

ESG Policy

BRUC

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1. INTRODUCTION

BRUC Energy, S.L. and its affiliated companies (“BRUC”, the “Group”) aim to actively contribute to decarbonization by promoting a global energy model based on clean energies. The Group emphasises a sustainable focus in its business strategy and management, with a clear commitment to societal development and respect for the environment.

As a leading company in the generation of renewable energy, dedicated to enabling the energy transition through delivering a sustainable energy supply, BRUC places sustainability as one of its main values and recognizes that environmental, social and governance (ESG) considerations play a significant role in risk management, value creation and ensuring long-term success.

This document (the “ESG Policy” or the “Policy”) establishes BRUC’s vision and focus areas in connection with ESG matters and outlines the basic principles and goals for the Group and stakeholders to each one of its projects, businesses and activities, regardless of where they are carried out.

The Policy has been prepared considering international ESG policies and standards and is supported by an annual business planning process to ensure that the Group stays abreast of current requirements, policies and regulatory developments, and delivers against its ESG priorities.

BRUC is an active member of the UN Global Compact and is committed to the Ten Principles and the Sustainable Development Goals (SDG) of United Nations. In this sense, this Policy, as well as BRUC’s sustainable strategy, are aligned with them.

2. SCOPE

The Policy is applicable to all the companies that make up the Group, as well as to the investee companies not integrated in the Group over which BRUC has effective control, within the legally established limits. In those investee companies in which this Policy is not applicable, BRUC will promote, through its representatives in its administrative bodies, the alignment of its own policies with this Policy. In addition, this Policy is applicable, as appropriate, to joint ventures, temporary joint ventures and other equivalent associations, when BRUC assumes their management.

The Policy applies to all employees who have an employment relationship with BRUC (the “Professional” or the “Professionals”), as well as directors, contractors, suppliers, consultants, advisors, clients and any other person acting with or on behalf of the Group, regardless of their location.

3. ROLES, RESPONSIBILITIES AND GOVERNANCE

○ ESG Policy and Related Matters - Approvals

The Board of Directors of BRUC is responsible for approving (i) the ESG Policy and any amendment or update of it, as the case may be, and (ii) any associated business plans, targets and budget allocations. The Board will discuss material ESG issues regularly and review the Policy and/or approve plans, targets and/or budgets at least annually.

- **ESG Policy and Related Matters - Execution, Monitoring and Reporting**

Management is responsible for developing, delivering, monitoring, reporting on and evaluating the ESG Policy and associated plans, targets, budgets and metrics to proactively address identified priorities. In this sense, BRUC management is required to report periodically to the Board on the evolution of the ESG policy, plans, objectives and metrics.

Every Professional is responsible for knowing and complying with this Policy's principles in their day-to-day operations, hence every Professional must receive information or training on the Policy, including its plans and targets as needed.

BRUC actively promotes awareness of this Policy, along with the commitments and principles of action it encompasses, encouraging their adoption among all third parties and stakeholders with whom BRUC maintains a collaborative relationship.

- **Ethics Channel**

In the event that there are reasonable indications of a violation of the provisions of the Policy or that any act contrary to the law or business ethics that may affect BRUC has occurred, such suspicions must be reported to BRUC through the established channels.

To facilitate this, the Group has established the Ethics Channel, an internal information system through which BRUC Professionals, directors, suppliers or any third party must report possible criminal or administrative infractions, or any illicit or unethical conduct, or otherwise improper conduct that breaches business ethics, this Code or applicable legislation within the context of the Group's activities.

The Ethics Channel can be accessed through the following route:
<https://brucenergy.integrityline.com/frontpage>.

Communications made through the Ethics Channel will be processed in accordance with the provisions of BRUC's Ethics Channel Policy and with the guarantees recognized therein. BRUC admits anonymous communications.

Communications will be treated with strict confidentiality, and there will be no retaliation of any kind against the informant for making a report, unless the report was made in bad faith. In such cases, BRUC may take appropriate measures.

4. FOCUS AREAS

BRUC's actions are guided by universal principles and values, as well as by environmental (E), social (S) and good governance (G) criteria based on national and international recommendations and best practices that meet certain needs and expectations of BRUC's main stakeholders.

BRUC's ESG strategy is structured around three mentioned areas of action: Protection of the environment, commitment to people and financial and governance management.

The commitments and basic principles of action within sustainability matters outlined in the Sustainability Policy contribute to the achievement of the United Nations' (UN) Sustainable Development Goals (SDGs).

The following outlines the Group's core areas of focus as part of the ESG Policy.

4.1. PROTECTION OF THE ENVIRONMENT

BRUC is committed to sustainable development through the efficient use of resources, reduction of environmental impact, protection of biodiversity and the environment, active societal

engagement, and leadership in the fight against climate change, thus actively contributing to SDG 7 (affordable energy), 12 (responsible production and consumption), 13 (climate action) and 15 (life of terrestrial ecosystems).

In this sense, BRUC manages the business to minimize the environmental footprint of BRUC's operations and contributes towards the net-zero transition plan of the European Union, through different action principles, including:

- Ensuring transparent reporting on the Group's project portfolio environmental impact, including greenhouse gas emissions;
- Reducing greenhouse gas emissions across all operations, with the aim of achieving decarbonized business management, and promoting practices that minimize environmental impact;
- Complying with applicable environmental legislation and taking into account the main applicable standards in each of the locations where BRUC operates;
- Identifying and acting on opportunities to increase energy efficiency and minimizing its environmental impact in core operations where possible;
- Promoting the responsible use of natural resources and ensuring effective environmental management throughout the project life cycle, while considering ecosystem, biodiversity and land use impacts, and minimizing adverse effects by integrating environmental criteria into the Group's internal processes and activities;
- Promoting the development and generation of renewable energy with the aim of reducing dependence on carbon-intensive sources and mitigating climate change;
- Supporting the fight against climate change through innovation in the use of the best technologies and processes available in the renewable energy sector to increase their efficiency and accessibility;
- Pursuing excellence in energy efficiency across all aspects of the Group, in order to optimize the use of natural resources; and
- Encouraging the participation of Professionals, the Group as a whole, and other stakeholders in environmental preservation through training, awareness and collaborative efforts that promote sustainability and respect.

