

An aerial photograph showing a solar panel array being installed on a red-tiled roof. Two workers wearing pink helmets and black clothing are visible on the roof, working on the panels. The roof is surrounded by a concrete wall and some greenery. The background is a bright, hazy sky.

holaluz

EXECUTIVE SUMMARY

Integrated Report 2023

Energy transition company,
transforming rooftops
into renewable energy
production - connecting
people to green energy.

Letter from the CEO

13 years ago, we decided to change the world by founding a company **committed to decarbonising the economy by connecting people to green energy.**

Today, Holaluz is one of the **leading European energy transition companies, disrupting conventional methods of producing, consuming and managing energy in the country of the sun.**

Here at Holaluz, we propose a structural change: **shifting away the current energy model** – focused on non-renewables – towards a decentralised, decarbonised, accessible and zero-kilometre network, significantly reducing costs.

This change has been made possible, thanks to **The Rooftop Revolution**, enabling us to fulfill the potential of the electrification of energy demand through the **development at scale of Distributed Solar Energy and Storage.** Our Revolution has the potential to reach the ten million residential rooftops available in Spain, transforming them easily into small and affordable green energy producers for all.

It is worth highlighting that the potential of the **distributed energy model and demand electrification** is supported by the high levels of sunlight, existing grid and consumption patterns. Thanks to this model, we estimate that Spanish families could save over 75 billion euros per year.

Taking things a step further, we aim to connect these transformed rooftop energy producers to local communities to take advantage of the surplus energy produced. All of this accentuates the company's

positive impact while at the same time **democratising accessible zero-kilometre green energy.**

Earlier this year, **Sustainalytics** again ranked us the **number 1 worldwide company for ESG risk** within the sub-industry of independent energy production and traders and in July we received the **EcoVadis gold medal** for our performance in the area of sustainability.

ESG is in our DNA and our impactful business model not only allows us to generate economic benefits, but show it's possible to create a company with a real impact on people and the planet at the same time. **We have managed to avoid emissions of over 2.7 million tonnes of CO₂e** since we started on this journey and we're committed to the climate targets of the United Nations Framework Convention on Climate Change (UNFCCC) to keep the global temperature rise under 1.5 °C below pre-industrial levels.

Our team are a fundamental element of our work to create the biggest green community in Europe; a group of committed people who share a vision of a 100% renewable planet. Every member of our team, through their work, not only contributes to this objective, but **promotes the values of the company, enriching our genuine culture.** Here at Holaluz, we work tirelessly for gender equality, fostering the presence of women in management and technology roles and in the solar sector in general.

Every day, we reinforce our **commitment to the United Nations Global Compact**, aligning our work with the Ten Principles and maximising our contribution to the Sustainable Development Goals (SDGs).

All of this is thanks to all of you. Every member of the team, every investor and every one of our customers.

Ending the climate emergency by decarbonising the economy is within our reach. We just have to *keep rowing*, rooftop by rooftop, day by day.

