Corporate Sustainability Report

2024

GPG
Naturgy Group

Content

Letter from 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 i**n 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 Contextualisation

Contextualisation

With the publication of Directive 2014/95/EU, also known as the Non-Financial Reporting Directive (NFRD), many companies began preparing Non-Financial Information Statements (NFIS). This regulation highlighted the importance of disclosing non-financial information to assess business performance and its impact on society, promoting a sustainable economy based on long-term profitability, social justice, and environmental protection.

However, in response to the need to improve the quality, comparability, and scope of this information, the Corporate Sustainability Reporting Directive (CSRD) came into force in January 2023, replacing the NFRD. This new directive expands the number of companies required to report, including non-European companies with significant operations in the EU.

The CSRD introduces, for the first time, the obligation to report in accordance with the European Sustainability Reporting Standards (ESRS), developed by EFRAG. In July 2023, the European Commission adopted the first set of 12 general and thematic standards.

In July 2025, a legislative “quick fix” was approved, granting greater flexibility to companies reporting for the first time, allowing them to maintain the same reporting requirements for the 2024, 2025, and 2026 financial years.

Cross-cutting Standards	ESRS 1: General requirements
	ESRS 2: General Disclosures
Topical Standards	ENVIRONMENTAL ESRS E1: Climate Change ESRS E2: Pollution ESRS E3: Water and marine resources ESRS E4: Biodiversity and Ecosystems ESRS E5: Resource Use and Circular Economy
	SOCIAL ESRS S1: Own Workforce ESRS S2: Workers in the Value Chain ESRS S3: Affected Communities ESRS S4: Consumers and End-users
	GOVERNANCE ESRS G1: Business Conduct

All information related to Global Power Generation (hereinafter GPG) is consolidated within the Naturgy Group's Sustainability Report.

Nevertheless, GPG voluntarily produces its own independent report to demonstrate its strong commitment to transparency and sustainability.

2 About this report

About this report

The data in this report are presented below:

2024

Reporting Year

Standard

The preparation of this report has taken into account the European Sustainability Reporting Standards (ESRS), although they have not been rigorously implemented, as well as the Global Reporting Iniciative requirements, which are now the standards being used.

The information included in the Sustainability Report may be complemented and, in some cases, expanded by that contained in the consolidated annual accounts of the Naturgy Group for the 2024 fiscal year, as well as in the annual accounts of Global Power Generation S.A

2.1 Scope of the Corporate Sustainability Report

The information provided below offers a single, consolidated response to Law 11/2018.

The GPG data presented in this report refers to all activities carried out by the organization during the period from January 1 to December 31, 2024, in which it has operational control, corresponding to the financial consolidation perimeter.

The financial and non-financial information, the identified risks, as well as the controls and policies developed for their mitigation and included in the Sustainability Report, are based on accounting and documentary records, regulations, procedures, and standards approved by Management.

It is worth noting that GPG operates in 8 countries, managing 6 different generation technologies. Accordingly, the scope includes information related to the following facilities:

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 Bii-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

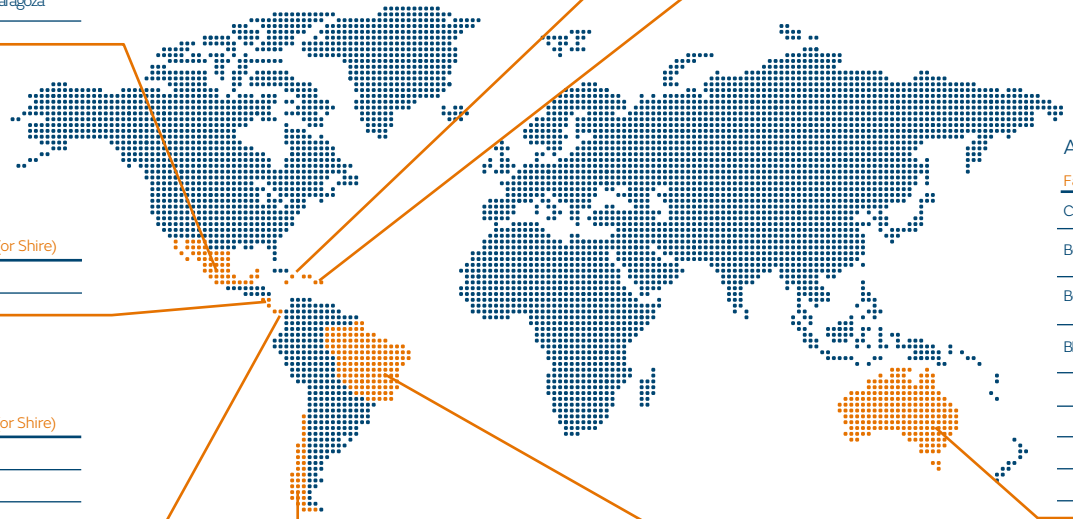
Facility name	State/Municipality (or Shire)
Ecoeléctrica[2]	Punta Guayanilla en Peñuelas

Costa Rica

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

Panama

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



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

Chile

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

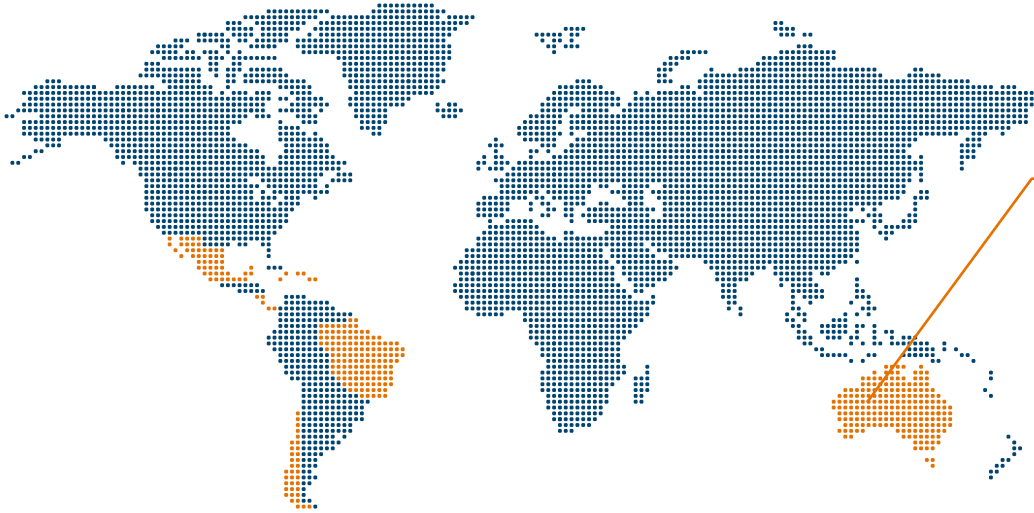
Brazil

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

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.

GPG Facilities in Operation.



Australia

Facility name	State/Municipality (or Shire)
Glenellen	New South Gales / Gretaer Hume Shire
Bundaberg	Queensland / Bundaberg Regional Council

GPG's facilities in construction.

Australia

Facility Name	State/Municipality (or Shire)
Paling Yards	New South Gales / Oberon Council
Tarrone	Victoria / Moyne Shire
Darlington	Victoria / Moyne Shire
Fraser Coast	Queensland / Bundaberg Regional Council

The scope of this report includes all facilities over which GPG exercises, or has the capacity to exercise, either directly or indirectly, control. That is, the ability to direct the financial and operational policies of a company with the aim of obtaining economic benefits from its activities.

GPG's Facilities in development

3 Commitment to Sustainable Development

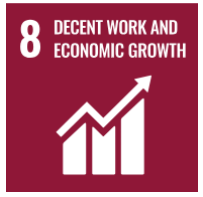
Commitment to sustainable development

3.1 GPG as a channelling agent for sustainability

GPG, in its steadfast commitment to sustainability and with the purpose of cooperating and contributing to the development and well-being of all the communities with which it engages, works diligently to deliver electricity generation that is sustainable, efficient, safe, and respectful of both the environment and human rights.

GPG adheres to the policies and governance codes of the Naturgy Group. In 2021, Naturgy defined the Sustainability Plan in an integrated manner with the 2025 Strategic Plan.

In 2024, the company monitored the indicators and objectives of the Sustainability Plan, adapting them to future forecasts



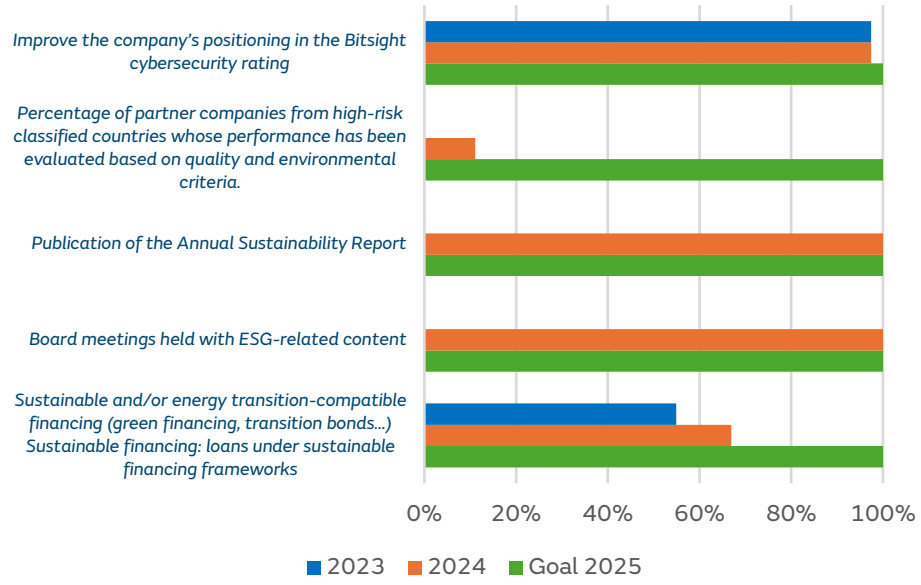
Below are the drivers of the Sustainability Plan applicable to GPG, the lines of action in which they are framed, and the main SDGs they impact, both directly and indirectly.

Lever	Action Line	SDG
Integrity and Trust	Governance Risk Management	8, 10, 12, 16, 17
The opportunity of Environmental Challenges	Climate Change and energy transition Circular Economy Natural Capital and biodiversity Environmental Management	3, 6, 7, 9, 11, 12, 13, 14, 15
Customer Experience	Customer Experience Service Quality	7, 9, 11, 12, 17
Employee Engagement and Talent Development	Talent Management Diversity Health and Safety	3, 4, 5, 8, 9, 10
Innovation	Innovation	7, 8, 9, 11, 12, 13, 15, 17
Social Responsibility	Social Contribution	1, 3, 7, 8, 10, 11, 12, 17

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.

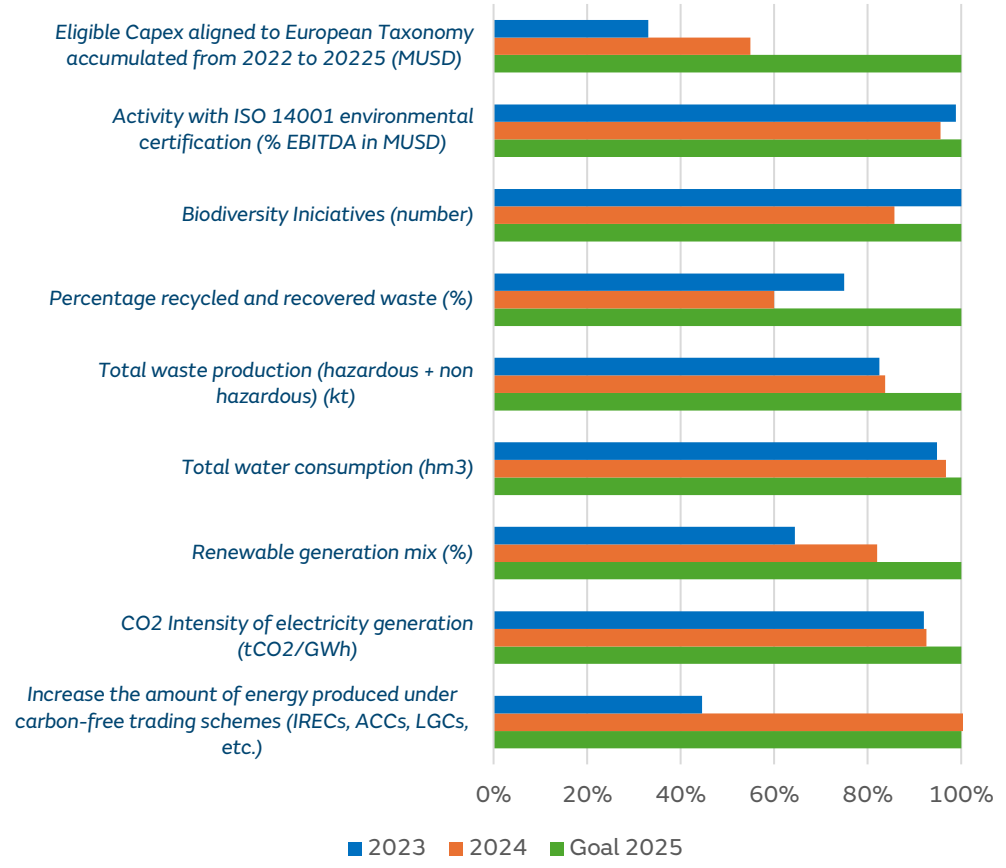
Below is **the 2024 progress status** of the objectives planned for 2025:

Lever 1 - Integrity and Trust

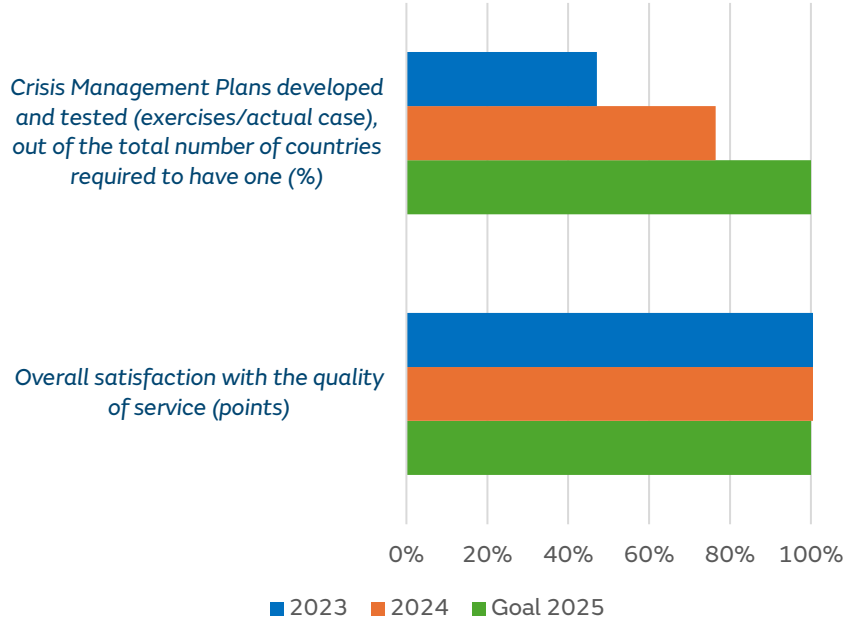


In 2024, 2 out of the 5 proposed objectives for the "Integrity and Trust" Driver have already been achieved

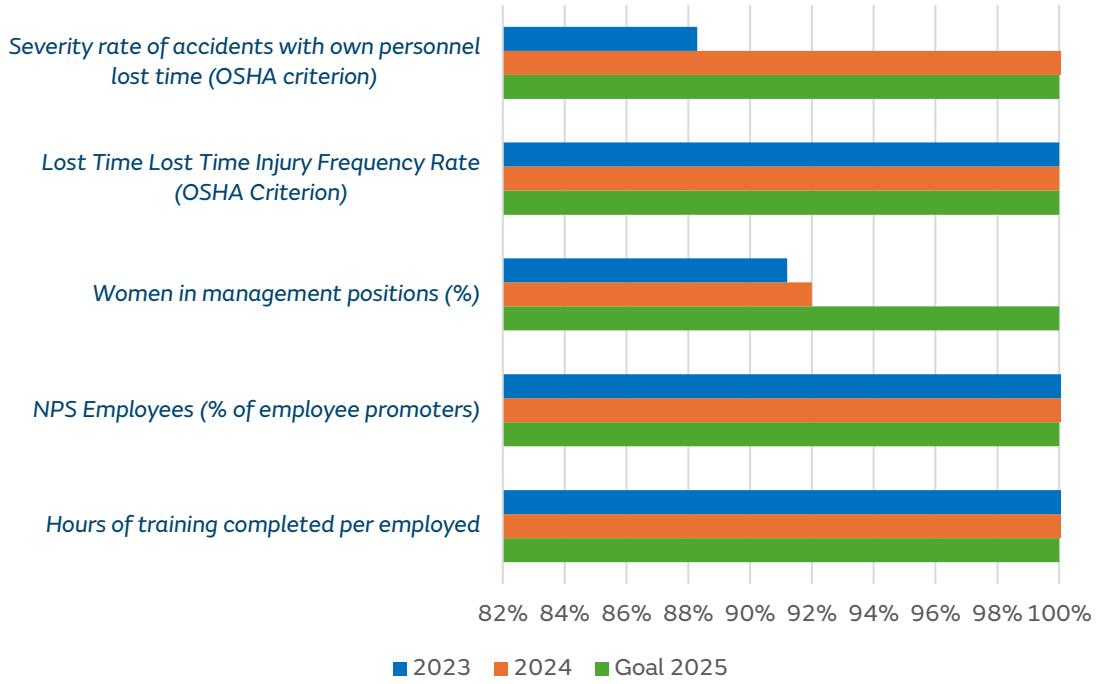
Lever 2- The opportunity of the environmental challenges



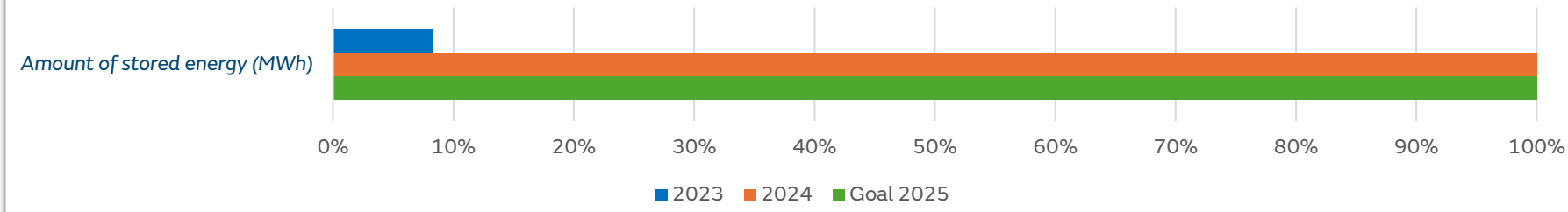
Lever 3 - Customer experience



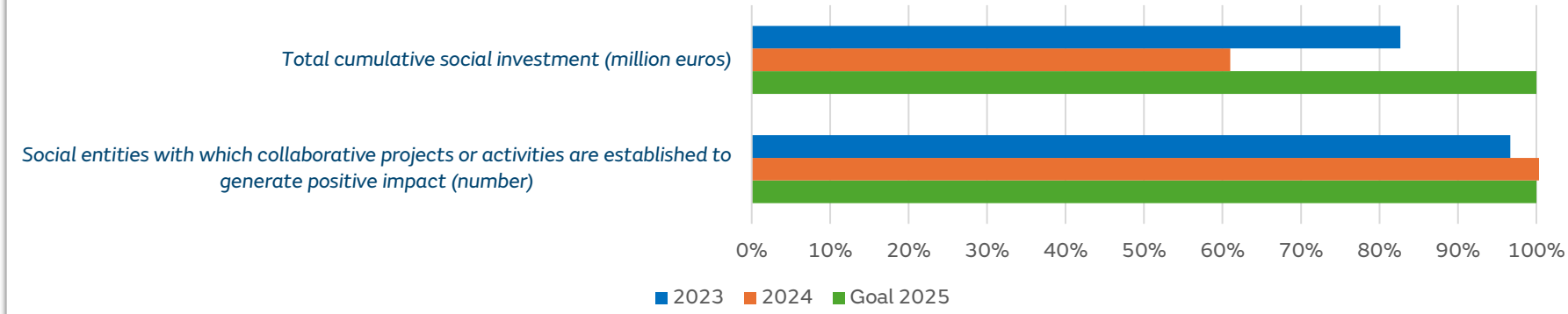
Lever 4 - Employee engagement and Talent development



Lever 5 - Innovation



Lever 6 - Social Responsibility



3.2 Double materiality analysis

GPG, aware of the importance of transparency and sustainability in its operations, has been periodically conducting a materiality analysis to assess the most relevant issues for its stakeholders.

