

The Times They Are A-Changin'

FY22
ANNUAL REPORT (ESG)
JULY 2023



Greenalia's Headquarters

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01 about this report

Greenalia publishes this Report to communicate to all stakeholders how it creates value in the short, medium, and long term and in line with its commitment to transparency and the communication of truthful, relevant, and accurate information. To this end, the Annual Report is presented as an integrated report available in printed (PDF) and digital format, which is complemented by the information available on the corporate website www.greenalia.es.

This report reflects the information related to Greenalia's activity in sustainability, based on the performance of the 2022 financial year in the Environmental, Social, and Governance areas (ESG sustainability framework). This report provides information on issues identified as material to our stakeholders through a comprehensive analysis. In addition, as in previous years, we present the actions and indicators implemented as a contribution to the fulfillment of the Sustainable Development Goals (SDGs) and their targets, also responding to our commitment to the principles of the United Nations Global Compact, of which we have been a member since 2019.

The perimeter of the information included in this Report on environmental and social impacts refers to the perimeter considered in the Consolidated Annual Accounts of Greenalia S.A., and additionally, it also incorporates the information of Greenalia Forest S.L. and Greenalia Logistics, S.L.U., companies that in 2022 appear as assets subject to sale in the Accounts but that was in operation in the Group, so as an exercise of transparency, their environmental

and social impacts are included in this Report.

Regarding the financial information, it is under the perimeter of the Consolidated Annual Accounts published by Greenalia S.A. for the period from January 1 to December 31, 2022, except for the ratios of environmental impacts versus EBITDA, in which both the numerator and denominator consider the perimeter of the CFS and additionally the assets subject to sale previously mentioned. (The financial information of the companies Greenalia Forest, S.L. and Greenalia Logistics, S.L.U. has been prepared based on the accounting records for the year from January 1, 2022 to December 31, 2022).

Regarding the reporting standard used, the information contained in this Report has been prepared with reference to the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards), an international reporting framework, as detailed in GRI 1: Fundamentals 2021, included in the "GRI Content Index". The information included in this index has been independently verified by KPMG Asesores, S.L. The scope and results are described in the report attached in the appendix.

Likewise, for the preparation of this Report, the requirements of Law 11/2018 regarding non-financial information and diversity, which have not been subject to verification, have been taken into account on a voluntary basis.

For any questions regarding the report or its contents, please contact the e-mail address sostenibilidad@greenalia.es

02 letter from our president

To our stakeholders,

At Greenalia, we develop our activity with the firm conviction that energy, environment, and climate are inextricably linked. We're proud to be a key player in the decarbonization process, thanks to our unwavering commitment to renewable energy and its positive impact on the planet.

We have been able to anticipate the needs of the energy transition and provide tools and solutions. This ability to adapt to different market conditions is based on our continuous search for innovative, competitive, and efficient offerings.

Our business model results from our collective efforts, combining talent, creativity, commitment, and business ethics. All of this is under the umbrella of a corporate culture that escapes the comfort zone and strives for a better world.

This non-conformism, together with our resilience, has allowed us to expand our strategic plan in a short period, focusing on international expansion and technological diversification.

The digital immersion that has accompanied Greenalia since its inception and throughout its growth puts us in a unique position to meet the challenges we face in one of the world's most uncertain times and the midst of a climate emergency resulting from global warming. As we close a particularly relevant year for the company, we do so with the conviction that we are poised to be a key player in the energy transition. We look forward to the New Year by expanding our commitment to a positive and regenerative impact on the land.

As a company with a strong relationship with the communities in which we operate, we support and collaborate with various organizations on projects of interest and participate with them in adequate strategies to improve the inclusion, diversity, and equality of vulnerable groups.

These facts are evidenced by the various initiatives developed in the environments where we operate in favor of inclusion and support for the most disadvantaged, a line of work that has been strengthened in 2022 in line with the SDGs. We have also expanded our commitment to reducing emissions and improving our energy

efficiency, progress that we have embodied with our adherence to the Climate Pledge initiative.

Our strategy to contribute to a more equitable society maintains the company's unwavering commitment to the 17 Sustainable Development Goals (SDGs) set out in the United Nations' 2030 Agenda, which we joined to address the principal challenges facing humanity.

Our adherence to the Global Compact is a pillar on which we base our management of sustainable and harmonious growth from the triple ESG (environmental, social, and governance) perspective. We are an organization that coexists in a complex ecosystem, using regenerative, creative, and innovative effects.

At Greenalia, we are firmly committed to this objective, and we are sure that our contribution and leadership in this change toward a climate-neutral economy will consolidate us as a reference in changing the energy model. With green and positive energy, we will continue to grow, create wealth, and contribute to a more sustainable planet.

This is an unwavering goal and a sign of our commitment to future generations.

José María Castellano Ríos
PRESIDENT OF GREENALIA



02 letter from our CEO

Dear Friends of Greenalia,

At the end of the fiscal year 2022, we take stock of a year in which energy was undoubtedly the protagonist. Rising prices and supply crises marked the first months of the year, which were still affected by the effects of the pandemic. The principal armed conflict on Europe's doorstep marked a turning point in the way we view and analyze our energy market, highlighting the need to change our model and to do so in less time than expected.

This situation has shaped the evolution and actions of companies like ours. Regulatory changes in Spain, Repower EU, and the European Union's Objective 55 have highlighted the need to implement more renewable energy sources to combat climate change and reduce the consumption of fossil fuels and our dependence on third countries, with particular attention to those that could threaten our economic stability and social welfare.

In this uncertain and challenging context, Greenalia is proving to be up to the challenge, growing, strengthening, and diversifying our business model with new projects.

In our pursuit to be a dedicated player in the fight against climate change, we expanded our presence beyond Europe, making a qualitative and quantitative leap into the American market, where we ended the year with a pipeline of almost 3 GW in three technologies (solar, wind and storage), bringing our global business portfolio to more than 6 GW.

This expansion was also accompanied by an increase in our turnover, which reached 95.1 million euros. A figure that encourages us to continue working with the firm conviction that a real and effective commitment to renewable energies can be the lifeline that our planet needs, as well as our industrial fabric. An industry with which, in 2022, we signed long-term agreements (PPAs) - with Alcoa and Resonac - for the supply of more than 1 GW of green energy at stable prices. These alliances have made Greenalia a European leader in the sale of long-term energy, a further demonstration of our commitment to providing tools to improve the competitiveness of our industry and thus generate wealth in the territory.

From a corporate perspective, we successfully completed the Take-to-Private Operation (OPA). A step that has allowed us to embark on the company's reorganization to meet the key challenges we have set ourselves. Among these, I would like to highlight the expansion and strengthening of our presence in the American market and the acceleration of assembling our new assets in Europe.

With the firm conviction that we must continue to advance and innovate in the decarbonization process, we have begun the development of a sixth technology: green hydrogen. This will add to the five we are already working technologies with (onshore and offshore wind, photovoltaics, biomass, and storage).

In line with our commitment to the United Nations Global Compact and the Sustainable Development Goals, we have provided a detailed report on our progress in all of these areas, which adheres to the reporting principles of the Global Reporting Initiative (GRI) to ensure the integrity of our data.

Best regards,

Manuel García Pardo
CEO OF GREENALIA



03 about greenalia

— MILESTONES 2022

— KEY METRICS

— GREENALIA
THE GREEN
COMPANY

— FINANCIAL
EXCELLENCE

*"Come gather 'round people
Wherever you roam
And admit that the waters
Around you have grown
And accept it that soon
You'll be drenched to the bone
If your time to you is worth savin'
And you better start swimmin'
Or you'll sink like a stone
For the times they are a-changin'..."*

Manifesto (pag 93)

milestones 2022



Greenalia's Field Operations Team in Galician forest



Progress in our **COMPLIANCE PROGRAM** (approval of the Anti-Corruption Norm)



1st ESG Rating
Sustainalytics



495,689 MWh
exported to the grid in 2022, 59,25% compared to 2021



Acquisition of **1 WIND PROJECT** in Texas-US (303MW) Green Field



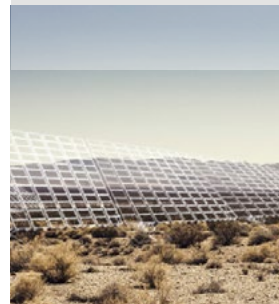
+1GW
of projects in operation and construction



1st RFI (Request for Information) of offshore wind launched in Spain



Acquisition of **3 SOLAR PROJECTS** in Texas-US (502MW) Green Field



Operation **TAKE-TO-PRIVATE**



100% SALES
from renewable energy production



ISO 14001
Biomass Plant Certification – Curtis Teixeira (50MW)



Technological innovation:

GREEN HYDROGEN & BATTERY STORAGE

key metrics

ENVIRONMENTAL

≈53%
Reduction of direct emissions in tCO₂eq/ K€(EBITDA) vs 2021

100%
Renewable energy consumption

158%
Increase in hours of archaeological monitoring vs 2021

(*) This EBITDA differs from that of the CFS as it includes the information of Greenalia Forest S.L. and Greenalia Logistics S.L.U., companies that will be classified as held for sale in 2022. The financial information of the companies Greenalia Forest, S.L. and Greenalia Logistics, S.L.U. has been prepared based on the accounting records for the year from January 1, 2022 to December 31, 2022.

SOCIAL

36%
Increase in training hours vs 2021

+63M€
Local economic impact

+180
Direct and indirect jobs

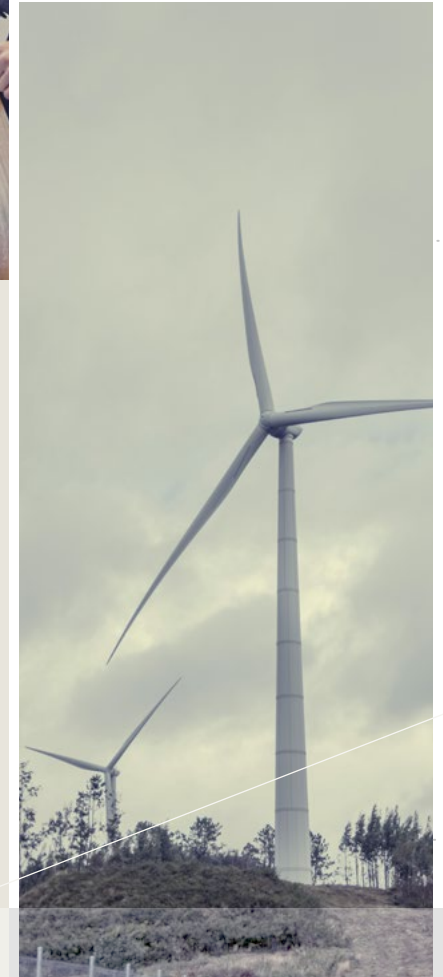


GOVERNANCE

33%
Women on the Management Committee

+77%
EBITDA vs 2021

+116%
Revenue vs 2021



greenalia the green company

We are an independent producer of energy exclusively from renewable technologies. We use only wind, sun, and forest biomass from the remains of certified plantations to generate and store electricity in harmony with nature, providing employment and innovation in the areas in which we operate.

Based in A Coruña (Spain) and developing activity in Europe and the United States.

Based in A Coruña (Spain) and operating in Europe, (Iberian Peninsula and Canary Islands) and the United States.

The company's main activity focuses on generating and selling electric power, involved in five technologies: Onshore wind, offshore wind, solar photovoltaic, storage, and biomass with vertical integration from raw material sourcing to power production.

As a result of this long-term income stream, we are able to structure non-recourse financing through Project Finance and provide regular dividends to our investors.



**ONSHORE
WIND**



**OFFSHORE
WIND**



SOLAR



BIOMASS



STORAGE



HYDROGEN



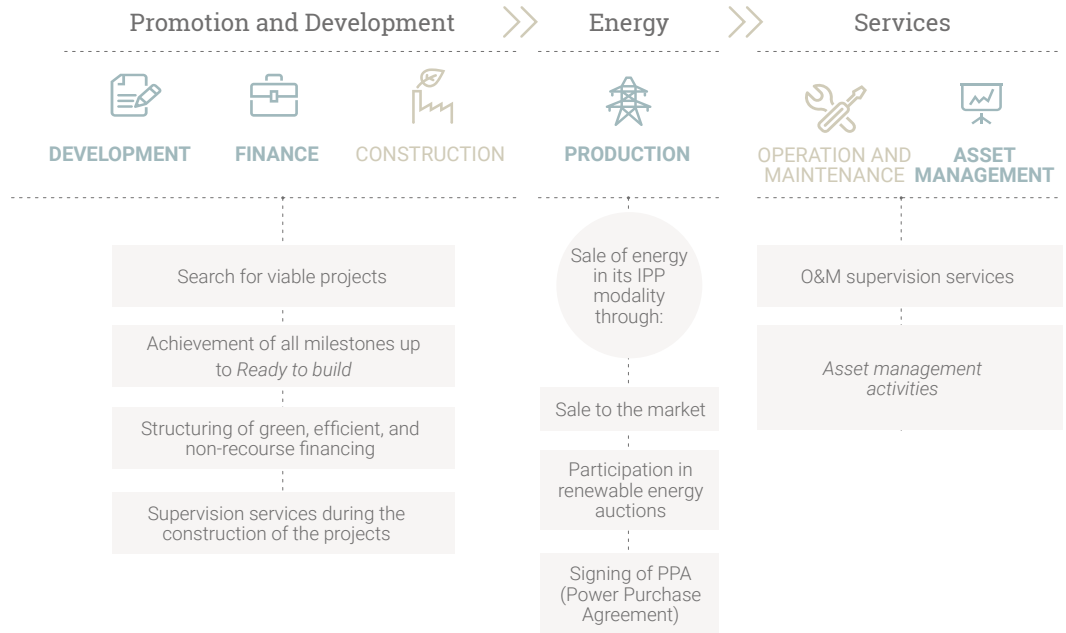
business
model
develop&own

We are a company with a business model based on sustainability. Our business activity directly addresses the challenges associated with climate change by producing renewable energy.

We work together for the same dream, the transition to a world capable of operating exclusively with clean energies, and for the same commitment to environmental and social sensitivity in all our projects.

In recent years we have consolidated our Develop&Own business model with the commissioning of the largest biomass power generation plant in southern Europe along with five wind farms in the region with more prominent wind resources in Spain. We also rotate less strategic assets in order to free up resources for the development of new projects.

At Greenalia, as an independent power producer, we generate energy through our participation in the following stages of the process:



pipeline 2022

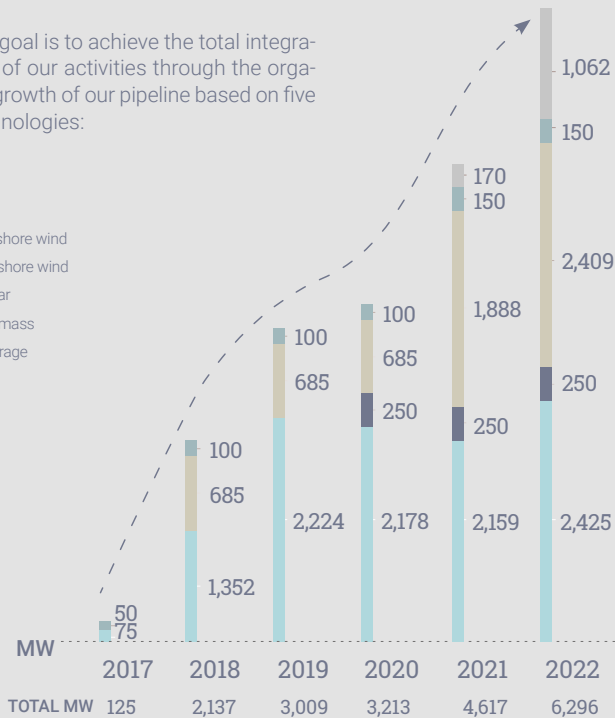
6.3GW in 5 technologies



Greenalia's Field Operations Team in Monte Tourado Wind Farm surrounding area

Our goal is to achieve the total integration of our activities through the organic growth of our pipeline based on five technologies:

- Onshore wind
- Offshore wind
- Solar
- Biomass
- Storage



Our pipeline* is divided into the following phases:

Early Stage

1,610 MW

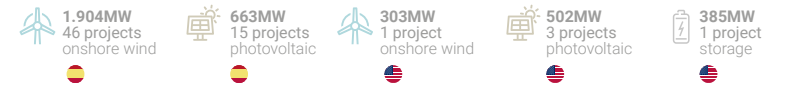
Projects in which it is possible to reach agreements on lands and connections



Advanced Development

3,757 MW

Projects with land and connection



Under Construction

804 MW

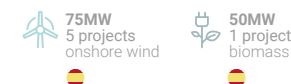
Projects with NTP (Notice to Proceed) or LNTP (Limited Notice to Proceed)



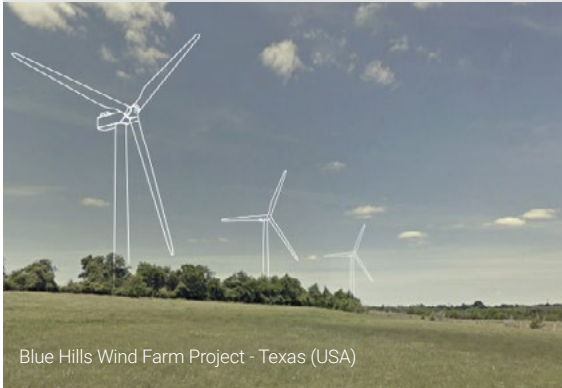
Production

125 MW

Projects in operation



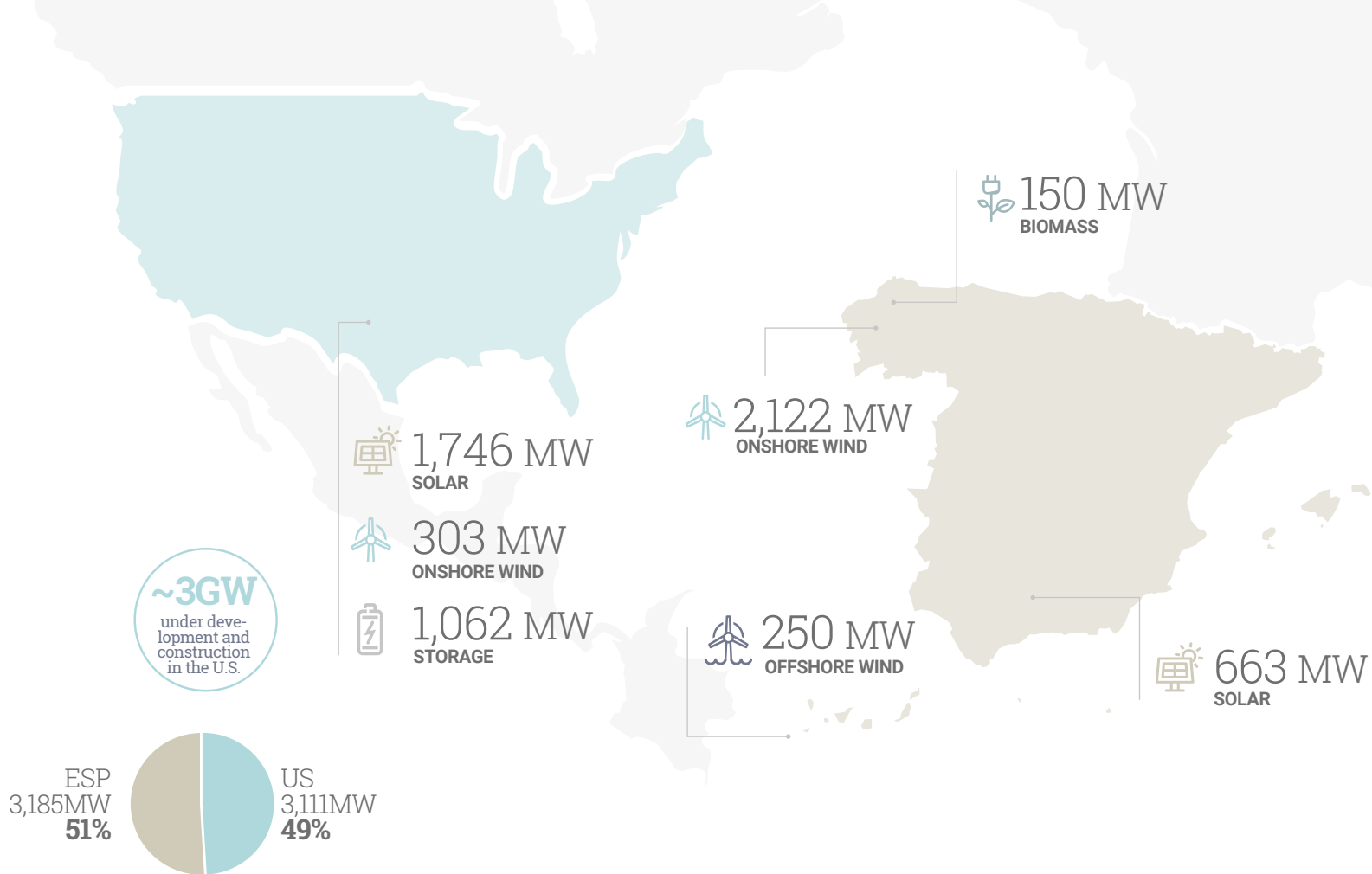
*Data at the end of 2022



Blue Hills Wind Farm Project - Texas (USA)

To extend our pipeline, we focus on developing and acquiring projects in intermediate stages of development where we can create the most value.

That's why Greenalia has a portfolio of large-scale projects diversified across all five renewable energy technologies and different stages of maturity. This approach allows for a progressive implementation and investment throughout our business plan.



Our pipeline is committed to innovation and diversification in **new technologies** and presence in **new markets**.

Projects in **5 technologies** located in the main resource areas, in Spain and the United States.

Pioneer in the processing of **floating offshore wind projects** in Spain.

Access our interactive map [TheGreenMap](#) to follow the evolution of our pipeline in the following QR



our assets biomass



Curtis - Teixeira Biomass Plant (50MW)

Biomass is a type of renewable energy that involves the use of organic and inorganic matter formed in some biological or mechanical process. In addition, mainly the remnants of forest cuttings are used, which, previously, have been PEFC / FSC® certified. Greenalia's plants are certified by SURE, a voluntary system recognized by the EU to ensure compliance with the Red II Directive, which guarantees the sustainability of the entire biomass management process up to power generation.

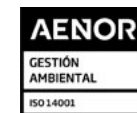
Renewable energy with biomass has enormous development potential in Spain. In addition to capturing CO₂, its contribution to the maintenance of local forestry has a significant contribution to the reduction in the risk of wildfires. Biomass presents a positive economic balance for the benefits generated, given its capacity to create employment, the development of the rural territories, and its contribution to the care of the environment.



Baler in galician forest

Biomass plant CURTIS TEIXEIRO

-  Curtis - Teixeira, A Coruña
-  2019
-  50MW
-  135M€ Investment
-  311GWh in 2022
-  103,000 m²



our assets onshore wind

Alto da Croa Wind Farm (7.3MW)

Onshore wind energy is obtained from air currents by wind turbines located on land, which convert the energy produced by the movement of the blades of a wind turbine driven by the wind into electrical power. Being a renewable source, it produces no pollution, is sustainable, and helps reduce the reliance on fossil fuels. In addition, it is universal and available on almost the entire planet, which contributes to reducing energy imports and creating wealth and employment locally.



Wind Farm MIÑÓN

- Vimianzo, A Coruña
- 2019
- 24MW
- 28M€ Investment
- 43GWh in 2022



Wind Farm OUROL

- Oourol, Lugo
- 2021
- 22.5MW
- 26M€ Investment
- 54GWh in 2022



Wind Farm ALTO DA CROA

- Vimianzo, A Coruña
- 2021
- 7.3MW
- 5.5M€ Investment
- 21GWh in 2022



Wind Farm MONTE TOURADO

- Vimianzo, A Coruña
- 2021
- 10.4MW
- 8M€ Investment
- 31GWh in 2022



Wind Farm ALTO DA CROA II

- Vimianzo/Dumbría, A Coruña
- 2021
- 10.4MW
- 8M€ Investment
- 36GWh in 2022



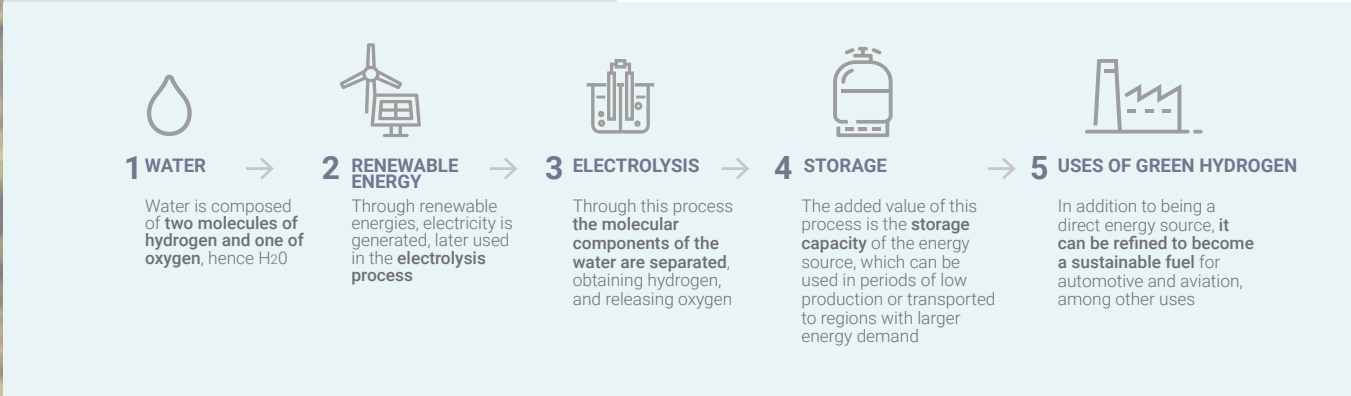
Greenalia and technological innovation

Green hydrogen

At Greenalia, we continue to invest in innovation while diversifying in the latest technologies. Thus, in 2022 we started to take steps towards operating a sixth technology: Green Hydrogen. In this way, we acquire more stability and guarantee to comply with the objectives set out in our strategic plan.

This technology is based on hydrogen generation – a universal, light, and highly reactive gas that can be stored and transported – through a chemical process known as electrolysis. This method, when using electricity from renewable sources to separate the hydrogen from the oxygen in the water, becomes green, producing a source of carbon dioxide-free energy storage in the atmosphere.

Once separated from oxygen, Green hydrogen can be refined in combination with biogenic carbon dioxide from biomass combustion, making it a sustainable fuel for automotive, aviation, or maritime navigation, free of emissions and with no harmful effects on the environment.



Decarbonization of the energy system



Sustainable mobility



Applications in large industry



Domestic and commercial use

financial excellence

Greenalia's Headquarters

The application of good financial practices is an extension of our commitment to sustainability. In this way, strict compliance with fiscal responsibilities is one of our fundamental principles, it is consubstantial with our values and our philosophy of creating value and being an actor of positive social transformation in the areas where we have a presence.



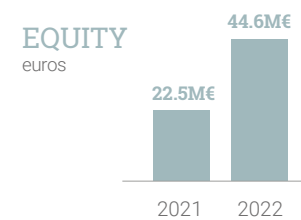
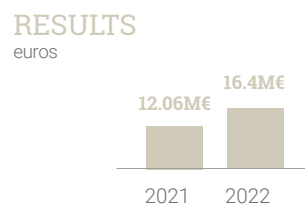
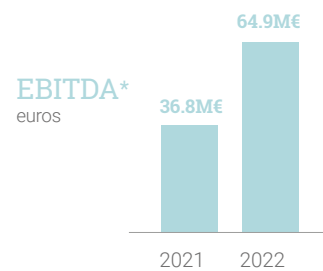
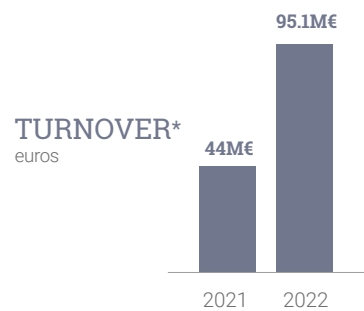
RECURRING INCOME,
PREDICTABLE AND STABLE
IN THE LONG TERM.



EFFICIENT FINANCIAL
STRUCTURES,
RESOURCE-FREE.



HIGH PROFITABILITY,
FOCUSSED ON THE
GENERATION OF EBITDA



	2021	2022	VAR vs 2021
Total Income (M€)	44	95.1	+116%
EBITDA (M€)	36.8	64.9	+77%

(* In order to allow comparability with the previous year, the year 2021 has been restated to restrict it only to the consolidation perimeter of FY22, which includes only revenues from energy sales.

ECONOMIC VALUE GENERATED

	2021	2022
Income	76,532,716€	95,072,076€
Other income	9,710,161€	1,832,396€
ECONOMIC VALUE GENERATED	86,242,877€	96,904,472€

Economica value generated	86,242,877€	96,904,472€
Operating costs	-41,395,737€	-28,200,536€
ADDED VALUE	44,847,140€	68,703,936€
Amortization and depreciation	-9,421,266 €	-31,146,476€
ECONOMIC VALUE DISTRIBUTED	35,425,874€	37,557,460€

Economic value distributed in:	35,425,874€	37,557,460€
Personnel	-4,111,951€	-4,211,110€
Shareholders	-12,035,891€	-16,424,925€
Capital providers	-17,158,281€	-16,482,385€
Central public administration	-2,022,704€	-98,333€
Local public administration	-97,047€	-340,707€
TOTAL CAPITALIZATION (31/12/2022)	351,409,906€	379,034,215€

GREEN FINANCE AND ESG RATING

In November 2021, we contacted Morningstar Sustainalytics, a supplier of Globally recognized research and ratings on ESG data, to assess the [Green Finance Framework](#) and its alignment with relevant industry standards. This was done to obtain an external opinion on the credibility and soundness of the framework.

We have a Green Finance framework that follows the Green Bond Principles (GBP) of the ICMA and the Green Lending Principles of the MAL. Likewise, to encourage transparency and the promotion of green financing, the different operations have been subject to evaluation. Corroborating that Greenalia focuses 100% of its activity on renewable energies and its activities are fully eligible with the EU Taxonomy as an environmentally sustainable economic activity, contributing significantly to mitigate climate change.

In 2022, we registered, for the second consecutive year, a green promissory note program in the Spanish fixed income market (MARF) for the total amount of 100 million euros, with a validity of one year from the date of publication of the program.

With this action, we advance on the path of green financing, consolidating our position as a pioneer SME in this type of green

issuance, a framework in which we already issued 4 bonds, the last of them of 55 million, in December 2020, and also rated with the highest score in terms of sustainability by the rating agency Standard & Poor's.

In a similar vein, and to be able to measure our management proactively in environmental, social, and governance matters, we have an ESG evaluation from the rating agency.

Through its comprehensive qualification, we could identify at the macro level those issues that have a significant and material impact concerning fundamental and specific parameters of our sector, thus allowing us to establish strategies that help us mitigate and take advantage of the identified opportunities.



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GREENALIA S.A. IS A RENEWABLE ENERGY PRODUCER WITH OPERATIONS IN EUROPE AND THE U.S.

Greenalia's Headquarters

04 our sustainability model

The term sustainability has been widely associated with the generation of services or products without compromising the resources of the future. In recent years this concept has been widely surpassed; thus, we must foster regenerative development initiatives, in addition, to reducing negative impacts to reverse the unsustainable development of current generations.

At Greenalia, we base regenerative development on three fundamental pillars: Environmental, Social, and Governance, with an approach that goes beyond reconstruction or restoration and promotes a proactive attitude toward permanent improvement.



DOUBLE MATERIALITY ANALYSIS

SUSTAINABILITY PLAN (ESG) 2019-2023

*Come writers and critics
Who prophesize with your pen
And keep your eyes wide
The chance won't come again
And don't speak too soon
For the wheel's still in spin
And there's no tellin' who
That it's namin'
For the loser now
Will be later to win
For the times they are a-changin'*

Manifesto (pag 93)

double materiality analysis

greenalia®
The Green Company

Greenalia's Headquarters

Materiality analysis is one of the most important and value-added tools. It allows us to identify the most relevant issues for our stakeholders and thus advance in the creation of value in governance, social and environmental matters, to ensure that the current and future needs of our stakeholders are met.

This year the methodological approach to performing the materiality analysis has changed concerning previous years, per the new methodology defined by the GRI 3: Material Topics 2021, which focuses on identifying and assessing the impacts that organizations generate on their environment.

In addition, once Greenalia's material issues have been identified following the GRI impact materiality, the double materiality approach proposed by the ESRS (EU Sustainability Reporting Standards) developed by EFRAG has also been followed to consider their financial impact on the company.

To evaluate the **impact materiality**, the following have been carried out:

- **SURVEYS TO EXTERNAL STAKEHOLDERS**, in which they were asked to assess the impact scale. Number of surveys sent: 451
- **SURVEYS OF INTERNAL STAKEHOLDERS**, in which they were asked to assess the scope, irremediability, and probability. Number of surveys sent: 53

Additionally, in order to assess the financial materiality, we have carried out:

- **SURVEYS TO MANAGEMENT** in which they were asked to assess the financial materiality of the entity's key issues, considering the risks and opportunities linked to them, as well as their influence on Greenalia's ability to generate revenue, reduce costs, make the business more efficient or mitigate risks. Number of surveys sent: 9



PROCESS OF MATERIALITY

IDENTIFICATION AND EVALUATION OF IMPACTS

- Analysis of the context of the organization
- Identification of impacts
- Impact assessment

DETERMINATION OF MATERIAL MATTERS:

- Prioritization of impacts by importance (45 impacts)
- Determination of material matters (17 material cases)

DOUBLE MATERIALITY:

- Consideration of the financial perspective
- Double materiality matrix

For the prioritization of material issues in 2022, 69 responses have been received from the following stakeholders: Supplier companies, Administration, NGOs, University, Investors, Media, Industry Associations, Forest Customers and Greenalia's Personnel.

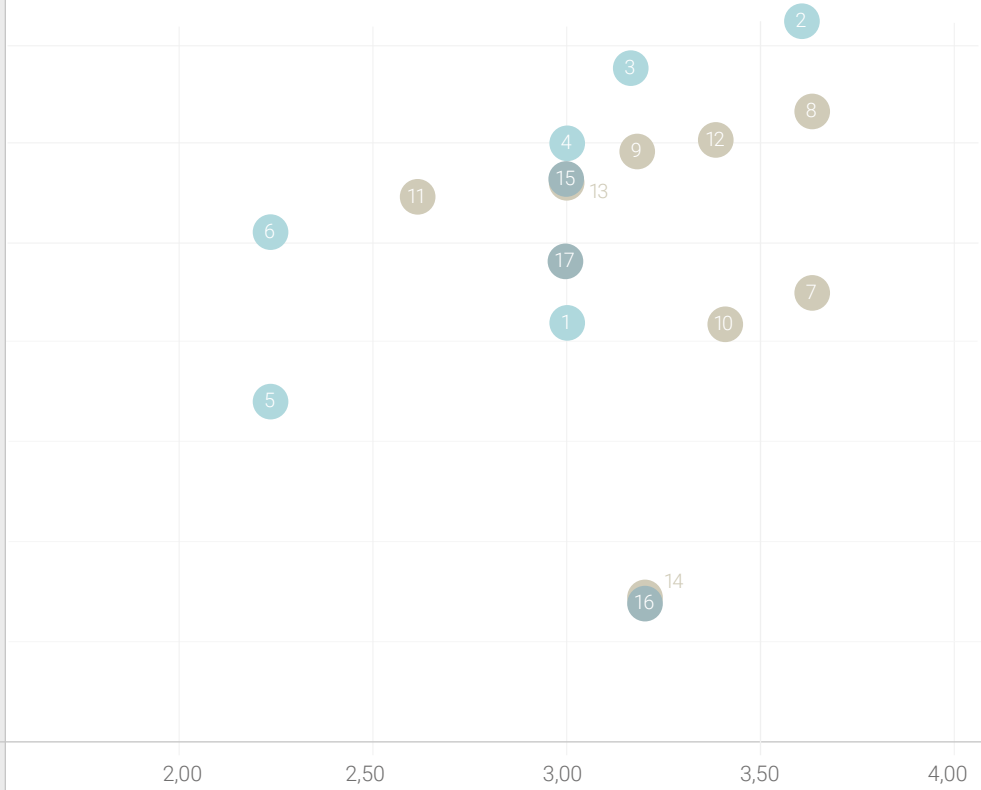
double materiality matrix



Alto da Croa Wind Farm surrounding area

double materiality matrix

Materialidad de impacto



Materialidad financiera

ENVIRONMENTAL (E)

- 1 Climate Change
- 2 Energy transition
- 3 Circular economy
- 4 Biodiversity
- 5 Water
- 6 Residues

SOCIAL (S)

- 7 Employment quality
- 8 Talent management
- 9 Equality, diversity, and inclusion
- 10 Occupational Health and Safety
- 11 Human rights
- 12 Rural development
- 13 Impact on local communities
- 14 Cybersecurity

GOVERNANCE (G)

- 15 Green finance
- 16 Good governance and ethics. Compliance
- 17 Transparency



sustainability plan (ESG) 2019 - 2022

Greenalia's mission is to create value sustainably by generating electricity from renewable sources, supporting the global energy transition process, and safeguarding future generations.

Our vision of sustainability is based on values intrinsic to our business, such as non-conformism, challenging the status quo, proactivity, as well as the willingness of all areas of the company to be a lever for change in achieving the goal of becoming an increasing regenerative society.










Our aspiration to become more sustainable led us to develop our 1st Sustainability Plan 2019-2022, which includes concrete actions structured around three main blocks:

ENVIRONMENTAL

SOCIAL

GOVERNANCE

environmental









SDG	OBJECTIVE	2019	2020	2021	2022
	Progressive reduction of our carbon footprint	1st calculation of our carbon footprint	● Reduction of over 60% on our emissions per functional EBITDA* unit, expressed in thousands of EUR (tCO2eq/KEUR(EBITDA*))	● Reduction of almost 60% on our direct emissions per functional EBITDA* unit, expressed in thousands of EUR (tCO2eq/KEUR(EBITDA*))	● Reduction of ≈53% of our direct emissions per functional unit of EBITDA* expressed in thousands of EUR (tCO2eq/KE(EBITDA*))
	Carbon-neutral company	1st year of neutrality, compensating the Scope 1 and 2 emissions	● Carbon-Neutral company for 2nd consecutive year	● We entered the evaluation phase of other alternatives better aligned with the aims for reducing emissions approved during this year.	● We continue working on carbon footprint management and implementing reduction actions. Development of a decarbonization pathway to help achieve neutrality in those cases where it is not possible to reduce.
	Madera 100% certificada FSC/PEFC en 2023	100% of the wood we purchase comes from controlled forests and 86% come from forests with FSC®/PEFC-certified management	● 100% of the wood we purchase comes from controlled forests and 85% come from forests with FSC®/PEFC-certified management	● 100% of the wood we purchase comes from controlled forests and 88% comes from forests with FSC®/PEFC-certified management	● 100% of the wood we purchase comes from controlled forests and 90% comes from forests with FSC®/PEFC-certified management
	Maximum attention to the protection of biodiversity	800h of environmental monitoring in the zone of the wind power projects	● 1.408 hours of environmental monitoring	● 1.704 hours of environmental monitoring	● 976 hours of environmental monitoring
	Biomass 100% from local forest residues	The average distance from the source to the biomass plant was 60 Km.	● The average distance from the source to the biomass plant was 70 Km.	● The average distance, weighted by weight, from the source to the biomass plant was 72 Km	● The average weight-weighted radius of origin was 72.65 km.
	Zero single-use plastic material	Single-use plastics eliminated from our offices	● We continue to avoid using single-use plastic in offices	● We continue to avoid using single-use plastic in offices	● We continue to avoid the use of single-use plastic material in our facilities
	Recycling in offices and responsible use of paper	We recycle the waste we generate and use paper minimally and efficiently	● Increased use of paper due to the archive digitalization project.	● We recycle the waste we generate and use paper minimally and efficiently	● We recycle the waste we generate and use paper minimally and efficiently
	1,000 MW of installed power with an investment of 1,000 M€ in energy transition by 2023	In December 2019, our first wind farm started operating in Miñón	● 230 M€ invested in energy transition (23% of the goal for 2023)	● 271.9 M€ invested in energy transition (27% of the goal for 2023)	● 350,2M€ invested in energy transition (34,8% of the goal for 2023)
	Protection and enhancement of archaeological elements	650 hours of archaeological monitoring by experts during works	● 412 hours of archaeological monitoring by experts during works	● 209 hours of archaeological monitoring by experts during works	● 540 hours of archaeological monitoring by experts during works

● Completed ● In progress ● Not completed

(*) This EBITDA differs from that of the CFS as it includes the information of Greenalia Forest S.L. and Greenalia Logistics S.L.U., companies that will be classified as held for sale in 2022. The financial information of the companies Greenalia Forest, S.L. and Greenalia Logistics, S.L.U. has been prepared based on the accounting records for the year from January 1, 2022 to December 31, 2022.



social

SDG	OBJECTIVE	2019	2020	2021	2022
	Madera Justa certification	Certification process completed in november 2019 ●	We maintain the Madera Justa certification ●	We maintain the Madera Justa certification. We obtain SURE certification ●	We maintain the Madera Justa and SURE certification ●
	Promotion of education in technology	We commence a collaboration project with Vigo University ●	Collaboration project with Vigo University for training classes by our personnel ●	We continue to contribute to education in our region with guided visits to our Biomass Plant, in collaboration with various universities. ●	We continue to contribute to education in our region through guided tours of our facilities in collaboration with various universities and local sports organizations. ●
	Promote the creation of jobs and the impact in the local economy	Direct economic impact of 50M€ in businesses in the region. 1,600 workers participate in construction works for our projects ●	Direct economic impact of 40 M€ in businesses in the region. Over 640 jobs created, directly and indirectly ●	Direct economic impact of 45 M€ in businesses in the region. Over 420 jobs created, directly and indirectly ●	Direct economic impact of more than €63M on companies in the region. More than 180 jobs generated directly and indirectly. ●
	Corporate volunteer programs	Volunteer programs organized to collect food and to support community kitchens ●	Volunteer programs organized to donate Christmas presents and to donate laptops to Cáritas ●	Corporate volunteer programs have been organized to clean beaches, and to donate food to the Food Bank and presents to the Cáritas Christmas campaign ●	Various corporate volunteer activities have been carried out, including cleaning wind farms, donation of non-perishable food to the local Food Bank, and toys in the Three Wise Men Campaign of Caritas. ●
	Collaboration projects with local social organizations	We have identified a collaboration project and are progressing towards its execution ●	Collaborations with 5 town halls to help at the start of the school year. ●	Collaboration with the Coruña Basketball Club and the Tordoia Sports Training Schools to improve access to sports, facilitating the inclusion of the most disadvantaged groups. ●	We have collaborated with different Football and Basketball entities to ease access to sports activities for some of the most disadvantaged sectors of society. Among our collaborations, we have worked with Básquet Coruña, Club Deportivo Burela, and CB Gran Canaria. ●
	Zero accidents	Zero accidents in our workforce ●	Zero serious accidents in our workforce ●	Zero serious accidents in our workforce ●	Zero serious accidents in our workforce ●
	Zero inequality	<i>Diagnostic phase of this process, headed by the Equality Commission, carrying out quantitative and qualitative analyses and surveys, and defining focus groups</i> ●	1st Plan for Equality, Diversity and Inclusion (2020-2023) ●	Advances in compliance in our 1st Plan for Equality, Diversity and Inclusion (2020-2023) ●	Progress in meeting the objectives of our 1st Equality, Diversity and Inclusion Plan (2020-2023) ●
	Continuous improvement of training opportunities	1,060 hours of training ●	1,545 hours of training ●	2,649 hours of training ●	3,565 hours of training ●

● Completed ● In progress ● Not completed



governance

SDG	OBJECTIVE	2019	2020	2021	2022
	Communication of results in webcasts	Webcast presenting results for 1st half of 2019, with 103 direct viewers and 150 views of the recording ●	Webcast presenting results for 1st half of 2020, with 214 direct viewers and 248 views of the recording ●	<p>Webcast presenting results for 1st half of 2021, with 155 direct viewers and 193 views of the recording ●</p> <p>Presentation of results for FY2020 with 138 direct viewers and 170 views of the recording ●</p>	<p>We broadcast a webcast of the FY2022 results presentation in Spanish and English. Access via the corporate website ●</p> <p>Communications were sent to our stakeholders via 4 newsletters. Drafting of 60 press releases ●</p>
	Quarterly publication of articles on sustainability (ESG)	One article published in the last quarter of the year, following the presentation of the new Sustainability Plan (ESG) ●	At least one article related to sustainability (ESG) has been published every quarter ●	At least one article related to sustainability (ESG) has been published every quarter ●	At least one article related to sustainability (ESG) has been published quarterly ●
	External evaluation	Audited by FSC®, PEFC and Madera Justa. Evaluation by Standard&Poor's and Vigeo Eiris of the sustainability of our green credits ●	Audited by FSC®, PEFC and Madera Justa. Evaluation by Standard&Poor's of the sustainability of our green credits ●	Audited by FSC®, PEFC, Madera Justa and SURE certification. Evaluation by Sustainalytics of the sustainability of our program of green credits ●	Audited by FSC®, PEFC, Madera Justa, SURE Certification, and AENOR ISO 14001 certification. Sustainalytics evaluation of the sustainability of our green notes program ●

● Completed ● In progress ● Not completed

05 governance

greenalia

— CORPORATE
GOVERNANCE

— TRANSPARENCY

— ETHICS AND INTEGRITY

— RISK MANAGEMENT

*Come senators, congressmen
Please heed the call
Don't stand in the doorway
Don't block up the hall
For he that gets hurt
Will be he who has stalled
The battle outside ragin'
Will soon shake your windows
And rattle your walls
For the times they are a-changin'*

Manifesto (pag 93)



governance



Peace, Justice and Robust Institutions

Target / **16.5 / 16.6**

We made progress in consolidating our compliance program, thanks to the approval of various standards, such as the Anti-Corruption Standard, by our Board of Directors.

We regularly report on sustainability challenges through specific publications on our website.



Alliances to achieve our objectives

Target / **17.16**

We collaborate and maintain strategic alliances with the administration, social organizations, and relevant international institutions such as the United Nations Global Compact to advance toward sustainable development and operate together to promote Human Rights.



corporate governance

Greenalia has a Regulatory Compliance Program, which is based on the commitment to the best national and international practices in terms of good governance, compliance, business ethics, and social responsibility; is based on the principles of ethics, behavior, and transparency contained in our Code of Conduct and Good Corporate Practices, as well as other internal rules and procedures of the company.

The purpose is to ensure compliance with the legislation and ethical principles established by the

Board of Directors in its relations with stakeholders and in the activities carried out by the company, guaranteeing the long-term sustainability of the business model and creating relationships based on trust.

governing bodies

Our Board of Directors is the main responsible for the company's decision-making process, exercising its functions with the advice of different Committees, composed of 6 members, with a diversity of knowledge, competencies, origins, experiences, and gender.

Among the matters on which it decides are the approval of the Annual Accounts, Strategic Plans, Corporate Policies, and the management and monitoring of the compliance and risk management program.

Concerning gender diversity, 16% of the Board of Directors consist of women, and they met 8 times this year.

Currently, the Board of Directors has various committees that report to and advise the Board of Directors on the matters within their respective areas of responsibility.



General Shareholders' Meeting

Capital structure of the company



Board of Directors



José María Castellano
Non-executive President
Appointment: 28.06.21

Manuel García
CEO
Appointment: 28.06.21

Pablo Castellano
Proprietary Director
Appointment: 28.06.21

Antonio Couceiro
Independent Director
Appointment: 28.06.21

Antonio Fernández-Montells
Executive Director
Appointment: 28.06.21

Beatriz Mato
Executive Director
Appointment: 28.06.21

Laura Luaces
Secretary (Non-voting)
Appointment: 19.10.2018

Audit Committee

In 2022, 6 sessions of the Audit Committee were held.



José María Castellano
Secretary
Appointment: 28.06.21

Norcorporate, S.L.
Represented by D. Antonio Couceiro -President-
Appointment: 28.06.21

Repayments and Appointment Committee

In 2022, 4 meetings of the Repayments and Appointment Committee were held.



José María Castellano
Secretary
Appointment: 28.06.21

Norcorporate, S.L.
Represented by D. Antonio Couceiro -President-
Appointment: 28.06.21

steering committee

When contracting the members of our Steering Committee, composed of the persons responsible for different areas, priority has been given to personnel from the local community or nearby, who come, in 67% of the cases, from the area most influenced by our activities, Galicia.

Its main functions include the power to make a specific investment, project development, and business decisions, reporting to the Board of Directors, ensuring the proper implementation and execution of the Strategic Plan and budget, as well as its periodic review and monitoring.

Sustainability is constant factor in our decision-making processes and our business model. To this extent, we have a Sustainability Committee and an Equality Committee, consultative bodies responsible for advising the Steering Committee on matters within their competence. In addition, the director of the company's sustainability area is a member of the Board of Directors, thus ensuring that the strategic management supports the policies in this area and actively monitors the company's contribution to the United Nations Sustainable Development Goals.

To continue advancing good corporate governance policies and to incorporate best market practices throughout the team, we continued to work during this fiscal year on our Regulatory Compliance Program.

Our control environment is comprised of governance elements, policies, procedures, operational controls, and Executive Committees that support the Board of Directors in the exercise of its responsibilities.

The composition of each of these Committees varies depending on the position or rank of Greenalia's personnel, and the frequency of meetings can be weekly, biweekly, or monthly.



Greenalia's Headquarters

transparency

Greenalia's Headquarters

Good governance requires that stakeholders have regular and timely access to relevant, sufficient, and reliable information, both concerning the rules and exercise of governance and the results achieved.

For this reason, seeking to provide maximum transparency, at Greenalia we collaborate responsibly with public institutions and provide our vision on matters that affect our business areas and the sectors in which we operate. To be the transparent organization we want to be:



We maintain international **forest certifications** that show the sustainability of the wood and forest products we market.



We publish our **financial information** periodically and undergo semi-annual financial audits, i.e. more frequently than legally required.



We have **channels with our stakeholders** to serve them in the most effective, agile, and transparent way possible and ensure they are constantly informed about our actions.



We compile all the **policies of a transversal application** under our Green Book as proof of a broad vision of sustainability in all business areas.

DIALOGUE CHANNELS

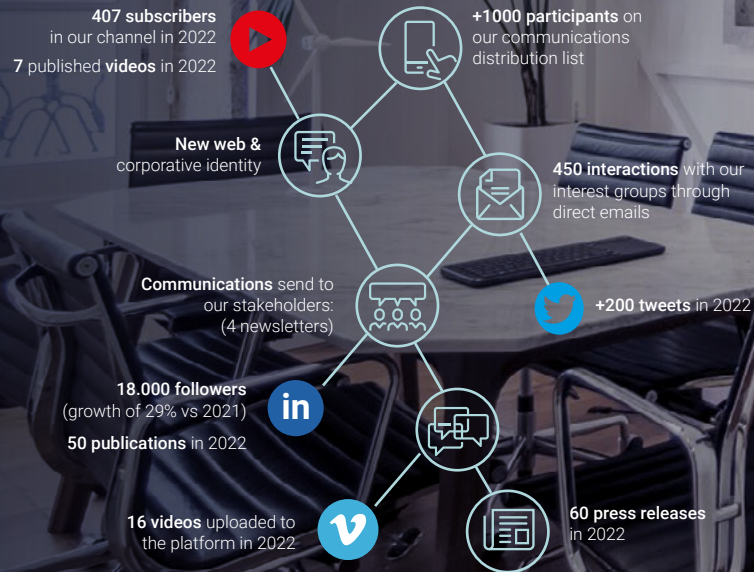
We report on a regular basis on the specific sustainability (ESG) challenges encountered in the development of our business activity, through specific publications on our website, such as the publication of the actions carried out, in relation to collaborative activities in social matters or the progress of our compliance program. The objective of our Sustainability Plan (ESG) is to publish information of this nature on a quarterly basis and when relevant.

We also maintain a policy of open communication with the media, with particular attention to those with a presence in the areas where we operate, to be able to communicate our projects and their characteristics to society, to ensure more significant knowledge of them and thus achieve a higher level of transparency at the local level.

The notes to the financial statements include a specific memo with information on the compensation of senior management and the board of directors.

communication channels

Greenalia is committed to the use of technology and digitalization as a way to facilitate the organization's development. In this line, we have strengthened our presence and transparency in social networks and the internet to have a closer relationship with our stakeholders.



ethics and integrity

corporate governance and best practices

Greenalia was born as a self-demanding organization with its standards of work and governance. This natural inclination to be a company committed to best practices exceeding the strictest international standards in corporate governance has led the organization to a process of acceleration and escalation in the implementation of these principles, systems, and processes. A company like Greenalia committed to the sustainability of its business model and present in its DNA to the ESG framework, is in a constant process of improvement and self-evaluation to consolidate its Governance model linked to a solid and seamless business ethic.

The centerpiece of the Programme is the Code of Conduct and Good Corporate Practices, which aligns with the principles of the Global Compact, to which we are signatories, and is accessible on our corporate website.

Our ethical principles and guidelines for action are included in the Code of Conduct. This is accepted by each person who becomes part of the organization and establishes the basic principles and commitments that are expected and should be demanded of the societies that make up Greenalia, as well as all its people, management, and governing bodies. It constitutes a framework of common integrity for all of them in the development of their professional activities and in their relations with stakeholders.

To ensure compliance with current legislation and the Code of Conduct, we continue to work on strengthening our internal policies and procedures, collecting the professional behavior guidelines that our Board of Directors considers necessary to generate added value for our stakeholders, our people, and for the company's companies through which we carry out our activity. In this framework, the approval of the Anti-Corruption Policy stands out, the result of our zero-tolerance policy against all corrupt acts and our commitment to integrity and the best ethical and governance practices. The standard is conceived as a tool to help the persons subject to its content to identify possible corrupt behaviors and establishes a set of measures to prevent this type of practices (related to donations or sponsorships; when gifts, invitations, or trips are delivered or received; in the keeping of books and accounting records; in the event of possible conflicts of interest; in relations with the public sector; when establishing relationships with third parties; or by recruiting staff to positions that expose the Group to the risk of corruption).



RESPECT FOR LEGALITY

We develop our business and professional activities in strict compliance with the law.



RESPECT FOR HUMAN RIGHTS

We scrupulously respect, in all our actions, the Human Rights and Public Freedoms included in the Universal Declaration of Human Rights.



SAFETY

We seek excellence, creating optimal health and safety conditions at work. In all our areas of action we demand a high level of security in processes, facilities, and services, with particular attention to the protection of personnel, suppliers and customers, and the local environment.



INTEGRITY

We maintain irreproachable ethical behavior, avoiding any form of corruption and respecting the particular circumstances and needs of all the people involved in our activities. In this way, we want our corporate practices to reflect our values. Proof of this is the implementation of a Responsible Channel available to anyone to submit complaints, claims, suggestions, and doubts about the Compliance Program, contributing to creating a culture of compliance that helps us develop our business project.



