

# 2023



# Content

Letter from the CEO

1. Main milestones and figures of the GPG

2. GPG from Strategy to Tactics

3. GPG as a channelling agent for sustainability

4. Rationale for ESG engagement

- 4.1 The opportunity of environmental challenges
- 4.2 Compromise and talent
- 4.3 Governance information

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 2023 have been taken into account. This document has been verified by a third party (KPMG Asesores).

## Letter from the CEO

### Dear Readers,

On behalf of Global Power Generation (GPG), I would like to express my deep gratitude and commitment. As a power generation company, **this year has been a period of challenge and achievement**. I am pleased to share our significant progress and our future goals.

In 2015, the Kuwait Investment Authority (KIA) became a shareholder of GPG by acquiring 25% of the shares. At that time, GPG became a growth engine for the international power generation business. From our beginnings, with just 2.6GW of installed capacity, mainly thermal (88%), **we have evolved significantly over the last nine years**, almost doubling the installed renewable capacity.

During this time, **GPG has expanded its presence in eight different countries, has incorporated various power generation technologies** (wind, photovoltaic) and we have been a pioneer in the Group with our **battery storage plant** in Australia.

This growth has **consolidated us as one of the developers with the greatest knowledge and experience in the industry**, being leaders and asset managers (Asset management) in the energy evolution of all the countries where we have brought technological advances that have improved the lives of thousands of people, contributing to the competitiveness of many companies and promoting well-being and economic growth.

At GPG, our philosophy is to integrate the entire value chain in the development of our generation projects. Our long-term vision allows us to get involved in every stage of the process, from conception to the end of its useful life.

We currently have facilities in Mexico, Costa Rica, Panama, Chile, Brazil, Puerto Rico, the Dominican Republic and Australia, with an **installed capacity of 3,817 MW in operation** and **584 MW under construction**.

Our company has maintained a constant focus on innovation and sustainability, mindful of our responsibility to provide clean and affordable energy. We have invested in **advanced technologies** that not only optimise the **efficiency** of our operations, but also **minimise our environmental impact**. The implementation of solar and wind power projects has enabled GPG to increase its renewable energy generation capacity, contributing significantly to the reduction of greenhouse gas emissions. Our **renewable generation mix** now **exceeds 32% of installed capacity**, excluding projects currently under construction, which account for more than 500 MW.

In **Australia in 2023**, we are celebrating the 15th anniversary of our activity in the country with the commissioning of the **Berrybank 2 wind farm**, the third operational wind farm in Australia and the **ACT Battery, the Group's first battery storage system**. The wind farm has an installed capacity of 109.2 MW and will produce 390 GWh of clean energy per year, enough to supply **84,000 homes** in the state of Victoria. The battery energy storage system will support the ACT (Australian Capital Territory) distribution network.

In **Chile**, the projects of note this year have been the **Small Means of Distributed Generation or PMGD**, which have started their operation in 2023. In total, we have built **more than 10 photovoltaic plants** of less than 9MW that make up the 50 MW installed.

In **Mexico**, we celebrated **25 years since the signing of the first PPA**. And in **Costa Rica**, we successfully completed the operation of the **La Joya hydroelectric plant**, making the handover to the Costa Rican Energy Institute last July.

At GPG we are aware of the direct impact that our activity has on the local communities where we operate. For this reason, **in 2023 we have reinforced our corporate social responsibility initiatives**, collaborating in various projects and programmes.

Yours sincerely,



Francisco A. Bustío Gutiérrez  
GPG CEO



# 1. Key milestones and figures of GPG 2023

## Key milestones

By 2023, GPG has achieved a number of significant ESG milestones, consolidating its environmental, social and governance responsibility. The most relevant figures reflecting these efforts are presented below:

### Environmental



Renewable energy generation mix of **32%**.



Reduction of energy intensity (tCO<sub>2e</sub> /GWh) by **4%** by 2022.



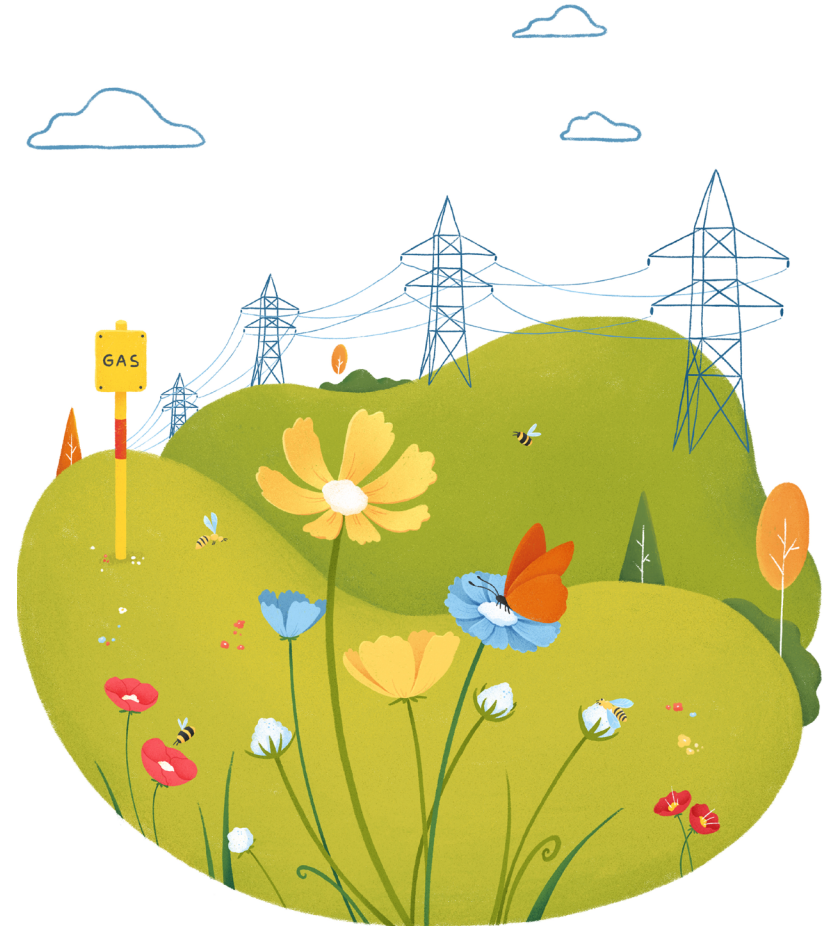
**8%** decrease in water consumption compared to 2022.