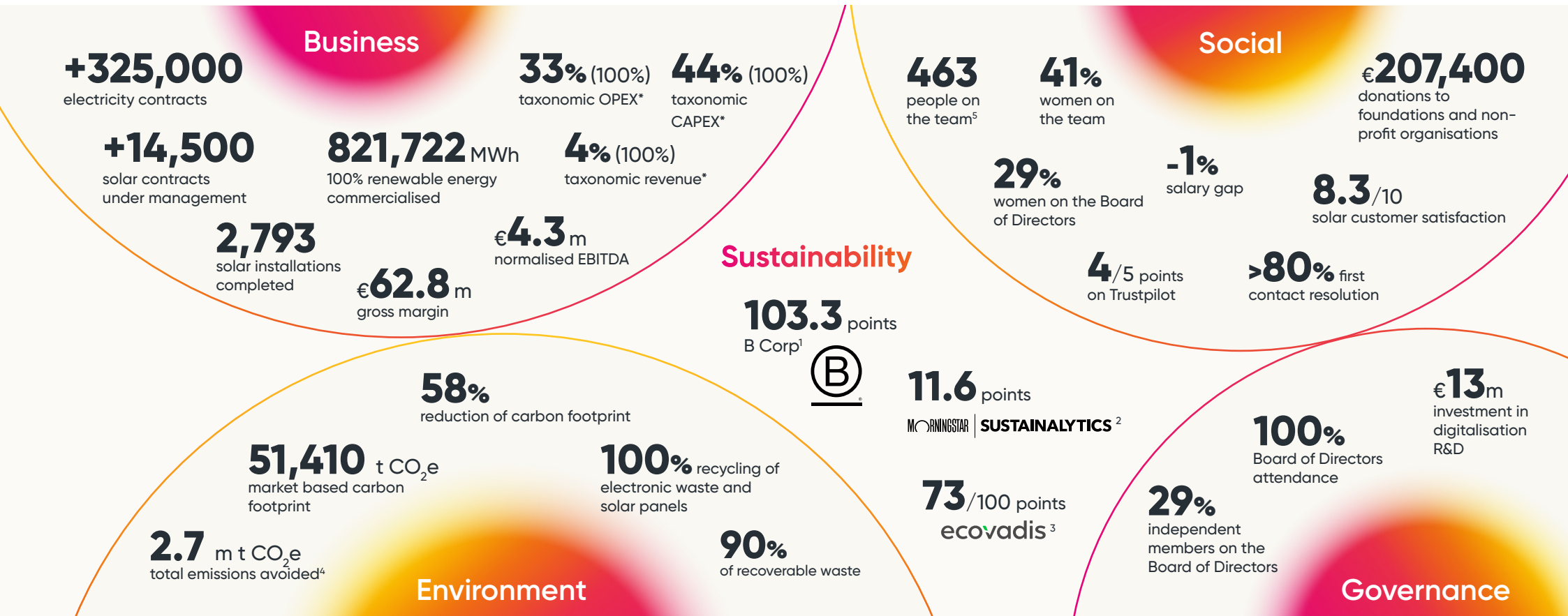
Carlota Pi Amorós

Executive Chair and Co-Founder of Holaluz



Key figures

Holaluz is committed to democratising solar power, transforming viable rooftops into small producers of affordable, green zero-kilometre energy for all. The company promotes a real impact on people and on the planet while generating an economic benefit at the same time. ESG is part of the organisation's DNA and allows it to deliver on this challenge, and the 2023 data back that up.



1. B Corp evaluation score for 2022. A higher score indicates a greater impact on society and the planet. 2. ESG risk score from Sustainalytics for 2023. A lower score indicates the company has a lower risk exposure. 3. Sustainability performance score from EcoVadis for 2023. A higher score indicates better performance in the environment, social and ethical spheres. 4. Recalculated taking into account the years 2010-2015, the estimated consolidated emissions factor for the mix in 2023 according to REE press release of 19 December 2023. 5. Number of people calculated in the system headcount as of 31/12/2023. *The value of the indicator, included in parentheses, encompasses the activities related to the supply of 100% green electricity and representation in OMIE. Although these are not currently considered eligible activities according to the Taxonomy because they are not listed in the Climate Delegated Act or the Environment Delegated Act, these two activities are essential for achieving the European Union's climate goals. Therefore, the EU may expand the activities considered in the Climate Delegated Act by incorporating them.

Milestones 2023



The organization **reaches +22.5 M€ in the last twelve months** (between April 2023 and March 2024) thanks to the improvement in the company's unit economics and the shift of the majority of the energy management client portfolio to the 'Tarifa Justa' product.



The **energy generation** business has again performed very well, building further on the record results of 2022, showing a record gross margin of €50.6 m and **normalised EBITDA of €24.6 m** in line with the €27.6 m reached in 2022, which included the profit from the gas distribution business than the company decommissioned in the last quarter of 2022. The changeover in the customer portfolio to the **fixed 'Tarifa Justa' subscription product** has reduced the cost of serving these customers by 59% compared to 2022.



Holaluz **has doubled its market share** in the **Solar** business in 2023, exceeding 3% at year-end and putting us on the same level as the leading residential solar energy companies in Europe. The company has maintained similar levels of sales to 2022 despite the 50% deceleration of the market. Holaluz has continued to maintain the **shortest delivery time** in the sector for solar installations (45 days for most customers), and a **solar customer satisfaction rate** of 8.3/10. The unique value proposition of Holaluz means 75% of solar customers save more than 70% on electricity bills, and 60% of users with a solar installation with a battery pay zero euros for their electricity consumption needs.



