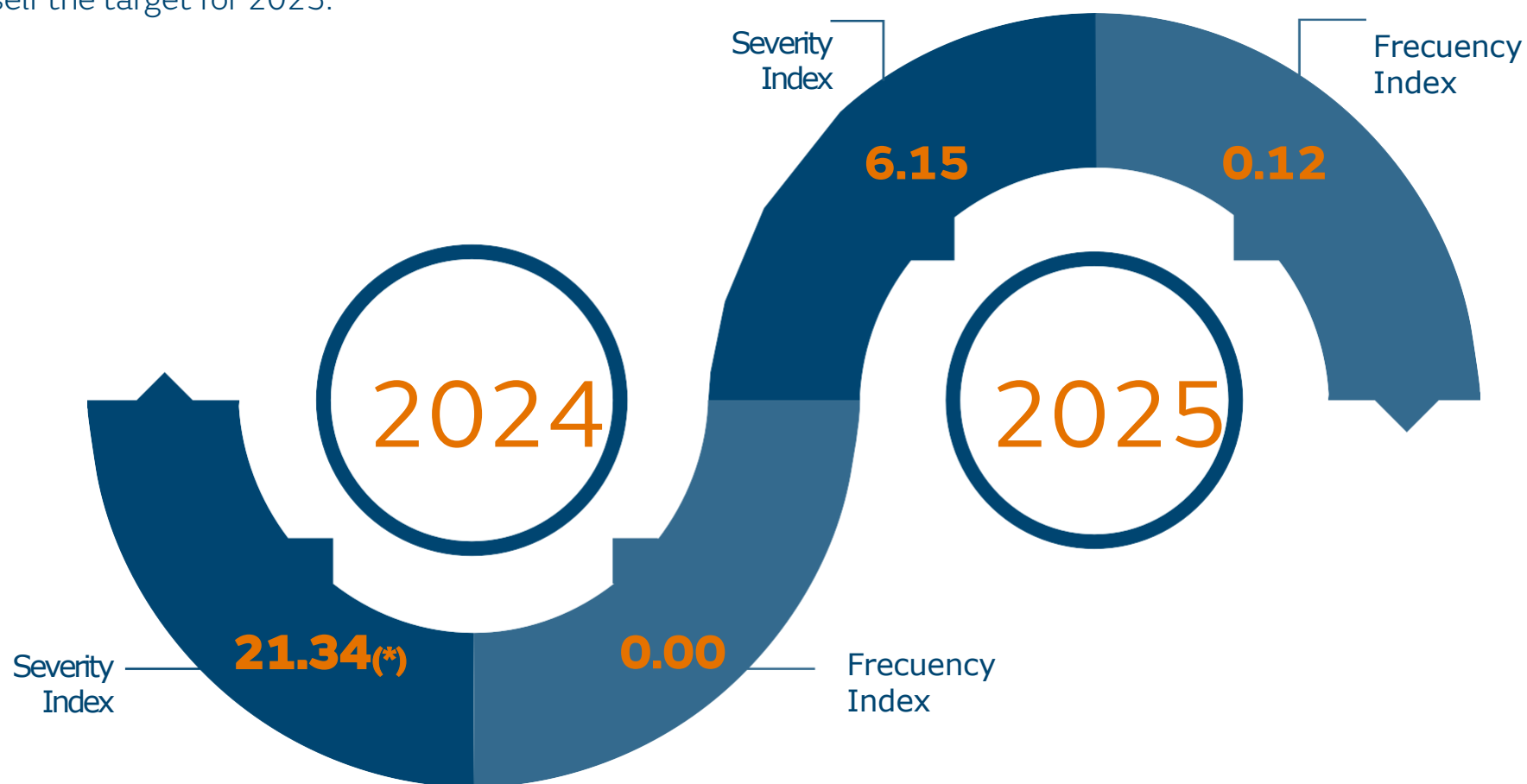
All the works must be planned and executed with safety in mind

03

Safety is a management responsibility

GPG has internal communication channels, a Healthy Organisation Model, and a certified and audited Occupational Health and Safety Management System (OHSMS) that provides full coverage for 100% of its employees across all activities and countries in which it operates.