However, in 2019, the European Commission, in its Guidelines on reporting climate-related information, introduced for the first time the term “double materiality,” recognizing that companies are interconnected with their environment in a complex way and that many significant impacts are not limited to their internal operations.

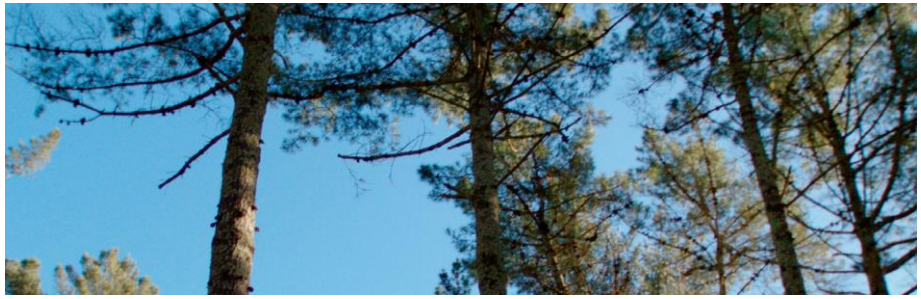
This approach implies that organizations should not only consider what is material for their financial performance but also what is material from the perspective of society and the environment.

Double materiality is based on two essential dimensions:

Impact materiality: How the company impacts sustainability issues.

Financial materiality: How these issues can affect the company.

For its First Sustainibility report, GPG conducted the double materiality analysis using the ***Datamaran*** tool.



Datamaran is a software platform that enables comprehensive, real-time data-driven analysis to monitor strategic ESG opportunities and risks. It draws on publicly available information from companies across all sectors, analysing both voluntary initiatives and mandatory requirements, with a focus on topics that have gained relevance and stakeholder attention.

In the process of identifying GPG’s **Material Topics** (MTs), an internal context analysis was combined with an external context analysis of the organisation, aiming to carry out a thorough assessment of the issues most critical to sustainability and corporate responsibility.

As GPG’s context has remained largely unchanged between 2023 and 2024, the same analysis is retained, presenting the proposed set of MTs:

GPG Grupo Naturgy

Environmental issues

1. Climate change and energy transition
2. Water
3. Biodiversity and natural capital
4. Circular economy and ecoefficiency
5. Environmental management
6. Energy vulnerability

Governance issues

1. Business continuity
2. ESG investment and financing
3. Responsible supply chain
4. Security of facilities and operations
5. Good corporate governance
6. Technological and digital innovation
7. Integrity, compliance and transparency
8. Resilience of the business model

Social issues

1. Diversity and equality
2. Contribution and social participation
3. Occupational safety and employee welfare
4. Human rights
5. Attraction and quality of employment
6. Cybersecurity and information security
7. Talent development
8. Customer service and satisfaction

Once the MTs were identified, they were prioritised taking into account financial materiality and impact materiality, analysing each one:

Financial materiality.

It is analysed based on the following actions: each assigned a weighted percentage of the total financial materiality. These actions include:

- **Financial risks (25%).** Following the analysis of the organisation's context, the organisation's financial risks have been identified on the basis of companies in the same sector and the current situation.
- **Voluntary initiatives in financial markets (25%).** Analysis and assessment of the actions and measures carried out by various organisations on a voluntary basis in the financial markets.
- **Mandatory regulations and sanctions (25%).** Analysis of the mandatory regulations applicable to the GPG activity and sector and possible penalties applicable in this area.
- **Information requirements of the SABS (25%).** The information requirements and regulations on contracting, management and disposal of goods and services of the entities of the Goods and Services Administration System are analysed.

Impact materiality.

It is analyzed based on the following criterion: each assigned a weighted percentage of the total financial materiality. These actions include:

- **Other voluntary initiatives (33%).** Following the analysis of the context of the organisation, an analysis of the rest of the companies in the same and different sectors is carried out to determine the voluntary measures that are being carried out outside the financial sector.
- **News and new developments (33%).** Updating and prioritisation of topics that have experienced an increase in relevance and interest groups.
- **Sustainability reports (33%).** Analysis of published information, data and initiatives carried out by other companies for comparison.

Once all the above variables have been analysed, they have been put into a dual materiality matrix, comparing the financial materiality with the impact materiality:

Double Materiality Matrix

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

Environmental

- Biodiversity and Natural Capital
- Circular Economy and eco-efficiency
- Climate Change and energy transition
- Water

Governace

- 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

Finally, the alignment of material topics with the ESRS is presented.:

Material Topics	ESRS
Biodiversity and Natural Capital	E4. Biodiversity and Ecosystems
Circular Economy and Eco-efficiency	E5. Resource Use and Circular Economy
Climate Change and Energy Transition	E1. Climate Change
Water	E3. Water and Marine resources
Responsible supply chain	E5. Resource Use and Circular Economy
ESG Investment and financing	G1. Business Conduct
Integrity, compliance and transparency	G1. Business Conduct
Contribution and social participation	S2. Staff value chain S3. Affected Communities S4. Consumers and end-users
Human Rights	S1. Own Workforce S3. Affected Communities
Business Continuity	G1. Business Conduct S4. Consumers and end-users
Diversity and equity	S1. Own Workforce
Workplace safety and employee wellbeing	S1. Own Workforce
Cybersecurity	G1. Business Conduct

4 Risk and opportunities

Risks and Opportunities

4.1 Risk management

GPG carries out risk management by implementing the robust model developed by the Naturgy Group.

Naturgy's **risk management model** aims to ensure the predictability of the company's performance within controlled and manageable limits. This model assesses the variability of outcomes and ensures they are aligned with the strategic objectives established across all areas relevant to its stakeholders.

Within this model, it is essential to identify, assess, and appropriately manage relevant risk factors. The ultimate goal is to ensure that the level of risk exposure in operations is consistent with the defined overall risk profile, as well as with the achievement of annual and strategic objectives.

The **Comprehensive Risk Management and Control System is structured** into the following sections:

Risk Governance & Management
Governance and risk management mechanism for all types of risks and across all business areas

Risk Assessment
Methodology, procedure and process for the identification, assessment and measurement of risks..

Risk Appetite
Definition of risk tolerance through the establishment of limits for the most relevant risk categories, by nature of risk and by business area, in accordance with the objectives.

Risk Reporting
Systematic risk reporting and monitoring at different management levels: Business Units, Corporate, Audit and Control Committee, and Board of Directors..

Naturgy analyses its global risk profile according to the potential impact on its financial statements. With this, it determines the maximum accepted level of risk exposure, as well as the admissible limits for its management.

The tools that allow the company to continuously improve the process of identification, characterisation and determination of Naturgy's risk profile are:

- **Global Risk Control and Management Policy**: approved by Naturgy's Board of Directors, for the last time, in November 2020. Its purpose is to establish the principles and general behavioural guidelines necessary to ensure the proper identification, information, assessment and management of Naturgy's risk exposure.
- Follow-up of **good practices as set out in the ISO 31000** guidelines for risk management.
- **Corporate Risk Map**: identifies and quantifies the risks likely to affect Naturgy's performance, taking into account the characteristics of the risk position (impact variables, potential quantitative and qualitative severity, probability of occurrence and degree of management and control). It is regularly updated and submitted by the corporate Management Control unit to the Audit and Control Committee.
- **Other risk maps**: promoted by Naturgy's Business and Corporate Units, at their discretion, in accordance and aligned with a common methodology, which serve as a basis for the Corporate Risk Map.
- **Risk Measurement System**: the metrics used for risk assessment depend on the nature of the risks.

4.2 Risk typologies and categories

The risk map defines five risk typologies: **Economic, Financial, Operational, Reputational/Sustainability and Strategic**..

Economic Risk

Risk factors affecting Naturgy's business results may be caused by the volatility of external factors, changes in regulatory frameworks or fluctuations in demand that impact short-term results.

- **Commodity risk**: Uncertainty due to the variability in the prices of energy goods and raw materials with which the company operates.
- **Exchange Rate Risk:** Uncertainty associated with fluctuations in the exchange rates of the currencies in which Naturgy's businesses are denominated throughout the year.
- **Regulatory Risk:** Risk related to the review of the remuneration frameworks of regulated businesses, the updating of specific remuneration parameters and changes in the regulatory framework in which Naturgy's businesses operate.
- **Volume risk:** Risk arising from variations in volumes produced, distributed and/or traded due to changes in temperature, customer behaviour due to climate change, and the macroeconomic or competitive environment with respect to the baseline scenario considered in the projections.
- **Margin/Price Risk:** Price risk not covered by commodity risk, arising from changes in competitive pressure or unrealised margin assumptions.
- **Legal Risk**: Risk derived from the outcome of litigation, arbitration or legal claims opened against Naturgy during the year of analysis..

Financial Risk

These risk factors impact the company's cash flow and balance sheet, caused by the volatility of financial variables, the potential impact of counterparties, changes in fiscal frameworks or provisioning.

- **Credit Risk:** Unexpected loss due to the probability of non-payment of monetary obligations and/or deterioration of the credit quality of the different end customers and counterparties with which Naturgy operates.
- **Interest Rate Risk**: Variability of the company's financial expenses due to movements in interest rates and refinancing needs in the currencies in which Naturgy's debt is denominated.
- **Tax risk:** Risks related to the correct application of tax regulations, their complex interpretation and possible modifications, which may have a significant economic impact on the company's accounts.
- **Liquidity Risk**: Risk associated with a potential increase in funding requirements to maintain the company's target rating.
- **Rating Risk**: Risk of a downward revision of the company's rating below the current rating, considering that the company has a target anchor rating of BBB.
- **Provisions and Guarantees Risk**: Risk associated with maintaining an excessive volume of provisions on the balance sheet, which implies a risk ofmaterialisation and its effect on cash outflows.

Operational risks

GPG has developed an own methodology that allows at facility level, to determine and assess the operational risk associated with its activity. This methodology is part of the documentation of the Integrated Management System.

GPG's risk and opportunity identification and assessment methodology is based on:

- **Assessment Method:** This includes the assessments of the different criteria used for the evaluation of risks and opportunities, as well as the calculation method to obtain the final values.
- **Risk Matrix:** The operational risks specific to the facility/unit are identified, described and assessed according to the established criteria and formulas. It also includes the actions proposed to control or minimise these risks.
- **Opportunities Matrix:** The opportunities identified by the facility/unit are identified, described and evaluated according to the established criteria and formulas. The proposed actions for their implementation are also included.

Operational factors stem from the operation of the company's human and material assets.

- **Operational Risk**: Risk associated with fortuitous events or accidents affecting people and damage or unavailability of the company's operating assets, after the coverage of Naturgy's insurance programme.
- **Security Risk**: Residual risk associated with intentional personal injury or damage to critical facilities by third parties.
- **Business Continuity and Crisis Management Risk**: Risk of loss of service level maintenance due to failures in processes, systems, performance of own or third party worker.
- **Risk of Fraud:** Derived from any intentional unlawful action by an employee or third party to obtain a benefit for themselves or for the company through the improper use of Naturgy's resources or assets.

- **Cybersecurity Risk**: Derived from malicious attacks or accidental events with operational impact affecting data, computer networks or technology.
- **Data Protection Risk**: Risk associated with non-compliance with data protection obligations that may result in administrative sanctions or civil judgments.
- **Environmental and Biodiversity Risk:** Risk of exceeding mandatory environmental limits set by the regulator, with possible damage to third parties, ecosystems or biodiversity.
- **Health and Safety Risk:** Risk of injury and deterioration of the health of Naturgy's professionals and of the collaborating companies related to the activity.

Reputational/Sustainability Risk

- **Reputational and ESG risk**: Uncertainty about the evolution of stakeholder perceptions of the company's reputation and its ability to develop sustainable business from an environmental, social and governance point of view.
- **Compliance risk**: Risk of sanctions, financial loss or loss of reputation that Naturgy could suffer due to non-compliance with legal obligations, standards, policies and other internal regulations applicable to its activities.
- **Risk of providing a quality service**: Risk of not offering a quality service that puts the company in a privileged position to define new relationship models and face the digital transformation.
- **Climate Change Risk**: Risk arising from energy transition (changes in regulation, market or technologies) and physical impacts of climate change (acute and chronic physical).

Strategic Risk

These risk factors are associated with the profile of the company's business portfolio, including long-term commodity exposure, capital employed by geography (hard versus soft currencies), and business risk profile (exposure to regulated versus free markets).).

5 General Information

General information

5.1 Business model

Organizational structure and Markets

In 2014, GPG was stablished, a company that brings together Naturgy's international electricity generation assets and businesses (except Europe and the USA) and with the participation), and with the participation, as of October 2015, of Kuwait Investment Authority - KIA (through its subsidiary Wren House Infrastructure) (Naturgy 75% / KIA 25%).

- **Naturgy Group**: Naturgy Energy Group, S.A. and its subsidiaries (hereinafter, Naturgy) is a group dedicated to the generation, distribution and marketing of energy and services in more than 24 countries. It supplies gas and electricity to almost 16 million customers and has an installed capacity of 16.2 GW and a diversified electricity generation mix. A resilient model to meet the challenges of the energy transition. It has a workforce of 6,800 people, 40% of whom are outside Spain.
- **Kuwait Investment Authority (KIA):** This is the world's oldest sovereign wealth fund, established in 1953, and originates from the Kuwait Investment Board. It is responsible for the management and administration of Kuwait's General Reserve Fund (GRF) and Future Generation Fund (FGF) and other Kuwait state funds.

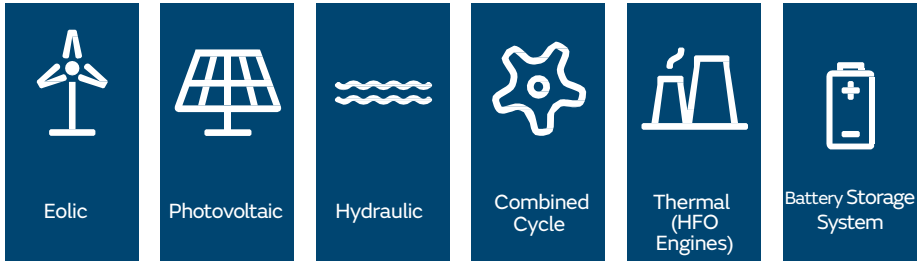
GPG stands out for its presence in 8 countries and management of 6 different generation technologies, demonstrating its leadership and ability to adapt to global energy needs.

This diversified and multinational approach not only broadens its reach and impact but also ensures a more resilient and sustainable operation in the energy market.

The presence in 8 countries positions GPG as a key player in the global energy sector.

This geographic expansion allows the company to take advantage of opportunities in diverse markets, adapt to different energy regulations and policies, and contribute to the economic and sustainable development of multiple regions. The international presence also facilitates the sharing of knowledge and best practices across markets, thereby strengthening GPG's global operation.

The management of various power generation technologies shows the organisation's commitment to innovation and sustainability. The technologies managed by GPG are::



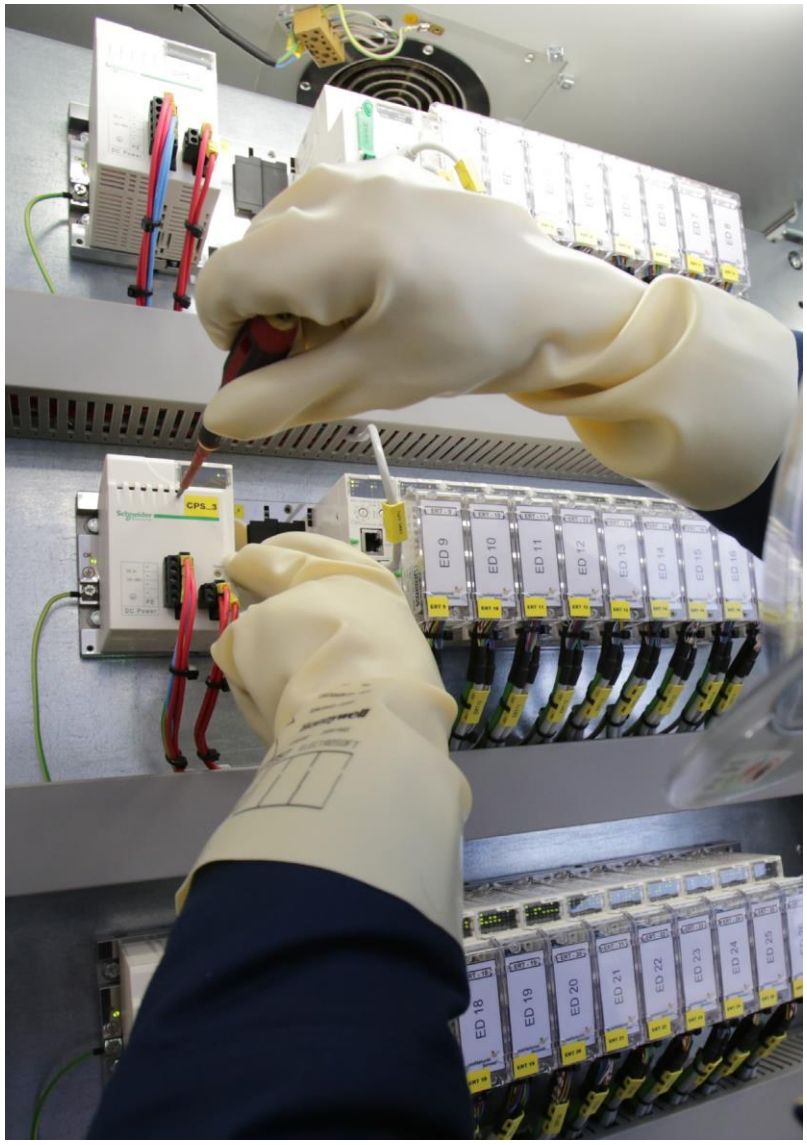
With respect to GPG's structure, the company has a team of highly qualified professionals with extensive experience in all areas of the power generation business. Their work ranges from project identification and development to the design, construction, operation and complete management of the assets throughout their life cycle. This experience ensure the robustness and success of their operations.

GPG's operation is built on the knowledge, skills and experience of its executives, managers and technicians. This talent base enables them to offer career opportunities in diverse technological and geographic environments, strengthening their ability to manage complex and varied projects efficiently and successfully.