Biodiversity Initiatives: **21**.



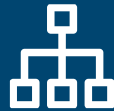
Total waste recycled and recovered: **45%**.



## Social



Hours of training for employee: **45hr/person.**



**22.8%** of women are in managerial positions.



Investment in social relations: **2.48 Million €.**



Participation in **79** social projects in all the countries where it operates.

## Governance



Activity with ISO 14001 environmental certification (% certifiable EBITDA in ThUS\$): **89%.**



Commissioning of **159 MW** of new renewable facilities



Commissioning of the Group's first battery storage system, the **BESS Queanbeyan** in Australia.



# 1. Key milestones and figures of GPG 2023

## Figures

Economic magnitudes:



Net turnover:

**947**

million euros



Total investments:

**360**

million euros



EBITDA:

**372**

million euros

Operating figures:

**2023**

Total installed  
capacity in  
operation

**3,817 MW**

Total net  
production

**17,517 GWh**

Production from  
renewable sources

**3,000 GWh**

Energy intensity

**327  
tCO<sub>2</sub>e/GWh**

**2022**

Total installed  
capacity in  
operation

**3,674 MW**

Total net  
production

**16,139 GWh**

Production from  
renewable sources

**2,900 GWh**

Energy intensity

**340  
tCO<sub>2</sub>e/GWh**

**1** Key milestones and figures of GPG 2023

**Mexico**

Name of the installation	State/ Municipality (or County)
Strength and Energy of Tuxpan	Veracruz / Tuxpan
Strength and Energy of Hermosillo	Sonora / Hermosillo
Strength and Energy of Naco Nogales	Sonora / Agua Prieta y Naco
Strength and Energy of North Durango	Durango / Durango
La Caridad <sup>1</sup>	Sonora / Nacozari de García
Bii-Hioxo Strength and Energy	Oaxaca/ Juchitán de Zaragoza

**Dominican Republic**

Name of the installation	State/ Municipality (or County)
Palamara Power Plant	Santo Domingo / Batey Palamara
La Vega Power Plant	La Vega / La Vega

**Puerto Rico**

Name of the installation	State/ Municipality (or County)
Ecoelectric <sup>2</sup>	Punta Guayanilla in Peñuelas

**Costa Rica**

Name of the installation	State/ Municipality (or County)
Torito	Cartago/Turrialba

**Panama**

Name of the installation	State/ Municipality (or County)
Dolega	Chiriquí
Macho De Monte	Chiriquí
Carob trees	Chiriquí
La Yeguadita	Veraguas
La Yeguada	Veraguas

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

2 GPG owns a 47,5% interest in Ecoelectric, a natural gas-fired power generator located at Punta Guayanilla in Peñuelas, southwest Puerto Rico. The organisation has no operational control over this facility, therefore, information regarding Ecoeléctrica is outside the scope of the report.

3 Cunderlin is a hybrid solar/battery project. It has already been built but is not yet in operation.

**Chile**

Name of the installation	State/ Municipality (or County)
Quarry	San Pedro, Melipilla, Metropolitan Region
Ratulemus	Cauquenes, Maule, VII Region
PFV Olivia	Commune of Vicuña, Region of Coquimbo
Cauquenes	Cauquenes, VII Region Maule
Cabo Leones II	Región de Atacama, en la provincia de Huasco, comuna de Freirina
San Pedro I&IV	Región de Antofagasta, Calama

**Australia**

Name of the installation	State/ Municipality (or County)
Crookwell II	New South Gales / Goulburn
Berrybank 1	Victoria / Corangamite (19 aeros) y Golden Plains
Berrybank 2	Victoria / Corangamite (19 aeros) y Golden Plains
BESS Queanbeyan	New South Gales / Jerrabomberra

**Brazil**

Name of the installation	State/ Municipality (or County)
Sobral	Piauí / São João do Piauí
Sertão	Piauí / João Costa
Guimaranía I	Minas Gerais / Guimaranía
Guimaranía II	Minas Gerais / Guimaranía

Table 1. GPG installations in operation.

## 2. GPG from strategy to tactics

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

In line with its firm commitment to sustainability and transparency, GPG has carried out a **preliminary analysis of Dual Materiality** (impact materiality and financial materiality). This process allows to identify and evaluate the most relevant issues for its stakeholders, ensuring that the company's strategic decisions are aligned with the expectations and needs of its stakeholders.

To perform this preliminary materiality analysis and identify potential and actual impacts, negative and positive, on the economy, the environment and people, GPG has made use of the **Datamaran** tool, software that allows a comprehensive, real-time, data-driven analysis to monitor strategic ESG opportunities and risks.



