

GREEN FINANCE FRAMEWORK

October 2025

greenalia[®]
The Green Company



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01

INTRODUCTION

Greenalia is an independent renewable energy producer (IPP). The company uses the wind, the sun, and certified forestry biomass to produce and store electricity in harmony with nature, bringing innovation and green jobs to all the areas where it operates. Greenalia is headquartered in A Coruña (Spain) and operates across Europe (Iberian Peninsula and the Canary Islands) and the United States. The renewable assets generate long-term flows allowing for non-recourse project financing, and secure and constant dividends and inflows.

As a pure renewable energy player, Greenalia's business model contributes significantly to climate change mitigation and actively supports the energy transition. Sustainability is at the core of the company's strategy and ESG aspects (now amplified by the 4P's approach looking at People, Planet, Proper Governance and Prosperity) are embedded in all the business units.

By issuing Green Finance Instruments, Greenalia generates and channels impactful investment that promotes the development of a more sustainable economy and delivers environmental and social benefits.



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OUR APPROACH TO SUSTAINABILITY

Greenalia's mission is to create ESG impact value in a sustainable way by generating electricity from renewable sources, supporting the global energy transition, and protecting the future of generations to come. Our vision of sustainability is rooted in values intrinsic to our business—non-conformity, challenging the status quo, and proactivity—as well as in the commitment of all business areas to act as levers for change in achieving the goal of becoming increasingly regenerative.

Greenalia's aspiration to be more sustainable led to the development of its First Sustainability Plan (2019–2023), which was successfully completed with a 90% achievement rate. This plan included specific actions structured around the three main ESG blocks: Environmental, Social, and Governance. Building on that success, in 2024 we launched our Second Sustainability Plan (2024–2028). This plan is structured around four pillars—Planet, People, Governance, and Prosperity—with specific objectives that are reviewed regularly to ensure ongoing alignment with the company's business strategy.

Greenalia integrates ESG risk management into its governance model through a structured and multi-layered approach. Oversight is ensured by the Sustainability Committee, which includes members of the Board of Directors and senior executives. This committee reviews ESG risks, market expectations, and investor requirements, and monitors the implementation of the Sustainability Plan to ensure continuous improvement. Greenalia's sustainability management relies on a robust set of internal policies and procedures, including the Green Book of corporate policies, the Code of Conduct, and a whistleblowing channel.

At the operational level, we apply certified management systems such as ISO 14001 for environmental management at our biomass plant and are progressively implementing a supplier approval system to ensure compliance with ethical, social, and environmental standards. For critical renewable energy components, we conduct external audits during the manufacturing process, mainly for critical materials in the procurement of renewable equipment, covering aspects such as material traceability, labor conditions, and environmental and safety controls.

To further strengthen this framework, in 2024 we launched a Human Rights and Environmental Due Diligence project, aligned with emerging European directives and international best practices. This initiative, scheduled for full implementation in 2026, supports several objectives of the 2024–2028 Sustainability Plan and aims to identify risks across operations and the value chain, establishing robust control systems that guarantee respect for human rights and environmental standards throughout all areas of influence. By embedding due diligence into our governance and management systems, we enhance our ability to identify improvement areas and reinforce ESG integration in decision-making.

Greenalia communicates its progress with a strong commitment to transparency and accountability.

We publish an audited [Integrated Annual Report](#) that consolidates financial and non-financial information, including sustainability objectives, ESG performance, and impact indicators such as avoided CO² emissions, renewable energy generated (MWh), and renewable power installed (MW). Stakeholders can also access detailed information on the company's renewable energy pipeline through the [GreenMap platform](#), which discloses the status, location, and technology of projects under development, construction, and operation. This multi-channel approach ensures that investors, partners, and communities have timely and comprehensive access to Greenalia's progress and commitments.