Given the focus on unit economics, **Holaluz has managed to reduce its break-even point in Solar from 800-1,000 installations per month to 600** in 2023 and 350 installations at the end of Q1-2024, thanks to:

- 14% increase in the average size of installations compared to the start of the year,
- 15% penetration of flexible assets like batteries (supported by the agreement to distribute Tesla Powerwall batteries),
- 20% year-on-year improvement of COGs due to initiatives aimed at reducing the purchase price of components and management costs, and
- a year-on-year reduction of 33% on the acquisition cost of solar customers achieved through the diversification of acquisition channels, with agreements such as the one reached with Banco Santander.



Holaluz, with its **ESG DNA impact business model** has continued to show that it is possible to build an energy transition company with a real impact on people and the planet. In January 2023, **Sustainalytics** once again ranked the company **number 1 in the world for ESG** (lowest ESG risk exposure) within the independent energy producers category. In July, we also received the **EcoVadis gold medal** for its sustainability performance.



Looking ahead to 2024

The organisation continues to build the **biggest green energy community in Europe** realising the electrification potential of energy demand with the development at scale of distributed solar energy and storage. Holaluz has five strategic priorities for 2024: ensuring the large scale deployment of **collective self-consumption**; launching the subscription-based **renting/leasing** product; creating Spain's first **Virtual Power Plant**; increasing the penetration of **flexible assets** (batteries and EV chargers); and continuing to optimise the star subscription product in Energy Management, our '**Tarifa Justa**'.

Recognitions

Holaluz's impact business model has been recognised by various international organisations, attesting to the company's contribution to the planet and society.



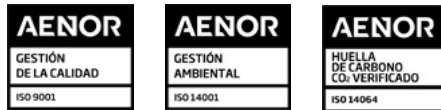
In 2018, Holaluz was the first European energy company to join the **B Corp movement**, which aims to transform the global economy to benefit people, communities and the planet. In 2022, the company updated the impact assessment.



As a **member of the United Nations Global Compact**, the company is committed to implementing the universal sustainability principles across its operations and maximising its contributions to the SDGs.



In 2022, Holaluz joined the **Business Ambition for 1.5°C** initiative, committing to science-based emission reduction targets for the short and long term. In 2023, the company presented its targets and decarbonisation plan to the **Science Based Target Initiative (SBTi)** for validation.



Operational Excellence Certified for the following standards:

- **ISO9001** (Quality Management System) for Customer Care team.
- **ISO14001** (Environmental Management System) at offices and main warehouses.
- **ISO14064** and **GHG Protocol** certification on the greenhouse gas emissions (GHG) inventory across all three scopes.



EcoVadis Gold Medal (73/100) awarded for its sustainability performance, placing Holaluz among the top 5% of companies with the best rating within the global universe of this organisation.



In January 2023, Holaluz obtained **first place worldwide in the independent energy producers category of the ESG Risk Ranking by Sustainalytics**.



Rating of **4 out of 5 stars on Trustpilot**, a platform that compiles customer reviews. In 2023, Holaluz maintained the highest rating in the industry, with a 'Very good' rating and four stars.



Business Case Study on the 'Tarifa Justa' subscription model published by IESE Business School and Harvard Business School.



First Spanish electricity Baby-Friendly Company, awarded to companies that foster work-life balance.



Founding company of Conscious Capitalism in Spain.



Algorithmic Transparency Certificate from Adigital, demonstrating the company's commitment to a future of transparent, explicable and inclusive AI.



The **Conianza Online Seal**, which guarantees maximum transparency, security and trust when buying and browsing on web spaces.

A company to change the world

Holaluz proposes a structural change: transforming the current centralised and polluting energy generation model into **an ecosystem of clean, decarbonised, democratised and affordable energy thanks to distributed energy** through **The Rooftop Revolution**.

Purpose, Vision and Values

Purpose

Holaluz is an energy transition company founded with the goal of decarbonising the economy and the firm purpose of achieving a world run by 100% green energy.

Vision

To build the the most impactful green energy community in Europe by unleashing the full potential of electrifying energy demand by scaling distributed Solar and Storage.

#EsPosible

Holaluz was created to change the energy model and achieve a planet run entirely by renewable energy.