TRANSPARENCY

We only disseminate information about our management that is truthful, verifiable, adequate, clear and transparent.



RESPONSIBILITY

We assume our accountability and act in accordance with it, committing all our capabilities to meet our objectives.

Principles that form the basis of our

CODE OF CONDUCT AND GOOD CORPORATE PRACTICES



Greenalia's Field Operations Team in Curtis-Teixeira Biomass Plant (50MW)

supervisory bodies

Since September 2021, the company has had a Regulatory Compliance Committee in charge of preventing, detecting, mitigating, and correcting possible business behavior that may deviate from ethics and legality.

This body is responsible for ensuring the correct application and compliance with our Regulatory Compliance Program, resolving any queries raised through the whistleblower channel, and guaranteeing access and training for all our people on the program.

Committee of Regulatory Compliance

Gonzalo María Castañeira Sobrino
People, Brand & Communications Director
President / Chief Compliance Officer

Beatriz Mato Otero
CSO Chief Sustainability Officer
Board Member

Fátima Rodríguez Vilar,
Sustainability ESG Specialist
Board Member

An external specialized company carries out the Secretary for the Committee role, which has voice but no vote.

The **functions** of the Committee are:

- To carry out the implementation of the Program.
- To investigate acts that may be contrary to the law or internal regulations.
- To submit to the Greenalia Audit Committee all documentation for the development of the Program.
- Plan training on regulatory compliance and determining its content.
- Respond to the staff's queries concerning the application of the Program.
- Prepare reports on the effectiveness of the measures adopted and on the activity carried out, as well as suggest improvements.

To ensure compliance with the Code of Conduct, the other rules of our Compliance Program, and the law, the [Responsible Channel](#) is available to anyone who, in their relationship with Greenalia, knows of any infringement of our rules on regulatory compliance. It can also be used to submit complaints, claims, questions about the Compliance Program, and suggestions. All this contributes to creating a genuine compliance culture that helps us to develop our business project.

The channel is managed by an independent external company, thus guaranteeing the confidentiality of communications. The platform enables anonymous reporting access through the corporate website.

It should be noted that, in this fiscal year, as was the case in 2021, no legal action was taken against Greenalia for anti-competitive or unfair practices, nor have any corrupt practices been detected. Nor have we faced significant fines or penalties for non-compliance in the social, economic, or labeling areas.

0 FINES

Zero significant fines for non-compliance with applicable environmental laws and regulations.

0 FINES

Zero significant fines for non-compliance with applicable social and economic legislation or regulations.

0 INCIDENTS

Zero incidents of non-compliance with regulations or voluntary codes concerning marketing communications or product information.

0 SANCTIONS

Zero significant administrative sanctions for fundamental non-compliance with regulations concerning privacy and customer data protection.

0 INCIDENTS

Zero incidents of non-compliance with regulations or voluntary codes concerning health and safety.

0 COMMUNICATIONS

Zero communications about discrimination involving violations of human rights.

We are continuously working to strengthen our internal policies and procedures to ensure compliance with legislation and the Program. Specifically, we have approved, in addition to the Anti-Corruption Standard, the Standard on the collection, processing, and protection of personal data, the Tax Standard, the Crisis Communication Manual, and the Standard on the use of social networks.

In addition, in the field of Data Protection, we have a Data Protection Committee whose

purpose is to verify the correct assignment of all the functions and responsibilities related to the project of adaptation to the European Personal Data Protection Regulation 2016/679 (GDPR).

During this fiscal year, there have been no security breaches in data processing, so it has not been necessary to activate the procedure for registration and notification to the Data Protection Agency. The project of regulatory compliance with the scope of data protection regulations is part of a management system

that includes as a fundamental axis the review and audit as part of a cycle of continuous improvement.

As an additional tool to mitigate the risk of corruption, Greenalia undergoes financial audits every six months, more frequently than is legally required.

To ensure that all our people are aware of the Compliance Program, we hold specific training sessions on this subject as part of the team-

building meetings, Green Café, which are held every 3 months. In addition, at the end of 2021, Compliance training was initiated and concluded in February 2022, with the attendance of 40 participants.

supply chain

Within the values that characterize Greenalia, we find a firm commitment to a sustainable and responsible business model, not only with the environment but also with the people around the organization. Therefore, the company's main objective is to promote relationships based on values such as transparency, environmental protection, anti-corruption, and respect for human rights. Facilitating innovative work environments focused on promoting integral relationships that deepen the participation and collaboration of the different stakeholders.

GREENALIA STAKEHOLDERS



Greenalia's Field Operations Team en galician forest

OUR PEOPLE

The Green Team

Our environment

Our Communities & Society

Our suppliers

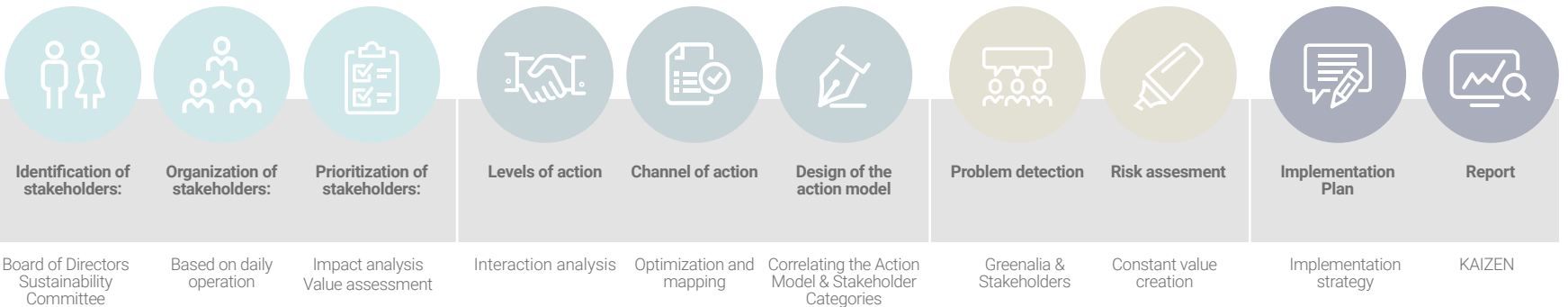
Our clients

Administration

Media

As an organization, we are committed to our stakeholders to act transparently, reliably, and responsibly. Therefore, as a method to monitor and establish protocols for action with the various stakeholders, Greenalia monitors our activities through the following Framework:

FRAMEWORK FOR INTERACTION WITH STAKEHOLDERS



STAKEHOLDER MAPPING

ACTION PROTOCOL

RISK-OPPORTUNITY ASSESMENT

IMPLEMENTATION OF THE PLAN

The company's orientation towards creating shared and sustainable value for stakeholders related to our business activity and our institutional reality is expressed in the mission, vision, and various corporate policies, under the commitments acquired in our Code of Conduct and good corporate practices.

In pursuit of our goal of establishing a greener tomorrow, our work as a relevant player in the energy transition brings us closer to individuals, groups, and communities. The channels shown below are the ones we use most frequently to interact with our stakeholders:



THE GREEN TEAM

Phone, Email, Letters, Corporate Website, Meetings, Conferences, Debates, Videoconferences, Consultations, Procedures, Surveys.



ADMINISTRACIÓN:

Phone, Email, Letters, Corporate Website, Meetings, Conferences, Debates, Videoconferences, Consultations, Procedures, Surveys.



SUPPLIER COMPANIES:

Phone, Email, Corporate Website, Meetings, Responsible Channel, Ethical Charter, RRSS.



CLIENTS

Phone, Email, Meetings, RRSS, Corporate Website, Events, Responsible Channel.



MEDIA

Phone, Email, Corporate Website, Meetings, Videoconferences, Press Releases, Events, RRSS.

Our priority is to create a framework of trust for the companies we collaborate with, intending to secure and establish new contracts with suppliers whose activity is aligned with our objectives and values, expressing their commitment by signing our ethical charter

ETHICS IN THE SUPPLY CHAIN

Our supply chain is made up of suppliers and external collaborators who assist us in the planning and execution of the projects we develop in our different lines of business and with whom we establish relationships based on trust, impartiality, objectivity, and transparency.

To raise attention to the behavioral guidelines that should govern supplier relations with Greenalia, we have the Ethical Charter for Suppliers, developed from our Code of Conduct and aligned with the principles of the Global Compact.

The document describes the ethical conduct required for the companies we work with, as well as the importance of complying with

established standards. Among other things, we value the compliance of safety, health, and environmental considerations when selecting suppliers and the processes themselves, as well as compliance with applicable laws governing working conditions and risk management.

To ensure understanding and acceptance of the Charter, we request our suppliers to sign a document created for this purpose. Likewise, to know the performance in some issues related to sustainability or ESG, we ask them to fill out a specific questionnaire.

During this fiscal year, we received 144 signed Ethical Charters from our supplier companies.

Due to the vertical integration of all our value chain activities, at Greenalia we interact with a wide range of stakeholders, from state and local government, forestry customers, and investors.

In the forestry sector, we do not forget our customers, who impose equally high demands on us as our financiers, so we work to meet their expectations, anticipate their questions and facilitate their due diligence.

united nations global compact

From Greenalia, we formalized our adhesion in 2019 to the world's largest initiative in sustainable development, the United Nations Global Compact. With this decision, we have committed to support the Ten Universal Principles promoted by the Compact and derived from United Nations declarations:

THE UNIVERSAL
DECLARATION OF
HUMAN RIGHTS

THE ILO DECLARATION ON
FUNDAMENTAL PRINCIPLES
AND RIGHTS AT WORK

THE RIO DECLARATION
ON ENVIRONMENT AND
DEVELOPMENT

THE UNITED NATIONS
CONVENTION AGAINST
CORRUPTION

The Ten Principles of the UN
Global Compact are based on
four pillars:

HUMAN RIGHTS

PRINCIPLE 1
Support and respect
the protection of
internationally
proclaimed human
rights

PRINCIPLE 2
Businesses should
not be complicit
in human rights
abuses

PRINCIPLE 3
Uphold freedom of
association and the
effective recognition
of the right to
collective bargaining

PRINCIPLE 4
Elimination of all
forms of forced and
compulsory labour

PRINCIPLE 5
The effective
abolition of child
labour

PRINCIPLE 6
Elimination of
discrimination
in respect of
employment and
occupation

LABOUR

ENVIRONMENT

PRINCIPLE 7
Support a precautionary approach to
environmental challenges

PRINCIPLE 8
Undertake initiatives
to promote greater
environmental
responsibility

PRINCIPLE 9
Encourage the
development
and diffusion of
environmentally-friendly
technologies

PRINCIPLE 10
Businesses should
work against
corruption in all its
forms, including
extortion and
bribery

ANTI-CORRUPTION

We are committed to incorporating the Global Compact and its principles into our company's strategy, culture, and daily actions while engaging within cooperative projects that contribute to the Sustainable Development Goals. The GRI index of this Report, which also serves as a Progress Report, indicates the parts of the document related to each of the Global Compact Principles.

DURING 2022, WE DELIVERED 329.5 HOURS OF ESG TRAINING TO ALL STAFF ON THE GLOBAL COMPACT PRINCIPLES AND HUMAN RIGHTS.

At Greenalia, we are aware of the importance of a contributing globally toward a sustainable society. Moreover, we believe that the future of sustainability must increasingly move towards an open approach where collaboration is a pillar on which the industry must evolve.

For this reason, we collaborate with different stakeholders and maintain alliances with various organizations in order to support the development of technologies to promote the decarbonization of our energy model.

Curtis - Teixeira Biomass Plant (50MW) surrounding area

We have been chosen as one of the **10+10 Business Examples 2022 #ForTheClimate** for our development in Electric Biomass

Finalists in the first edition of the "Forbes - Credit Suisse Sustainability Awards", which recognize the efforts of SMEs and large Spanish family-owned companies that are committed to developing and implementing sustainable strategies in their businesses.

We are part of the Board of Directors of several associations, such as the Association of Renewable Energy Companies (APPA) and the Association of Metallurgical Industrialists of Galicia (ASIME). We maintain a consistent relationship with the industry through membership in other associations such as the Asociación Empresarial Eólica (AEE), the Asociación Eólica de Galicia (EGA), Asociación para el progreso de la Dirección (APD), Nordés Club Empresarial, the Asociación Española de Mujeres de la Energía (AEMENER), the Spanish Photovoltaic Union (UNEF), Spanish Biomass Association (AVEBIOM), Spanish Standardization Association (UNE), Galician Hydrogen Association, Canary Islands Maritime Cluster (CMC), World Forum Offshore Wind (WFO) and Spanish Biomass Technology Platform (BIOPLAT), as well as local and international forestry associations such as FSC international.

In addition, our membership in the Energy Storage Association (ESA) and active participation in various international forums enables us to develop new renewable energy storage projects, broadening Greenalia's technological spectrum at a transnational level and positioning us as a fundamental player in this sector.

In the US market, we are members of the American Clean Power Association (ACP), American Council on Renewable Energy (ACORE), Solar Energy Industries Association (SEIA), Smart Electric Power Alliance (SEPA), and American Sustainable Business Network (ASBN), associations linked to the promotion of renewable energies in the US.



WE COUNT ON A STRATEGIC POSITION TO BE AT THE FOREFRONT OF REGULATIONS, TECHNOLOGICAL SOLUTIONS, AND INNOVATIONS AFFECTING THE DEVELOPMENT OF RENEWABLE ENERGIES.

risk management



Curtis - Teixeira Biomass Plant (50MW)

In the current complex environment, effective risk management becomes increasingly important, so during 2021, from Greenalia we have started the implementation of our Risk Management System, by drawing up a risk map and developing a first policy that includes the major principles of said system. In the current year, we have decided to advance in the development of our Risk Management System, through the following actions: development of our Risk Management Policy and preparation of the Manual that details it; Reassessment of our risk map and evaluation of the possibility of implementing a tool that facilitates risk management.

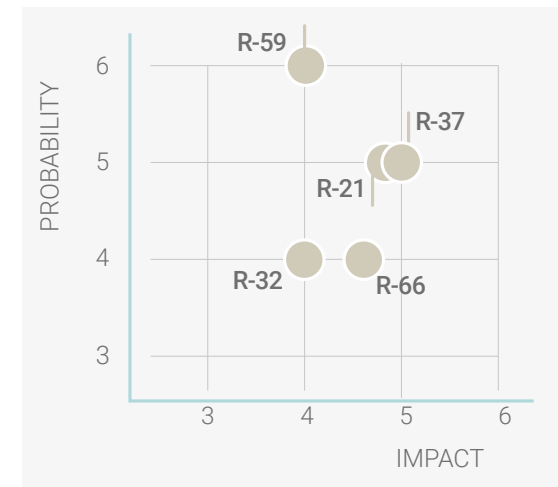
Greenalia's SGR establishes the company's risk management and control framework aligned with international standards and best practices in the field of Integral Risk Management (ISO 31000, COSO, Global Risk Report, etc.).

This system covers the entire company and covers financial and non-financial risks (including financial, operational, compliance, ESG, and strategic, among others). The company considers as a risk any potential event, regardless of its nature, that may adversely affect the fulfillment of business objectives.

The Risk Management System Policy establishes the basic principles, risk factors, and the general framework of action for the management and control of risks affecting the company. The determination of the Risk Management System Policy is a non-delegable responsibility of the Board of Directors, and its impulse corresponds to this body and the Senior Management of the company, although its implementation is the responsibility of each one of the people of the company. The purpose of the Policy is to provide reasonable assurance in achieving the objectives established by the company in response to the different challenges it faces, providing all stakeholders with an adequate level of guarantee that ensures the protection of the value generated.

The risk identification process aims to locate, recognize and describe risks that may prevent the organization from achieving its objectives. The identification seeks to have the best information available, based on the knowledge and experience of the areas directly responsible for risk management, complemented, where appropriate, with relevant external sources. Emerging risks are also considered, that is, those new risks that are in the process of transformation or are the combination of new risks, whose impact, probability of occurrence, and impact are not yet well understood.

Risk	Risk Code	Tipology
Project delay	R-37	Business
Opposition of the local community and interests groups	R-21	ESG
Exposition to Cyberattacks	R-59	Technological
Political/Regulatory Risk	R-66	Compliance
Inadequate attraction, catchment and talent retention	R-32	Business



Managing cybersecurity risks

When referring to cybersecurity risks, we refer to identifying threats that affect an organization at the IT level. They can come from external or internal attacks, producing undesired consequences in the continuity of the business, by theft or adulteration of information, undue intrusions, and blocking or data hijacking and systems that seriously endanger its critical assets.

In this context, in Greenalia, we perform an internal analysis of the Exposure to Cyberattacks, which allows us to improve and periodically update our methodologies and techniques to increase the ability to detect threats and implement preventive, concurrent, and corrective controls to mitigate technological risks, perform tests, periodic monitoring, and ensure our plans for incident response, business continuity, and disaster recovery.

The main cybersecurity risks we have identified correspond mainly to the so-called physical risks and incorporate the process of managing and mitigating general risks.

Main cybersecurity risks

Category: Physical

Greenalia's Headquarters

TYPE	DESCRIPTION	IMPACT	RISK MANAGEMENT AND MITIGATION
Acute	Security incidents, APTs, Ransomware campaigns	Low long-term risk The income of the forestry business decreases due to a stop in computer systems.	Mitigation of the impact on the traditional forestry business line through a strategy of securing information systems through encryption solutions and hardening techniques applying security policies, both in equipment and data in transit in the network.
Acute	Security incidents at public cloud providers (security breaches)	Medium to long-term risk Slowdown of internal processing capabilities and operational processes.	



Our inseparable commitment to sustainability and digitalization has been with us since day one, being part of our DNA. We are on a continuous journey of improvement, digital transformation, and optimization. For years we have been a company in constant transition to paper-free digital systems and processes. Our Digitalization/Sustainability strategy from design contributes to continuous optimized processes, cloud environments, and digital ecosystems.



Therefore, improving cybersecurity is one of our priorities, and we pay attention and care to safeguard the integrity and proper functioning of our processes and workforce.

To talk about cybersecurity refers to network security, infor-

mation protection, systems defense, and end-user training, which we reflect within our annual strategy for the Digital department.

Our staff is constantly trained in this area to maintain high alertness to these types of risks and cyber-attacks. In addition, we regularly test our internal processes, identifying and assessing vulnerabilities to external threats.

During the 2022 period, Greenalia has strategically adopted a Zero Trust policy to establish, monitor, and maintain secure perimeters for access to networks, applications, and data.

As a method to secure zero-trust environments, an MFA multi-factor authentication solution has been implemented along

with an identity orchestrator requiring all users and devices, both inside and outside the organization's network, to be authenticated and validated to access applications and data.

As cyber threats evolve and cyber-attacks become more sophisticated, we must ensure that all access requests are continuously reviewed before allowing connection to resources (network, applications, etc.). With these process improvements, we minimize the spread of attacks and their consequences, whether they are financial or reputational.

Managing climate change risks

Global warming and human influence on the climate system are undeniable, as confirmed by the Intergovernmental Panel on Climate Change (IPCC) in subsequent reports. At Greenalia, we are favorably positioned concerning the so-called transition risks, contributing directly to climate change mitigation.

Ouroi Wind Farm (22.5 MW)

PHISICAL HAZARDS



Heat wave



Frost



Water stress



River and Coastal Flash Flooding



Tropical storm



Extratropical storm

OPERATIONS AT KEY FACILITIES	PHYSICAL OR ACTIVE DAMAGE	REVENUE DISRUPTION	SUPPLY OF RAW MATERIALS
Interruption of production and activities due to extreme weather events.	Cost of repair and replacement of damage to property, equipment and inventory caused by extreme weather events.	Extreme weather events affecting consumer buying patterns.	Agricultural production and water supply suffer from the effects of extreme weather events and chronic climate change.

TRANSITION RISKS

REGULATORY DIMENSION	MARKET SIZE	TECHNOLOGICAL DIMENSION	LEGAL LIABILITY DIMENSION	REPUTATIONAL DIMENSION
<p>Carbon pricing: Carbon pricing policies vary across jurisdictions with the aim of incentivizing decarbonization. Organizations pay the price for emissions along their entire value chain.</p> <p>Carbon markets: The development of emissions markets, still largely voluntary today, is experiencing increase demand.</p>	<p>Preference for sustainability: Consumer preferences are trending toward alternative sustainable products and services. Competition may emerge that makes innovative market transformation proposals that transform demand and threaten to capture market share from established companies.</p>	<p>The pace of adoption of low-carbon technologies, with the consequent 'green premium', can affect companies' competitiveness in terms of operating expenses and asset value. Investments should seek a balance between innovation and profitability.</p>	<p>Emissions and climate damage claims: generalization of lawsuits against companies for their responsibility for GHG emissions and their consequent economic and environmental damages.</p>	<p>Climate activism and consumer stigmatization: a negative shift in public opinion towards carbon-intensive companies. Consumer demand is affected by climate activism, which also influences investor confidence and access to capital.</p>

Climate change risk summary

TCFD FRAMEWORK	DIMENSIONS	UPSTREAM SUPPLY OF RAW MATERIALS	SUPPLY CHAIN AND OPERATIONS	FINAL STAGES VALUE CHAIN	FINANCIAL RISKS OF THE GROUP
Physical hazards	Acute: Extreme weather events	Short-term commodity supply disruptions	Interruption of operations and damage to physical assets	Short-term demand disruptions	
	Chronic: gradual changes in weather patterns gradual changes in weather patterns	Visibility of raw material supply in selected geographies	Threats to the value chain in certain geographies resulting from water stress and heat waves	Dependence on demand for certain products in certain geographies	
Transition risks	Regulatory: Carbon pricing	Increasing the cost of emissions upstream in the value chain	Increase in the cost of activities dependent on fossil fuels	Cost shifting because of elasticity of demand	
	Technological: innovation in low-carbon technologies	Cost of decarbonization upstream in the value chain	Devaluation of the value of carbon-intensive physical assets	Disruptive competition eroding market share	
	Market: Consumer preference for sustainability			Consumer preferences are geared towards sustainable alternatives	
	Reputation: Climate activism and stigma			Consumer perception of the company	Perception of the investment market regarding the company's sustainability strategy
	Market: Investor sentiment				Market shock resulting from divestment in carbon-intensive sectors
	Responsibility: Climate Litigation				Lawsuits related to climate change contribution



Main risks of climate change

Category: physical

TYPE	DESCRIPTION		IMPACT	RISK MANAGEMENT AND MITIGATION
Chronic	Long-term changes in precipitation patterns, increasing average temperatures and therefore in the occurrence of forest fires, pests and diseases, could affect the productivity of forest plantations.	High long-term risk ●●●	The income of the forestry business decreases due to a decrease in production capacity.	Mitigation of the impact on the traditional forestry business line through a core business growth strategy focused on investment in renewable energy projects.
Acute	An increase in the frequency and severity of external climatic events could cause damage to plantations and/or hinder the performance of forestry operations.	Medium to long-term risk ●●	Increase in operating costs and biomass supply. Revenues decrease and costs related to the negative impact on workers (safety, health and absenteeism) increase.	Financial planning assumes a possible increase in the operating cost and supply of biomass. Creation of a climate change working group to implement control processes and perform an impact analysis on forest productivity for the main forest species by emission scenarios*
Acute	Material damage to wind and photovoltaic farms caused by increased frequency and severity of extreme weather events.	High long-term risk ●●●	Reduced revenue from lower sales. Increase in repair and maintenance costs.	Transfer of risk through the contracting of insurance against risks derived from weather phenomena

Alto da Croa | Wind Farm (7.3MW)

*Based on the Galician Climate Change Report 2016 which includes projections of temperature variation and precipitation by emissions scenario.

Main climate change opportunities

CATEGORY	OPPORTUNITY		IMPACT	OPPORTUNITY MANAGEMENT
Products & Services	Increase in the demand for renewable energies through changes in regulation at European and national level	Opportunity in the short/medium/long term	Increase in revenue	Strategic Plan 1-5-100, aligned with the Sustainability Plan, based on the investment of more than € 1,000 M between 2019-2023 in renewable energy projects
Resource efficiency	Reduced availability of water resources.	Opportunities in the short/medium/long term	Increased business resilience	Investment of 1 M€ in dry cooling technologies in our biomass plant with hardly any water consumption

06 environmental

— BIODIVERSITY

— CIRCULAR
BIO-ECONOMY

— ENERGY TRANSITION
AND CLIMATE CHANGE

*Come mothers and fathers
Throughout the land
And don't criticize
What you can't understand
Your sons and your daughters
Are beyond your command
Your old road is rapidly agin'
Please get out of the new one
If you can't lend your hand
For the times they are a-changin'*

Manifesto (pag 93)



Monte Tourado Wind Farm surrounding area

environmental



Clean water and drainage

Target / 6.4

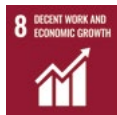
At our Curtis Biomass Plant, we have dry cooling technology, which reduces potential water consumption by 90%. In addition, tests to reuse water back into the process have started in 2022.



Affordable, non-contaminating energy

Target / 7.2 / 7.a

Greenalia produces clean energy from exclusively renewable sources, and its business model contributes directly to climate change mitigation.



Decent work and economic growth

Target / 8.4

In recognition of our commitment to sustainability, rural development, and the promotion of small forest owners, we have the Madera Justa seal and SURE certification. Our projects favor the economic growth of rural areas and promote the creation of local employment.



Sustainable cities and communities

Target / 11.4

In Greenalia, we have teams of expert archaeologists to identify and enhance the value of significant archaeological and natural elements in the areas of our projects so that they can be known and appreciated by society.



Responsible production and consumption

Target / 12.5

The business model of our biomass plant in Curtis-Teixeiro is an example of Circular Bio-economy. We use exclusively forestry waste, which would otherwise be thrown away, as a source of renewable energy to generate electricity. In our offices, we implement integral recycling practices and eliminate single-use plastics.



Climate action plan

Target / 13.2 / 13.3

We have increased our ambition and accelerated our commitments, bringing forward our goal of achieving net zero emissions to 2040, ten years ahead of the global pledge, through our adherence to The Climate Pledge. Moreover, in line with this relevant challenge, we are adhering to the Science-Based Targets initiative to reduce our Scope 1 and 2 emissions by 25% by 2020-2030 and measure our Scope 3 emissions.



Terrestrial ecosystems

Target / 15.2 / 15.4

We are guided by the precautionary principle, avoiding as much as possible all possible impacts on biodiversity. We voluntarily decided to be audited according to the most prestigious forest management standards globally, FSC® (Forest Stewardship Council®) and PEFC (Program for the Endorsement of Forest Certification schemes). In 2022, we will take a further step in our environmental protection work by working on the audit process for ISO 14001 certification.



In Greenalia, we understand that advancing in regenerative development implies increasing our efficiency in the use of resources to improve the welfare of society so that we optimize the capacity of systems to accommodate future growth.

Our work in the field of decarbonization is closely linked to the energy transition and the circular economy. Increasing the energy mix from renewable energy sources helps to reduce global warming and its effects on biodiversity. Circularity through renewable materials is an essential tool to move toward decarbonization.

We are aligned with the objectives of the Paris Climate Agreement, which are to keep our planet below the global warming limit of 2°C and to continue efforts to limit it to 1.5°C.

Our environmental management covers four main areas: biodiversity, energy, circular bioeconomy, and water, which are the focus of the strategies derived from our environmental policies contained in our Green Book, the ESG policy book, aligned with the energy transition, the tackle climate change, the responsible use of resources, the application of circular economy principles and the regeneration of the natural environment and biodiversity.

green book

ENVIRONMENTAL
POLICY

BIODIVERSITY
POLICY

CLIMATE
ACTION
POLICY

CIRCULAR
ECONOMY
POLICY

WATER
POLICY

A person wearing a white safety helmet and a high-visibility yellow and black vest with the 'greenalia' logo on the back is seen from behind, looking out over a landscape. The landscape features rolling hills, a body of water, and several wind turbines in the distance under a clear sky. The word 'biodiversity' is written in a large, white, sans-serif font in a white rectangular box in the upper right portion of the image.

biodiversity

Our commitment to the environment and the protection of the ecosystem's biodiversity represents a fundamental condition for attaining sustainable environments worldwide.

To achieve the implementation of our commitment to biodiversity, we integrate the conservation of natural diversity in our Sustainability Plan (ESG), thus applying a preventive approach to minimize the impacts of new infrastructures on biodiversity, taking into account their entire life cycle. To this end, environmental guidelines will be adapted for each type of infrastructure project to be developed.

In addition, in our Environmental Policy, included in our Green Book, available on the corporate website, we incorporate a formal commitment to protect biodiversity and a specific purpose to avoid and mitigate any impact, under the responsibility of the Board of Directors, reflecting the importance given internally to this commitment.

To this end, we carry out, among other actions, the monitoring of flora and fauna, specially protected and vulnerable species. We also carry out silvicultural treatments to minimize the risk of forest fires and restoration with native species.

A large white wind turbine stands on a hillside, overlooking a valley with a lake and rolling hills. The sky is clear and blue. The turbine's blades are partially visible, extending from the top left towards the center. The overall scene is bright and scenic.

biodiversity protection

Through our Environmental Policy, Greenalia is committed to nurturing biodiversity and the natural environment in the areas where our projects operate. Hence, we are committed to evaluating, minimizing, and compensating, where appropriate, the environmental impact and risk of the activities at all stages of the business cycle under the precautionary principle or preventive approach.

Renewable energy projects may impact the environment, mainly due to the occupation of the land and the possible effects on the local habitats and their species.

At Greenalia, we embrace this commitment by promoting exhaustive environmental impact studies in the areas of our projects. To this end, we organize teams of multidisciplinary experts intending to identify, predict and prevent territory alterations that could occur on the flora, fauna, soil, air, water resources, landscape, structure, the function of ecosystems, and cultural heritage. And also, all those aspects concerning human health, such as noise, electromagnetic emissions, and shadows generated by the facilities, must always comply with the established legal limits.

The studies start from the moment of planning and extend throughout its execution, the entire period of operation, until the decommissioning phase, establishing protective and corrective measures to reduce or avoid any possible alteration.

Our decisions seek to guarantee environmental protection. We are guided by the precautionary principle, from the moment of planning and during the construction, operation, and abandonment phases of projects.

To ensure compliance with these measures and their effectiveness, we first undertake rigorous characterization studies of flora and fauna in the areas of action, subsequently implementing an Environmental Monitoring and Monitoring Program carried out by teams of independent experts, intending to ensure its implementation with transparency and objectivity.

During the planning phase of the facilities, protected areas at the national level are considered areas of strict restriction, including the spaces that are part of the Natura 2000 Network and the enclaves included in the Galician Network of Protected Areas. Respecting key areas for bird conservation is one of our main mitigation measures, so we plan to affect as little soil surface as possible and minimize earth movement. In this phase, it actively seeks to avoid Important Bird Areas (IBAs), as well as natural habitats listed as priorities.

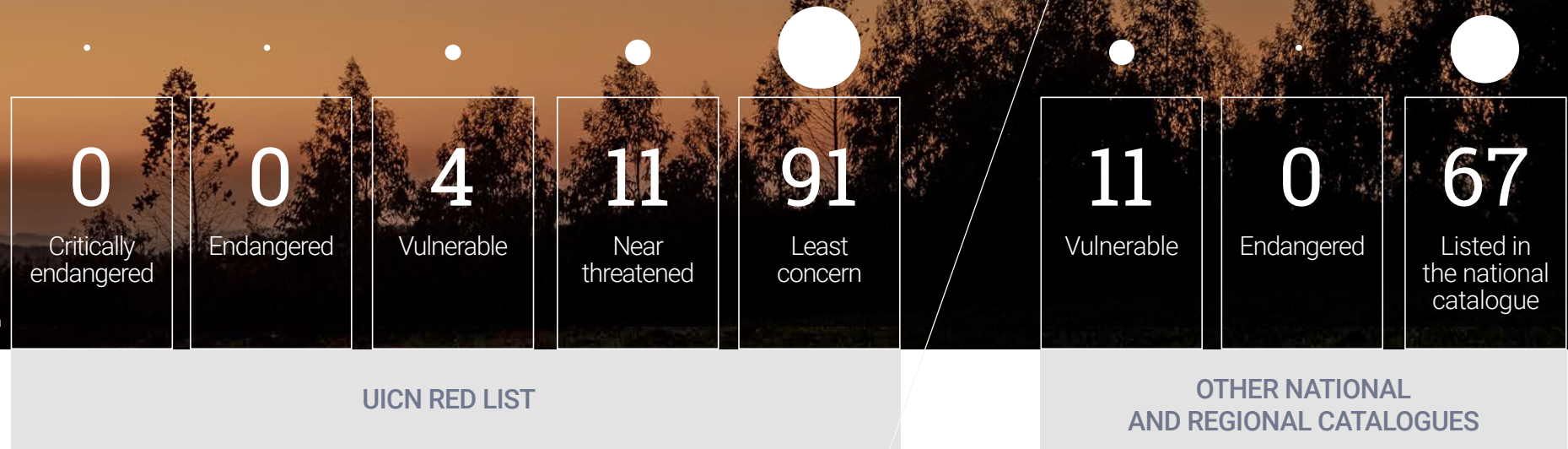
None of our projects under construction or operation during 2022 are located within or next to protected areas, of high value for biodiversity, or affect the conservation of priority natural habitats.

To identify the existing populations of avifauna and bats in the project areas, which are the animal communities most susceptible to being affected during the operation phase, we carried out fieldwork during an annual cycle. Emphasis was given to determining the real presence of communities of protected species that may potentially be present according to the existing bibliography and documentation. The objective of these studies is to carry out a census of species present, study the distribution and abundance of species, study their behavior, biology, and ethology, and propose corrective measures when appropriate.

In our parks and lines in operation, periodic visits have been made to the infrastructures, including in their Environmental Monitoring Program, DIA Environmental Impact Statement, and Environmental Impact Report, to control the possible impact on the communities of avifauna and bats. No collision or electrocution of species classified as Vulnerable or Endangered were registered at the end of this year.

The list of protected species according to the IUCN Red List and the national and regional catalogs of protected species shows that, in the area of our projects, Alto da Croa Wind Farm, Alto da Croa II, Monte Tourado, Ourol, and its evacuation infrastructures, in the testing and operation phase during the year 2022, and during the third year in operation of the Miñón Wind Farm and its evacuation infrastructure, there is no presence of critically endangered or endangered species. The list includes species of birds and bats, amphibians, reptiles, land mammals, and flora.

LIST OF PROTECTED SPECIES:



Greenalia's Wind Farm surrounding area

During 2022, the environmental monitoring activities of the construction, commissioning, and operation of our wind farms and evacuation lines have resulted in 976 hours (1,704 hours in 2021) of work, in which each environmental aspect has been monitored with the frequencies established in the Environmental Monitoring, Monitoring Program and DIAs, with weekly visits during the operations for complete environmental monitoring, ensuring compliance by the construction company with the protective measures set by Greenalia.

976 HOURS OF WORK
ENVIRONMENTAL MONITORING

protection programs



Plan and program of population reinforcement of the species *Centaurea ultraeae*

In 2020 we signed the plan and program for population reinforcement of the species *Centaurea Ultraeae* Silva-Pando in the surroundings of Monte Castelo, to gain a better understanding of the species and achieve compatibility between the development of projects and the conservation of this protected species.

For the elaboration and development of this program, Greenalia has allocated a consignment of 200,000 euros channeled through a collaboration agreement with the Galician Agency for Food Quality (AGACAL), under the Ministry of Rural Affairs, and in which technicians assigned to the Forest Research Center of Lourizán participate.

Under this agreement, which runs until 2024, the work team has carried out a second phase during 2022 focused on literature review and sampling.

In it, tasks of location, delimitation, counting, and sampling of plants of the specimens have been carried out. As a result of this work, a plan has been drawn up with the known presence of the species in the Macizo Gábrico and Monte Castelo.

In addition, we continue to reproduce species at the University of Santiago de Compostela (USC) facilities in Lugo, and the genetic study of the species has begun.



Protecting the Macaronesian fern *Dryopteris guanchica* at the Miñón and Alto da Croa II Wind Farm

In response to the identification in the vicinity of the Miñón wind farm substation of a unique species of Macaronesian fern, *Dryopteris Guanchica*, classified as vulnerable in the Galician Catalogue of Threatened Species, we began 2019 the protection and recovery program, in collaboration with the USC through the Environmental Technology Laboratory and with the Agroforestry Training and Experimentation Center of Guisamo.

In response to the identification in the vicinity of the Miñón wind farm substation of a unique species of Macaronesian fern, *Dryopteris Guanchica*, classified as vulnerable in the Galician Catalogue of Threatened Species, we began 2019 the protection and recovery program, in collaboration with the USC through the Environmental Technology Laboratory and with the Agroforestry Training and Experimentation Center of Guisamo.

The objective of the second phase, which began in 2020 and has continued this year, is to ensure its conservation and establish an additional population of this species in the area of the Miñón Wind Farm substation from the spores of the existing specimens themselves, dedicating a shady space to its reproduction.

Among the tasks carried out during 2022 are the development of meticulous laboratory work routines and outdoor collection. Starting from selecting mature fronds, valid for repopulation until subsequent screening, and sowing each specimen within a sterilized medium.

In the Alto da Croa II wind farm, a small population of this species was also located on a neighboring road, pending to be conditioned. To ensure the safety of these species, a safety beacon was established throughout the work. The status of this population was also monitored weekly. Moreover, as soon as conditions allow it, we will sow several hardwood specimens in its vicinity to generate a vegetation cover that favors its future conservation.

protection programs

Studies to protect our biodiversity



Amphibians and reptiles

In 2022 we developed studies about amphibian and reptile communities. The aim was to include these vertebrate groups within the environmental impact assessment, as these species are often overlooked when researching the environmental impact in projects of this nature.

Taking into account that some of the identified reptile species are included in the Galician Catalogue of Threatened Species (CGEA), the importance of developing specific environmental studies in those projects with a significant potential presence is confirmed, especially when identifying the scope of our projects and thus be able to develop preventive measures that minimize the impact on habitats and endemic species.

Thanks to these studies, changes have been made to the final designs of the projects as a preventive measure. Likewise, corrective actions have been developed, such as marking and protecting areas of relevance or revegetation and compensation. In this last section, the construction of cairns and temporary ponds stands out, intending to reduce the impact on reptile communities and promote the recolonization of habitats, thus favoring the reproduction of amphibian species present in the natural environments of three wind farms located in the province of A Coruña.

Photo: Emberiza Estudios Ambientales, S.L.U.



Greek Tortoise

In order to promote the harmonious relationship between biodiversity conservation and the integration of our projects; in 2022, we carried out an environmental report within the study area of the El Tranco Solar Plant, as well as in its associated infrastructures, to be able to glimpse the space of affection on the possible presence of the species known as Tortuga Mora -Testudo graeca-.

The sampling took place in the different transects where the integration of the Solar Plant is projected, covering the entire location of the power line. During these sampling sessions, specific observation points were implemented every 100 meters and the subsequent analysis of the relief in the 50 meters along each band. Giving special attention to those forest areas with sufficient surface to be able to directly visualize the presence of turtles, and evaluate the suitability of the habitat for the black turtle in each of the study areas.

After carrying out this study, during the spring months, when the index of activity and movement of the specimen studied is higher, no specimens or indications of its presence were observed in the transect areas and adjacent areas to it.

Photo: A.RE.NA. S.L.



Wolf

From Greenalia, considering the Wolf Management Plan in Galicia established by the General Directorate of Nature Conservation, we have promoted the development of an exhaustive study to monitor the index of influence of our Felga, Gato, and Penas Boas Wind Farms on the spatial ecology of this species. In the same way, that has been done from 2019 to the present in the Alto da Croa, Alto da Croa II, and Monte Tourado wind farms, where the presence of the species has been studied before, during, and after the implementation of the projects.

Although wolf populations are not currently clearly threatened, we consider it vitally important to know the potential effects wind farms may have on the hegemony of these species to avoid future conservation problems. To this end, a series of sampling methods, a probabilistic estimation of reproduction based on the concentrations of indications, and an analysis of the recordings of howl choirs have been carried out.

The data provided in the study of the wolf in the vicinity of the Felga, Gato, and Penas Boas wind farms reflect that their development will not affect either the reproduction or the use of the territory that they currently make, not generating the noise generated by the wind turbines and their presence unfavorable effects on the parameters of the spatiotemporal ecology of this species.

Photo: Acivro Medioambiente S.L.



Bryophytes

Among our lines of environmental study associated with our activity, we have included an evaluation of the presence of moss *Sphagnum pylaesii* Brid in the area of implantation of one of our parks projected in the municipalities of the province of A Coruña and Lugo, as it is a protected species listed as Vulnerable in the Galician Catalogue of Threatened Species (CGEA).

Based on this casuistry, a survey of all the surfaces potentially affected by the development of the wind farm was carried out, as well as sampling in other nearby points considered favorable given the phenology of the species. These works allowed the identification and location of the largest population of this species in Galicia and probably in Spain, yet unprecedented.

The detection and delimitation of different nuclei of this population of *Sphagnum pylaesii* in three types of differentiated environments allowed us to redefine the wind farm project. Along with the implementation of preventive measures will avoid the affection to the species, making compatible the development of renewable energies with the conservation of the species and the natural heritage.



cultural heritage

Monte Tourado Wind Farm surrounding area



504
HOURS
OF
ARCHAEOLOGICAL
MONITORING
WORK

Greenalia relies on specialists in archaeology who ensure to avoid impact on archaeological elements and cultural heritage.

The primary measure to protect and reduce possible effects on cultural heritage is developed in the process of choosing the location of the parks and their components, carrying out a thorough preliminary study of the potential assets of Cultural Heritage existing in the area.

Given that the locations of these elements and their protection perimeters are taken into account in the design of the parks, all possible conditions have been neutralized or minimized, proposing the appropriate corrective measures in each case so that they were studied for acceptance by the technical services of the General Directorate of Cultural Heritage in full compliance with current legislation.

Before the technical studies, we obtained all the required permits to carry out the field prospection that allows the identification of

the elements present around our projects. Greenalia also carries exhaustive Impact Assessments on Cultural Heritage valued by the competent body, the General Directorate of Cultural Heritage belonging to the Ministry of Culture and Tourism of the Xunta de Galicia, and archaeological monitoring actions are established throughout the execution of the works of the parks and power lines, to ensure that they do not cause effects of any kind on the archaeological elements, as established by legislation.

In the area of location of the projects, the elements of the cultural and archaeological heritage and the distances of protection to these elements are included in the General Catalogue of Inventoried Goods of Galicia, in the Basic Autonomic Plan, and in the municipal plans are considered, considering as strict restriction the areas of protection of the archaeological sites, and including the corresponding spaces of caution and respect when they are established.

Likewise, an analysis of the entire area of affection of the polygonal and its surroundings is carried out in search of unpublished elements for inclusion in the official catalog, along with its impact evaluation.

Having documented and included in the official catalog of the Xunta, thanks to these works, the following archaeological assets:

- **22 ARCHAEOLOGICAL SITES**, including 17 burial mounds, 2 open-air engravings and 3 toponyms.
- **15 ETHNOGRAPHIC HERITAGE ASSETS**, of which 1 set of granaries, 5 granaries, 2 mills, 1 cruceiro, 2 ethnological elements and 4 historical roads.

Archaeological monitoring hours carried out by teams of expert archaeologists at our wind farms, solar plants and evacuation lines in 2022 totaled 540 hours (209 hours in 2021).

sustainable forest management

To achieve maximum efficiency in our forest management, we have an Integrated Forest Management System (IFFMS) that serves as a framework for compliance with the guidelines set by the standards on Sustainable Forest Management, Chain of Custody of FSC® (Forest Stewardship Council®), and PEFC (Program for the Endorsement of Forest Certification schemes).



FSC® FOREST MANAGEMENT CERTIFICATION ensures that the forest management unit is being managed according to the 10 Principles and 56 Criteria of the standard. This certification is valid for 5 years, but in-depth reviews of the management systems and their results in the field are carried out annually. The certifying entity evaluates the social, economic, and environmental conditions in that forest area, demonstrating the sustainability of its management.



PEFC CERTIFICATION aims to ensure that forest stands are responsibly managed and that their multitude of functions is protected for present and future generations. PEFC-certified forest products guarantee consumers that they are buying sustainably managed forest products, combating illegal logging, and promoting the main functions of forest resources, as contributing to the maintenance of ecosystems and biological diversity or being the economic livelihood of many rural populations, among others.

OUR COMMITMENT TO ENVIRONMENTAL EXCELLENCE IS REINFORCED BY THE RECOGNITION OF OUR COMMITMENT TO RURAL DEVELOPMENT AND THE PROMOTION OF SMALL FOREST OWNERS THROUGH THE RENEWAL 2022 OF THE MADERA JUSTA SEAL FOR OUR PURCHASE OPERATIONS OF STANDING TIMBER AND FOREST RESIDUES.

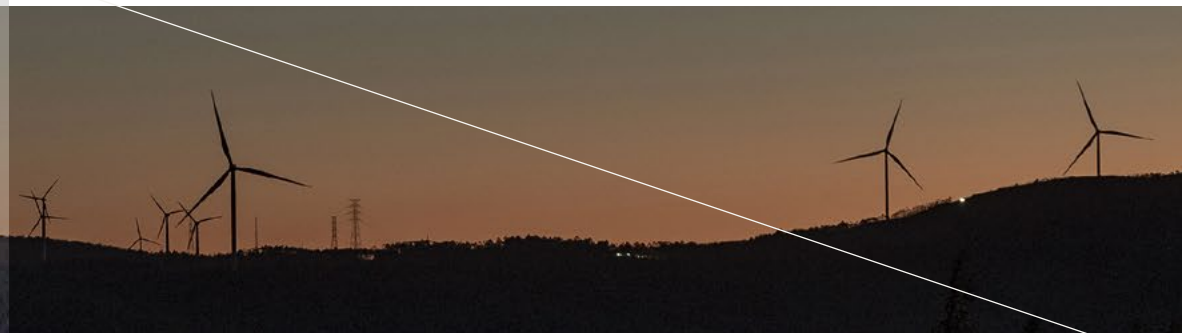


MADERA JUSTA: This certification, promoted by the COPADE Foundation, is the world's first Fair Trade certification for the forestry sector to develop sustainable markets for wood products and derivatives. It certifies companies that make responsible use of forest resources and evaluates aspects such as the generation of wealth in the rural environment, labor policies, and environmental commitments of these companies.

This label entails compliance with environmental and social sustainability requirements internal to the company (facilities and workers) as well as criteria based on fair trade relations established between the company and small producers.



Monte Tourado Wind Farm surrounding area



From Greenalia, we take another step forward in our work to protect the environment by completing the extension of the audit process in 2022 to obtain the SURE certificate also for the company Greenalia Biomass Supply, adding to the companies Greenalia Forest and Greenalia Biomass Power Curtis Teixeira. This accreditation guarantees the sustainability of the biomass used in the electricity production process at our plant.

With this step, Greenalia is ahead of the sustainability requirements set by the Renewable Energy Directive (EU) 2018/2001 (REDII), a European regulation establishing several criteria that all biomasses used in the bioenergy sector must meet. All of them are focused on guaranteeing their sustainability, a correct mass balance, reducing greenhouse gas emissions, and energy efficiency.



SURE is a voluntary biomass sustainability certification system developed by REDcert (a German company with expertise in biofuel sustainability certification) and Bioenergy Europe (the European bioenergy association with extensive knowledge in the biomass market and in managing certificates). SURE offers a practical solution to all actors operating within the bioenergy sector who need to comply with the requirements of the new European Renewable Energy Directive (EU 2018/2001 REDII).

In addition, during 2022 we have been working on the implementation of ISO14001 certification, having passed the second phase of the audit at the end of the year and obtained the certificate in January 2023.



ISO 14001 is an international standard that provides standards and tools for continuous improvement of environmental care and deterrence of potential environmental impacts. Obtaining it guarantees compliance with the standard. For this reason, we have implemented the Environmental Management System (EMS) based on this standard, evaluated our internal processes, and implemented improvements to be environmentally friendly in those services associated with our activity.

For Greenalia, sustainable business management is fundamental for the protection and regeneration of biodiversity.

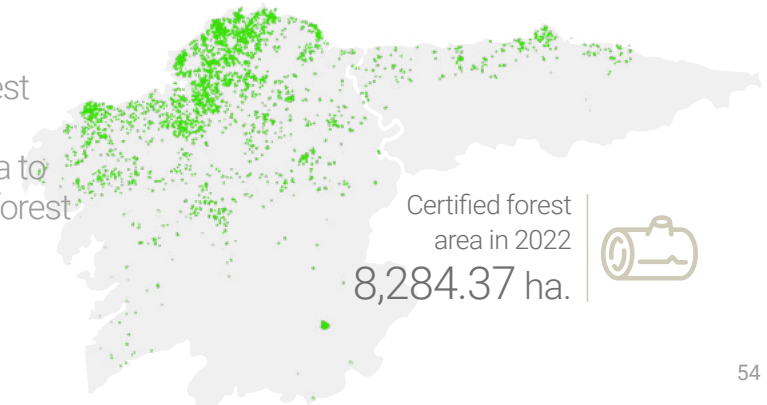
For this reason, we prioritize work with certified plantation residues, with the goal of 100% certification by 2023. In this line, it promotes certification among smallholders, providing funding and technical support to a certification group including 2,753 members (2,364 members in 2021).

Most of our timber-supplying companies are small local forest owners, which from a technical and economic point of view, would not afford an individual forest certification process. For this reason, Greenalia organizes and finances a certification group in its totality, with 98.5% of the forest management units included being smaller than 250 ha*. We are audited annually by FSC® and PEFC-accredited entities, which act as independent third parties to evaluate compliance objectively and transparently with their principles, criteria, and indicators of these standards.

(* According to FSC criteria, the limit to consider a FMU as SLIMF (Slow Intensity Managed Forest) is 250 ha.

In 2022, the volume of wood and forest derivatives marketed by Greenalia reached 773,968.54 tons (739,241 tons in 2021). 100% of the wood we market comes from controlled sources, and 90% of the roundwood marketed comes from FSC® / PEFC-certified sources (88% in 2021).

Distribution of the forest certification group organized by Greenalia to promote sustainable forest management





circular bioeconomy

Our business model is based on the principles of circularity, as we use renewable resources and raw materials to produce energy, circularity being an essential aspect in the move towards decarbonization.

Bioeconomy refers to a sustainable industrial production model that transforms renewable biological resources and their residues into bioproducts, such as energy, materials, food, and substitute products for existing fossil-based versions. Therefore, it is a holistic conception of biological resources management, changing a linear production system for a more sustainable circular one.

Following the principles of the circular economy can improve air quality, promote cleaner and healthier water and protect biodiversity.

The goal is to transform the concept of waste so that it is considered a valuable resource that can be recovered and reintroduced as raw material in production systems. At Greenalia, we monitor water consumption and waste generation in our facilities to detect unusual variations that may be the prelude to inefficiencies in the use of resources.

electrical biomass

Our Curtis-Teixeiro biomass plant is one of the most important renewable energy projects in southern Europe in forest biomass, with highly efficient facilities in terms of generation, reduced levels of atmospheric emissions, and a technology that avoids spills and saves significant amounts of water.

The only material used to generate electricity at our biomass plant is locally sourced forest residues. In other words, we collect and package the remains of forestry harvests carried out in the region, thus limiting emissions derived from road transportation while promoting a supply chain based on regenerative and circular values.

Our business model, vertically integrated from raw material sourcing to energy production, is aligned with the principles of the circular economy and is an example of a circular bioeconomy in which otherwise discarded forest residue is revalued by becoming a source of renewable energy.

In 2022, the biomass plant was supplied with 450,446 tons of forest remains from harvesting. The average weight-weighted radius of origin was 72.65 km from the plant, located in Curtis, thus meeting our objective of limiting its sourcing to a maximum radius of 100 km.

During 2022, 30 baling machines worked to supply biomass to the Biomass Plant.

8 keys for electric biomass

1

It encourages the cleansing of forests, the prevention of fires, and the minimization of pests since it comes mainly from the remains of the recurring cuts made in the Galician forests.

2

It promotes the circular economy since the material used is not usable for other sectors and generates value for a product that is currently discarded.

3

It comes mainly from forests or plantations certified by national and international standards, which we manage through our group entity, thus allowing access to smaller entities.

4

It is fully utilized thanks to the Best Available Technologies (BAT) that maximize the electrical yield in the Biomass Plant.

5

Minimizes emissions, maximizes water savings, and reduces the environmental impact due to the Best Available Technologies (BAT) implemented in the Production Plant.

6

It is collected and treated in strict compliance with legislation and human rights.

7

It helps social and labor development thanks to the creation of companies and employment linked to the rural environment, as well as contributing to the fixation of CO2 by promoting sustainable growth and natural regeneration of our forests.

8

The method of collecting the remains of the cuttings guarantees the incorporation of the fine fraction into the soil and its protection.

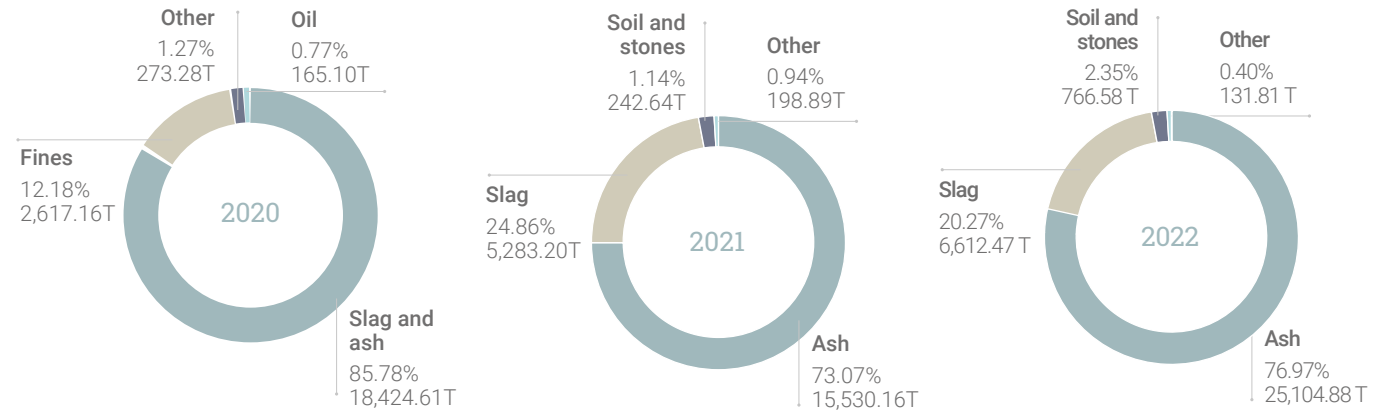


waste management

The correct classification of waste at our facilities is an essential task. Correctly sorted waste becomes material resources; therefore, we promote integral recycling practices, avoid single-use plastic, and reduce paper use as much as possible.

We classify waste according to the European Waste List (EWL) and its transposition into national and regional legislation.

The main waste generated, as reflected in the following graph, is ash, slag, soil, and stones, which are managed by legally authorized waste managers for subsequent recycling.