## Double materiality matrix

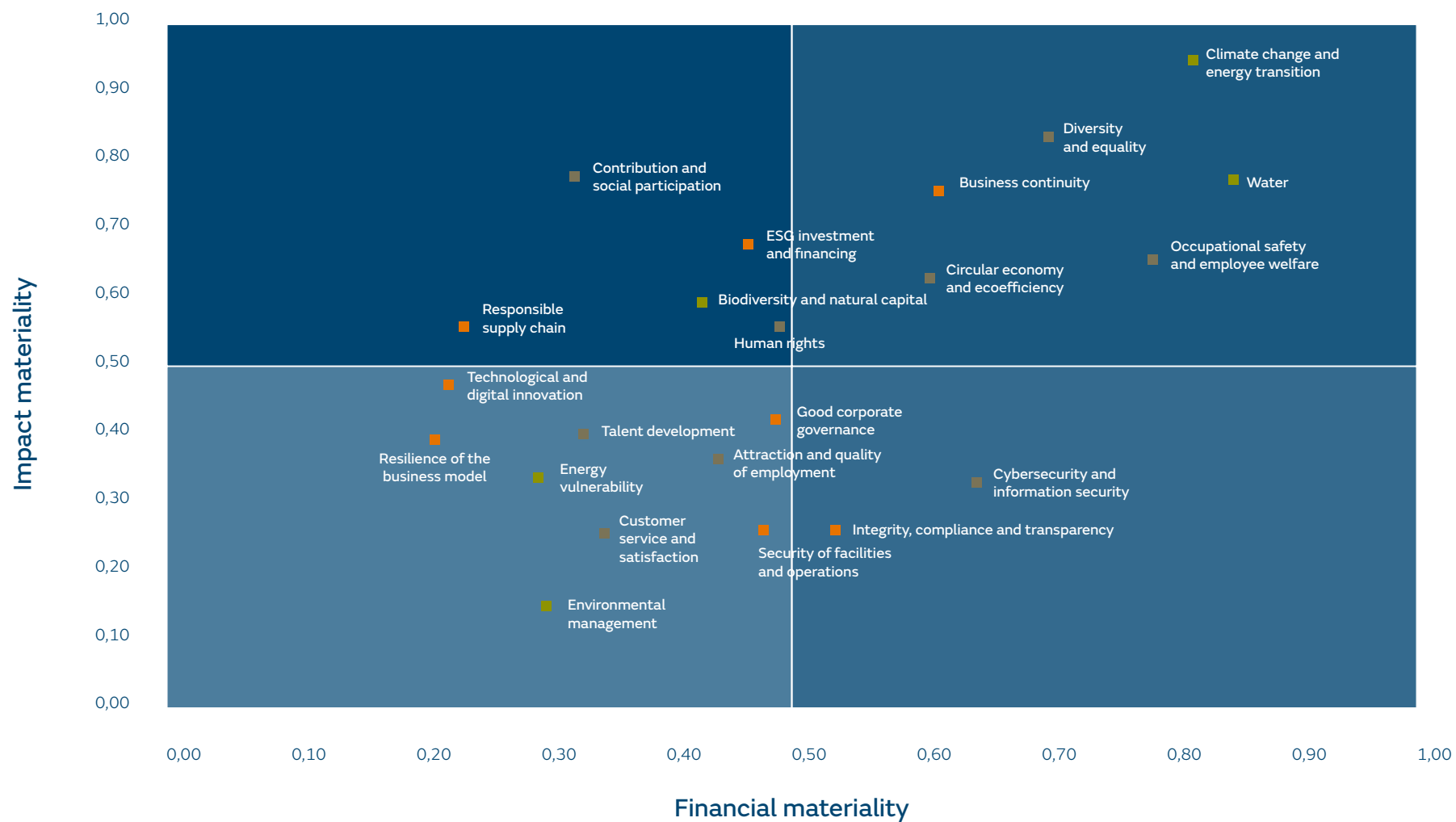


Figure 1. GPG materiality matrix

GPG has identified **13 material issues** structured along three dimensions:



## Environmental

- Biodiversity and natural capital
- Circular economy and eco-efficiency
- Climate change and energy transition
- Water



## Governance

- Responsible supply chain
- ESG investment and financing
- Integrity, compliance and transparency



## Social

- Contribution and social participation
- Human rights
- Business continuity
- Diversity and equality
- Workplace safety and employee wellbeing
- Cybersecurity and information security

Taking into account the result of this preliminary analysis of double materiality and considering the **6 levers of action** of the Group's Sustainability Plan, GPG has developed its own **Sustainability Plan**, defining a total of **24 objectives for 2025** and **12 monitoring indicators** to improve the organisation's management and performance.