#HaveFun

Changing the energy model should be fun, which is why Holaluz wants to strike the right balance between hard work and fun to achieve its objectives.

#SayThingsAsTheyAre

At Holaluz, nobody is afraid to speak their mind. The company encourages employees to be honest and capable of speaking up if they do not like something.

#KeepRowing

Holaluz believes in responsible, self-sufficient teams, capable of organising themselves to achieve shared, mutually agreed objectives to transform the sector. That's why the company works by projects and objectives.

#AlwaysPeopleFirst

Holaluz works in an integrating and human way, prioritising integral development of its team, focusing on its customers and building good relationships based on transparency, honesty, and simplicity to inspire confidence for growth and sustainability.

Values

In the belief that a company can be a tool to change the world, these are the values that define Holaluz.

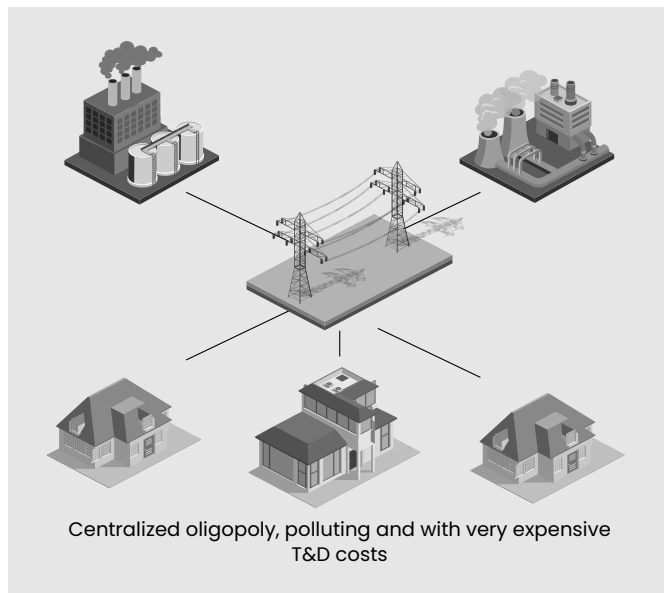
An impactful business model and a unique value proposition

Distributed generation makes it possible to **decarbonize all energy consumption in the Spanish residential sector** by solving five main challenges:

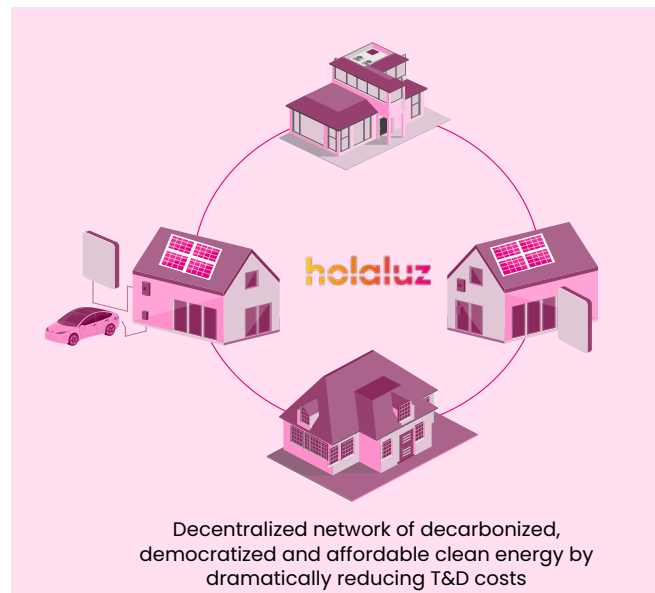
1. Replacing fossil fuels with renewable energy production sources.
2. Electrification of a growing energy demand.
3. A greater need for flexibility to operate in a 100% renewable energy-powered system.
4. Designing the power grid to accommodate the new energy model.
5. Respecting the environment and benefiting society.

To learn more about distributed generation, [click here](#).

Holaluz's distributed generation model aims to maximise the potential of every rooftop, as we **transition** from an expensive, pollutant, centralised **oligopoly** with low consumer participation to a decentralised, decarbonised, democratised and affordable clean energy **network**.



From
To



*T&D: transport & distribution.

With this proposal, Holaluz offers:



Savings of more than 70% for over 75% of clients to its customer through rooftop maximization and energy management of flexible assets.