The GPG management team is composed of::

- **CEO (Chief Executive Officer):** Responsible for the overall direction and strategy of the company. This role involves making key decisions that impact the future of the organisation. His main function is to ensure that GPG's strategic goals and objectives are met, guiding the company towards growth and sustainability.
- **CFO (Chief Financial Officer):** Responsible for the financial structuring of projects (Project Finance) in coordination with the Business Development unit, as well as the financial management of GPG, maximising its income statement. Ensures that the company operates in an efficient and compliant manner, facilitating an optimal working environment aligned with the strategic objectives of the organisation..
- **Managing Director LATAM:** Oversees the operation and maintenance of assets, both those managed with in-house personnel and those operated under full O&M (Operation and Maintenance) contracts. This role also involves identifying and pursuing business opportunities and Greenfield and brownfield developments across the American continent (excluding the USA and Canada). The position entails supervising daily operational activities to ensure that power generation plants operate efficiently and safely. Additionally, the search for new technologies and the management of strategic partnerships are key to the company's expansion and diversification.
- **Managing Director AUSTRALIA:** The Australia Director oversees the operation and maintenance of assets within Australian territory, including those managed by in-house personnel and those operated under full O&M (Operation and Maintenance) contracts. This role involves coordinating the maintenance of facilities and the implementation of continuous improvements, ensuring that operations comply with quality and sustainability standards, thereby contributing to the efficiency and reliability of GPG's energy production. The position also includes identifying and pursuing business opportunities and Greenfield and brownfield developments.

Executive team



Business model

GPG was established in 2014 with the aim of integrating the entire value chain in the development of power generation projects, bringing together in a single company expertise in project development, generation engineering and operations, and the management of power generation assets, supported by the various areas of the Naturgy Group.

Initially, GPG had an installed capacity of 2.6 GW. By 2024, the company has a geographical presence in Mexico, Costa Rica, Panama, Chile, Brazil, Puerto Rico (*), the Dominican Republic, and Australia, with **4,368 MW of installed capacity in operation and 356.5 MW under construction..**

Specifically, GPG operates four natural gas combined cycle facilities and two engine plants, along with more than twenty renewable energy generation facilities. **Renewable sources account for 41% of its electricity mix**. In addition, two new photovoltaic plants are under construction in Australia, aimed at increasing renewable energy generation.

In **2024**, GPG commenced commercial operations of the Hawksdale, Ryan Corner, and Crookwell III wind farms in Australia. These three wind farms have a combined installed capacity of **373 MW** and are expected to produce 1,290 GWh of clean energy annually—enough to **supply 272,000 households in Victoria and New South Wales** and **avoid the emission of over 1 million tonnes of CO_2.**

GPG also began operations at the **Cunderdin** solar photovoltaic plant in Australia, with an installed capacity of 128 MW. This is the company's first hybrid project incorporating battery storage, featuring a 220 MWh battery energy storage system.

In **Chile**, all of GPG's Small Distributed Generation Units **(PMGD)** are now operational, totalling **56 MW** of installed photovoltaic capacity distributed across several facilities.

(*) 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 organisation does not have operational control over this facility; therefore, information related to EcoEléctrica falls outside the scope of this report.

Eolic

GPG has an installed wind farm capacity of 234 MW in Mexico, 753.2 MW in Australia and 205.8 MW in Chile.

1,139 MW

Photovoltaic

The solar projects have an installed capacity of 153 MW in Brazil, 167 MW in Chile and 128 MW in Australia .

503.5 MW

Hydraulic

The Hydropower plants are located in Costa Rica and Panama.

In Costa Rica the installed capacity is 50 MW.

In Panama, the capacity installed is 23 MW.

73 MW

Thermal power Plants (HFO Engines)

Las centrales térmicas de motores de GPG se localizan en República Dominicana y cuentan con una potencia instalada total de 190 MW.

190.00 MW

Thermal power Plants (Conbined Cycle)

The installed capacity of combined cycle power plants is 2,397.50 MW.

The organisation has four power plants located in Mexico.

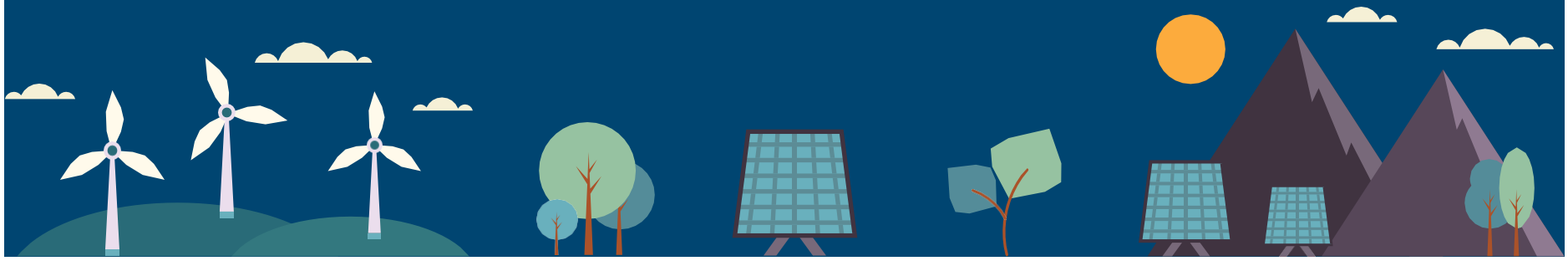
2,397.50 MW

Battery Storage System

GPG has a 10 MW / 20 MWh battery energy storage capacity system in Australia.

In 2024, the hybrid Cunderdin plant was commissioned, featuring an integrated battery energy storage system with a rated capacity of 55 MW and a total energy storage capability of 220 MWh

65 MW/240 MWh



Objetives and strategies

The world is currently facing a complex scenario marked by a number of challenges affecting all areas of life. Economic crises and high inflation rates have generated financial uncertainty, compounded by the effects of the recent COVID-19 pandemic.

Conflicts, shortages and supply chain problems have also led to difficulties and disruptions in the activities of various sectors, disrupting international trade and geopolitical stability. In addition, climate change and the increased frequency and intensity of climatic phenomena such as rainfall and heat waves have had serious consequences on society.

In this context, businesses, governments and society must take urgent action and coordinate their actions to adopt innovative and sustainable approaches to increase resilience and global well-being. Against this backdrop, GPG reaffirms and maintains its commitment to the environment, society and the economy, addressing the challenges of the energy transition and societal demand while working 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, shares, collaborators 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).

In order to achieve this objective, as mentioned in section 2.1 of this report, GPG has developed a Sustainability Plan that is fully integrated with the company's Sustainability Plan 2021-2025. This plan includes actions and indicators to measure the degree of compliance with the objectives set and the effectiveness of the measures implemented to improve management and performance.

This plan outlines actions and indicators designed to measure the degree of achievement of the defined objectives, as well as the effectiveness of the measures implemented to enhance management and performance.

The main objectives and progress made by GPG, **as reflected in the Sustainability Plan during 2024**, include

Driver	Target	2023	2024	2025 (Goal)
Governance	Annual Sustainability repot Publication(Nº)	--	1	1
	Sustainable finance MM€)	933.21	1,138.00	1,700
Climate Change & Energy transition	CO2 emissions intensity in power generation (tCO2/GWh)	326	324	300
	Renewable Generation mix(%)	32.22	41	50
Employee Engagement	▪Women in management positions (%)	22.8	23	25
	Training hours (Hr/person)	45	55	35

GPG's strategic roadmap to achieve this purpose is based on the following pillars:

- **Focus on renewable energy generation activities** in regions with stable regulatory frameworks.
- **Best-in-class company approach**, through continuous improvement processes, enhanced digital footprint, and the reinvention of new methods for energy generation and storage.
- **Integration of ESG aspects,** by embedding environmental, social and governance considerations into the company's core, aligned with the SDGs and guided by tangible targets to meet its commitments.
- **Culture**, by fostering employee engagement through core values and alignment with key stakeholder groups.

For GPG, innovation is a strategic priority deeply embedded in its culture and processes, aimed at creating value. The company's innovation strategy seeks to consolidate its business model strengths and competitive advantages, while exploring new technologies and markets.

A clear example of this is the commissioning of **its first hybrid solar photovoltaic plant with battery storage**—a milestone for GPG in the renewable energy sector.

GPG understands value creation as a commitment to service and a deep understanding of stakeholder needs and objectives, delivering high-quality, tailored solutions while ensuring the protection of people and contributing to the development of the communities in which it operates. This is articulated through the establishment, communication and deployment of GPG's mission, vision and values.

Mision

GPG's mission is to develop and manage power generation assets with a global approach, offering services across the development, construction, operation and maintenance of its facilities. The company is committed to **environmental protection and respect, and promotes a preventive culture of health and safety** among its employees, aiming to generate a positive social impact in the areas where it operates

Vision

Transforming the world through energy by **promoting the use of renewable sources and the application of technological advancements** to meet societal needs and foster well-being.

Building a resilient business model that adapts to the evolving energy landscape and to global social, environmental and economic changes is key to positioning GPG as a continuously growing industry benchmark and expanding its multinational presence.

The company is committed to delivering high-quality, environmentally responsible products, using efficient materials for the transmission of information and electrical energy in the regions where it operates. This approach provides added value to shareholders, customers, employees, the communities surrounding its production facilities, and society at large.

GPG is firmly committed to corporate responsibility towards its stakeholders and to sustainability in its broadest sense, with a long-term vision.

Values

GPG's organization aims to transform the world through energy, addressing with determination the challenges of the energy transition and the demands of society and its customers, working with excellence, transparency and the talent of a committed team.

To do so, they have a vision of the future, transforming the world through innovation, proactivity and adaptability, facing the challenges of today and the future and driving new business models and digitalization.

This work is carried out under a standard of excellence, based on leadership, determination and continuous improvement, committed to generating value from each of the businesses and markets in which it operates, and responding rigorously to the expectations and demands of all stakeholders.

In addition, GPG is concerned with strengthening the closeness, transparency and trust of its employees, customers, shareholders, collaborators and society, activating its firm commitment to people and transforming talent and passion into a positive impact.

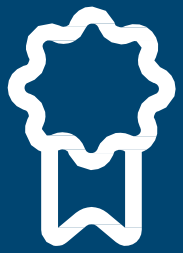
The development of GPG's activity is carried out in the most sustainable way possible, looking for the achievement of a sustainable development and society, the respect and commitment with the environment, the society and the corporate governance are key to achieve the established objectives. In this way, GPG proves to be a responsible company that contributes in a relevant way to the progress, welfare and future of the planet.

GPG is therefore committed to the Sustainable Development Goals (SDGs) set out in the United Nations 2030 Agenda. Following an analysis of each of the targets set out in these UN goals, they add to the contribution of SDG 7 'Affordable and Clean Energy' and SDG 13 'Climate Action' in two ways:

- Indirect: through the impact of policies and practices in the countries where it operates.
- Direct: through initiatives, programmes or actions that contribute to this goal.

Ensure universal access to affordable, reliable and modern energy, increase the use of renewable energy and promote efficiency.

Since 2020, we have increased our installed capacity in renewable energies and are actively working to offer society and our customers alternative forms of environmentally friendly energy.



Adopt urgent measures to combat climate change and its effects: Mitigation and Adaptation

Since 2021, we have **avoided the emission of 3,857 $MtCO_2$** into the atmosphere.

Main factors and trends: future development

In the current context, GPG operates within a business environment characterised by significant changes in market trends and expectations, regulatory frameworks, and the global economic and geopolitical landscape.

This key transition is reflected in the growing awareness around sustainability, continuous innovation, and quality—core elements that define the company's identity.

In order to maintain its operations and enhance its services, GPG must address a series of potential challenges or factors that could impact its long-term development and sustainability, either positively or negatively.

- **Social and market factors**, driven by shifting energy demand due to population growth and economic development. This increasing demand may reach levels that exceed the company's capacity to meet it.
- **Rising competition in the energy sector** is broadening the market and expanding customer choices, which may affect market share and pricing. Additionally, changing consumer and client preferences—marked by greater environmental awareness and demand for clean energy—could pose a risk if the company is unable to respond effectively.
- **Economic factors**, including significant fluctuations in energy and fuel prices in recent years, exacerbated by political conflicts, with potential for further volatility in the coming years.
- **Ongoing economic crises**, inflation, and interest rate increases are also impacting project financing costs, as well as operational and maintenance expenses.

Amid a regulatory surge, current and future political and regulatory factors may also drive changes in GPG's operations. Environmental regulations aimed at limiting greenhouse gas (GHG) emissions and promoting mitigation, adaptation, and a just transition may restrict GPG's activities or require significant investment to upgrade its technologies and/or generation methods.

- In **Mexico**, the government is promoting renewable energy with the goal of reaching a 45% share by 2030. While the authorities acknowledge that renewable development must involve the private sector, foreign participation remains challenging due to the government's nationalist stance.

- **Chile** has advanced its climate policy through the Kigali Implementation Plan to reduce hydrofluorocarbon (HFC) consumption and the renewal of its Nationally Determined Contribution (NDC) to achieve carbon neutrality by 2050. The country has also focused on climate change adaptation, publishing a National Adaptation Plan. Despite these pro-renewable policies, challenges persist in managing energy transport infrastructure, which hinders the normal operation of renewables due to evacuation and transmission issues.

- **Brazilian regulation** supports GPG's energy transition efforts, focusing on GHG emissions reduction, climate change adaptation, and the shift towards a sustainable economy. The Brazilian government has updated its NDC, committing to a 37% reduction in emissions by 2025 and 50% by 2030, compared to 2005 levels. Brazil also aims to achieve climate neutrality by 2050.

- In **Australia**, climate change, droughts, and increasingly severe bushfires are having a significant impact on biodiversity. As a result, biodiversity regulations are becoming more stringent. The EPBC Act aims to halt threats to critical habitats for endangered species and ensure collaboration across different levels of government to protect the environment. Additionally, the Australia's Nature Strategy 2024–2030 sets national targets to address the drivers of biodiversity loss, protect natural areas, and restore wildlife.

The evolution of a power generation company—particularly GPG—is influenced by a wide range of economic, political, technological, environmental, social, and geopolitical factors, all of which may represent critical turning points for the company's development.

In line with GPG's vision—focused on strengthening the present to transform and improve the future—the organisation must enhance its resilience and develop a proactive and strategic response to future trends, anticipating potential changes in the energy sector in order to adapt effectively to emerging scenarios.

5.2 Policies

GPG addresses integrity-related challenges by adopting Naturgy Group's management approach, which is based on a robust framework of policies, procedures and tools.

Its regulatory framework is grounded in the Ethical Code and complemented by various policies and codes, as well as control standards and models that ensure operational effectiveness, mitigate key risks across all areas of the company, and guarantee business continuity and a safe, positive working environment.

Furthermore, the company's commitment to integrity involves not only understanding and managing its own risks, but also considering and integrating into decision-making the potential risks that its activities may pose to individuals. In this regard, policies such as the Human Rights Policy are particularly relevant. Through its ten commitments, this policy takes into account the stakeholders potentially affected by GPG's operations, with special attention to the most vulnerable groups.

GPG has established comprehensive policies to address sustainability across multiple dimensions:

- **Ethical Code:** outlines 15 guidelines that govern the behaviour of GPG employees in their daily activities, particularly in their interactions with stakeholders and colleagues. This document also sets out GPG's commitments in terms of good governance, corporate responsibility, and matters related to ethics and regulatory compliance.
- **Compliance Policy:** This policy defines the general principles underpinning the compliance management system, as well as the key commitments adopted by the organisation in terms of compliance. These principles are intended to guide behaviour across all areas of activity and in the achievement of business objectives. The policy is developed within the framework of the Naturgy Group's Ethical Code and forms part of the overall Compliance Management System.
- **Anti-Corruption Policy:** This policy is an extension of section 4.7, "Corruption and Bribery", of the Naturgy Group's Ethical Code. It sets out the principles that must guide the conduct of all employees and company officers in the prevention, detection, investigation, and remediation of any corrupt practices within the organisation. The policy was developed in response to Spain's Organic Law 10/1995 of the Criminal Code, ensuring compliance with criminal prevention requirements and addressing key legal, reputational, and financial risks to which GPG and the Naturgy Group may be exposed. It also supports the implementation of a Criminal Prevention Model that establishes the necessary control measures to prevent the commission of criminal offences.
- **Code of Good Tax Practices:** Developed by the Forum of Large Companies in collaboration with the Spanish Tax Administration, to which GPG is a signatory. This code aims to promote transparency, good faith, and cooperation with the Spanish Tax Agency in corporate tax practices, while fostering legal certainty in tax regulations and avoiding opaque practices for tax purposes.

- **Corporate Responsibility Policy**: This policy establishes a common framework to guide the company's socially responsible conduct, promoting its commitment to long-term value creation and sustainable management. It includes eight stakeholder commitments, defines accountability mechanisms to ensure compliance, and sets out indicators and measures to assess GPG's social and environmental impact.

- **Institutional Relations Policy**: This policy is based on the principles of legality, integrity and transparency as defined by the Organisation for Economic Co-operation and Development (OECD). It governs the company's participation in entities and initiatives of various kinds, whether or not related to the energy sector.

- **Community Engagement Policy**: Framed within the Human Rights Policy, this policy reflects GPG's strong commitment to respecting and promoting the economic and social development of local communities where it operates, ensuring the fulfilment of this commitment.

- **Supply Chain Management Policy**: This policy aims to prevent any inadequate performance by suppliers and contractors in areas such as environment, safety, health, human rights, anti-corruption or labour practices from compromising the company's integrity.

- **Global Environmental Policy:** Naturgy's Global Environmental Policy is guided by principles of transparency, awareness-raising, dissemination of knowledge in energy and environmental matters, and constructive dialogue with stakeholders.

- **Corporate Hospitality Policy:** This policy regulates the conditions under which Group employees may accept or offer corporate hospitality to or from third parties in the course of their professional duties, ensuring such gestures are appropriate and legitimate.

- **Health and Safety Policy:** This policy aims to ensure the safety, health and well-being of all employees, suppliers, partner companies, clients and other stakeholders. It promotes the creation of a safe and healthy working environment, the prevention of work-related accidents and illnesses, and compliance with applicable regulations.

- **Procurement Policy:** This policy sets out the guidelines and procedures for the efficient, ethical, transparent and effective acquisition of goods and services required for GPG's operations, ensuring quality, regulatory compliance and optimal value for the company.

Each of these policies is designed to ensure that all Naturgy Group businesses, including GPG, not only meet their economic objectives but also contribute positively to the well-being of employees, society and the environment, while maintaining high standards of ethics and governance across all operations

6 The opportunity of the environmental challenges

The opportunity of the environmental challenges

Environmental challenges such as pollution, climate change, resource scarcity, and evolving regulations may pose limitations for companies, altering how they operate and grow. However, they also present opportunities.

Rather than viewing these environmental changes as obstacles, GPG sees them **as opportunities for improvement and development**. The company has adopted a proactive strategy towards sustainability, technological innovation, operational enhancements, access to new markets and financing, and strengthening its organisational reputation.

To guide its sustainability efforts, GPG relies on Naturgy Group's **Global Environmental Policy and Corporate Responsibility Policy.** These policies outline the measures to be implemented by the company to address change and adapt to emerging needs, ensuring compliance with current regulations and reducing the environmental impact of its activities.

Key measures include **the rational use of natural and energy resources**, the **minimisation of environmental impacts** caused by the organisation's activities, and the **development and innovation of new technologies** to facilitate and improve process efficiency.

Through these policies, GPG is committed to being a key player in the transition towards a more sustainable business model, contributing to the achievement of its stated objectives. These commitments and goals are set out in the company's Sustainability Plan, which is aligned with the United Nations 2030 Agenda and its Sustainable Development Goals (SDGs).

6.1 The opportunity of the environmental challenges in 2024

Evolution and results

As part of its strong commitment to sustainability and environmental stewardship, GPG has defined a series of specific environmental objectives to guide the development of its activities. These objectives are designed to minimize the environmental impact of its operations and promote sustainable practices at all levels of the organization.

In addition, GPG reports its performance to stakeholders and actively seeks new forms of sustainable financing.

GPG has established clear indicators to continuously measure and evaluate progress. These indicators are collected and analysed on a regular basis to identify areas for improvement and ensure compliance with environmental targets.

In addition, specific departments and individuals within the organization have been designated to oversee, implement and monitor these objectives.