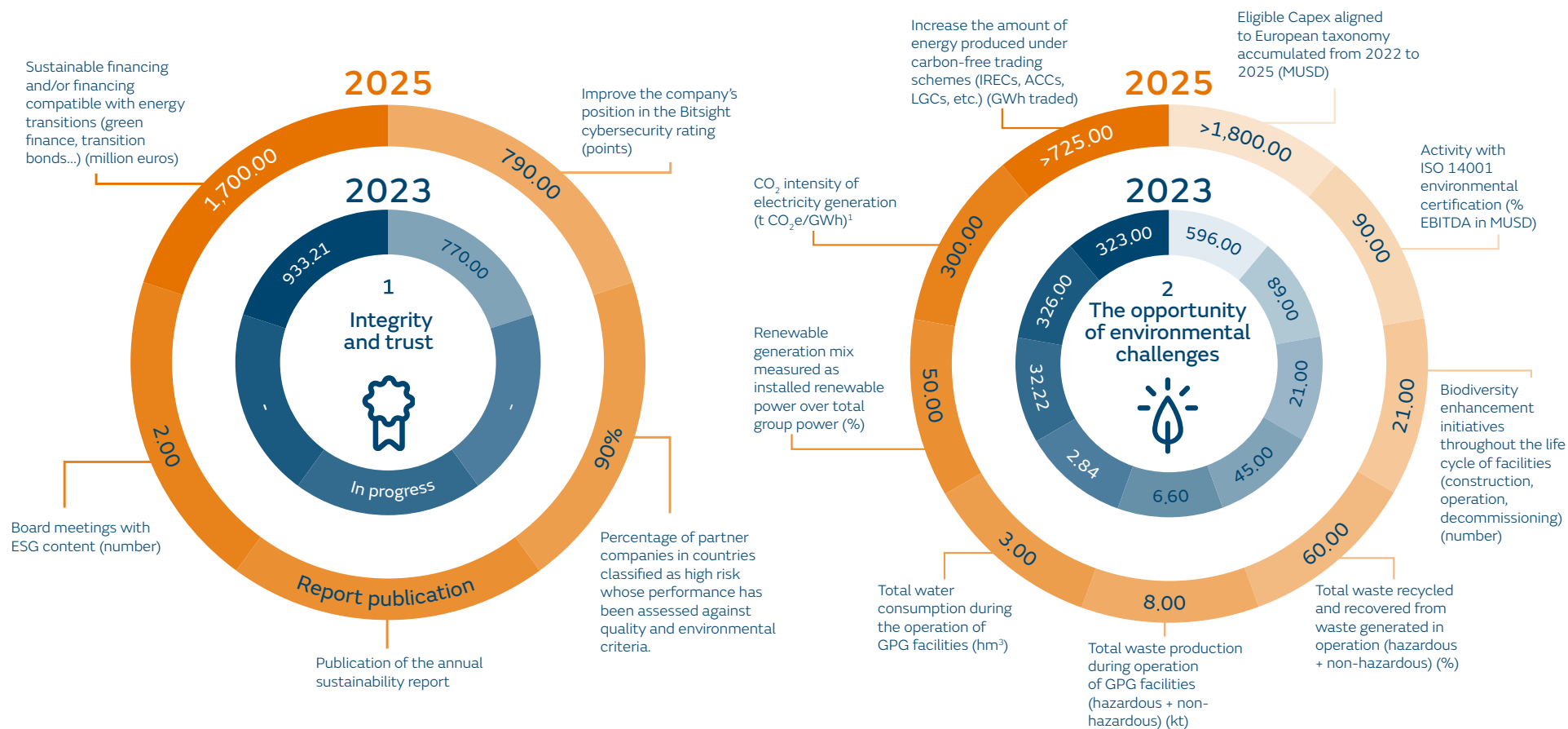


Table 5. GPG targets to 2025.

<sup>1</sup> Only Scope 1 GHG emissions from all GPGs are considered.



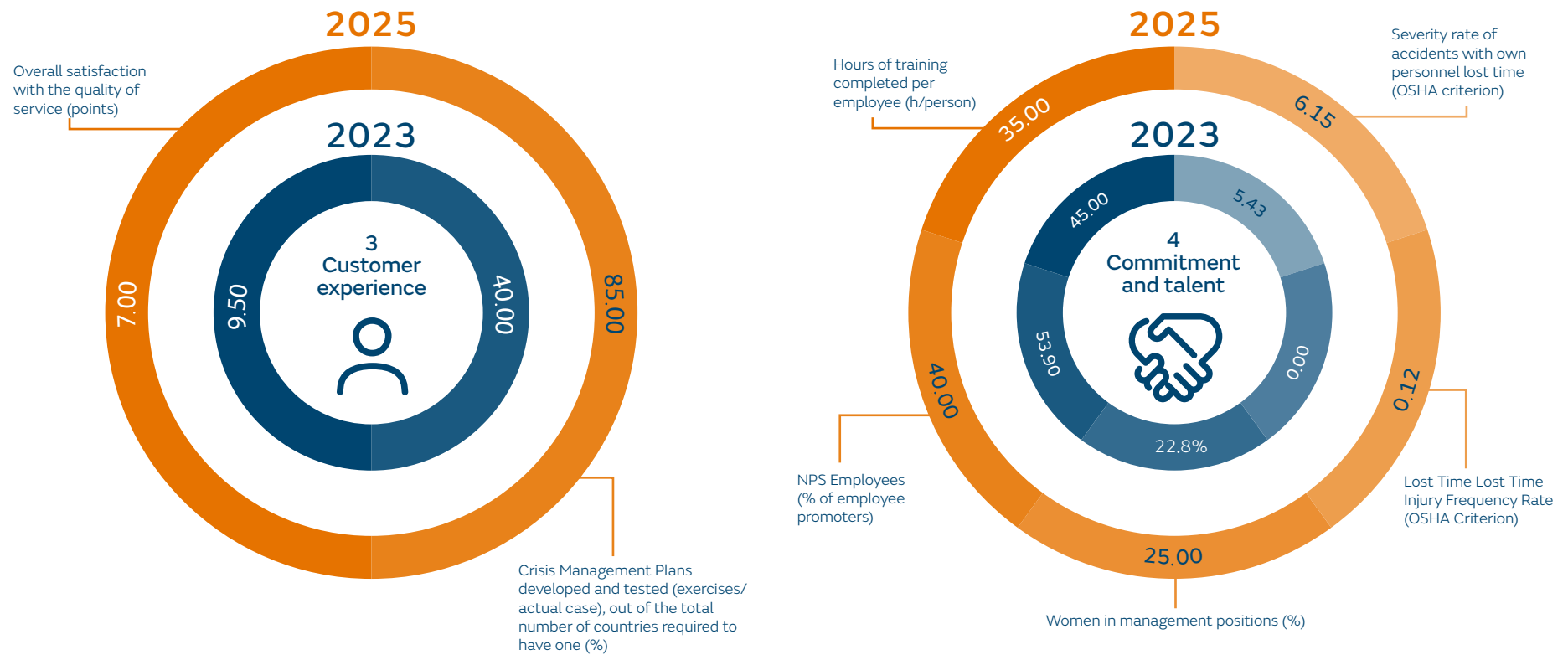
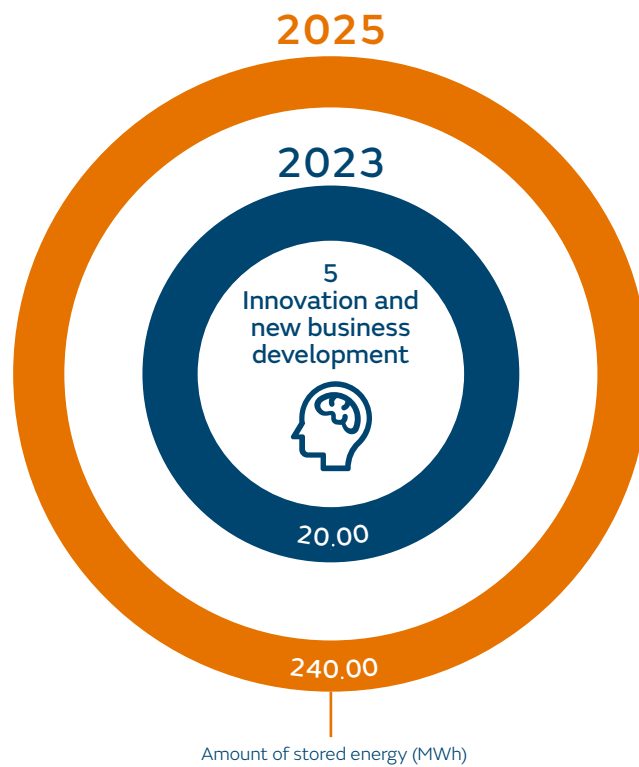


Table 5. GPG targets to 2025..