Subscription model: a monthly fixed subscription-based invoice (Tarifa Justa), to guarantee the savings delivered to its clients.



End to end customer relationship, delivering its solar systems in less than 45 days.



Sustainability: Holaluz guarantees all its electricity is sourced from 100% renewable origin.

ESG commitment

If Holaluz is defined by anything, it is for being disruptive in all the areas in which it operates. And it does so through the effective management of the company's different forms of capital, an ESG DNA, and a strategy focused on people that contributes to addressing to the most critical social and environmental challenges facing the planet.

ESG Strategy 2024-2026

This current fiscal year, the **ESG Strategy 2024-2026** was presented, renewing commitments and objectives set out in the company's ESG Policy.

Impact team

This is a cross-functional team consist of key managers from all areas, ensuring that this strategy is in line with the company's purpose, maximising the positive impact and the contribution to the SDG.

Double materiality analysis

On a biannual basis, Holaluz identifies relevant questions for both stakeholders and the company itself. To do that, the company carries out a double materiality analysis, studying, firstly, how the business is affected by sustainability questions ('outside-in') and, secondly, how our activities affect society and the environment ('inside-out').

For more information on stakeholders and their involvement in the company, see page 33 of the [Integrated Report 2023](#).

ESG Strategy 2024-2026



Environment: creating a 100% green planet

Environment	2023	2022
Carbon footprint Market-based (t CO ₂ e)	51,410	122,786
Intensity of emissions (t CO ₂ e / €m net turnover) ⁶	181.6	246.6
Electricity consumption per surface (kWh/m ²)	39.3	60.0
Water consumption per person (m ³ /no. people)	2.0	2.2
Diesel consumption per installation (l fuel/no. own installations) ⁷	81.9	54.7
Petrol consumption per visit (l fuel/no. visits conducted)	8.1	– ⁸
Waste (t/no. own installations) ⁹	0.03	0.04
Recycled waste (t) / Recoverable (%)	62 / 90	34 / 88

6. The turnover figure used for calculating the intensity of emissions does not include the representation business line affected by the volatility in electricity prices and has no impact on the carbon footprint. 7. An increase in the diesel consumption ratio per number of own installations was observed due to the fact that installations have been completed further away from the warehouses. 8. Not reported. 9. An increase in waste was observed due to the increase in solar facilities completed with own staff. However, the t/no. of own installation ratio fell by 25%.

Holaluz's commitment to the environment is comprehensive and absolute, characterised by a dual approach: **external**, through a business model that impacts directly on decarbonisation; **and internal**, through cross-cutting management of internal environmental impacts of all operations.

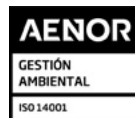
Decarbonising the company

Holaluz has continued to advance its climate commitment by defining science-based emission reduction targets and a decarbonization plan, which have been submitted to the Science Based Targets initiative (SBTi) for validation. The company's Climate Action Plan has been designed with the primary objective of decarbonizing its activities, demonstrating its steadfast commitment to mitigating climate change.



Environmental Management System

The company has also consolidated its Environmental Management System, obtaining ISO14001 certification from Aenor for the design and installation of photovoltaic systems and energy management at its main warehouses and offices.



Carbon footprint

Holaluz has certified the calculation of its carbon footprint in accordance with ISO 14064:2018 and the GHG Protocol for all scopes (1+2+3), including the CO₂e emissions generated through its activity in 2023.



In 2023, the carbon footprint was reduced by 58% compared to 2022. The cessation of the natural gas commercialisation activity has accounted for a 40% reduction in the footprint (representing 69% of the total reduction between years), while the improvement in the selection of GO contributed to a 14% reduction (representing 24% of the total reduction). [For more information on emission results by scope, see pages 52-53 of the Integrated Report 2023.](#)



Pay-back solar

Pay-back period of carbon emissions: **5.9 years** Emissions avoided **Minimum 19.1 years**

23.6% 76.4%

Lifespan of photovoltaic installations (25 years)

Climate change risks and opportunities

In line with this commitment, 2023 was Holaluz's first fiscal year following the recommendations of the **Task Force on Climate-Related Financial Disclosures (TCFD)** for the assessment of risks and opportunities arising from climate change and the energy transition, covering four areas of disclosure: **governance, strategy, risk management and metrics and targets.** [For more information, see pages 56-66 of the Integrated Report 2023.](#)