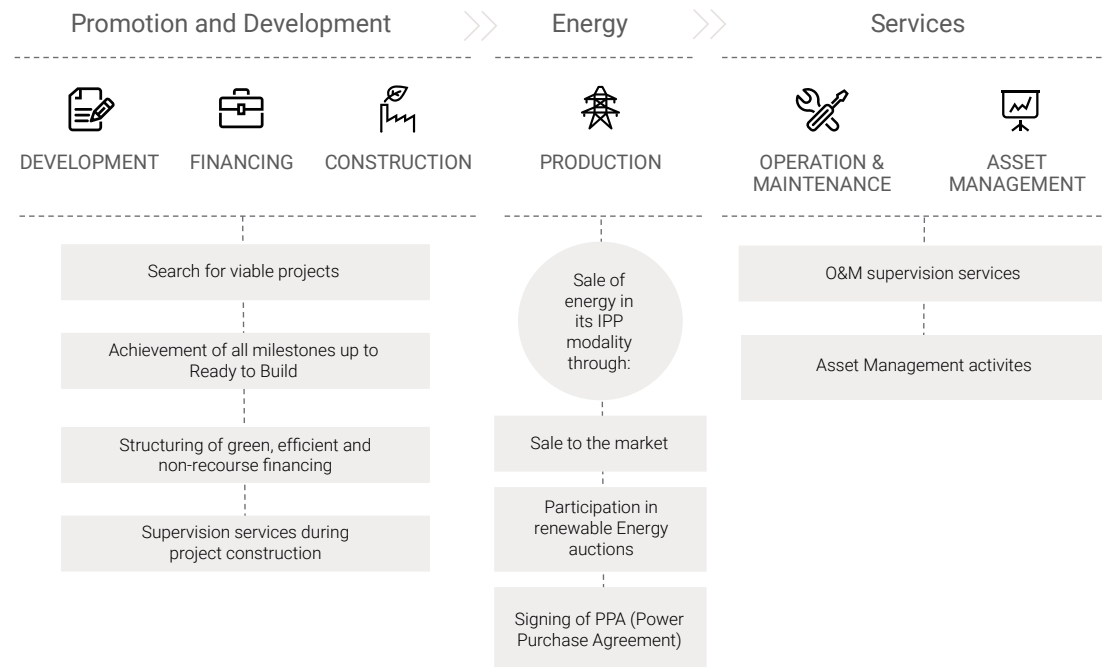
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OUR GREEN FINANCE FRAMEWORK

The ICMA Green Bond Principles are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of green financing instruments. The Greenalia Green Finance Framework follows the ICMA Green Bond Principles (GBP) as well as the LMA Green Loan Principles (GLP), which provides guidelines in the form of four core components.

1. USE OF PROCEEDS

Greenalia is an independent power producer (IPP) that generates clean sustainable energy. Over the last few years, we have consolidated our Develop&Own business model with the start-up of the largest renewable electricity generation Biomass Plant in southern Europe, sourced with SURE certified forestry biowaste, and five operating wind farms. At Greenalia we generate energy through our participation in the following stages of the process:





Under this Green Finance Framework, Greenalia intends to issue Green Finance Instruments (which may include, bonds, promissory notes, etc.) to finance and/or refinance renewable energy projects (solar, wind and storage technologies), and related and supporting expenditures that enable the fulfillment of Greenalia strategic targets for renewable energy installed capacity publicly communicated by the company.

Greenalia focuses 100% of its activity in renewable energy that directly affects energy independence and climate change mitigation and all projects are fully eligible with the EU Taxonomy as an environmentally sustainable economic activity that contributes significantly to the mitigation of climate change. Moreover, Greenalia's projects alignment with the EU Taxonomy, is one of the major lines of action of the new Sustainability Plan, guaranteeing 100% alignment with this framework. Greenalia recognizes the fundamental role played by the private sector to achieve the United Nations Sustainable Development Goals and the urgency to implement ambitious action plans to make progress towards the targets set at the 2030 Agenda. Thus, Greenalia incorporates into its strategy those SDGs where potential impacts are more relevant. The company business plan works to ensure access to affordable, reliable, sustainable, and modern energy (SDG 7). In particular, the funds contribute directly to achieve target 7.2 of the 2030 Agenda of the United Nations by helping Greenalia

achieve its operational targets to build and connect renewable energy plants, increasing the share of renewable energy in the energy mix of the countries where the company operates. Moreover, Greenalia has a direct impact on SDG 8 Decent Work and Economic Growth, SDG 12 Responsible Consumption and Production, SDG 13 Climate Change, SDG 15 Life on Land and SDG 17 Partnership for the goals.

Under this Framework, approximately 33% of the proceeds are expected to be allocated to projects in Spain and 67% to projects in the United States. Within each geography, investments will focus exclusively on solar photovoltaic, onshore wind, and battery energy storage systems. No allocation is planned for biomass or other technologies under this Framework. All proceeds will be applied to capital expenditures (CapEx) related to the development, construction, and commissioning of these projects. Approximately 75% of the proceeds will be allocated to refinancing of existing eligible projects, while the remaining 25% will finance new projects. Detailed information on the company's renewable energy pipeline, including project status, location, and technology, is publicly available through the [GreenMap platform](#).

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

At Greenalia, only renewable energy projects are considered for development, in line with the company's business plan and strategic commitment to climate action. The evaluation process is structured and rigorous, ensuring that each initiative complies with Greenalia's Sustainability Policy and local environmental and social regulations. It integrates technical, financial, environmental, legal, and social perspectives, and is overseen by the Management Committee through continuous governance and review mechanisms. Projects that meet all criteria are incorporated into the corporate development pipeline, with decisions documented to ensure traceability and accountability.