In our offices, we eliminate single-use plastics and implement a reduced and efficient use of material resources. To this end, we downsize resource usage such as paper to a minimum, keeping almost all our documentation in digital format and limiting printing to those strictly necessary. Although in small quantities, the office waste that could not be avoided gets separated by material category and subsequently recycled.

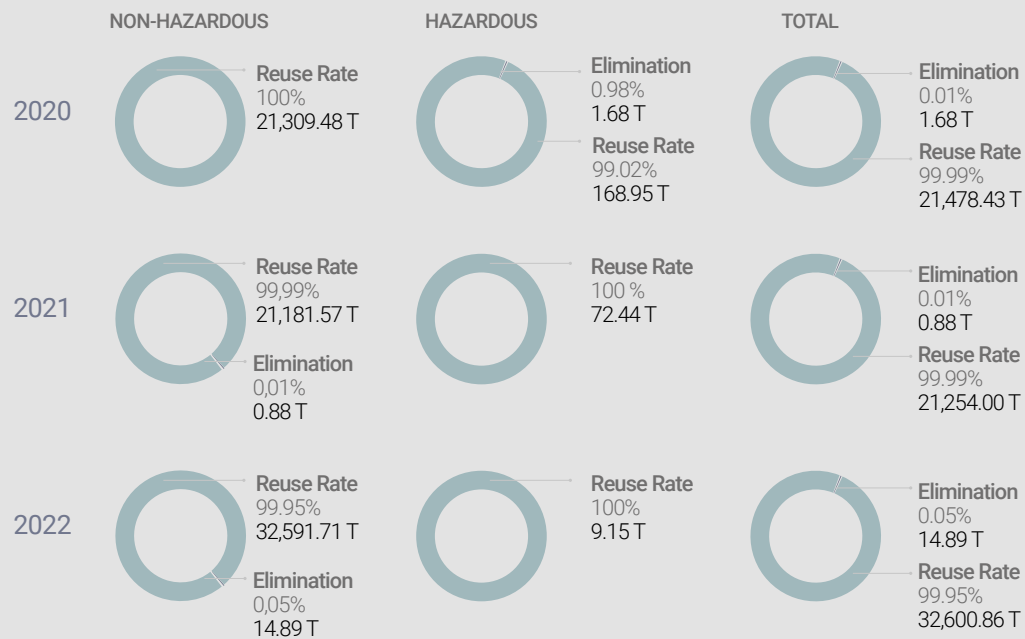
we classify according to legislation into hazardous and non-hazardous. Among the former are oils, containers with product residues, batteries, fluorescent tubes, and others generated by maintenance work on the plant's operating equipment. There are three main types of non-hazardous waste: boiler slag, combustion ashes, and the remains of stones and earth (fines) that come with the biomass.

The Curtis-Teixeira biomass plant, in operation since the beginning of 2020, from its processes is where we generate most of our waste, which



Greenalia's Headquarters

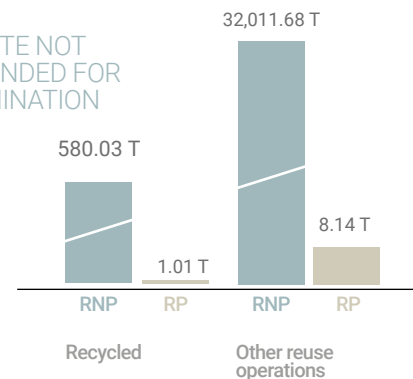
During this fiscal year, practically all the waste accounted for was sent for reuse and recycling through legally authorized managers for subsequent recycling and other appropriate treatments allowing for its recovery and proper environmental management.



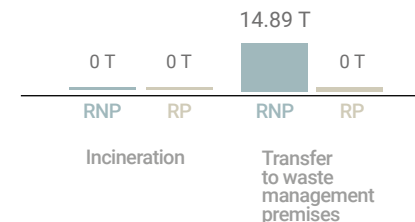
(1) Waste reporting includes data from all our facilities (offices, biomass plant, wind farms and ship). Where actual data is not available, estimates have been made.

(2) Due to our activity, we do not generate waste classified as radioactive.

WASTE NOT INTENDED FOR ELIMINATION



WASTE TO BE ELIMINATED



PRODUCTOS SOLD FOR REUSE

Fines produced	2,911.48 tons
Fines reused	2,911.48 tons
Percentage of product reused	100%

In 2022, there has been an increase in waste due to the expansion of the annual electricity production from the Biomass Plant in this fiscal year.

water management

At Greenalia, we are committed to reducing pressure on natural resources. We identify water as a critical resource that will be affected by climate change. Thus, it must be protected and preserved.

Through our business model, we promote energy transition, which can mitigate the harmful effects of climate change on aquatic ecosystems and their uses, whether in the form of prolonged droughts, warming, flooding, or increased sediment and pollutant entrainment.

The best opportunities for water savings are attained through promoting energy efficiency and reuse based on the principles of circularity.

The main actions carried out by Greenalia for more sustainable use of water are: Limiting water consumption, continuously improving the processes of the facilities to reduce their impact and reusing and recycling water in the facilities.

WATER CONSUMPTION IN THE BIOMASS PLANT	2021	2022
Total water use (m3)	65,867	118,252*
Water use/production (m3/MWh)	0.28	0.38

*The increase in water consumption in 2022 compared to 2021 is because, during 2021, there were several scheduled operational shutdowns at our Biomass Plant. This is also reflected in the water discharges from the plant.

Predominant water use comes from our Biomass Plant, one of the most important renewable energy projects in Europe, not only for its efficiency and capacity but also for the technology incorporated. Its dry cooling system avoids spills and saves 130 m3/h of water, compared to traditional water cooling technologies, which means daily water saving of 3,000 m3, the equivalent of an Olympic-size swimming pool being saved daily.

The water cycle required for power generation in the biomass plant gets sourced by the water supply from the industrial park's water network, which is then stored in a raw water tank to service the energy production process and the fire protection distribution network. The water used in the biomass plant generates steam using the Rankine cycle for cooling and the proper functioning of the auxiliary services.

VERTIDO DE AGUA DE LA PLANTA DE BIOMASA (m3)	2021	2022
Public main (Fresh water)	51,410	88,488

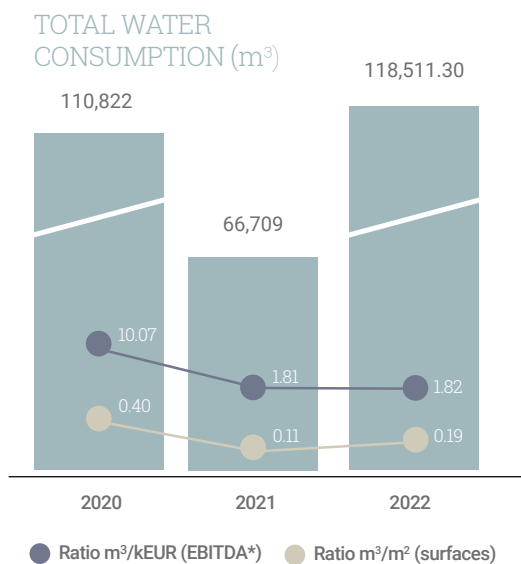
Fresh water: water with a total concentration of dissolved solids < 1000 mg/l
Other waters: water with a total concentration of dissolved solids > 1000 mg/l

For its correct return to the environment, in this installation, we have treatment plants and water quality measurement systems through continuous control of different parameters - temperature, pH, conductivity, etc. - that allow us to guarantee the release to the environment through the municipal sewage system, in adequate conditions to guarantee its subsequent uses. In other words, 82% of the water used in this facility is returned to the environment to be reused.

An accredited entity performs analyses of these discharges and the Administration is informed periodically, even improved, concerning the values of captured water. Ensuring compliance with legislation, the search for methods to minimize the risk of discharge has led us to establish protocols for reporting anomalies and incidents to the relevant authorities, which are strengthened with the implementation of ISO14001 certification during this fiscal year, 2022.

total water consumption

In our operations, we do not extract water; our supply comes from the water supply network in areas not considered water-stressed. The water consumption by Greenalia appears below:



(*) This EBITDA differs from that of the CFS as it includes the information of Greenalia Forest S.L. and Greenalia Logistics S.L.U., companies that will be classified as held for sale in 2022. The financial information of the companies Greenalia Forest, S.L. and Greenalia Logistics, S.L.U. has been prepared based on the accounting records for the year from January 1, 2022 to December 31, 2022.

The water supply for our offices, mainly for cleaning and sanitation, comes from public and authorized supply networks, guaranteeing its discharge to municipal sewage networks.

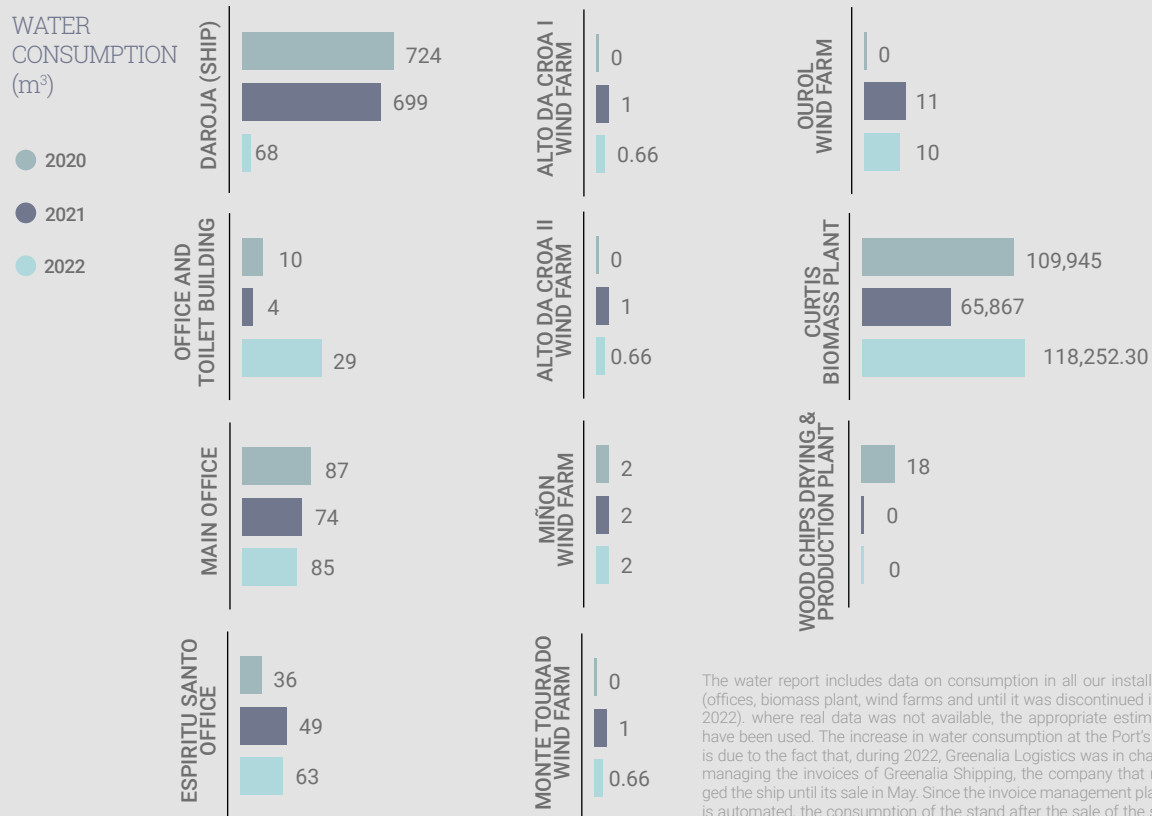
To achieve efficient use of the water used in our offices, we have electronic faucets with contactless sensors so that the water is activated only when the hands are placed under the tap and dual-flush toilets.

In addition, filtered water dispensers have been made available to our team, thus avoiding the use of bottled water.

Concerning water consumption in the wind farms, it is worth mentioning that in the Miñón wind farm and the Sectioning Center of Alto da

Croa, Alto da Croa II, and Monte Tourado wind farms, we count with a tank for water for the sink and shower that get recharged through tanker trucks. The annual consumption for each of the facilities is around 2 m3. At Ouroil wind farm, we only have a 5 m3 water tank. All three facilities have septic tanks.

The ship's fresh water is provided by supply networks within the ports the ship transits. Under the Marpol Convention, residual waters are not allowed to be discharged into the sea. Therefore, the removal of these waters is managed by the authorized port manager upon arrival.



The water report includes data on consumption in all our installations (offices, biomass plant, wind farms and until it was discontinued in May 2022), where real data was not available, the appropriate estimations have been used. The increase in water consumption at the Port's stand is due to the fact that, during 2022, Greenalia Logistics was in charge of managing the invoices of Greenalia Shipping, the company that managed the ship until its sale in May. Since the invoice management platform is automated, the consumption of the stand after the sale of the ship is also included.



energy transition and climate change

Our business model is sustainable, with a strategic growth plan based exclusively on renewable energy projects that contribute directly to fighting climate change.

Much of the energy consumed globally is lost in transmission and distribution processes, increasing greenhouse gas (GHG) emissions, which are reduced when energy is generated from renewable sources. To this end, and to create a sustainable global energy structure, energy efficiency, and renewable energy must be addressed together.

Greenalia is committed to renewable energies by generating and purchasing electricity from renewable sources. We invest in our renewable energy generation facilities, promoting the decarbonization of the energy mix, which leads us to have onshore wind energy facilities, biomass, and soon photovoltaic, storage, and offshore wind.

An example of the latent need to accelerate the decarbonization phenomena is reflected in the recent Regulation 2022/2577 promoted by Europe, which recognizes the overriding public interest in renewable energy projects.

Therefore, based on our strategic plan, we have already implemented 34.8% of the investment planned for year-end 2022, representing an investment of €350.2 million for the energy transition.

In our commitment to the fight against climate change, we use our resources to implement continuous improvement measures and partake within external initiatives that allow us to share best practices and align ourselves with more ambitious commitments.

In a firm commitment to decarbonization, at Greenalia, we have increased our ambition and accelerated our duties, bringing forward the goal of achieving net zero emissions to 2040, ten years ahead of the global commitment, through our adherence to The Climate Pledge in 2022. In line with this primary challenge, we are also a signatory party to the Science-Based Targets initiative to reduce our Scope 1 and 2 emissions by 25% by 2020-2030 and measure our Scope 3 emissions. These targets, validated by the Science-Based Targets initiative, are aligned with the ambition of the Paris Climate Agreement to limit global warming to 2°C above pre-industrial levels by the end of the century.

ADHERENCE TO

THE CLIMATE PLEDGE

SCIENCE-BASED TARGETS INITIATIVE
GHG REDUCTION TARGETS

REDUCE OUR SCOPE 1 AND 2 EMISSIONS BY

25%
BY 2030
compared to 2020

MEASURE AND REDUCE OUR SCOPE 3 EMISSIONS

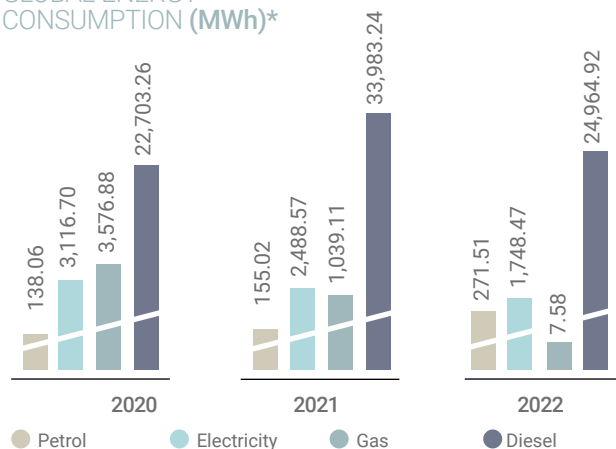
3

overall energy consumption

Greenalia's Wind Farm surrounding area

The energy used comes mainly from diesel fuel consumption of company vehicles and balers, machinery that performs fieldwork for the baling of forest biomass that supplies the biomass plant.

GLOBAL ENERGY CONSUMPTION (MWh)*

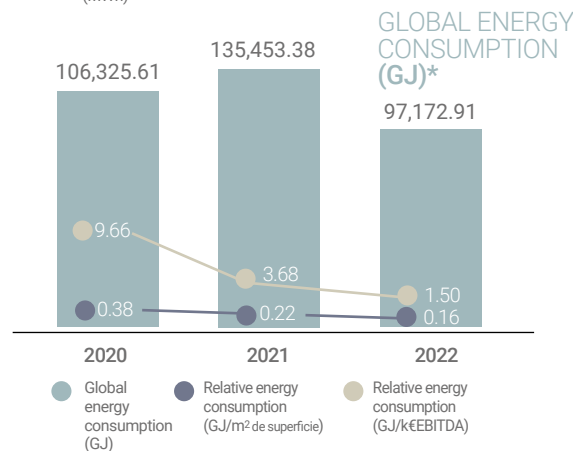
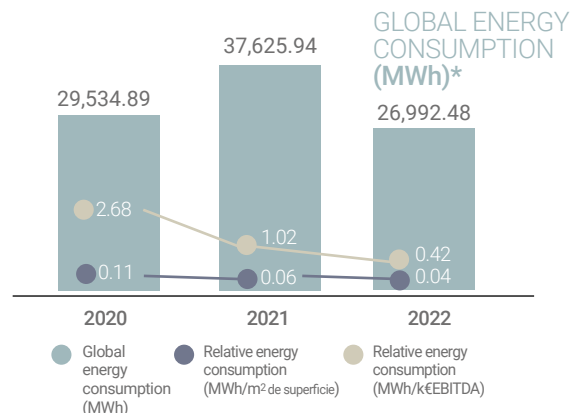


During 2022, due to the work of monitoring and improving the energy efficiency of the operation of our Biomass Plant and five wind farms, it is observed that energy consumption gets reduced. For ease of analysis, the information is depicted in relative terms.

The reduction in natural gas consumption in 2022 concerning 2021 is due to the fuel change from natural gas to diesel C in the boiler start-up operations at the Biomass Plant.

The increase in gasoline consumption in 2022 for 2021 is due to the increase in the Group's activity and the expansion in general transportation with own means.

(*This indicator includes all energy consumed in our offices, biomass plant, wind farms, vehicle fleet and forestry machinery (balers)



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In this sense, in 2022, 100% of our electricity needs were covered with energy from renewable sources, thus avoiding the emission of more than 646.93 tons*** of GHG.

In addition, the entry into operation of our Miñón Wind Farm and Biomass Plant has allowed us to export 495,689.18 MWh (371,816.40 MWh in 2021) of renewable energy to the grid during 2022, avoiding the emission of 183,405.00 tCO2eq*** into the atmosphere.

PERCENTAGE OF ELECTRICAL ENERGY OBTAINED FROM RENEWABLE SOURCES



(***)The emission factor used is the one indicated for combined cycle plants because it is for combined cycle plants, as this is the most most widely used technology in 2020 within the range of energies with CO2 emissions (source: Red Eléctrica Española (REE), March 2021)

In Greenalia, we use other consumables for the maintenance and operations of our renewable electricity generation facilities. During this fiscal year, the total consumption was 4.39**** tons. There has been no consumption of recycled materials.

(****) The increase in lubricant oil consumption compared to 2021 is due to the increase in production of work equipment. The decrease in hydraulic oil consumption in 2022 is due to maintenance and oil change stoppages in 2021.

CONSUMPTION OF MATERIALS

	2021	2022
Lubricating oil	0.82	1.75
Hydraulic oil	10.14	1.72
Grease	0.92	0.93

ENERGY SAVINGS FROM GREEN PRODUCTS AND SERVICES

	2021	2022
Green energy generated	1,338,539.04	1,784,481.12

GHG emissions

As part of our climate action, Greenalia has ambitious emission reduction targets that will lead us to reduce our emissions by a total of a 25% by 2030, and as previously stated, have been recognized as Science-Based Targets (SBTi).

In 2022, and for the fourth consecutive year, we have calculated our carbon footprint. In addition, we account through this annual report for the emissions caused by our daily activity, and we continue to improve the systematic capture and calculation of Scope 1, 2, and 3.

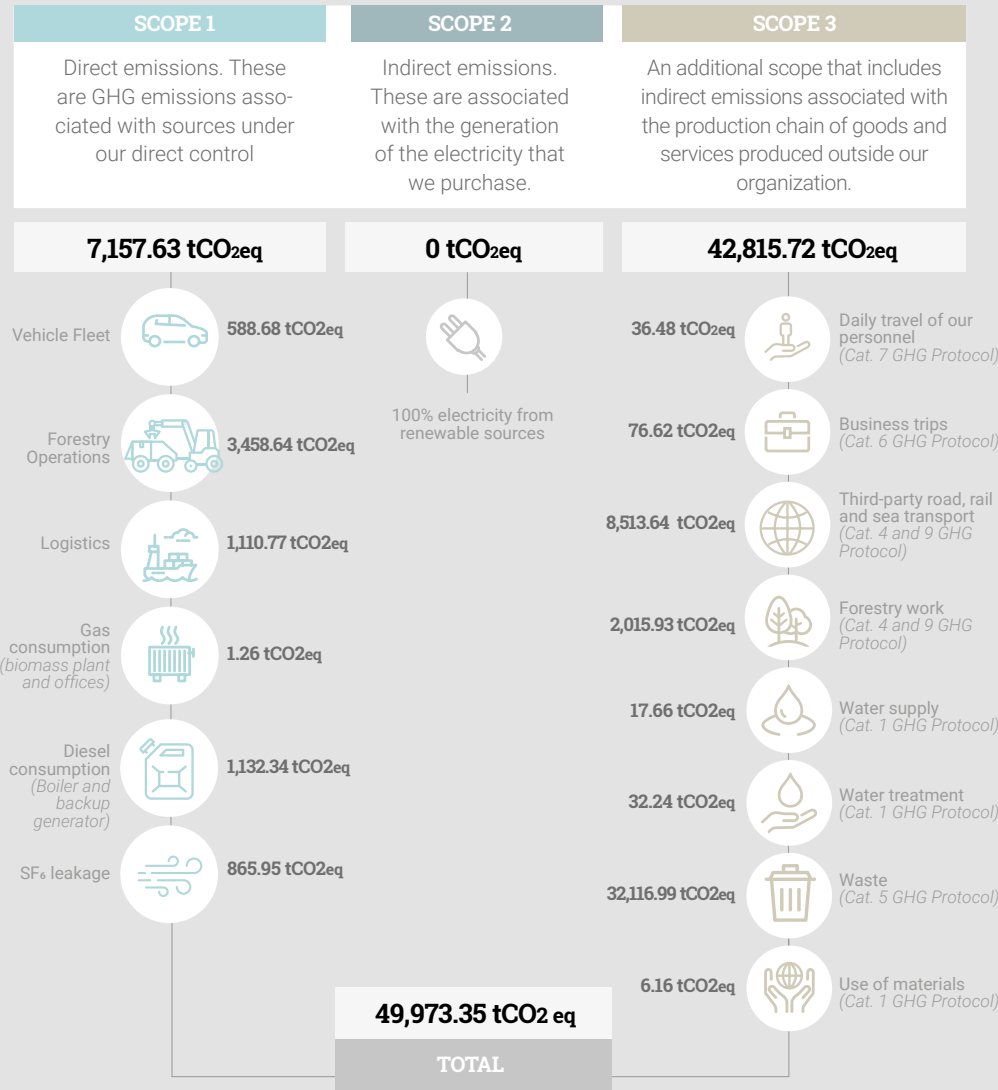
The inventory below follows the GHG Protocol of the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

In this regard, it should be noted that our business model is currently divided into two parts, which are clearly differentiated in terms of the sources of carbon footprint emissions included in the inventory:

The traditional business (the origin of the company), whose main activity is based on logging and product logistics.

The renewable business, which includes the use of forest residues to supply the biomass plant, as well as the promotion and implementation of renewable energy production facilities.

Taking this into account, an operational control approach has been used for the calculations, considering as operational limits the activities related to these two branches that make up our business model.



The emission factors used are: National inventory of Greenhouse Gases in Spain, Ministry for the Ecological transition of the Spanish Government (MITECO) and the UK Department for the Environment, Food and Rural Affairs,(DEFRA, UK Government).

Below there is a series of clarifications of the emission sources related to forestry operations and logistics:

Logistics (Scope 1): includes the consumption of the ship and port cranes associated with Greenalia Logistics S.L.U., which will be sold in May 2022. These are emissions from the traditional business and will disappear in the coming years.

Forestry operations and part of third-party transportation (Scope 3): these are related to the activity and consumption of external companies contracted to carry out forestry operations as such, an activity carried out through Greenalia Forest S.L. These are emissions from the traditional business and will disappear in future years once this company is sold.

Forestry operations (Scope 1): includes consumption related to the machinery of Greenalia Biomass Supply, a company that supplies the biomass plant and is part of our renewable business.



OTHER ATMOSPHERIC EMISSIONS

Below, we report the emissions of sulfur dioxide (SO₂), nitrogen oxides (NO_x), particulate matter and other compounds from the burning of biomass in the biomass power generation facility.

2022	Total Tons	Specifics (kg/MWh)
CO	33.91	0.11
HCl	9.22	0.03
NH ₃	10.04	0.03
SO ₂	31.12	0.10
NO _x	192.12	0.62
Particles	3.84	0.01

Ozone-depleting substances have a marginal presence in our organization and are primarily present in fire extinguishing equipment and some refrigeration systems. These equipment and systems are maintained under current regulations. During 2022, our installations have used a total of 418.43 kg of fluorinated or chlorinated gases.

ATMOSPHERIC AND ACOUSTIC EMISSIONS

With regard to light and noise pollution, the facilities that require it must have silencers, insulation and other acoustic measures to ensure compliance with legal limits and reduce disturbance to the surrounding population and fauna, as well as monitoring programs and measures to ensure compliance with these requirements.

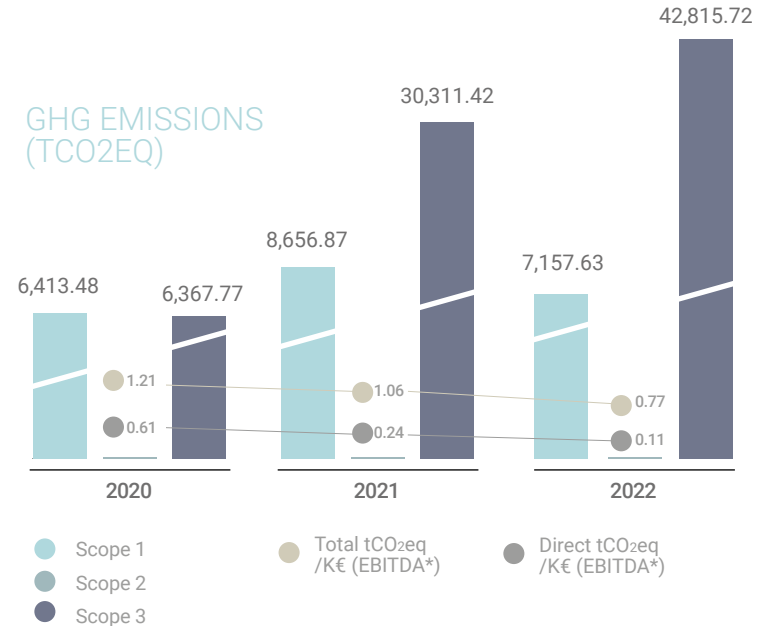
Our facilities comply with applicable legislation for controlling atmospheric emissions from combustion equipment. The authorized control bodies regularly

inspect and confirm that the sources that carry the emissions from the combustion equipment (heating boilers and steam boilers) subject to control under current law are following the emission limit values. During the periodic controls in compliance with the emission limit values, established for the parameters required in each case (e.g., CO, NO_x, SO₂, or opacity) are checked.

The set of actions implemented for energy efficiency, combined with the materialization of our commitment to renewable energies, has enabled us to achieve a ≈53% reduction per K€(EBITDA*) of our direct emissions in 2022 compared to 2021.

In 2022, as in the two previous years, the emissions associated with the electricity consumption of our facilities (scope 2) were neutral since 100% of the electricity consumed comes from renewable sources, thus meeting our goal of reaching 100% of electricity from renewable sources three years before the target date (2023).

GHG EMISSIONS (TCO₂EQ)



Minimizing greenhouse gas emissions from our commuting range 3 is also one of our priorities. Along these lines, we maintain the CARSHARING application for car sharing for commuting to the workplace.

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07 social

— OUR TEAM

— COMMUNITY

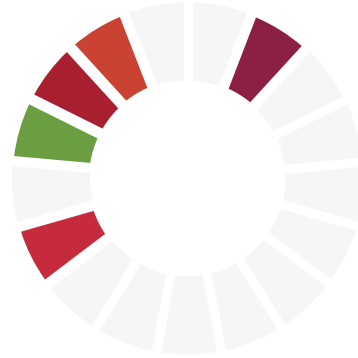
*The line it is drawn
The curse it is cast
The slow one now
Will later be fast
As the present now
Will later be past
The order is rapidly fadin'
And the first one now
Will later be last
For the times they are a-changin'*

Manifesto (pag 93)



Greenalia's operational team replanting in Croas Wind Farm

social



The end of poverty

Target / 1.5

We have once again participated in the annual food collection campaign organized by the Food Bank and in the Epiphany Campaign for the donation of toys set up by Spanish charity Caritas. In addition, this year, we have also collaborated with the UNICEF Humanitarian Campaign in Ukraine through a financial donation and the collection of materials in our offices.



Health and Well-being

Target / 3.4

Caring for our people is a fundamental pillar of our sustainability strategy, which translates into various initiatives such as providing fresh fruit in our offices and organizing team-building sports activities.



Quality of Education

Target / 4.5 / 4.7

Providing skills and tools to our employees is the key to developing our business model based on constant innovation, digitalization, and teamwork. We continue to contribute to education in our region through guided tours of our facilities in collaboration with various universities and local sports entities.



Gender equality

Target / 5.5

We continue to make progress in complying with our 1st Equality, Diversity, and Inclusion Plan, as well as with the continuous training of our teams in matters related to sustainability and equity.



Decent working conditions and economic growth

Target / 8.6 / 8.8

The continuous improvement of employment is a priority for the organization, guaranteeing stable and safe work environments that promote work-life balance, equal opportunities, and professional development. In this sense, we foster the employability of young people: 27% of our people are under 30 years of age, and the average age of the group is 36 years.



“Our main stakeholder is our people.”

We are an agile organization with a vocation of leadership in the renewable sector and a challenging purpose: to work today for a **more sustainable future driven** by renewable energies.

Our most important stakeholder is our employees. They help us to shape the change we want to inspire in today's society through our corporate culture.

We are committed to a different way of doing things, one that involves maintaining an open dialogue with the communities in which we operate, sharing the benefits of our work and providing local development opportunities in the areas where we operate.

At Greenalia we have a policy book, the Green Book, which governs our actions in ESG matters, including the following social policies Talent Management Policy, Equality, Diversity and Inclusion Policy and Occupational Health and Safety Policy, which provide the framework for promoting the values of diversity, multiculturalism, acceptance, and inclusion in the company and are supported by the Sustainability Committee and the Equality Committee.

The diverse and inclusive working environment we create at Greenalia is essential to achieving our goals and continuously improving our business performance and ability to innovate.

Creating sustainable employment in Galicia, our largest current area of influence, is one of our main objectives. In this way, we aim to contribute to the socio-economic development of local communities through direct and indirect employment throughout our value chain.

our team

the green team

TAKING CARE OF THE PEOPLE WHO ARE PART OF OUR TEAM IS A PRIORITY THAT ENABLES US TO MOVE STEADILY TOWARDS OUR GROWTH TARGETS.

Our people are the engine of change and an essential part of the energy of the business, which is why we are committed to ensuring equal opportunities, increasing the participation of women, encouraging flexible working, supporting professional development, and promoting a culture of health and safety.

The talent, commitment, and dedication that our teams show every day, combined with our ambitious mission, are shaping the new energy we generate greener, more sustainable, more digital, and more professional.

TOTAL NUMBER OF PEOPLE



PERSONNEL DISTRIBUTION BY GENDER



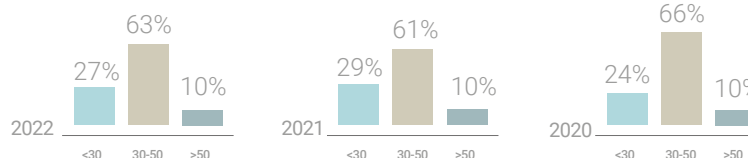
ORIGIN OF THE MANAGEMENT TEAM

100% SPANISH

AGE DISTRIBUTION OF PERSONNEL

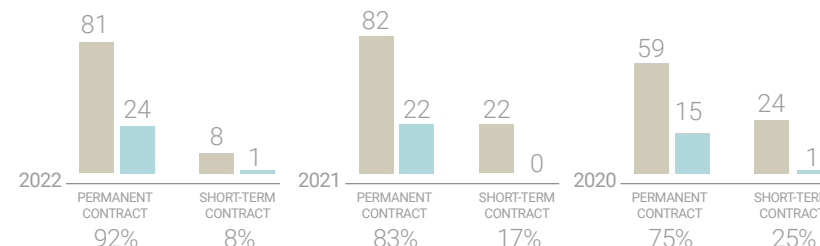
36 YEARS

PERSONNEL DISTRIBUTION BY AGE



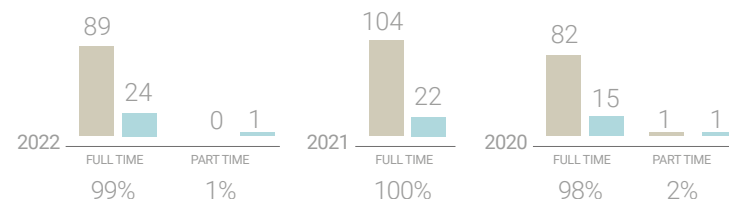
PERSONNEL DISTRIBUTION BY CONTRACT TYPE

● MEN
● WOMEN

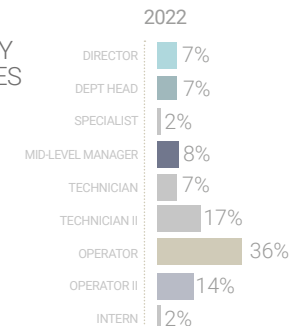


PERSONNEL DISTRIBUTION BY WORKING HOURS

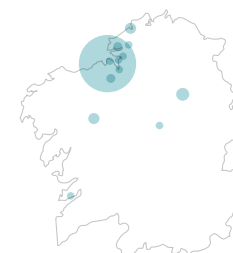
● MEN
● WOMEN



PERSONNEL DISTRIBUTION BY RESPONSIBILITIES



PERSONNEL DISTRIBUTION BY LOCATION



Location	Count
A Coruña	24
Lugo	5
Cedeira	4
Santiago de C.	4
Narón	3
Abegondo	2
Betanzos	2
Miño	2
Moaña	2
Monterroso	2
Oleiros	2
Ponteume	2
San Sadurniño	2

48% OF OUR FEMALE COLLEAGUES ARE ENGINEERS.

100% WOMEN IN THE OFFICE

250 NUMBER OF EXTERNAL STAFF WORKING ON OUR PREMISES

We include the professional category intern in the information contained.



Greenalia HR Team in talent attraction initiative

At Greenalia, we are firmly committed to developing a management model that attracts, fosters, and nurtures talent. The leadership we want is one that seeks proactivity and excellence, so we are committed to promoting a talent management framework and labor relations that make all the people who are part of its promoters and participants in the success of the organization.

talent cycle:

1. ATTRACT AND DEVELOP TALENT: Develop the right strategies to attract people with the right skills to run our business successfully. We are a great place to work, and we want to communicate this clearly and transparently.

2. TRAINING AND DEVELOPMENT: Creating opportunities to develop internal talent through promotion and continuous training to increase team motivation by developing skills to meet current and future needs.

3. EQUALITY, DIVERSITY, AND INCLUSION PLAN: A safe, diverse, competitive, and humane working environment. Our challenging project is for those who consider merit, effort, and attitude the "keys" to professional development.

attracting and retaining talent

One of the fundamental areas of people management is to ensure that the organization attracts, develops, and promotes the necessary talent to enable us to move confidently toward achieving our business objectives. Therefore, at Greenalia, we continue to evolve our comprehensive strategy for the entire talent management cycle, from attraction and onboarding, through the development and promotion processes, to the creation of sus-

tainable high-performance teams with a particular focus on continuous improvement.

Thus, in the area of talent recruitment, we work fundamentally from communication through our presence in social networks, job fairs, and events that allow us to bring future candidates closer to the reality of working at Greenalia.

attracting talent to Greenalia



In this area, it is worth highlighting the collaboration agreements with institutes, universities, and business schools, throughout 2022 Greenalia allocated 3 scholarships and training internships.

Our value proposition is to provide a challenging context and equip our people with the appropriate tools and processes for their development, in line with our goal of a world powered by renewable energy. This symbiotic development of people, teams, and the organization is driven by the necessary policies of reconciliation, equality, and communication that allow us to lay the foundations of the organization we want to be, always mindful of our origins and the significant progress we have made so far.

That is to say, at Greenalia, we have a different way of understanding human management, and consequently, we have a **Professional Development Program**. This program aims to define a path adapted to the objectives, motivations, and specific interests of our employees. One of its central axes is a culture of feedback that promotes individual and team development. Without an open dialogue about objectives, action plans, competencies, achievements, recognition, areas for improvement, and many other elements of our culture, it would not be possible to develop an agile organization in creative tension and open to continuous improvement.

training

Our growth and development are closely linked to that of our people. For this reason, training is crucial to the development of our business model, which is based on constant innovation, digitalization, and our style and culture. For this reason, one of the most relevant pillars in employee management is the creation of opportunities for their professional and personal development and growth.

The training strategy aims to adapt to the needs of each individual, depending on the business and the stage of their career, as part of our continuous improvement process. Therefore, we promote a culture of generalized feedback to

identify the training needs of our employees and teams to develop their processes. Our agility allows us to quickly respond to these needs with in-house training by our team of specialists by relying on specialized partners.



WE IMPLEMENTED THE APP FOR RECORDING AND REPORTING TRAINING ACTIVITIES

During the year, we developed an APP using Microsoft Power Automate to record external and internal training undertaken by our employees, thus improving the traceability and automation of information.

DURING 2022 WE FOCUSED ON THE FOLLOWING AREAS OF EXPERTISE

The training that our teams receive starts from the moment they are recruited, ensuring that new employees have the necessary knowledge to carry out their activities, as well as the defined requirements and guidelines for action. Promoting the sense of a job well done and environmental awareness.

GREENALIA TRAINING

THE GREEN COACH

The Green Coach is a training designed for employees in the organization who manage teams or have people under their responsibility, internally or externally, or are in the process of doing so. The aim behind this session is to develop people management skills and provide tools for coordinating high-performance teams.

Programs that focus on basic job skills and general competencies, such as language training, administrative and/or domain-specific software.

TECHNICAL AND JOB-SPECIFIC SKILLS

ASSETS VISITS



We launched the Asset Visits program in 2022, intending to bring renewable assets closer to everyone at Greenalia. In this way, our employees and teams can get to know the business better by visiting the assets in operation and under construction, which encourages the creation of stronger links between the different areas in the organization, improving the working environment and the dynamics and relationships of the teams.

This intensive one-day program has already been held three times, with a total of 30 people taking part. Our wind farms, biomass plant, and packaging operations are some of the sites visited to bring our people closer to the operational reality of the organization.

OCCUPATIONAL RISK PREVENTION TRAINING

PRL's training activities, carried out by our Prevention Service, aim to improve the team's knowledge of the existing risk extents arising from working and so forth, instructing competences to prevent and avoid them.

Develop training programs to improve the social, emotional, problem-solving, and behavioral skills of managers or middle managers with staff responsibilities to meet the demands and requirements of managing people in these types of positions.

SOFT SKILLS TRAINING

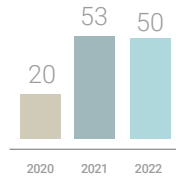
English Club includes group and 1-to-1 training sessions held in our facilities for different key profiles within the organization due to their greater exposure to the international context and interlocutors to strengthen language training and become a company with talent capable of developing and evolving within the transnational context.

ENGLISH CLUB

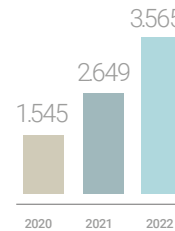


training data

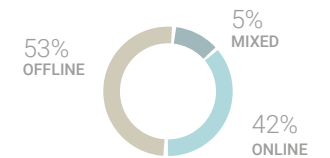
N° OF TRAININGS



N° OF TRAINING HOURS



PERCENTAGE OF PRESENTIALITY IN THE TRAINING



HOURS OF TRAINING BY SUBJECT

2022	Hours
HR	668.5
Languages	535.0
Health and Safety	454.0
Communication	450.0
Forestry	423.0
Digitalization	380.0
Sustainability	329.5
Biomass	240.5
Finance and revenue	51.0
Wind Power	20.0
LOPD	13.0

HOURS BY TOPIC AND GENDER

2022	H	M
HR	458.5	211.0
Languages	314.0	221.0
Health and Safety	336.0	118.0
Communication	--	450.0
Forestry	391.0	32.0
Digitalization	100.0	280.0
Sustainability	182.5	147.0
Biomass	240.5	--
Finance and revenue	--	51.0
Wind Power	--	20.0
LOPD	6.0	7.0

ATTENDEES BY TOPIC

2022	N°
HR	86
Languages	23
Health and Safety	56
Communication	1
Forestry	20
Digitalization	7
Sustainability	47
Biomass	7
Finance and revenue	1
Wind Power	2
LOPD	13

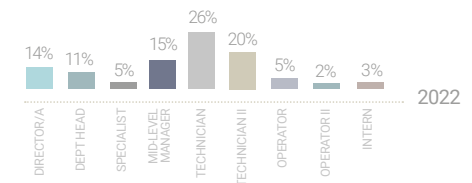
ATTENDEES BY TOPIC AND GENDER

2022	H	M
HR	57	29
Languages	11	12
Health and Safety	36	20
Communication	--	1
Forestry	14	6
Digitalization	1	6
Sustainability	23	24
Biomass	7	--
Finance and revenue	--	1
Wind Power	--	2
LOPD	6	7

TRAINING INVESTMENT/PERSON

320€

DISTRIBUTION OF TRAINING RECEIVED BY EACH PROFESSIONAL CATEGORY



In 2022, the most relevant training areas of the year focused on digital transformation in cybersecurity, along with those skilled in human resources management and languages.

By promoting training initiatives, we favor the teams' technical performance, acquire more well-rounded professional profiles, and increase the motivation of our employees, who receive an average of 31 hours of training per person.

The training ratio has increased from 21 hours/ person to 31 hours/ person compared to last year. The distribution of training hours by gender is 23 hours/male and 61 hours/ female.



Professional development program

SELF-ASSESSMENT

Exploration phase in which the person recognizes interests, values, and skills concerning his/her professional career. The final objective is to make the person aware of his/her performance, potential, and points of improvement to redefine his/her commitment to Greenalia based on its mission and objectives.

MANAGER MEETING

1-to-1 meeting with the person in charge to share the results/conclusions drawn from the self-assessment, looking for common points to create a space of trust and dialogue where a culture of feedback assists in their professional development.

ANUAL WORK PLAN & FOLLOW-UP

Systematization of the actions and resources needed to achieve the objectives set in the meeting with the person responsible for the area (Meeting Manager), who acts as a guide to direct and channel the efforts.

work climate and equality evaluation

As part of our self-diagnosis, for the fourth year in a row, we launched the Work Climate and Equality Assessment, the purpose of which is to determine the teams satisfaction levels concerning various areas of the organization.

Among the results of the survey conducted at the end of fiscal 2022, it is worth noting that 88% of our office staff are very likely to remain with the company for two years, while more than 90% feel that their work has a purpose. In addition, nearly 90% feel that the company is on the right track.

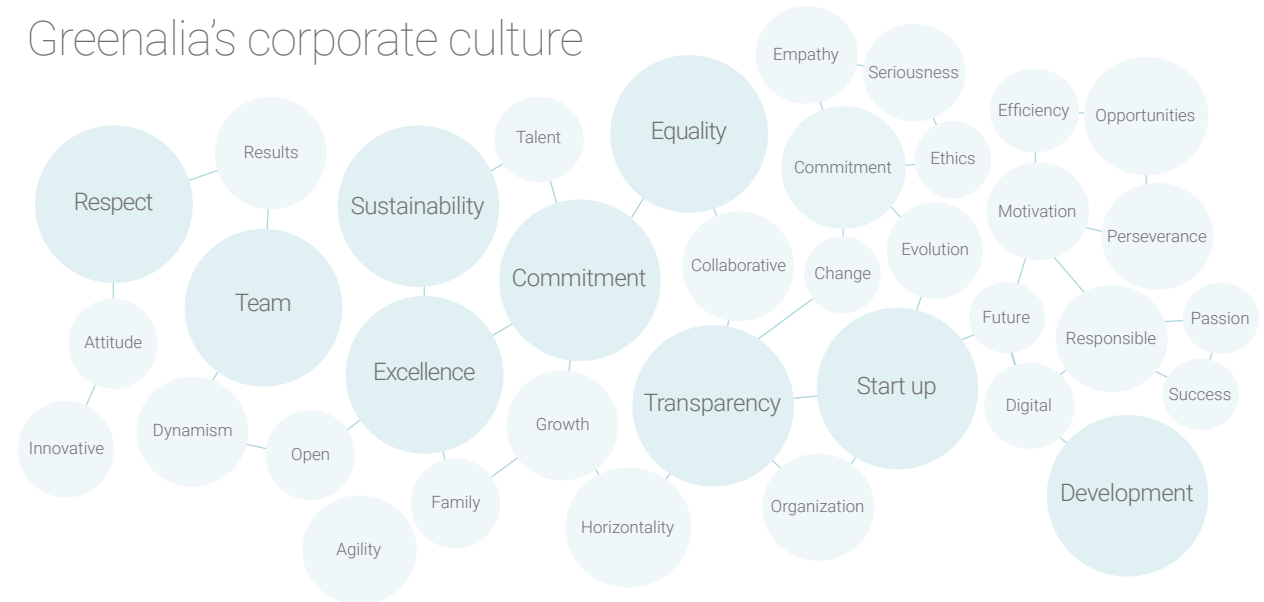
Regarding equality, the results show that more than 90% of our employees feel there is equality between men and women at Greenalia, and almost 100% indicate that there is equal access to the training offered by the company. In addition, more than 90% feel that their colleagues act

respectfully and ethically, and 100% acknowledge that their workplace has optimal safety conditions.

The results also show that we have room for improvement in internal communication and that we need to continue to develop our family and personal reconciliation programs to adapt them to the specific situations of each of our employees.

In the last two evaluations, we included the Net Promoter Score (NPS) in our employee satisfaction metrics. The result obtained (40) is exceptional by current standards.

Greenalia's corporate culture



Organizational changes

During the year, we continued to strengthen our team in different strategic areas according to the needs of the business without losing sight of our key differentiators: agility, high performance, and versatility.



Greenalia's operational team in Monte Tourado Wind Farm

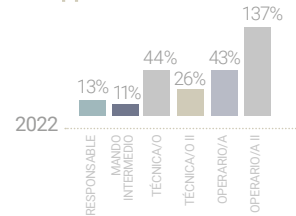
AVERAGE YEARS IN THE COMPANY
3 YEARS

TURNOVER RATE
20%*

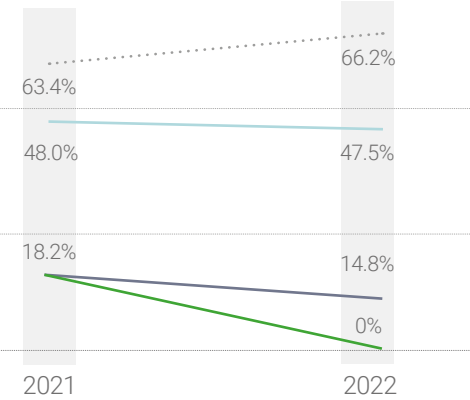
TURNOVER BY GENDER



TURNOVER BY PROFESSIONAL CATEGORY



TURNOVER EVOLUTION



- Renewable Energies
- Biomass Supply
- Corporate
- Total Greenalia

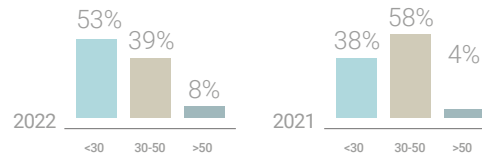
49 NEW INCORPORATIONS IN 2022
83 PEOPLE IN 2021

BY GENDER

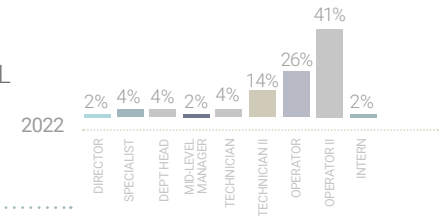


16% WOMEN IN 2021

BY AGE



PROFESSIONAL CATEGORY



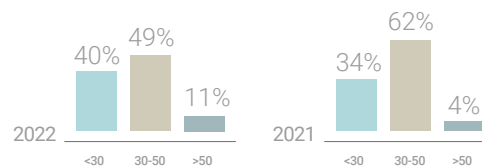
57 NUMBER OF LEAVES IN 2022
54 PEOPLE IN 2021

BY GENDER

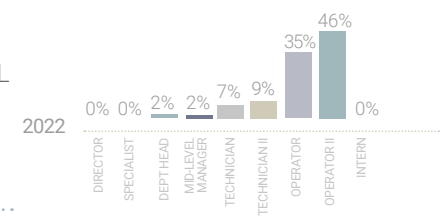


11% WOMEN IN 2021

BY AGE



PROFESSIONAL CATEGORY



* Excluding the Operator category

*Due to the high turnover in 2021 for some professional categories, in particular: technicians and operators, a situation that currently exists in the sector. For this reason, Greenalia has strengthened the People Department with the aim of providing a detailed monitoring of this type of profiles and being able to give them a more personalized attention and adapted to their work/development needs. In addition, Greenalia is currently analyzing all areas of talent (attraction, selection, training, development, compensation, etc.) in order to provide a better response and encourage the promotion/permanence of these people and therefore reduce turnover for future years.

On the other hand, another of the measures implemented by Greenalia during the year 2022 has been the reduction of temporary contracts, with the aim of attracting and retaining talent.



internal communication

At Greenalia, we consider internal communication as a key to generating and maintaining the commitment of our employees to the company, as well as a powerful lever for change management.

Our communication channels are adapted to the needs of the people who are part of the company. Internal communication is two-way, open, and transparent. In line with our Equality Plan, we integrate inclusive communication by nature, not only in the language used but also in the photos and videos that represent the heterogeneity of our team. Therefore, in Greenalia, we comply with the legal and conventional requirements and the best market practices in terms of notification, prior notice, and significant operational changes, making our notifications with prior notice established in the current regulation (art. 41 of the Workers' Statute).

As part of our way of working, and when making important decisions, it is a standard practice of the organization to account for the opinion of our employees through direct consultations or the usual channels of communication and negotiation. Channels of communication with our employees.



The Green Café is a virtual internal communication event with the following main goals:

WE CONSOLIDATE THE **GREEN CAFÉ** AS A SPACE FOR COMMUNICATION AND EXCHANGE

STRENGTHEN THE TEAM

DISSEMINATE PROJECTS AND LATEST ADVANCES IN THE AREAS OF PEOPLE, SUSTAINABILITY, EQUALITY, SYSTEMS, AND COMPLIANCE.

TO MAKE THE WORK OF THE DIFFERENT DEPARTMENTS VISIBLE TO CREATE A GLOBAL VISION OF THE COMPANY BY IMPROVING THE KNOWLEDGE OF THE TEAMS AND THE VARIOUS AREAS OF THE ORGANIZATION.

Four Green Cafés are organized annually, with an average duration of 1.5 hours and an approximate number of 22 participants per session.



Equality, diversity and inclusion plan

Greenalia women's team

Diversity, equality, and inclusion are part of the way we do business. We cannot imagine our organization without them. We believe they are the primary elements of sustainable, high-performing teams. We want to continue to evolve our organization in harmony with the evolution of our business, creating a community where talent can grow, thrive and transform.

In 2022, we continued to develop our 1st Equality, Diversity, and Inclusion Plan (2020-2023), which guides all our actions in the area of people. It includes measures in various areas of employment relations, such as selection, recruitment, promotion, training, occupational health, compensation, and work-life balance. These measures are designed to prevent situations of gender inequality and to promote equal opportunities.

In addition, in this line, we have approved the Equality, Diversity, and Inclusion Policy, we have an Equality Committee, and we have a complaint channel and a protocol for the

prevention and treatment of cases of sexual harassment, reflecting the strong commitment of the company in the fight against situations of harassment in the workplace and sexual harassment. We also have an inclusive language guide that helps our teams promote more egalitarian communication in the workplace, and the new website, launched in 2022, facilitates digital accessibility for people with disabilities.

We believe it is positive to have a diverse, creative, and innovative workforce where our employees are part of a dynamic and talented team, where they are accepted for who they are, regardless of their race, ethnicity, gender, or gender identity, sexual orientation, age, religion or nationality, or any other characteristic, and this is reflected in our Code of Conduct and Good Corporate Practices, in which we are committed to ensuring a work environment that is equal, respectful, safe and free from any form of discrimination. No cases of discrimination were detected during the year.

Our Equality, Diversity, and Inclusion Plan is managed and overseen by an Equality Committee whose role is to ensure compliance. Its functions are:

To ensure the organization's compliance with the principle of equal treatment of women and men.

To promote the dissemination, knowledge, and implementation of the Plan within the organization.

To ensure that there are no instances of abuse or violence.

To ensure the implementation of the Plan and the measures designed, thus achieving the objectives established in the Plan.

This joint body meets annually to review compliance and effectiveness.

Equality Committee



Beatriz Mato
Sustainability and Corporate Development Director



Laura Luaces
Legal Director



Gonzalo Castañeira
Director of People, Brand & Communications



Mauro Coucheiro
Chief Operating Officer (COO)



Greenalia's Headquarters

WORKFORCE DISTRIBUTION BY GENDER

2022	MALE	FEMALE
Director	62%	38%
Dept Head	100%	0%
Specialist	100%	0%
Mid-level manager	44%	56%
Operator	100%	0%
Operator II	100%	0%
Technician	12%	88%
Technician II	55%	45%
Intern	50%	50%
Total	78%	22%

WORKFORCE DISTRIBUTION BY AGE

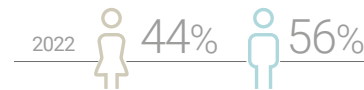
2022	<30	30-50	>50
Director	0%	88%	12%
Dept Head	0%	100%	0%
Specialist	50%	50%	0%
Mid-level manager	44%	33%	22%
Operator	22%	63%	15%
Operator II	44%	50%	6%
Technician	63%	37%	0%
Technicia II	20%	75%	5%
Intern	100%	0%	0%
Total	28%	62%	10%

Greenalia's compensation policy is gender neutral, as compensation is determined objectively and primarily reflects the professional's experience and responsibility in the company.