Commitment to people

Team

	2023	2022
People on the team (no.) ¹⁰	463	752
Women on the team (%)	41	40
Women in management (%)	33	36
Women on the Board of Directors (%) ¹¹	29	43
eNPS	3 ¹²	29
Index of frequency	12.2	9.7
Index of severity	0,5	0,2
Training (hours/employee)	36.1	32.4

Clients

First contact resolution (%)	80	70
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Suppliers

Spending on local suppliers (%)	97	95
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Society

Donations to non-profit organisations (€)	207,400	165,770
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Holaluz Team

To create a 100% renewable planet, it is essential to have a team that identifies with this purpose and makes it possible through their commitment.

That's why, conscious of the fact that **companies are the sum of the people that comprise them**, Holaluz offers its people an environment in which they can grow 360° so they can give the best of themselves. This ecosystem is also built on:

- Flexible and autonomous work
- Parity and female empowerment
- Work-life balance
- A qualified, diverse, committed team
- Project-oriented and results-driven
- Fostering health and well-being
- A young team, with an average age of 38.

The integral growth of the team is achieved with a corporate culture based on **flexibility and autonomy**.

Equal opportunities

At Holaluz, **equality of opportunities** and **diversity** are prioritized above gender, race, creed or other questions not related to professional talent. The following initiatives are therefore being carried out:

- The world's first school for female solar installers, created in 2022.
- Adherence to the Women's Empowerment Principles (WEPs).
- Creation of the Queer Commission, which is the first affinity group of the company, focusing on raising awareness of the LGBTQ+ community through internal events.
- Collaboration Agreements with Aura and Estimia foundations to foster the inclusion of people with disabilities within the company.



10. A reduction was observed in the number of people the team due to the downturn in the residential solar energy market in Spain in 2023, which fell between 49% and 54% according to UNEF and APPA.

11. A reduction was observed in the percentage of women on the Board of Directors due to the departure of one female board member who was replaced with a male member.

12. The Employee Net Promoter Score (eNPS) is a metric used to measure the level of satisfaction and loyalty among employees. A reduction was observed in the eNPS due to the year of difficulties experienced in the sector, which also had an effect internally on the organisation itself and a lower prioritising (both of the teams and the company) in the tool that measure satisfaction and its sub-metrics like eNPS and, de facto, in the actions arising therefrom.

Society

Local community

Holaluz contributes to different social causes, through donations, sponsorships and participation in events and conferences.

Contribution to social causes:



The company supports community development through a broad range of **sponsorships aligned with the values** of the brand such as the participation in sustainable construction projects, the promotion of elite women's sport, the development of technology, major sporting events, fostering sustainability and the impact business model. [For more details, see page 82 of the Integrated Report 2023.](#)

Holaluz also aims to generate trust in both the business and investor community and in society and to help set the agenda in the sector and foster conversation around the transformation of the planet. In this spirit, in 2023, the company **has participated in and organised several events** where has provided its expertise in setting out its vision of the present and future of the sector. [To learn more about these events, see pages 83-84 of the Integrated Report 2023.](#)

Customer obsession

Holaluz's customer obsession involves putting the customer at the center of all its decisions. According to the Brand Tracking study (January-December 2023), Holaluz:

- ✓ Leading knowledge of the brand among non-incumbent companies¹³.
- ✓ Is the first company considered among non-incumbents and fifth at market level¹⁴.
- ✓ No. 3 top of mind for solar panel installation across the whole industry¹⁵.
- ✓ Holds 2nd place for brand positivity on social media¹⁶.

The company has certified the quality management system in accordance ISO 9001 in the Customer Care team.



Holaluz's **solar customer satisfaction is 8.3** out of 10 and the company holds a score of 4 stars on Trustpilot.



Suppliers

For Holaluz, the suppliers and business partners it collaborates with are fundamental and strategic actors.

- Green energy distribution and transport companies.
- Independent producers of 100% green energy.
- A network of installer companies.
- Material suppliers.
- Providers of professional services.
- Technology providers.

2023 saw the approval of the Sustainable procurement policy which establishes a series of principles and commitments that guarantee the alignment of procurement activity with the company's vision and ESG commitments within the framework of the SDGs. As a demonstration of its leadership in sustainability, Holaluz demands direct communication with the sustainability teams of the main manufacturers of the equipment for its solar installations. In 2023, it made on-site visits to the origin factories of these components.