Social entities with  
which collaborative  
projects or activities are  
established to generate  
positive impact (number)

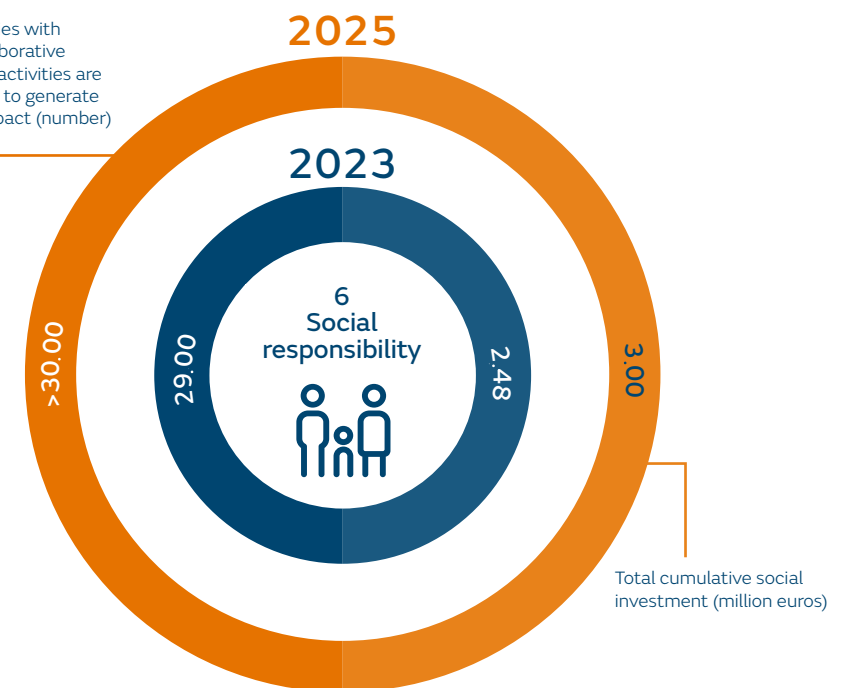


Table 5. GPG targets to 2025.



### 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) and from the most **human** side (People Oriented) to contribute to a more sustainable world (One Planet).

The route of action and strategy that GPG presents to achieve this purpose is based on:

- Generation of **renewable energy**.
- **Best in class company**: continuous improvement processes and reinventing new ways of obtaining and storing energy.
- **Incorporation of ESG aspects** aligned with the SDGs and guided by tangible targets to meet commitments.
- **Culture**: driving passion in employees.

## Mission, vision and values

### Triple Mission

#### Environment

Meeting society's energy needs by offering quality products and services that respect the environment.

#### Employees

To meet the needs of employees by offering them the possibility to develop their professional skills.

#### Shareholders

To serve the needs of shareholders by providing them with increasing and sustainable returns.

### Vision

To be **leaders in** continuous growth with a multinational presence offering quality and environmentally friendly products.

GPG's mission reflects its vision of **transforming the world through energy, promoting the use of renewable energies** and the application of technological advances to meet the needs of society and promote well-being.

GPG is aware of corporate responsibility towards its stakeholders, as well as sustainability in its maximum expression with a long-term vision.



## Values of the Group



### Forward Vision

**Innovating for a better future.**

Transforming the world through **innovation, proactivity** and **adaptability**, facing the challenges and driving the opportunities of energy transition, new business models and digitalization.



### Excellence Driven

**Working with excellence.**

Transforming the world through **leadership, determination** and **continuous improvement**, focusing on the generation of value from each of the businesses and markets, and responding rigorously to the expectations of all stakeholders.



### People Oriented

**Transforming from the most human side**

Transforming the world through closeness, transparency and trust, activating **its firm commitment to people**, employees, customers, shareholders and collaborators, and transforming talent and passion into positive impact



### One Planet

**For a more sustainable society.**

To transform the world through **sustainability, respect and commitment to the environment, society and corporate governance**, proving to be a responsible company that contributes in a relevant way to the progress, welfare and future of the planet.



## 4. Rationale for ESG engagement

### 4.1 The opportunity of 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 2023, **89% of EBITDA**<sup>1</sup> comes from industrial activities with **ISO 14001** environmental certification, obtained after passing several external audits.

2023 **89% EBITDA** ISO 14001  
certification

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

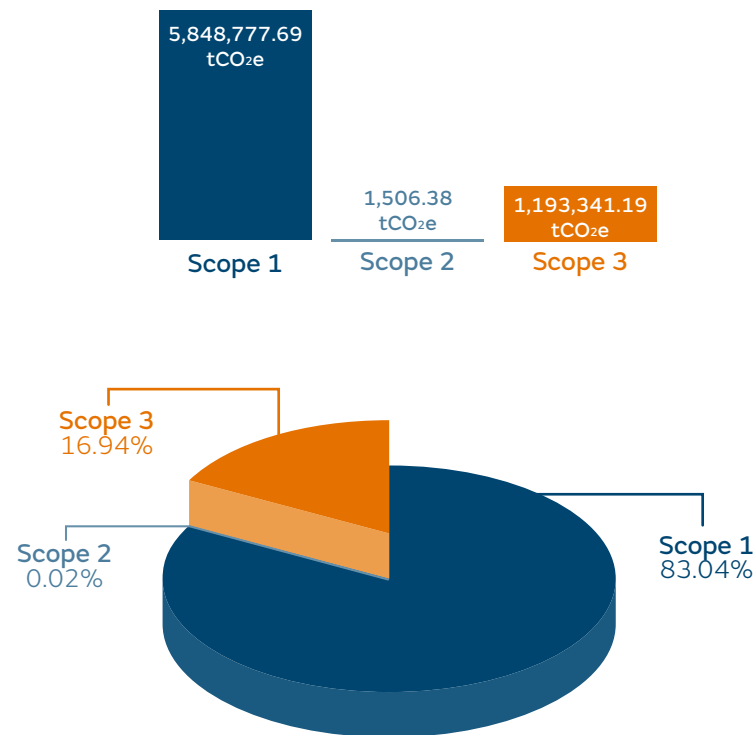


## 4.1.1 Climate change and energy transition

### Climate change mitigation

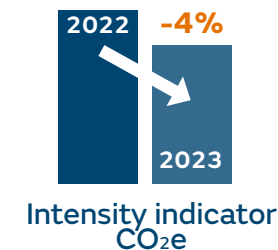


GPG has calculated the **carbon footprint of its facilities and processes** in accordance with the Greenhouse Gas Protocol (GHG Protocol), including direct and indirect emissions generated as a result of the organisation's activities.