Greenalia's evaluation framework follows a systematic sequence that allows for early risk identification and informed decision-making:

1. Preliminary Screening

Internal teams conduct initial technical and financial feasibility analyses, assessing factors such as grid access, site characteristics, and strategic alignment. In Spain, grid capacity and regulatory compliance are central; in the U.S., the process includes airspace and wetland analyses.

2. Environmental and Social Risk Assessment

If the project passes the preliminary screening, specialized teams carry out in-depth environmental and social studies at both corporate and project levels. These include double materiality assessments, legal reviews, and detailed impact analyses. Sensitive areas—such as biodiversity, protected zones, hydrology, cultural heritage, and nearby communities—are carefully evaluated. Depending on the context, community engagement may begin at this stage to identify potential concerns and build trust.

3. Management Committee Review and Decision

Based on the results of the technical, financial, environmental, and social assessments, the Management Committee evaluates whether the project should proceed to the next phase. If approved, the company invests in further development, including field studies, permitting processes, and stakeholder engagement. The committee includes the CEO, the Head of Spain or Head of U.S. (depending on the project's location), development managers, and technical experts.



4. Site Selection and Protection Measures

Projects are located in areas with manageable risk profiles. For each site, protection plans, monitoring programs, and tailor-made offsetting measures are defined. Greenalia also implements additional biodiversity initiatives beyond project boundaries to ensure long-term environmental and social safeguards. In some cases, community engagement intensifies at this stage to align protection measures with local priorities.

5. Community Engagement

Engaging with local communities is a central part of Greenalia's sustainability strategy. From early development stages, sustainability and stakeholder teams establish open dialogue to identify risks, understand social needs, and foster trust. Communication channels remain active throughout the project lifecycle to ensure transparency and responsiveness.

6. Ongoing Project Monitoring and Review

The Management Committee holds weekly meetings to monitor the progress of all active projects. These sessions serve to review technical, financial, environmental, legal, and social aspects, ensuring that each initiative remains aligned with strategic priorities and sustainability standards. The same core team—Head of Spain or Head of U.S., development managers, and technical experts—participates in these reviews to ensure continuity and informed decision-making.

3. MANAGEMENT OF PROCEEDS

The proceeds from Greenalia's green finance instruments will be credited to dedicated accounts, with the finance team responsible for ensuring appropriate allocation under the direct supervision of Greenalia's CFO.

As a pure renewable energy player, Greenalia operates exclusively in the development of clean energy projects. This guarantees that 100% of the proceeds are invested in eligible green projects, with no possibility of diversion to non-sustainable activities.

Allocation decisions are guided by Greenalia's detailed 5-year business plan, which outlines the specific renewable energy projects to be developed. This plan is reviewed periodically. To ensure financial integrity, each entity within Greenalia undergoes monthly financial closings and annual audits of all financial statements. These processes verify the correct tracking and allocation of proceeds. Greenalia intends to allocate the bond proceeds raised under this Framework within one year. Pending full allocation, any unallocated balance will be held or invested in the company's treasury liquidity portfolio (cash or cash equivalents), in line with its internal policies.



4. REPORTING

Greenalia will make and keep readily available up to date information on the use of proceeds as well as the expected/achieved impact of the renewable energy projects developed and built by the company.

The allocation report will provide the total amount of investments and expenditures in the development, engineering, procurement, construction, operation, and maintenance of green projects of renewable energy, and the balance of unallocated proceeds. Information about the projects in operation, under construction and advanced development is disclosed at the company's financial and non-financial presentations publicly available and web, including names, location, capacity, technology, resources, COD and off taker related information. Short-term financing instruments like promissory notes will use the average balance position in its reporting.

Our Sustainability Report, included as part of the yearly Integrated Report, will use Global Reporting Initiative Framework to report on the company sustainability data, highlighting the following

Impact Indicators to report on the environmental impact of the financed projects:

- Increase of renewable energy capacity (MW)
- Increase of renewable energy production (MWh)
- Annual GHG emissions avoided by the projects in operation (tCO₂e)

Assumptions and yearly comparisons will be disclosed, along with key indicators such as biodiversity, resource use, and energy consumption, providing a comprehensive view of each project's environmental impact.

In addition, environmental and social indicators—including biodiversity impact, job creation, occupational health and safety, and community engagement—are reported annually as part of Greenalia's audited Integrated Report, ensuring transparency and accountability.

Allocation and impact reporting will be audited, provided in the corresponding Annual Report, and publicly available in our [website](#). This report will also include any material changes in the business, financing or sustainability model.

04 EXTERNAL REVIEW

A. SECOND PARTY OPINION

Greenalia's Green Financing Framework has been independently reviewed by Ethifinance. The Second Party Opinion confirms strong alignment with the ICMA Green Bond Principles 2025 and market best practices. Ethifinance assessed the framework across three dimensions: issuer ESG performance, compliance with ICMA principles, and expected environmental impact.