Action Line	Environmental Goals	Reference 2017	2022	2023	2024	Target 2025
Climate Change and Energy transition	Increase energy produced under carbon-free trading schemes (GWh traded)	--	--	323	844	>725
	CO_2 intensity in electricity generation (tCO_2/GWh)	362	339	326	324	300
	Renewable generation mix (%)	14%	30%	32%	41%	50%
	Eligible CAPEX aligned to European Taxonomy cumulative from 2022 (MUSD)	--	--	596	988	>1,800
Circular Economy and Eco-efficiency	Total water used in facilities currently in operation (hm^3)	4.61	3.1	2.84	3.1	3
	Total waste generated in facilities currently in operation(Kt)	12.82	6.16	6.65	6.7	<8
	Waste recycled and recovered (%)	59%	35%	45%	36%	60%
Capital natural and Biodiversity	Biodiversity improvement initiatives (Nº)	--	15	21	18	21
Governance	ISO 14,001 environmental certification (% certifiable EBITDA in MUSD)	77%	80%	89%	86%	90%

The target pathways guide GPG towards achieving the specific goals set for the year 2025. The table above shows the evolution of these indicators since 2017, which is considered the baseline year.

Overall, the indicators show a steady progression towards the objectives established by the organisation for 2025, reflecting the effectiveness of the measures implemented and the soundness of their deployment and management.

The annual review of these pathways enables GPG to assess the degree of progress towards its goals and determine whether it is on the right track and whether its measures are proving effective. Alternatively, it may identify the need to introduce new actions to ensure the targets are met by 2025, acknowledging the possibility of adjustments and variations throughout the process.

6.2 Environmental management

Governance

GPG's commitment to environmental sustainability stands as a fundamental pillar of its operations, reflecting its alignment with environmental values across all aspects of its activities and organisational structure.

Environmental governance within the Naturgy Group is overseen by the Board of Directors through the Sustainability Committee. The Audit and Control Committee supervises the systems for managing and controlling both financial and non-financial risks, including operational, technological, legal, social, environmental, political, reputational, and corruption-related risks.

To ensure the effective implementation and cross-cutting compliance with Naturgy's Sustainability Policy, GPG has established its own **Sustainability Committee, composed of the CEO and area directors.**

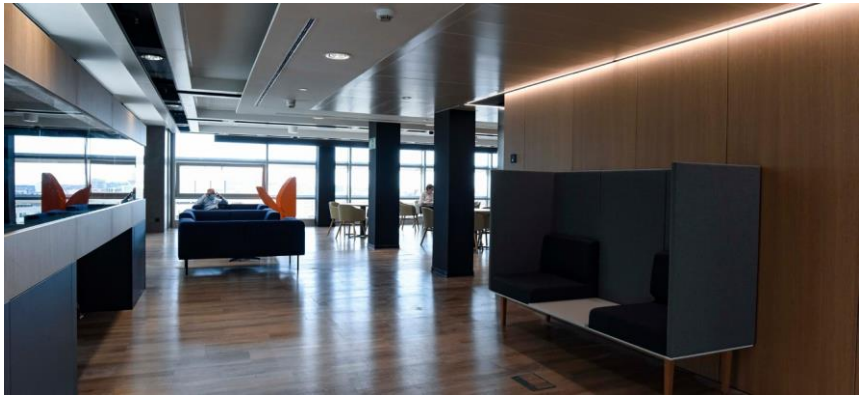
The Committee's primary role is to enhance the decision-making process, specifically through the following functions:

- **Define the objectives of GPG's Sustainability Plan**, taking into account the business's strategic plan and within the framework of Naturgy Group's Sustainability Policy. The sustainability strategy must be developed and periodically reviewed to ensure that the defined targets are being met and that the actions undertaken are functioning effectively.
- **Approve the definition of measurable indicators** with specific timeframes.
- **Approve GPG's Annual Sustainability Report**
- **Communication channels** between the Committee and the various business areas must be clearly defined. These communications should be regular and bidirectional, promoting integration and active participation from all stakeholders, and fostering collaboration across the organisation.

The Committee is also responsible for reporting to the Board on the objectives, action plans, and performance results of the indicators defined in the Sustainability Plan.

Through these mechanisms, GPG demonstrates a strong commitment to responsible environmental management, underpinned by leadership at the highest level and the implementation of environmental policies and management systems aligned with international standards to minimise the impact of its operations.

GPG conducts regular environmental risk assessments, establishing monitoring and continuous improvement plans. The effectiveness of these measures is evaluated through annual audits of its ISO 14001-certified environmental management system



Environmental management

GPG adopts proactive measures and sets ambitious targets to preserve and respect the environment, as well as to identify, prevent, and reduce the environmental impacts of its activities.

Through Naturgy Group's Environmental Policy, GPG presents a robust strategy grounded in the key principles of Environmental Governance and Management, built upon the following essential pillars:

- **Ensure compliance** with environmental legislation and more demanding voluntary requirements.
- **Prevent pollution and reduce environmental impacts** throughout the value chain by improving process efficiency and reducing the consumption of natural resources.
- Implement an externally audited **environmental management system certified under the ISO 14001** standard.
- **Integrate environmental considerations into strategic decision-making** through the execution of environmental due diligence, prioritising investment in renewable energy facilities.
- Promote **transparency** to facilitate communication with stakeholders.

GPG identifies the most significant environmental impacts of its operations through a structured process outlined in the *Manual for the Determination of Context, Stakeholders, Risks and Opportunities*. This document sets out the organisation's methodology for identifying its operational context, stakeholders, and their needs and expectations, as well as the associated risks and opportunities. It also defines the actions and operational controls established to address them, including those related to assets and their management systems at operational sites

GPG identifies, reports, evaluates, and manages risks, while also determining opportunities related to strategic investments and corporate development.

The identification and assessment of risks and opportunities within the Integrated Management System (IMS) are carried out in accordance with the standards ISO 9001:2015, ISO 14001:2015, ISO 55001:2014, and ISO 45001:2018.

At GPG, risks and opportunities are subject to regular analysis and evaluation. Operational risks are assessed quantitatively, considering criteria such as likelihood of occurrence, frequency, and potential impact on the organisation. Based on this evaluation, specific actions are defined, and responsibilities assigned to mitigate, control, or eliminate the identified risks.

To ensure the effectiveness of these risk management actions, continuous monitoring and detailed planning are established. This process includes a quantitative evaluation of the effectiveness of the implemented actions, thereby ensuring proper compliance.

Opportunity analysis is conducted in a similar manner to risk assessment. Opportunities are identified and evaluated based on their potential positive impact on the company, considering factors such as cost, expected outcomes, and feasibility of proposed actions. Responsible parties are also designated for the implementation of these actions.

Following the implementation of measures, rigorous monitoring is carried out to assess their effectiveness, ensuring that the adopted actions perform as intended and deliver the expected results. This enables GPG to fully capitalise on identified opportunities and enhance its overall performance

In this way, GPG adopts a rigorous and systematic approach to the management of operational risks and opportunities, including regular analyses, quantitative assessments, detailed planning, and continuous monitoring. This approach not only supports effective risk mitigation and management, but also enables the company to capitalise on opportunities, contributing to its long-term sustainability and success.

As a result of this management framework, GPG has obtained a number of certifications that reflect its commitment to environmental management, quality, and occupational health and safety. These include ISO 14001, which recognises the implementation of an environmental management system aligned with international standards; ISO 9001, which certifies the quality management system ensuring compliance with applicable requirements and regulations; and ISO 45001, which certifies the occupational health and safety management system.

Indeed, in **2024, 86% of GPG's EBITDA was generated from industrial activities certified under ISO 14001**, following successful completion of various external audits.

To ensure consistency and harmonisation of key environmental management processes, GPG makes use of a range of specialised tools and systems to ensure robust environmental management and compliance monitoring across its operations:

- **SALEM**: Used to identify, record, and monitor compliance with legal and other applicable requirements (e.g. contractual obligations, permitting conditions, etc.).
- **PRODITY**: Supports the recording and management of findings, non-conformities, observations, incidents, accidents, improvement opportunities, and the monitoring of environmental objectives and action plans.
- **ENABLON**: Used for reporting all environmental performance indicators across GPG's operational facilities.
- **DAMAS**: Facilitates the identification and assessment of direct, indirect, and potential environmental aspects at each facility.
- **Datamaran®:** Enables the identification and monitoring of external risks and opportunities related to ESG (Environmental, Social and Governance) matters.
- **Carbon Footprint Calculation**: Covers Scope 1, 2, and 3 emissions.
- **Biodiversity Geographic Information System** (GIS): Used to manage and analyse biodiversity-related data spatially across GPG's assets

Environmental expenditures and investments

For GPG, environmental protection is a top priority that warrants the allocation of all necessary means and financial resources without exception. For several years, the company has reported its environmental investments and expenditures in accordance with Naturgy's methodology. Since 2021, GPG has also reported financial information in line with the EU Taxonomy Delegated Regulation, despite all its facilities being located outside European territory.

In **2024, environmental actions amounted to a total of €349 million, of which €321 million corresponded to environmental investments—primarily in maintenance and renewable energy projects—and €28 million to expenditures related to the environmental management of facilities.** Among the investments made, those in new renewable energy projects stand out, as they contribute to the energy transition and help reduce CO_2 intensity and other atmospheric pollutants

6.3 Climate change and energy transition

Climate change mitigation

The global energy transition is a fundamental challenge to reduce greenhouse gas (GHG) emissions and contribute to slowing down the climate change in which the world is immersed. This process implies a significant change in the way we produce and consume energy, moving towards cleaner and more sustainable sources.

Aware of the global environmental challenges and the urgency of taking decisive action, GPG has focused its efforts on developing strategies and projects that contribute to mitigating the effects of climate change.

GPG's approach is based on the transition to more sustainable and cleaner energy sources, thereby reducing dependence on fossil fuels and greenhouse gas emissions. Key initiatives include investing in renewable energy, such as wind and solar, improving energy efficiency in its operations and implementing advanced technologies to reduce emissions at its power generation plants.

A crucial element in this strategy is the calculation of the GPG's carbon footprint.

GPG calculates the direct and indirect greenhouse gas emissions generated as a consequence of the development of the activities carried out by the organisation.

Scope (GHG Protocol)	Emission source	2024 (tCO2e)	(%)
Direct emissions **Scope 1**	Combustion ins stationary sources	5,959,327.21	82.447%
	Combustion in mobile sources	653.61	0.009%
Indirect emissions **Scope 2** (purchased energy)	Electricity consumption	4,648.75	0.064%
Other indirect emissions **Scope 3**	Employee mobility	942.38	0.013%
	Business travel	2,717.12	0.038%
	Fossil fuel consumption	1,257,866.00	17.403%
	Procurement of goods and services (upstream)	799.32	0.011%
	Capital goods (Upstream)	1,039.82	0.014%
	Waste management (third manager)	43.73	0.001%

GPG GHG Emissions Inventory (*)

(*) NOTE: *GPG's emissions are included in Naturgy's overall emissions inventory, and therefore their review and verification are part of Naturgy's Carbon Footprint verification process. Only Scope 3 emissions are excluded from this process, as they are specifically calculated by GPG based on information provided by Naturgy's Corporate areas (Travel, Procurement, and Fuel Life Cycle)*

82.44% of GPG's total emissions are direct emissions resulting from the combustion of fossil fuels in stationary sources. These emissions are generated at the combined cycle power plants in Mexico and the engine-based plants in the Dominican Republic.

GPG's facilities in Mexico play a crucial role in meeting the country's energy demand, particularly in a context where demand has increased without a corresponding rise in generation capacity. Without these plants, the electricity supply would be at risk. It is worth noting that these facilities operate under an ISO 14001-certified Environmental Management System, which ensures sound environmental performance and control of all environmental vectors. Additionally, on a voluntary basis, some of these facilities have undergone the certification process for the "Clean Industry" label awarded by PROFEPA (Federal Attorney for Environmental Protection). This certification recognises organisations that maintain controlled and non-significant environmental impacts, comply with applicable environmental legislation, and go beyond regulatory requirements in their environmental stewardship.

In Mexico, the implementation of the Emissions Trading System (ETS) is ongoing, and combined cycle plants are included within its scope. Facilities registered under the ETS must surrender emission allowances equivalent to the tonnes of CO_2 they emit. Currently, GPG's combined cycle plants in Mexico are registered under the ETS and have received the corresponding emission allowances from the authorities.

In the **Dominican Republic**, GPG stands out as the **only company operating a continuous monitoring system**, fully compliant with current legislation. At present, GPG's engine power plants play a key role as backup facilities, essential for grid regulation and maintaining supply security—critical to meeting the country's energy demand. In line with GPG's commitment to environmental protection, these facilities are **certified under the ISO 14001 standard** and are subject to annual audits.

To contribute to climate change mitigation, GPG is committed to phasing out investments in new assets or products with high carbon content that are incompatible with the Paris Agreement. Furthermore, GPG **has pledged to reduce its CO intensity indicator in electricity generation by more than 15% compared to 2017**. By 2024, the company had already achieved a 10% reduction. This indicator is calculated based on GPG's total Scope 1 direct emissions and the gross electricity production (GWh) of all its facilities

Target	2023	2024	Goal 2025
Intensity CO2 (tCO2e/GWh)	326	324	300

Emission reduction target

To achieve this target and contribute to decarbonisation, GPG has set out the following actions:

- Ensure that **50% of the installed capacity mix is renewable by 2025.**
- **Promote energy storage between 2021 and 2025** by hybridising new renewable projects with battery storage systems.
- **Increase the volume of energy produced under carbon-free** product schemes to over 725 GWh by 2025.

This approach reflects GPG's commitment to sustainability and climate change mitigation, despite the challenges posed by the thermal nature of some of its assets.

It is worth noting that Naturgy Group has established that 20% of the incentive scheme for its management team in 2023 and 2025 will be linked to the achievement of ESG (Environmental, Social and Governance) objectives. GPG's management team is also subject to this variable remuneration based on ESG targets.

Climate change adaptation

In the context of the challenges posed by climate change, GPG faces risks associated with the limited availability of natural resources, which could impact energy production and increase operational costs at thermal power plants.

In response to these challenges, GPG has adopted a proactive strategy to strengthen its adaptive capacity and ensure the long-term sustainability of its business activities. The achievement of certifications aligned with international environmental management standards, such as ISO 14001, reflects a strong and structured commitment to the identification and management of environmental risks. These certifications not only support adaptation to a changing environment but also highlight the importance of circular economy principles in minimising environmental vulnerabilities and promoting efficient resource management.

The implementation of practices aligned with circular economy principles—from proper waste management to resource efficiency—forms part of a strategic approach to address resource scarcity and reduce environmental impact. This strategic orientation provides GPG with the resilience needed to face future challenges, ensuring the continuity and sustainability of its operations in an increasingly uncertain global context.

Energy

For GPG, energy is a fundamental pillar of its operations. As a company dedicated to power generation, GPG faces the challenge of balancing growing electricity demand with the need to reduce its environmental impact. Currently, a significant portion of GPG's energy production relies on natural gas combustion in Mexico's combined cycle plants and fuel oil in the Dominican Republic's facilities—fuels that are essential to ensuring a stable and continuous electricity supply in countries where the penetration of renewables is still lagging. For this reason, GPG continuously works to improve the energy efficiency of its operations and adopts advanced technologies to optimise energy consumption.

The importance of energy for GPG lies not only in its ability to generate electricity, but also in its responsibility to do so sustainably. While striving to reduce the carbon intensity of its emissions by 15%, GPG continues to comply with environmental regulations and maintains a rigorous emissions monitoring system across its operations. Furthermore, as previously mentioned, the company is committed to avoiding new investments in polluting assets and aligning with the principles of the Paris Agreement.

The following table presents GPG's energy consumption for the year 2024, broken down by facility and fuel type:

Country	Fuel Consumption	Diesel consumption	Natural Gas consumption	HFO consumption	Purchased electricity
Costa rica	2.88	80.59	0.00	0.00	2.37
Mexico	822.51	7,287.98	30,197,351.33	0.00	2,310
Panama	173.81	0.00	0.00	0.00	0
Dominican Republic	131.04	6,257.3	0.00	1,733,331.39	1,937.83
Brazil	217.47	23.70	0.00	0.00	925.96
Chile	0.00	356.84	0.00	0.00	14.74
Australia	42.10	423.77	0.00	0.00	3,018,.26
Total	**1,389.81**	**14,430.18**	**30,197,351.33**	**1,733,331.39**	**8,209.46**

GPG energy consumption in MWh by fuel type and by country.

Electricity consumption refers to the amount of electricity purchased from external suppliers. In the remaining facilities, although electricity is consumed, it is generated internally and classified as self-consumption. The energy cost is already accounted for within the fuel expenditure.

Country	Petroleum products consumption [1]	Natural Gas consumption	Electricity purchased
Costa Rica	300.5	0.00	8.53
Mexico	29,197.54	108,709,595.13	8,317.10
Panama	625.7	0.00	0
Dominican Republic	6,262,941,.20	0.00	6,976.17
Brazil	85.31	0.00	3,333.44
Chile	1,284.62	0.00	53.07
Australia	1,677.13	0.00	10,865.71
Total	**6,296,112.0**	**108,709,595.13**	**29,554.03**

Aggregated energy consumption (GJ) by country for 2024

Below is a comparative table of GPG's energy consumption (MWh), considering the years 2023 and 2024:

	2023	2024
Energy consumption (MWh)	30,875,351.63	31,941,249.98
Energy Consumption (GJ)	111,151,176.93	114,988,407.93

Energy consumption for 2023 vs 2024

[1] In renewable power plants, the petroleum-based consumptions are produced in mobile sources, not the primary electricity generation process.

6.4 Pollution

Pollution represents one of the major environmental challenges of our time, significantly affecting ecosystems and human health. This issue encompasses various forms, including air, water, soil, noise, and light pollution. Addressing pollution is crucial due to its harmful effects, which may be immediate or long-term, impacting quality of life, biodiversity, ecosystems, and the global climate.

In the industrial sector, companies play a key role in pollution mitigation. GPG, aware of this responsibility, recognises the need to proactively manage its environmental impact to prevent potential adverse effects arising from its operations.

GPG's activities involve the emission of atmospheric pollutants, such as greenhouse gases and nitrogen oxides. In addition, its operations generate hazardous and non-hazardous waste that may affect the natural environment, as well as wastewater discharges following use.

To address these challenges, GPG has implemented a series of measures and actions as part of its commitment to environmental sustainability, as outlined in the following sections.

Air pollution

As part of its commitment to environmental sustainability, GPG implements stringent strategies to mitigate **atmospheric pollution** arising from its operations, including **noise and light pollution**. These measures are complemented by continuous air quality monitoring in and around its facilities, ensuring compliance with applicable environmental regulations and minimising impacts on both the environment and public health.

The operation of Mexico's combined cycle plants results in atmospheric emissions of pollutants such as nitrogen oxides (NOx). To reduce these emissions and optimise plant performance**, High Fogging systems** have been implemented, effectively minimising the release of nitrogen oxides into the atmosphere.

In the case of engine plants in the Dominican Republic, emissions include not only nitrogen oxides but also **sulphur oxides (SOx**). To mitigate the release of these pollutants, GPG is committed to using high-quality fuels with very low sulphur content. Furthermore, the company has installed the first **continuous monitoring system** in a power plant of this technology type, both within the company and in the country, ensuring that emission levels remain within the limits established by legislation to safeguard health and the environment.

With regard to noise and light pollution, GPG addresses these aspects from the design phase of its facilities. Noise modelling is carried out, and where necessary, measures are incorporated to reduce acoustic impact, such as the installation of silencers, acoustic insulation, and other noise control technologies. All facilities are equipped with monitoring and measurement plans to ensure compliance with these requirements.

In the context of its investment strategy, GPG is developing **new renewable energy projects t**o support the energy transition and reduce the carbon intensity of its operations, as well as other atmospheric pollutants. This transition not only contributes to lowering the company's carbon footprint, but also helps mitigate the broader negative impacts of air pollution

Soil pollution

Aware of the risks that soil pollution poses to ecosystems and human health, GPG applies sustainable management practices throughout all phases of its operations—from construction and operation to the decommissioning of its facilities. These practices are designed to prevent soil contamination, recognising it as a vital resource that supports both biodiversity and human activities.