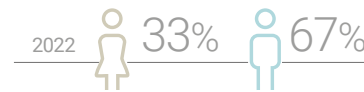
In analyzing the pay differences between our employees, we have calculated the average compensation for the year for men and women, and at the end of the year, the distribution of average annual dividend by gender was as follows:

	AVERAGE COMPENSATION		GAP (%)
	MALE	FEMALE	
Director	76,513 €	82,222 €	-7.46%
Dept Head	59,556 €	N/A	N/A
Mid-level manager	35,290 €	35,167 €	0.35%
Specialist	31,573 €	N/A	N/A
Technician	30,283 €	29,290 €	3.28%
Technician II	22,781 €	21,966 €	3.58%
Operator	18,357 €	N/A	N/A
Operator II	16,784 €	N/A	N/A

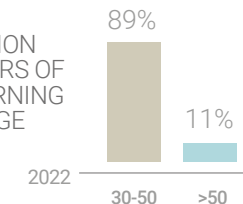
WORKFORCE DISTRIBUTION BY GENDER*



DIVERSITY OF GOVERNING BODIES



DISTRIBUTION OF MEMBERS OF THE GOVERNING BODY BY AGE



PERSONNEL WITH DISABILITIES

1%

*Data excluding category Operator

The pay gap was calculated by comparing gross annual salaries between equivalent job categories and between categories in which women and men are represented, based on the average wage of women relative to men.



Green Benefits



Portal de viaje

We continued to lay the groundwork through an in-depth project with one of the most respected and experienced compensation, benefits, and organizational development consulting firms. This project, which began with an in-depth organizational diagnosis conducted in parallel with a work audit, was complemented by a description of our job descriptions and job evaluation. The final stage of the project will be the analysis and proposal of a compensation policy.

In 2022, as in previous years, our entry-level pay policy is above the minimum wage and the minimum wage agreement, with no gender differences.

2022	FEMALES	MALES
Entry level compensation	15,683.95	15,683.95
Minimum Salary Spain	14,000	14,000
Ratio between starting and minimum salary categories Spain	1.12	1.12

In a clear commitment to maintain team motivation, we have several benefits initiatives, such as the Stock Option Plan - a long-term incentive program for key management personnel that includes ESG compliance targets; Employee Benefits Portal - an internal platform with access to discounts on a variety of products; Corporate Travel Portal; Teleworking and Paid Leave, among others.



well-being, safety
and health of our
team

Greenalia's Headquarters



INVESTING IN THE WELL-BEING AND HEALTH OF OUR EMPLOYEES

In 2022 we launched The Greenalia Challenge, a framework for action for various initiatives in the realm of health, culture, and team building, helping to promote and reinforce the spirit and commitment of the Green Team.

At Greenalia, we are committed to providing an inspiring, stable, and safe work environment where equal opportunities and professional development are, in fact, a reality. Therefore, through our Occupational Health and Safety Policy, we are committed to promoting a health and safety culture at work through the necessary prevention tools.

We believe that flexibility is a primary element in the management and organization of working time, always respecting the laws in force and the collective agreements in place that regulate the annual working days, which are defined each year in a work calendar. We apply the measures provided for in the various collective bargaining agreements about vacation, holidays, leave, maternity, and paternity leave.

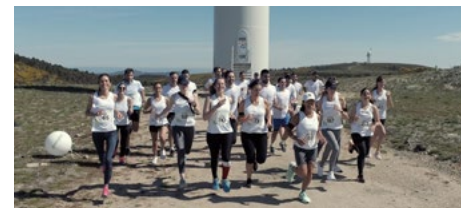
Greenalia promotes policies that facilitate the reconciliation of work and family life, with a distinct

focus on co-responsibility. We supplement up to 100% of the salary for sickness/accident benefits and maternity leave for another parent.

In addition, 100% of our employees are entitled to parental leave, and 5 people (5 men) took parental leave during the year. 100% of them have returned to work.

Greenalia is committed to promoting an internal policy that safeguards the right to disconnect from work in the digital environment. To this end, employees are encouraged to adopt habits such as respect for rest between workdays and during vacation periods as well as promoting direct contact between teams as one of our values.

The first activity of the Challenge was the I Carrera Reto As Croas'22, a group sports activity held in two of our wind farms and with two race modalities: 5K & 10K.



As part of the "Greenalia Challenge", a 7-a-side soccer team was formed in 2022 to participate in the league organized by the Federación Coruñesa de Grupos de Empresas. Our team is the most gender diverse, consisting of 10 women and 16 men.



As part of our commitment to the well-being of our employees and to promote healthy lifestyles, we offer fruit in our facilities. In addition, we contribute to the local economy by using suppliers close to where we work, thus reducing CO2 emissions and using plastic packaging for transportation.



Greenalia's offices

green office

In addition, at Greenalia, we are making a significant effort to generate cultural and digital change in the organization, which aims to achieve multiple benefits for professionals and the organization. In this line, we have promoted the car-sharing initiative to share cars for our daily commute to work.

We continue to promote healthy habits and implement measures to reduce our waste by promoting more modern work environments adapted to the needs of our professionals.



Waste separation containers



Elimination of bottled water



Replacement of plastic containers with paper



Promotion of sustainable food for the entire team from local producers and KM 0



Devices that avoid the use of paper



Digitalization of the archive



Sports activities - team building



Company soccer 7-a-side team

health and safety

100% of our employees are covered by our Occupational Health and Safety Service (SPA).

The periodic review of the Occupational Risk Assessment identifies possible risks to which each person in the organization may be exposed and plans the necessary preventive measures to minimize them without identifying activities with a hazard of severe illness associated with the work performed.

In addition, throughout the year 2022, the general risk assessments have been adapted to include and identify possible psychosocial risks, including those related to harassment in the workplace.

In the case of field operations, Greenalia prepares detailed health and safety plans for each of our projects, with personnel specialized in risk prevention. These personnel are usually external and come from the local community with knowledge of local and national legal requirements.

In addition, we conduct ongoing monitoring activities in the project areas to prevent and mitigate impacts on the health and safety of personnel with whom we have indirect business relationships. None of our workplaces has an activity classified as hazardous, nor are there any work activities with a high incidence or high risk of accident or an occupational-related

disease within the activities carried out by the company.

As a result of all the measures implemented in the year under review, we did not have any occupational diseases or fatal accidents. During 2022, we registered 9 minor accidents of men and 0 of women among the company's employees.

	GREENALIA			BUSINESS PARTNERS								
	2020	2021	2022	BIOMASS PROJECTS			WIND POWER PROJECTS			CONTRACTS FOR FORESTRY WORK		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
Frecuency rate	5.28	9.37	3.84	2.7	0	5.22	2.08	0	0	4.33	1.99	0
Severity index	0.34	0.50	0.29	0.37	0	2.37	0.47	0	0	0.95	0.10	0
Incidence rate	46.20	82.00	33.61	--	0	4	--	0	0	--	--	0
Mortal accidents	0	0	0	0	0	0	0	0	0	0	0	0
Incidents with downtime	4	9	4	2	0	2	1	0	0	1	1	0
No downtime incidents	5	1	5	--	0	1	--	0	0	--	--	0
Absenteeism (days)	51	96	61	--	0	182	--	0	0	--	80	0
Total hours worked	151,540	192,063	208,250	145,487	22,013	76,629	95,849	45,860	12,318	46,163	100,531	87,086

The increase in hours during 2021 is due to the development of construction tasks in the PPEE: Alto da Croa I, Alto da Croa II and Monte Tourado.

As was the case for the data on employed workers, since the number of people involved is small and in accordance with GRI 403-9, it is more appropriate to calculate the frequency rate by multiplying by 200,000, thus reporting the number of work-related fatalities per 100 full-time workers during a year.



We ensure that newly hired employees receive specific training on the risks associated with their jobs, including the following in 2022:

PRL RECYCLING TRAINING:

For all employees hired before 2020.

FIRST AID:

To provide theoretical and practical knowledge of the most pertinent first aid techniques.

PRL BIOMASS PLANT:

- Theoretical-practical course on working at heights
- Theoretical-practical course on confined spaces

Greenalia's team at the Curtis Biomass Plant - Teixeira (50MW)

We care about the well-being and safety of all our employees, and we intend to improve day by day by providing services and environments that put our people first.

We aim to create an environment where our employees can do their best work and thrive as value-driven, technology-agile, digital, connected, and high-performing professionals.

Our offices and workspaces reflect our work culture: clean, uncluttered digital environments consistent with our brand and identity. To achieve this, we rely on the GTD (Getting Things Done) methodology, which helps us optimize our daily work using the Microsoft Office 365 - Outlook tool. With this methodology, we want to avoid worrying about future tasks and fully concentrate on current tasks. That is, creating an organization that allows us to focus on present duties.



connectivity and digitalization HR

Connectivity and digitalization are fundamental pillars in the development of our strategy by identifying and implementing tailored solutions that respond to the company's current challenges, values, and commitments to our people, stakeholders, environment, improvement, and results.

Therefore, our digitalization strategy focuses on the development of initiatives and projects that are a source of value creation. We strive for operational security, profitable growth, operational excellence, sustainable management, and safeguarding the environment.

For this reason, we have made progress during 2022 in the area of digitization, where we are constantly updating ourselves to face the different challenges present on the market. In this context, we have continued improving the Biomass Control and Talent and HR Management systems.

In the first case, the improvement of the control of biomass production and, as a complement to the mobility and operations application implemented in the previous year, the development of a geolocation application for the plots where we carry out the tasks of packaging the biomass in 2022. This application will allow us to automate the management of the SURE certification, thanks to access to the most relevant information about the biomass process.

Moreover, this year, we implemented digital projects in the different phases of the life cycle of our employees. Our objective in this area has been to configure and implement new technologies that allow us to improve and optimize the management and organization of our people:





Educational activities in the surrounding of the Monte Tourado Wind Farm

“we reinforce our **commitment** in the areas where we are present through social actions”

community



We engage directly with the communities in which we operate, establishing an open dialog and launching different initiatives that have a positive impact on the environment beyond the generation of green energy itself.

In addition, we reinforce our commitment in the areas where we are present through social actions in collaboration with administrations, institutions, and civil society organizations, as well as sponsorship and patronage actions through our Greenalia Foundation for Energy Transition.

local communities

At Greenalia, we are directly involved with the local communities in the areas where we operate. Our business strategy is based on creating value wherever we develop our assets. We operate intending to have a positive impact on the local economy.

When we carry out a project in a particular location, the local communities benefit through the taxes and municipal fees associated with the project. An investment to which is added is the lease or purchase of land.

Social initiatives are channeled through our Foundation, through which direct cooperation agreements are established with City Councils, Entities, local organizations, and sports clubs. Through them, we promote values related to energy transition and social inclusion, among others.

Furthermore, and with the aim of extending our ESG commitments to the supply chain and supplier companies, during this year we have asked the companies with which we collaborate to sign our Ethical Charter of supplier companies.

In this way, we are also establishing guidelines for monitoring and managing the risks associated with the activities of our suppliers.

local impact

Our Sustainability Plan (ESG) includes local impact targets, through which we aim to promote economic growth in rural areas and encourage the creation of local jobs through our projects.

During 2022, the direct economic impact of our business activity in the supply chain will exceed 157 million euros, distributed mainly throughout the Iberian Peninsula, with companies located in the region near the projects benefiting the most, receiving 39% of these revenues, which translates into an economic impact of more than 61 million euros.

The monetary value includes payments made for the purchase of products or services necessary for the development of our operations, as well as rents paid to owners of leased land. Our supply chain is made up of more than 2,054 companies of a very diverse nature, the majority of which are national in origin and the majority of which are local.

They include contractors, distributors, consultants, intermediaries, manufacturers, and primary producers who assist us in every step of the planning and execution of the projects developed by the different business lines.

The production of electricity generates annual economic revenue that has a direct impact on the local economy and increases the income of local communities through municipal coffers in the form of taxes and wind levies, as well as rents paid to landowners.

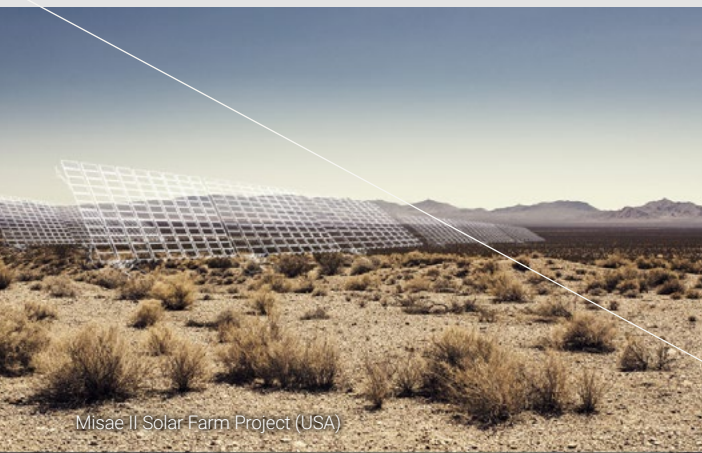
Our local impact in 2022 extends beyond renewable energy projects to other areas of our business, such as contracting the services of more than 70 local transportation companies and 80 local forestry companies, as well as purchasing contracts with more than 400 small forest owners in the region and 215 forest suppliers.



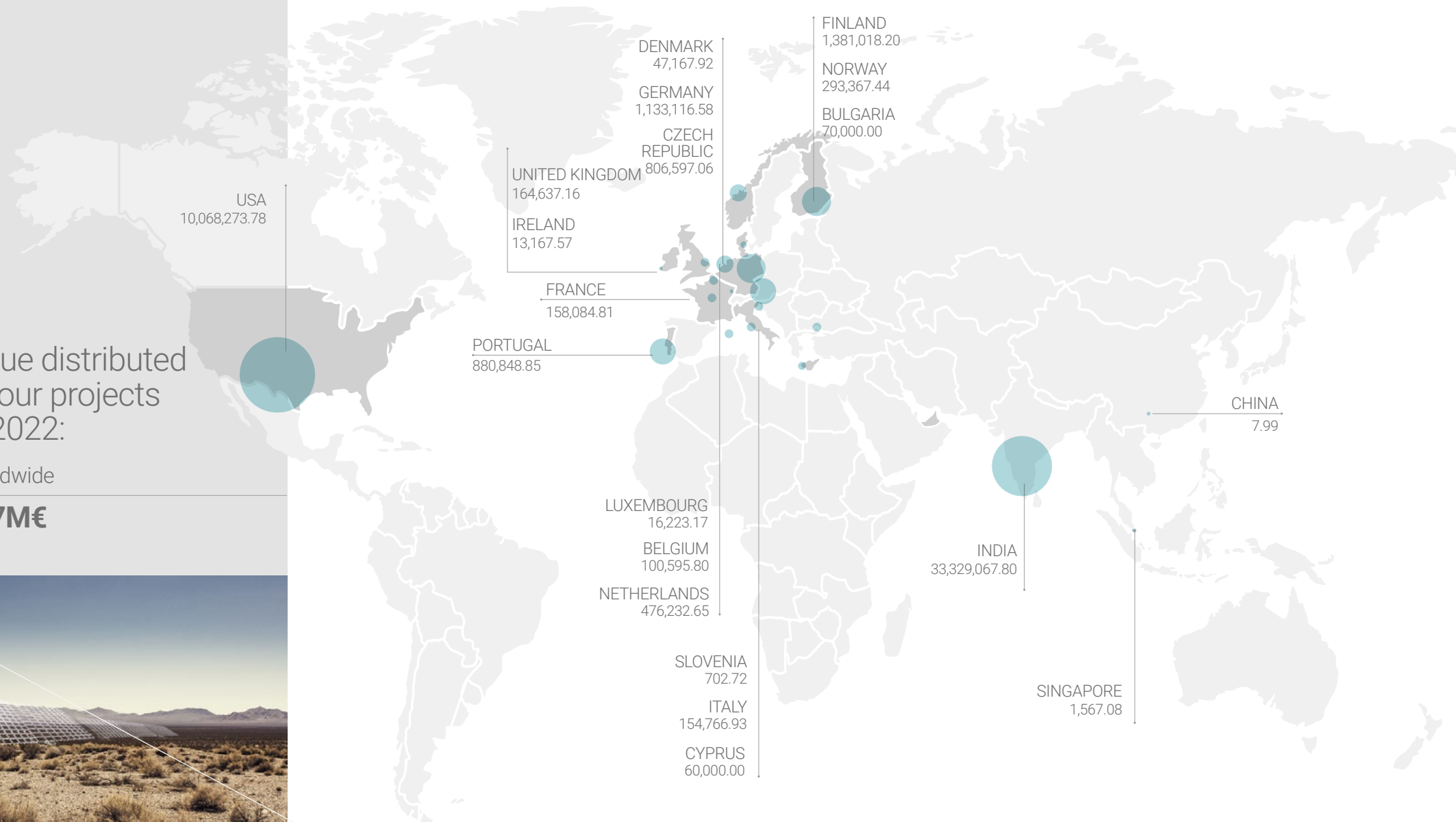
Value distributed by our projects in 2022:

Worldwide

157M€



Misae II Solar Farm Project (USA)



Companies located in the region close to the projects benefited the most, receiving a DIRECT ECONOMIC IMPACT OF MORE THAN €63M.

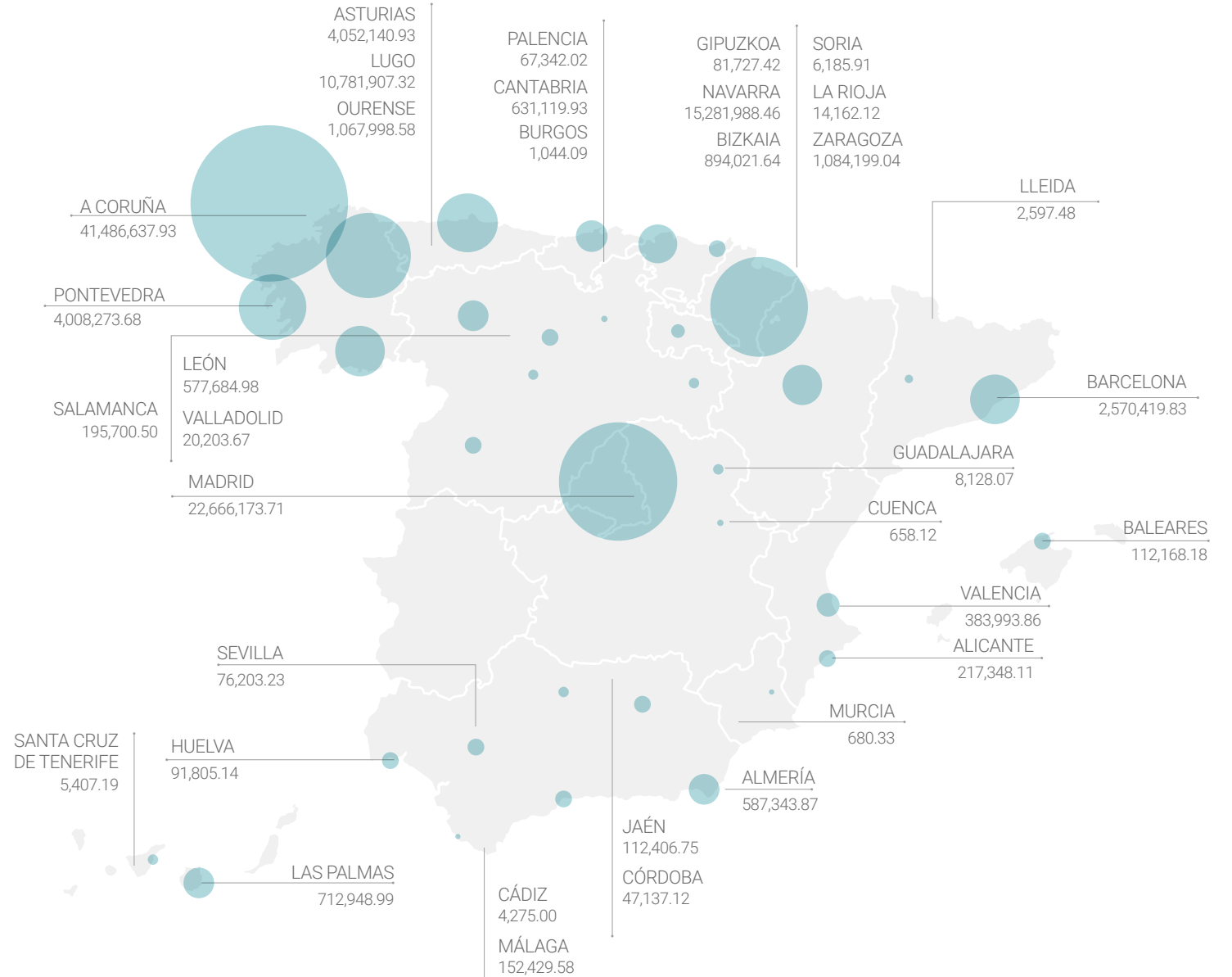
In the payments made to the headquarters of our supplier companies, the payments they make to their local contractors are not contemplated, so a more significant local economic impact than represented could be expected.

+41% OF THE TOTAL DIRECT ECONOMIC IMPACT IS LOCAL
GALICIA (ES), ASTURIAS (ES) AND TEXAS (US)

Value distributed by our projects in 2022:

Grand Total Spain

108,004,463€



Monte Tourado Wind Farm (10.4)

local employment

One of the most important milestones of the year is the beginning of the procedures for the construction of our first solar plant, located in the state of Texas in United States,

The construction works and the operation phase of our wind and biomass assets have employed 2022 more than 180 people between direct and indirect jobs with the direct participation of more than 70 companies of local origin.



BIOMASS PLANT



BUSINESSES **68**



JOB POSITIONS **145**



EUROS **+1.3M€**



WINDFARMS



BUSINESSES **11**



JOB POSITIONS **44**



EUROS **+0.4M€**

indirect economical impact

The impulse provided to the local economy by the activities developed by the company in a wide range of assets is worth mentioning. In 2022, this impact was estimated at more than 0.4 million euros in the areas near our wind projects, exceeding the figure of 1.3 million euros in the areas near the Curtis-Teixeiro Biomass Plant.

This activity developed in the different projects, demands goods and services in other sectors, boosting local commerce with the demand for services, restaurants, and hotels, receiving a significant indirect economic impact.

In line with the objective of maximizing our local impact, after the start-up of the Monte Tourado, Croa I, and Croa II wind farms, road cleaning, and paving works were carried out, improving the roads by providing them with longitudinal and transversal drainage elements, which will protect them against the effects of erosion in the steeper areas.

In addition, during 2022, we continued to contribute to education in our region through guided tours of our facilities in collaboration with various universities and sports associations, thus putting into practice the knowledge acquired in the classroom and bringing young people closer to renewable technologies.

It is worth mentioning that attendance at different seminars and conferences is a common practice of our staff, where they highlight in numerous forums and sectorial meetings the need to improve the development of renewable technologies, key players in the energy transition.

Payments made to our suppliers' headquarters do not include the expenses with their local contractors, so the local economic impact could be more significant than expected.



Supervision works at Miñón Wind Farm (24MW)

social contribution

Greenalia's mission and vision as a company have always been linked to people. For this reason, the company promotes social action programs in the places where it is present through strategic alliances, social volunteer programs, or local collaborations. As a reflection of its commitment to the communities in which it operates, it develops social projects to create positive change in these areas.

As a company, we are committed not only to the development of technologies but also to the prosperity of the communities in which we operate and to the sustainable development of the environment, making us a socially responsible company.



16 COMMUNITY PROJECTS



93 GREENALIA VOLUNTEERS



142,500 €
INVESTMENT IN SOCIAL ACTION



167 HOURS OF VOLUNTARY WORK



GREENALIA ENERGY TRANSITION FOUNDATION



One of the main objectives of our Sustainability Strategy (ESG) is to maintain active relationships in the communities in which we operate, thus contributing to their local development. The Greenalia Foundation for Energy Transition is committed to contributing to responsible and successful alliances with supportive partners.

Surroundings of Monte Tourado Wind Farm

strategic lines




PROMOTE ENERGY TRANSITION

PROMOTE INCLUSION, DIVERSITY AND EQUALITY



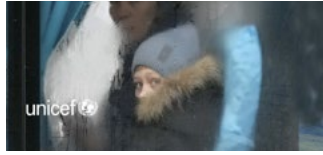

PROMOTING RURAL, SOCIAL AND EMPLOYMENT DEVELOPMENT AND SOCIAL COHESION

Our main objective is to maintain active relationships and respond to the needs of each area in which we develop our projects. Therefore, during 2022 we have carried out actions worth more than

140K€

framed under the umbrella of our **FOUNDATION**:

Access [ESG news](#) on our website.



UNICEF - humanitarian campaign for Ukraine.

We have joined the remarkable campaign of humanitarian and emergency aid to Ukraine, contributing in the form of monetary and material donations.



Escolas de Balonmano Xiria - Summer Schools & Christmas Camp

Promoting activities aimed at protecting the environment, nature and healthy lifestyles through collaboration with urban summer camps, thus contributing to the reconciliation of family life.



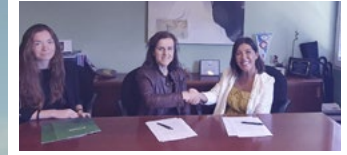
Greenalia Energy Transition Chair UDC

Creation of the Chair for Energy Transition to promote synergies for the development of research spaces, laboratories of ideas and dissemination on key issues such as decarbonization, energy transition and the impact of global warming on our environment.



Collaboration agreements in our wind resource areas.

Promotion of grassroots sports in collaboration with local entities in the areas where we operate through a collaboration agreement with the City Council of Coristanco.



Collaboration agreements in our wind resource areas.

Helping to improve access to education and quality of life for people living in rural areas through the signature of a cooperation agreement with the Municipality of Santa Comba.



Trezeluzes Solidarity Event - Meniños Foundation

Participation in the solidarity event organized by the Meniños Foundation, in which 100% of the money raised during the event will go to the Foundation's projects for children.



CD Burela Futsal 22/23 - Women's Team

We promote equality in sports by signing a partnership with a club recognized for its success on the pitch and its contribution to improving the conditions of professional female players.



Club Básquet Coruña S.A.D 22/23

We reaffirmed our commitment to the solidarity scholarships for Básquet Coruña's minors for inclusion through sports practice.



Club Básquet Coruña S.A.D 22/23 '17 Games 17 Causes'

Collaboration in the solidarity initiative "17 matches, 17 causes", which aims to make visible the work of 17 organizations that develop their projects in the region of A Coruña.



CB Gran Canaria - Suma Project

We contribute to the social integration through the sport of boys and girls with different disabilities through training scholarships to cover all the expenses derived from the practice of this sport.



RC Deportivo de A Coruña - Sponsor Lucas Pérez

We are supporting the return of A Coruña player Lucas Pérez to RC Deportivo de A Coruña, showing our commitment to Galicia, the region, and our athletes.

corporate volunteering

Our Corporate Volunteer Program channels the efforts and commitment of Greenalia's employees.

Every year, we proudly embrace our employees' positive energy and provide support and resources to bring forth various positive initiatives for different communities. In 2022, we developed a series of activities based on our ESG Plan and the related Sustainable Development Goals, as part of the Corporate Volunteering Program.

Greenalia's operational team in Monte Tourado Wind Farm



Accordingly, this year our team contributed to the following actions:

environmental

MIÑÓN WF CLEANUP

- 11 volunteers
- 4 hours of activity



social

DONATIONS FOR THE FOOD BANK CAMPAIGN

- 40 volunteers
- 157 kg of food



TOY COLLECTION FOR THE THREE WISE MEN CAMPAIGN

- 20 volunteers
- 30 toys

COLLABORATION WITH THE UKRAINE HUMANITARIAN AID CAMPAIGN

- 11 volunteers
- 69 kg of materials



governance

AWARENESS-RAISING ACTIVITIES: WOMEN & ENERGY TRANSITION

Day for young students to learn about the opportunities and the role of women in technical careers.

- 2 volunteers
- 1 hour activity

Professional women's forum to discuss issues such as talent or the challenges and job opportunities in the energy transition industry.

- 1 volunteer
- 2 hours of activity



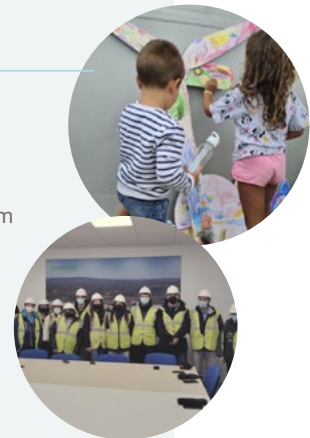
VISITS TO OUR FACILITIES

Wind farms activities with the participants of the Escuelas de Verán Xiria - 2022.

- 3 volunteers
- 6 hours of activity

Biomass plant with students from different Galician universities.

- 2 volunteers
- 2 hours of activity



Our employees also carry out their altruistic work outside of working hours, through different types of contributions, direct donations, or collaboration with various local organizations.



manifest

The Times They Are A-Changin' - Bob Dylan

"The times they are a-changin'." It was the 1960s, when a post-war era of international political upheaval and social change inspired Bob Dylan to raise awareness and open the eyes of many.

This musical legacy brings us back to the present. And times are changing again. Six decades later, they are doing so with elements in common with those that made "The Times They Are A-Changin'" the anthem of a generation.

Faced with an unprecedented climate and energy crisis, we are witnessing social crises and strong geopolitical tensions that require us, as a society, to face this stage with a greater capacity for dialogue, more empathy and a strong commitment to our territories.

A scenario in which we see that the old forms of energy production are no longer sustainable or acceptable. The fight against climate change places us in a new industrial and economic revolution that leads us to a greener, cleaner and more sustainable model, the only way to leave a better legacy for future generations.

At Greenalia, we embrace change as part of our daily work. It is an inherent value that defines our resilience. A 180 degree turn towards a healthier planet, cleaner air, richer ecosystems, greater biodiversity and accessible and affordable energy.

Challenges that require us to make commitments and overcome obstacles. Great change has never been easy. But we are at a point of no return, a critical time that requires us to do things differently and faster. That is why all our efforts are focused on achieving zero-emission energy production, while creating wealth and in harmony with the environment. A goal that encourages us to challenge ourselves year after year to be protagonists in this process of energy transition.

08 annexes

GRI Content Index

ANNEX 1
GRI
CONTENT
INDEX

Statement of use	Greenalia S.A has reported the information with reference to the GRI Standards for the period January, 1st 2022 to December 31st, 2022
GRI1 used	GRI 1: Foundation 2021
Applied GRI Industry Standards	NA

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
GENERAL DISCLOSURES				
GRI 2: GENERAL DISCLOSURES 2021				
2 - 1	2-1 Organizational details	Greenalia S.A. Greenalia is headquartered in A Coruña (Spain) and operates in Europe (Iberian Peninsula and Canary Islands) and the United States. Greenalia, S.A., is a commercial company with the legal form of a public limited company.		
2 - 2	2-2 Entities included in the organization's sustainability reporting	2022 Consolidated Financial Statements		
2 - 3	2-3 Reporting period, frequency and contact point	The Annual Sustainability Report reflects Greenalia's environmental, social, governance and financial performance in fiscal year 2022, which is understood to be from January 1, 2022 to December 31, 2022. For any questions about the report or its contents please contact the email address sostenibilidad@greenalia.es		
2 - 4	2-4 Restatements of information	For information with a temporal or organizational reach different from that of previous years, the nature of the changes is described, together with the data in question.		
2 - 5	2-5 External assurance	Approval of the Integrated Report by the Board of Directors. The information contained in the "GRI Content Index" has been independently verified by KPMG Asesores, S.L. The scope and results are described in the report attached on page 114.		
2 - 6	2-6 Activities, value chain and other business relationships	Pag. 9-17; Pag. 35-36; Pag. 83-92 Energy sales are via the system (OMIEE, via a market representative), and there are private clients in the traditional cellulose and sheet wood sectors.		
2 - 7	2-7 Employees	Pag. 68; Pag. 77 We do not have personnel for non-guaranteed hours, i.e. personnel who work for the organization without a fixed minimum number of guaranteed working hours.		Principle 6
2 - 8	2-8 Workers who are not employees	Pag. 68; We do not have non-guaranteed hourly personnel, i.e. personnel working for the organization without a fixed minimum number of guaranteed working hours.		Principle 6
2 - 9	2-9 Governance structure and composition	Pag. 27-29; Pag. 32-34		
2 - 10	2-10 Nomination and selection of the highest governance body	Pag. 27-29; Pag. 32-34		
2 - 11	2-11 Chair of the highest governance body	Pag. 28		
2 - 12	2-12 Role of the highest governance body in overseeing the management of impacts	Pag. 19-20; Pag. 27-29		
2 - 13	2-13 Delegation of responsibility for managing impacts	Pag. 27-29; Pag. 32-34		
2 - 14	2-14 Role of the highest governance body in sustainability reporting	Pag. 27-28 The Board of Directors is responsible for approving the Sustainability Report.		

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
2 - 15	2-15 Conflicts of interest	Pag. 27-34		
2 - 16	2-16 Communication of critical concerns	Pag. 30-34		
2 - 17	2-17 Collective knowledge of the highest governance body	During 2022, we have focused on the area of sustainable development, allocating more than 360 hours of training in this area with the team that makes up our Governing Body.		
2 - 18	2-18 Evaluation of the performance of the highest governance body	Pag. 70-71; Pag. 73		
2 - 19	2-19 Remuneration policies	Pag. 77		
2 - 20	2-20 Process to determine remuneration	<p>The Appointments and Remuneration Committee is the highest body within the Board of Directors in charge of supervising and reporting on the organization's remuneration policy. The interests of shareholders and other stakeholders are considered in the process of elaborating the salary policies within the organizational flows (HR Committees, Management Committee, Appointments and Remuneration Committee, Board of Directors, Shareholders' Meeting).</p> <p>Greenalia's remuneration policies were established on the basis of a project led by a Tier-1 consulting firm and are monitored annually on the basis of this study within the organization's workflows. The HR area in its Compensation and Benefits practice is responsible for the implementation and execution of salary policies and improvements to the compensation and development system.</p> <p>The framework policy is the People Management Policy and within it the salary sub-policies established by groups, operating units (when applicable) and others.</p>		
2 - 21	2-21 Annual total compensation ratio	The annualized total compensation ratio is 5.83. This has been calculated as the ratio between the highest paid person in the organization with respect to the median annualized total compensation of all employees, excluding the highest paid person and considering gross salary. The trainee category has not been taken into account.		
2 - 22	2-22 Statement on sustainable development strategy	Pag. 4-5		
2 - 23	2-23 Policy commitments	Pag. 22-24; Pag. 27-33, Pag. 35-38; Pag. 46; Pag. 61		Principles 7 and 10
2 - 24	2-24 Embedding policy commitments	Pag. 37; Pag. 46; Pag. 61 The framework policy is the People Management Policy and within it the salary sub-policies established by groups, operating units (when applicable) and others.		
2 - 25	2-25 Processes to remediate negative impacts	Pag. 19-20; Pag. 30-31, Pag. 35-36; Pag. 38; Pag. 50-52		
2 - 26	2-26 Mechanisms for seeking advice and raising concerns	Pag. 31-33; Pag. 36; Pag. 75		Principle 10

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
2 - 27	2-27 Compliance with laws and regulations	Pag. 33-34		
2 - 28	2-28 Membership associations	Pag. 38; Pag. 54; Pag. 84		
2 - 29	2-29 Approach to stakeholder engagement	Pag. 19-20; Pag. 31; Pag. 35-36		
2 - 30	2-30 Collective bargaining agreements	All our employees are covered by four collective agreements		Principle 3
MATERIAL TOPICS				
GRI 3 – MATERIAL TOPICS (2021)				
3 - 1	3-1 Process to determine material topics	Pag. 19-20		
3 - 2	3-2 List of material topics	Pag. 20		
GREEN FINANCING				
GRI 3 – Temas Materiales (2021)				
3 - 3	3-3 Management of material topics	Pag. 16-17		
GRI 201: Economic Performance (2016)				
201-1	201-1 Direct economic value generated and distributed	Pag. 17; Pag. 83 – 91		
201-2	201-2 Financial implications and other risks and opportunities due to climate change	Pag. 39; Pag. 41-43		Principle 7
201-3	201-3 Defined benefit plan obligations and other retirement plans	Pag. 77		
201-4	201-4 Financial assistance received from government	Information on subsidies can be found in the Consolidated Financial Statements published by Greenalia S.A. for the period from January 1 to December 31, 2022.		
GRI 202: Market Presence (2016)				
202-1	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Pag. 77		Principle 6
202-2	202-2 Proportion of senior management hired from the local community	Pag. 29		Principle 6
RURAL DEVELOPMENT AND IMPACT ON LOCAL COMMUNITIES				
GRI 3 – Material Topics (2021)				
3 - 3	3-3 Management of material topics	Pag. 53-54; Pag. 83-92		

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
GRI 203 – Indirect Economic Impacts (2016)				
203-1	203-1 Infrastructure investments and services supported	Pag. 84-92;		Principle 1
203-2	203-2 Significant indirect economic impacts	Pag. 17; Pag. 84-92		Principle 1
GRI 204 – Procurement Practices (2016)				
204-1	204-1 Proportion of spending on local suppliers	Pag. 84-86		
GRI 308 – Supplier Environmental Assessment (2016)				
308-1	308-1 New suppliers that were screened using environmental criteria	Pag. 33; Pag. 35-36; Pag. 53-54		Principle 8
308-2	308-2 Negative environmental impacts in the supply chain and actions taken	Pag. 35-36; Pag. 48-52		Principle 8
GRI 413 – Local Communities (2016)				
413-1	413-1 Operations with local community engagement, impact assessments, and development programs	Pag. 30; Pag. 35-36; Pag. 48 Pag. 50-52; Pag. 80; Pag. 92		Principles 7 & 8
413-2	413-2 Operations with significant actual and potential negative impacts on local communities	Pag. 35-36; Pag. 48; Pag. 52-56		Principles 7 and 8
GRI 414 – Supplier Social Assessment (2016)				
414-1	414-1 New suppliers that were screened using social criteria	Pag. 33; Pag. 35-36; Pag. 53-54		Principles 1 and 2
414-2	414-2 Negative social impacts in the supply chain and actions taken	Pag. 35-36; Pag. 48-52		Principles 1 and 2
GOOD GOVERNANCE AND ETHICS. COMPLIANCE AND TRANSPARENCY				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 30-34; Pag. 3; Pag. 75-76		
GRI 206 – Anti-competitive Behavior (2016)				
206-1	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Pag. 33		Principles 1 and 10
GRI 415 – Public Policy (2016)				
415-1	415-1 Political contributions	Greenalia's Anti-Corruption Standard and Code of Conduct set out the measures to be followed regarding contributions to political parties.		Principle 10
GRI 205 – Anti-corruption (2016)				
205-1	205-1 Operations assessed for risks related to corruption	Pag. 30-34		Principles 1 and 10

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
205-2	205-2 Communication and training about anti-corruption policies and procedures	Pag. 32-34		Principles 1 and 10
205-3	205-3 Confirmed incidents of corruption and actions taken	Pag. 32-34		Principles 1 and 10
CIRCULAR ECONOMY AND WASTE				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 46; Pag. 55-58; Pag. 62		
GRI 301 - Materials (2016)				
301-1	301-1 Materials used by weight or volume	Pag. 56; Pag. 62		Principle 7
301-2	301-2 Recycled input materials used	We do not use inputs for the production of our products due to the nature of our business.		N/A
301-3	301-3 Reclaimed products and their packaging materials	We do not use packaging materials due to the nature of our business.		N/A
GRI 306 - Waste (2020)				
306-1	306-1 Waste generation and significant waste-related impacts	Pag. 57-58		
306-2	306-2 Management of significant waste-related impacts	Pag. 55-58		
306-3	306-3 Waste generated	Pag. 57-58		
306-4	306-4 Waste diverted from disposal	Pag. 57-58		
306-5	306-5 Waste directed to disposal	Pag. 57-58		
CLIMATE CHANGE AND ENERGY TRANSITION				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 41-43; Pag.61-64		
GRI 302 - Energy (2016)				
302-1	302-1 Energy consumption within the organization	Pag. 62		Principles 7, 8 and 9
302-2	302-2 Energy consumption outside of the organization	Pag. 62		Principle 8
302-3	302-3 Energy intensity	Pag. 62		Principle 8
302-4	302-4 Reduction of energy consumption	Pag. 62		Principles 8 and 9
302-5	302-5 Reductions in energy requirements of products and services	Pag. 61-62		Principles 8 and 9
GRI 305 - Emissions (2016)				

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
305-1	305-1 Direct (Scope 1) GHG emissions	Pag. 63-64		Principle 7 and 8
305-2	305-2 Energy indirect (Scope 2) GHG emissions	Pag. 63-64		Principles 7, 8 and 9
305-3	305-3 Other indirect (Scope 3) GHG emissions	Pag. 63-64		Principles 7 and 8
305-4	305-4 GHG emissions intensity	Pag. 63-64		Principle 8
305-5	305-5 Reduction of GHG emissions	Pag. 61-64		Principles 8 and 9
305-6	305-6 Emissions of ozone-depleting substances (ODS)	Pag. 64		Principles 7 and 8
305-7	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Pag. 64		Principles 7 and 8
WATER				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 59-60		
GRI 303 – Water and Effluents (2018)				
303-1	303-1 Interactions with water as a shared resource	Pag. 56-60		
303-2	303-2 Management of water discharge-related impacts	Pag. 56-60		
303-3	303-3 Water withdrawal	Pag. 56-60		Principles 7 and 8
303-4	303-4 Water discharge	Pag. 56-60		Principle 8
303-5	303-5 Water consumption	Pag. 56-60		Principle 8
BIODIVERSITY				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 47-54		
GRI 304 - Biodiversity (2016)				
304-1	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pag. 47-52		Principles 7 and 8
304-2	304-2 Significant impacts of activities, products and services on biodiversity	Pag. 49; Pag. 52		Principles 7 & 8
304-3	304-3 Habitats protected or restored	Pag. 48-52		Principles 7 & 8
304-4	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Pag. 49		Principles 7 & 8

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
EMPLOYMENT QUALITY				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 71-79		
GRI 401 - Employment (2016)				
401-1	401-1 New employee hires and employee turnover	Pag. 74		Principle 6
401-2	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Greenalia applies the same coverage for incapacity, paternity or maternity to full-time and part-time employees.		Principle 6
401-3	401-3 Parental leave	Pag. 78		Principle 6
GRI 402 - Labor/Management Relations (2016)				
402-1	402-1 Minimum notice periods regarding operational changes	Pag. 75		Principle 3
OCCUPATIONAL HEALTH AND SAFETY				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 78-81		
GRI 403 - Occupational Health and Safety (2018)				
403-1	403-1 Occupational health and safety management system	In Greenalia we abide by the strict compliance of the Spanish legislation in this matter.		Principle 1
403-2	403-2 Hazard identification, risk assessment, and incident investigation	The External Prevention Service performs the evaluation of the risks associated with each job according to the requirements of current legislation. Based on the risk assessment, the nature of the activities carried out by Greenalia do not involve high risk processes. Annually, and in collaboration with the External Prevention Service, we carry out the planning of preventive activities, establishing the measures and guidelines for action in all those issues that are considered relevant.		Principle 1
403-3	403-3 Occupational health services	Pag. 78-81		Principle 1
403-4	403-4 Worker participation, consultation, and communication on occupational health and safety	In Greenalia we guarantee the participation of the personnel in relation to the legislation in force.		Principle 1
403-5	403-5 Worker training on occupational health and safety	Pag. 71-72; Pag. 80-81		Principle 1
403-6	403-6 Promotion of worker health	To ensure the health of the personnel, medical examinations are carried out periodically.		Principle 1
403-7	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The External Prevention Service performs the risk assessment associated with each job position in accordance with current legislation and revises them in the event of changes in circumstances. Data for 2022 reflect a low accident rate.		Principle 1
403-8	403-8 Workers covered by an occupational health and safety management system	In Greenalia, and in compliance with current legislation, 100% of our staff is covered by the company's health and safety service carried out by the External Prevention Service. In the case of personnel corresponding to external companies, the coordination of business activities is carried out following the guidelines established by the Spanish legislation in force.		Principle 1

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
403-9	403-9 Work-related injuries	Pag. 80		Principle 1
403-10	403-10 Work-related ill health	During 2022, there was no sick leave related to occupational diseases. In addition, we have not identified any workers in Greenalia who carry out professional activities with a risk of serious illness associated with the work performed.		Principle 1
TALENT MANAGEMENT				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 67-73; Pag. 76		
GRI 404 – Training and education (2016)				
404-1	404-1 Average hours of training per year per employee	Pag.72;		Principle 6
404-2	404-2 Programs for upgrading employee skills and transition assistance programs	Pag. 70 -73		Principle 6
404-3	404-3 Percentage of employees receiving regular performance and career development reviews	49% (25/51*100 = 49%) of Greenalia's professionals receive periodic performance and professional development evaluations. With respect to the total (51), the following positions in the Traditional Business Area have been excluded. Due to the nature of the position (use of machinery, forestry measurement tasks, etc.), other follow-up actions are carried out (e.g. productivity): Biomass Management Assistant, Baler Operator, Crane Operator, Biomass Management Manager, Forestry Delegate, Forestry Measurer.		Principle 6
EQUALITY, DIVERSITY AND INCLUSION				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 34; Pag. 67-69; Pag. 76-78		
GRI 405: Diversity and Equal Opportunity (2016)				
405-1	405-1 Diversity of governance bodies and employees	Pag. 28-29; Pag. 68; Pag. 77		Principles 1 and 6
405-2	405-2 Ratio of basic salary and remuneration of women to men	Pag. 77		Principles 1 and 6
GRI 406 – Non – discrimination (2016)				
406-1	406-1 Incidents of discrimination and corrective actions taken	In Greenalia, during 2022, through the available channels, we have had no knowledge of situations of discrimination that have involved human rights violations.		Principles 1 and 6
HUMAN RIGHTS				
GRI 3 – Material Topics (2021)				
3-3	3-3 Management of material topics	Pag. 30-37		Principle 1
GRI 407: Freedom of Association and Collective Bargaining 2016				

GRI Standard	GRI Disclosure	Location (Page, Url and/or comments)	Omission	Principles of World Compact
407-1	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pag. 30-34 Within the Code of Conduct and Best Corporate Practices we include the right to freedom of association and collective bargaining, which we use as a framework to guide our relations with our stakeholders. our Stakeholders.		Principle 3
GRI 408 – Child Labor (2016)				
408-1	408-1 Operations and suppliers at significant risk for incidents of child labor	Pag. 30-34 In Greenalia we comply with current legislation, which has a regulatory framework that protects and ensures respect for human rights.		Principle 5
GRI 409 - Forced or Compulsory Labor (2016)				
409-1	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pag. 30-34 Since Greenalia is governed at all times by the legislation in force, there are no situations of forced or coerced labor.		Principle 4
GRI 410 – Security Practices (2016)				
410-1	410-1 Security personnel trained in human rights policies or procedures	In Greenalia we do not have our own security personnel. In case of need, this service is carried out by contracting external companies under the highest standards of quality and security.		Principle 1
GRI 411 - Rights of Indigenous Peoples (2016)				
411-1	411-1 Incidents of violations involving rights of indigenous peoples	This indicator does not apply to our company and activity because this group is not present in our geographical area of activity.		Principle 1
GRI 416 - Customer Health and Safety (2016)				
416-1	416-1 Assessment of the health and safety impacts of product and service categories	Not applicable due to the nature of the products and services offered by Greenalia, specifically in the forestry area.		
416-2	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In Greenalia, during the year 2022, there have been no incidents of non-compliance with legal regulations or voluntary health and safety codes.		
GRI 417 - Marketing and Labeling (2016)				
417-1	417-1 Requirements for product and service information and labeling	Not applicable due to the nature of the products and services offered by Greenalia, specifically in the forestry area.		
417-2	417-2 Incidents of non-compliance concerning product and service information and labeling	Due to the nature of our business, this requirement does not apply.		
417-3	417-3 Incidents of non-compliance concerning marketing communications	In Greenalia, during 2022, there have been no incidents of non-compliance with regulations or voluntary codes related to marketing communications or product information.		
GRI 418 – Customer privacy (2016)				
418-1	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In Greenalia, during the year 2022, no significant administrative sanctions have been received through the channels available for this purpose for fundamental breaches of regulations in relation to the privacy and protection of personal customers data.		

CYBERSECURITY

GRI Standard

GRI Disclosure

Location (Page, Url and/or comments)

Omission

Principles of World Compact

GRI 3 – Material Topics (2021)

3-3

3-3 Management of material topics

Pag. 40

Principles 7 and 8

ANNEX 2

REQUIREMENTS OF LAW 11/2018

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
GENERAL INFORMATION		
A brief description of the group's business model, including its business environment, its organization and structure, the markets in which it operates, its objectives and strategies, and the main factors and tendencies that may affect its future evolution	2-1 Organizational details	A Coruña, Galicia, Spain. Greenalia, S.A., is a commercial company with the legal form of a public limited company.
	2-6 Activities, value chain and other business relationships	Pág. 9-17; pág. 35-36; pág. 83-92
	2-22 Statement on sustainable development strategy	Pág. 4-5
Description of the policies applied by the group with respect to these questions, including the due diligence procedures applied to the identification, evaluation, prevention and mitigation of significant risks and impacts and for verification and control, including the measures adopted	3-3 Management of material topics	Pág. 9-15; 16-17; 29-38; 30-31; 33-34; 37; 39-43; 46; 47-56; 56-58; 67-68; 83-92;
Results of these policies, including relevant non-financial key performance indicators to enable monitoring and evaluation of progress and to facilitate comparability across societies and sectors, in accordance with national, European or international reference frameworks used for each subject area.	3-3 Management of material topics	Pág. 9-15; 16-17; 29-38; 30-31; 33-34; 37; 39-43; 46; 47-56; 56-58; 67-68; 83-92;
Main risks related to these questions, associated with the group's activities, including, when relevant and proportional, its commercial relations, products and services that may produce negative effects in these areas, and how the group manages said risks, explaining the procedures used to detect and evaluate them according to the national, European or international reference settings used for each topic. Information should be included regarding impacts that have been detected, offering a breakdown of them, particularly regarding the main short-, medium- and long-term risks	2-12 Role of the highest governance body in overseeing the management of impacts	Pág. 19-20; pág. 27-29
	2-23 Policy commitments	Pág. 22-24; pág. 27-33, Pág. 35-38; pág. 46; pág. 61
	201-2 Financial implications and other risks and opportunities due to climate change	Pág. 39; pág. 41-43
Key indicators of relevant non-financial results with respect to the specific business activity that comply with criteria of comparability, materiality, relevance and reliability. In order to facilitate the comparison of the information, both over time and between entities, standard non-financial key indicators that can be applied generally and that comply with the directives of the European Commission and with the standards of the Global Reporting Initiative shall be used especially, and the report should mention the national, European or international framework used in each case. The key non-financial results indicators should be applied to each of the sections of the non-financial information statement. These indicators should be useful, taking into account the specific circumstances, and should be coherent with the parameters used in the internal management and risk-evaluation procedures. In any case, the information presented should be precise, comparable and verifiable	3-1 Process to determine material topics	Pág. 19-20
	3-2 List of material topics	Pág. 20

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ON ENVIRONMENTAL QUESTIONS		
General detailed information		
Detailed information on the current and predictable effects of the company's activities on the environment and, when applicable, on health and safety, the environmental evaluation or certification procedures, the resources dedicated to the prevention of environmental risks, the application of the principle of precaution, the amount of provisions and guarantees for environmental risks	2-12 Role of the highest governance body in overseeing the management of impacts	Pag. 19-20; Pag. 27-29
	2-23 Policy commitments	Pag. 22-24; Pag. 27-33, Pag. 35-38; Pag. 46; Pag. 61
	2-27 Compliance with laws and regulations	Pag. 33-34
Contamination		
Measures to prevent, reduce or compensate emissions that cause serious environmental harm, considering all forms of specific atmospheric contamination derived from an activity, including noise and light pollution	302-5 Reductions in energy requirements of products and services	Pag. 61-62
	302-4 Reduction of energy consumption	Pag. 62
	3-3 Management of material topics	
	305-5 Reduction of GHG emissions	Pag. 61-64
	305-6 Emissions of ozone-depleting substances (ODS)	Pag. 64
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Pag. 64	
The circular economy and waste management		
Measures for prevention, recycling, reuse, other forms of recuperation and elimination of waste; actions to combat food wastage	306-1 Waste generation and significant waste-related impacts	Pag. 57-58
	306-2 Management of significant waste-related impacts	Pag. 55-58
	306-3 Waste generated	Pag. 57-58
	306-4 Waste diverted from disposal	Pag. 57-58
	306-5 Waste directed to disposal	Pag. 57-58
Sustainable use of resources		
Water consumption and water supply in accordance with local limitations	303-1 Interactions with water as a shared resource	Pag. 56-60
	303-2 Management of water discharge-related impacts	Pag. 56-60
	303-3 Water withdrawal	Pag. 56-60
	303-5 Water consumption	Pag. 56-60

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
Consumption of raw materials and measures adopted to improve the efficiency of their use	3-3 Management of material topics	Pag. 56
	301-1 Materials used by weight or volume	Pag. 56; Pag. 62
	301-2 Recycled input materials used	We do not use inputs for the production of our products due to the nature of our business.
	301-3 Reclaimed products and their packaging materials	We do not use packaging materials due to the nature of our business.
Direct and indirect energy consumption	3-3 Management of material topics	Pag.62
	302-1 Energy consumption within the organization	Pag. 62
	302-2 Energy consumption outside of the organization	Pag. 62
	302-3 Energy intensity	Pag. 62
	302-4 Reduction of energy consumption	Pag. 62
	302-5 Reductions in energy requirements of products and services	Pag. 61-62
Measures taken to improve energy efficiency	302-4 Reduction of energy consumption	Pag. 62
	302-5 Reductions in energy requirements of products and services	Pag. 62
Usage of renewable energies	302-1 Energy consumption within the organization	Pag. 62
Climate Change		
Important elements in emissions of greenhouse gases generated as a result of the company's activities, including the use of the goods and services it produces	305-1 Direct (Scope 1) GHG emissions	Pag. 63-64
	305-2 Energy indirect (Scope 2) GHG emissions	Pag. 63-64
	305-3 Other indirect (Scope 3) GHG emissions	Pag. 63-64
	305-4 GHG emissions intensity	Pag. 63-64
Measures adopted to adapt to the consequences of climate change	201-2 Financial implications and other risks and opportunities due to climate change	Pag. 39; Pag. 41-43
Medium- and long-term reduction targets established voluntarily to reduce the emissions of greenhouse gases and the measures implanted to this end	305-5 Reduction of GHG emissions	Pag. 61-64
Protection of biodiversity		

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
Measures to conserve or restore biodiversity	304-3 Habitats protected or restored	Pag. 48-52
Impacts caused by activities or operations in protected areas	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pag. 47-52
	304-2 Significant impacts of activities, products and services on biodiversity	Pag. 49; Pag. 52
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Pag. 49
INFORMATION ON SOCIAL QUESTIONS AND QUESTIONS RELATED TO PERSONNEL		
EMPLOYMENT		
Total number and distribution of employees, taking into account criteria Pages 84 and 92 that represent diversity (gender, age, nationality, etc.)	2-7 Employees	Pag. 68; Pag. 77 We do not have non-guaranteed hourly personnel, i.e. personnel who work for the organization without a fixed minimum number of guaranteed working hours.
	405-2 Ratio of basic salary and remuneration of women to men	Pag. 28-29; Pag. 68; Pag. 77
Total number and distribution of contract types, annual average of indefinite, temporary and part-time contracts by gender, age and professional classification	2-7 Employees	Pag. 68; Pag. 77 We do not have non-guaranteed hourly personnel, i.e. personnel who work for the organization without a fixed minimum number of guaranteed working hours.
	202-2 Proportion of senior management hired from the local community	Pag. 29
Number of dismissals by gender, age and professional classification	401-1 New employee hires and employee turnover	Pag. 74
Average remunerations and their evolution, broken down by gender, age and professional classification or similar	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Pag. 77
Salary gap, remuneration of equal work positions or company average	405-2 Ratio of basic salary and remuneration of women to men	Pag. 77
The average remuneration of directors, including variable retribution, expense allowances indemnities	-	
Payments into long-term savings plans and any other benefits, broken down by gender	201-3 Defined benefit plan obligations and other retirement plans	Pag. 77
Implantation of labour disconnection policies	3-3 Management of material topics	Pag. 77
Employees with disabilities	405-1 Diversity of governance bodies and employees	Pag. 28-29; Pag. 68; Pag. 77
ORGANIZATION OF TASKS		

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
Hours of absenteeism	403-2 Hazard identification, risk assessment, and incident investigation	The External Prevention Service performs the evaluation of the risks associated with each job according to the requirements of current legislation. Based on the risk assessment, the nature of the activities carried out by Greenalia do not involve high risk processes. Annually, and in collaboration with the External Prevention Service, we carry out the planning of preventive activities, establishing the measures and guidelines for action in all those issues that are considered relevant.
Measures intended to facilitate enjoyment of conciliation and to promote responsible use of these measures by both parents	401-3 Parental leave	Pag. 78
HEALTH AND SAFETY		
Occupational health and safety conditions	403-3 Occupational health services	Pag. 78-81
Work-related accidents, particularly their frequency and severity, and occupational illnesses, broken down by gender.	GRI 403-9 Work-related injuries	Pag. 80
	GRI 403-10 Occupational illnesses and diseases	Pag. 80
SOCIAL RELATIONSHIPS		
Social relationships	402-1 Minimum notice periods regarding operational changes	Pag. 75
	403-1 Occupational health and safety management system	In Greenalia we abide by the strict compliance of the Spanish legislation in this matter.
Percentage of employees covered by collective agreement per country	402-1 Minimum notice periods regarding operational changes	Pag. 75
The balance of collective agreements, particularly in the field of occupational health and safety	403-4 Worker participation, consultation, and communication on occupational health and safety	In Greenalia we guarantee the participation of the personnel in relation to the current legislation.
TRAINING		

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
Training policies implanted	403-5 Worker training on occupational health and safety	Pag. 71-72; Pag. 80-81
	404-2 Programs for upgrading employee skills and transition assistance programs	Pag. 70 -73
Total hours training per professional category	404-1 Average hours of training per year per employee	Pag. 72
UNIVERSAL ACCESSIBILITY FOR PEOPLE WITH DISABILITIES		
Universal accessibility for people with disabilities	3-3 Management of material topics	Pag. 78-80
EQUALITY		
Measures adopted to promote equal treatment and opportunities for women and men	401-3 Parental leave	Pag. 78
Equality plans (Chapter III of Statutory Law 3/2007 of March 22, on the effective equality of women and men), measures adopted to promote employment, protocols against sexual or gender-based harassment, integration and universal accessibility for disabled persons	405-1 Diversity of governance bodies and employees	Pag. 28-29; Pag. 68; Pag. 77
The policy against all types of discrimination and, when appropriate, of diversity management	406-1 Incidents of discrimination and corrective actions taken	In Greenalia, during 2022, through the available channels, we have had no knowledge of situations of discrimination that have involved human rights violations.
INFORMATION REGARDING RESPECT FOR HUMAN RIGHTS		
	2-23 Policy commitments	Pag. 22-24; Pag. 27-33, Pag. 35-38; Pag. 46; Pag. 61
	2-26 Mechanisms for seeking advice and raising concerns	Pag. 31-33; Pag. 36; Pag. 75
Application of due diligence procedures to human rights, prevention of risks of violations of human rights and, when appropriate, measures to mitigate, manage and compensate any abuses committed	410-1 Security personnel trained in human rights policies or procedures	In Greenalia we do not have our own security personnel. In case of need, this service is carried out by contracting external companies under the highest standards of quality and security.
	411-1 Incidents of violations involving rights of indigenous peoples	This indicator does not apply to our company and activity because this group is not present in our geographical area of activity.
Claims for cases of violation of human rights	2-27 Compliance with laws and regulations	Pag. 33-34

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
<p>Promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organization related to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and work; the elimination of forced or compulsory labour; the abolition of child labour.</p>	406-1 Incidents of discrimination and corrective actions taken	In Greenalia, during 2022, through the available channels, we have had no knowledge of situations of discrimination that have involved human rights violations.
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pag. 30-34 Within the Code of Conduct and Best Corporate Practices we include the right to freedom of association and collective bargaining, which we use as a framework to guide our relations with our stakeholders.
	408-1 Operations and suppliers at significant risk for incidents of child labor	Pag. 30-34 In Greenalia we comply with current legislation, which has a regulatory framework that protects and ensures respect for human rights.
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pag. 30-34 Since Greenalia is governed at all times by the legislation in force, there are no situations of forced or coerced labor.
<p>INFORMATION RELATED TO THE FIGHT AGAINST CORRUPTION AND BRIBERY</p>		
<p>Measures adopted to prevent corruption and bribery</p>	2-23 Policy commitments	Pag. 22-24; Pag. 27-33, Pag. 35-38; Pag. 46; Pag. 61
	2-26 Mechanisms for seeking advice and raising concerns	Pag. 31-33; Pag. 36; Pag. 75
	205-1 Operations assessed for risks related to corruption	Pag. 30-34
	205-2 Communication and training about anti-corruption policies and procedures	Pag. 32-34
	205-3 Confirmed incidents of corruption and actions taken	Pag. 32-34
	415-1 Political contributions	Greenalia's Anti-Corruption Standard and Code of Conduct set out the measures to be followed regarding contributions to political parties.