4.2. COMMITMENT TO PEOPLE

BRUC is committed to promoting social welfare and progress by creating a safe and healthy working environment based on ethics, transparency, and respect, while fostering diversity and equality. The Group provides a reliable and quality service and being involved in the development of the regions where it operates in, thus actively contributing to SDGs 5 (gender equality), 8 (decent work), 10 (reducing inequalities) and 11 (sustainable cities and communities).

This commitment is pursued through key principles of action fundamental to BRUC, including:

- Complying with applicable national and international legislation, taking into account human and labor rights standards, with special attention to the principles of the UN's Universal Declaration of Human Rights;
- Ensuring a healthy and safe working environment for directors, Professionals and suppliers through a effective risk management, the adoption of preventive measures and the promotion and protection of health;
- Promoting an environment that fosters equal opportunities, diversity, inclusion and non-discrimination and promoting the professional development of people in a progressive, motivating and inclusive environment;
- Encouraging professional development and growth by facilitating adequate training for Professionals;

- Contributing to the promotion of activities that may be implemented to pursue the well-being, social and sustainable development, local employment and fair working conditions in the communities where BRUC operates;
- Encouraging active listening and ongoing dialogue with stakeholders through accessible channels, allows the Group to adapt its responses to their needs;
- Supporting the hiring, collaboration and training of local suppliers and ensuring fair trade through trustworthy, ethical, stable and mutually beneficial relationships;
- Ensuring that all participants in the value chain respond and comply not only with current legislation and the Group's internal policies, but also with generally accepted ethical and sustainable development principles;
- Respecting the culture, traditions and norms of local communities and developing actions that generate shared wealth within the framework of BRUC's activities; and
- Investing in socially responsible initiatives that improve quality of life and meet the needs of the communities surrounding the Group.

4.3. FINANCIAL AND GOVERNANCE MANAGEMENT

BRUC is committed to upholding ethics and transparency in business management, professional conduct, responsible procurement and strong stakeholder relations. The Group promotes an ethical, inclusive and equitable culture that help establish mutual trust in its relationships with stakeholders, thus actively contributing to SDG 16 (strong institutions) and 17 (partnerships to achieve the goals).

This commitment is pursued through key principles of action fundamental to BRUC, including:

- Providing profitability to investors through business activities that considers responsible risk management and sustainable resource use and practices;
- Conducting business within the framework of the laws in force of the countries of operation and in compliance with the values and principles of business integrity;
- Ensuring a work environment based on equity and non-discrimination, promoting professional growth, work-life balance, and dialogue with union representatives;
- Acting in an ethical and transparent manner in all business dealings and projects, including through ensuring responsible procurement, compliance with applicable laws and tax regulations, including but not limited to anti-bribery and corruption, and underscored by adherence to the Group's policies and code of conduct;
- Promoting a robust internal control model, where risks are identified and mitigation measures are implemented, both from direct activities and along the value chain;
- Fostering an environment to ensure the adequate, truthful and transparent disclosure of financial and non-financial risks and information;
- Guaranteeing the implementation of adequate whistleblowing protocols to encourage reporting of unethical behaviour;
- Ensuring data protection protocols to pursue an effective management of cybersecurity risks within the Group and potentially its supply chain; and,
- Upholding best-practice governance, including ensuring effective Board and committee processes and submitting to shareholders all legally reserved matters;
- Continuing the fulfillment of BRUC's portfolio of renewable energy projects.

5. RELATIONS WITH STAKEHOLDERS

BRUC is committed to leading the fight against climate change through the development of clean energies that contribute to the decarbonization of the economy and promote environmental stewardship. In order to achieve its strategy and the commitments and principles of action established in the ESG Policy, BRUC is committed to the creation of long-term value for its main stakeholders.

Thus, BRUC:

- Strives to understand and meet the expectations of groups that affect or may be significantly affected by the Group's activities and services.
- Seeks to establish relationships of trust based on continuous dialogue, collaboration and mutual benefit.
- Maintains open and transparent communication with all stakeholders, regularly reporting on progress, challenges and goals in sustainability.
- Incorporates stakeholder considerations in decision-making and transparently shares how it acts and manages relationships.
- Encourages collaboration with key sustainability stakeholders, including investors, suppliers, non-governmental associations, foundations and government entities, to drive positive and sustainable change in the industry.
- Ensures compliance with all laws, regulations and standards related to the renewable energy and sustainability sector, as well as any other regulation that may directly or indirectly affect the Group.
- Expects its stakeholders to act in line with the Group's values. In this sense, it is essential for BRUC that the third parties with which it has a relationship comply with the Code of Conduct, the ESG Policy and the rest of the corporate policies in force.

6. COMMUNICATION

BRUC will make this ESG Policy available on its website [and intranet] to ensure awareness and encourage compliance with the principles and commitments established in this document.

In addition, BRUC is committed to communicating related programs and actions to stakeholders as required.

Questions on the Policy, or related to ESG factors, or the Group's sustainable policies, commitments and objectives should be directed to: info@brucenergy.com.

7. CHANGE LOG

This Policy was approved by BRUC's Board of Directors on 20th April 2023 and updated on 28th November 2024. The next scheduled review is in 2026.