**83.04%** of the total emissions generated by GPG<sup>1</sup> are **direct emissions** derived from the combustion of fossil fuels in the combined cycle power plants in Mexico and in 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 grown without an increase in generation capacity. Without these plants, electricity supply would be at risk.

## Evolution 2022-2023



**32%**  
of the  
renewable  
energy mix

**323 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

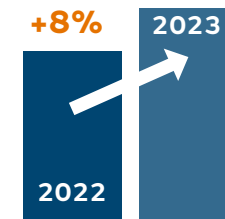
### 7 ENERGÍA ASEQUIBLE Y NO CONTAMINANTE



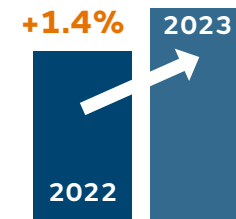
GPG works continuously to improve the **energy efficiency** of its operations and adopts **advanced technologies** to optimise its energy consumption. The company has implemented an **action plan** that includes:

- Significant investments in **renewable energy and energy storage systems**.
- Strict compliance with environmental regulations, which goes beyond environmental care.
- Rigorous system of measurement and control of emissions and energy consumption certified under ISO 14001 in its thermal generation plants.
- Divest from investment in new polluting assets to align with the principles of the Paris Agreement.

## Evolution 2022-2023



Gross generation



Energy consumption





## 4.1.2 Pollution

### Atmospheric pollution

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

In Mexico, plant operations have been optimised and high fogging systems have been implemented in some plants to help reduce nitrogen oxide (NO<sub>x</sub>) emissions. Fuels with a low sulphur content (SO<sub>x</sub>) are used in the Dominican Republic's engine plants.

With regard to light and noise pollution, GPG considers these aspects from the design stage of its facilities. Noise modelling is carried out and, where necessary, measures to reduce noise impact are included.



### Soil contamination

The organisation minimises negative impacts on the soil through **proper waste management**, prioritising prevention, reuse and recycling. Its Sustainability Plan establishes the following objectives:



GPG has **strict protocols** for handling and storage of hazardous materials, and for emergency response, including containment and clean-up measures to minimise impact.



In 2023  
**6.6 Kt**  
were generated





## Water pollution

By 2023, **there were five spills** resulting from industrial incidents at GPG's facilities, which did not have any impact on natural soil or watercourse, so **there have been no pollution episodes** at GPG facilities.

GPG has **action protocols** and has the necessary resources at its facilities to deal with these unforeseen events, acting quickly to control them and avoid the possible damage they could cause to the environment.



## 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**.

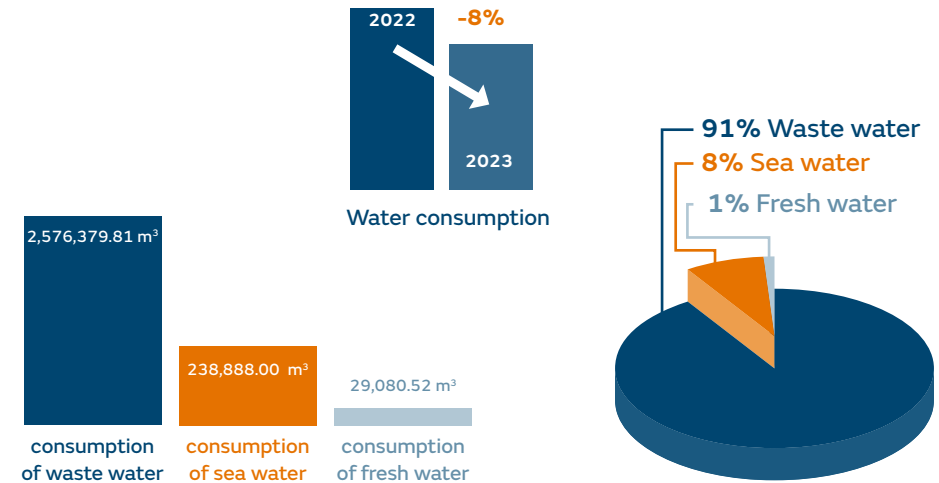
This commitment extends to transparency and collaboration with suppliers and customers to ensure the **gradual elimination** of these substances and wastes throughout the value chain.

### 4.1.3 Water and circular economy

#### Sustainable water management



GPG takes 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 are:

- **Minimisation** of fresh water consumption, prioritising the use of sea water or waste water.
- Efficient effluent **treatment** to reduce pollutant loads that may alter the initial conditions of the receiving waters.
- **Control procedures and risk analysis** for the **prevention** of incidents and accidental discharges.
- **Environmental Management System** with ISO 14001 certification and Clean Industry Certificate by Profepa in the most water-intensive plants.
- **Meters** in the installations and **measurements** for monitoring consumption, inputs and outputs, detecting leaks and preventing water loss.
- **Monitoring** of the status of water bodies and periodic **analytical controls** of discharge quality.

## Circular economy



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



Waste generated  
↓  
**45.10%**  
Waste destined for operations that seek give a second life to the product

\*The increase in waste generation is due to the increase in the generation of hazardous waste from the maintenance shutdown at the Tuxpan combined cycle power plant, the change in the operating regime of the Dominican Republic's engine plants and the entry into operation of new renewable projects. These wastes represent 43% of the total generation.

The main measures carried out are:

- **Segregation, minimisation and recovery** of waste.
- **Optimisation** in the use of products in the facilities, analysing the possibility of using more sustainable alternatives.
- **Training** of staff in waste management and circular economy.
- Procedures to **minimise resource consumption** and efficiency in their use.
- **Prioritisation** of sustainable, recycled and/or renewable materials.
- Environmental requirements in **procurement** processes.
- Development of advanced treatment and recycling **technologies** to ensure efficient and sustainable management.
- Non-hazardous and hazardous waste is managed in accordance with the regulations in force in each country by **authorised waste managers**.