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
Measures to fight against money laundering	2-23 Policy commitments	Pag. 22-24; Pag. 27-33, Pag. 35-38; Pag. 46; Pag. 61
	2-26 Mechanisms for seeking advice and raising concerns	Pag. 31-33; Pag. 36; Pag. 75
	205-2 Communication and training about anti-corruption policies and procedures	Pag. 32-34
Contributions to foundations and non-profit organizations	201-1 Direct economic value generated and distributed	Pag. 17; Pag. 83 – 91
	413-1 Operations with local community engagement, impact assessments, and development programs	Pag. 30; Pag. 35-36; Pag. 48 Pag. 50-52; Pag. 80; Pag. 92
INFORMATION ABOUT THE COMPANY		
COMPANY COMMITMENTS TO SUSTAINABLE DEVELOPMENT		
The impact of the company's activity on local employment and development	203-1 Infrastructure investments and services supported	Pag. 84-92;
	203-2 Significant indirect economic impacts	Pag. 17; Pag. 84-92
	204-1 Proportion of spending on local suppliers	Pag. 84-86
	413-1 Operations with local community engagement, impact assessments, and development programs	Pag. 30; Pag. 35-36; Pag. 48 Pag. 50-52; Pag. 80; Pag. 92
The impact of the company's activity on local towns and in the region	204-1 Proportion of spending on local suppliers	Pag. 84-86
	411-1 Incidents of violations involving rights of indigenous peoples	This indicator does not apply to our company and activity because this group is not present in our geographical area of activity.
	413-1 Operations with local community engagement, impact assessments, and development programs	Pag. 30; Pag. 35-36; Pag. 48 Pag. 50-52; Pag. 80; Pag. 92
	413-2 Operations with significant actual and potential negative impacts on local communities	Pag. 35-36; Pag. 48; Pag. 52-56
Relations maintained with actors in the local communities and methods of dialogue with them	2-29 Approach to stakeholder engagement	Pag. 19-20; Pag. 31; Pag. 35-36
Sponsorship or patronage activities	413-1 Operations with local community engagement, impact assessments, and development programs	Pag. 30; Pag. 35-36; Pag. 48 Pag. 50-52; Pag. 80; Pag. 92
SUB-CONTRACTING AND SUPPLIERS		
Inclusion in purchasing policy of social, gender equality and environmental questions	308-1 New suppliers that were screened using environmental criteria	Pag. 33; Pag. 35-36; Pag. 53-54
	414-1 New suppliers that were screened using social criteria	Pag. 33; Pag. 35-36; Pag. 53-54

Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
Consideration in relationships with suppliers and sub-contractors of their social and environmental responsibility	308-1 New suppliers that were screened using environmental criteria	Pag. 33; Pag. 35-36; Pag. 53-54
	414-1 New suppliers that were screened using social criteria	Pag. 33; Pag. 35-36; Pag. 53-54
	308-2 Negative environmental impacts in the supply chain and actions taken	Pag. 35-36; Pag. 48-52
	2-6 Activities, value chain and others	Pag. 9-17; Pag. 35-36; Pag. 83-92 Markets served: Energy sales are made to the system (OMIEE through a market representative) and there are private customers in the pulp and board sector.
Supervision and auditing systems and their results	414-2 Negative social impacts in the supply chain and actions taken	Pag. 35-36; Pag. 48-52
CONSUMERS		
Measures for the health and safety of consumers	416-1 Assessment of the health and safety impacts of product and service categories	Not applicable due to the nature of the products and services offered by Greenalia, specifically in the forestry area.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In Greenalia, during the year 2022, there have been no incidents of non-compliance with legal regulations or voluntary codes towards health and safety.
Claims system, complaints received and their resolution	2-29 Approach to stakeholder engagement	Pag. 19-20; Pag. 31; Pag. 35-36
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In Greenalia, during the year 2022, no significant administrative sanctions have been received, through the channels available for this purpose, for fundamental breaches of regulations in relation to the privacy and protection of customer data.
FISCAL INFORMATION		
Profits obtained by country	2-2 Entities included in the organization's sustainability reporting	Pag. 3
	201-1 Direct economic value generated and distributed	Pag. 17; Pag. 83 – 91
Tax paid on profits	201-1 Direct economic value generated and distributed	Pag. 17; Pag. 83 – 91
Public subventions received	201-4 Financial assistance received from government	Information on subsidies can be found in the Consolidated Financial Statements published by Greenalia S.A. for the period from January 1 to December 31, 2022.



verification report



KPMG Asesores, S.L.
P.º de la Castellana, 259 C
28046 Madrid

Independent Assurance Report on Sustainability Report 2022 of Greenalia, S.A.

(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails.)

To the management of Greenalia, S.A.:

We have been engaged by the Board of Directors of Greenalia, S.A. (hereinafter Greenalia) to provide limited assurance on the Sustainability Report for the year ended 31 December 2022 (hereinafter "the Report"). The reviewed information circumscribes the information contained in the "GRI content index" of the Report.

Greenalia, S.A. Management responsibilities

Greenalia management is responsible for the preparation and presentation of the Report with reference to the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards).

Management is responsible for the information and assertions contained within the report; for determining Greenalia's objectives in respect of the selection and presentation of sustainable development performance, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

These responsibilities include the establishment of appropriate controls that Greenalia management consider necessary to enable that the preparation of indicators with a limited assurance review would be free from material misstatements due to fraud or error.

Our responsibility

Our responsibility is to carry out a limited assurance review and to express a conclusion based on the work performed, referring exclusively to the information corresponding to 2022. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standard Board (IAASB); and with the guidelines for assurance engagements on Corporate Responsibility Reports issued by the Spanish Institute of Registered Auditors (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatements.

We apply the International Standard on Quality Control 1 (ISQC1) and, in conformity with this Standard, maintain a comprehensive system of quality control including documented policies and procedures regarding the compliance with ethical principles, professional standards and applicable legal and regulatory requirements.



(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails.)

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the Internal Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Procedures performed

Our limited assurance engagement has been carried out by means of enquiries of management and persons responsible for the preparation of information presented in the Report, and the application of analytical and other evidence gathering procedures. These procedures included:

- Verification of Greenalia's processes for determining the material issues, and the stakeholder participation therein.
- Verification, through interviews with management and relevant staff at group level and selected business unit level, of the presence of sustainability strategy and policies and corporate responsibility to attend to material issues, and the implementation of these across the business of Greenalia.
- Assessment of the consistency of the description of the application of Greenalia's policies and strategy on sustainability, governance, ethics and integrity.
- Risk analysis, including searching the media to identify material issues during the year covered by the Report.
- Review of consistency of information comparing the Universal Standards with internal systems and documentation.
- Analysis of the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Review of the application of the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) requirements.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Greenalia.
- Comparison between the financial information presented in the Report and those included in Greenalia's Annual Accounts audited by independent third parties.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less wide than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than that of a reasonable assurance engagement. This report may not, under any circumstances, be considered an audit report.



(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails.)

Conclusions

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this Independent Assurance Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Report has not prepared, in all material respects, with reference to the Sustainability Reporting Standards of Global Reporting Initiative (GRI Standards), including the reliability of data, adequacy of the reported information and the absence of significant deviations and omissions.

Purpose of our report

In accordance with the terms of our engagement, this Independent Assurance Report has been prepared for Greenalia, S.A. in relation to its Sustainability Report 2022 and for no other purpose or in any other context.

KPMG Asesores, S.L.

(Signed on original in Spanish)

Patricia Reverter Guillot

30 May 2023



09
financial
accounts
FY2022



Main financial milestones

Ourlo Wind farm (22.5 MW)

We are leaving behind the greatest financial results ever. Despite the exceptional circumstances we are living through due to the Russian-Ukraine conflict, the post-pandemic consequences, the inflationary tendencies, and the tensions in the supply chain and in transport, as far as Greenalia's activities are concerned, we can find satisfaction in having closed yet another half-period, with our objectives for the year achieved.

Under this uncertain context, we have been able to maintain our course and reinforce our operations. These results demonstrate the resilience of our business model, since, despite the restrictions we have suffered, we have been able to consolidate the growth of our business during this period.

The current situation of 6 renewable projects under operation, and +1GW of under construction and operation, has allowed us to successfully complete the plan established in previous years. We successfully achieved the business plan we published in the 2017 IPO, especially because of our multi-technological character and the important resource of our pipeline. We are currently working on our new Business Plan for the period 2023-2027.

From an strategic point of view, special significance reveals the opening of the US market. We have made a significant progress on the US development. The opening of a permanent NY office, with more resources allocated to this market and local presence on the project field, confirms the relevance of this market on Greenalia's short-term strategy. We keep very active on M&A opportunities, and, as a consequence, we have closed the acquisition of two additional M&A operations (wind and solar) in a very advance stage of development. Apart from

these acquisitions, the group has started new projects, having reached a current US pipeline of 2.9GW. We are expecting a significant part of the income coming from the US by 2025 onwards. The commitment of the US administration to renewable energy has opened a very attractive landscape in this sector, and we must make the most of it.

This increased figures in the profit&loss consolidate the strategy developed in the past years, representing this 2022 the best period in Greenalia's history, with a net profit exceeding the 16 million euros and an EBITDA above 65 million.

ON A CORPORATE LEVEL, THE GROUP KEEPS INCREASING ITS PRESENCE IN US, WHERE THE CURRENT PIPELINE STANDS FOR 2.9GW.

In addition, this period has been outstanding due to higher performance and continuous upgrading on the operating projects. Meanwhile, the second Green Promissory Notes Program (MARF) has been issued (fully renewing the first program). The program has been evaluated by Sustainalytics, a leading agency in sustainability analysis, that has considered that the company's projects can contribute to the process of energy transition in Spain. With this initiative, the second program of Green Credits in the Spanish market, Greenalia has consolidated its position as a pioneering company in the emission of green finance, since all credits issued up till now, the last one for 55 million, issued in December 2020, have been qualified as "green", with the maximum Standard&Poor's rating in the sustainability sector.

WE MUST ALSO MENTION AS KEY MILESTONE, THE SIGNING OF TWO PPAS (POWER PURCHASE AGREEMENT) TO SUPPLY RENEWABLE ENERGY TO THE ALCOA ALUMINUM PLANT IN SAN CIBRAO (LUGO), AND SHOWA DENKO CARBON FACILITY IN A CORUÑA. BOTH COMPANIES, INDUSTRY LEADERS, PLAYS AN ESSENTIAL ROLE IN GALICIAN INDUSTRY

Therefore, this agreement is in line with our commitment to Galician industry, particularly during these moments of price tensions in the electrical market. In Greenalia, we believe that wind power constitutes an opportunity to ensure the medium-term competitiveness of Galician industry via long-term contracts of this type. The energy committed under these contracts will be supplied from wind farms that are under development in the Galician Region, and represents more than 1GW of installed capacity (923MW for Alcoa PPA and 123MW for Showa Denko).

As for ESG issues (Environmental, Social and Governance), Greenalia presented its Annual Consolidated Report, together with the Annual Accounts of 2022. This paper, joints both financial and non-financial document in a sole document. Finally, we should note the strengthening of the organizational and top management structure. The appointment of the new Spain CEO of Mrs. María Moreno, and US CEO of Mr. Alberto Exposito, reinforce the capacity and scope of our top management

team. On an organizational level, we keep incentivizing our senior talent attraction with long term incentives program for key executive positions. The aim of this plan is to achieve the maximum degree of motivation and loyalty of the personnel concerned, and to provide them with an incentive to promote the best results for the company, aligning the interests of these persons with the medium-term benefits of shareholders.

The Plan will continue until January 1, 2026, a date that will be used as a point of reference to determine whether the objectives for the use of the options have been achieved. The Plan was approved on the last General Shareholders' Meeting.

Results by business Line

IN GENERAL TERMS, WE CAN SEE A VERY MATERIAL IMPROVEMENT COMPARED TO THE PREVIOUS YEAR, ON WHAT IT MEANS, THE GREATEST GROUP RESULTS EVER.

- An increment of 24% in income, and an increment in EBITDA of 68% with respect to fiscal year 2021.
- +36% net profit
- As for the consolidated EBITDA margin, the ratio has increased to 68%.

This improvement relies on higher performance and continuous upgrading on the operating projects.

Financial instruments

As part of the Finance Project Senior Debt for the Biomass plant, and with the aim of obtaining coverage regarding possible fluctuations in interest rates, the Greenalia Biomass Power Curtis Teixeira, S.L.U. Company has formalized a derivative contract with Banco Santander. This contract serves to cover the interest rate risks of long-term credit, which has no impact on liquidity due to the defined financial model.

The accountancy evaluation criterion of this instrument has had an impact of 8.7 million Euros on the company's funds by end of 2022. This evaluation and its impact on future profits may vary, increasing or decreasing the amount, until the instrument expires, when its impact on the company's funds will disappear.

By the same purpose, as part of the Finance Project Senior Debt for the wind power projects included in EOLO MOC, and with the aim of obtaining coverage regarding possible fluctuations in interest rates, the Greenalia Wind Power Eolo Senior MOC, S.L.U. has formalized a derivative contract with Banco Sabadell; the impact of this one is 3.9 million.



Evolution of our activity

The estimates forecast has been greatly surpassed. In this sense, the maintenance and improvement of our activity is clearly shown in the consolidated EBITDA of 2022, which reached 64,894,774 Euros. The net profit after tax was 16,424,925 Euros. The reconciliation between the attached consolidated profit and loss account and the EBITDA that the management has included in this report is as follows:

Main operations that explain the evolution of the balance:

- Significant increase of non-current assets (+31.3% with respect to FY21), fundamentally due to the investment in the new projects under development.

- 29.4 million Euros increase in debt with credit institutions and other financial obligations
- The value of the investments in the Curtis Teixeira Biomass project as of 2022 was 137.8 million Euros, with an assigned nonrecourse debt of 118.2 million Euros, not taking into account the effect of the amortized cost.
- The value of the investments in the wind farms in the Eolo MOC as of 2022 was 87.3 million Euros, with an assigned non-recourse debt of 60.7 million Euros, not taking into account the effect of the amortized cost.
- It should be noted that 69.8% of the group's debt is nonrecourse debt associated with the projects, guaranteed solely by the projects being financed.

The company's own funds show a positive balance of 35.137 thousand Euros and its 2022 cash position exceeds 50 million Euros.

Financial Operations

The following financial operations have been formalized:

- Diverse loans and leasings for the purchase of logistics equipment to the amount of 1 million Euros.
- No increase in debt in credit lines.

- Regarding to the corporate bonds, there is only one outstanding, issued on December 15, 2020, with a value of 55,000,000 Euros, listed in the Alternative Fixed-Income Market (MARF). This bond expires in 2025 and returns interest of 4.95%. All of the previous bonds have been cancelled (I, II and III). At the end of 2021, the amount of 2.4 million Euros remained outstanding from bond III, which was reimbursed totally on January 24, 2022.

- In December 2022, a second Program of Green Credits was registered with a value of 100 million Euros in the MARF (Alternative Fixed- Income Market). This second program fully renewed the first one.

- The liquidity provider's facility has been cancelled as part of the take-to-private process (happened in 2H22).

CONSOLIDATED EBITDA

Operating results	32,907,310
(-) Other profits and losses	840,968
(+) Amortization of fixed assets	10,843,503
(+) Impairment and profits/losses on disposal of fixed assets	20,302,973
TOTAL	64,894,774



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Consolidated financial statements

Greenalia, S.A. and dependent companies

Consolidated balance on December 31, 2022

(Expressed in Euros)

Assets	2022	2021
NON-LIQUID ASSETS	472,494,800	383,798,039
Intangible fixed assets	350,152,652	266,638,445
Land and buildings	8,477,063	7,411,063
Technical installations and other material fixed assets	204,043,007	208,879,693
In-progress fixed assets and advanced payments	137,632,582	50,347,689
Right-of-use assets	13,945,379	14,129,061
Other assets	715,612	872,042
Equity instruments	1,357,884	858,374
Other financial assets valued at amortized cost	3,435,758	109,303
Credits with third parties	95,087	20,637
Other financial assets	3,340,671	88,666
Credits with group companies	355,718	524,606
Derivative financial instruments	9,530,065	-
Differed tax assets	1,815,531	2,587,123

LIQUID ASSETS	91,186,201	98,079,086
Stock	2,777,856	3,625,228
Commercial	2,487,108	1,990,634
Raw materials and other supplies	4,575	859,406
Finished products	286,174	775,188
Commercial debtors and other amounts pending	8,727,899	19,315,181
Clients, for sales and services	8,629,235	18,169,446
Personnel	-	35,000
Credits with Public Administrations	98,664	389,969
Advance payments to suppliers	-	720,766
Current tax assets	25,131	25,131
Short-term investments in group and associated companies	4,443,986	-
Credits with group companies	2,166,879	-
Short-term financial investments	540,414	436,909
Other financial assets	978,003	606,114
Short-term periodicity	427,374	-
Cash and equivalent liquid assets	50,783,250	72,176,829
Treasury	36,716,341	58,609,857
Other equivalent liquid assets	14,066,909	13,566,972
Non-liquid assets held for sale	20,315,409	1,893,694

Greenalia, S.A. and dependent companies

Consolidated balance on December 31, 2022

(Expressed in Euros)

NET EQUITY AND LIABILITIES	2022	2021
NET EQUITY	44,645,639	22,523,305
Capital	433,182	443,419
Premium on issued shares	18,361,239	18,361,239
Reserves	(214,013)	(2,075,113)
Own shares and participations in equity	-	(1,045,494)
Results of previous years	-	(1,464,150)
Other contributions	131,916	-
Year's results attributed to the parent company	16,424,925	12,066,189
Subventions, donations and legacies transferred to P&L	9,501,640	(3,769,535)
External partners	6,750	6,750
NON-LIQUID LIABILITIES	195,887,339	195,070,386
Bonds and other negotiable securities	54,291,492	54,076,343
Debts with credit institutions	82,552,556	87,748,825
Derivatives	-	3,730,582
Financial leasing creditors	9,318,340	8,996,784
Other financial liabilities	36,930,099	37,084,948
Government grants	324,996	258,601
Long-term debts with group and associated companies	8,426,422	2,458,963
Differed tax liabilities	4,043,434	715,340

LIQUID LIABILITIES	231,961,823	166,204,348
Bonds and other negotiable securities	49,409,134	2,638,689
Debts with credit institutions	83,193,051	99,107,191
Financial leasing creditors	-	1,377,934
Commercial creditors and other payments pending	22,259,519	16,970,752
Suppliers	313,248	2,933,500
Suppliers, group and associated companies	24,200	-
Sundry creditors	21,626,510	12,600,156
Personnel (remunerations pending payment)	11,540	2,197
Other debts with Public Administrations	284,021	349,919
Advance payments from clients	-	1,084,980
Financial leasing creditors	2,124,589	1,940,617
Other financial liabilities	43,483,498	39,826,324
Long-term debts with group and associated companies	5,708,401	4,342,841
Liabilities directly associated with non-current assets held for sale	25,783,631	-
NET EQUITY AND LIABILITIES	472,494,800	383,798,039

Greenalia, S.A. and dependent companies

Consolidated profit and loss account for the financial year ending

December 31, 2022 (Expressed in Euros)

ONGOING OPERATIONS	2022	2021
Net turnover	95,072,076	43,968,118
Sales	92,682,074	42,692,930
Provision of services	2,390,002	1,275,188
Other income	393,382	(64,041)
Asset betterments and improvements by the company	1,439,014	1,273,237
Provisions	(17,764,141)	(5,101,821)
Consumption of merchandise	(941,911)	(1,906,502)
Consumption of raw materials and other consumables	(15,981,419)	(1,821,225)
Work carried out by other companies	(840,811)	(1,374,095)
Personnel costs	(4,211,110)	(3,461,278)
Wages, salaries and equivalents	(3,290,210)	(2,698,170)
Social costs	(920,900)	(763,108)
Other operating costs	(10,034,447)	(8,270,076)
External services	(9,595,183)	(6,169,041)
Taxes	(439,040)	(2,101,035)
Losses, impairment and variations in supplies in commercial operations	(224)	(5)
Other costs	-	5
EBITDA*	64,894,774	38,658,855
Other profits and losses	(840,988)	8,322,100
Allocation of subsidies for non-financial and other fixed assets	-	90,823
Amortization of fixed assets	(10,843,503)	(8,847,144)

Amortization of intangible fixed assets	(579,213)	(328,839)
Amortization of material fixed assets	(10,264,290)	(8,518,305)
Impairment and profits/losses on disposal of fixed assets	(20,302,973)	(474,872)
Impairments and losses	(18,481,973)	(450,000)
Profits/losses on disposal of assets and others	(1,821,000)	(24,872)
OPERATING RESULTS	32,907,310	27,435,045
Financial income	4,893,013	6,836,277
From financial securities and other financial instruments	4,893,013	6,836,277
From third parties	4,893,013	6,836,277
Financial costs	(17,501,943)	(19,876,153)
For debts with third parties	(17,501,943)	(19,876,153)
Translation differences	37,030	441,443
Impairment and profits/losses on disposal of financial instruments	-	(724,803)
Impairments and losses	-	(725,023)
Profits/losses on disposal of assets and others	-	220
FINANCIAL PROFITS/LOSSES	(12,571,900)	(13,323,236)
PRE-TAX RESULTS	20,335,410	14,111,809
Tax on profits	(4,712,619)	(3,669,941)
RESULTS OF ON-GOING OPERATIONS IN YEAR	15,622,791	10,421,868
CONSOLIDATED RESULTS FOR THE YEAR	802,134	1,644,322
Results attributed to the parent company	16,424,925	12,066,190
Results attributed to external partners	-	-

*EBITDA= Operating results - Other results + Losses, impairment and avariations in supply + Amortization of fixed assets + Impairment and results of disposal of fixed assets.

GROUP LEGAL ENTITY PERIMETER

Ouroi Wind farm (22.5 MW)

Structure of the consolidated group

The dependent companies included in the consolidation perimeter as of December 31, 2022 are the following:

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA POWER SPAIN, S.L.U.	A Coruña	Acquisition and disposal of shares and participations representing registered capital	18,545,158	GREENALIA S.A.	100.00%
GREENALIA WIND POWER, S.L.U.	A Coruña	Acquisition and disposal of shares and participations representing registered capital	12,787,966	GREENALIA POWER SPAIN, S.L.U.	100.00%
GREENALIA SOLAR POWER, S.L.U.	A Coruña	Acquisition and disposal of shares and participations	3,001	GREENALIA POWER SPAIN, S.L.U.	100.00%
GREENALIA BIOMASS POWER, S.L.U.	A Coruña	Acquisition and disposal of shares and participations representing registered capital	9,079,691	GREENALIA POWER SPAIN, S.L.U.	100.00%
GREENALIA BIOMASS SUPPLY, S.L.U.	A Coruña	Forest thinning, chipping, purchase and sale, elaboration and manipulation of wood and forest biomass.	3,321,672	GREENALIA BIOMASS POWER S.L. U.	100.00%
GREENALIA BIOMASS POWER CURTIS TEIXEIRO, S.L.U.	A Coruña	Energy production	5,000,001	GREENALIA BIOMASS POWER, S.L.U.	100.00%
GREENALIA BIOMASS POWER CURTIS TEIXEIRO II, S.L.U.	A Coruña	Energy production	85,513	GREENALIA BIOMASS POWER, S.L.U.	100.00%
GREENALIA BIOMASS POWER LA ZALIA, S.L.U.	A Coruña	Energy production	304,140	GREENALIA BIOMASS POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER EL TRANCO, S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER GUADAME I, S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%

2 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA SOLAR POWER GUADAME II, S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER GUADAME III, S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER GUADAME IV, S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER GUADAME V, S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER MOSEN, S.L.U.	A Coruña	Energy production	3,500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER QUINTOS, S.L.U.	A Coruña	Energy production	3,500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER ACEVEDAL, S.L.U.	A Coruña	Energy production	17,018	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER ALTO DA CROA II, S.L.U.	A Coruña	Energy production	81,390	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100.00%
GREENALIA WIND POWER ALTO DA CROA, S.L.U.	A Coruña	Energy production	35,077	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100.00%
GREENALIA WIND POWER AS LOUSEIRAS, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%

3 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA WIND POWER BORRASCA, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER BOURA, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER BRISA, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER BUSTELO, S.L.U.	A Coruña	Energy production	427,796	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100.00%
GREENALIA WIND POWER CAMPELO, S.L.U.	A Coruña	Energy production	757,826	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100.00%
GREENALIA WIND POWER CAMPOS VELLÓS, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER CARBALLAL, S.L.U.	A Coruña	Energy production	19,614	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER CEFIRO, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER COTO DOS CHAOS, S.L.U.	A Coruña	Energy production	15,181	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER COTO MUIÑO, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%

4 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	A Coruña	Energy production	20,371,522	GREENALIA WIND POWER EOLO MOC, S.A.U.	100.00%
GREENALIA WIND POWER EOLO CAMPELOS, S.L.U.	A Coruña	Energy production	179,000	GREENALIA WIND POWER S.L.U.	100.00%
GREENALIA WIND POWER EOLO MOC, S.A.U.	A Coruña	Energy production	24,364,595	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	A Coruña	Energy production	179,000	GREENALIA WIND POWER EOLO CAMPELOS, S.L.U.	100.00%
GREENALIA WIND POWER FELGA, S.L.U.	A Coruña	Energy production	21,135	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER FONSAITA, S.L.U.	A Coruña	Energy production	16,119	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER FORGOSELO, S.L.U.	A Coruña	Energy production	256,952	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER FRIOL, S.L.U.	A Coruña	Energy production	7,800	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER GAIOSO, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER GALERNA, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER GATO, S.L.U.	A Coruña	Energy production	26,342	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%

5 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA WIND POWER GOFIO, S.L.	A Coruña	Energy production	2,550	GREENALIA WIND POWER, S.L.U.	85.00%
GREENALIA WIND POWER GRANXON, S.L.U.	A Coruña	Energy production	14,831	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER LAMAS, S.L.U.	A Coruña	Energy production	44,000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER LEVANTE, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER MIÑON, S.L.U.	A Coruña	Energy production	310,391	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100.00%
GREENALIA WIND POWER MISTRAL, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER MONTE DO CORDAL, S.L.U.	A Coruña	Energy production	9,700	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER MONTE TOURADO, S.L.U.	A Coruña	Energy production	107,577	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100.00%
GREENALIA WIND POWER MONTE TOURAL, S.L.U.	A Coruña	Energy production	200,668	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100.00%
GREENALIA WIND POWER MONTEIRO, S.L.U.	A Coruña	Energy production	15,136	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER MONZON, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%

6 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA WIND POWER NORDÉS, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER O CERQUEIRAL, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER ORZAR, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER OUIROL, S.L.U.	A Coruña	Energy production	458,684	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U..	100.00%
GREENALIA WIND POWER PENA DA CABRA, S.L.U.	A Coruña	Energy production	15,531	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER PENA DO PICO, S.L.U.	A Coruña	Energy production	24,042	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER PENA OMBRAL, S.L.U.	A Coruña	Energy production	16,920	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER PENAS BOAS, S.L.U.	A Coruña	Energy production	21,371	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER AS PENIZAS, S.L.U.	A Coruña	Energy production	24,485	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER RESTELO, S.L.U.	A Coruña	Energy production	18,820	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER RODICIO, S.L.U.	A Coruña	Energy production	6,509	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%

7 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA WIND POWER SIROCO, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER SUIME, S.L.U.	A Coruña	Energy production	22,024	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER TORNADO, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER TOURIÑAN, S.L.U.	A Coruña	Energy production	300,000	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100.00%
GREENALIA WIND POWER TRAMONTANA, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER VAQUEIRA, S.L.U.	A Coruña	Energy production	8,410	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER VENTISCA, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA POWER DEVELOPMENT, S.L.U.	A Coruña	Energy production	344,397	GREENALIA POWER SPAIN, S.L.U.	100.00%
GREENALIA WIND POWER DEVELOPMENT, S.L.U.	A Coruña	Energy production	341,397	GREENALIA POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	A Coruña	Energy production	3,000	GREENALIA POWER DEVELOPMENT, S.L.U.	100.00%

8 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA SOLAR POWER ZUMAJO I, S.L.U.	A Coruña	Energy production	500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER ZUMAJO II, S.L.U.	A Coruña	Energy production	500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA WIND POWER ALTO DO RODICIO II, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER TORMENTA, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER HURACÁN, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER A MARABILLA, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER AS LAGOAS, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER CEDEIRA, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER CERVO, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER CORDOBELAS, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%

9 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA WIND POWER ESTEIRO, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER MONTOXO, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER O BARRAL, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER PIÑEIRO, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER PUNTA CANDIEIRA, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER RÉGOA, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER SAN ISIDRO, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER SAN ROMÁN, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER TEIXIDO, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%
GREENALIA WIND POWER VILAS, S.L.	A Coruña	Energy production	2,700	GREENALIA WIND POWER, S.L.U.	90.00%

10 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA WIND POWER CARDON, S.L.	A Coruña	Energy production	2,550	GREENALIA WIND POWER, S.L.U.	85.00%
GREENALIA WIND POWER DUNAS, S.L.	A Coruña	Energy production	2,550	GREENALIA WIND POWER, S.L.U.	85.00%
GREENALIA WIND POWER GUANCHE, S.L.	A Coruña	Energy production	2,550	GREENALIA WIND POWER, S.L.U.	85.00%
GREENALIA WIND POWER MOJO, S.L.	A Coruña	Energy production	2,550	GREENALIA WIND POWER, S.L.U.	85.00%
GREENALIA WIND POWER LAMAS II, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER XESTEIRON, S.L.U.	A Coruña	Energy production	62,663	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA WIND POWER CABANELAS, S.L.U.	A Coruña	Energy production	486,000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER SAN JULIAN I, S.L.U.	A Coruña	Energy production	150,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER SAN JULIAN II, S.L.U.	A Coruña	Energy production	150,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA FOREST, S.L.	A Coruña	Purchase, sale and manipulation of wood	4,980,480	GREENALIA S.A.	100.00%
GREENALIA INDUSTRY, S.L.U.	A Coruña	Acquisition and disposal of shares and participations representing registered capital	0	GREENALIA S.A.	100.00%

11 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA LOGISTICS, S.L.U.	A Coruña	Provision of forestry services and transport.	305,700	GREENALIA S.A.	100.00%
GREENALIA SOLAR POWER SANTA ANNA I S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER SANTA ANNA II S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100.00%
GREENALIA SOLAR POWER EL PATIO S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER OLIVO S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER CEREZO S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER ROMERO S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER ÍNDALO S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER ALCAZABA S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%

12 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA SOLAR POWER ALBAICÍN S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER EL NARANJO S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER LA TRINIDAD S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER EL TABLERO S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER AZHARA S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER LA GOLONDRINA S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA WIND POWER TORDESILLAS S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER ENCINA, S.L.U.	A Coruña	Works and services for production, transport, transformation and distribution or marketing of energy.	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%

13 Consolidation perimeter at end of 2022

	Fiscal residence	Activity	Participation cost	Parent Company	Group percentage control
GREENALIA SOLAR POWER SAUCE, S.L.U.	A Coruña	Works and services for production, transport, transformation and distribution or marketing of energy.	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER ACEBO, S.L.U.	A Coruña	Works and services for production, transport, transformation and distribution or marketing of energy.	3,000	GREENALIA WIND POWER, S.L.U.	100.00%
GREENALIA POWER US, IN	Wilmington	Energy production	849	GREENALIA S.A	100.00%
GREENALIA SOLAR POWER, INC	Wilmington	Energy production	938	GREENALIA POWER US, INC	100.00%
EXCEL ADVANTAGE SERVICE, LLC	Dallas	Energy production	21,139,348	GREENALIA SOLAR POWER, INC	100.00%
GREENALIA ENGINEERING AND CONSTRUCTION, S.L.U.	A Coruña	Acquisition and disposal of shares and participations representing registered capital	3,000	GREENALIA S.A	100.00%
GREENALIA WIND POWER BLUE HILLS, LLC	Dallas	Energy production	7,639,914	GREENALIA WIND POWER, INC	100.00%
GREENALIA WIND POWER, INC	Wilmington	Energy production	938	GREENALIA POWER US, INC	100.00%
GREENALIA SOLAR POWER REIS, LLC	Dalas	Energy production	0	GREENALIA SOLAR POWER, INC	100.00%
GREENALIA SOLAR POWER WENSOWITCH, LLC	Dalas	Energy production	0	GREENALIA SOLAR POWER, INC	100.00%
GREENALIA SOLAR POWER RATCLIFF, LLC	Dalas	Energy production	0	GREENALIA SOLAR POWER, INC	100.00%
GREENALIA SOLAR POWER DRISKELL, LLC	Dalas	Energy production	0	GREENALIA SOLAR POWER, INC	100.00%

Audit report 2022

Ouroi Wind farm (22.5 MW)

Informe de Auditoría de Cuentas Anuales Consolidadas
emitido por un Auditor Independiente

GREENALIA, S.A. Y SOCIEDADES DEPENDIENTES
Cuentas Anuales Consolidadas e Informe de Gestión Consolidado
correspondientes al ejercicio anual terminado
el 31 de diciembre de 2022



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INFORME DE AUDITORÍA DE CUENTAS ANUALES CONSOLIDADAS EMITIDO POR UN AUDITOR INDEPENDIENTE

A los accionistas de Greenalia, S.A.:

Opinión

Hemos auditado las cuentas anuales consolidadas de Greenalia, S.A. (la Sociedad dominante) y sus sociedades dependientes (el Grupo), que comprenden el balance a 31 de diciembre de 2022, la cuenta de resultados, el estado del resultado global, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria, todos ellos consolidados, correspondientes al ejercicio anual terminado en dicha fecha.

En nuestra opinión, las cuentas anuales consolidadas adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera del Grupo a 31 de diciembre de 2022, así como de sus resultados y flujos de efectivo, todos ellos consolidados, correspondientes al ejercicio anual terminado en dicha fecha, de conformidad con las Normas Internacionales de Información Financiera, adoptadas por la Unión Europea (NIIF-UE), y demás disposiciones del marco normativo de información financiera que resultan de aplicación en España.

Fundamento de la opinión

Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección *Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas* de nuestro informe.

Somos independientes del Grupo de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales consolidadas en España según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.

Aspectos más relevantes de la auditoría

Los aspectos más relevantes de la auditoría son aquellos que, según nuestro juicio profesional, han sido considerados como los riesgos de incorrección material más significativos en nuestra auditoría de las cuentas anuales consolidadas del periodo actual. Estos riesgos han sido tratados en el contexto de nuestra auditoría de las cuentas anuales consolidadas en su conjunto, y en la formación de nuestra opinión sobre éstas, y no expresamos una opinión por separado sobre esos riesgos.

Reconocimiento de ingresos

Descripción Las actividades desarrolladas por el Grupo consisten principalmente en la generación de energía mediante la explotación de instalaciones de energía renovable, tal y como se detalla en la nota 25.1 de la memoria consolidada adjunta.

Como se indica en la nota 5.18 de la memoria consolidada adjunta, el Grupo reconoce los ingresos cuando se produce, la transferencia del control de los bienes y servicios con los clientes.

Hemos considerado este asunto como el más relevante de nuestra auditoría dada la significatividad de los importes registrados, así como las estimaciones contables que debe realizar la Dirección de la Sociedad Dominante de cara a determinar el adecuado registro de alguno de los mismos al cierre del ejercicio.

Nuestra respuesta

Nuestros procedimientos de auditoría han incluido, entre otros:

- ▶ Entendimiento de los procesos aplicados por la Dirección de la Sociedad Dominante para el registro de los ingresos, así como del marco regulatorio de la actividad de generación de energía. Evaluación del diseño e implementación de los controles relevantes de dichos procesos.
- ▶ Obtención de confirmaciones de terceros e liquidaciones de la Comisión Nacional de los Mercados y la Competencia (CNMC) para una muestra de saldos y transacciones del ejercicio.
- ▶ Verificación, para una muestra de las transacciones del ejercicio, del adecuado momento e importe del registro contable de las mismas.
- ▶ Revisión de los desgloses incluidos en la memoria consolidada del ejercicio de conformidad con el marco normativo de información financiera aplicable.

Párrafo de énfasis

Llamamos la atención acerca de lo indicado en la nota 2.4 de la memoria de las cuentas anuales consolidadas adjunta, en la que describen los motivos principales que originan el fondo de maniobra negativo del grupo al 31 de diciembre de 2022 y la incertidumbre relacionada con las causas de resolución anticipada de los contratos de financiación de la planta de biomasa del grupo ubicada en Curtis, junto con los factores mitigantes de dicha incertidumbre. Esta cuestión no modifica nuestra opinión.

Otra Información: Informe de gestión consolidado

La otra Información comprende exclusivamente el informe de gestión consolidado del ejercicio 2022, cuya formulación es responsabilidad de los administradores de la Sociedad dominante y no forma parte integrante de las cuentas anuales consolidadas.

Nuestra opinión de auditoría sobre las cuentas anuales consolidadas no cubre el Informe de gestión consolidado. Nuestra responsabilidad sobre el informe de gestión consolidado, de conformidad con lo exigido por la normativa reguladora de la actividad de auditoría de cuentas, consiste en evaluar e informar sobre la concordancia del informe de gestión consolidado con las cuentas anuales consolidadas, a partir del conocimiento del Grupo obtenido en la realización de la auditoría de las citadas cuentas, así como en evaluar e informar de si el contenido y presentación del informe de gestión consolidado son conformes a la normativa que resulta de aplicación. Si, basándonos en el trabajo que hemos realizado, concluimos que existen incorrecciones materiales, estamos obligados a informar de ello.

Sobre la base del trabajo realizado, según lo descrito en el párrafo anterior, la información que contiene el informe de gestión consolidado concuerda con la de las cuentas anuales consolidadas del ejercicio 2022 y su contenido y presentación son conformes a la normativa que resulta de aplicación.

Responsabilidad de los administradores de la Sociedad dominante en relación con las cuentas anuales consolidadas

Los administradores de la Sociedad dominante son responsables de formular las cuentas anuales consolidadas adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados consolidados del Grupo, de conformidad con las NIIF-UE y demás disposiciones del marco normativo de información financiera aplicable al Grupo en España, y del control interno que consideren necesario para permitir la preparación de cuentas anuales consolidadas libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales consolidadas, los administradores de la Sociedad dominante son responsables de la valoración de la capacidad del Grupo para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con la empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si los administradores tienen intención de liquidar el Grupo o de cesar sus operaciones, o bien no exista otra alternativa realista.

Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas

Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales consolidadas en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un Informe de auditoría que contiene nuestra opinión.

Seguridad razonable es un alto grado de seguridad pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales consolidadas.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- ▶ Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales consolidadas, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.
- ▶ Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno del Grupo.
- ▶ Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por los administradores de la Sociedad dominante.
- ▶ Concluimos sobre si es adecuada la utilización, por los administradores de la Sociedad dominante, del principio contable de empresa en funcionamiento y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad del Grupo para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales consolidadas o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que el Grupo deje de ser una empresa en funcionamiento.
- ▶ Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales consolidadas, incluida la información revelada, y si las cuentas anuales consolidadas representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.
- ▶ Obtenemos evidencia suficiente y adecuada en relación con la información financiera de las entidades o actividades empresariales dentro del grupo para expresar una opinión sobre las cuentas anuales consolidadas. Somos responsables de la dirección, supervisión y realización de la auditoría del grupo. Somos los únicos responsables de nuestra opinión de auditoría.

Nos comunicamos con los administradores de la Sociedad dominante en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

Entre los riesgos significativos que han sido objeto de comunicación a los administradores de la Sociedad dominante, determinamos los que han sido de la mayor significatividad en la auditoría de las cuentas anuales consolidadas del periodo actual y que son, en consecuencia, los riesgos considerados más significativos.

Describimos esos riesgos en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.



ERNST & YOUNG SL

2023 Núm. 04/2300003
SELLO COMPULSADO: 90,00 EUR
Informe de auditoría de cuentas sujeto
a la normativa de auditoría de cuentas
española o internacional

28 de abril de 2023

ERNST & YOUNG, S.L.
(Inscrita en el Registro Oficial de Auditores
de Cuentas con el Nº 50530)



Manuel Pestana Da Silva Gómez-Aller
(Inscrito en el Registro Oficial de Auditores
de Cuentas con el Nº 22768)

**GREENALIA, S.A.
AND SUBSIDIARIES**
**CONSOLIDATED ANNUAL ACCOUNTS AND CONSOLIDATED DIRECTORS' REPORT
FOR THE YEAR ENDED ON
31 DECEMBER 2022**

Prepared in accordance with International Financial Reporting Standards as adopted by the
European Union

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GREENALIA, S.A. AND SUBSIDIARIES
 Consolidated Statement of Financial Position for the year ended on
 31 December 2022
 (Expressed in euros)

Notes	31/12/2022	31/12/2021	01/01/2021
ASSETS	472.494.800	383.798.039	304.427.337
Property, plant and equipment	9	350.152.652	266.638.445
Rights-of-use assets	10	13.945.379	14.129.061
Other intangible assets	11	715.612	872.042
Equity instruments measured at fair value through profit or loss	12	1.357.884	858.374
Other financial assets measured at amortised cost	12	3.435.758	109.303
Loans to Group companies	12	356.718	524.606
Derivative financial instruments	12	9.530.065	-
Deferred tax assets	24	1.815.531	2.587.123
NON-CURRENT ASSETS	381.308.599	285.718.953	247.728.835
Stocks	14	2.777.656	3.625.228
Income tax and deferred tax assets	24	25.131	25.131
Trade and other accounts receivable	13	8.727.899	19.315.181
Other financial assets measured at amortised cost	12	540.414	436.909
Loans to Group companies	12	4.443.986	-
Derivative financial instruments	12	2.166.879	-
Equity instruments measured at fair value through profit or loss	12	422.374	-
Other current assets	12	978.003	606.114
Cash and other equivalent cash assets	15	50.783.250	72.176.829
Non-current assets held for sale	8	20.315.409	1.893.694
CURRENT ASSETS	91.186.201	98.079.086	56.698.502
EQUITY	44.645.639	22.523.305	(7.285.607)
Capital	16	433.182	443.419
Issue premium	16	18.361.239	18.361.239
Other reserves	16	(214.013)	(2.075.113)
Retained earnings	16	-	(1.464.150)
Treasury shares	16	-	(1.045.494)
Other shareholder contributions	16	131.916	-
Profit or loss for the year attributable to the parent company	16	16.424.925	12.066.189
Other equity items	16	9.501.640	(3.769.535)
Non-controlling interests	16	6.750	6.750
NON-CURRENT LIABILITIES	195.887.339	195.070.386	278.666.281
Financial liabilities from issuance of bonds and other marketable securities	19	54.291.492	54.076.343
Financial liabilities to credit institutions	19	82.552.556	87.746.825
Derivative financial instruments	19	-	3.730.582
Lease liabilities	19	9.318.340	8.996.784
Other financial liabilities	19	36.930.099	37.084.948
Official grants	23	324.996	258.601
Long-term payables to Group and associated companies	19	8.426.422	2.458.963
Deferred tax liabilities	24	4.043.434	715.340
CURRENT LIABILITIES	231.961.823	166.204.348	35.046.663
Financial liabilities from issuance of bonds and other marketable securities	19	49.409.134	2.638.689
Financial liabilities to credit institutions	19	63.193.051	99.107.191
Derivative financial instruments	19	-	1.377.934
Trade and other payables	20	22.259.519	16.970.752
Suppliers	20	313.248	2.933.500
Group company suppliers	20	24.200	-
Sundry accounts payable	21	21.626.510	12.600.156
Staff (remuneration pending payment)	21	11.540	2.197
Other accounts payable to Public Authorities	21	284.021	349.919
Customer advances	19	-	1.084.980
Lease liabilities	19	2.124.589	1.940.617
Other financial liabilities	19	43.463.498	39.826.324
Short-term payables to Group companies and associates	19	5.708.401	4.342.841
Liabilities directly related to non-current assets held for sale	8	25.783.631	-
TOTAL LIABILITIES AND EQUITY	472.494.800	383.798.039	304.427.337

GREENALIA, S.A. AND SUBSIDIARIES
Consolidated Statement of Financial Position for the year ended on
31 December 2022
(Expressed in euros)

	Notes	31/12/2022	31/12/2021
Ordinary taxes	25	95.072.076	43.968.118
Other income		393.382	(64.041)
In-house work on assets	9	1.439.014	1.273.237
Procurements	25	(17.764.141)	(5.101.821)
Total employee remuneration expenses	25	(4.211.110)	(3.461.278)
Other expenses	25	(10.034.447)	(8.270.076)
Other profit/loss	25	(840.988)	8.322.100
Allocation to profit or loss of grants related to non-current assets non-financial and other		-	90.823
Amortisation expenses		(10.843.503)	(8.847.144)
Impairment and gains or losses on the disposal of fixed assets	25	(20.302.973)	(474.872)
Operating profit		32.907.310	27.435.045
Financial income	25	4.893.013	6.836.277
Financial expenses	25	(17.501.943)	(19.876.153)
Exchange differences		37.030	441.443
Impairment and gains or losses on disposals of financial instruments	12	-	(724.803)
Financial result		(12.571.900)	(13.323.236)
Profit/(Loss) before tax from continuing operations		20.335.410	14.111.809
Income tax expense / (revenue)	24	(4.712.619)	(3.689.941)
Profit/(Loss) of the year from continuing operations		15.622.791	10.421.868
Profit or loss for the year from discontinued operations net of taxes	8	802.134	1.644.322
Profit/(Loss) for the financial year		16.424.925	12.066.190
Profit/(loss) for the year attributable to equity holders of the parent company		16.424.925	12.066.190
Profit/(Loss) for the year attributable to non-controlling interests		-	-

GREENALIA, S.A. AND SUBSIDIARIES
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	Notes	31/12/2022	31/12/2021
Profit (Loss) for the financial year		16.424.925	12.066.190
Items that will not be reclassified to profit/loss			
For financial assets at fair value with changes in other comprehensive income		-	-
Tax effect		-	-
Items that will be reclassified to profit/loss			
Conversion differences		667.080	61.852
Valuation gains/(losses)		667.080	61.852
Transfers to profit or loss account		-	-
Statement of cash flows from hedging	16	16.805.460	4.802.653
Valuation gains/(losses)		15.693.544	3.337.626
Transfers to profit or loss account		1.111.916	1.465.027
Tax effect	16	(4.201.365)	(1.200.664)
		13.271.175	3.663.941
Total comprehensive income for the year		29.696.100	15.730.031
Total comprehensive income attributable to:			
Equity holders of the parent company			
Continuing activities		28.893.966	14.085.709
Discontinued activities		802.134	1.644.322
Non-controlling interests		-	-

GREENALIA, S.A. AND SUBSIDIARIES
Consolidated Statement of Financial Position for the year ended on
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(Expressed in euros)

	Share capital	Issue premium	Treasury shares	Other reserves and retained earnings	Other equity items	Result for the year attributable to the parent company	Non-controlling interests	Total
Balance at 01/01/2021	424.669	3.379.989	(713.654)	(2.374.840)	(7.433.376)	(575.145)	6.750	(7.285.607)
Total recognised income and expenses	-	-	-	-	3.663.841	12.066.189	-	15.730.030
Transactions with shareholders or owners	18.750	14.981.250	(331.840)	(443.649,50)	-	-	-	14.224.511
Capital increase (Note 16)	18.750	14.981.250	-	(663.088,50)	-	-	-	14.336.912
Transactions with treasury shares (Note 16)	-	-	(331.840)	219.439,00	-	-	-	(112.401)
Other changes in equity	-	-	-	(720.774,00)	-	575.145	-	(145.629)
Transfer of results (Note 16)	-	-	-	(575.145,00)	-	575.145	-	-
Other transactions (Note 16)	-	-	-	(145.629,00)	-	-	-	(145.629)
Balance at 31/12/2021	443.419	18.361.239	(1.045.494)	(3.539.263,37)	(3.769.535)	12.066.189	6.750	22.523.305
Total recognised income and expenses	-	-	-	-	13.271.175	16.424.925	-	29.696.100
Transactions with shareholders or owners	(10.237)	-	1.045.494	(8.849.494)	-	-	-	(7.682.321)
Capital reduction (Note 16)	(10.237)	-	-	(8.947.558)	-	-	-	(8.957.795)
Transactions with treasury shares (Note 16)	-	-	1.045.494	98.064	-	-	-	1.143.558
Issuance of share-based payments	-	-	-	-	131.916	-	-	131.916
Other changes in equity	-	-	-	12.174.744	-	(12.066.189)	-	108.555
Transfer of results (Note 16)	-	-	-	12.066.189	-	(12.066.189)	-	-
Other transactions (Note 16)	-	-	-	108.555	-	-	-	108.555
Balance at 31/12/2022	433.182	18.361.239	-	(214.013)	9.633.556	16.424.925	6.750	44.645.639

GREENALIA, S.A. AND SUBSIDIARIES

Consolidated Statement of Financial Position for the year ended on

31 December 2022

(Expressed in euros)

	Notes	31/12/2022	31/12/2021 (*)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/loss for the year before tax - continuing operations		20,335,410	16,188,412
Profit/loss for the year before tax - discontinued operations		1,271,000	-
Profit/loss adjustments		42,411,503	23,084,445
Amortisation of fixed assets	9 - 10 - 11	10,843,503	9,017,255
Adjustments for impairment losses		224	344,886
Allocation of subsidies		-	(90,823)
Profit/loss on fixed asset disposals and write-offs		20,302,973	490,647
Profit/loss on derecognition and disposal of financial instruments		-	-
Financial income	25	(4,893,013)	(7,435,411)
Financial expenses	25	17,501,943	20,279,705
Exchange differences		(37,029)	-
In-house work on assets		(1,439,014)	-
Impairment and gains or losses on disposals of financial instruments	12	-	724,803
Other income and expenses		131,916	(246,817)
Changes in working capital		(2,645,910)	9,107,834
Stocks		(3,210,784)	(1,857,543)
Debtors and other receivables		(3,352,743)	(9,443,620)
Other current assets		(269,488)	(515,886)
Trade and accounts payable		14,745,797	9,806,976
Other current liabilities		214,493	-
Other non-current assets and liabilities		(10,773,184)	11,117,907
Other cash flows from operating activities		(15,072,507)	(14,569,538)
Interest payments		(8,785,918)	(14,533,840)
Collections (payments) due to corporation tax		(7,286,589)	114,305
Other payments (amounts received)		-	(150,003)
Cash flows from operating activities		45,299,495	33,811,153
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investment payments		(100,268,473)	(44,774,443)
Group companies and associates		-	(303,000)
Intangible fixed assets		(409,058)	(547,057)
Property, plant and equipment		(84,906,586)	(43,496,386)
Other financial assets	12	(4,952,829)	(431,000)
Receivables from disinvestments		2,355,000	-
Property, plant and equipment		2,355,000	-
Cash flows from investing activities		(97,913,473)	(44,774,443)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receivables and payments for equity instruments		1,035,257	14,202,810
Issue of equity instruments		-	14,336,912
Acquisition of own equity instruments		(10,237)	(1,428,550)
Disposals of own equity instruments		1,045,494	1,294,448
Receivables and payments for financial liability instruments		36,351,604	27,283,934
Issuance		-	-
Debts with credit institutions		-	66,549,533
Debts with Group and associated companies		6,888,357	500,728
Issuance of other debt		140,055,209	28,340,314
Return and amortisation of		-	-
Repayment of debts to credit institutions		(10,039,654)	(9,335,379)
Debts with Group and associated companies		-	717,657
Repayment of other debts		(100,552,308)	(59,568,919)
Payments for dividends and remunerations from other equity instruments		(8,947,558)	-
Remuneration of other equity instruments		(8,947,558)	-
Cash flows from financing activities		28,429,303	41,486,744
EFFECT OF CHANGES IN EXCHANGE RATES		2,781,096	-
NET INCREASE / (DECREASE) OF CASH OR CASH EQUIVALENTS		(21,393,579)	30,523,454
Cash and cash equivalents at beginning of year	15	72,176,829	41,653,375
Cash and cash equivalents at end of year	15	50,783,250	72,176,829

(*) Includes cash flows from discontinued operations (see note 5), see note 8 for details of cash flows from discontinued operations

1. PARENT COMPANY

Greenalia, S.A. (hereinafter, "the Parent Company" or "the Company") was incorporated on 13 December 2013 as a private limited liability company under the name of Grupo García Forestal, S.L. On 2 September 2016, it changed its company name to Greenalia, S.L. and on 7 July 2017, it became a public limited liability company.

