

ESG POLICY

We connect people to green energy



1. Object

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

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

Since 2022, the company has been part of the United Nations Global Compact, the world's leading corporate sustainability initiative. ESG commitment is perfectly integrated in Holaluz's culture and is part of the company's daily activity. This Policy reinforces Holaluz support for Universal Declaration of Human Rights, developed in the [Human Rights Policy](#), and respect of Holaluz's Code of Ethics as essential elements that inspired the principles on which the company's activity is based.

2. Scope

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

3. Creating sustainable long-term value

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

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

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

Holaluz is an energy transition company founded with the goal of decarbonizing the economy and the firm purpose of creating a world powered 100% by green energy. The current climate emergency requires the adoption of urgent and sustainable long-term solutions. Holaluz proposes a structural change: transforming the existing centralized and non-renewable energy generation model into a new model with a greater emphasis on distributed and 100% green generation.

Based on a unique two-business strategy—solar panel installation and energy management—Holaluz aims to create the largest green energy community in Europe by unleashing the full potential of electrifying energy demand through the development of distributed solar energy and storage. Holaluz is creating a virtuous circle that connects rooftops with nearby communities that collect the green surplus from their solar installations. All of this increases the company's positive impact while democratizing access to clean, local energy by leveraging the use of the local grid.

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

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

- **#EsPossible**². Finding the way is how Holaluz makes the difference. There is ALWAYS a way to get done whatever it takes to move a step further towards a planet run by the sun.
- **#KeepRowing**. Things get hard. So, it takes an aligned, focused, and strong team to keep up.

² Translation into English would be #It'sPossible

- **#AlwaysPeopleFirst.** Holaluz is built by people working for people, working with people.
- **#SayThingsAsTheyAre.** Transparency in all actions towards customers, team members and partners is the most powerful tool to build up what makes Holaluz unique: trust.
- **#HaveFun.** Changing the world is a long and passionate journey. Having fun along the way makes Holaluz even more creative and powerful.

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

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

The company is committed to respect and promote internationally recognized human rights through all its value chain. In this context has developed mechanisms to identify, prevent, mitigate and account for how to address the impacts on human rights as well as establish processes to enable the remediation of any adverse human rights impacts it causes or to which it contributes according to the recommendations of United Nations Guiding Principles of Business and Human Rights and has the Whistleblowing Channel as a public complaint mechanism..

4. Stakeholders' commitment and engagement

Holaluz is determined to continuously engage its stakeholders to its business operations and fully incorporate their expectations and insights into its sustainability initiatives. This is based on continuous communication through established channels, fostering transparent and meaningful dialogue with them that contributes to Holaluz's purpose. Holaluz updated its materiality analysis in 2022 considering the double approach, financial and impact (it plans to update this analysis in 2025). Some of Holaluz commitments with its principal stakeholders are highlighted below:

- **Team:** Holaluz is committed to a business model which trusts employees providing them with flexibility and autonomy to carry out their responsibilities within project and results-oriented approach, consequently reaching a better work/life balance and fostering health and safety wellbeing. Furthermore, Holaluz aims to empower women at the workplace and consequently focus on keeping a parity of representation in all areas and working teams of the company. Holaluz founders lead all the team to pursue Holaluz purpose.
- **Customers:** Holaluz follows a customer-centric approach. They are the beginning and end of everything the company does. Whatever Holaluz does, it must positively change the lives of its customers, this is Holaluz's "Customer Obsession". Holaluz is committed to provide the highest quality products and services to enable their transition towards renewable energy.
- **Business Partners:** Collaboration with business partners aligned with its interests and vision is imperative for Holaluz, sharing ethical and sustainability principles and commitment to follow the same practices across all supply chain.
- **Environment and climate change:** Holaluz is leading the energy transition through an impact business model responding to the global challenge of energy transition and climate change. The company has an Environmental Management System in place and is committed to protect the environment, including pollution prevention, efficient use of natural resources, the reduction of emissions, the proper management of their waste and other specific commitments relevant to the context of the organization; compliance with legal and other requirements and encouraging continuous improvement.
- **Financial community:** Holaluz is committed to company growth to achieve its goal of bringing renewable energy to its customers. Company commitment to its investors and shareholders is based on a transparent relationship as well as improving efficiency and productivity of a company's assets to maximize its return.
- **Media:** Holaluz's relationship with the media is guided by the principles of fairness, transparency, and the spirit of meaningful collaboration since it is essential to inform and inspire others to join the movement towards renewable energy.
- **Society and local communities:** Holaluz is genuinely committed to society through collaboration with a wide range of organisations and agents, fostering a community-led action as well as being an inspirational leader boosting technological innovation towards green energy and promoting inclusion.
- **Legislators and administrators:** Holaluz is committed with regulatory and public bodies to advance in public policies aligned with its purpose. The company works alongside

these regulatory entities following principles of good faith, transparency, honesty, cooperation. Besides, the company has proposed several regulatory changes, to foster competition and empower consumers.