To minimise adverse impacts on soil, the organisation focuses on the proper management of waste. In line with the waste hierarchy, the company prioritises prevention, reuse, and recycling over less sustainable alternatives such as incineration without energy recovery or landfill disposal. This strategy is clearly defined in the Sustainability Plan, which includes two waste-related **targets for 2025: to keep total waste generation below 8 Kt and to achieve a 60% rate of waste recovery or recycling**

Waste	2023	2024
Total Waste (kt)	6.6	6.7
Non-Hazardous Waste (kt)	3.8	4.4
Hazardous Waste (Kt)	2.8	2.2
Percentage of recycled and valorised wasted (%)	45%	36%

In 2024, there was only a slight increase **of 0.7% in the total volume of waste generated**. By type**, non-hazardous waste rose by 17%, while hazardous waste generation decreased by 21.5%.**

The percentage of recycled or **recovered waste stood at 36%,** representing a decline compared to the previous year. This deterioration is primarily due to challenges faced by certain plants in identifying waste managers capable of recycling non-hazardous waste. In contrast**, the recovery or recycling rate for hazardous waste exceeded 97%.**

Regarding waste generated by partner companies, GPG requires proper waste management through environmental specifications embedded in the procurement process and carries out supervision throughout the duration of their services.

Effluent control and the prevention of leaks or spills of harmful substances are also critical components of GPG's strategy to protect soil. Strict protocols are implemented for the handling and storage of hazardous materials to prevent accidental releases. In the event of a spill, emergency procedures and specialized teams are in place to contain and clean up the substances.,

Minimising environmental impact. The quantity and hazardous nature of these substances is very limited; moreover, preventive management and monitoring measures are implemented to avoid negative impacts. This management approach **is endorsed by ISO 14001 certification.**

GPG strives to maintain a balance between industrial production and soil conservation, thereby ensuring the protection of this vital resource for future generations. Through its sustainable management policies and practices, the company not only aims to meet legal requirements but also to go beyond them, setting ambitious targets to minimise its environmental impact and contribute to ecosystem resilience.

Water pollution

In 2024, **only one spill was recorded**, resulting from an industrial incident at a GPG facility. **This spill did not affect natural soil or watercourses,** and therefore no contamination or potential contamination episodes occurred at GPG installations.

Naco Nogales Plant: Oil spill due to a vent pipe leak from the gas turbine generator during maintenance shutdown. Oil was reported leaking from the generator's vent pipe, falling onto the structure and concrete floor. The system was taken offline and the area—approximately 136 litres—was promptly cleaned.

Despite this accidental release, which caused no negative impact or harm to soil or water, GPG has a series of action protocols in place and possesses the necessary resources and training to respond effectively to such incidents. The company acts swiftly to contain and control spills, preventing potential damage and adverse environmental impacts.

Substances of concern and substances of very high concern

GPG does not generate substances of concern or substances of very high concern at its facilities. However, some of these substances are consumed at certain plants, and although consumption is minimal and fully identified, the company adopts proactive measures to prevent any form of contamination or harm to human health or the environment.

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

6.5 Water and circular economy

Sustainable water management

Water is a vital element for life and natural ecosystems, as well as for economic activity and societal well-being. For this reason, its management warrants special attention. At GPG, the stewardship of this resource is understood as a shared responsibility that requires action at individual, community, corporate, and governmental levels.

Implementing sustainable water management practices is essential to address current challenges and ensure that this vital resource remains available for future generations.

GPG adopts a proactive approach to water management, carefully handling water resources in terms of both consumption and effluent control.

In line with this commitment, GPG's water resource management strategy includes minimising freshwater consumption by prioritising the use of seawater or reclaimed water, ensuring efficient treatment of effluents at its thermal facilities, and preventing accidental discharges. This responsible approach not only aims to reduce demand for water resources but also seeks to protect local water bodies from thermal pollution and chemical effluent discharge.

Additionally, the organisation conducts risk analyses related to water use, employing various methodologies and incorporating findings into the corporate risk map.

Particular attention is paid to water consumption, effluent quality control, and ecological water management, with a focus on eco-efficiency and water reuse within operational processes

Water consumption at GPG occurs predominantly at thermal power plants, which are **the most significant facilities in terms of water management and account for 99.91% of total consumption—specifically in the cooling process.** These are followed **by solar plants (0.06%),** which use water for panel cleaning. The remaining facilities consume only potable water for personal use within the installations. For this reason, GPG implements water management practices aimed at optimising consumption across all its operations.

GPG applies the precautionary principle to prevent potential negative impacts in water management. Environmental studies are conducted during the design phase of its facilities, evaluating various project alternatives and natural surroundings, with particular attention given to water availability for both ecosystems and affected populations.

As part of the environmental impact assessment process, both the project and the study are subject to public consultation to ensure stakeholder participation and input. This process results in an environmental permit that specifies the project's conditions. In cases where the project is located in areas without local discharge regulations, internationally recognised standards are used as reference.

As a result, the necessary measures to minimise environmental and social impacts related to water use are incorporated into project design. Once facilities become operational, continuous monitoring is carried out in accordance with permit requirements or applicable legal regulations, to ensure environmental quality and resource availability.

At GPG, environmental **monitoring** is particularly important around hydropower facilities and at discharge points of thermal power plants. In addition to **operational procedures, emergency and self-protection plans include specific actions to prevent environmental incidents or minimise potential impacts** on water resources. All facilities operate under an **Environmental Management System certified to ISO 14001**. In the case of the Naco Nogales and Norte Durango plants, they also hold **the Clean Industry Certificate** issued by *Profepa*.

GPG prioritises water reuse by integrating wastewater from other activities. All the water consumed at three out of the four combined cycle plants in Mexico comes from **municipal wastewater**. After treatment, this water is discharged with a quality that exceeds that of the incoming water, **accounting for 91.4% of GPG's total water consumption.** The remaining combined cycle plant uses seawater directly, representing 7.5% of total consumption. The remaining **1% of water consumed** by the organisation is **freshwater**.

Thermal power plants account for the majority of GPG's water consumption, particularly the cooling towers of combined cycle plants, where water evaporates to enable cooling and is released into the atmosphere as steam, completing the natural water cycle.

All facilities are equipped with meters and continuous monitoring systems for water inflows, outflows, and consumption, ensuring proper operation and management of water treatment plants. This reflects a proactive approach to monitoring and controlling water use, enabling the identification of potential areas for improvement. In doing so, the company strives to meet quality requirements for both consumption and final discharge, going beyond current regulations and setting internal targets that promote continuous reduction in the use of this vital resource—thus contributing to environmental sustainability and the conservation of aquatic ecosystems.

In conclusion, GPG implements a range of measures and actions aimed at minimising water consumption and protecting ecosystems:

- Optimising processes at facilities by prioritising water reuse.
- Reducing consumption through cooling tower water recirculation and recovery of reject water from reverse osmosis.
- Installing oil detection sensors in drainage pits to prevent contaminated water from being discharged into waterways and eventually into rivers.

The following section presents GPG's total water consumption:

	2023	2024
Water consumption	2,844,348.33	3,068,367.12
Water use in regions at risk of water stress	2,576,888.84	2,804,201.13
Total reused water	**3,329,272.83**	**3,452,173.06**

	2023	2024
Wastewater consumption (m3)	2,576,379.81	2,804,201.13
Freshwater consumption (m3)	29,080.52	33,005.99
Seawater consumption (m3)	238,888.00	231,160.00
Water consumption (m3)	**2,844,348.33**	**3,068,367.12**

Water type	2023	2024
Wastewater	90.6%	91.4%
Freshwater	1%	1.1%
Seawater	8.4%	7.5%

During 2024, GPG recorded an 8% increase in water consumption. This rise occurred at thermal power plants, specifically at the Hermosillo plant, which resumed normal operations, and at engine plants due to a new operating mode.

To gain deeper insight into these results, specific water consumption ratios have been calculated based on electricity generation and economic revenue indicators.

	2023	2024
m3/EBITDA	7,057.89	6,342.79
m3/GWh	0.158	0.166

The existence and magnitude of associated impacts depend not only on the volume of water consumed but also on the source of water used.

In GPG's case, the primary source of water abstraction is **seawater**, which accounts for **99.15%** of the organisation's total water intake. **Nearly 100% of this water is returned to the marine environment after use.** This is followed by **0.84% from reclaimed water originating from other industries or urban sources**, which is treated for reuse—thus avoiding the consumption of freshwater, particularly in water-scarce areas.

The following table presents the origin of water abstracted (not entirely consumed) by GPG's facilities:

	2023	2024
Wastewater	3,329,272.83	3,452,173.06
Seawater	402,778,196.00	406,432,539.00
Freshwater	370.41	482.43
Groundwater	28,366.50	32,676.80
Water supply network	1,324.52	1,612.50
Water tanks/Rainwater	3,091.93	1,772.62
Total	**406,140,622.19**	**409,921,256.41**

Water abstraction by GPG (m^3) for the years 2023 and 2024

Water stress refers to the relative scarcity of water in a region, making it a critical factor in water management due to its impact on the availability and sustainable use of this vital resource.

Across GPG's operations, three combined cycle plants (which are water-intensive facilities) and one solar plant are in areas classified as high-water stress zones. To reduce consumption and improve process efficiency, GPG promotes the reuse of water sourced from nearby municipalities in its combined cycle plants, thereby avoiding the use of freshwater and reducing pressure on this resource.

In addition to efficient water use in operations and proper maintenance of facilities to prevent or reduce potential losses, further measures are taken—such as in the photovoltaic solar plant, where panel cleaning schedules have been optimised.

Water discharges

As part of its commitment to sustainability and responsible environmental management, GPG conducts risk analyses related to water use in its operations, with particular attention to water consumption, effluent quality control, and ecological resource management. The company ensures careful and controlled handling of its water discharges, adhering to practices that comply with established regulations and standards.

This commitment is reflected in GPG's comprehensive approach to minimising environmental impact, ensuring that all discharges meet environmental regulations and conducting thorough analytical monitoring of both effluents and receiving waters. This practice not only fulfils regulatory obligations but also actively contributes to pollution prevention, ensuring effective treatment of effluents and promoting water recirculation within internal processes.

In addition, strict operational control and risk management procedures are implemented—including environmental emergency plans and drills—to prevent incidents or minimise damage should they occur. In this way, GPG demonstrates its ongoing commitment to protecting water quality, preserving surrounding ecosystems, and reducing its environmental footprint, in line with the principles of sustainability and corporate responsibility.

With regard to authorised water discharges, a large portion of the water used by the organisation comes from municipal wastewater, which is treated at GPG's facilities for subsequent use.

Once the water has been used in GPG's operations, the various effluent streams are segregated according to their nature:

- **Physicochemical and thermal effluents** from thermal power plants: These are treated at water treatment plants to remove contaminants (such as particles, oils, etc.) until they meet the required conditions for discharge. Facilities carry out measurements of the receiving water body, with water quality analysed periodically—and in many cases, prior to discharge—to ensure compliance with permissible limits and to confirm that the discharge does not negatively impact the aquatic ecosystem. In fact, the discharged water often has a higher quality than the incoming water.

- **Sanitary wastewater effluents**: In the case of renewable energy facilities, wastewater is managed through septic tanks, which are handled by authorised waste management providers.

The following section presents the organisation's total water discharge:

	2023	2024
Discharge into watercourse	559,649.88	675,823.93
Discharge into septic tank	691.23	60.34(*)
Discharge to sea	402,539,308.00	406,201,380.00
Total	**403,099,349.11**	**406,877,328.73**

Water discharges (m^3) for years 2023 and 2024

More than 99% of the water discharged by GPG is returned to the marine environment, ensuring that its quality is comparable to the original conditions and complies with legal parameters. In this way, the majority of the water abstracted by the organisation is returned to the sea, reducing its environmental impact and without compromising resource availability.

Additionally, **GPG promotes the reuse and recycling of both internal water streams**, thereby reducing water abstraction and encouraging responsible resource use. This contributes to mitigating the impacts associated with water extraction and improving resource availability in the surrounding environment.

In 2024, a change in reporting criteria was introduced (*). Since the management of septic tanks is carried out by authorised waste handlers who remove and treat the sludge as waste, these are no longer accounted for as water discharges but are instead included in the list of non-hazardous waste—provided that the relevant analytical data confirms this classification.

Circular economy

Within the environmental culture promoted by GPG, particular importance is given to all aspects related to the circular economy and the improvement of waste prevention and management arising from its operations and activities. This priority is reflected in the integration of circular economy principles into its production processes, where innovation and sustainability combine to create a model of responsible environmental management.

To achieve this, GPG has implemented continuous and responsible waste management practices, ensuring that all employees and operations have the necessary means for proper waste segregation and optimal use of raw materials. This approach not only reduces the amount of waste generated but also promotes reuse and recycling, minimising environmental impact and enhancing resource efficiency.

Furthermore, GPG continuously monitors managed waste and strives to innovate in techniques and processes that support waste reduction and the conservation of these new resources. The company also educates and trains its personnel in waste management and circular economy practices, ensuring that everyone understands and contributes to these objectives.

In doing so, GPG not only complies with legal environmental requirements but goes beyond them by adopting advanced circular economy strategies, improving waste management, and contributing to a more sustainable future.

Chemical products consumption (resourced inputs)

GPG promotes sustainability by optimising consumption within its production processes, prioritising, wherever possible, the use of more sustainable, recycled and/or renewable materials. This approach minimises the environmental impact associated with the extraction and processing of raw materials, aligning GPG's operations with global objectives for carbon footprint reduction and biodiversity conservation.

The company has adopted a proactive approach to the circular economy, implementing various measures aimed at optimising resource use and encouraging sustainable practices. These initiatives not only seek to improve operational efficiency but also have a positive impact on reducing the environmental footprint.

The following section presents the main products used by GPG over the past two years, related to water treatment in its facilities and equipment lubrication:

Chemical product	2023	2024
Lubricating/hydraulic oil	770.64	745.76
Sulphuric acid	450.11	447.25
Sodium Hypochlorite	112.42	34.74
Coagulant	167.64	142.13
Calcium hydroxide	371.91	454.99
Others	437.29	214.74
Total	**2,310.02**	**2,039.61**

Chemicals products consumption in 2023 and 2024

The consumption of the most relevant products used at the facilities has decreased. Notably, there has been a reduction in oil consumption, which is typically associated with maintenance shutdowns of the installations.

It is important to note that the consumption of sulphuric acid, sodium hypochlorite, and calcium hydroxide is directly linked to the quality of the incoming wastewater. The poorer the quality of the wastewater, the greater the need for these products.

Waste

As part of its waste management strategy, GPG implements comprehensive procedures to ensure proper handling and to guarantee the minimisation, segregation, storage, and final disposal of waste. These procedures enable the organisation to accurately report data on waste generated directly from its operations, categorising it by type and treatment method.

To ensure proper waste management across all its facilities and countries of operation, GPG includes specific environmental requirements in its procurement processes and monitors compliance throughout the duration of service provision. This approach is supported by its ISO 14001 certification, which helps minimise GPG's significant environmental impacts, including waste and, in particular, the risk of contamination from accidental spills or discharges.

Waste management at GPG involves a series of strategies and practices designed to reduce the environmental impact of its operations, optimising processes to minimise waste generation. Waste produced during operations is carefully classified, reused internally where possible, or channelled into external recovery chains, promoting its reintegration into the economy as a resource.

Non-hazardous and hazardous waste is managed in accordance with the applicable regulations in each country, through authorised waste handlers responsible for collection, transport, treatment, and final disposal. This process ensures that waste is treated safely, appropriately, and responsibly.

In addition to establishing procedures and maintaining thorough control over the waste generated, its segregation and management, GPG has undertaken several initiatives across its operational locations to support sustainability and promote the cleanliness of natural areas. One such example is in Mexico, where a programme has been established to clean community spaces and beaches, contributing to the conservation of water, species, and ecosystems. Through these actions, GPG fosters environmental awareness and engagement, involving local communities in proper waste management and the preservation of waste-free ecosystems.

Given the nature of GPG's activities, the main non-hazardous waste generated consists of sludge from water treatment processes, followed by municipal solid waste. As for hazardous waste, the most commonly generated types include chemical reagents, contaminated sludge, and oils resulting from operational activities. Additionally, general maintenance processes produce scrap metal, greases, and other contaminated materials.

The following section presents the waste generated by GPG that has been recovered:

Waste	Recycled (t)	Other recovering (t)
NON-HAZARDOUS		
Scrap	51.46	0.00
Empty containers	0.04	0.00
Sludge (from PTA)	7.60	110.13
Wood	0.11	0.00
Tyres	0.00	0.00
Paper and Cardboard	2.25	0.00
Batteries	0.006	0.00
Plastics	0.25	0.00
Domestic waste	34.32	0.00
Vegetable waste	4.04	0.00
Toner	0.13	0.00
Others NHW	21.38	34.15
HAZARDOUS		
Absorbents, insulations and similar	13.53	2,149
Used oil	43.48	20,57
Contaminated container	1.24	0.00
Used grease	0.00	0.00
HC+H20	740.49	0.00
Contaminated sludge/oil	0.00	1,361.42
Batteries	1.85	0.41
Paints/Vanishes	0.00	0.137
Electronic wastes	0.32	0.00
Solid contaminated waste	0.00	1.12
Fluorescent tubes	0.01	0.00
Others HW	0.19	0.93
TOTAL	**879.94**	**1,531.18**

Recovered waste in 2024

The following section presents the waste generated by GPG that has been sent for disposal in 2024:

Waste	Landfill (t)	Incineration (t)
NON-HAZARDOUS		
Scrap	0.48	0.00
Sludge	4,122.75	0.00
Wood	0.48	0.00
Tyres	0.14	0.00
Paper and cardboard	1.34	0.00
Plastic	0.33	0.00
Domestic waste	102.19	0.00
Vegetables waste	0.00	0.00
Others NHW	5.81	0.80
HAZARDOUS		
Absorbents, insulations and similar	0.00	0.18
Used oil	2.78	6.39
Contaminated container	0.33	0.00
Used grease	0.00	0.00
HC+H20	0.00	0.00
Contaminated sludge/oil	0.60	0.52
Batteries	0.00	0.005
Paints/Vanishes	0.05	0.00
Electronic wastes	1.82	44.05
Solid contaminated waste	0.11	0.83
Fluorescent tubes	1.01	0.00
Others HW	3.62	0.17
TOTAL	4,240.51	52.60

Waste destined for disposal in 2024

More than 95% of non-hazardous waste is sent to landfill. This is due to the sludge from the wastewater treatment plants of the Hermosillo and Naco Nogales combined cycle power stations in Mexico. An assessment is currently underway to explore alternative treatment options for this waste; however, at present, there is no other viable solution in the country apart from landfilling.

The following comparative table shows waste generation in 2023 and 2024:

	2023	2024
Non-Hazardous (t)	3,791.66	4,457.66
Hazardous (t)	2,861.52	2,246.58
TOTAL	**6,653.17**	**6,704.24**

Waste Generation in (t) in 2023 and 2024

In 2024, there is a slight increase in waste generation compared to 2023. Although not particularly significant, this is largely due to the increase in sludge generation resulting from the normal operation of the Hermosillo power station.

It is worth noting **that hazardous waste has decreased in 2024**, with a slight increase in the amount of hazardous waste that has been recycled or recovered.

36% of the waste produced by GPG is sent to operations aimed at giving the product a second life.

In the case of non-hazardous waste comparable to municipal solid waste (MSW), which mainly comes from new renewable facilities, waste recovery is challenging due to difficulties in finding waste managers who offer this final treatment. This is because the facilities are located in remote areas and the amount of waste generated is minimal.