Committed to Safety and Health, GPG has set itself the target for 2025:



(*) NOTE: In 2024, two Medical Treatment Cases (MTC) occurred. These incidents required medical treatment and resulted in a significant number of lost working days (97). The incidents involved an ankle sprain caused by a same-level fall, and a neck burn due to an acid splash. Neither of the two accidents was classified as serious

Customers

The organization rigorously assesses customer satisfaction to understand and improve how well expectations are met. The key phases of the process include:

- Development of Satisfaction Surveys
- Monitoring and Analysis of Results
- Corrective and Preventive Actions
- Audits and Evaluations
- Communication and Engagement with Customers
- Extension of the Model: to both commercial and non-commercial customers

As a result, in 2024, overall customer satisfaction with GPG's service quality **reached 9.7.**



Social Responsibility

The Corporate Responsibility Policy governs behaviour by defining principles of action and commitments to stakeholders. It also includes respect for communities and the improvement of their living conditions.

NATURGY Social Engagement Model, derived from this policy, embodies the company's social commitment to managing social response and creating shared value in the areas where it operates.

The model is based on four principles:

- We are **part of the community**
- We communicate **as equals**
- We **generate shared value**
- We **offer opportunities**

GPG also collaborates in various cultural, social, educational, environmental, and sustainability programs.



2024 → Has developed **109** Social Initiatives

→ With an investment of **1.83** Million euros

4.3 Information on governance

Corporate culture

GPG's corporate culture is built on the principles of integrity, trust, transparency, and sustainability. These are reflected in the values, beliefs, and behaviours that guide employee actions and form the foundation of the business model.

It promotes a culture that prioritises sustainability, integrating it across all operations and business aspects through two strategic lines:

- **Encouraging innovation** to optimise energy efficiency through clean technologies and renewable energy sources.
- Implementing **clear policies** that reinforce integrity, transparency, and honesty among all employees and operations.

The regulatory framework is based on the Code of Ethics, and is complemented by, among others, the Supplier Code of Ethics, the Compliance Policy, the Criminal Prevention Model, the Anti-Corruption Policy, the Human Rights Policy, and other regulations that ensure operational continuity

Suppliers

GPG considers its suppliers key players in its value chain, establishing relationships based on transparency and risk management. Supplier selection is carried out using objective and impartial criteria, in accordance with the Supplier Code of Ethics and various corporate policies.

Some of the organisation's commitments to its supply chain include:

- **Extending its culture** to the supply chain, conveying the goal of excellence and efficiency in resource and process use.
- Promoting **compliance with** Naturgy's policies throughout the supply chain.
- Encouraging the hiring of **local suppliers**, generating employment in the areas where activities are developed and supporting the local economy.
- Implementing practices that **support traceability and fair trade** of materials.



Taxonomy

In line with the European Green Taxonomy Regulation, which guides investors and companies towards economically sustainable activities, GPG has analysed five of its main energy generation activities:

- Electricity generation from hydropower
- Electricity generation using solar photovoltaic technology
- Electricity generation from wind energy
- Electricity storage using lithium-ion batteries

For each of these activities, the following criteria have been assessed:

- Identification of eligible activities listed in the Delegated Acts or aligned with them
- Substantial contribution to a climate change mitigation or adaptation objective
- Do no significant harm to the environment, assessed through various parameters
- Social safeguards: ensuring compliance with the requirements of the Delegated Act

Calculation of financial metrics for each activity, including CAPEX, OPEX, and turnover.

Following the analysis of these criteria, GPG considers all activities to be aligned with climate change mitigation.

For **2024** The results show a value of **988MUSD***
(Being more than 1,800 MUSD to 2025 target)

Corruption and bribery

The Compliance management model, together with the supervisory body, ensures adherence to the principles of integrity and trust through policies, oversight, and safeguarding mechanisms, providing channels for anonymously reporting inappropriate conduct.

Some of these policies include:

- **Compliance Policy**
- **Anti-Corruption Policy**
- **Business Courtesy Policy**
- **Conflict of Interest Policy**
- **Counterparty Due Diligence Procedure**
- **Supplier Code of Ethics**
- **Internal Reporting System Policy and its Management Procedure**

GPG aims to generate eligible CAPEX aligned with the European taxonomy, accumulated from 2022 to 2025, focusing on the direct value in MUSD of eligible CAPEX, rather than the percentage.

In 2024, results show a value of 988.27 MUSD, with the 2025 target set at over 1,800 MUSD.