13. Source: Brand Tracking, December 2023. 14. Source: Brand Tracking, December 2023. 15. Source: Brand Tracking, December 2023. Among those who have completed a solar installation or are thinking about it. 16. Source: Sentsis 2023.

Responsible Governance

Corporate governance

	2023	2022
Independent members on the Board of Directors (%)	29	29
Board of Directors attendance (%)	100	100
Communications received via Alert Channel (no.)	16	28
Investment in R&D digitalisation (€M)	13	15.5
Membership of associations and other entities (no.)	9	6



Holaluz has a **solid system of governance** that fosters ethical and sustainable management and the assessment, control and supervision of all matters relating to the risks and opportunities in the area of ESG.

Ethics and integrity in action

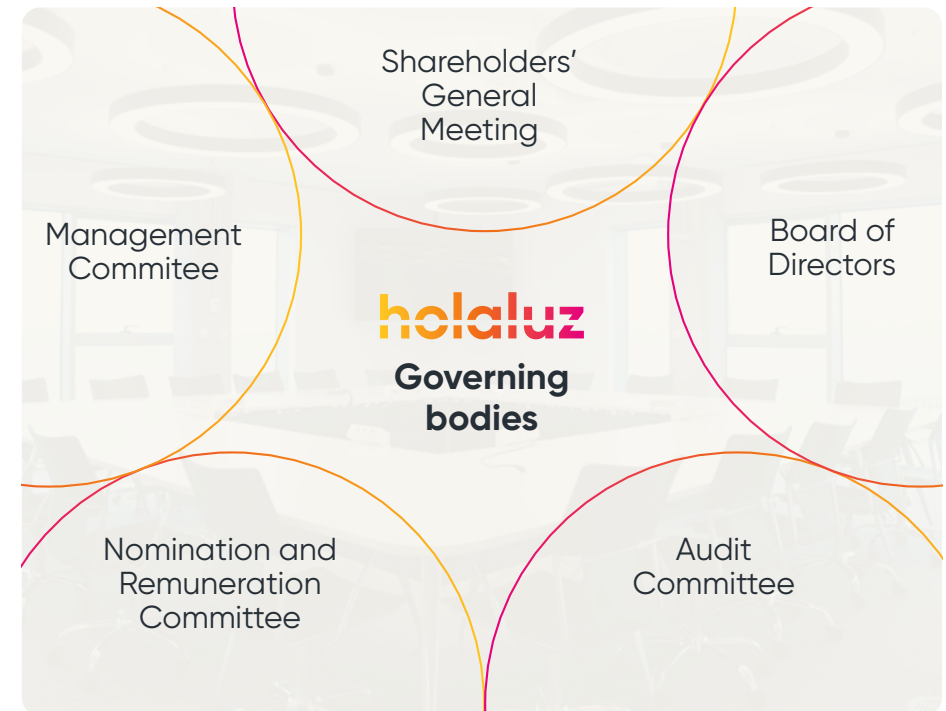
Everyone who collaborates with Holaluz must **conduct their activities in accordance with legislation and current regulations**, as well as the values and ethical principles outlined in internal regulations.

Acting with responsibility and building trust are part of the company's strategy.

The pillars upon which the company's good governance is based are the **Regulatory Compliance Programme** and the Ethical code.

For the annually reviewed policies and procedures governing its actions in the different areas, see page 96 of the [Integrated Report 2023](#).

As of 31 December 2023, the main governing bodies of the company are:



Human rights

Holaluz has a **Human Rights Policy**, approved in 2023, which is based on international reference documents.



Business & Human Rights Accelerator

In 2023, the company participated in the Business & Human Rights Accelerator, an international learning programme organised by the United Nations Global Compact which provides companies with the tools and knowledge to establish a continuous process of due diligence around human rights, as established in the Guiding Principles on Business and Human Rights.

Digitalisation

For Holaluz, data and technology are an essential lever to make the company's purpose possible. Therefore, both areas play an **important role within the organization**, being able to provide strategic value both internally and externally.