At the Hermosillo and Naco Nogales combined cycle power stations, the waste generated by the wastewater treatment plants (sludge) is also non-hazardous waste for which no alternative treatment options have yet been found.

Nevertheless, GPG continues to explore ways to “recover” this waste, considering second-use options.

6.6 Biodiversity and natural capital

Biodiversity is essential for human well-being and sustainable development, providing indispensable services such as food production, climate regulation and water purification. For this reason, it is crucial to take action to conserve and restore natural capital, effectively integrating biodiversity into the policies, plans and practices of all economic and social sectors.

Businesses play a vital role in this context, as they rely on nature for the supply of raw materials, income generation, risk reduction and innovation. Moreover, managing biodiversity and the impacts of their activities on natural systems is key to their own resilience and long-term sustainability.

As part of its strong commitment to environmental sustainability, GPG acknowledges the importance of identifying and mitigating the impacts its operations may have on biodiversity and natural capital. Biodiversity is therefore integrated holistically into its objectives, with a firm commitment to the conservation of biodiversity, natural capital and heritage in the surroundings of its facilities. Particular attention is paid to protected areas and species, with various measures implemented to safeguard ecosystems and comprehensive annual assessments carried out through ISO 14001 certification.

The precautionary principles embedded in Naturgy's Environmental Policy, to which GPG adheres, are based on:

- **Respect for natural capital and biodiversity** in the areas where activities are carried out, identifying and assessing impacts, and monitoring the state of biodiversity throughout the lifecycle of the facilities.
- **Biodiversity is integrated into project design** with the aim of reducing negative environmental impacts and implementing a precautionary approach to prevent them.
- **Efforts are made to avoid vegetation disturbance and deforestation** in operational areas wherever possible, promoting a net gain in natural capital and encouraging the development of nature-based solutions.
- Once a facility reaches the end of its operational life, the surrounding environment **is restored to its original condition**.

Consequently, biodiversity is embedded in the organisation's strategic management and objectives through the commitment of all stakeholders and the Sustainability Committee, driving improvements in practices and promoting the sustainability of operations. Some of the measures implemented by the organisation include:

- **Risk and opportunity analysis**, assessing the impacts, risks and opportunities related to nature and biodiversity at its facilities.
- A precautionary approach throughout all project phases, aimed at preventing potential environmental harm. This includes conducting comprehensive environmental studies prior to the execution and launch of any project, carrying out thorough **assessments of environmental impacts on local ecosystems and communities**, and defining preventive or mitigating measures.
- **Actions to protect and reduce the impact** of GPG's activities on nature, such as biodiversity protection initiatives, emission intensity reduction, and the promotion of a circular economy.

GPG demonstrates a clear commitment to ecosystem protection, reflected in the responsible management of its activities and impacts to prevent harm to the natural environment, while promoting the restoration and rehabilitation of degraded areas.

In 2024, GPG **implemented 18 biodiversity enhancement initiatives across the entire lifecycle** of its facilities (construction, operation and decommissioning), ensuring the protection of biodiversity and the development of natural capital.

Some of the actions carried out in relation to the natural environment include:

- **Australia**: Continued special study of the Australian Crane in the vicinity of the Berrybank wind farm. Bird and bat inventories conducted across other wind farms, along with mortality monitoring. Reports and adaptive management strategies developed in collaboration with landowners.
- **Chile**: Completion of the special Flora Management Plan at the Cabo Leones II wind farm. This plan outlines vegetation management measures complemented by germplasm (seed) recovery efforts to preserve the genetic diversity of the Atacama Region's natural heritage. A cetacean and dolphin monitoring study was conducted, along with periodic bird and bat surveys.
- **Costa Rica**: To maintain the quality of the aquatic ecosystem of the Reventazón River, water quality studies are carried out every six months to determine whether the power plant contributes any pollution to the river. Collaboration continues with a leading conservation organisation to promote and protect natural capital, including the installation of signage to safeguard sensitive areas.
- **Panama**: Tree planting activities were carried out on the grounds of the La Yeguada hydroelectric power station.
- **Brazil**: Two biodiversity recovery programmes are ongoing. At the Sobral and Sertão facilities in Piauí, the Degraded Areas Recovery Programme has been implemented, while in Minas Gerais, a Revegetation Plan has been carried out for two Permanent Preservation Areas (areas of special interest as biological corridors). During the operation of the Sobral and Sertão photovoltaic plants, a Fauna Monitoring Plan has been implemented to assess the actual impact of operations on local wildlife groups. In addition, a protocol for the rescue and relocation of snakes has been developed.
- **Dominican Republic**: Participation in the 'Red Line Rescue Mission' programme through the sponsorship of the endangered species Pimienta Ozua, carried out in the Humedales del Ozama National Park. A total of 930 seedlings have been planted over the past four years. Activities are planned in coordination with staff from the Botanical Garden and ECORED.
- **Mexico**: Production of endemic plant species to support the construction of the State Ethnobiological Garden of Durango. Mycorrhizal fungi and vermicompost are used to improve the survival rate of reforested species. Native tree species are also produced in a nursery located at the power plant. A Marine Turtle Protection and Conservation Project is underway, along with bird and bat monitoring activities.

Direct drivers of biodiversity loss and degradation

GPG's activities have a significant impact on the natural areas in which they are carried out. As such, the company is committed to identifying and mitigating the direct drivers that contribute to local biodiversity loss. These drivers include the alteration of natural habitats due to the construction and expansion of facilities, environmental pollution caused by air emissions, water discharges and waste generation, as well as resource extraction.

To counteract these impacts, GPG implements measures such as careful planning of new facility locations, environmental assessments, and programmes for the control and restoration of affected areas, ensuring harmonious coexistence with the natural environment.

Energy infrastructure development often requires the removal of existing vegetation, leading to habitat loss and potential ecosystem fragmentation. These operations can affect species populations, particularly due to increased wildlife mortality—especially birds—resulting from collisions with transmission lines.

GPG is fully aware of these challenges and has developed specific protocols to mitigate biodiversity impacts. Among the measures implemented is **a protocol for the rescue of species that may become trapped within its facilities**, with particular attention given to those protected under local legislation. These rescue and relocation efforts are designed to minimise wildlife mortality and ensure that animals are released into suitable habitats.

In addition, GPG implements environmental management measures to prevent incidents that could affect local wildlife, such as:

- Installing fencing and signage at its facilities to minimise potential interactions with surrounding wildlife.
- Using deterrent devices on vehicles to prevent wildlife collisions.
- Implementing special mesh coverings and lids to prevent small mammals from falling into or entering hazardous areas.
- Using specific cables in underground electrical systems at photovoltaic plants to prevent electrocution caused by animals gnawing on the wiring.
- Developing artificial wetland areas, where necessary, to attract birdlife away from operational sites.

Impacts on ecosystems services and dependencies on these services

To carry out its activities, GPG relies on a **range of services provided by nature,** known as **ecosystem** services. These can be classified into different categories:

- **Provisioning services:** supply of water and raw materials.
- **Regulating services**: climate regulation, pollination and water purification.
- **Cultural services**: health and wellbeing, ecotourism.

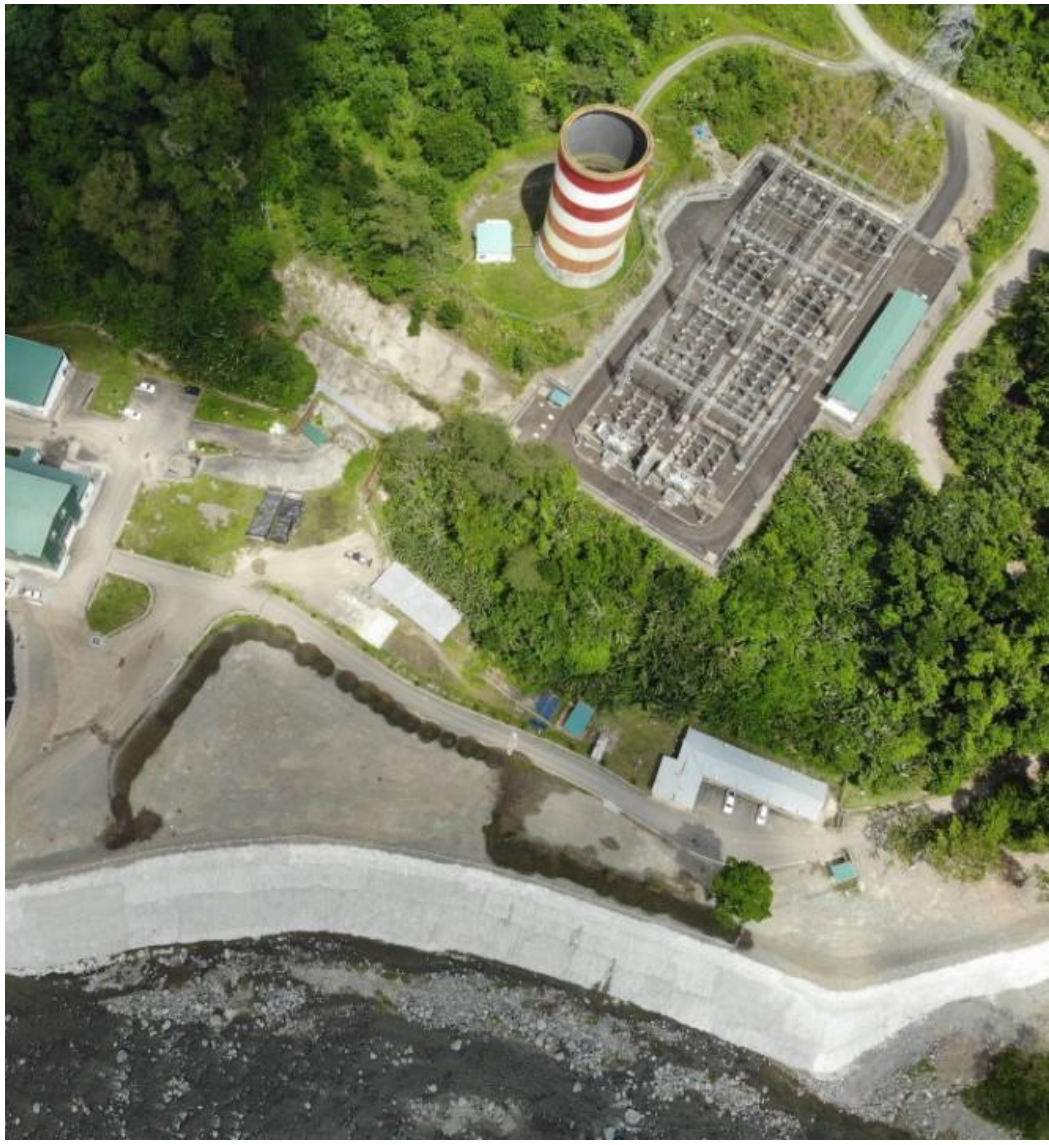
GPG's operations may have potential impacts on these ecosystem services, particularly in areas where infrastructure development and resource use intersect with natural systems:

- One of the most relevant ecosystem services for GPG is **water provision,** particularly in combined cycle plants, which require large volumes of water for cooling and electricity generation processes. To avoid negative impacts, combined cycle plants located in water-stressed areas are designed to use reclaimed water from nearby municipalities. Photovoltaic plants may occasionally use water for panel cleaning, although the volume is negligible compared to that consumed by combined cycle facilities.

- **Land occupation and ecosystem modification**, including vegetation removal, are also significant impacts. The construction of new projects alters terrestrial habitats, with photovoltaic plants having the greatest effect due to the surface area they occupy. The construction of transmission lines additionally requires the permanent removal of vegetation and introduces a collision risk for birdlife. These effects are reversible, as the removal of infrastructure would allow for the recovery of fauna and vegetation.

- Marine ecosystems may be affected by **water discharges** from combined cycle plants, particularly due to increased temperature from cooling processes. To mitigate this impact, aquatic environment studies and discharge modelling are conducted during the design phase to incorporate appropriate mitigation measures. During the operational phase, regular monitoring of discharges is carried out to track key pollutants.

- **Air pollution (GHG and other pollutants):** The organisation has implemented a range of measures and targets to improve the efficiency of production processes and reduce CO_2 intensity.
- **Soil pollution due to accidental spills or inadequate waste and hazardous material management**: To prevent incidents such as leaks or spills that could lead to soil contamination by oil or other substances, preventive management and monitoring measures are applied during activities that may pose a risk of discharge (e.g. chemical dosing, tank filling, oil handling). All waste and chemical storage areas are located on impermeable concrete slabs and are equipped with spill containment systems and rapid response kits to prevent any impact on natural soil. All contracted waste managers are authorised and specialised in waste collection and treatment.
- **Noise disturbance** during facility operation: Noise modelling and measurements are carried out to ensure compliance with legal limits and to reduce environmental impacts.
- **Impacts on wildlife** due to the **presence of infrastructure**: Facilities may cause collisions or electrocutions of animal species, particularly birds, and disrupt ecosystems, in addition to vegetation removal. To mitigate these impacts, preliminary environmental studies are conducted and periodic environmental monitoring is carried out during operation.
- **Landscape impact** caused by the presence of infrastructure, especially when located in rural or natural environments



7 Employee Engagement and Talent Development

Employee Engagement and Talent Development

7.1 Employee Engagement and Talent

In 2024, GPG has a **workforce of 489 people** and benefits from the backing and financial strength of the Naturgy Group, a global leader in the energy sector. The organisation develops both its own projects and third-party services with the same standards of rigour and quality.

Furthermore, it prioritises health and safety in the planning, development and execution of all its activities, with the aim of eliminating workplace accidents and safeguarding the health of employees, contractors and collaborators.

The main achievements in terms of commitment and talent at Naturgy Group level include:

- **Launch of the "School of Happiness"** within the Corporate University, offering a learning experience focused on wellbeing and connection with key trends, tools, experiences and practices in the field.
- **Completion of the 360º Evaluation cycle**, a key process in the management of executive and managerial talent. Following the results of this multi-source and multidimensional assessment, a series of feedback and development actions were implemented throughout the year to support the Annual Development Objectives (ADO) defined by each participant for improvement.
- **Naturgy Equality Plan 2023–2027 signed**, along with the Sexual and/or Gender-Based Harassment Protocol, adapted to Law 2/2023 of 20 February.
- **Training hours delivered on diversity, inclusive communication** strategies and respectful treatment of LGTBI+ individuals. Additional training provided on global work-life balance management for managers, and on biases, stereotypes and unconscious prejudice in the workplace.
- A **global psychosocial assessment process** was carried out, addressing emerging risks and new forms of work organisation (teleworking, process digitalisation, cyberbullying, diversity, equality, gender perspective, etc.), adapted to the company's reality and evolving context, with the aim of improving health and wellbeing within the organisation.
- A new analytical tool was implemented for the periodic monitoring and control of digital identities issued by the **Telematic Management Support Office** in Spain (OSGT), either for representing Naturgy before various public administrations or for conducting financial transactions with specific banking entities.

7.2 Care for people.

Human Team

At GPG, people are the cornerstone of its success. For this reason, GPG is committed to providing an attractive working environment that fosters both professional and personal development for its employees.

This commitment aims to balance work and personal life, creating a team distinguished by its dedication, integrity, honesty, initiative and human quality. GPG is guided by the Code of Ethics and the Human Rights Policy, which set out the principles and values that all Naturgy Group employees must follow.

These guidelines are aligned with the values of safety and health, environmental respect and respect for individuals. The organisation's goals include ensuring that employees have the necessary skills, promoting a positive working environment, and guaranteeing fair compensation and talent retention.

Total number and distribution of employees by gender, age, country and professional classification. Comparison 2023 vs 2024

Country	Men		Women		Total	
	2023	2024	2023	2024	2023	2024
Australia	25	31	8	11	**33**	**42**
Brazil	3	3	0	0	**3**	**3**
Chile	9	10	4	3	**13**	**13**
Costa Rica	16	17	0	1	**16**	**18**
Spain	49	44	32	31	**81**	**75**
Mexico	207	205	50	51	**257**	**256**
Panama	14	14	1	1	**15**	**15**
Dominican Republic	55	52	15	15	**70**	**67**
Total	**378**	**376**	**110**	**113**	**488**	**489**

In 2024, two fewer people were hired than in 2023. A total of **29 new hires** were made, of which 8 were women. The country with the highest number of new hires was **Australia** (14 men and 3 women), followed by **Mexico** with 5 new hires (3 men and 2 women).

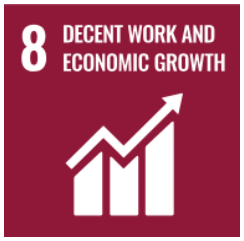
Age	Men		Women		Total	
	2023	2024	2023	2024	2023	2024
Under 30	26	24	14	14	40	38
Between 30 and 50	246	253	72	76	318	329
Over 50	106	99	24	23	130	122
Total	**378**	**376**	**110**	**113**	**488**	**489**

Categories	Men		Women		Total	
	2023	2024	2023	2024	2023	2024
Executives	20	21	4	7	24	28
Middle Management	24	26	9	7	33	33
Specialized technicians	144	145	46	50	190	195
Operational jobs	190	184	51	49	241	233
Total	**378**	**355**	**110**	**106**	**488**	**489**

7.2 Health and Safety

Safety, health and healthy organisation (Strategy)

Naturgy's safety strategy is aligned with the Sustainable Development Goals and is integrated into the 2021–2025 Sustainability Plan, contributing both directly and indirectly to the achievement of its objectives.



GPG maintains a strong commitment to the safety and health of its people, supported by Naturgy's policies and through actions aimed at promoting responsibility in this area—not only collectively, but also individually, among both its own employees and partner companies (contractors). This commitment is led by senior management and embraced across the entire supply chain.

GPG works continuously to prevent and mitigate negative impacts on the health and safety of its employees and contractors, maintaining working environments that are either risk-free or with risks reduced to the minimum possible. Safety and health management is integrated at all levels of the organisation and across all decisions and operations.

The management system implemented at GPG also establishes specific actions aimed at minimising accidents associated with the most critical risk factors, through both operational control tools and the definition of "red lines", the breach of which triggers the application of disciplinary measures.

Promoting and safeguarding health is another key priority for Naturgy, with actions focused on reducing the impact of activities, improving quality of life, wellbeing and health for individuals in the communities where the company operates, and investing in new educational strategies that position the workplace as a platform for promoting healthy behaviours among employees and their wider environment.

The strategy is based on the principle that "nothing is more important than the safety, health and wellbeing of people", and is developed in collaboration with business units to foster a safety and health culture throughout and for the entire organisation. Its goal is to prevent accidents and health-related harm while providing a safe and healthy environment.

GPG's commitments in the area of safety and health include:

- **Ensuring that safety and health are non-transferable individual responsibilities,** led through visible collective commitment by senior management and proactively embraced and integrated across the organisation, including suppliers and partner companies.

- **Establish safety and health as an individual responsibility** that directly influences the employment of Naturgy workers, as well as the activities of its partner companies.
- **Promote wellbeing** by maintaining a working environment with safe and healthy conditions, integrating occupational risk prevention and health and wellbeing promotion into business management.
- **Prevent potential injuries and health damage** by ensuring that any situation posing a risk to employees, suppliers, customers, the general public or the safety of facilities is appropriately assessed and managed to eliminate hazards and reduce risks.
- **Establish a management model** as the driving force behind a culture of safety, health and wellbeing, based on continuous learning, consultation and participation of employees and their representatives, accident and incident analysis, dissemination of lessons learned, and health education and promotion.
- **Integrate demanding safety and health criteria and objectives** into business processes, new projects, activities, facilities, products and services, as well as into the selection and evaluation of suppliers and partner companies, with non-compliance affecting the initiation or continuation of activities.
- **Be a benchmark in new strategies for health education, disease prevention and health promotion**, turning the workplace into a vector for transmitting healthy habits and behaviours, and a source of positive influence on the health and wellbeing of employees, their families and their communities. Implement actions aimed at the continuous improvement of quality of life, wellbeing and health for people within the organisation and in the communities where the company operates.
- Provide the necessary resources and means to ensure **compliance with applicable legal requirements**, as well as with the safety, health and wellbeing standards adopted by the organisation.