The Company's registered office is Avda. Zumalacárregui, nº 35, piso bajo, Cedeira (A Coruña). On 2 September 2016, the Company moved its registered office to Plaza de María Pita, Number 10, Floor 1, in A Coruña.

Its company aim consists of the production of electricity using renewable energy sources and all the complementary activities, development, management, operation, maintenance, and marketing of power plants, in addition to the acquisition and disposal of shares and interests representing the share capital of any type of company, financing of investees, and provision of management support services required by investees to adequately manage and administer their own business, whether through the Company's staff or third parties.

In 2014, the shareholders of Greenalia, S.L. resolved to reorganise the Group in order to adopt an organisational structure, separating the different activities by company. Therefore, on 13 August 2014, the Group was incorporated in accordance with article 42 of the Code of Commerce and is subject to the tax regime established in Chapter VIII of Title VI I of Royal Legislative Decree 4/2004, of 5 March, approving the Consolidated Text of the Corporate Income Tax Act. These resolutions were passed at the General Shareholders' Meeting and deposited with the Companies Registry of A Coruña.

The aim of the other Group companies is the production of electricity using renewable energy sources and all complementary activities, development, management, operation, maintenance and marketing of power plants, in addition to the purchase and sale, import, export, processing, and handling of all types of wood in general and transport thereof.

On 1 December 2017, the Group was listed on BME Growth.

In May 2022, the majority shareholders launched a delisting tender offer to take control of 100% of the Company's shares, which was accepted by the shareholders owning the shares, and on 3 August 2022, the Company was delisted from BME Growth.

On 28 October 2022, the Parent Company approved a share capital reduction for the purpose of returning the value of the contributions to the shareholders other than the bidders in the takeover bid; following this reduction, Smarttia, S.L.U. now holds 94% of the shares; this situation continues as at 31 December 2022.

The Group is controlled by Smarttia, S.L.U. (formerly Noroeste Inversión y Desarrollo S.L.U. and also Smarttia Spain, S.L.U.), with registered office at Plaza de María Pita, nº 10 planta 1ª in A Coruña. The consolidated annual accounts of the Smarttia Group and the consolidated management report for the financial year 2021 were prepared on 31 March 2022 and filed with the Commercial Registry of A Coruña, together with the corresponding auditor report. The consolidated annual accounts and the consolidated directors' report for the financial year 2022 will be drafted in a timely manner and filed, together with the corresponding audit report, with the Mercantile Registry within the legally established deadlines.

Under Article 43 of the Spanish Commercial Code and once the company is no longer listed on BME Growth, the Company is exempt from the obligation to prepare consolidated annual accounts because it meets the requirements stipulated in the aforementioned Article as a subsidiary of a company domiciled in the European Union which prepares consolidated annual accounts; however, the company presents the consolidated annual accounts on a voluntary basis.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

2.1 Basis of Presentation

The directors of the Parent Company have prepared these consolidated annual accounts based on the accounting records of Greenalia S. A. and its subsidiaries for the year ended 31 December 2022, in accordance with International Financial Reporting Standards as adopted by the European Union (hereinafter, "EU-IFRS") and other applicable provisions of the regulatory financial reporting framework, in order to present fairly the consolidated equity, consolidated financial position, consolidated results and consolidated cash flows of the Group at that date.

These consolidated financial statements are the first financial statements prepared in accordance with EU-IFRS and therefore, IFRS 1 "First-time Adoption of International Financial Reporting Standards" is applicable, and the transition date is 1 January 2021. These consolidated financial statements have been prepared in accordance with EU-IFRS in force as at 31 December 2022.

Note 3 provides a description of the impacts arising from the first-time application of EU-IFRS.

These consolidated financial statements have been prepared by the directors of the Parent Company at their meeting held on 27 March 2023 in accordance with the applicable financial reporting framework set out below:

- The International Financial Reporting Standards adopted by the European Union by means of Community Regulations, in accordance with Regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002 and its subsequent amendments (EU-IFRS).
- The IFRS Interpretations Committee (IFRIC).
- The Spanish Commercial Code and all other Spanish Corporate Law.

The directors believe that these financial statements will be approved by the shareholders at the Annual General Meeting without any modifications.

For comparison purposes, the consolidated financial statements present, for each item in the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement and the consolidated notes to the consolidated financial statements, in addition to the consolidated figures for 2022, the figures for the previous year, which have been obtained using the aforementioned criteria. In addition, the consolidated statement of financial position includes opening balances as at 1 January 2021 (transition date) as required by IFRS 1.

In this regard, the comparative figures for the previous year are different, as a result of the transition to EU-IFRS (see Note 3), from those included in the consolidated annual accounts for 2021 prepared in accordance with Generally Accepted Accounting Principles in Spain (hereinafter, "GAAP") and approved by the General Shareholders' Meeting on 28 June 2022.

2.2 New IFRIC standards and interpretations

i. Adoption of new standards and interpretations issued

The following amendments to accounting standards are effective for the year 2022 and have therefore been taken into account in the preparation of these consolidated financial statements:

Standards, amendments and interpretations	Description	Mandatory application in financial years commencing from
Adopted by the EU		
Amendments to IFRS 3 - Reference to the Conceptual Framework	IFRS 3 is amended to align the definitions of assets and liabilities in a business combination with those contained in the conceptual framework. In addition, certain clarifications are provided with regard to the recording of contingent assets and liabilities.	1 January 2022
Amendment to IAS 16 - Revenue Before Intended Use	The amendment prohibits the deduction from the cost of property, plant and equipment of any revenue from items sold while the asset is being prepared for its intended use. Revenues from sales of such samples, together with the production costs, must be recorded in the profit and loss account.	1 January 2022
Amendment to IAS 37 - Onerous Contracts. Cost to perform a contract	The amendment explains that the direct cost of fulfilling a contract comprises the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to the performance of the contract.	1 January 2022
Improvements to IFRSs 2018 - 2020 cycle	Minor amendments to IFRS 1 (on exceptions to the treatment of exchange differences when a subsidiary applies IFRS at a date subsequent to the parent), IFRS 9 (to determine that the costs to be considered in modifications to financial liabilities should only include fees paid or received between the entity and the lender), IFRS 16 (amendment of supporting example 13 to prevent any uncertainty on the treatment of incentives) and IAS 41 (removes the requirement to use pre-tax cash flows when determining fair value).	1 January 2022

The foregoing amendments have been applied without significant impact either on the reported figures or on the presentation and breakdown of information, either because they do not entail relevant changes or as they refer to economic events that do not affect the Group.

ii. Standards effective from 1 January 2023 onwards:

Standards, amendments and interpretations issued but not currently effective for the Group (whose effective date of application has not yet taken place or, despite their effective dates of application, have not yet been approved by the EU) are as follows:

Standards, amendments and interpretations	Description	Mandatory application in financial years commencing from
Adopted by the EU		
Amendment to IAS 1 - Disclosure of Accounting Policies	Amendments that enable entities to properly identify material accounting policy information that should be disclosed in the financial statements.	1 January 2023
Amendment to IAS 8 - Definition of Accounting Estimates	Amendments and clarifications on how a change in an accounting estimate should be understood.	1 January 2023
Amendment to IAS 12 - Deferred Taxation of Assets and Liabilities Arising from Single Transactions.	Clarifications on how entities should account for deferred tax arising on transactions such as leases and decommissioning obligations.	1 January 2023
IFRS 17 Insurance Contracts and Amendments	It replaces IFRS 4 and provides principles for recording, measurement, presentation and disclosure of insurance contracts with the purpose of providing relevant and reliable information to enable users of financial information to determine the effect that insurance contracts have on the financial statements.	1 January 2023
Not adopted by the EU		
Amendment to IAS 12 - Deferred Taxation of Assets and Liabilities Arising from Single Transactions.	Clarifications on how entities should account for deferred tax arising on transactions such as leases and decommissioning obligations.	1 January 2023
Amendment to IFRS 17 - Insurance Contracts. Initial application of IFRS 17 and IFRS 9. Comparative information.	Amendments to IFRS 17 transition requirements for insurers applying IFRS 17 and IFRS 9 for the first time at the same time.	1 January 2023
Amendment to IAS 12 - Deferred Taxation of Assets and Liabilities Arising from Single Transactions.	Clarifications on how entities should account for deferred tax arising on transactions such as leases and decommissioning obligations.	1 January 2023
Amendment to IAS 1 - Classification of Liabilities as Current or Non-current and of liabilities with covenants.	Clarifications with respect to the presentation as current or non-current of liabilities, and in particular with maturity subject to compliance with covenants.	1 January 2024
Amendment to IFRS 16 - Lease liability on a sale and leaseback.	This amendment provides clarification of the subsequent accounting for lease liabilities arising in sale and leaseback transactions.	1 January 2024

The amendment to IAS 12 in relation to deferred taxes arising on lease transactions has been applied early by the Group.

The Group's directors do not expect significant impacts from the introduction of the amendments and improvements listed in the table above which are published but not yet effective (with the exception of the early application of IAS 12 in relation to deferred taxes associated with leases which has been applied early and whose impact is detailed in Note 4.1), as they are prospective applications, changes in presentation and disclosure and/or deal with aspects that are not applicable or not significant for the Group.

2.3 Effects of the COVID-19 pandemic and the war in Ukraine

The international pandemic officially declared by the World Health Organisation (WHO) on 11 March 2020, has resulted in an unprecedented health crisis that has impacted the macroeconomic environment and the evolution of business.

To that end, there have been disruptions in the supply chain, increases in the cost of raw material and energy prices, and shortages in the supply of certain components.

On the other hand, the conflict between Ukraine and Russia began during February 2022, the economic consequences of which have led to an increase in the price of energy as a result of a partial or total cut in the supply of gas and oil and the interruption of trade relations which has led to the need to modify the supply of raw materials and components, which has had an impact on the projections and levels of growth that companies were managing. In addition, there has been an increase in stock market volatility with the consequent impact on the valuation of certain financial assets, as well as the disruption of the supply chain with the consequent impact on a decrease or temporary closure of production and an increase in supply costs and even non-fulfilment of product delivery commitments.

As of the date of presentation of these consolidated annual accounts, there have been no significant effects on the Group's activity and, according to the current estimates of the Directors, no effects are foreseen in the 2023 financial year.

2.4 Going concern

As at 31 December 2022, the Group has a negative working capital amounting to EUR 140,776 thousand (negative EUR 68,125 thousand as at 31 December 2021). This working capital is mainly due to the maturity of the green bonds and promissory notes in 2023 and the termination of the EPC contract for the Curtis-Teixeira biomass plant in 2021, which has led to one of the events of termination in accordance with the financing contracts for this asset, which according to accounting principles requires classifying this debt as potentially payable in the short term. This reclassification was made as at 31 December 2021.

In addition to the foregoing, short-term assets and liabilities include the effect of the classification as non-current held for sale of the forestry and logistics businesses, which were sold at the beginning of 2023 to Smarttia S.L.U. (the parent company's main shareholder) and which had a net liability position at 31 December 2022 of EUR 7,392 thousand. On the other hand, the Group's current liabilities at 31 December 2022 include EUR 49 million of green promissory notes as a means of investment in renewable projects.

These circumstances lead to uncertainty regarding the application of the going concern principle, although the directors of the parent company have considered the following mitigating factors:

- At the date of preparation of these consolidated financial statements, the directors of the Parent Company are involved in several advanced negotiations which they expect to

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conclude with the refinancing of the debt associated with this asset during the financial year 2023.

- The Parent company's directors consider that the cash flows generated by the business and the available financing facilities will enable it to meet its current liabilities, and it is currently in the process of closing several financial transactions that will improve the Group's working capital position. These operations are aimed at a reorganisation of corporate debt, as well as greater leverage in those operations whose level of results would allow a greater repayment of the same.
- The situation of the biomass plant is part of the current operation of this type of assets and facilities.
- Following the entry of a new operator and after having implemented the appropriate measures, the biomass plant is now at production levels in line with the plant's business plan, which enabled the company to obtain the original financing.
- According to the estimates available on the date on which these consolidated financial statements have been drawn up, the underlying value of the plant is higher than the debt and, in the case of a potential foreclosure, would not affect the remaining businesses of the Group or the continued management of the Group as a whole.
- At the beginning of 2023, the Group has reached an agreement for the sale of several renewable energy projects under development for a relevant amount, which represents a significant cash inflow.
- In relation to the green promissory note programme subscribed by the Group, the Group has EUR 50.7 million pending drawdown. Furthermore, in accordance with this programme, although it matures in December 2023, it would allow the issuance of promissory notes with a term that could be extended to a maximum of 24 months.
- The shareholders of the Group's parent company (Smarttia) have expressly stated that they will provide the financial support required to enable the Group to meet its commitments and payment obligations and ensure the continuity of its operations.

In this regard, and in view of the current business plan for the remaining assets and businesses of the Group which generate positive operating cash flows and that the refinancing of the debts falling due in the short term is expected to be satisfactory, the directors of the parent company have prepared the consolidated annual accounts on a going concern basis.

3. SIGNIFICANT REGULATORY FRAMEWORK

The activity of some subsidiaries consists of power generation, so their viability is significantly affected by the regulatory framework.

The key regulations affecting the Group's operations in Spain are outlined below:

The renewable energy sector is a regulated sector that has experienced major changes in recent years, having been given a new regulatory framework in 2013. Within this framework, the new reference regulation is Law 24/2013, of 26 December, on the Electricity Sector, which repeals the previous Law 54/1997, of 27 November, on the Electricity Sector.

On 26 December 2013, the new Sector Law was published, which ratifies the provisions of Royal Decree-Law 9/2013, eliminating the special regime and proposing a new remuneration scheme for these renewable, cogeneration and waste facilities. The new remuneration (known as specific remuneration and to be granted for new installations on an exceptional basis) is supplementary to the remuneration for the sale of energy on the market and is made up of a term per unit of

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installed capacity that includes, where applicable, investment costs that cannot be recovered by the market, and an operating term that covers, where applicable, the difference between operating costs and the market price.

This new specific remuneration is calculated on the basis of a standard installation, over its regulatory lifetime and with reference to the activity carried out by an efficient and well-managed company on the basis of:

- The standard revenue from the sale of energy valued at the market price;
- Standard operating costs; and
- The standard value of the initial investment.

This remuneration system is based on a reasonable return on investment, which is defined on the basis of the interest rate of the ten-year government bond plus a spread, initially set at 300 basis points. Six-year regulatory periods and three-year sub-periods are defined. The remuneration parameters related to the market price forecasts could be amended every three years, incorporating any deviations that may have occurred in the sub-period. Every six years the standard parameters of the installations may be modified; except for the initial investment value and the regulatory lifetime, which will remain unchanged throughout the lifetime of the installations. Similarly, the interest rate of remuneration may be modified once every six years, but only for future remuneration.

The value of the standard investment for new installations is determined through a competitive procedure. This new remuneration will apply from July 2013, as from the date of entry into force of Royal Decree-Law 9/2013. On 6 June 2014, RDL 413/2014 was published, regulating the activity of electricity production from renewable energy sources, cogeneration and waste. In addition, on 16 June 2014, Order IET 1045/2014 of the Ministry of Industry, Energy and Tourism was published, approving the remuneration parameters of the standard contributions applicable to certain electricity production facilities using renewable energy sources, cogeneration and waste. According to this new regulation, facilities will receive, during their regulatory useful life, in addition to the remuneration for the sale of energy valued at the market price, a specific remuneration consisting of a term per unit of installed capacity that covers, where applicable, the investment costs for each standard installation that cannot be recovered through the sale of energy on the market, known as investment remuneration, and an operating term covering, where applicable, the difference between operating costs and income from participation in the production market for that standard installation, known as operating remuneration.

On 29 March, Royal Decree-Law 6/2022 was published, which included measures related to the specific remuneration regime applicable to renewable plants set out in Royal Decree 413/2014, considering the current context of the electricity market derived from the consequences of the war in Ukraine and guaranteeing that these facilities achieve the established reasonable profitability.

These measures mainly consisted of a review of the applicable remuneration parameters, as well as amendments to the method for calculating the adjustment for deviations from market price (VAJDM).

On 12 May 2022, a Proposed Order was published which updated the remuneration parameters for the year 2022, without prejudice to the revisions foreseen in each regulatory half-period and the revisions of the remuneration for operation.

Consequently, the approval of the Ministerial Order updating the parameters for the calculation of the new remuneration for investment and operation for 2022 was ordered, which was finally published on 11 December 2022.

The main impact of this measure has been the reduction of investment and operating remuneration in almost all regulated national facilities, as a result of the high pool prices obtained.

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There is also an extension of the temporary suspension of the tax on the value of electricity production (IVPEE) until 31 December 2023, as well as the application of the reduced VAT rate of 10%, subsequently extended and reduced, in the case of VAT, with the publication of RDL 10/2022.

As of 1 January 2022, the Group has recorded the remuneration income obtained in accordance with the draft parameters published, which has resulted in a liability for the amount accrued in accordance with this criterion and the amount settled to date by the CNMC, which mainly corresponds to the remuneration for the operation settled during the year.

Subsequent to the publication of the Ministerial Order, the CNMC will settle the difference between the remuneration values that have been calculated in accordance with the parameters still in force for the 2020-2021 period and the definitive values approved between January and May 2023.

4. TRANSITION TO EU-IFRS

As mentioned in Note 2 (a), these are the first consolidated financial statements prepared by the Group under EU-IFRS.

IFRS 1 requires companies adopting EU-IFRS for the first time to apply retroactively all EU-IFRS in force at the date of the last closing date presented (31 December 2022 in the case of the Group). However, optional exemptions from some EU-IFRS requirements are allowed in certain areas, as well as certain mandatory exemptions from the retrospective application of EU-IFRS.

The accounting policies set out in Note 5 have been applied when preparing these consolidated financial statements as at 31 December 2022 and 2021, and when preparing the Group's opening consolidated statement of financial position as at 1 January 2021, the date of transition to EU-IFRS.

The Group has taken into account all mandatory exemptions to the extent applicable, and the following optional exemptions:

Exemption from retroactive application of IFRS 16

IFRS 1 allows IFRS 16 Leases to be applied prospectively from the date of transition or from a specified date before the date of transition.

The Group has decided to apply this exemption, and will apply the standard from the date of transition to EU-IFRS, by selecting to measure the right-of-use asset at the same value as the lease liability adjusted by the amount of any prepayments or accruals in respect of that lease recognised in the statement of financial position immediately before the date of transition to IFRS.

It has also opted to:

- not recognise right-of-use assets and lease liabilities for contracts that expire within twelve months after the date of transition to IFRSs,
- not recognise the right-of-use asset and lease liability for contracts where the underlying asset is of low value
- Exclude initial direct costs from the valuation of the right-of-use asset at the date of transition to IFRSs.

The remaining optional exemptions were not applied as they were not relevant for the Group.

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4.1 EU-IFRS adjustments

The most significant effects of the transition from previous accounting policies to EU-IFRS on the Group's consolidated financial position and the effects on the Group's equity, statements of recognised income and expense and consolidated cash flow statements are detailed below:

(i) Operating leases

In accordance with Spanish GAAP, leases are classified as operating leases or finance leases. The leases in which the Group retains substantially all the risks and benefits incidental to ownership are classified as operating leases. Operating lease payments (net of any incentives received from the lessor) are recognised in the consolidated income statement for the year in which they accrue on a straight-line basis over the lease term.

In accordance with IFRS 16 "Leases", those companies that are lessees of lease agreements recognise in the consolidated statement of financial position an asset for the right of use of the "underlying asset" and a lease liability for the outstanding lease payments under the lease contracts. In addition, the operating lease expense is replaced by a straight-line depreciation expense for right-of-use assets and a finance expense for the financial restatement of lease liabilities (see Notes 5.8 and 10). The corresponding deferred taxes have been recorded as a result of the initial recognition of the right-of-use asset and the lease liability.

The Group has decided to apply the standard prospectively at the date of transition. The amounts that have been recorded at the transition date for right-of-use assets, lease liabilities, deferred tax assets and deferred tax liabilities are as follows:

(Euros)	01/01/2021
Right-of-use asset	1.987.326
Lease liability	1.987.326
Deferred tax asset	496.831
Deferred tax liability	496.831

As a result of new contracts entered into in financial years 2022 and 2021, right-of-use assets and lease liabilities have been recognised for the following amounts:

(Euros)	2022	2021
Rights-of-use assets / lease liabilities	-	666.901

At 31 December 2022 and 2021, an amortisation expense for the amortisation of the right of use and a finance expense for the restatement of the lease liability have been recognised for the following amounts:

(Euros)	2022	2021
Rights-of-use amortisation	166.114	56.171
Financial expense	283.400	98.023

In addition, the lease expense recorded under GAAP for the years 2022 and 2021 has been reversed for the following amounts:

(Euros)	2022	2021
Lease expenses	330.262	150.003

These adjustments have resulted in a combined impact on the consolidated income statement for 2022 and 2021, net of tax impact, of the following amounts:

(Euros)	2022	2021
Result - Profit / (Loss)	119.252	4.191

As a result of the adjustment, an impact on deferred tax assets and deferred tax liabilities was caused by the following amounts:

(Euros)	2022	2021
Deferred tax asset	1.149.758	648.345
Deferred tax liability	1.106.292	634.253

In addition, reclassifications were made from property, plant and equipment to rights-of-use assets for the value of finance leases classified under PGCAE, which at 31 December 2022 and 2021, and 1 January 2021, amounted to EUR 9,495,000, EUR 11,565,960 and EUR 10,713,987, respectively.

(ii) Advance to suppliers

Under Spanish GAAP, for classification purposes, advances to suppliers are treated as inventories; however, under IFRS-EU, specifically in accordance with IFRS 9 "Financial instruments", they are to be treated as trade receivables.

At 31 December 2021 and 1 January 2021, the Group had recorded advances to suppliers amounting to EUR 720,766 and EUR 793,898, respectively. There are no supplier advances at 31 December 2022.

At 31 December 2021 and 1 January 2021 a reclassification between inventories and trade receivables has been recorded for these amounts.

(iii) Grants

The Group, in accordance with GAAP, recognised non-refundable grants initially as income directly in equity (net of tax effect) and expensed them systematically and rationally as the grant-related expenses were incurred.

At 31 December 2022 and 2021 and 1 January 2021, the Group has recorded capital grants amounting to EUR 243,747, EUR 193,951 and EUR 262,059, respectively, in equity under Spanish GAAP, as well as the deferred tax associated with these grants under deferred tax liabilities amounting to EUR 146,670, EUR 64,650 and EUR 87,353, respectively.

At 31 December 2022 and 2021 and 1 January 2021, a reclassification has been recorded from the balance of capital grants in equity and deferred tax liabilities under Spanish GAAP to government grants (deferred income) under EU-IFRS. This has resulted in a decrease in the first two items and an increase in the third, for a combined amount of EUR 586,679, EUR 258,601 and EUR 349,412, respectively.

(iv) Probationary income

According to IAS 16, revenue from the sale of energy during the test period of the installation must be recognised as revenue in the income statement together with the associated costs, and not as a reduction in the value of fixed assets, as has been done to date.

In this regard, a transitional adjustment arises for income recognised as a reduction in the cost of fixed assets for those facilities that have been put into operation on or after the transition date (1 January 2021) amounting to EUR 58,527. This will result in writing off this amount from the fixed assets and recognising it in the income statement. In addition, at 31 December 2021 and 2022, the depreciation charge for the year will have to be increased by the effect of the adjusted amount.

(v) Financial assets classified at cost

The Group had recognised an equity instrument in a company as a financial asset measured at cost under GAAP. Such a classification/valuation category is not covered under IFRS 9. In this regard, there is a difference arising from the classification/valuation of such financial assets under EU-IFRS.

The Group has decided to classify this asset under IFRS 9 as a financial asset measured at fair value through profit or loss and no difference arises in respect of its valuation as its fair value under EU-IFRS does not differ from the value at which it was recorded under GAAP.

The amount at which these equity instruments were recognised under GAAP was EUR 427,374 as at 31 December 2022 and 2021, and EUR 852,397 as at 1 January 2021.

4.2 Reconciliation of GAAP and EU-IFRS financial statements at transition date

A reconciliation between the GAAP and EU-IFRS financial statements at the date of transition, including the adjustments and reclassifications described above, is shown below.

In addition, the deferred tax impact of each of the proposed adjustments has been recorded.

	Ref	31/12/2021 General Accounting Plan		31/12/2021 IFRS-EU	01/01/2021 General Accounting Plan		01/01/2021 IFRS-EU
		ADJUSTMENT	ADJUSTMENT		ADJUSTMENT	ADJUSTMENT	
ASSETS		380.466.730	3.331.308	383.798.038	301.887.678	2.539.659	304.427.337
Property, plant and equipment	i - iv	276.213.176	(9.574.731)	266.638.445	237.931.962	(10.663.839)	227.268.323
Rights-of-use assets	i	-	14.129.061	14.129.061	-	12.701.313	12.701.313
Other intangible assets		2.686.625	(1.814.583)	872.042	2.457.430	85.870	2.543.300
Goodwill		66.992	(66.992)	-	80.716	(80.716)	-
Equity instruments measured at fair value through profit or loss		858.374	-	858.374	862.397	-	862.397
Other financial assets measured at amortised cost		633.909	-	633.909	961.621	-	961.621
Derivative financial instruments		-	-	-	-	-	-
Deferred tax assets	i	1.928.568	658.554	2.587.122	2.915.050	496.831	3.411.881
NON-CURRENT ASSETS		282.387.644	3.331.308	285.718.952	245.189.176	2.539.659	247.728.835
Stocks	ii	4.345.994	(720.766)	3.625.228	2.770.247	(793.898)	1.976.349
Income tax and deferred tax assets		25.131	-	25.131	139.436	-	139.436
Trade and other accounts receivable	ii	18.594.415	720.766	19.315.181	9.213.885	793.898	10.007.783
Other financial assets measured at amortised cost		436.909	-	436.909	710.895	-	710.895
Derivative financial instruments		-	-	-	-	-	-
Other current assets		606.114	-	606.114	255.573	-	255.573
Cash and other equivalent cash assets		72.176.829	-	72.176.829	41.653.375	-	41.653.375
Non-current assets held for sale		1.803.694	-	1.803.694	1.955.091	-	1.955.091
CURRENT ASSETS		98.079.086	-	98.079.086	56.698.502	-	56.698.502
EQUITY		22.645.332	(122.026)	22.523.306	(7.065.174)	(220.433)	(7.285.607)
Capital		443.419	-	443.419	424.669	-	424.669
Issue premium		18.361.239	-	18.361.239	3.379.989	-	3.379.989
Other reserves		(2.116.740)	41.626	(2.075.113)	(1.853.234)	41.626	(1.811.608)
Retained earnings		(1.464.150)	-	(1.464.150)	(563.232)	-	(563.232)
Treasury shares		(1.045.494)	-	(1,045.494)	(713.654)	-	(713.654)
Other comprehensive profit/loss	i - iv	12.035.891	30.298	12,066.189	(575.145)	-	(575.145)
Exchange differences		61.852	-	61.852	-	-	-
Other equity items		(3,831,387)	-	(3,831,387)	(7,433,376)	-	(7,433,376)
Subsidies, gifts and bequests received	iii	193.951	(193.951)	-	262.059	(262.059)	-
Non-controlling interests		6.750	-	6.750	-	-	6.750
NON-CURRENT LIABILITIES		191.617.050	3.453.335	195.070.385	273.906.189	2.760.092	276.666.281
Financial liabilities from issuance of bonds and other marketable securities		54.076.343	-	54,076,343	56,316,446	-	56,316,446
Financial liabilities to credit institutions		87.748.825	-	87,748,825	109,800,063	-	109,800,063
Derivative financial instruments		3,730,582	-	3,730,582	9,163,598	-	9,163,598
Lease liabilities	i	6,403,402	2,593,382	8,996,784	7,107,558	1,987,326	9,094,884
Other financial liabilities		37,084,948	-	37,084,948	90,194,550	-	90,194,550
Official grants	iii	-	258,601	258,601	-	349,412	349,412
Long-term payables to Group and associated companies		2,458,963	-	2,458,963	1,187,273	-	1,187,273
Deferred tax liabilities	i - iii - iv	113,987	601,352	715,339	136,701	423,354	560,055
CURRENT LIABILITIES		166.204.348	-	166.204.348	35,046.663	-	35,046.663
Financial liabilities from issuance of bonds and other marketable securities		2,638,689	-	2,638,689	277,942	-	277,942
Financial liabilities to credit institutions		99,107,191	-	99,107,191	18,990,284	-	18,990,284
Derivative financial instruments		1,377,934	-	1,377,934	747,570	-	747,570
Commercial creditors and other payables		16,970,752	-	16,970,752	7,163,776	-	7,163,776
Lease liabilities		1,940,617	-	1,940,617	1,666,202	-	1,666,202
Other financial liabilities		39,826,324	-	39,826,324	5,726,846	-	5,726,846

Short-term payables to Group companies and associates	4.342.841	-	4.342.841	474.043	-	474.043
TOTAL LIABILITIES AND EQUITY	380.466.730	3.331.308	383.798.038	301.887.678	2.539.659	304.427.337

	Ref	31/12/2021 General Accounting Plan	Adjustments	31/12/2021 IFRS-EU
Ordinary taxes	iv	43.909.591	58.527	43.968.118
Other income		(64.041)	-	(64.041)
Changes in inventories of finished products and work in progress		(0)	-	(0)
In-house work on assets		1.273.237	-	1.273.237
Procurements		(5.101.821)	-	(5.101.821)
Total employee remuneration expenses		(3.461.278)	-	(3.461.278)
Other expenses	i	(8.420.079)	150.003	(8.270.076)
Other profit/loss		8.322.100	-	8.322.100
Allocation to profit or loss of grants related to non-current assets non-financial and other		90.823	-	90.823
Amortisation expenses	i - iv	(8.760.509)	(86.636)	(8.847.144)
Impairment and gains or losses on the disposal of fixed assets		(474.872)	-	(474.872)
Operating profit		27.313.151	121.894	27.435.045
Financial income		6.836.277	-	6.836.277
Financial expenses	i	(19.778.130)	(98.023)	(19.876.153)
Exchange differences		441.443	-	441.443
Impairment and gains or losses on disposals of financial instruments		(724.803)	-	(724.803)
Financial result		(13.225.213)	(98.023)	(13.323.236)
Profit/(Loss) before tax from continuing operations		14.087.938	23.871	14.111.809
Income tax expense / (revenue)	i - iv	(3.696.368)	6.427	(3.689.941)
Profit/(Loss) of the year from continuing operations		10.391.570	30.298	10.421.868
Profit or loss for the year from discontinued operations net of taxes		1.644.321	-	1.644.321
Profit (Loss) for the financial year		12.035.891	30.298	12.066.189
Profit/(loss) for the year attributable to equity holders of the parent company		12.035.891	30.298	12.066.189

5. RECORDING AND VALUATION STANDARDS

The main valuation standards used in the preparation of the Group's consolidated financial statements, in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS), were as follows:

5.1 Subsidiaries

Subsidiaries are defined as entities over which the Company has the ability to exercise effective control; this ability is generally evidenced by the existence of three elements that must be satisfied: power over the investee, exposure or rights to variable returns from the investment and the ability to use that power to affect the amount of those returns.

The annual accounts of the subsidiaries are fully consolidated with those of the Company. Consequently, all significant balances and effects of transactions between consolidated companies have been eliminated on consolidation.

In the consolidation process, transactions and balances between Greenalia's subsidiaries are removed, as well as unrealised profits with third parties external to Greenalia.

The results of the companies acquired in a given year are consolidated taking into account only those relating to the period between the date of acquisition and the end of that year. At the same time, the results generated by companies disposed of during the year are consolidated taking into account only those relating to the period between the beginning of the year and the date of disposal.

In addition, the interest of minority shareholders/partners at the acquisition date is established in proportion to the fair values of the minority's recognised assets and liabilities.

5.2 Non-controlling interests

Non-controlling interests in subsidiaries acquired prior to the transition date (no non-controlling interests were acquired after the transition date) are recognised at the percentage of equity interest in the subsidiaries at the date of first consolidation. Non-controlling interests are recognised in equity in the consolidated statement of financial position separately from equity attributable to the Parent Company. The non-controlling interests' share of profit or loss for the year is also presented separately in the consolidated income statement.

The Group's and the non-controlling interests' share of consolidated profit or loss for the year (total consolidated comprehensive income for the year) and of changes in equity of subsidiaries, after consolidation adjustments and eliminations, is determined on the basis of the ownership interests at year-end, disregarding the possible exercise or conversion of potential voting rights.

Profit and loss and income and expenses recognised in equity of subsidiaries are allocated to equity attributable to the Parent and to non-controlling interests in proportion to their ownership interest, even if this results in a debit balance for non-controlling interests. Agreements entered into between the Group and non-controlling interests are recognised as a separate transaction.

Third-party interests in the equity of investees are presented under "Non-controlling interests" in the consolidated statement of financial position within equity. Similarly, its share in the results for the year is recognised in the consolidated income statement under "Non-controlling interests".

5.3 Business combinations

Business combinations in which the Group acquires control of one or several businesses through the merger or spin-off of multiple companies or through the acquisition of all the assets and liabilities of a company or a part of a company comprising one or more businesses are recorded using the acquisition method, which involves accounting for the identifiable assets acquired and the liabilities assumed at their fair value at the acquisition date, provided that the fair value can be measured reliably.

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In this regard, a business is considered to be "an integrated set of activities and assets capable of being directed and managed for the purpose of providing a profit by way of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants"; and therefore, the acquisition of an asset or Group of assets that does not meet this definition is recognised on an individual basis according to its nature.

This is common in the Group's acquisitions of SPV (Special Purpose Vehicle) companies, since these acquisitions are not classified as business acquisitions, but rather as acquisitions of assets that do not constitute a business, and are recorded in accordance with the criteria described in Note 5.4.

The difference between the cost of the business combination and the value of the identifiable assets acquired less the liabilities assumed is recognised as goodwill, if positive, or as income in the income statement, if negative.

Business combinations for which the valuation process required for application of the acquisition method has not been completed at the reporting date are accounted for using provisional values. These values must be adjusted no later than one year after the acquisition date. Adjustments recognised to complete the initial accounting are made on a retrospective basis, so that the resulting values are those that would have been derived had such information been available initially, thereby adjusting the comparative figures.

5.4 Acquisition of non-business net assets

The Group has acquired certain companies, which do not qualify as businesses and therefore, as IFRS 3 does not apply, must be recorded as an asset acquisition. In such transactions, the Group allocates the cost of acquisition between the assets acquired and the liabilities assumed in proportion to their relative fair values at the date of purchase.

This is common in the Group's acquisitions of SPV (Special Purpose Vehicle) companies engaged in the development of renewable energy projects. In view of the low levels of development of these projects, these acquisitions are not classified as business acquisitions, but as asset acquisitions, and are recorded in accordance with the criteria described in section 5.5 (ii) Other fixed assets in special situations.

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5.5 Intangible fixed assets

Assets included in intangible assets are stated at acquisition cost. Intangible assets are stated in the consolidated statement of financial position at cost less accumulated amortisation and accumulated impairment losses.

The costs incurred in carrying out activities that support the value of the Group's business as a whole, such as internally generated brands and similar activities, as well as start-up costs, are expensed in the consolidated income statement as incurred.

(i) Computer applications

Acquired computer software is stated at cost less accumulated depreciation and impairment losses.

Computer software maintenance costs are recorded in the consolidated income statement in the year in which they are incurred.

Costs incurred subsequently in relation to intangible assets are recognised as an expense, unless they increase the future economic benefits from the assets.

(ii) Other fixed assets in special situations

The Group classifies in this category assets related to projects that are at a low level of development and therefore have not reached "ready to build" status. The assets classified in this category correspond to assets acquired in purchase operations of other companies, which are considered to be asset purchases and not business combinations as they do not meet the definition of a business. In this regard, these assets are recognised at the acquisition value assigned to them (the acquisition price is divided between the assets and liabilities acquired) and are not depreciated until they are transferred to property, plant and equipment once they have reached a higher stage of development.

(iii) Useful life and amortisations

The Group assesses for each intangible asset acquired whether the useful life is finite or indefinite. For these purposes, an intangible asset is considered to have an indefinite useful life when there is no foreseeable limit to the period over which it will generate net cash inflows.

An intangible asset with an indefinite useful life and intangible assets in progress are not amortised, but are tested for impairment on an annual basis or earlier if there is an indication of a potential impairment loss.

Intangible assets with finite useful lives are amortised by allocating the amortisable amount systematically over their useful lives using the following criteria:

	Amortisation method	Years of estimated useful life
Computer applications	Straight-line	4

For these purposes depreciable amount is understood to be acquisition cost less residual value.

The Group reviews the residual value, the useful life and the amortisation method of intangible assets at the close of each financial year. Changes in the criteria initially established are recognised as a change in estimate.

(iv) Impairment of assets

The Group assesses and determines impairment losses and reversals of impairment losses on intangible assets in accordance with the criteria mentioned in section 5.8 Impairment of non-financial assets.

5.6 Property, plant and equipment

(i) Initial recognition

Property, plant and equipment are reported in the consolidated statement of financial position at cost less accumulated depreciation and, where applicable, accumulated impairment losses. Proceeds from the sale and costs of items that arise during the period in which the property, plant and equipment is brought into use are recognised in the consolidated income statement.

The cost of assets acquired or produced that require more than one year to be ready for use (qualifying assets) includes borrowing costs accrued before the assets are ready for use and which meet the requirements for capitalisation. To the extent that financing has been obtained specifically for the qualifying asset, the amount of interest to be capitalised is determined on the basis of the actual costs incurred during the year less the returns on temporary investments made with those funds. Financing obtained specifically for a qualifying asset is considered to be generic financing when substantially all the activities necessary to prepare the asset for its intended use or sale are completed.

Proceeds obtained before the property, plant and equipment asset is available for its intended use shall be recognised in profit or loss, and the deduction of such proceeds from the cost of the asset is prohibited.

The value of property, plant and equipment also includes the initial estimate of the present value of assumed liabilities arising from the dismantling or removal and other obligations connected with assets, such as restoration costs, when these obligations give rise to the recognition of provisions.

In addition, the Group includes as "property, plant and equipment under construction" those expenses incurred in the development and construction of projects that are still under construction, in their initial design and development phases and that will be operated by the Group once they are completed, as well as those assets reclassified from intangible assets when the project to which they are associated reaches the "ready to build" phase and construction commences.

Repairs that do not extend the useful life of the assets and maintenance costs are charged to the consolidated income statement in the year in which they are incurred. Renovation, expansion or improvement costs that result in an increase in production capacity or a lengthening of the useful life of assets are capitalised and the carrying amount of the replaced items is written off, where appropriate.

Costs related to major repairs of property, plant and equipment are capitalised as incurred and depreciated over the period until the next major repair.

(ii) Useful life and amortisations

Depreciation of property, plant and equipment is provided on a straight-line basis over their estimated useful lives from the time they are available for commissioning, which occurs when the definitive commissioning certificate is obtained. For these purposes depreciable amount is understood to be acquisition cost less residual value.

Costs related to major repairs are amortised over the period until the next major repair.

The years of estimated useful life for the various items of property, plant and equipment are as follows:

	Amortisation method	Years of estimated useful life
Buildings	Straight-line	33
Machinery	Straight-line	10 - 14
Technical installations	Straight-line	25 - 30
Tools	Straight-line	2.5 - 8
Furniture	Straight-line	2.5 - 10
Data-processing equipment	Straight-line	4 - 10
Other items of property, plant and equipment	Straight-line	4
Transport elements	Straight-line	8

The Group reviews the residual value, useful life and depreciation method applied to property, plant and equipment at the end of each reporting period. Changes in the criteria initially established are recognised as a change in estimate.

In 2021 the Group commenced depreciation of the property, plant and equipment relating to the Alto da Croa (Greenalia Wind Power Alto da Croa, S.L.U.), Alto da Croa II (Greenalia Wind Power Alto da Croa II, S.L.U.), Oural (Greenalia Wind Power Oural, S.L.U.) and Monte Tourado (Greenalia Wind Power Monte Tourado, S.L.U.) wind farms as they are in operating condition. These wind farms started to be amortised in June 2021 in the case of the Oural wind farm, and in October 2021 in the case of the remaining wind farms.

No additional wind farms were commissioned in 2022.

(iii) Impairment of assets

The Group assesses and determines impairment losses and reversals of impairment losses on property, plant and equipment in accordance with the criteria mentioned in Note 5.8.

5.7 Right-of-use assets and lease liabilities

(i) Identification of a lease

The Group assesses at the outset of a contract whether it contains a lease. A contract is or contains a lease if it grants the right to control the use of the identified asset for a period of time in exchange for consideration. The period of time during which the Group uses an asset includes consecutive and non-consecutive periods of time. The Group re-evaluates the terms only when there is a modification of the contract.

(ii) Classification of leases

For contracts comprising one or more lease and non-lease components, the Group allocates the contract consideration to each lease component according to the stand-alone selling price of the lease component and the aggregate individual price of the non-lease components.

Payments made by the Group that do not involve the transfer of goods or services to it by the lessor do not form a separate component of the lease, but are part of the total lease consideration.

The Group recognises the commencement of the term of leases of land on which production facilities are located once construction of the facilities has commenced. Any prior disbursement for the reservation of the land is recorded in property, plant and equipment.

The Group has decided not to apply the accounting policies set out below for short-term leases and leases where the underlying asset has a fair value of less than EUR 5,000. For such contracts, the Group recognises the lease expense in the income statement on a straight-line basis over the lease term.

The Group recognises a right-of-use asset and a lease liability at the commencement of the lease. The right-of-use asset consists of the amount of the lease liability, any lease payments made on or before the commencement date, less incentives received, initial direct costs incurred and an estimate of decommissioning or restoration costs to be incurred, as stated in the accounting policy on provisions.

The incremental interest rate is determined as the country risk-free rate for a period similar to the lease term (in this case, 30 years) plus an adjustment for the lessee's credit risk (spread), plus an adjustment for the exchange rate in the event that the contract currency is different from the reference currency (this is not the case of Greenalia), and finally, the possibility of making an adjustment for the risk associated with the type of asset being leased is analysed. In the case of the Group, an incremental interest rate of 6.10% has been considered, based on the Group's financing cost and the estimated term of the contracts.

The Group measures lease liabilities at the present value of the lease payments outstanding at the commencement date. The Group discounts lease payments at the appropriate incremental interest rate, unless it can determine with reliability the lessor's implicit interest rate.

Lease payments outstanding consist of fixed payments, less any incentive receivable, variable payments that depend on an index or rate, initially measured at the index or rate applicable at the commencement date, amounts expected to be paid for residual value guarantees, the exercise price of the purchase option that is reasonably certain to be exercised and lease termination indemnity payments, provided that the lease term reflects the exercise of the termination option.

The Group measures right-of-use assets at cost less accumulated depreciation and impairment losses, adjusted for any reestimation of lease liabilities.

Where the contract transfers ownership of the asset to the Group at the end of the lease term or the right-of-use asset includes the purchase option price, the depreciation criteria set out in the property, plant and equipment section are applied from the commencement date of the lease until the end of the useful life of the asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the useful life of the right or the end of the lease term.

The Group applies the impairment criteria for non-current assets set out in Note 5.8 to the right-of-use asset.

The Group values the lease liability by increasing it by the accrued finance expense, decreasing it by the payments made and re-estimating the carrying amount for lease modifications or to reflect updates of fixed payments in substance.

The Group records re-estimates of the liability as an adjustment to the right-of-use asset until it is reduced to zero and subsequently in profit or loss.

The Group reestimates the lease liability by discounting the lease payments at a discounted rate if there is a change in the lease term or a subsequent change in the expectation of exercising the purchase option on the underlying asset.

The Group remeasures the lease liability should there be a change in the expected amounts payable from a residual value guarantee or a change in the index or rate used to determine the payments, including a change to reflect changes in market rents upon a rent review.

The Group recognises a lease modification as a separate lease if the modification increases the scope of the lease by adding one or more rights of use and the amount of the lease consideration increases by an amount consistent with the individual price for the increased scope and any adjustments to the individual price to reflect the particular circumstances of the contract.

Where the modification does not result in a separate lease, at the modification date, the Group allocates the consideration to the modified contract as above, re-determines the lease term and re-estimates the value of the liability by discounting the revised payments at the revised interest

rate. The Group decreases the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for those modifications that decrease the scope of the lease and records the gain or loss in profit or loss. For all other modifications, the Group adjusts the carrying amount of the right-of-use asset.

5.8 Impairment of non-financial assets subject to amortisation or depreciation

The Group assesses whether there are any indications of potential impairment of the non-financial assets subject to amortisation or depreciation, in order to determine whether or not their recoverable amount is lower than their carrying amount.

In addition, irrespective of whether there is any indication of impairment, the Group tests intangible assets that are not yet available for use for impairment at least once a year.

The recoverable amount of assets is the higher of their fair value less costs of disposal and their value in use. When the carrying amount is greater than the recoverable value, an impairment loss is incurred.

The calculation of the asset's value in use is the present value of the expected future cash flows to be derived from the use of the asset, expectations about possible variations in the amount or timing of the flows, the time value of money, the price to be paid for bearing the uncertainty associated with the asset and other factors that market participants would consider in measuring the future cash flows associated with the asset.

Impairment losses are recognised in the consolidated income statement.

Recoverable amount shall be determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Should this be the case, the recoverable amount is determined for the cash-generating unit (CGU) to which it belongs (such cash-generating units being understood as the minimum Group of items that generate cash flows to a significant extent, independent of those derived from other assets or Groups of assets). The Group has defined each SPV (Special Purpose Vehicle) as a CGU.

Impairment of rights of use arising from lease contracts under IFRS 16 are assessed at the cash-generating unit level. The rights of use and corresponding liabilities are included in the value of the SPV as it is considered that an acquirer would assume such liabilities. As regards the flow projections used to calculate the value in use, they include the lease flows not included in the calculation of the accounting liability. Once the flows have been discounted, the carrying amount of the debt calculated under IFRS 16 is subtracted.

At each reporting date, the Group assesses whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. An impairment loss recognised for other assets will only be reversed if there has been a change in the estimates used to determine the asset's recoverable amount.

The reversal of the impairment will be recognised with a credit to the consolidated income statement. However, the reversal of the loss cannot increase the carrying amount of an asset above the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised.

After a valuation adjustment is made for an impairment loss or the reversal of an impairment loss, the amortisation or depreciation for subsequent years is adjusted taking into account the new carrying amount.

Notwithstanding the foregoing, if the specific circumstances of the assets reveal an irreversible loss, this is recognised directly in losses from the fixed assets of the consolidated profit and loss account.

5.9 Transfers to/from non-current assets held for sale or discontinued activities

(i) Non-current assets held for sale

The Group classifies non-current assets or disposal Groups whose carrying amount will be recovered principally through a sale transaction rather than through continuing use as non-current assets held for sale. In order for non-current assets or disposal Groups to be classified as held for sale, they must be available for sale in their present condition subject only to terms that are usual and customary for sales transactions, and the transaction must be considered highly probable.

The Group does not depreciate non-current assets or disposal Groups classified as held for sale, but measures them at the lower of carrying amount and fair value less costs of disposal.

The Group measures non-current assets that are no longer classified as held for sale or that cease to form part of a disposal Group at the lower of their carrying amount prior to classification, less any amortisation, depreciation or revaluation that would have been recognised had they not been so classified and the recoverable amount at the date of reclassification. Valuation adjustments arising from such reclassification are recognised in profit or loss from continuing operations or in the statement of comprehensive income. For these purposes, the Group considers a plan change that involves selling rather than distributing to shareholders or vice versa to be a continuation of the original plan, with the impact of the valuation change recognised in consolidated profit or loss.

(ii) Discontinued activities

A discontinued operation is a component of the Group that has either been disposed of or is classified as held for sale and is classified as a discontinued operation:

- It represents a line of business or a geographical area of operation that is significant and can be considered separate from the rest;
- It is part of an individual and co-ordinated plan to dispose of a line of business or a geographical area of the operation that is significant or can be considered separate from the rest; or
- is a subsidiary acquired exclusively for the purpose of being sold.

A component of the Group comprises activities and cash flows that can be separated from the remainder from both an operational and a financial reporting perspective.

The Group reports profit or loss after tax from discontinued operations and the profit or loss after tax from the measurement at fair value less costs of disposal or distribution or from the disposal of assets or disposal Groups in the consolidated income statement (consolidated statement of comprehensive income) under profit or loss after tax from discontinued operations.

Should the Group cease to classify a component as a discontinued operation, the results previously presented as discontinued operations are reclassified to continuing operations for all years presented.

5.10 Financial instruments

(i) Recognition and classification of financial instruments

The Group classifies financial instruments at the time of their initial recognition as a financial asset, a financial liability or an equity instrument, based on the economic substance of the contractual agreement and the definitions of financial asset, financial liability and equity instrument.

Financial instruments are recognised when the Group becomes a party bound under the terms of the contract or legal business in accordance with the provisions thereof.

For valuation purposes, the Group classifies financial instruments as financial assets and liabilities at fair value through profit or loss, financial assets and liabilities measured at amortised cost and financial assets measured at fair value through profit or loss. The Group classifies financial liabilities as measured at amortised cost, except for those designated at fair value through income statement and those held for trading.

Financial assets measured at amortised cost

The Group classifies a financial asset measured at amortised cost, whether or not it is admitted to trading on an organised market, if the following conditions are met:

- if it is held under a business model whose objective is to hold the investment in order to receive the cash flows from the performance of the contract.

The management of a portfolio of financial assets to obtain their contractual flows does not imply that all instruments must necessarily be held to maturity; financial assets may be considered to be managed for that purpose even if sales have occurred or are expected to occur in the future. For such purpose, the Group considers the frequency, amount and timing of sales in prior years, the reasons for such sales and expectations regarding future sales activity.

- and the contractual terms of the financial asset result, at specified dates, in cash flows that are solely payments of principal and interest on the principal amount outstanding (UPPI).

Such a condition is assumed to be met in the case of a bond or a simple loan with a specified maturity date and for which the Group charges a variable market interest rate and may be subject to a limit. In contrast, this condition is deemed not to be met in the case of instruments convertible into equity instruments of the issuer, loans with inverse floating interest rates (i.e. a rate that has an inverse relationship to market interest rates) or those where the issuer may defer interest payments, if such payment would affect its creditworthiness, without the deferred interest accruing additional interest.

In general, this category includes trade receivables ("trade receivables") and non-trade receivables ("other debtors").

These financial assets classified in this category are initially recorded according to their fair value which corresponds, unless there is evidence to the contrary, it is assumed to be the price of the transaction, which is equivalent to the fair value of the valuable consideration paid plus the directly attributable transaction costs. That is, the inherent transaction costs are capitalised.

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Notwithstanding, loans for commercial transactions with a maturity not exceeding one year and which do not have an explicit contractual interest rate, as well as receivables from personnel, dividends receivable and payments due on equity instruments, the amount of which is expected to be received in the short term, are measured at nominal value when the effect of not discounting cash flows is insignificant.

The amortised cost method is used for subsequent valuation. Accrued interest is recognised in the interim consolidated profit and loss account (financial income) using the effective interest rate method.

Receivables maturing in less than one year which, as described above, are initially measured at nominal value shall continue to be measured at nominal value, unless they are impaired.

In general, when the contractual cash flows of a financial asset at amortised cost change due to the issuer's financial difficulties, the Group assesses whether an impairment loss should be recognised.