#### 4.1.4 Biodiversity and natural capital

2023 → **21** 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 organisation fall into one or more of the following typologies:

- **Analysis of risks and opportunities** related to nature and biodiversity at its facilities during all stages of the activity.
- **Preventive approach** in all phases of the project, avoiding possible environmental damage.
- **Actions for the protection and reduction of impacts** on nature.
- **Regular monitoring and follow-up** of objectives, analysing indicators to determine the degree of compliance and effectiveness of the measures adopted.
- **Transparency and dialogue** with stakeholders on sustainability issues.
- **Environmental education and awareness:** through its social and environmental projects, GPG promotes awareness in local communities.

## 4.2 Compromise and talent

### Compromise and talent in 2023 at GPG

GPG has a human team of **488 people** in 2023. During 2023, the **main achievements** in terms of commitment and talent at Naturgy Group level have been:

- Opening of the **School of Happiness** to provide a formative and connecting experience in the field of well-being.
- Completion of the **360° Assessment cycle** for the management of the company's executive and managerial talent.
- Signing of the **Naturgy Equality Plan 2023-2027** and signing of the **Sexual Harassment Protocol and/or for reasons of sex**, with adaptation to the new Law 2/2023.
- **Training** in diversity, communication and LGTBI+ inclusive treatment.
- Approval of a new **Health and Safety Plan 2024-2025**.
- Comprehensive **psychosocial assessment** to improve health and well-being.
- Implementation of a new analytical tool for **regular monitoring and control of the activity** of digital identities.



## Interest in people

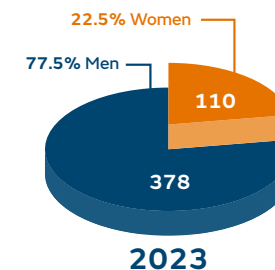
For GPG, people are a key asset for its success, promoting a balance between work and personal life with a team based on dedication, integrity, honesty, initiative and human quality. They are guided by their **Code of Ethics** and **human rights policy** and promote principles of safety, health, respect for the environment and people.

### 1. Flexibility and work-life balance

GPG promotes a balance between work and personal life, improving the quality of life, health and well-being of the team through the implementation of measures such as flexible working hours, longer or non-legislative paid leaves of absence that are more extensive or not contemplated in the legislation, teleworking, reduced working hours or the adaptation of the working week, among others.



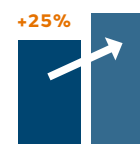
### 2. Diversity and equality



It has also obtained the Bequal certification, Plus category, in recognition of its inclusive policies for people with disabilities.



2025



**25%**  
**women in**  
**positions**  
**managers**

from his  
program  
comprehensive  
diversity

Currently it is  
**22,8%**



### 3. Labour relations

The organisation promotes a collaborative and communicative environment, supporting professional development through continuous training, active participation and health and safety policies. In 2022 and 2023, it signed **collective bargaining agreements in Spain and Mexico** to strengthen negotiation and dialogue with workers.

To improve the working environment, tools such as **Happyforce** are used and staff satisfaction is measured with the **NPS** (Net Promoter Score) indicator.



### 4. Compensation and remuneration

Compensation and remuneration at GPG is based on principles of **transparency, fairness and competitiveness**, ensuring fair and market-driven salaries.

The **remuneration policy** is guided by **two essential pillars: equality internally and competitiveness** from a market point of view.

- Provide a **clear and transparent Total Reward offer**.
- Fostering a **culture of performance and results-orientation**.
- **Reward differentially** according to individual contribution.
- **Recognise different needs** in different groups.
- **Reward fairly** according to the contribution of the position in the company, and competitively with respect to the market.
- Work to create a **self-financing**, sustainable and up-to-date reward model.

### 5. Talent management and retention

GPG carries out regular **assessments** of the team to develop the **Annual Development Objectives (ODA)**, from which specific training is designed. It also participates in Naturgy's **Flex & Lead** programme, focused on hiring young people with or without work experience, with the aim of achieving the **goals** set for 2025:

- **40% female presence** in the company's executive and management levels in Spain.
- **10% of the workforce under 30 years of age**.
- **Recruitment of young people** with a STEM profile.
- Recruitment of **60% of women** in **Flex** programme (young people without experience).
- Recruitment of **70% of women** in the **Lead** programme (young people with experience).



## 6. Health and safety



Committed to **minimising occupational** risks, fostering **safe environments** and promoting the individual and collective health and safety of people, they integrate management into all their operations.

GPG's health and safety commitments are as follows:

- **Ensure** that **health and safety** is an individual responsibility.
- Establish health and safety as an **individual responsibility**.
- **Promote well-being** through safe and healthy working conditions.
- **Prevent** possible injuries and damage to workers, suppliers and customers.
- Establish a safety, health and welfare **management model** based on continuous learning and the participation of all people.
- **Integrate health and safety criteria and objectives** in all processes, activities and facilities.
- **To be a reference** in new strategies for health education, disease prevention and health promotion.
- **Provide the necessary resources and means** to comply with the applicable legal requirements.



The Global Health and Safety Policy is based on 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