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

- **B Corp Certification:** first European energy company to obtain the B Corp certification in 2018, which aims to transform the global economy for the benefit of all people, communities, and the planet.
- **Conscious Capitalism:** founding company of Conscious Capitalism in Spain, a philosophy that recognizes the innate potential for business to improve the world.
- **Confianza Online³:** is the leading Internet quality certificate in Spain which recognizes those companies that guarantee maximum transparency, security and trust when buying and browsing in their websites.
- **Baby Friendly Company:** first Spanish electricity company to obtain the Baby Friendly Company certificate, which recognizes companies that favour the conciliation between work and family life.
- **Sustainalytics:** the world's leading ESG and corporate governance research and rating agency, out of all the companies reporting worldwide, it placed in January 2023 Holaluz number one (less ESG risk) amongst direct peers in the Independent Power Production and Traders' category and it was recognized as top rated company within industry (utilities).
- **Ecovadis:** In 2023, the company was awarded the EcoVadis Gold Medal for its sustainability performance, achieving a score of 73/100.
- Operational excellence is achieved through the **implementation of certified management systems:** the Environmental Management System certified by ISO 14001 in main offices and warehouses, the Information Security Management System certified by ISO 27001 within the company, and the Greenhouse Gas Emissions Inventory certified by ISO 14064 across all three scopes.

³ Translation into English would be Online Trust

5. Governance Model

Holaluz has defined a governance structure to assure implementation of ESG commitments to unlock value generation drivers earning stakeholder's trust as well as assess non-financial risks. The company has set up the Impact Team, a transversal team as a responsible body for the definition and implementation of Impact & ESG Strategy aligned with ESG Policy commitments. Impact Team is made up of Holaluz's CEO and Co-Founder and Managers from all the teams in the company. As a result, Holaluz has these systems in place ensuring ESG Policy accomplishment, developed in detail in a ESG Strategy and non-financial risks supervision. Likewise, given the relevance of this issue within the company, the Board of Directors is the ultimate authority in this area, and among its duties is to review the progress of environmental, social, and governance aspects at its meetings.

6. Impact & ESG Strategy

Holaluz's Impact and ESG Strategy is aligned with Holaluz's vision of building Europe's largest green energy community by materializing the potential of electrifying energy demand through the extensive development of distributed solar energy and storage.

A people-centered strategy that contributes to addressing the most critical social and environmental challenges facing the planet, such as decarbonization, reducing energy dependence, generating quality employment, and promoting equality and diversity.



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

→ **Care for the planet**

- **Decarbonizing the economy (our world):** Leveraging solar power to reduce the carbon footprint of energy consumption contributing to a low-carbon economy.
- **Decarbonizing our own operations:** Demonstrating climate leadership through ambitious carbon reduction targets implementing sustainable practices.
- **Environmental protection:** Proactively minimizing our environmental impact across the entire value chain and advocating for broader environmental protection and regeneration.

→ **Team empowerment**

- **Culture and values:** Creating a collaborative work environment compromised on shared values
- **DEI (diversity, equality and inclusion):** Actively promoting equality, diversity and inclusion at all organizational levels within the organization.

- **Team well-being and development:** Prioritizing team well-being, offering professional growth opportunities and creating a nurturing work environment.

→ **Development and social welfare**

- **Customer obsession:** Maximizing customer satisfaction by exceeding expectations, delivering high-quality products/services and providing exceptional customer experience.
- **Promotion and respect for human rights:** Ensuring human rights respect and promotion throughout the value chain, actively addressing potential impacts associated with our activity.
- **Community development:** Contributing to local economic and social development, supporting community initiatives and collaborating with local stakeholders.

→ **Guiding with integrity**

- **Responsible leadership:** Upholding highest ethical business practices, ensuring compliance and promoting a corporate culture that values integrity and responsibility.
- **Responsible supply chain:** Ensuring a responsible supply chain by actively collaborating with suppliers to implement leading sustainability practices and collectively address global challenges.
- **Transparency and accountability:** Maintaining transparency through open communication about initiatives, progress and challenges, fostering trust and accountability.

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

7. Commitment to transparency

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

8. Responsibility, diffusion, and review

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

9. Approval and update

This ESG Policy has been approved by Holaluz's Board of Directors in its meeting dated 22 December 2021 and updated on June 06th, 2024.