Financial assets measured at fair value through profit or loss

All other financial assets are classified as at fair value through profit or loss.

In any case, financial assets held for trading are included in this category. The Group considers a financial asset to be held for trading when at least one of the following three circumstances is met:

- a) It is originated or acquired for the purpose of selling it in the short term.
- b) At the time of initial recognition, it forms part of a portfolio of jointly identified and managed financial instruments for which there is evidence of recent actions to make profits in the short term.
- c) It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

Furthermore, the Group has the possibility, at initial recognition, to identify a financial asset on an irrevocable basis as being measured at fair value through profit or loss that would otherwise have been included in another category (often referred to as a "fair value option"). This option may be adopted if it removes or significantly reduces a valuation uncertainty or accounting mismatch that would otherwise arise from the valuation of assets or liabilities on different bases.

The financial assets classified in this category are initially recorded according to their fair value which corresponds, unless there is evidence to the contrary, is assumed to be the transaction price, which is equivalent to the fair value of the consideration paid. Directly attributable transaction costs are recognised in the interim consolidated income statement for the year (i.e. they are not capitalised).

Subsequent to initial recognition, the Group measures financial assets in this category at fair value with changes in the interim consolidated income statement (financial result).

Financial liabilities at amortised cost

The Group classifies all financial liabilities in this category except when they are to be measured at fair value through the interim consolidated income statement.

In general, this category includes trade payables ("suppliers") and non-trade payables ("other payables").

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Financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is deemed to be the transaction price, which is the fair value of the consideration received adjusted for directly attributable transaction costs. That is, the inherent transaction costs are capitalised.

Notwithstanding, trade payables coming due in less than one year and not bearing a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, are measured at their nominal value, when the effect of not discounting the cash flows is not significant.

The amortised cost method is used for subsequent valuation. Accrued interest is recognised in the interim consolidated profit and loss account (financial expense) using the effective interest rate method.

However, debts maturing within one year which, in accordance with the above, are initially valued at nominal value shall continue to be valued at nominal value.

Financial liabilities measured at fair value through profit or loss

In this category the Group includes financial liabilities that comply with one of the following conditions:

- Liabilities that are held for trading. A financial liability is considered to be held for trading when it meets one of the following conditions:
 - It is mainly issued or assumed for the purpose of short-term repurchase (e.g. bonds and other listed marketable securities issued that the company can buy back in the short term based on changes in value).
 - A short seller's obligation to deliver financial assets that have been borrowed ("short sale").
 - At the time of initial recognition, it forms part of a portfolio of jointly identified and managed financial instruments for which there is evidence of recent actions to realise gains in the short term.
 - It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.
- From initial recognition, it has been irrevocably designated for fair value accounting with changes in the interim consolidated profit and loss account ("fair value option"), because:
 - An inconsistency or "accounting mismatch" with other instruments at fair value through profit or loss is removed or significantly reduced; or
 - A Group of financial liabilities or financial assets and financial liabilities managed and its performance measured on a fair value basis in accordance with a documented risk management or investment strategy and information on the Group is also provided on a fair value basis to key management personnel.
- The full amount of hybrid financial liabilities with a separable embedded derivative may be optionally and irrevocably included in this category.

Financial liabilities included in this category are initially measured at fair value, which, unless evidence on the contrary is provided, is assumed to be the transaction price, which is equivalent to the fair value of the consideration received. Transaction costs directly attributable to them are recognised directly in the interim consolidated income statement for the year.

After initial recognition, the company measures financial liabilities in this category at fair value with changes in the interim consolidated income statement.

(ii) Offsetting principles

A financial asset and a financial liability are offset only when the Group has a currently enforceable legal right to set off the recognised amounts and intends either to settle the difference or to realise the asset and settle the liability simultaneously. In order for the Group to have a currently enforceable legal right, it must not be contingent on a future event and must be legally enforceable in the ordinary course of business, in the event of insolvency or judicially declared liquidation and in the event of default.

(iii) Impairment of financial assets

The Group recognises an impairment loss based on the Expected Credit Loss (ECL) model, prior to objective evidence of a loss from past events. This model provides the basis for the recognition of impairment losses on financial assets held that are measured at amortised cost or at fair value through comprehensive income (which includes cash and cash equivalents, trade receivables, loans and debt securities).

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Where the credit risk of a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to the 12-month expected loss. Where the credit risk increases significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to the lifetime expected loss.

Notwithstanding the foregoing, a significant increase in credit risk is presumed to exist if there is objective evidence that the financial asset is impaired, including, if available, observable data that comes to the attention of the asset holder about the following loss events, among others: significant financial difficulty of the issuer or debtor; restructuring of an amount owed to the Company on terms it would not otherwise consider; breach of contract, such as a default or delinquency in interest or principal payments; or if it becomes probable that the borrower will enter bankruptcy or other financial reorganisation.

With respect to loans and receivables, the Group applies the simplified approach and records expected losses over the life of trade receivables, including those with a significant financial component. Estimated expected credit losses are calculated based on actual credit loss experience over a period that, by business and customer type, is considered statistically relevant and representative of the specific characteristics of the underlying credit risk.

(iv) Write-offs, modifications and reversals of financial assets

The Group derecognises a financial asset in the balance sheet when:

- The contractual rights to the asset's cash flows expire. In this regard, a financial asset is derecognised when it has matured and the corresponding amount has been received by the Group.
- The contractual rights to the cash flows from the financial asset have been transferred. In this regard, a financial asset is derecognised when the risks and rewards of ownership have been substantially transferred.

Following the analysis of risks and rewards, the Group records the derecognition of financial assets in accordance with the following situations:

- a) The risks and rewards of ownership of the asset have been substantially transferred. The transferred asset is derecognised and the Group recognises the profit or loss on the transaction: the difference between the consideration received net of attributable transaction costs (considering any new asset obtained less any liability assumed) and the carrying amount of the financial asset, plus any cumulative amount recognised directly in interim consolidated equity.
- b) The risks and rewards of ownership of the asset have been substantially retained by the Group. The financial asset is not derecognised and a financial liability is recognised for the amount of the consideration paid.
- c) The risks and rewards of ownership of the asset have not been substantially transferred or retained. In this case, there are two possible scenarios:
 - o Control is transferred (the transferee has the practical ability to retransfer the asset to a third party): the asset is derecognised from the interim consolidated financial situation.
 - o Control is not transferred (the transferee has no practical ability to retransfer the asset to a third party): the Group continues to recognise the asset for the amount at which it is exposed to variations in the value of the transferred asset, i.e. for its continuing involvement, and has to recognise an associated liability.

(v) Derecognition and modification of financial liabilities

The Group derecognises a previously recognised financial liability from the financial situation when any of the following circumstances are met:

- The obligation is settled either because payment has been made to the creditor to discharge the debt (through payments in cash or other goods or services), or because the debtor is legally released from any obligation to pay the liability.
- Own financial liabilities are acquired, even if with the intention of replacing them in the future.
- There is an exchange of debt instruments between a lender and a borrower, provided that they have materially different terms, and the new financial liability that arises is recognised; similarly, a material change in the current terms of a financial liability is recorded, as indicated for debt restructurings.

Restructuring of debts

In certain cases, the Group restructures its debt commitments with its creditors. For example: extending the principal repayment term in exchange for a higher interest rate, not paying and aggregating interest in a single bullet payment of principal and interest at the end of the life of the debt, etc. There are several options for such changes in the terms of a debt:

- Immediate payment of the nominal amount (before maturity) followed by refinancing of some or all of the nominal amount through a new debt ("debt swap").
- Amendment of the terms of the debt contract prior to its maturity ("debt amendment").

In such cases where a "debt swap" or "debt modification" takes place with the same creditor, the Group analyses whether there has been a material change in the terms of the original debt. Should there have been a material change, the accounting treatment is as follows:

- the carrying amount of the original financial liability (or part thereof) is derecognised from the interim consolidated financial situation;
- the new financial liability is initially recognised at fair value;
- the transaction costs are recognised against the consolidated profit and loss account;
- the difference between the carrying amount of the original financial liability (or part of it that is derecognised) and the fair value of the new liability is also recognised in profit or loss.

However, if the Group concludes after analysis that the two debts do not have substantially different terms (they are essentially the same debt), the accounting treatment is as follows:

- the original financial liability is not derecognised from the consolidated balance sheet (i.e. it is retained in the consolidated statement of financial position) is adjusted for the difference between the carrying amount and the present value of the new flows discounted at the original effective interest rate;
- the commissions paid in the restructuring operation are carried as an adjustment to the book value of the debt;
- subsequently the financial expenses are calculated on the basis of the original effective interest rate

The conditions of the contracts shall be considered materially different, among other cases, when the present value of the cash flows of the new contract, including any fees paid, net of any fees received, differs by at least ten per cent from the present value of the remaining cash flows of the original contract, discounted at the effective interest rate of the original contract.

Certain modifications in the cash flow determination may not exceed this quantitative analysis, but may also result in a material change in the liability, such as: a change from a fixed to a variable interest rate in the liability's remuneration, the restatement of the liability to a different currency, a fixed rate loan that becomes a participating loan, and so on.

(vi) Bonds and deposits

Deposits or guarantees provided or received as security for certain obligations are measured at the amount actually paid, which does not differ significantly from their fair value.

(vii) Fair value

Fair value is the price that would be received for the sale of an asset or be paid to transfer or settle a liability in an orderly transaction between market participants at the measurement date. Fair value shall be determined without any deduction for transaction costs that might be incurred by reason of disposal by other means. Under no circumstances does fair value result from a forced or urgent transaction or as a result of an involuntary liquidation situation.

The fair value is estimated for a given date and, as market conditions may change over time, that value may be inappropriate for another date. In addition, when estimating fair value, the Group considers the terms and conditions of the asset or liability that market participants would have considered in pricing the asset or liability at the measurement date.

In general, fair value is calculated by reference to a reliable market value. For those elements with respect to which there is an active market, the fair value is obtained, where appropriate, by applying valuation models and techniques. Valuation models and techniques may include the use of references to recent arm's length transactions between willing and informed parties, if available, as well as references to the fair value of other assets that are substantially similar, discounted methods of estimating future cash flows and models generally used to value options.

In any case, the valuation techniques used are consistent with accepted methodologies used by the market for pricing, using, where available, the one that has been shown to produce the most realistic estimates of prices. In addition, they also consider the use of observable market data and other factors that their participants would consider in setting the price, limiting as much as possible the use of subjective considerations and unobservable or unverifiable data.

The Group assesses the effectiveness of the valuation techniques applied on a regular basis, using as a reference the observable prices of recent transactions in the same asset being valued or using prices based on observable market data or indices that are available and applicable.

Therefore, a hierarchy is established for the inputs used in the determination of fair value and a fair value hierarchy is established that allows the estimates to be classified into three levels:

- Level 1: estimates using unadjusted quoted prices in active markets for identical assets or liabilities that are available to the company at the valuation date.
- Level 2: estimates using quoted prices in active markets for similar instruments or other valuation methodologies where all significant inputs are based on directly or indirectly observable market data.
- Level 3: estimates in which certain significant variables are not based on observable market data.

A fair value estimate is classified in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement outcome. For this purpose, a significant variable is a variable which has a decisive influence on the estimation result. When assessing the significance of a particular variable for estimation purposes, the specific conditions of the asset or liability being valued are taken into account.

5.11 Issuance and acquisition of equity instruments and financial instruments and recognition of dividends

The Group classifies a financial instrument issued, incurred or assumed as a financial liability in whole or in part, if, based on its economic substance, it creates a direct or indirect contractual obligation for the Group to deliver cash or another financial asset or to exchange financial assets or financial liabilities with third parties on potentially unfavourable terms.

A contract requiring the Group to acquire its own equity instruments, including non-controlling interests, for cash or by delivering a financial asset is recognised as a financial liability at the present value of the amount payable against reserves. Transaction costs are also recognised as a reduction of reserves. Subsequently, the financial liability is measured at amortised cost. Should the contract ultimately not be exercised by the Group, the carrying amount of the financial liability is reclassified to reserves or, where appropriate, the transaction to sell the interest to the minority shareholders is recognised.

The Group recognises capital increases and reductions in equity when they have been issued and subscribed.

The Group recognises the transaction costs of the equity component as a reduction in reserves in the case of share issues and as a reduction in the value of the equity instrument in all other cases.

The Group's acquisition of equity instruments of the Parent is shown separately at acquisition cost as a reduction in equity in the consolidated statement of financial position, irrespective of the reason for the acquisition. For transactions in own equity instruments, no profit or loss is recognised.

The subsequent amortisation of the parent company's own equity instruments results in a capital reduction in the amount of the nominal value of these shares and the positive or negative difference between the acquisition price and the nominal value of the shares is charged or credited to reserve accounts.

Transaction costs related to own equity instruments, including issue costs related to a business combination, are recorded as a reduction in equity, after taking into account any tax effect.

5.12 Hedge accounting

From an accounting perspective, the Group divides financial derivatives into two main Groups:

- Derivatives that do not meet the criteria for hedge accounting: are recorded at fair value and changes in fair value are recognised in profit or loss
- Derivatives that meet hedge accounting criteria are also carried at fair value plus, where applicable, transaction costs that are directly attributable to the contracting of the derivative or less, where applicable, transaction costs that are directly attributable to the issue of the derivative. However, special accounting rules called hedge accounting apply. Depending on the hedge accounting model, the counterpart of the change in value of the derivative may change or an adjustment may be made to the accounting for the hedged item.

The purpose of hedge accounting is to eliminate or reduce so-called "accounting asymmetries". Such "accounting mismatches" commonly arise in circumstances where the Group enters into derivatives (or sometimes another financial instrument) to hedge (or offset changes in the fair value or cash flows) of another item, and that item is either not recognised at fair value through profit or loss (e.g. a loan at amortised cost or inventory at cost) or does not appear on the financial balance sheet at all (e.g. a planned purchase of commodities or a planned bond issue).

The asymmetry results in volatility in the consolidated income statement over the life of the hedging transaction, with the Group being economically hedged in relation to one or more specific risks.

In order to avoid the volatility arising from this different approach to recognising the two transactions (hedging instrument and hedged item) in profit or loss, special hedge accounting rules have arisen, which are applied through hedge accounting models. These models entail the application of special accounting rules to break the "accounting asymmetry".

To be eligible to apply the special hedge accounting rules, the Group meets the following three requirements:

- That the hedging components (hedging instrument and hedged item) comply with the accounting rules, i.e. are "eligible".
- That initial documentation and formal appointment of hedging be prepared.
- That the coverage effectiveness requirements are met.

There are three hedge accounting models: fair value hedges, cash flow hedges and net investment hedges. Each sets out a solution to avoid "accounting asymmetry" and each applies to a specific type of hedge. The Group currently only has cash flow hedges.

Cash flow hedges

A cash flow hedge covers the exposure to a change in cash flows that is attributable to a particular risk related to either the entirety or a component of a recognised asset or liability (such as entering into a swap to hedge the risk of floating rate financing), or to a highly probable forecast transaction

(for example, hedging foreign exchange risk related to forecast purchases and sales of foreign currency property, plant and equipment, goods and services), and that may affect the consolidated income result. A foreign currency hedge of a firm commitment may be recorded as a cash flow hedge or as a fair value hedge.

The applicable accounting rules are as follows:

- The hedged item does not change its method of accounting.
- The profit or loss on the hedging instrument, to the extent that it is an effective hedge, shall be recognised in the statement of comprehensive income. Therefore, the equity component arising as a result of the hedge shall be adjusted to be equal, in absolute terms, to the lesser of the following two values:
 - The cumulative profit or loss on the hedging instrument since the beginning of the hedge.
 - The cumulative change in the fair value of the item being hedged (i.e. the present value of the cumulative change in the expected future cash flows being hedged) since the beginning of the hedge.

Any remaining gain or loss on the hedging instrument or any gain or loss required to offset the change in the cash flow hedge adjustment calculated in accordance with the preceding paragraph represents hedge ineffectiveness requiring those amounts to be recognised in profit or loss

The "recycling" of the amount deferred in equity to profit or loss depends on the type of hedged transaction:

- The adjustment recognised in equity is transferred to the consolidated income statement to the extent that the expected future cash flows covered affect profit or loss (for example, in periods when interest expense is recognised or a forecast sale occurs).
- However, if the adjustment recognised in equity is a loss and the Group expects that all or part of the loss will not be recovered in one or more future periods, that amount that is not expected to be recovered is reclassified immediately to profit or loss.

Disruption of hedge accounting

Where a hedging relationship no longer meets the effectiveness requirements relating to the hedging ratio, but the risk management objective remains the same for the hedging relationship, the Group adjusts the hedging ratio so that the criteria for hedging relationships continue to be met (rebalancing).

The Group discontinues the hedging relationship prospectively only when all or part of the hedging relationship no longer meets the qualifying requirements. This includes situations in which the hedging instrument expires or is sold, terminated or exercised. For these purposes, the replacement or renewal of a hedging instrument is not an expiry or termination, provided that the transaction is consistent with the Group's documented risk management objective.

However, expiry or termination of the hedging instrument does not occur if, as a result of laws or regulations or the introduction of laws or regulations, the Group agrees with the counterparty that a clearing house will act as counterparty to each party to the instrument and changes to the instrument are limited to those necessary to effect the substitution of the counterparty. The Group recognises the effects of substitution on the valuation of the instrument and therefore on the calculation and measurement of effectiveness.

For cash flow hedges, the cumulative amount in the statement of comprehensive income is not recognised in profit or loss until the forecast transaction takes place. Notwithstanding the foregoing, amounts accrued in the statement of comprehensive income are reclassified to finance income or finance costs at the time when the Group does not expect the forecast transaction to occur.

5.13 Stocks

Inventories are valued at acquisition price or production cost. The acquisition price includes the amount invoiced by the seller, after deducting any discounts, rebates or similar items, and all additional costs incurred until the goods are located for sale, such as transport, customs duties, insurance and other costs directly attributable to the acquisition of the inventories. The production cost is determined by adding to the purchase price of raw materials and other consumables, the costs directly attributable to the product. It also includes a reasonable share of the costs indirectly attributable to the products, to the extent that such costs are incurred in the period of manufacture, processing or construction, are incurred in bringing the products to the point of sale and are based on the level of utilisation of the normal working capacity of the means of production.

The Group uses the weighted average cost to allocate the value of inventories.

When the net realisable value of inventories is lower than their acquisition price or production cost, the appropriate impairment adjustments are made and recognised as an expense in the consolidated income statement. For raw materials and other consumables in the production process, no valuation adjustment is made when the finished products into which they will be incorporated are expected to be sold above cost.

5.14 Cash and other equivalent cash assets

This heading includes cash on hand, bank current accounts and deposits and reverse repurchase agreements that comply with all of the following requirements:

- They are convertible to cash.
- At the time of acquisition, their maturity was no more than three months.
- They are not subject to a significant risk of change in value.
- They are part of the Group's normal cash management policy.

This item also includes short-term, highly liquid investments that are readily convertible into given amounts of cash and are subject to an insignificant risk of changes in value. For these purposes, cash and cash equivalents include investments maturing in less than three months from the date of acquisition.

5.15 Grants

Government grants are recognised when there is reasonable assurance that the conditions attached to the grant will be met and that the grant will be collected.

(i) Capital grants

Government grants related to property, plant and equipment and intangible assets are considered deferred income, are classified under "Other non-current liabilities" in the consolidated statement of financial position and are taken to profit or loss over the expected useful lives of the related assets under "Other income" in the consolidated income statement.

(ii) Operating grants

Operating grants are recognised as a credit to other income.

5.16 Employee benefits

Short-term employee benefits are payments to employees, other than termination benefits, which are expected to be paid in full within 12 months after the end of the period in which the employees have rendered the services for which the benefits are paid.

Short-term employee benefits are reclassified to long-term if the nature of the benefits changes or if there is an other-than-temporary change in settlement expectations.

5.17 Provisions

Liabilities that are uncertain as to their amount or the date on which they will be settled are recognised in the consolidated statement of financial position as provisions when the Group has a present obligation (whether by operation of law, contract, constructive obligation or tacit agreement), arising from past events, that it is probable will require an outflow of resources to settle and that is quantifiable.

The provisions are valued according to the current value of the best possible estimate of the amount necessary to cancel or transfer the obligation to a third party, and the adjustments that arise due to the updating of said provision as a financial expense as it is accrued are recorded. When it comes to provisions with a maturity of less than or equal to one year, and the financial effect is not significant, no type of deduction is made. Provisions are reviewed at the closing date of each consolidated statement of financial position and adjusted to reflect the best current estimate of the corresponding liability at each reporting date.

Compensation to be received from a third party on settlement of provisions is recognised as an asset, without reducing the amount of the provision, provided that there is no doubt that such reimbursement will be received, and without exceeding the amount of the obligation recorded. When there is a legal or contractual connection of externalisation of the risk, whereby the Group is not liable for the risk, the amount of such compensation is deducted from the amount of the provision.

Furthermore, contingent liabilities are those possible obligations that arise from past events and whose existence is conditional on the occurrence of future events that are not entirely within the control of the Group and those present obligations that arise from past events and for which it is not probable that an outflow of resources will be required to settle them or they cannot be measured with sufficient reliability. These liabilities are not recorded in the accounts and are disclosed in the notes to the consolidated financial statements, except when the outflow of resources is remote.

5.18 Revenue recognition

On an accrual basis, the Group records revenue in the ordinary course of business when control of the goods or services promised to customers or users is transferred, irrespective of the date of collection or payment.

Income and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Such income is valued according to the fair value of the valuable consideration received, discounts and taxes deducted. As regards revenues from services rendered, these are recognised in the period in which they are provided.

In order to recognise revenue from contracts with customers, the Group follows the 5-step model set out in the standards: (i) identify the contract with a customer; (ii) identify the contractual obligations; (iii) determine the transaction price; (iv) allocate the transaction price to the contractual obligations; and (v) recognise revenue when (or as) the entity satisfies a contractual obligation.

Income earned by the Group relates mainly to the sale of energy as at 31 December 2022 and 2021.

Logistical and forestry sales and service provision

With regard to services, the Group mainly provides forestry and logistics services. These services are provided on a date and material basis and are recognized at rates agreed between independent parties at the time control is transferred. The logistics and forestry activities are recorded as discontinued operations as of December 31, 2022, since they will be disposed of during the first days of 2023 (see Note 33)

Energy sale

In electricity production, the transfer of control occurs when energy is generated and injected into the transmission/distribution networks.

In the case of contracts for the sale of electricity, there is only a performance obligation that becomes effective when the electricity is made available to the customer.

Curtis-Teixeiro biomass plant

Revenues arising from the sale of energy from the biomass plant located in the town of Curtis Teixeira (A Coruña) result from the Resolution of 18 January 2016, of the Directorate General for Energy Policy and Mines, which resolves the auction for the allocation of the specific remuneration scheme for new biomass-based electricity production facilities in the mainland electricity system and for wind power technology facilities, under the provisions of Royal Decree 947/2015, of 16 October. Remuneration consisting of two terms is recognised: the remuneration for operation (Ro) in €/MWh regulated by the aforementioned regulations and the OMIE Market Price (Designated Electricity Market Operator).

Eolo I Moc Wind Farms

Revenues arising from the sale of energy from the Miñón wind farm located in the town of Vimianzo (A Coruña) result from the Resolution of 27 July 2017, of the Directorate General for Energy Policy and Mines, which resolves the auction procedure for the allocation of the specific remuneration regime under the provisions of Royal Decree 650/2017, of 16 June, and Order ETU/615/2017, of 27 June.

Revenues derived from the sale of energy from the rest of the wind farms are derived from OMIE market prices.

The main judgment applied by the Group in revenue recognition corresponds to the calculation of the value of the adjustments for deviations in the market price (Vajdm), once it has been confirmed at the end of the half year that the net value of the assets is zero, the Group has not recognized liabilities for deviations in the market price. There are no other relevant judgements in relation to the identification of performance obligations, timing of recognition or related costs to obtain a contract.

5.19 Income tax

The income tax expense for the year is calculated as the sum of the current tax, which results from applying the corresponding tax rate to the taxable profit for the year less any existing tax credits and deductions, and the changes during the year in the deferred tax assets and liabilities recognised. It is recognized in the consolidated income statement, except when it relates to transactions that are recorded directly in consolidated equity, in which case the related tax is also recorded in consolidated equity, and in the initial accounting for business combinations in which it is recorded as the other equity elements of the acquired business.

Deferred taxes are recorded for temporary differences existing at the date of the statement of financial position between the tax basis of assets and liabilities and their carrying amounts. The tax base of an asset or liability is the amount attributed to it for tax purposes.

The tax effect of temporary differences is included in the corresponding captions of "Deferred tax assets" and "Deferred tax liabilities" in the consolidated statement of financial position.

The Group records a deferred tax liability for all taxable temporary differences, except, where applicable, for the exceptions provided for in current regulations.

The Group records deferred tax assets for all deductible temporary differences, unused tax credits and tax loss carry forwards to the extent that it is probable that future taxable profits will be available to the Group to allow the use of these assets, except, where applicable, for the exceptions provided for in current regulations.

At the end of each reporting period the Group measures recognised and previously unrecognised deferred tax assets. Based on this measurement, the Group derecognises a previously recognised asset if its recovery is no longer probable, or recognises any previously unrecognised deferred tax asset if it is probable that future taxable profit will be available to the Group to allow the deferred tax asset to be applied.

Deferred tax assets and liabilities are measured at the tax rates expected at the time of reversal, in accordance with current enacted legislation, and in accordance with the manner in which the deferred tax asset or liability is rationally expected to be recovered or paid.

Deferred tax assets and liabilities are not discounted and are classified as non-current assets and liabilities. The Group recognises the conversion of a deferred tax asset to a tax receivable when it is mandatory pursuant to the tax legislation in force. For these purposes, the deferred tax asset is written off with a charge to the deferred income tax expense and to the tax receivable with a credit to the current income tax expense

Offset and classification

The Group only offsets current income tax assets and liabilities if it has a legal claim against the tax authorities and intends either to settle the resulting liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

Tax uncertainties

Where the Group determines that it is not probable that the tax authority will accept an uncertain tax treatment or a Group of uncertain tax treatments, it considers such uncertainty in the determination of taxable income, tax bases, tax loss carryforwards, tax credits, deductions or tax rates. Currently, the Group has not taken any uncertain tax positions.

5.20 Share-based payment for services and goods

The Group recognizes goods or services received or acquired in a share-based payment transaction when the goods are obtained or the services are received. In the case where goods or services are received in a share-based payment transaction that are settled in equity instruments, an increase in equity is recognized.

Equity instruments granted become irrevocable when the employees complete a certain period of service, the services received are recognized during the vesting period with a credit to equity accounts.

The Group determines the fair value of the instruments granted to employees on the grant date.

Market conditions and other conditions not determining vesting are considered in the measurement of the fair value of the instrument. The remaining vesting conditions are considered by adjusting the number of equity instruments included in the determination of the amount of the transaction, so that ultimately, the amount recognized for the services received is based on the number of equity instruments that will eventually be consolidated. Therefore, the Group recognises the amount for services received during the vesting period based on the best estimate of the number of instruments that will vest and this estimate is revised based on the rights that are expected to vest.

Upon recognition of the services received and the corresponding increase in equity, no further adjustments are made to equity after the vesting date, subject to appropriate reclassifications to equity.

Should the Group retain equity instruments to settle the employee income tax liability with the tax authorities, the plan is treated in its entirety as equity-settled, except for the portion of the retained instruments that exceeds the fair value of the tax liability.

5.21 Classifications of financial assets and liabilities as current or non-current items

The Group classifies assets and liabilities as current and non-current in the consolidated statement of financial position. For these purposes, current assets and liabilities are those that meet the following conditions:

- An entity will classify an asset as current when it expects to realise the asset, or intends to sell or consume it, within its normal operating cycle; it holds the asset primarily for the purpose of trading; it expects to realise the asset within twelve months after the reporting date; or the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- Liabilities are classified as current when they are expected to be settled in the Group's normal operating cycle, they are held primarily for the purpose of trading, they are due to be settled within twelve months after the reporting date or the Group does not have an unconditional right at the reporting date to defer settlement of the liabilities for twelve months after the reporting date.
- Financial liabilities are classified as current when they are due to be settled within twelve months after the reporting date, even if the original term is for a period longer than twelve months and there is an agreement to refinance or restructure long-term payments that was concluded after the reporting date but before the consolidated annual accounts were authorised for issue.

Where the Group expects and has the right at the reporting date to renew an obligation for at least twelve months from the reporting date under an existing financing facility, the Group classifies the obligation as non-current, even if it would otherwise have a shorter maturity. Where the Group does not have such a right, it does not consider the potential to refinance the liability and classifies the liability as current.

Where the Group breaches a long-term loan covenant before the reporting date that makes the liability due on demand, it classifies the liability as current, even if the lender has agreed, after the reporting date but before the consolidated financial statements are authorised for issue, not to demand settlement.

However, the Group classifies a liability as non-current if the lender has agreed at year-end to grant a grace period ending at least twelve months after year-end during which the Group can rectify the breach and during which the lender cannot demand immediate repayment.

5.22 Related party transactions

Related party transactions are recorded in accordance with the valuation rules detailed above, except for the following transactions:

- Non-monetary contributions of a business to a Group company
- In merger and demerger operations of a business.

The prices of transactions with related parties are properly supported and therefore the Group's directors consider that there are no risks that could give rise to significant tax liabilities.

5.23 Environmental equity elements

An environmental activity is considered to be any activity whose main purpose is to prevent, reduce or repair environmental damage arising from the Group's activities.

Expenses arising from environmental activities are recognised as property, plant and equipment in the year in which they are incurred.

5.24 Environment

An environmental activity is considered to be any activity whose main purpose is to prevent, reduce or repair environmental damage arising from the Group's activities.

Expenses arising from environmental activities are recognised as other operating expenses in the year in which they are incurred.

5.25 Severance pay

In accordance with current labour legislation, the Group is obliged to pay severance payments to those employees with whom, under certain conditions, it terminates their employment relationships. Severance payments that are reasonably quantifiable are recognised as an expense for the year in which there is a valid expectation created by the Group with regard to the affected third parties.

5.26 Functional currency and presentation currency

The consolidated annual accounts are presented in euros, which is the Group's presentation and functional currency.

Transactions in foreign currency are translated to the functional currency using the exchange rates in force at the transaction date. Foreign currency gains and losses resulting from the settlement of transactions and translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currency, are recognised in the consolidated income statement.

The results and financial position of those entities that have a functional currency different from the presentation currency (currently SPVs with a US dollar functional currency) are converted into the reporting currency as follows:

- The assets and liabilities on each balance sheet presented are converted at the closing exchange rate at the balance sheet date.
- The income and expenses in each profit and loss account are converted at the monthly average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates existing at the transaction dates, in which case income and expenses are converted at the rates on the transaction dates).
- All resulting exchange differences are recognised in the Consolidated Statement of Comprehensive Income and the cumulative amount is recorded in "exchange differences" in Consolidated Equity.

The exchange rates of the US dollar against the euro as at 31 December 2022 and 2021 and 1 January 2021 were as follows:

Date	Average exchange rate	Closing exchange rate
31/12/2022	1,0689	1,0666
31/12/2021	1,1827	1,1326
01/01/2021	1,1827	1,2271

6. SIGNIFICANT ACCOUNTING ESTIMATES AND SIGNIFICANT ASSUMPTIONS AND JUDGEMENTS IN THE APPLICATION OF ACCOUNTING POLICIES

The preparation of consolidated financial statements in accordance with IFRS-EU requires the application of significant accounting estimates and the making of judgements, estimates and assumptions in the process of applying the Group's accounting policies. In this connection, following is a summary of the items requiring a greater degree of judgement or which are more complex, or where the assumptions and estimates made are significant to the preparation of the consolidated annual accounts.

6.1 Impairment of non-current assets

For non-current assets, the Parent Company's directors determine whether there is any indication of impairment that may affect the recoverability of the assets.

In particular, for those electricity production and sales projects that are in operation, the results obtained during the year and the existence of external factors that may affect their profitability, such as legislative changes or changes in the price of future energy, are analysed. The Management's analysis of this type of asset currently considers that there are no indications of impairment.

In addition, for those electricity generation and sales projects that are in the development phase

- Compliance with the legal and contractual deadlines established for their development is analysed.
- The capacity of these facilities to obtain the financing required to develop projects is analysed.
- In addition, assessments of the Group's projects obtained from both internal and external sources are analysed.

In its analysis of the recoverability of assets under development, the Management has identified a number of wind energy projects that have not met the milestones set out in Royal Decree-Law 23-2020 and has therefore written off their development costs in the amount of EUR 18,481, which have been recognised under impairment and gains or losses on disposals of fixed assets in the income statement for the year 2022.

Where indications of impairment are detected, the valuation of non-current assets would require estimates to be made in order to determine their recoverable amount for the purpose of assessing possible impairment. In order to determine this fair value, the Directors of the Parent Company estimate the future cash flows expected from the assets or from the cash-generating units to which they belong and they use an appropriate discount rate to calculate the present value of these cash flows. Future cash flows depend on the achievement of the budgets for the projected periods.

The impairment recognised in the income statement for the year 2021 on one of the assets of the logistics activity was based on the purchase offers received for this asset.

6.2 Deferred tax assets

Deferred tax assets are recorded for all deductible temporary differences, negative tax bases pending compensation and deductions pending application, for which it is probable that the Group will have future taxable profits that allow the application of these assets. The Directors are required to make significant estimates to determine the amount of deferred tax assets that can be recognised, taking into account the amounts and timing of future taxable profits and the reversal period of taxable temporary differences.

Although the estimates made by the Group Directors have been calculated based on the best information available at 31 December 2022, it is possible that events that may take place in the future require their modification. The effect on the consolidated annual accounts of any changes arising from future adjustment, if any, would be recorded on a prospective basis.

7. SUBSIDIARIES

7.1 Group companies

Subsidiaries are defined as companies over which the Parent Company directly or indirectly exercises control (see Note 5.1).

The list of subsidiaries is included in Annex I.

All subsidiaries are fully consolidated and their functional currency is the euro, except for those companies with registered offices in the United States, whose functional currency is the US dollar.

7.2 Changes in the scope of consolidation

In the financial year 2022, the following changes in the scope of consolidation took place:

- Incorporations of the following companies due to acquisitions and incorporations:

Company	Direct parent company
Greenalia Engineering And Construction, S.L.U.	Greenalia S.A.
Greenalia Wind Power Blue Hills, LLC	Greenalia Wind Power, Inc
Greenalia Wind Power, Inc	Greenalia Power Us, INC
Greenalia Solar Power Reis, LLC	Greenalia Solar Power, Inc
Greenalia Solar Power Wensowitch, LLC	Greenalia Solar Power, Inc
Greenalia Solar Power Ratcliff, LLC	Greenalia Solar Power, Inc
Greenalia Solar Power Driskell, LLC	Greenalia Solar Power, Inc

All companies have been incorporated with the exception of Greenalia Wind Power Blue Hills, LLC which was acquired. Said operation has been treated as an asset acquisition with the entire price paid being allocated to the project under development.

- The companies listed below are excluded from the scope of consolidation:

Company	Direct parent company
Greenalia Shipping, S.L.U.	Greenalia Logistics, S.L.U.
Greenalia Woodchips, S.L.U.	Greenalia Industry, S.L.U.

Greenalia Shipping, S.L.U. as a result of the merger by absorption with Greenalia Logistics, S.L.U., and Greenalia Woodchips as a result of its sale in December 2022.

In addition, in 2021, the changes in the scope of consolidation relate to:

- Incorporations of the following companies:

Company	Direct parent company
Greenalia Solar Power Encina, S.L.U.	Greenalia Solar Power, S.L.U.
Greenalia Solar Power Sauce, S.L.U.	Greenalia Solar Power, S.L.U.
Greenalia Solar Power Acebo, S.L.U.	Greenalia Solar Power, S.L.U.
Greenalia Power Us, INC	Greenalia S.A.
Greenalia Solar Power, INC	Greenalia Power Us, INC
Excel Advantage Service, LLC	Greenalia Solar Power, INC

All of them were incorporated during the year by the companies indicated, except Excel Advantage Service, Llc, which was acquired by Greenalia Solar Power, Inc.

- Two companies that were excluded from the scope of consolidation in 2020 due to their scant relevance were included in the scope of consolidation. Such companies are Greenalia Power Portugal SGPS, Unipessoal Lda y Greenalia Solar Power Lda.
- The companies listed below are excluded from the scope of consolidation due to their liquidation:

Company	Direct parent company
Greenalia Biomass Power Vilalba, S.L.U.	Greenalia Biomass Power, S.L.U.
Greenalia Solar Power La Sierra, S.L.U.	Greenalia Solar Power, S.L.U.
Greenalia Solar Power Torrellano, S.L.U.	Greenalia Solar Power, S.L.U.

7.3 Companies excluded from the scope of consolidation

At 31 December 2022, the subsidiaries that were excluded from the scope of consolidation due to their immateriality, both individually and as a whole, in the consolidated financial statements were as follows:

Company	Registered office	Corporate Activity	Owning Company	Group control percentage
Subsidiaries				
He-Cottonwood Solar, LLC	Dallas	Energy Production	Greenalia Solar Power, Inc.	100%
Leifsol, LLC	Dallas	Energy Production	Greenalia Solar Power, Inc.	100%
Roscsol, LLC	Dallas	Energy Production	Greenalia Solar Power, Inc.	100%

These companies have been acquired during the financial year 2022. As at 31 December 2022, the individual net assets of these 3 companies amounted to EUR 288,060.

At 31 December 2021 there were no companies excluded from the scope of consolidation.

As of 1 January 2021, the companies Greenalia Power Portugal SGPS, Unipessoal Lda and Greenalia Solar Power Lda were excluded from the scope of consolidation due to their minor relevance.

8. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

8.1 Discontinued activities

The Group has classified the assets and liabilities of the companies Greenalia Forest, S.L. and Greenalia Logistics, S.L.U. as held for sale on 31 December 2022, based on the resolutions adopted in the minutes of the Board of Directors and the minutes of the Extraordinary General Shareholders' Meeting of that date. As stated in Note 33 of Subsequent Events, the agreements related to the sale of these companies to Smartia, S.L.U. are perfected on 2 January 2023. In addition, these were considered to be discontinued operations as they were components classified as held for sale that represented a significant line of business separate from the remainder, and the income and expenses relating to this business for 2022 and 2021 are presented under "Profit for the year from discontinued operations after tax".

The disposal Group comprised assets with a net book value of EUR 18,391,578 and liabilities of EUR 25,783,631.

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The breakdown of assets and liabilities held for sale and comprehensive income related to Greenalia Forest, S.L. and Greenalia Logistics, S.L.U. is as follows:

(Euro)	31/12/2022	31/12/2021
Assets held for sale		
Property, plant and equipment	1,072,704	471,240
Long-term investments in Group companies and associates	42,018	107,296
Long-term financial investments	53,139	33,644
Stocks	4,778,921	3,085,789
Trade and other accounts receivable	6,531,373	2,149,450
Short-term investments in Group companies and associates	5,176,834	-
Short-term financial investments	693,304	179,107
Other current assets	10,590	80,260
Cash and other equivalent cash assets	32,694	199,470
Total assets	18,391,577	6,306,256
Liabilities directly related to non-current assets held for sale		
Long-term payables	2,649,049	405,671
Long-term payables to Group and associated companies	1,913	-
Deferred tax liabilities	67,618	89,637
Short-term payables	13,886,282	10,331,044
Trade creditors and other accounts payable and other liabilities	9,178,769	4,080,991
Total Liabilities	25,783,631	14,907,343
Other comprehensive profit/loss		
Profit/loss for year	802,134	1,644,322
Other comprehensive profit/loss	802,134	1,644,322

The breakdown of the Profit / (Loss) after tax from discontinued operations, which is presented in the consolidated income statement (Consolidated Statement of Comprehensive Income), as well as the cash flows (Consolidated Statement of Cash Flows) related to the discontinued operation is as follows:

(Euro)	31/12/2022	31/12/2021
Ordinary taxes	27,987,173	33,310,302
Expenses	(26,716,001)	(31,233,698)
Profit/(Loss) before tax from continuing operations	1,271,172	2,076,604
Income tax	(469,038)	(432,282)
Profit/(Loss) before tax from continuing operations	802,134	1,644,322
Cash flows from operating activities		
Cash flows from operating activities	(2,261,690)	2,233,103
Cash flows from investing activities	(2,073,409)	(3,219,932)
Cash flows from financing activities	2,147,526	(1,035,797)
Total Cash flow	(2,187,573)	(2,022,626)

8.2 Non-current assets held for sale

The breakdown of this heading as at 31 December 2022 and 2021 is as follows:

(Euro)	31/12/2022	31/12/2021
Intangible fixed assets	-	335,563
Property, plant and equipment	1,923,832	1,558,131
Total assets	1,923,832	1,893,694

In 2022, EUR 1,923,832 is classified under this heading, corresponding to the classification as available for sale of several baling machines belonging to the company Greenalia Biomass Supply.

In 2021, tangible and intangible assets of Greenalia WoodChips were classified under this heading amounting to EUR 1,893,694, which were disposed of in 2022. (This company will no longer form part of the Group in 2022 (see Note 7.2).

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9. PROPERTY, PLANT AND EQUIPMENT

The breakdown of the movement corresponding to 2022 and 2021 in both cost and accumulated depreciation is as follows:

(Euros)	Initial balance	Registrations and allocations	Disposals	Transfers and other movements	Exchange differences	Reclassification to discontinued operations	Closing balance
2022 Financial Year							
Cost							
Land and buildings	7.411.063	1.066.000	-	-	-	-	8.477.063
Technical installations and other tangible fixed assets	221.878.406	9.029.301	(2.353.752)	(3.675.830)	-	(1.412.210)	223.465.915
Fixed assets in progress	50.347.689	109.581.150	(18.481.973)	(1.062.442)	(2.751.843)	-	137.632.582
	279.637.158	119.676.451	(20.835.724)	(4.738.272)	(2.751.843)	(1.412.210)	369.575.560
Accumulated amortisation							
Technical installations and other tangible fixed assets	(12.548.713)	(8.816.302)	662.861	939.741	-	339.505	(19.422.908)
	(12.548.713)	(8.816.302)	662.861	939.741	-	339.505	(19.422.908)
Value adjustments							
Technical installations and other tangible fixed assets	(450.000)	-	450.000	-	-	-	-
	(450.000)	-	450.000	-	-	-	-
Net book value	266.638.445	110.860.149	(19.722.863)	(3.798.531)	(2.751.843)	(1.072.704)	350.152.652

The additions to "Land and buildings" correspond almost entirely to the acquisition of a plot of land located in the town of Curtis-Teixeiro, owned by Greenalia Biomass Power Curtis Teixeira II, S.L.U. for which a mortgage loan was arranged (see Note 19.3 (ii) e).

The additions to "Technical installations and other tangible fixed assets" relate mainly to the latest certifications of the wind farms already in operation and improvements to the Biomass plant located in Curtis Teixeira.

Finally, the additions to "Property, plant and equipment under construction" in 2022 relate mainly to the cost incurred in the development of the wind farm projects under construction in Spain and the United States.

Disposals in the year relate mainly to the assets assigned to the subsidiary Greenalia Woodchips, S.L.U., which was sold in the year, and to the derecognition of the projects under development that have not been able to meet the development deadlines for obtaining the favourable environmental impact statement under current legislation

As regards transfers, these mainly include the transfer to non-current assets held for sale of EUR 1,898 thousand relating to biomass balers which the Group is in the process of divesting.

As at 31 December 2022, EUR 1,439,014 were included as additions to fixed assets, mainly relating to expenses incurred by the Group with its own resources in connection with projects under development. Financial expenses capitalised during the year amounted to EUR 2,524,328, mainly related to wind and solar projects.

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(Euros)	Initial balance	Registrations and allocations	Disposals	Transfers and other movements	Closing balance
2021 Financial Year					
Cost					
Land and buildings	3.410.071	4.000.992	-	-	7.411.063
Technical installations and other tangible fixed assets	161.928.156	7.108.275	(1.987.790)	54.829.764	221.878.406
Fixed assets in progress	67.096.462	36.887.782	(707.244)	(52.929.311)	50.347.689
	232.434.689	47.997.049	(2.695.034)	1.900.453	279.637.158
Accumulated amortisation					
Buildings	8.977	(8.977)	-	-	-
Technical installations and/or other property, plant and equipment	(5.175.343)	(7.384.802)	11.432	-	(12.548.713)
	(5.166.366)	(7.393.779)	11.432	-	(12.548.713)
Value adjustments					
Technical installations and other tangible fixed assets	-	(450.000)	-	-	(450.000)
	-	(450.000)	-	-	(450.000)
Net book value	227.268.323				266.638.445

The additions to "Land and buildings" related entirely to the acquisition of 11 plots of land located in the town of Curtis-Teixeiro, owned by Greenalia Biomass Power Curtis Teixeira II, S.L.U., for which a mortgage loan was arranged (Note 19.3 (ii) e).

The additions to "Technical installations and other property, plant and equipment" in 2021 mainly correspond to fixed assets relating to the completion of work on the Curtis Teixeira biomass plant, as well as acquisitions of forestry machinery, including 10 forestry balers for an amount of EUR 3.7 million.

The additions to "Assets under construction" in 2021 mainly related to the fixed assets related to the construction of the 4 wind farms in Galicia of the Eolo I project which were under construction at the beginning of the year and which have started to operate in the second half of 2021, as well as the remaining investment made for the development of different renewable energy projects.

Transfers relating to "Technical installations" and "Other tangible fixed assets" in 2021 amounting to EUR 52,929,322 related to the commissioning of the Ouro I, Alto da Croa, Alto da Croa II, and Monte Tourado wind farms of the Eolo I project. It also includes the transfer from intangible assets associated with the purchase of Ouro I/Friol and Croas, which, given that they began operating in 2021, were reclassified to property, plant and equipment amounting to EUR 1,900,453.

In addition, on 24 May 2021, Greenalia Biomass Power Curtis-Teixeiro S.L.U. terminated the contract with the UTE Biomasa Curtis and proceeded to execute all the guarantees it held. Of which, revenue of EUR 8.2 million was recorded in 2021 to offset the loss of revenue from the sale of energy due to delays in the delivery of the facility according to the contractually agreed dates. As at the 2021 reporting date, the works had been re-established with a new supplier, and after taking the appropriate measures, production levels are in line with the business plan thereof.

As at 31 December 2021, EUR 1,273,237 were included as additions to property, plant and equipment, mainly relating to expenses incurred by the Group with its own resources in connection with projects under development.

9.1 Fully depreciated assets

At 31 December 2022, the Group has no fully depreciated property, plant and equipment, as the assets that were fully depreciated at 31 December 2021, amounting to EUR 30,895, were held by Greenalia Forest and Greenalia Logistics and have been classified as non-current assets held for sale in 2022 (see Note 8).

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9.2 Other information

At 31 December 2022 and 2021, the items of property, plant and equipment are subject to the following guarantees:

- The land corresponding to the plot of land located in the Sigüeiro industrial estate, owned by Greenalia Woodchips, S.L.U., which was included in tangible fixed assets at 31 December 2021 and which was subject to a mortgage guarantee on a loan granted by Banco Pastor to the same company, with a maturity date of 2027. This company was excluded from the scope of consolidation in 2022 due to its sale (see Note 7.2).
- The land corresponding to twelve plots located in the town of Curtis-Teixeiro, owned by Greenalia Biomass Power Curtis Teixeira II, S.L.U., which is included in property, plant and equipment at a cost of EUR 5,012,000 and is subject to a mortgage guarantee on the loan granted by Sepes Public Business Land Entity (Sepes) to the same company, maturing in 2031, of which EUR 3,418,569 and EUR 3,779,573 are pending payment at 31 December 2022 and 2021, respectively (Note 19.3 (ii) e).

The Group has granted a pledge on the assets of the Curtis biomass project to the project's financing entities. The net book value of these assets in the holding company as at 31 December 2022 amounts to EUR 125,056 thousand.

In addition, the Group has granted a pledge on the assets of the Eolo Moc project (five wind farms with a total capacity of 74.22 MW) to the project's financing entities. The net book value of these assets in the holding companies at 31 December 2022 amounts to EUR 82,107.

There are no firm purchase commitments in relation to these assets.

At 31 December 2022 and 2021 the Group has no non-operating assets.

9.3 Official grants received

At 31 December 2022 and 2021 the Group has a capital grant of EUR 324,996 thousand and EUR 258,601 thousand, respectively, recognised under "Government grants" in non-current liabilities.

The subsidies granted primarily correspond to grants relating to the purchase of baling machines, which are non-refundable.

10. RIGHTS-OF-USE ASSETS AND LEASE LIABILITIES

10.1 Rights-of-use assets

The breakdown of the movement corresponding to 2022 and 2021 in both cost and accumulated depreciation is as follows:

(Euros)	Cost	Amortisation	Total
Balance at 01.01.2021	13.647.788	(946.475)	12.701.313
Additions / Allocations	2.768.317	(1.340.569)	1.427.748
Disposals	-	-	-
Exchange differences and others	-	-	-
Balance at 31.12.2021	16.416.105	(2.287.044)	14.129.061
Variations due to change of perimeter	-	-	-
Additions / Allocations	2.627.396	(1.461.712)	1.165.684
Transfers	-	-	-
Disposals	(2.007.557)	658.191	(1.349.366)
Exchange differences and others	-	-	-
Balance at 31.12.2022	17.035.944	(3.090.565)	13.945.379

The main leases in which the Group acts as lessee and which are recorded under this heading relate to leases of land on which power generation facilities are located. The land covered by the leases is all located in Spain and the contracts have an average term of 30 years.

The additions in 2022 are mainly due to the revaluation of the lease liability for the land on which the wind farms are installed as a result of the discounting of future lease payments. The additions in 2021 relate to new lease contracts for the land of the Monte Tourado wind farm, the construction of which commenced in 2021.

The right of use has been estimated considering an average duration of the contracts of 30 years.

The Group has availed itself of the exemptions for short-term contracts and low-value assets permitted by the standard (see Note 4), with the expense recognised for short-term contracts and low-value assets amounting to EUR 744,517 in 2022 (EUR 119,696 in 2021).

The incremental discount rate used for the calculation of the recognised right-of-use assets and lease liabilities was 6.10%.

In 2022 and 2021, no impairments have been recognised in the Group's consolidated income statement in respect of right-of-use assets.

10.2 Lease liabilities

The balance of lease liabilities at 31 December 2022 and 2021 is detailed below:

(Euros)	
Balance at 1 January 2021	10,761,086
Additions	1,903,237
Retirements and transfers and payments	(1,888,830)
Financial expenses	161,908
Balance at 31 January 2021	10,937,401
Additions	2,552,538
Retirements and transfers and payments	(2,330,410)
Financial expenses	283,400
Balance at 31 January 2022	11,442,929

The Group has no lease contracts containing residual value guarantees.

The breakdown of the maturity of the Group's discounted lease liabilities at 31 December 2022, 2021 and 1 January 2021 is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Less than one year	2,454,851	2,163,370	1,842,805
Between one and five years	6,040,357	7,190,451	7,245,363
More than five years	2,947,721	1,583,581	1,672,918
Total	11,442,929	10,937,401	10,761,086

11. INTANGIBLE FIXED ASSETS

The breakdown of the movement corresponding to 2022 and 2021, in both cost and accumulated depreciation is as follows:

(Euros)	Initial balance	Registrations and allocations	Disposals	Transfers	Closing balance
2022 Financial Year					
Intangible assets in progress	85,870	-	-	-	85,870
Other intangible fixed assets	2,754,660	409,059	-	-	3,163,719
	2,840,530	409,059	-	-	3,249,589
Accumulated amortisation					
Other intangible fixed assets	(1,968,488)	(565,489)	-	-	(2,533,977)
	(1,968,488)	(565,489)	-	-	(2,533,977)
Net book value	872,042	(156,430)	-	-	715,612

(Euros)	Initial balance	Registrations and allocations	Disposals	Transfers	Closing balance
2021 Financial Year					
Cost					
Intangible assets in progress	85,870	-	-	-	85,870
Other intangible fixed assets	4,215,593	584,167	(144,647)	(1,900,453)	2,754,660
	4,301,463	584,167	(144,647)	(1,900,453)	2,840,530
Accumulated amortisation					
Other intangible fixed assets	(1,758,163)	(317,862)	107,537	-	(1,968,488)
	(1,758,163)	(317,862)	107,537	-	(1,968,488)
Net book value	2,543,300	266,305	(37,110)	(1,900,453)	872,042

Intangible assets under construction correspond to the assets acquired from Campelo/Lama and Greenalia Biomass Power (Renova), which are not yet in the ready to build phase and are

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therefore classified as intangible assets until construction commences, which will be reclassified to property, plant and equipment under construction.

Other intangible fixed assets include computer software and other fixed assets in special situations.

Additions to other intangible assets in 2022 and 2021 mainly relate to the acquisition of computer software. Disposals in 2021 mainly relate to licences for different SAP modules that were fully depreciated at year-end.

The transfers in 2021 correspond to the reclassification of the intangible assets recorded in the acquisitions of Ouro/Friol and Croas to property, plant and equipment, as these wind farms came into operation in 2021.

11.1 Other information

On 31 December 2022 and 2021, there were no fully amortised intangible assets still in use.

On 31 December 2022 and 2021, there were no assets securing obligations in the Group.

On 31 December 2022 and 2021, no impairment losses have been recognised, there are no intangible assets not assigned to operations and there are no intangible assets located abroad.

Finally, there are no firm purchase or sale commitments in relation to these assets.

12. FINANCIAL ASSETS BY CLASS AND CATEGORY

The breakdown of financial assets by type is as follows:

(Euros)	Equity instruments		Loans, derivatives and other	Total
	Listed	Non-listed		
2022 Financial Year				
Long-term financial assets				
Financial assets measured at amortised cost	-	-	3,791,476	3,791,476
Financial assets measured at fair value through profit or loss	1,153,084	204,800	9,530,065	10,887,949
	1,153,084	204,800	13,321,541	14,679,425
Short-term financial assets				
Financial assets measured at amortised cost	-	-	13,613,635	13,613,635
Financial assets measured at fair value through profit or loss	-	427,374	2,166,879	2,594,253
	-	427,374	15,780,514	16,207,888
Total	1,153,084	632,174	29,102,055	30,887,313

(Euros)	Equity instruments		Loans, derivatives and other	Total
	Listed	Non-listed		
2021 Financial Year				
Long-term financial assets				
Financial assets measured at amortised cost	-	-	633,909	633,909
Financial assets measured at fair value through profit or loss	-	858,374	-	858,374
	-	858,374	633,909	1,492,283
Short-term financial assets				
Financial assets measured at amortised cost	-	-	18,641,355	18,641,355
	-	-	18,641,355	18,641,355

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Total	- 858.374	19.275.264	20.133.638
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(Euro)	Equity instruments		Loans, derivatives and other	Total
	Listed	Non-listed		
1 January 2021				
Long-term financial assets				
Financial assets measured at amortised cost	-	-	951.621	951.621
Financial assets measured at fair value through profit or loss	- 852.397		-	852.397
	- 852.397		951.621	1.804.018
Short-term financial assets				
Financial assets measured at amortised cost	-		9.608.771	9.608.771
	-		- 9.608.771	9.608.771
Total	- 852.397		10.560.392	11.412.769

12.1 Financial assets measured at amortised cost

The breakdown of financial assets classified in this category is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Long-term loans to third parties	95.087	20.637	13.152
Other long-term financial assets	3.340.671	88.666	18.752
Long-term loans to Group companies	355.718	524.606	919.717
Long-term total	3.791.476	633.909	951.621
Trade receivables for sales and services (Notes 13)	8.629.235	18.169.446	8.862.876
Personnel	-	35.000	35.000
Other short-term financial assets	540.414	436.909	210.167
Short-term loans to Group companies	4.443.986	-	500.728
Total short-term	13.613.635	18.641.355	9.608.771
Financial assets measured at amortised cost	17.405.111	19.275.264	10.560.392

The fair value of these financial assets, calculated on the basis of the discounted cash flow method, did not differ significantly from their carrying amount.