GPG's commitment to safety and health, endorsed by the Board of Directors, focuses on governance and directly involves Senior Management, reinforcing its leadership in safety, health and wellbeing.

The Global Safety and Health Policy is based on **five principles that govern all activities and are shared and extended to all partner companies:**

Occupational Health and Safety Management System

As part of the Naturgy Group, GPG has implemented an **Occupational Health and Safety Management System (OHSMS)** that has been audited and certified by third parties. This system is common across the Group and has been developed in collaboration with all business units, with a particular focus on high-risk areas.

The system covers 100% of employees, as well as workers who, although not directly employed, carry out their activities at Naturgy-owned work centres. Moreover, the OHSMS is integrated with Naturgy's existing quality and environmental management systems and is governed by the ISO 45001 standard, with certification and audits conducted by independent third parties.

To verify compliance and effectiveness, as well as adherence to legal requirements, both internal and external audits are carried out annually, alongside safety diagnostics.

TÜV Rheinland is the entity responsible for conducting these audits and certifications. All external audits performed by this internationally recognised organisation have concluded with a positive assessment of the system's implementation and integration across all audited processes. The system is effectively maintained and complies with current legislation, with a focus on improving occupational health and safety performance.

Additionally, the re-certification audit of **the Healthy Organisation Management System was conducted by AENOR, covering the model in Spain, Brazil, Mexico and the Dominican Republic**.

The scope of this system is global, encompassing all businesses and countries in which Naturgy operates, and is structured around five key areas of action.

The development of the Occupational Health and Safety Management System is structured around the following elements:

- An integrated occupational health and safety management system, audited and certified by third parties, covering all business areas.
- The integration of safety and health throughout the value chain, including procurement, activity planning and facility design.
- Action plans to address the most critical aspects, ensuring the implementation of preventive and/or corrective measures and strategic workstreams and training pathways and requirements tailored to each job role.
- Standardised monitoring tools for the assessment and tracking of risks, legal requirements, accidents, lessons learned and their dissemination.
- Periodic reporting of health and safety performance, adapted to the needs of different stakeholders, with transparent and clear communication.
- Compliance with relevant international occupational health and safety standards, such as ISO 45001. Consultation and participation of employees or their representatives.
- A commitment to the continuous improvement of the occupational health and safety management system.
- The establishment of quantitative objectives to improve occupational health and safety performance, linked to the monitoring of indicators and action plans derived from incidents and accidents.

Healthy Organisation Management model

In 2024, GPG enhanced its Healthy Organisation Model, originally certified in 2022, evolving its management system towards a high-level organisational structure. This reflects its commitment to international principles and recommendations, with the aim of continuously promoting and protecting the health, safety and wellbeing of its employees, their families and the communities in which it operates. This effort involves the active participation of all stakeholders.

To ensure that the Healthy Organisation Management System remains effective and continues to meet the conditions under which certification was granted, AENOR conducts annual follow-up audits throughout the validity period of the certificate.

At Naturgy Group level, work has also been carried out to integrate the Healthy Organisation Model into the company's overall management system. The implementation of this model at GPG covers Spain, Mexico and the Dominican Republic.

The system is based on the AMFE methodology (Failure Mode and Effects Analysis) to assess the factors influencing a healthy organisation, allowing for the integration of four key dimensions:

- Health and safety of the organisation's people
- Lifestyle
- Culture focused on organisational wellbeing
- Commitment to the community

Employee access to information on health-related matters within the company

GPG ensures that employees have access to all information related to health matters within the company. Health officers implement a personalised and committed approach to health and wellbeing, which—depending on the country—involves both the intervention of healthcare professionals and the individual and collective awareness of employees, extending its influence to the family environment.

GPG's commitment to health and wellbeing also extends to other stakeholders, such as customers and local communities. Examples of this commitment include energy and environmental volunteering initiatives, as well as the company's strategic commitments to environmental protection and carbon footprint reduction.

To facilitate communication between employees and the integrated health team, GPG has made several channels available:

- **Employee Support Service (SAE):** Employees can access health services directly by requesting an appointment through the SAE, which is designed to address health-related queries and requests.
- **Communication**: Significant efforts are made to strengthen the company's culture of health and wellbeing through awareness and communication campaigns. The aim is to raise awareness among employees and their families about the importance of looking after their health and preventing issues in order to ensure future quality of life. In 2023, this channel was used on a daily or weekly basis to inform employees about the most relevant topics.
- **Training**: The health model implemented by GPG has led to the development of dedicated content within the Group's Corporate University, including key training pathways focused on health and wellbeing.
- **Intranet**: Employees have access to content related to comprehensive health care, such as nutrition, mindfulness, and musculoskeletal injury prevention, among others.
- **My Benefits Portal:** This portal, accessible from various devices (PC, tablet, and smartphone), enables employees to access a range of health-related services, including health insurance and policies, as well as educational content (videos and health contacts).
- **Consultation and Participation**: All actions and campaigns included in the annual health plan are presented to the Health and Safety Committee, allowing employee representatives to express their views on the proposals made by the health team, raise questions, and suggest health campaigns of interest.

In addition to these initiatives, GPG carries out campaigns and actions aimed at promoting greater personal, physical, and emotional wellbeing, as well as addressing health risk and stress factors.

For workers who are not directly employed by GPG but whose work or workplace is under the organisation's control, GPG shares its internal health protocols and procedures with external prevention services, providing suppliers with clear guidelines for addressing potential health issues. Through these actions, GPG reinforces its commitment to the health and wellbeing of its employees, their families, and the communities in which it operates.

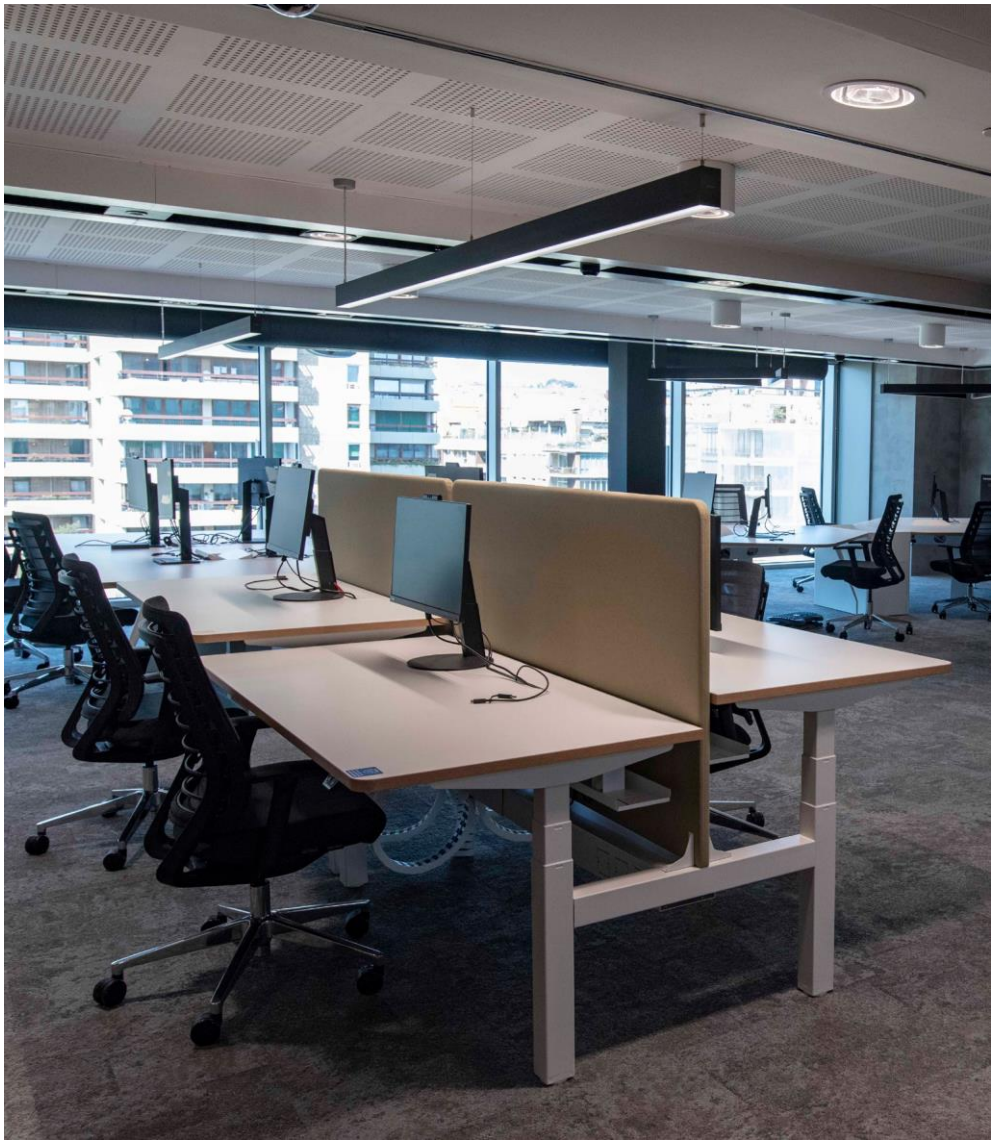
Absenteeism

Absenteeism means any kind of absence by an employee from work, which may be caused by a justified reason, sick leave or leave due to illness, or for unjustified reasons on the part of employees.

The hours lost in GPG during the year 2024 are shown below::

Country	2023	2024
Costa Rica	64	1,096
República Dominicana	2,596	1,256

*** Note**: For activities carried out in Australia, Brazil, Chile, Panama, Mexico, and Spain, there is no specific disaggregated data available on absenteeism among GPG employees. Instead, lost hours are reported at the Naturgy Group level in its 2024 Non-Financial Information Statement (EINF), with GPG employees representing a relatively small proportion of the total workforce in many of these countries. GPG and Naturgy are working to improve and integrate this information in future reports.



7.3 Customers

Satisfaction and incidences

For GPG, customers are at the core of all company activities and strategies. GPG acknowledges that the success and sustainability of its business depend directly on customer satisfaction.

To understand and improve customer perception regarding the extent to which their expectations, objectives, and requirements have been met, the organisation conducts a rigorous customer satisfaction assessment.

This assessment applies to all services and activities carried out by GPG that have an impact on customers, and is conducted through annual surveys. The key phases of the process are summarised below:

Development of Satisfaction Surveys: GPG designs a satisfaction survey model which is sent annually to its customers.

- **Monitoring and Analysis of Results:** Once the completed surveys are received, GPG monitors and analyses the results to assess customer perception. The findings are consolidated and incorporated into Management Review Reports prepared under the Integrated Management System, enabling the identification of areas for improvement and the implementation of appropriate measures to maintain high levels of customer satisfaction.
- **Corrective and Preventive Actions**: When satisfaction scores fall below 7, GPG initiates corrective and preventive actions within its management system. Customer observations and comments are actively managed, and corrective and preventive measures are implemented where necessary to address any identified deviations and improve the service provided.
- **Audits and Evaluations:** To ensure the effectiveness of the satisfaction system, GPG conducts annual audits and evaluations. These audits verify that the customer satisfaction system remains effectively implemented and assess the effectiveness of the corrective actions taken.
- **Communication and Participation:** GPG maintains constant communication and active engagement with its customers, efficiently managing any complaints or claims. Periodic meetings may also be held with customers to closely monitor the results of the satisfaction process and address any concerns. These meetings also serve to verify the effectiveness of the actions implemented.
- **Extension of the Model:** GPG's customer satisfaction evaluation model is applied to both commercial and non-commercial customers. In plants where direct surveys are not feasible, indirect surveys and other methods are used to assess customer satisfaction, ensuring that all GPG units and operations are aligned with customer satisfaction standards.

This comprehensive and meticulous approach enables GPG to maintain high levels of customer satisfaction, ensuring continuous improvement of its services and compliance with the highest quality standards. As a result**, in 2024, overall customer satisfaction with the quality of GPG's service reached 9.7**.

7.4 Social responsibility

Social responsibility in GPG

The Corporate Responsibility Policy is aligned with the Sustainable Development Goals and is based on five core principles that govern all actions, reinforcing the social dimension of the company's sustainability model.

https://www.globalpower-generation.com/en/news/

Naturgy's Corporate Responsibility Policy provides a common framework for action and guides the socially responsible behaviour of all companies within the Naturgy Group. The main objective of this Policy is to define the principles of conduct and commitments towards its stakeholders, in alignment with the company's corporate strategy, reinforcing the social dimension of its sustainability model.

GPG views Social Responsibility as a set of actions designed to establish stable, strong, and mutually beneficial relationships with its stakeholders and the regions in which it operates. This responsibility is reflected in its commitment to economic and social development, contributing knowledge, management capabilities, and allocating resources to social investment.

Naturgy's Human Rights Policy includes respect for communities and the improvement of their living conditions. Compliance with this policy involves assessing the social impact of the company's activities and defining initiatives and programmes to manage the identified social impacts on surrounding communities. GPG's priority is to generate a positive social impact in the areas where its facilities are located.

The Group has a **Social Management Model**, derived from the Corporate Responsibility Policy and implemented at GPG, which embodies the company's social commitment in the territories where it operates. This model is based on a simple, flexible, and practical approach, and aims to ensure an appropriate social response and create shared value.

The model is based on four principles:

- **We are part of the community:** We recognise, respect, and protect local values and identities.
- **We communicate as equals**: We promote early and transparent communication and open accessible channels for active listening, as a first step towards community empowerment.
- **We create shared value:** Together with the community, we promote initiatives that improve the quality of life in our surroundings.
- **We offer opportunities**: We act as a driver of local development and a lever for supporting local employment and training in the sector.

Main actions

(https://www.globalpower-generation.com/en/news/)

Social management in Australia

GPG's most significant business growth has taken place in Australia, with the commercial commissioning of three wind farms and one solar photovoltaic plant with battery hybridisation, as well as the construction of two additional solar plants. This intense activity has been complemented by the development and implementation of a specific Social Management Model, which begins during the project development phase and continues throughout the operational phase, focusing on ongoing communication with the most relevant local stakeholders.

Some of the most notable initiatives within these programmes include:

Community benefit actions: Activities involving local residents in community events such as the Smoking Ceremony, the Community Open Day, collaboration with the Melbourne Royal Children's Hospital, and sponsorship of festivals in the Crookwell 2 area.

- Appointment of a dedicated person to lead the community engagement programme and the creation of a community engagement committee for each project.
- Training and internship programmes.
- Scholarship programmes in collaboration with various universities.
- Project website..

Social Management in Mexico

GPG maintains ongoing collaboration with local communities, with the following initiatives standing out by facility:

- **Bii-Hioxo Wind Farm:** GPG has made several donations of materials and social assistance vouchers to support vulnerable populations in nearby communities. The organisation has also supported fishing cooperatives in the Séptima Sección through voucher donations and has carried out road rehabilitation works, as well as the preservation of Zapotec and other indigenous cultures through the restoration of sanctuaries.

- **Tuxpan Combined Cycle Power Plant**: The community engagement plan continues along the state road known as the “Kilometre Road”, from kilometre point 0.000 to 16.000. GPG has developed activities such as the Xalag Chuchut Water School and various initiatives to strengthen the Nakú Kayám Villamar Sea Turtle Camp.

- **Durango Combined Cycle Power Plant:** Highlights include collaboration with the Bebeleche Museum, the Adopt a School Programme, and support for the Disability Care Area.

- **Naco Nogales Combined Cycle Power Plant**: The community support plan has focused on education and the protection of the educational community. Initiatives have included training and development for youth volunteers, life skills and purpose workshops for students, and support for the high school’s student canteen.

- **Hermosillo Combined Cycle Power Plant**: GPG has participated in the Adopt a School Programme, supporting La Cholla Primary School and CECYTES High School. It has also carried out team-building initiatives with partner companies at the plant, as well as volunteering activities involving its own employees.

Social management in Brazil

GPG has continued the implementation of the Quilombola Basic Environmental Project (PBAQ), associated with the Sobral I photovoltaic plant located in the municipality of São João do Piauí (Piauí, Brazil), with the aim of creating shared value and generating a positive social impact in the territories of Riacho dos Negros and Saco / Curtume. The project includes several lines of action, with the following specific initiatives already carried out:

- Restoration of local infrastructure for community use, such as water pumps and public lighting.
- Launch of a productive project based on the region's beekeeping activities.
- University and technical education scholarships

Social management in Dominican Republic

In the Dominican Republic, GPG has developed social initiatives related to:

- Donation of electronic equipment, materials, and services for the creative workshops of Canillitas con Don Bosco.
- Repair of the fire truck belonging to the Pedro Brand municipal fire department.
- Lighting project for the main road aimed at preventing accidents and minimising the risk of vandalism.

Social management in Chile

In Chile, the following social initiatives stand out:

The **Cabo Leones II Wind Farm,** through its territorial community engagement management area, has developed a dynamic working tool to establish formal and sustainable long-term relationships with local communities. Its design includes annual applications for funding of social projects.

At the **San Pedro I & IV solar photovoltaic plant**, Resolution Exempt No. 260 established a commitment to collaborate with the "Desert and Renewable Energy Interpretation Centre" to be developed by *Los Vientos S.A* wind farm. This collaboration involves equipping one of the Centre's rooms with mural decorations (four murals), visual projections on two screens or wall-mounted TVs, and two photovoltaic modules. The materials were accepted by the Centre's managing entity on 7 July 2023.

Volunteering

As a demonstration of GPG's commitment to people and the environment, the organisation takes part in the volunteering activities organised by the Naturgy Group, of which it is a part. These activities are structured around three areas: energy, social, and environmental.

At the Naturgy Group level, corporate volunteering involved more than 1,244 volunteers in 2024, across all the geographies where the Group operates, including those where GPG is present.

It is worth highlighting that 12,700 people benefited from these initiatives in 2024 alone, during which 2,014 volunteering actions were carried out—50% more than the previous year—representing a total of 6,424 hours of dedication.

It is worth highlighting the creation of the 'Día Solidario' (Solidarity Day) in 1997 by employees across all Naturgy Group businesses, including GPG. This is a non-profit association whose social purpose is to promote education and training for children and young people, and to improve the living conditions of the most disadvantaged communities in the countries where the Naturgy Group operates.

The initiative consists of a voluntary donation by participating employees of one day's salary per year to fund projects aimed at promoting education and training for children and young people in the countries where the company is active. Naturgy Group matches the amount raised by employees with an equal contribution and covers all administrative costs, ensuring that 100% of the funds go directly to the selected annual project. In total, around 1,007 employees worldwide took part in this initiative in 2024.

Employees of the Group donated €188,475 from their salaries, and the company made an additional contribution of €376,950.

Throughout the year, **Día Solidario funded the education of 3,302 students in school, technical, and university programmes**, as part of ongoing projects being implemented in several countries.

Some examples include:

Mexico

- In the **Municipality of Tuxpan**, the "Open-Air Secondary Education" Project: This initiative provides scholarships to students aged 14 to 18 attending a Telebachillerato centre in Tuxpan (Veracruz). Each student receives a biannual grant to cover school maintenance costs, educational materials, transport, meals, and uniforms. In 2024, a total of 131 students were awarded scholarships.

- In the **Municipality of Tuxpan**, the spin-off project "With Día Solidario I'm Going to University": This programme offers scholarships to Telebachillerato students in Tuxpan (Veracruz) who complete their studies with high academic performance and wish to pursue university education. In 2024, the programme supported 70 beneficiaries.

- In **Agua Prieta**, the project "Día Solidario Scholarships for Extended Secondary Education in Agua Prieta" – Vecinos Dignos APSON: This initiative provides scholarships to secondary school students from the following educational centres in Agua Prieta (Sonora, Mexico): CONALEP, CBTIS #82, COBACH, and CAED, with organisational support from the association "Vecinos Dignos APSON". In 2024, a total of 128 scholarships were awarded.