Holaluz has **technological solutions to achieve its purpose.**

Strategic partnerships

The company is a **sector leader when it comes to participating in sectoral debates on the energy transition**. The company is a recognised company with the legitimacy to make proposals in relating to public decisions. It shares its proposals for the improvement of the electricity model with bodies like the Ministerio de Transición Ecológica and the Instituto para la Diversificación y el Ahorro de Energía (IDAE).

Holaluz is an impact organisation that seeks to inspire the business community to tackle global challenges.

Photovoltaic industry



Technology



Diversity, equality and inclusion



Customer service



Economic impact

Economic results

	2023	2022
Gross margin (€m)	62.8	83.2
Normalised EBITDA (€m)	4.3	14.3
Revenues (€m)	614.6	919.8
Taxonomic revenue (%)	4 (100)*	3.3
Taxonomic CAPEX (%)	44 (100)*	41.7
Taxonomic OPEX (%)	33 (100)*	50.7

*The value of the indicator, included in parentheses, encompasses the activities related to the supply of 100% green electricity and representation in OMIE. Although these are not currently considered eligible activities according to the Taxonomy because they are not listed in the Climate Delegated Act or the Environment Delegated Act, these two activities are essential for achieving the European Union's climate goals. Therefore, the EU may expand the activities considered in the Climate Delegated Act by incorporating them.

In 2022, Holaluz developed the **Holaluz Green Finance Framework**.

Business model aligned with taxonomy

The EU has developed a set of measures to engage private capital in the path of ecological transition and redirect capital flows towards environmentally sustainable and inclusive activities.

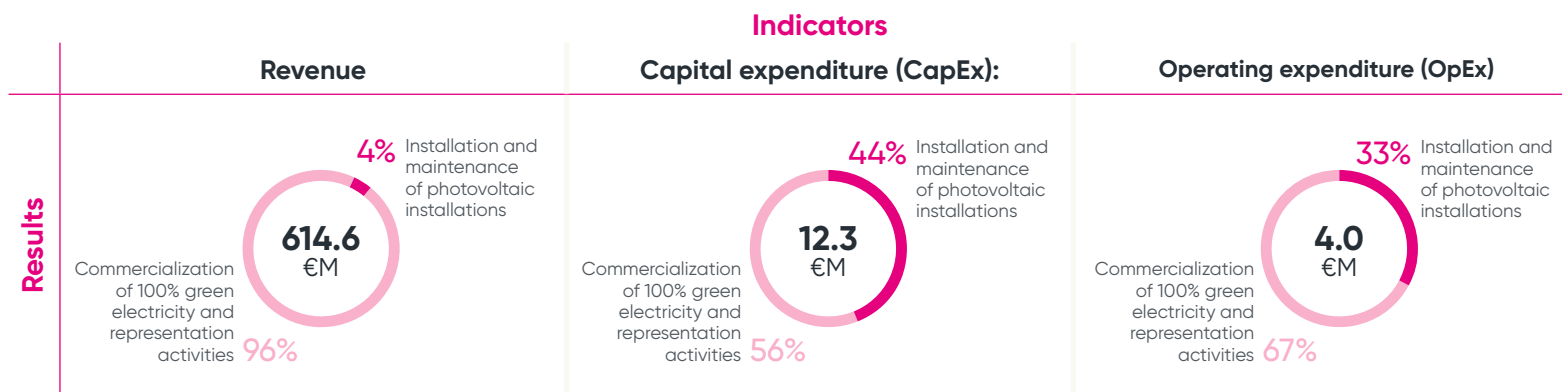
The **Taxonomy** aligns with Holaluz's purpose of creating a 100% renewable world and allows to highlight its pioneering effort to seek an energy transition model towards decarbonization in line with the EU's climate objectives.

Following EU Taxonomy framework, the following activities of Holaluz have been classified according to their eligibility and alignment.

Classification of activities	Area of activity
Eligible and aligned activities	Installation and management of photovoltaic installations
Non-eligible activities	Natural gas commercialisation ¹⁷
Other non-eligible activities	Commercialisation of electricity from 100% renewable sources Representation and sales management for producers of renewable electricity

¹⁷ Since October 2022, Holaluz has discontinued this business line and focuses on renewable and solar electricity.

The degree of alignment of Holaluz's activities with the EU Taxonomy is:





For more
information,
**see the Integrated
Report 2023**

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