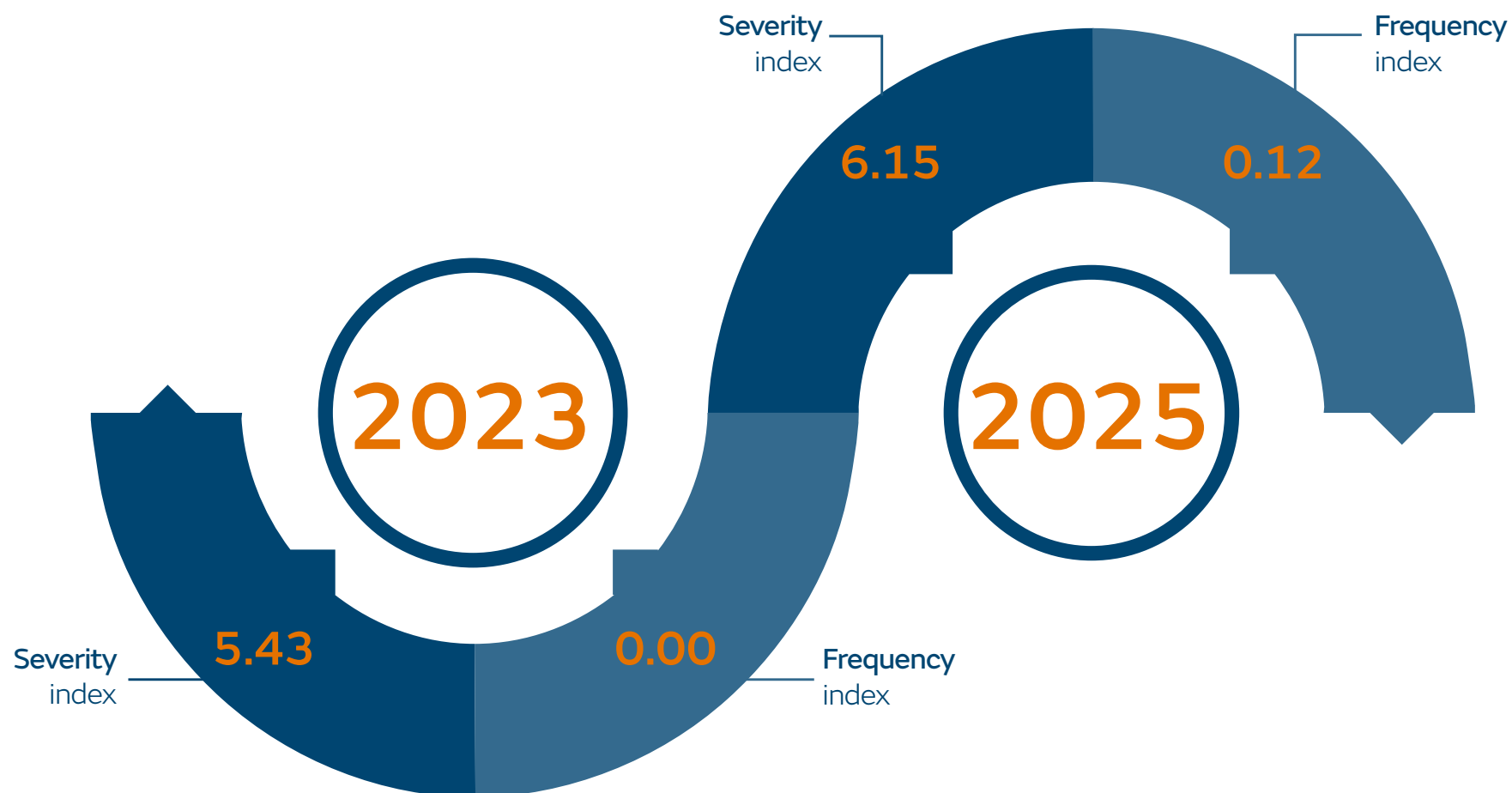
All the works must be planned and executed with safety in mind.

03

Safety is a management responsibility

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

Committed to safety and health, GPG has set itself the **target** for 2025:



## Clients

The organisation rigorously evaluates customer satisfaction in order to understand and improve the fulfilment of customer expectations. The most important **phases** of the process:

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

As a result, in 2023, the overall satisfaction with the quality of service of GPG customers reached **9.5**.



## Social responsibility

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

**Naturgy's Social Relationship Model**, derived from this policy, materialises the company's social commitment to manage the social response and create shared value in the territories where it operates.

The model is based on **four principles**:

- **We are one more** in the territory
- **We communicate as equals**
- We generate **shared value**
- We offer opportunities

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



**2023** has developed  
with an investment total of

**79**  
social initiatives  
in all the countries  
in which it operates

**2.48**  
million euros



## 4.3 Information on governance

### Corporate culture

GPG's corporate culture is based on the principles of integrity, trust, transparency and sustainability, which are reflected in the values, beliefs and behaviours that guide the actions of the employees, constituting the bases on which the business model is based.

It fosters a culture that prioritises sustainability, integrating it into all its operations and aspects of the business along two strategic lines:

- **Encourage innovation** to optimise energy efficiency through clean technologies and renewable energies.
- Implement **clear policies** that reinforce integrity, transparency and honesty of all employees and operations.

The regulatory body is based on the Code of Ethics and 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 rules to ensure operations continuity.

### Suppliers

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

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

- **Extend its culture** to the supply chain, conveying the goal of excellence and efficiency in the use of resources and processes.
- Promote **compliance with** Naturgy policies in the supply chain.
- Encourage the contracting of **local suppliers**, generating employment in the areas of development of the activity and promoting the local economy.
- Implement practices that favour **traceability and fair trade** of materials.



## Taxonomy

GPG, in accordance with the European Green Taxonomy regulation for the orientation of investors and companies towards economically sustainable activities, has analysed five of its main energy generation activities:

- Electricity generation from **hydroelectric power**.
- Electricity generation using **solar photovoltaic** technology.
- Electricity generation by **wind energy**.
- Electricity storage from **lithium-ion batteries**.

For each of these activities, it has carried out an analysis of the following criteria:

1. **Identification of eligible activities** located within the list published in the Delegated Acts or aligned.
2. **Substantial contribution to an objective** to contribute to the mitigation of or adaptation to climate change.
3. **Not to cause significant damage** to the environment, for which various parameters are analysed.
4. **Social safeguards**: ensuring that the requirements of the Delegated Act are met.
5. Calculation of the **financial metrics** for each activity, including CAPEX, OPERX and turnover.

After analysing these criteria for each activity, GPG considers that **all are aligned with climate change mitigation**.

For **2023** the results show a value of **596 MUSD\*** with the **2025** objective being more than **1,800 MUSD**.

## Corruption and bribery

The compliance management model, together with the supervisory body, ensures compliance with the principles of integrity and trust through policies, supervision and safeguard mechanisms, providing channels for anonymous reporting of inappropriate conduct.

Some of these policies are:

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

\* GPG has the objective of generating an eligible CAPEX aligned with the European taxonomy accumulated from 2022 to 2025, looking for the direct value in MUSD of CAPEX eligible, not the percentage. For 2023 the results show a value of 596 MUSD, the 2025 goal being more than 1,800 MUSD



Grupo Naturgy