Dominican Republic

- **"Don't Give Up on Your Dream" Project** – CENAPEC: This initiative provides scholarships to 75 teenage mothers to complete their secondary education. The programme is delivered in a hybrid format—both in-person and online—and prioritises women from the Palamara and La Vega areas. It has a duration of three years, extendable to five. Students have been selected from Year 8 of primary school up to the final year of secondary school, with the aim of ensuring all participants complete their education. A total of 78 students have started the programme.

- **"Support for University Studies for Vulnerable Women" Project** – EHPMAB: This project provides scholarships to six women to pursue and complete university studies. The beneficiaries are former students of a boarding school who have already completed their secondary education. A total of six women are receiving support through this programme.

- Additionally, the association continued its initiative to donate computers that are being replaced by employees but remain in perfect working condition. These devices are distributed to organisations and schools that use them to help reduce the digital divide among vulnerable populations. To date, more than 1,000 computers have been donated to over 40 organisations across Spain, Chile, Panama, and Portugal.

8 Governance

Governance

8.1 Business Culture

Corporate culture

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

For GPG, it is essential to foster a culture that prioritises sustainability, integrating it across all operations and business areas through two strategic lines:

- **Promoting innovation** to optimise energy efficiency, exploring and developing clean technologies and new sources of renewable energy. The aim is to enhance and expand operations to achieve maximum performance while minimising environmental impact.
- **Implementing clear policies** that reinforce integrity and honesty among all employees at every level and in all business interactions and operations. Transparency in GPG's actions is fundamental to the organisation's optimal development and to demonstrating its commitment to sustainability and ethics to its stakeholders.

The regulatory framework is based on the Ethical Code and complemented by, among others, the Supplier Code of Ethics, the Compliance Policy, the Criminal Prevention Model, the Anti-Corruption Policy, the Tax Policies, the Human Rights Policy, and other standards and control models that ensure operational effectiveness, mitigate key risks across the company's areas of activity, and guarantee business continuity.

Acting as an ethical company requires strict compliance with tax obligations. To this end, we have a Tax Strategy and a Policy for the Control and Management of Tax Risks, which sets out the basic principles that must guide our tax function, as well as the main lines of action to mitigate and properly manage tax risks.

Furthermore, our commitment to integrity involves not only understanding and managing our own risks but also considering and incorporating into decision-making the potential risks that the company's activities may pose to individuals. With this premise in mind, the Human Rights Policy takes on relevance. Through its ten commitments, it considers the stakeholders who may be affected by our activities, with special attention to the most vulnerable groups.

Supplier relationship management

GPG considers its suppliers and partner companies as key players in ensuring the optimal functioning of its value chain. Therefore, it seeks to maintain relationships based on trust, stability, and mutual benefit, underpinned by transparency and risk management.

Supplier selection is carried out through objective and impartial evaluation mechanisms, common to all Naturgy Group businesses, ensuring that the supply chain complies with the principles set out in the Supplier Code of Ethics. All suppliers must adhere to this Code, which is derived from Naturgy's Ethical Code, the Human Rights Policy, the Health and Safety Policy, the Environmental Policy, and the Anti-Corruption Policy, as well as internationally recognised good governance principles.

This approach is essential because GPG may be affected by its suppliers' practices in areas such as environmental protection, health and safety, human rights, and anti-corruption. The management of these risks is integrated into the company's global supply chain management model, which is based on assessing the inherent risk factors associated with outsourcing services or supplying products. This enables the establishment of controls to minimise risks and ensures that suppliers meet compliance standards equivalent to those required internally by the Group.

GPG carries out procurement of works, goods, and services, as well as supplier evaluation, monitoring, and development, in accordance with the general principles set out in Naturgy's policies, standards, and procedures. This guarantees a homogeneous, efficient, and sustainable model that goes beyond mere regulatory compliance.

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

- Extending its corporate culture to the supply chain, promoting a focus on excellence and the efficient use of resources and processes.
- Promoting compliance with Naturgy's policies throughout the supply chain, particularly in areas such as human rights, ethics, health and safety, and remuneration.
- Encouraging the hiring of local suppliers, generating employment in the areas where activities are carried out and supporting the local economy.
- Implementing practices that promote traceability and fair trade in the sourcing of materials.

The procurement and supplier management model establishes a unified and universal management process across all areas of Naturgy's operations, including GPG. Key processes within these functions are centralised to ensure global coordination and to identify opportunities for improvement. 100% of supplier contracts based on the standard contractual model include these clauses. The global general terms and conditions of procurement, along with country-specific conditions, are published on the Group's respective websites.

GPG supports the generation of positive social impact by promoting the hiring of suppliers from the countries or regions where it operates, preserving the Group's reputation and ensuring that Naturgy's sustainable principles of conduct are upheld throughout procurement and contracting processes.

Key elements in supply chain management include:

- **Corporate Responsibility Policy**: Establishes the commitments and actions for the sustainable management of the supply chain.
- **Supplier Code of Ethics:** All suppliers must adhere to this Code in order to provide any service.
- **Human Rights Policy:** Supplier evaluations include questions related to human rights practices, which are exclusionary in cases of unsatisfactory responses. In 2023, no breaches of human rights were identified among suppliers.
- **Transparency in procurement and communication with suppliers:** Ensures free competition, objectivity, impartiality, transparency, and traceability throughout the entire procurement process, using secure electronic systems to manage all tenders.
- **Notification channel**: Enables suppliers and companies to contact GPG via the web-based channel.
- **Coordination of business activities**: GPG ensures compliance with occupational risk prevention legislation with its suppliers in the countries where it operates. It guarantees that activities are carried out in accordance with Naturgy's five core principles on health and safety. The *Controlar* tool facilitates monitoring and document control during the execution of works.
- **Environmental sustainability**: Procurement processes include criteria for progressively assessing suppliers' carbon footprint during tendering and performance evaluation.

Currently, suppliers of services or products considered to pose a **high climate risk** or involving large-scale procurement are required to provide a **carbon footprint certificate** as part of the tendering process. Additionally, these suppliers must report annually to the company on their **climate performance by completing the CDP Supply Chain questionnaire**.

For all other tenders, suppliers are given the option to voluntarily include, as part of their technical offer, a certificate verifying the measurement of their carbon footprint issued by an accredited entity. This certificate is positively assessed by Naturgy during the award decision process.

Corruption and bribery

Corruption and bribery not only pose significant legal and financial risks but can also irreparably damage the company's reputation and erode the trust of investors and stakeholders. In a business environment where transparency and ethics are increasingly valued, preventing corruption and bribery is essential to the long-term success and sustainability of GPG's operations and economic activity.

Naturgy's Compliance Management Model encompasses all company actions aimed at ensuring adherence to the principles of integrity and trust. To this end, Naturgy has developed a model based on a series of commitments expressed through policies, supervisory bodies, and safeguarding mechanisms that apply across all business units, including GPG.

The Ethical Code, together with other policies and standards, and the Compliance Policy, sets out the principles and values that must guide employees in the performance of their duties. It also outlines the various channels and mechanisms available to employees for resolving concerns or reporting behaviours that do not comply with these policies. Some of these policies include:

- **Compliance Policy:** Defines the roles and responsibilities within the management system to promote a culture of compliance and zero tolerance for regulatory breaches, ensuring the prevention, detection, monitoring, training, and response to regulatory requirements to avoid potential sanctions or reputational damage.
- **Anti-Corruption Policy:** Establishes the principles that employees and directors must follow in their conduct and behaviour in relation to any corrupt practices within the company.
- **Business Courtesy Policy:** Establishes the conditions under which employees and directors may accept or offer courtesies to business counterparts in the course of their professional duties, to avoid any undue influence on business relationships.
- **Conflict of Interest Policy**: Sets out the guidelines employees must follow in situations involving conflicts of interest, based on the principles of loyalty and the protection of the company's interests.
- **Counterparty Due Diligence Procedure:** Ensures that all Naturgy Group businesses carry out effective corruption and reputational risk assessments and follow-up when third parties are involved in the Group's business relationships.
- **Supplier Code of Ethics:** Regulates the conduct expected from suppliers and external collaborators.
- **Internal Information System Policy and Management Procedure:** Establishes a set of guidelines and procedures for managing and protecting internal information, safeguarding whistleblowers, and ensuring the integrity, confidentiality, and availability of information so that it is used efficiently and securely.

In addition, the Group has a supervisory body and safeguarding mechanisms in place to ensure the proper functioning of these policies and to minimise potential risks arising from non-compliance.

The Ethics and Compliance Committee plays a key role in promoting and enforcing the principles and values set out in the Ethical Code, ensuring compliance and providing guidance to those who require it.

Its responsibilities include disseminating the Ethical Code through various internal communication channels to keep employees informed about ethical policies and any relevant updates. The Committee also monitors compliance with measures through regular follow-up meetings and reporting on the status and progress of these measures. In addition, it is supported by a dedicated compliance unit responsible for overseeing adherence to external regulations and internal policies across the Group.

In terms of **safeguarding mechanisms**, the compliance management model includes a series of tools designed to minimise potential risks arising from non-compliance. Some of these mechanisms, not previously mentioned, include:

Criminal Prevention Model: International in scope and updated annually, this model consolidates policies, procedures, and internal controls to identify, prevent, and mitigate the risk of criminal offences being committed by personnel within the company.

In addition to all **anti-fraud and anti-corruption policies and plans**, GPG has mechanisms in place to prevent, detect, and address potential breaches related to anti-money laundering. These include annual audits, an internal information control system, a sanctions regime, among others.

- **Awareness and training initiatives:** Regular training activities are carried out to promote the organisation's commitment to anti-corruption and to ensure that all employees and stakeholders are properly informed and familiar with existing procedures and tools.

Whistleblower protection is crucial to maintaining a culture of transparency, ethics, and accountability. Naturgy has implemented robust mechanisms that allow individuals to report cases of rights violations or misconduct, while protecting those who report inappropriate or illegal behaviour.

Aware of the potential risks related to the integrity of the company, its employees, suppliers, and individuals associated with the organisation, GPG has established a series of policies and procedures that govern the ethical conduct of these parties.

8.2 EU Taxonomy

The taxonomy is a classification system developed by the European Union to provide a common framework for investors and companies to distinguish which economic activities can be considered environmentally sustainable and which have a negative impact on the environment. It also supports compliance with the EU's climate objectives, the Paris Agreement, and the United Nations Sustainable Development Goals.

Specifically, the taxonomy aims to mitigate the contribution of activities to climate change, reduce adverse impacts arising from current or future climate conditions, and support adaptation to these challenges. It is based on the sustainable use and protection of natural resources—such as water, ecosystems, and biodiversity—while promoting a transition to a circular economy and preventing and controlling pollution, with particular attention to the protection and restoration of biodiversity and ecosystems.

The taxonomy defines two types of activity:

- **Eligibility**: An activity is considered eligible if it is included in the lists of Delegated Acts (published in 2021, 2022, and 2023).
- **Alignment**: A subset of eligible activities that are listed and meet the criteria for substantial positive contribution to environmental objectives, do not cause significant harm to other objectives, and comply with social safeguards.

Although GPG's business is located outside the European Union, it has adopted this regulation and analysed five of its main energy generation activities, establishing a process with a series of steps to assess the applicability of the taxonomy to its operations.

The activities analysed include:

- 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 organisation has carried out an assessment based on the following applicability criteria established by the taxonomy:

1. **Identification of eligible economic activities**: All activities carried out by GPG are identified, indicating whether they are included in the list of eligible operations published in the Delegated Acts or whether they are aligned. The five activities analysed meet the eligibility criterion, as they are listed under Section 4 of the document.
2. **Substantial contribution to an environmental objective:** The eligible activities identified in the previous step are analysed in detail to determine and verify compliance with the specific technical criteria established to measure substantial contribution to climate change mitigation.

   The most relevant criteria used in this analysis are climate change mitigation and adaptation.

   a. ***Climate change mitigation:*** For GPG, renewable energy generation facilities are technologies that avoid CO_2 emissions. In the case of the battery energy storage project, it also meets the criterion for substantial contribution to climate change mitigation.

b) ***Climate change adaptation:*** The analysis to confirm substantial contribution to this objective was based on the results of physical climate risk assessments and the adaptation solutions and plans implemented at facilities where material risks were identified.

A quantitative risk analysis was carried out by business area and facility type, considering various climate scenarios. For facilities where material risks were present, existing measures were reviewed to verify compliance with requirements such as not adversely affecting other adaptation efforts or stakeholders, and ensuring consistency with existing strategies and plans.

Regarding adaptation measures, it is important to note that facilities are designed to operate under extreme weather conditions and have specific protocols in place for responding to adverse weather alerts, incorporating applicable risk control measures. These protocols are complemented by emergency and self-protection plans, which are updated regularly.

3. **Do No Significant Harm (DNSH):** Once an activity is deemed eligible, it undergoes further analysis to determine whether it is aligned with the taxonomy. This includes assessing several criteria:

   - Climate change mitigation: Greenhouse gas emissions from activities are analysed.

   - Climate change adaptation: Naturgy has been working on climate risk assessments in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In order to **assess physical risks**, a qualitative and quantitative risk analysis has been carried out by activity, technology, and type of facility, in collaboration with Management Solutions (MS), under various climate scenarios. According to Naturgy's corporate risk criteria, a risk is considered significant when the financial impact exceeds EUR 5 million.

In 2024, **the only identified risk was that of extreme winds affecting wind farms and photovoltaic plants in Australia**. Gusts exceeding 110 km/h may cause damage to renewable generation infrastructure and result in loss of earnings due to production stoppages caused by such damage at renewable generation facilities in Australia.

Transition towards a circular economy: the availability of highly durable and recyclable equipment and components is assessed, along with ease of disassembly and refurbishment, among other factors. Facilities are designed for a long service life, and dismantling is considered in project planning, with priority given to the recovery and reuse of components. Environmental specifications for suppliers and contractors are included in procurement processes, detailing specific requirements regarding waste management and the use of recycled materials. It is worth highlighting that General Standard NG.00010, Global Environmental Policy, and the 2021–2025 Sustainability Plan regulate and establish the environmental guidelines to be followed by all Group facilities and activities, setting ambitious waste-related targets that also apply to GPG's operations.

- *Pollution prevention and control:* Where applicable, measures and resources are in place to prevent potential accidental spills or other forms of pollution, as well as to minimise their impact and control them should they occur. All facilities are equipped with procedures for responding to extreme weather conditions, spill response kits, and Emergency and Self-Protection Plans.

- *Protection and restoration of ecosystem biodiversity:* To assess this criterion, it is necessary to verify that the facilities have an environmental impact assessment and that preventive and corrective measures have been implemented. In the case of GPG, none of the facilities are located in areas considered sensitive in terms of biodiversity (e.g. UNESCO World Heritage Sites, Key Biodiversity Areas, or other protected areas). It should be noted that the legislation governing environmental impact assessments varies depending on the country in which the facility is located. All facilities have the relevant authorisation and supporting environmental documentation. Specifically, for Australia and Chile (projects with more recent permits), the application files and associated documentation are available on publicly accessible websites. Regarding the implementation of corrective and preventive measures, monitoring is carried out at each facility and an annual report is prepared detailing the status of implementation. These reports are submitted to the authorities and include an assessment of compliance with the conditions set out in the permits.

4. **Social safeguards:** The organisation's policies and procedures are reviewed to ensure compliance with the requirements of the Delegated Act. Among the policies analysed are the Code of Ethics, the Global Human Rights Policy (notably the due diligence process carried out for the Ryan Corner wind farm project in Australia, which is applicable to other projects in the country), the Corporate Responsibility Policy, among others.

Implementation of a Social Management Model: GPG has implemented a Social Management Model across its facilities, aiming to integrate social management as a core discipline throughout the entire lifecycle of renewable generation projects. GPG is committed to people, their development, and the promotion of safe and healthy working environments, as detailed in Chapter 7 of this Report.

5. **Calculation of financial metrics:** Financial metrics are calculated for each economic activity according to the classification established in the previous steps. These include the calculation of turnover, CAPEX, and OPEX.

Following the analysis of all criteria defined for each of GPG's activities, all are considered eligible and aligned with climate change mitigation. The next step involves defining financial metrics using consistent criteria established by Naturgy for all businesses with eligible and aligned activities. In line with these criteria, and in general terms, CAPEX at GPG includes investments in new renewable projects, covering pre-construction permitting processes and investments in innovation and development related to any eligible and aligned activities. For OPEX, expenses related to the operation and maintenance of these facilities—classified in the system as Repair and Maintenance—have been included.

In 2024, the reported values for these metrics were a CAPEX of €312 million and an OPEX of €15.6 million.

GPG aims to generate a cumulative eligible and taxonomy-aligned CAPEX from 2022 to 2025, focusing on the direct value in MUSD of eligible CAPEX rather than the percentage. **For 2024, the results show a value of 988 MUSD, with the 2025 target set at over 1,800 MUSD.**

8.3 Tax information

Profits earned

GPG is firmly committed to fulfilling all its tax obligations, ensuring the payment of taxes in accordance with the regulations in force in each country where it operates.

This commitment reflects not only legal compliance but also a fundamental principle of corporate responsibility and business ethics.

Tax compliance is a key component of GPG's corporate social responsibility, demonstrating the integrity of its operations and its commitment to ethical business practices.

Paying taxes fairly contributes to the economic and social development of the communities in which the company operates, while maintaining a transparent payment policy helps strengthen investor and stakeholder trust.

In doing so, the organisation also ensures compliance with tax obligations and minimises the risk of legal sanctions, thereby protecting the company's reputation against potential tax-related controversies.

To maintain transparency and ensure compliance, GPG regularly reports detailed information on its pre-tax profits and taxes paid in each territory where it operates.

The main financial figures of GPG, as published in Naturgy's Consolidated Annual Report and in GPG's Financial Statements, are:

Millions EURO	Thermal generation LATAM		Renewable Generation LATAM		Renewable Generation Australia	
	2023	2024	2023	2024	2023	2024
INCN	777	775	155	155	15	49
Procurement	(441)	(390)	(8)	(23)	-	(1)
Gross margin	336	385	147	132	15	48
Other operating income	--	2	15	13	--	--
Workforce costs	(25)	(20)	(14)	(15)	(4)	(5)
Taxes	(1)	(1)	(3)	(2)	(1)	(1)
Operating expensives	(40)	(43)	(38)	(40)	(15)	(6)
EBITDA	270	323	107	88	(5)	36
Depreciation, provisions	(252)	(78)	(55)	(32)	(21)	(30)
EBIT	18	245	52	56	(26)	6

In 2024, **the EBITDA from thermal generation (Mexico and the Dominican Republic)** reached €323 million, representing a 19.6% increase compared to 2023. This growth was mainly driven by performance in Mexico, due to higher revenues from the Capacity Balance Market following the 2023 settlement, increased capacity payments, and PPA contract sales. These results were partially offset by a negative exchange rate impact of €3 million. Additionally, negotiations are underway to extend long-term energy sales contracts with the Federal Electricity Commission (CFE) beyond 2027.

For renewables in **Latin America (Mexico, Brazil, Chile, Costa Rica, and Panama),** EBITDA amounted to €88 million, 17.8% lower than in 2023, affected by reduced margins in Chile and the end of the La Joya concession in Costa Rica. Mexico also experienced a drop in production due to lower wind resource availability compared to 2023. Brazil's performance remained stable, while Panama benefited from favourable hydrological conditions during the year. The exchange rate impact was moderately negative, totalling €2 million.

In **Australia**, EBITDA stood at €36 million, compared to a negative contribution of €5 million in 2023. This positive evolution was mainly driven by increased installed capacity.

In 2024, GPG did not receive any public subsidies for business development, operations, expansion projects, infrastructure development, or technology.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