(i) Other short and long-term financial assets

At 31 December 2022, the heading Other long-term financial assets includes certain provisions of funds delivered to the Chamber of Commerce for the arbitration of Greenalia Biomass Power Curtis Teixeira, S.L.U. amounting to EUR 127 thousand and EUR 183 thousand. As at 31 December 2021 and 1 January 2021, it mainly included bonds related to forestry activities to guarantee possible damage caused by forestry cuts.

It also includes a deposit amounting to EUR 2,972,847 related to the interconnection improvements of the Misae II project, maturing when the project itself comes into operation, which is estimated to be in 2025.

(ii) Short-term and long-term loans to Group companies

The heading "Long-term receivables from Group companies" at 31 December 2022, 31 December 2021 and 1 January 2021 corresponded in full to the balance of VAT receivable from Smarttia, S.L.U. in relation to the tax Group headed by this company.

At 31 December 2022, the heading "Short-term receivables from Group companies" includes the balance receivable from Smarttia, S.L.U. in respect of corporate income tax for the tax Group (see Note 24). At 1 January 2021 this heading included the current account with Smarttia, S.L.U.

12.2 Financial assets at fair value through profit or loss - Equity instrument

The breakdown of financial assets classified in this category is as follows:

(Euros)	31/12/2022		31/12/2021		01/01/2021	
	Acquisition cost	Fair value	Acquisition cost	Fair value	Acquisition cost	Fair value
Long-term equity instrument						
Investment fund	1.126.000	1.153.084	431.000	431.000	-	-
Biomasa Forestal, S.L.			852.937	427.374	852.397	852.397
Other	204.800	204.800	-	-	-	-
Short-term equity instrument						
Biomasa Forestal, S.L.	852.937	427.374	-	-	-	-
Total	2.183.737	1.785.258	1.283.937	858.374	852.397	852.397

In the category "Investment fund", the Group holds a fixed income fund contracted with Banco Santander whose fair value is measured in accordance with level 1 (quoted market price).

On the other hand, on 24 July 2015 the Group acquired 14.42% of the company Biomasa Forestal, S.L. for an amount of EUR 700 thousand recognised under "Equity instruments". Subsequently, on 8 February 2019 and 31 March 2021, 2 capital increases took place in which the subsidiary Greenalia Logistics, S.L. contributed EUR 152 thousand and EUR 300 thousand, respectively, maintaining its percentage of ownership interest.

During the year, an agreement has been entered into for its sale, which will be completed during 2023 (Note 33), until which time the fair value of this investment has been measured in accordance with level 3, given that this company is not listed on the stock exchange. At 31 December 2022 this investment has been reclassified to short term. In 2021, an impairment of EUR 725 thousand was recorded under impairment and profit or loss on disposal of financial instruments.

The most relevant data for the financial years 2022 and 2021 were as follows:

Group companies	% Shareholding Direct	Share Capital	Reserves, share premium and prior years' results		Grants	Total equity of the year	Operating profit
			Profit/loss for year				
2022 Financial Year							
Biomasa Forestal, S.L.	13.88%	7.533.261	(6.154.551)	1.317.124	1.264.400	3.960.234	1.588.782
2021 Financial Year							
Biomasa Forestal, S.L.	14.42%	7.533.261	(4.843.536)	(1.089.173)	1.363.205	2.963.757	(825.711)

The Company's Board of Directors considered that the 13.88% shareholding in Biomasa Forestal, S.L. did not entail a significant control over the company and, consequently, could not be considered as an associated company at 31 December 2022 and 2021.

Finally, the heading "Others" at 31 December 2022 includes the investment made in certain joint ventures during the year.

12.3 Financial assets at fair value through profit or loss - Hedging derivatives

As a result of the Senior Debt financing agreement entered into by Greenalia Biomass Power Curtis Teixeira, S.L.U. (Note 19.1 (i)), in order to hedge against possible interest rate fluctuations under the EIB Financing Agreement, the ECA Financing Agreement and the Commercial Financing Agreement, Greenalia Biomass Power Curtis Teixeira, S.L.U. has entered into an interest rate hedging contracts with Banco Santander (Hedging Contract) on the same date as the financing contracts described above, under which the Company will pay the financing entity a fixed interest rate and will receive from the provider entity the variable interest rate formalised in the long-term loans indicated. This contract is used to hedge interest rate risks on long-term loans.

In addition, as a result of the Senior Debt financing agreement entered into by Greenalia Wind Power Eolo Senior Moc, S.L.U. (Note 19.1(ii)), in order to hedge against possible interest rate fluctuations under the Financing Agreement, the Company has entered into an interest rate hedging contract with Banco Sabadell (Hedging Contract), whereby the Company will pay the hedging entity a fixed interest rate and will receive from the provider the variable interest rate on the long-term loans indicated. This contract is used to hedge interest rate risks on long-term loans.

The breakdown of the Company's hedging derivatives at 31 December is as follows:

(Euros)	Notional			Fair value		
	31/12/2022	31/12/2021	01/01/2021	31/12/2022	31/12/2021	01/01/2021
Interest rate swap	99.729.404	108.384.419	112.884.305	11.696.944	5.108.516	9.911.168
Total	99.729.404	108.384.419	112.884.305	11.696.944	5.108.516	9.911.168

The fair values of these financial instruments, calculated on the basis of the discounted cash flow method using forward interest rate and exchange rate curves, are recorded in financial assets and liabilities at 31 December 2022 and 2021 and 1 January 2021 as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Long-term financial investments - Derivatives	9.530.065	-	-
Short-term financial investments - Derivatives	2.166.879	-	-
Long-term payables - Derivatives	-	3.730.582	9.163.598
Short-term payables - Derivatives	-	1.377.934	747.570
Total	11.696.944	5.108.516	9.911.168

The fair value of hedging derivatives corresponds to Level 2 (significant observable inputs).

The fixed rate of derivatives at 31 December 2022 and 2021 is between 1.2% and 0.5% (1.2% and 0.5% at 31 December 2021). The financial expense accrued in financial year 2022 corresponding to hedging derivatives amounted to EUR 1,111,915 (EUR 1,465,027 in financial year 2021, of which EUR 66,667 was recorded as "Property, plant and equipment" and corresponded to the months in which the wind farms were under construction).

12.4 Net losses and gains by category of financial assets

The amount of net losses and gains by category of financial asset was as follows:

(Euros)	31/12/2022	31/12/2021
Impairment losses on trading transactions	224	5
Impairment and gains or losses on disposals	-	(724.803)
Net losses in results	224	(724.798)

The impairments recognised in the 2021 financial year related to the impairment of the interest in Biomasa Forestal, S.L.

12.5 Classification by maturity

The classification by maturity of the financial assets in the Group's consolidated annual accounts of the amounts falling due in each of the following years at year-end and until their final maturity is detailed in the following table:

(Euros)	2023	2024	2025	2026	2027	2028 and following	Total
2022 Financial Year							
Trade receivables for sales and services	8.629.235	-	-	-	-	-	8.629.235
Long-term loans to third parties	9.900	9.999	10.010	35.013	30.165	-	95.087
Other financial assets	540.414	3.340.671	-	-	-	-	3.881.085
Loans to Group companies	355.718	4.443.986	-	-	-	-	4.799.704
Equity instrument	427.374	1.357.884	-	-	-	-	1.785.258
Derivative financial instruments	2.168.879	1.321.357	994.787	845.095	792.651	5.606.175	11.696.844
Total	12.129.520	10.473.897	1.004.787	880.108	792.816	5.606.175	30.887.313

(Euros)	2022	2023	2024	2025	2026	2027 and following	Total
2021 Financial Year							
Trade receivables for sales and services	18.169.446	-	-	-	-	-	18.169.446
Loans to third parties	20.637	-	-	-	-	-	20.637
Other financial assets	438.909	88.666	-	-	-	-	527.575
Loans to Group companies	-	524.606	-	-	-	-	524.606
Personnel	35.000	-	-	-	-	-	35.000
Equity instrument	-	858.374	-	-	-	-	858.374
Total	18.661.992	1.471.646	-	-	-	-	20.133.638

12.6 Write-off of financial assets and liabilities

No financial assets have been offset for disclosure purposes with other liabilities of the Group.

13. TRADE AND OTHER RECEIVABLES AND OTHER ASSETS

The breakdown of the balance at 31 December 2022 and 2021 and 1 January 2021 is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Trade receivables for sales and services	8.629.235	18.169.446	8.862.876
Personnel	-	35.000	35.000
Other loans with Government Agencies (Note 24)	98.664	389.969	316.009
Advance to suppliers	-	720.766	793.898
Total	8.727.899	19.315.181	10.007.783

These financial assets are valued at amortised cost.

13.1 Trade receivables for sales and services

At 31 December 2022 the amount shown in "Trade receivables for sales and services" consists mainly of the outstanding amount receivable relating to the sale of energy corresponding to production in the last two months of the year. At 31 December 2021 it also included amounts receivable relating to forestry activities.

The decrease in trade receivables in 2022 relates mainly to balances related to the forestry and logistics business classified as held for sale at 31 December 2022 amounting to EUR 6,531,373 (Note 8).

13.2 Personnel

The Group recorded under this heading at 31 December 2021 and 1 January 2021, several receivables from executive employees for the purchase of shares.

13.3 Advance to suppliers

The amount recorded under "Advances to suppliers" at 31 December 2021 and 1 January 2021 mainly consists of advances made by the subsidiary Greenalia Forest, S.L. to timber suppliers. At year-end 2022 there is no balance under this heading as it is directly related to the forestry business classified as held for sale at that date (Note 8).

14. INVENTORIES

The breakdown of inventories is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Trade	2.487.108	1.990.634	1.567.890
Raw materials and other supplies	4.575	859.406	165.766
Finished products	286.174	775.188	242.693
Total	2.777.857	3.625.228	1.976.349

Inventories at year-end correspond mainly to commercial inventories relating to bales of biomass for the biomass business.

The increase in trade inventories is mainly due to the increase in the provisioning of spare parts at Greenalia Biomass Power Curtis Teixeira, S.L.U., netted by the effect of the decrease in inventories as a result of the reclassification of the forestry and logistics business to held for sale (Note 8).

At 31 December 2022 and 2021 pre-agreements have been signed with forest biomass suppliers that do not generate any obligation for the Group.

At 31 December 2022 no impairment losses have been recognised. At 31 December 2021, impairment losses of EUR 281,796 were recognised in respect of biomass from the company Greenalia Biomass Curtis Teixeira.

At 31 December 2022 there are no commitments to purchase (sell) raw materials for 2023.

The Group companies have taken out several insurance policies to cover the risks to which inventories are subject. The coverage of these policies is considered sufficient.

15. CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents is as follows:

	31/12/2022	31/12/2021	01/01/2021
Current accounts at sight	36.716.341	58.609.857	41.447.840
Other cash equivalents	14.066.909	13.566.972	205.535
Total	50.783.250	72.176.829	41.653.375

Current accounts accrue interest at the market rate for this type of account.

On 31 December 2022 and 2021, "Cash and cash equivalents" includes:

- The current account with Santander for funds contributed to the liquidity provider in the amount of EUR 307 thousand at 31 December 2021, as required by the BME Growth regulations. These funds are owned by Greenalia S.A., although they are made available to this supplier so that it can fulfil share sale orders on behalf of Greenalia S.A. Therefore, the amount of this current account is subject to availability restrictions. As a liquidity provider is no longer required to be listed in 2022.
- A current account deposit in dollars equivalent to EUR 14,063 thousand at 31 December 2022 (EUR 13,234 thousand at 31 December 2021), of which the Group has availability to liquidate but which, due to the requirements to carry out the start-up of the projects in the United States being undertaken by the Group, is pledged. This deposit has generated a positive exchange rate difference of EUR 2022 at 829,257 December 31 (positive difference of EUR 2022 at 495,269 at 31 December 2021), which is recognised under "Exchange differences" in the accompanying consolidated income statement.

As on 31 December 2022 there are restrictions on the availability of the amount of current accounts in certain power generation subsidiaries financed through project finance contracts. Therefore, the Debt Service Reserve Account (CRSD) of these companies serves as a guarantee to cover the bank debt service and amounts to EUR 8,438,818 at 31 December 2022 (EUR 2,258,617 at 31 December 2021).

16. EQUITY

The breakdown of "Shareholders' Equity" and of the changes therein is presented in the consolidated statement of changes in equity.

16.1 Capital

At 31 December 2022, 2021 and January 2021 the share capital of the Parent Company is represented by 21,659,098, 22,170,972 and 21,253,472 shares, respectively, with a par value of EUR 0.02 each, fully paid up.

On 26 November 2021, the Parent Company approved a capital increase by issuing 937,500 shares of 0.02 euro par value each, with a premium of 15.98 euro per share. Therefore, the total amount of the capital increase amounted to 18 thousand euros and 14,981 thousand euros of share premium. The increase was fully subscribed by the existing shareholders at that date. In addition, pursuant to current legislation, the share premium was fully paid at the time of subscription. The costs of the capital increase amounted to EUR 663,088 and were recorded in reserves.

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Until 3 August 2022, the Parent Company had all its shares admitted to trading on BME Growth. In May 2022, the majority shareholders of the Parent Company launched a delisting tender offer to take control of 100% of the Company's shares, which was accepted by the majority of the shareholders owning the shares, and as of 3 August 2022 the Company ceased trading.

On 28 October 2022 the Parent Company approved a share capital reduction in the amount of EUR 10,237 in order to return the value of the contributions to the shareholders at a rate of EUR 17.50 per share by redeeming 511,874 shares.

All the shares composing the share capital carry the same rights and there are no restrictions as to their transferability.

The composition of the shareholding is as follows:

	31/12/2022	31/12/2021	01/01/2021
Smarttia Spain, S.L.U.	94,00%	81,21%	84,26%
Alazady España, S.L.	6,00%	5,19%	5,18%
Treasury shares	0,00%	0,30%	0,32%
Minority shareholders	0,00%	13,30%	10,24%
	100%	100%	100%

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefit other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain and adjust the capital structure, the Group may adjust the amount of dividends payable to shareholders, may return capital, may issue shares or may sell assets to reduce indebtedness.

In line with other Groups in the industry, Greenalia monitors the capital structure on the basis of the leverage ratio. This ratio is calculated as net debt divided by total capital. Net indebtedness is determined by the sum of financial debts plus trade and other payables, less cash and cash equivalents.

The level of leverage obtained at 31 December 2022, 2021 and 1 January 2021 is shown below:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Net financial debt	240.922.502	188.364.971	150.895.136
Long-term financial liabilities to credit institutions (note 19)	82.552.556	87.748.825	109.800.063
Financial liabilities from issuance of bonds and other marketable securities (note 19)	54.291.492	54.076.343	56.316.446
Short-term financial liabilities to credit institutions (note 19)	83.193.051	99.107.191	18.990.284
Short-term financial liabilities from issuance of bonds and other marketable securities (note 19)	49.409.134	2.638.689	277.942
Trade creditors and other accounts payable (Note 19)	22.259.519	16.970.752	7.163.776
Short-term investments (note 15), Cash and other equivalent cash assets.	50.783.250	72.176.829	41.653.375
Equity	44.645.639	22.523.305	(7.285.607)
Total capital	285.568.140	210.888.276	143.609.529
Leverage	84%	89%	105%

16.2 Issue premium

The share premium amounts to:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Issue premium	18.361.239	18.361.239	3.379.989

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	18.361.239	18.361.239	3.379.989
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At 31 December 2022 and 2021, the Parent Company has a share premium of EUR 18,361,239 for both years. The amount at 1 January 2021 was EUR 3,379,989.

Current legislation expressly permits the use of the share premium balance to increase capital and does not establish any specific restrictions as to its availability.

The increase in the share premium during 2021 is due to the Parent Company's capital increase.

16.3 Other reserves

The breakdown in reserves and profit or loss shown in the consolidated statement of changes in equity is as follows:

(Euros)	Initial balance	Allocation of results	Capital reduction	Additions	Transactions with treasury shares (net)	Other movements	Closing balance
2022 Financial Year							
Parent company reserves							
Legal reserve	80.254	8.430	-	-	-	-	88.684
Voluntary reserves	(3.147.695)	282.244	(8.947.558)	-	98.064	(76.035)	(11.790.980)
Capitalisation reserves	36.594	-	-	-	-	-	36.594
Reserves of fully consolidated companies	955.734	10.311.365	-	-	-	184.590	11.451.689
Retained earnings	(2.075.113)	10.602.039	(8.947.558)	-	98.064	108.555	(214.073)
	(1.464.150)	1.464.150	-	-	-	-	-
	(3.539.263)	12.066.189	(8.947.558)	-	98.064	108.555	(214.073)
2021 Financial Year							
Parent company reserves							
Legal reserve	80.254	-	-	-	-	-	80.254
Voluntary reserves	(2.704.046)	-	-	219.439	(863.088)	-	(3.147.695)
Capitalisation reserves	36.594	-	-	-	-	-	36.594
Reserves of fully consolidated companies	775.590	325.773	-	-	(145.630)	-	955.734
Retained earnings	(1.811.608)	325.773	-	219.439	(808.718)	-	(2.075.113)
	(563.232)	(900.918)	-	-	-	-	(1.464.150)
	(2.374.840)	(575.145)	-	219.439	(808.718)	-	(3.539.263)

(i) Legal reserve

The legal reserve was recognised in accordance with Article 274 of the Consolidated Text of Spanish Limited Liability Companies Law, which establishes that, in all cases, 10% of the profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital.

The legal reserve is restricted and, if it were used to offset losses, and provided that sufficient other reserves are not available for this purpose, it must be restored with future profits.

(ii) Capitalisation reserve

In accordance with Law 27/2014 of 27 November on Corporate Income Tax, it is stated that the Parent Company shall be eligible for a reduction in the tax base of 10% of the amount of the increase in its equity, provided that the following requirements are met:

- The increase in the entity's own funds must be maintained for 5 years from the end of the tax period to which this reduction corresponds, except for the existence of accounting losses in the entity.
- A reserve shall be allocated for the amount of the reduction, which shall be shown in the financial situation with total separation and appropriate heading and shall not be available for the period provided for in the preceding paragraph.

(iii) Voluntary reserves

The voluntary reserves are freely available.

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16.4 Treasury shares

As at 31 December 2022 and 2021 the composition of the Parent Company's treasury stock portfolio is as follows:

31/12/2022			31/12/2021		
Number	Par value	Cost	Number	Par value	Cost
-	-	-	66.166	15.80	1.045.494

As at 31 December 2022 the Parent Company holds no treasury shares (66,166 shares as at 31 December 2021 and 57,747 shares as at 1 January 2021).

The main transactions that have occurred in 2022 and 2021 relate to the purchase and sale of treasury shares through the liquidity provider.

16.5 Other equity items

This heading includes the amounts recognised in equity as a result of changes in the fair value of derivative financial instruments classified as hedging instruments between the trade date and year-end. It also includes exchange differences. The breakdown is as follows:

(Euros)	Initial balance	Additions / (Withdrawals)	Tax effect of Additions / (Withdrawals)	Transfers to profit or loss account	Tax effect of transfers	Closing balance
2022 Financial Year						
Cash flow hedges	(3.831.387)	15.693.544	(3.923.386)	1.111.916	(277.979)	8.772.708
Exchange differences	61.852	667.060	-	-	-	728.912
	(3.769.535)	16.360.604	(3.923.386)	1.111.916	(277.979)	9.501.640
2021 Financial Year						
Cash flow hedges	(7.433.376)	3.337.626	(834.407)	1.465.027	(366.257)	(3.831.387)
Exchange differences	-	61.852	-	-	-	61.852
	(7.433.376)	3.399.478	(834.407)	1.465.027	(366.257)	(3.769.535)

17. ALLOCATION OF RESULTS

The proposed distribution of the Parent's profit for the year 2022, which has been prepared by the directors and is expected to be approved by the shareholders at the Annual General Meeting, is as follows:

	31/12/2022	31/12/2021
Basis of distribution		
Balance of the profit and loss account (profits)	(2.690.541)	1.754.825
Allocation		
To profit or loss brought forward	(2.690.541)	1.464.150
To legal reserve	-	8.430
To voluntary reserve	-	282.245
Total	(2.690.541)	1.754.825

This distribution is shown compared to the distribution of profit 2021 approved at the General Meeting of Shareholders on 13 June 2022.

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Limitations for the distribution of dividends

The Parent Company is obliged to transfer 10% of profit for the year to the legal reserve until the balance of this reserve reaches at least 20% of share capital. This reserve is not distributable to the shareholders until it exceeds 20% of the share capital (Note 16.3 (i)).

Once the provisions of the law or the articles of association have been met, dividends may only be distributed out of the profit for the year, or out of unrestricted reserves, if the value of the net assets is not or, as a result of the distribution, is not less than the share capital. For these purposes, profits charged directly to shareholders' equity may not be distributed, either directly or indirectly. If there are retained losses that cause the value of the Group's equity to be less than its share capital, the profit will be used to offset these losses.

18. NON-CONTROLLING INTERESTS

The balance included under this heading in the accompanying consolidated statement of financial position reflects the value of minority interests in consolidated companies.

The breakdown of non-controlling interests and movement therein is as follows:

(Euros)	Initial balance	Allocation to profit/loss	Changes in the scope of consolidation	Dividends	Closing balance
2022 Financial Year					
Subsidiaries	-	-	-	-	-
GREENALIA FOREST, S.L.	6.750	-	-	-	6.750
OTHERS	6.750	-	-	-	6.750
2021 Financial Year					
Subsidiaries	-	-	-	-	-
GREENALIA FOREST, S.L.	6.750	-	-	-	6.750
OTHERS	6.750	-	-	-	6.750

The breakdown of non-controlling interests is shown in Annex II.

19. FINANCIAL LIABILITIES BY CLASS AND CATEGORY

The breakdown of financial liabilities by category is as follows:

(Euros)	Debt with financial institutions	Debt obligations and other marketable securities	Derivatives and other	Total
2022 Financial Year				
Long-term financial liabilities				
Financial liabilities at amortised cost	82.552.556	54.291.492	54.674.861	191.518.909
Financial liabilities measured at fair value through profit or loss	-	-	-	-
	82.552.556	54.291.492	54.674.861	191.518.909
Short-term financial liabilities				
Financial liabilities at amortised cost	83.193.051	49.409.134	73.280.446	205.882.631
Financial liabilities measured at fair value through profit or loss	-	-	-	-
	83.193.051	49.409.134	73.280.446	205.882.631
Total	165.745.607	103.700.626	127.955.307	397.401.540

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(Euros)	Debt with financial institutions	Debt obligations and other marketable securities	Derivatives and other	Total
2021 Financial Year				
Long-term financial liabilities				
Financial liabilities at amortised cost	87.748.825	54.076.343	48.540.695	190.365.863
Financial liabilities measured at fair value through profit or loss	-	-	3.730.582	3.730.582
	87.748.825	54.076.343	52.271.277	194.096.445
Short-term financial liabilities				
Financial liabilities at amortised cost	99.107.191	2.638.689	61.643.438	163.389.318
Financial liabilities measured at fair value through profit or loss	-	-	1.377.934	1.377.934
	99.107.191	2.638.689	63.021.372	164.767.252
Total	186.856.016	56.715.032	115.292.649	358.863.697

(Euros)	Debt with financial institutions	Debt obligations and other marketable securities	Derivatives and other	Total
1 January 2021				
Long-term financial liabilities				
Financial liabilities at amortised cost	109.800.063	56.316.446	100.476.707	266.593.216
Financial liabilities measured at fair value through profit or loss	-	-	9.163.598	9.163.598
	109.800.063	56.316.446	109.640.305	275.756.814
Short-term financial liabilities				
Financial liabilities at amortised cost	18.990.284	277.942	14.784.515	34.052.741
Financial liabilities measured at fair value through profit or loss	-	-	747.570	747.570
	18.990.284	277.942	15.532.085	34.800.311
Total	128.790.347	56.594.388	125.172.390	310.557.125

19.1 Financial liabilities at amortised cost - Debt with credit institutions

The breakdown of all debts with credit institutions is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Long-term			
Loans and credits from credit institutions	82.552.556	87.748.825	109.800.063
	82.552.556	87.748.825	109.800.063
Short-term			
Loans and credits from credit institutions	83.193.051	99.107.191	18.990.284
	83.193.051	99.107.191	18.990.284
Total	165.745.607	186.856.016	128.790.347

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The breakdown of all loans and credits with credit institutions is as follows:

(Euro)	31/12/2022		31/12/2021		31/03/2021		Amount granted / Limit	Maturity	Type of interest	
	Long term	Short term	Long term	Short term	Long term	Short term				
Loans - Senior Debt Greenalia Biomass Power Curtis Teixeira, S.L.U.										
CO Finance	41,223,163	-	-	43,807,866	41,203,416	2,340,217	80,000,000	2/04	2.60%	
Commercial tranches	21,788,896	-	-	22,879,581	21,451,774	1,216,812	26,000,000	2/04	2.50%	
ECA tranches	19,834,866	-	-	21,075,409	19,952,166	1,123,242	23,999,562	2/04	0.90%	
VAT credit	-	-	-	-	-	-	2,000,000	2/03	-	
Formalisation expenses	(3,361,698)	-	-	(3,626,427)	(3,536,393)	(94,034)	-	-	-	
Loans - Senior Debt Greenalia Wind Power Eolo Senior Moc, S.L.U.										
Senior tranches	42,330,320	3,979,173	44,877,310	2,814,367	27,134,048	1,671,663	65,208,768	2026	2.75%	
VAT credit	-	-	-	-	-	-	821,612	1,000,000	2021	-
Formalisation expenses	(1,163,898)	(65,071)	(1,128,969)	(134,305)	(1,169,479)	(134,305)	-	-	-	
Loans Greenalia Power Development, S.L.U.										
Santander	40,200,000	-	40,200,000	-	-	-	40,000,000	2024	4.80%	
Formalisation expenses	(344,385)	(408,289)	-	-	-	-	-	-	-	
Non-vest accrued interest	2,429,442	-	458,667	-	-	-	-	-	-	
Loans - Other										
Alcanva	-	-	-	-	28,954	266,000	2023	2.27%	-	
Banisa	-	-	77,380	70,252	147,683	68,948	345,300	2025	2.20%	
Banque	5,802	71,588	377,461	72,549	396,878	54,522	460,000	2025	1.96%	
Bankinter	235,903	112,844	348,851	110,832	968,220	968,220	2025	2.25%	-	
Bankinter	144,810	58,491	388,816	41,962	307,641	42,359	360,000	2024	2.37%	
Bankinter	-	-	203,954	58,062	-	-	300,000	2021	2.30%	
La Caixa	-	-	-	-	-	-	150,000	2024	2.67%	
La Caixa	34,052	57,031	81,084	55,375	148,409	53,768	281,000	2028	2.65%	
Libbank	63,132	20,644	83,816	20,210	104,025	18,746	125,400	2028	2.97%	
Libbank	-	-	268,698	41,302	258,698	41,302	300,000	2028	3.25%	
Libbank	-	-	12,686	12,686	25,292	11,803	76,171	2023	4.00%	
Sabadell	-	29,139	29,064	30,883	59,947	30,648	150,000	2025	2.75%	
Cap. Europeo	-	-	182,979	81,224	275,174	79,308	460,000	2024	2.75%	
Triciclo	-	-	107,210	49,897	157,106	48,910	250,000	2025	2.00%	
Triciclo	-	-	461,243	63,138	495,243	46,737	600,000	2025	2.80%	
Triciclo	-	-	58,066	9,137	58,989	15,570	80,000	2025	2.80%	
Santander	-	-	327,699	72,301	327,699	72,301	600,000	2025	2.98%	
Santander	-	-	446,318	199,144	645,464	199,431	900,000	2025	1.96%	
Santander	394,297	97,643	617,339	62,641	679,980	83,262	700,000	2027	2.95%	
BBVA	-	-	564,197	173,155	677,262	173,155	819,864	2027	1.98%	
Plazur	-	-	72,212	13,718	86,061	13,368	130,525	2021	2.63%	
Plazur	-	-	-	-	65,761	318,712	-	2021	2.63%	
Non-vest accrued interest	-	-	78,826	-	20,052	-	-	2022-2025	-	
Credit facilities	-	-	460,484	-	5,669,726	-	5,347,571	5,822,368	2023-2025	-
Discount Lines / Confirming / Factoring	-	-	23,923	-	5,337,469	-	5,284,278	6,000,000	2023-2025	-
Bank credit	82,582,536	83,193,581	87,748,825	96,107,191	109,808,363	18,990,284	224,445,190	-	-	

(i) Senior Debt – Greenalia Biomass Power Curtis Teixeira, S.L.U.

On 25 July 2018 Greenalia, S.A., through its subsidiary Greenalia Biomass Power Curtis Teixeira, S.L.U., arranged a loan of Euros 125 million to finance the production of electricity using biomass in the municipality of Curtis-Teixeiro (A Coruña, Galicia). This loan was formalized structured through a Project Finance amounting to EUR 102 million (Project Finance) and a Mezzanine Tranche amounting to EUR 23 million to finance the start-up of an electricity generation plant from biomass that is being built in the town of La Coruña, which will have a capacity of approximately 50 MW.

The transaction, in which Banco Santander acts as an agent and coordinator, is participated by the BEI, ICO and Banco Santander in the Senior Tranche of the Debt Project, and the Marguerite II Fund in the Mezzanine Tranche. In addition, the project is guaranteed by the Finnish ECA, Finnvera Plc. for 95% of the ECA Tranche.

The interest rate at which these debts are referenced is as follows:

- EIB tranche: variable interest rate linked to EURIBOR plus a margin of 2.650%.
- Commercial tranche: fixed rate of 2.50%.
- ECA tranche: fixed rate of 0.90%.

The financial expense accrued in financial year 2022 corresponding to the Senior debt amounted to EUR 2,477,638 (EUR 2,363,350 financial expense in financial year 2021).

The Senior Debt loan agreement is subject to compliance with the ratios applicable to Greenalia Biomass Power Curtis Teixeira, S.L.U. on 31 December 2020:

- Debt Service Coverage Ratio equal to or greater than 1.05.
- Leverage ratio equal to or less than 75%.

Failure to comply with the ratios described above would result in the early termination of the contract. At 31 December 2022 and 2021 the subsidiary is not in breach of any of them.

At 31 December 2021 the senior debt was classified as short-term in its entirety due to the change of operator of the biomass plant, the prior approval of which, according to the financing contract, was required by the financial institutions and is an early maturity clause. This approval was not obtained at 31 December 2021 and therefore the entire debt was classified as short-term. This situation is being maintained during the 2022 financial year; therefore, at year-end the senior debt related to the financing of the Greenalia Biomass Power Curtis Teixeira, S.L.U. plant remains at short term.

(ii) Senior Debt – Greenalia Wind Power Eolo Senior Moc, S.L.U.

On 30 July 2019, Greenalia, S.A., through its subsidiaries Greenalia Wind Power Eolo S.L.U. and Greenalia Wind Power Eolo Senior S.L.U., obtained loans of EUR 84 million to finance five wind farms with a generation capacity of 74.22 MW. The wind farms are included in the Eolo I project that the Group is developing in Galicia.

The operation has been structured through the project finance modality with a Senior Tranche and a Junior Tranche (Mezzanine). Banco Sabadell acts as agent and coordinator in the Senior Tranche, which has a value of 61 million euros. The Subordinated / Mezzanine Tranche has been signed for an amount of EUR 22 million.

In addition, as part of the financing structure, Greenalia has entered into a bilateral loan with EPCista (Elecron S.A.), which will be involved in the Eolo project beyond the actual execution of the works. This loan bears interest at a fixed rate of 2.75%. The financial expense accrued in the financial year 2022 corresponding to the senior debt, excluding the VAT credit, amounted to EUR 1,455,214 (financial expense of EUR 1,192,586 in the financial year 2021, of which EUR 127,947 was recognised in "Property, plant and equipment").

(iii) Loan - Greenalia Power Development, S.L.U.

On 6 October 2021, the subsidiary Greenalia Power Development, S.L.U. entered into a loan agreement with Banco Santander, S.A. amounting to EUR 40 million, which was granted exclusively to refinance the debt granted by Mast Investment and to continue financing the development costs of the project. This loan bears interest at a fixed rate of 4.80%. The maturity date of the loan was 6 October 2023 with the possibility of renewal subject to certain conditions. In 2022, the maturity has been extended to 6 October 2024. The financial expense accrued in 2022 amounts to EUR 2,381,456, of which EUR 1,970,775 has been recognised in "Property, plant and equipment - Assets under construction and advances" in the accompanying consolidated statement of financial position (EUR 526,715 in 2021, of which EUR 458,667 has been capitalised).

(iv) Other loans

In 2021 the Group contracted a loan with Bankinter for a sum of EUR 350,000 with the guarantee of the Official Credit Institute (ICO) maturing in 2026, at a fixed rate of 2.30%.

In financial year 2020 the Group obtained eight loans totalling EUR 3,548,220 with the guarantee of the Official Credit Institute (ICO), all maturing in financial year 2025, thanks to the measures approved by the Spanish Government to alleviate the effects of the COVID-19 pandemic on companies, contracted at a fixed rate ranging from 1.75% to 3.25%.

The breakdown of annual maturities of long-term loans and credits with credit institutions (excluding debt arrangement costs) is as follows:

31/12/2022		31/12/2021	
Year 2023	83.193.051	Year 2022	99.107.191
Year 2024	45.106.813	Year 2023	5.205.394
Year 2025	2.930.999	Year 2024	44.317.183
Year 2026	3.005.124	Year 2025	4.766.436
Year 2027 and following	31.509.620	Year 2026 and following	33.459.812
	165.745.607		186.856.016

The Management considers that the Group will be capable of fulfilling all the contractual obligations arising from the loans in a timely manner in the future.

With regard to credit and discount policies, the Group has the following:

(Euros)	Drawn down	Limit	Available
2022 Financial Year			
Credit facilities	460.454	475.000	14.546
Discount facilities / Confirming	-	-	-
	460.454	475.000	14.546
2021 Financial Year			
Credit facilities	5.466.726	5.822.368	355.642
Discount facilities / Confirming	5.337.469	6.000.000	662.531
	10.804.195	11.822.368	1.018.173
1 January 2021			
Credit facilities	5.347.571	5.461.842	114.271
Discount facilities / Confirming	5.284.378	5.100.000	(184.378)
	10.631.949	10.561.842	(70.107)

Credit and discount facilities earn interest at a floating rate tied to Euribor plus a market spread.

As a consequence of the reclassification of the forestry and logistics business to held for sale (see Note 8), at year-end 2022, bank borrowings under credit facilities and discounting/confirming facilities have been significantly reduced.

19.2 Financial liabilities at amortised cost - Bonds and other marketable securities

This heading includes the bonds that the Parent Company has issued as debt and which are listed on the stock exchange:

(Euros)	Long-term	Short-term	Financial expense
2022 Financial Year			
Bond III	-	-	(11.000)
Bond IV	55.000.000	-	(2.722.500)
Green Structured Notes	-	49.300.000	(512.047)
Bond IV formalisation costs	(708.508)	-	(223.635)
Green Notes formalisation costs	-	(13.750)	(172.583)
Non-paid accrued interest	-	122.884	-
Total	54.291.492	49.409.134	(3.641.765)

(Euros)	Long-term	Short-term	Financial expense
2021 Financial Year			
Bond I	-	-	(4.688)
Bond III	-	2.400.000	(132.000)
Bond IV	55.000.000	-	(2.722.500)
Bond I formalisation costs	-	-	(5.015)
Bond III formalisation costs	-	(8.486)	(89.855)
Bond IV formalisation costs	(923.657)	-	(215.149)
Non-paid accrued interest	-	247.175	-
Total	54.076.343	2.638.689	(3.169.207)

(Euros)	Long-term	Short-term	Financial expense
1 January 2021			
Bond I	-	100.000	(537.398)
Bond III	-	-	(357.441)
Bond III	2.400.000	-	(451.146)
Bond IV	55.000.000	-	(111.884)
Bond I formalisation costs	-	(5.015)	(113.245)
Bond III formalisation costs	-	-	(162.609)
Bond III formalisation costs	(37.414)	(60.927)	(33.015)
Bond IV formalisation costs	(1.046.140)	-	-
Non-paid accrued interest	-	243.884	-
Total	56.316.446	277.942	(1.766.738)

On 10 December 2021, the parent company Greenalia S.A. recorded in the MARF (Spanish Alternative Fixed Income Market) a Green Note Programme for a maximum nominal outstanding balance of 100 million euros, with a term of one year from the date of publication. The interest rate is fixed for each issue, with an average interest rate of 1.97%.

On 1 February 2022 the first drawdown of the programme took place and as at 31 January 2022 a total of 10 drawdowns had taken place, bringing the total drawn down to EUR 139,100 thousand. At 31 December 2022 there were outstanding issues of EUR 49,300 thousand.

The issue does not have any collateral or personal guarantees from third parties. Accordingly, the principal and interest on the securities will be secured by the issuer's total equity.

The breakdown of the drawdowns made during the financial year 2022 is shown below:

	Par value	Type of interest	Issue date	Maturity date
1 st issue	9.000.000	0,95%	31/01/2022	29/07/2022
	11.000.000	0,75%	31/01/2022	29/04/2022
2 nd issue	6.900.000	0,65%	28/02/2022	30/05/2022
	2.200.000	0,85%	28/02/2022	29/09/2022
	300.000	1,15%	28/02/2022	27/02/2023
3 rd issue	8.300.000	0,65%	29/04/2022	30/06/2022
	6.700.000	1,10%	29/04/2022	31/10/2022
	4.100.000	0,75%	29/04/2022	29/07/2022
4 th issue	4.400.000	1,20%	30/05/2022	30/11/2022
	5.700.000	0,90%	30/05/2022	29/09/2022
5 th issue	5.700.000	1,05%	30/06/2022	29/09/2022
	600.000	1,60%	30/06/2022	28/12/2022
6 th issue	6.600.000	1,45%	29/07/2022	31/10/2022
	3.500.000	1,65%	29/07/2022	30/11/2022
	1.400.000	2,00%	29/07/2022	30/01/2023
7 th issue	12.200.000	2,32%	29/09/2022	28/12/2022
	1.200.000	3,05%	29/09/2022	29/03/2023
8 th issue	1.800.000	3,40%	31/10/2022	28/04/2023
	2.900.000	2,46%	31/10/2022	28/12/2022
	7.400.000	2,70%	31/10/2022	30/01/2023
9 th issue	5.000.000	2,88%	30/11/2022	27/01/2023
	15.000.000	3,05%	30/11/2022	27/02/2023
	1.800.000	3,65%	30/11/2022	31/05/2023
10 th issue	9.500.000	3,20%	28/12/2022	27/02/2023
	3.000.000	4,00%	28/12/2022	28/04/2023
	2.900.000	3,85%	28/12/2022	29/03/2023
	139.100.000			

On 15 December 2020 the Parent Company issued a senior bond in the amount of EUR 55 million which was fully subscribed and paid up on the Spanish Alternative Fixed Income Market (MARF). This bond matures in 2025 and bears a fixed annual interest rate of 4.95%. The funds obtained was used for the following purposes:

- i. Substitution of the Bonds in MTF Lux for an aggregate amount of up to EUR 15 million to finance the biomass plant.
- ii. Substitution of the Mast Investment loan in the amount of 18 million euros for the financing of the first wind farms developed and photovoltaic licences.
- iii. Eligible Green Project Finance in accordance with the Green Bond Principles (the "GBP") published by the International Capital Markets Association (ICMA).

Accordingly, in 2020, the Parent Company cancelled bonds I, II and partially cancelled bond III, as well as the amortised costs linked to these bonds.

This bond had the following particular conditions, among others:

- i. Issuer's obligations:
 - a) Half-yearly reporting obligations consisting of the publication of the limited review of the Group's half-yearly financial statements and the unaudited Adjusted Debt Ratio for that half-year.
 - b) Annual reporting obligations consisting of the publication of the audited consolidated annual accounts and the audited Adjusted Debt Ratio for that year.
 - c) Pari passu ranking, which means that the rights of the Bondholders towards the Issuer shall have at least the same pari passu ranking, preferences or privileges as the rights of the other unsubordinated creditors not guaranteed by the Issuer.
 - d) Indebtedness limit: the Issuer undertakes not to increase its indebtedness when at Group level the Net Financial Debt with recourse/adjusted EBITDA ratio exceeds the following limits:

	2021	2022	2023	2024	2025
Ratio ≤	5x	5x	4.5x	4x	3.5x

In addition, the Issuer undertakes not to increase its indebtedness when RCSD is below 1.5x times during the 5-year term of the bond.

- e) Limitations on structural modifications: The Issuer undertakes not to sell assets and/or subsidiaries, provided that the proceeds are not used to repay debt or reinvest in new projects.
- f) Limitation on dividend distribution: Maximum pay-out of 25% provided that the Adjusted Recourse DFNEBITDA Ratio is below 4 times and provided that 100% of the coupon has been covered in the Guarantee Account for the current financial year.
- g) Early issue maturity in the event of a change of control of the company and/or sale of the business.

ii. Guarantees:

The Issue shall have the following guarantees to be granted by Smarttia, S.L.U. (the "Issue Guarantees"):

- a) Pledge over 20% of the shares of Greenalia, S.A.
- b) Pledge on the Guarantee Account to guarantee the annual coupon, in which the flows generated by the company's activity are deposited up to the amount of 100% of the annual coupon, to cover at least the coupon coverage ratio for one financial year.

In addition, in 2021 financial year a bond totalling EUR 2,400 thousand (Bond III) is recorded under this heading. This bond was initially issued on 31 January 2019 for 6,000 thousand euros, matures in 2022 and accrued interest at a fixed annual rate of 5.50%. This bond was partially cancelled in the financial year 2020 with the remaining amount cancelled during the financial year 2022.

19.3 Financial liabilities at amortised cost - Others

The breakdown of financial liabilities classified in this category is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Long-term			
Amounts payable to Group companies and associates	8.426.422	2.458.963	1.187.273
Other financial liabilities	36.930.099	26.369.275	90.194.550
Other non-current liabilities	-	10.715.673	-
Lease liabilities (Note 10)	9.318.340	8.996.784	9.094.884
	54.674.861	48.540.695	100.476.707
Short-term			
Amounts payable to Group companies and associates	5.708.401	4.342.841	474.043
Other financial liabilities	43.483.498	39.826.324	5.726.846
Trade creditors and other accounts payable (Note 21)	21.963.958	15.533.656	6.917.424
Lease liabilities (Note 10)	2.124.589	1.940.617	1.666.202
	73.280.446	61.643.438	14.784.515
	127.955.307	110.184.133	115.261.222

(i) Long-term and short-term payables to Group and associated companies

At 31 December 2022 the heading "Long-term debt with Group companies" includes the outstanding balance of a loan granted by the shareholders, Smarttia, S.L.U. and Alazady España, S.L., to Greenalia S.A. on 16 November 2022. Such loan was granted for an amount of EUR 6.31 thousand by Smarttia and EUR 537 thousand by Alazady to partially cancel the repayment to be made to the shareholders who accepted the takeover bid (Note 1). The maturity date is 11 January 2024 and bears interest at 3-month Euribor plus 6.5% payable on a quarterly basis.

It also includes the balance resulting from the VAT settlements payable to Smarttia, S.L.U. in relation to the tax Group headed by this company.

At 31 December 2022 the heading "Short-term payables to Group companies" corresponds to the balance resulting from the corporate income tax payable to Smarttia, S.L.U. in relation to the tax Group headed by this company, as well as the current accounts of the Group companies with this entity for corporate income tax payable in relation to the aforementioned tax Group.

(ii) Other long and short-term financial liabilities

The breakdown of "Other long and short-term financial liabilities" is as follows:

Financial	31/12/2022		31/12/2021		Amount granted	Maturity date	Type of interest
	Long-term	Short-term	Long-term	Short-term			
Mezzanine debt (Greenalia Biomass Power Curtis Teixeira, S.L.U.)							
Mezzanine debt	21.844.879	-	22.288.100	22.879.196	420.804	23.000.000	2.035
Formalisation expenses	-	(160.254)	-	(178.554)	(178.554)	-	2.035
Interest capitalised	-	13.781.472	-	10.079.883	6.875.905	-	2.035
Mezzanine debt (Greenalia Wind Power Eolo Moc, S.L.U.)							
Mezzanine debt	-	-	-	22.003.000	-	22.000.000	2.022
Formalisation expenses	-	-	-	-	-	-	2.022
Non-paid account interest	-	-	-	4.588.714	-	-	2.022
Debt (Greenalia Power Spain, S.L.U.)							
Debt	-	-	-	30.268.426	-	28.000.000	2.022
Formalisation expenses	-	-	-	(840.129)	-	-	2.022
Debt (Greenalia Wind Power Eolo Moc, S.L.U.)							
Debt	-	-	-	3.164.000	-	3.164.000	2.022
Formalisation expenses	-	-	-	-	-	-	2.022
Non-paid account interest	-	-	-	(5.187)	-	-	-
Debt (Greenalia Wind Power Eolo Moc, S.L.U.)							
Debt	21.000.000	-	21.000.000	-	-	21.000.000	2.026
Formalisation expenses	(241.800)	(80.302)	(294.441)	(80.302)	-	-	-
Non-paid account interest	-	-	-	410.794	-	-	-
Debt (Greenalia Wind Power, S.L.U.)							
Debt	-	-	-	-	-	4.000.000	2.023
Formalisation expenses	-	-	-	-	-	-	-
Impact Bridge	3.000.000	-	2.750.000	-	-	-	-
Other payables							
Debt	-	1.955.750	-	1.955.750	-	2.000.000	2.023
Debt	-	14.496	9.908	25.160	9.891	651.604	2023-2024
Debt	-	-	-	-	18.288	181.468	2.021
Compulsions	-	-	-	-	-	-	0,54
Guarantee Institute for Economic Promotion	-	-	-	17.378	1.138.008	2.021	2,20
(Spain)	-	-	-	-	-	-	-
(Guinea)	-	100.833	403.333	504.167	403.333	1.070.000	2.023
October	-	28.360	251.106	153.252	878.096	800.000	2.020
Other payables	-	-	-	-	-	1.566.548	2.024
Myriapod	-	-	1.127	7.127	84.870	250.000	2.022
Equity	-	48.157	(8.748)	-	34.12.882	-	-
Manufacturing (Rambus)	-	186.171	99.098	297.297	99.098	2.303.200	2024-2028
Trafficance	-	-	-	-	83.342	1.200.000	2.021
Sepes mortgage loan	3.113.852	304.917	3.381.723	397.850	-	3.978.000	2.031
Items pending application	-	(3.910)	-	(95.115)	-	-	-
USA Project acquisition debt	14.028.107	-	-	-	7.711	-	-
Total	36.920.799	41.144.138	36.369.270	59.826.324	90.194.550	5.729.846	118.283.834

a) Deuda Mezzanine - Greenalia Biomass Power Curtis Teixeira, S.L.U.

On 25 July 2018, within the framework of the financing of the Curtis Teixeira (A Coruña) biomass plant formalised by the subsidiary Greenalia Biomass Power Curtis Teixeira, S.L.U., a loan of EUR 23 million was taken out, which bears a fixed interest rate of 11.00%. The financial expense accrued in the financial year 2022 corresponding to the Mezzanine debt amounted to EUR 3,683,058 (EUR 3,417,060 in the financial year 2021).

This debt shall be subject to compliance with the same ratios as the senior debt and which applicable from 31 December 2020).

At 31 December 2022 and 2021 the Mezzanine debt is classified as short-term in its entirety as a result of the change of operator of the biomass plant, whose prior approval, according to the financing contract, was required from the financial institutions, being an early maturity clause. Such approval had not been obtained at 31 December 2021, and therefore the entire debt was classified as short-term at that date, a situation that continues at 31 December 2022.

b) Mezzanine Debt - Greenalia Wind Power Eolo Senior Moc, S.L.U.

On 30 July 2021, a loan agreement was signed with a fund managed by Acofi Gestión, S.A. for an amount of EUR 21 million, granted exclusively to partially refinance the debt granted by Ben Oldman (Mezzanine). This loan bears interest at a fixed rate of 6.00%. The maturity date of this loan is 30 July 2026. The financial expense accrued in financial year 2022 amounted to EUR 1,307,754 (EUR 437,562 in financial year 2021).

This debt, which at 1 January 2021 amounted to EUR 22 million, was repaid during the year by repaying it mainly with financing obtained from a fund managed by Acofi Gestión, S.A.

The interest rate on this debt was fixed at 12.50%. The financial expense accrued in 2021 corresponding to the Mezzanine debt amounted to EUR 2,392,875, of which EUR 1,216,491 was recognised in "Property, plant and equipment - Assets under construction and advances" in the consolidated statement of financial position and relates to accrued interest on the wind farms under construction.

c) Debt - Greenalia Power Spain, S.L.U.

At 31 December 2020 this also included a loan with Mast Investment, S.A.R.L. which was repaid with the funds obtained during the financial year 2021. The interest expense accrued in the financial year 2021 amounted to EUR 3,735,925, of which EUR 723,948.97 was paid (CASH interest) and the remainder was capitalised (PIK interest), of which EUR 2,895,796 was capitalised under the heading "Property, plant and equipment - Assets under construction and advances" in the accompanying consolidated balance sheet (

d) Debt - Greenalia Wind Power, S.L.U.

On 9 September 2021, the subsidiary Greenalia Wind Power, S.L.U. signed a loan agreement with a fund (IB ImpactDebt Fund) for a maximum amount of 4,000,000 euros, granted exclusively to partially refinance the debt granted by Ben Oldman (Mezzanine). This loan bears interest at a fixed rate of 9.00%. The maturity date of this loan is 9 September 2023. The financial expense accrued in financial year 2022 amounted to EUR 263,182 (EUR 70,841 in financial year 2021), all of which has been recognised in full under "Property, plant and equipment - Assets under construction and advances" in the accompanying consolidated statement of financial position (EUR 65,625 capitalised in financial year 2021).

On 1 August 2019, the subsidiary Greenalia Wind Power, S.L.U. signed a loan agreement with Elecnor, S.A. for EUR 3,164,000, comprising EUR 2,164,000 granted exclusively to complete the financing necessary for the execution of the Ouroi and Miñón projects included in the Eolo I project, and EUR 1,000,000 to complete the financing necessary for the execution of the Alto da Croa I and Alto da Croa II projects, also included in the Eolo I project. This loan bore interest at a fixed rate of 7.00%. The maturity date of the loan was 2 August 2022.

The financial expense accrued in financial year 2022 amounted to EUR 138,432 (EUR 197,768 in financial year 2021), all of which has been recognised in full under "Property, plant and equipment - Assets under construction and advances" in the accompanying consolidated statement of financial position (EUR 60,218 capitalised in financial year 2021).

e) Other payables

The main debts included under this heading are as follows:

On 24 May 2021, the subsidiary Greenalia Biomass Power Curtis Teixeira II, S.L.U. arranged a mortgage loan with Sepes Public Business Land Entity (Sepes) amounting to 3,978,000 euros for the acquisition of eleven plots of land located in the town of Curtis-Teixeiro (A Coruña). This loan bears interest at a fixed rate of 6.00%. The maturity date of this loan will be in 2031. The financial expense accrued in the financial year 2022 amounted to EUR 167,558

On 15 September 2022 the subsidiary Greenalia Biomass Power Curtis Teixeira II, S.L.U. arranged a mortgage loan of EUR 799,500 with Sepes Public Business Land Entity (Sepes) for the acquisition of a plot of land located in the town of Curtis-Teixeiro (A Coruña). This loan bears interest at a fixed rate of 3.40%. The maturity date of this loan will be in 2032.

In 2022, the Company entered into an agreement to acquire 100% of the shares of Greenalia Wind Power Blue Hills, Llc located in the USA. This acquisition, which was recorded as a purchase of assets (see Note 9), included certain deferred payments of Euros 2.8 million in the long term and EUR 2.3 million in the short term.

In addition, this heading includes the contingent payments corresponding to the acquisition of 100% of the shares of Excel Advantage Service, LLC for a long-term amount of EUR 11.2 million and a short-term amount of EUR 2.8 million.

The breakdown of the annual maturities of long-term "Other financial liabilities" (excluding debt arrangement fees) is as follows:

	31/12/2022		31/12/2021
Year 2023	43.483.498	Year 2022	39.826.324
Year 2024	346.159	Year 2023	2.617.604
Year 2025	350.061	Year 2024	525.472
Year 2026	20.354.201	Year 2025	422.720
Year 2027 and following	15.879.678	Year 2026 and following	22.803.479
	80.413.597		66.195.599

(iii) Other non-current liabilities

At 31 December 2021, the effect of the lower income from the adjustment for deviations to market price (VAJDM) based on Royal Decree 413/2014 for the year 2021 is included under liabilities in the amount of EUR 10,716 thousand respectively.

At 31 December 2022, due to the accounting treatment explained in Note 5.18 of the VAJDM, the Group has no other non-current liabilities recorded for this concept as it has been confirmed that at the end of the half year its assets subject to this adjustment have a NAV equal to zero.

19.4 Financial liabilities at fair value through profit or loss - Hedging derivatives

This heading basically includes derivative hedging instruments on loans whose fair value at 31 December 2021 and 1 January 2021 amounted to EUR 5,108,516 thousand and EUR 9,911,168 thousand, respectively.

These derivatives have asset positions at 31 December 2022 (Note 12.3).

19.5 Classification by maturity

The classification by maturity of the financial liabilities in the Group's consolidated annual accounts of the amounts falling due in each of the following years at year-end and until their final maturity is detailed in the following table:

(Euros)	2023	2024	2025	2026	2027	2028 and following	Total
2022 Financial Year							
Loans and credits from credit institutions	83.180.051	45.106.813	2.930.999	3.005.124	2.955.469	28.514.151	165.745.607
Debt obligations and other marketable securities	49.439.134	-	56.291.482	-	-	-	105.730.616
Other	73.230.448	23.491.211	680.323	20.442.803	688.855	9.371.968	127.865.307
Total	205.849.631	68.598.024	57.902.814	23.447.727	3.644.324	37.886.019	397.401.540
(Euros)	2022	2023	2024	2025	2026	2027 and following	Total
2021 Financial Year							
Loans and credits from credit institutions	95.107.191	5.205.394	44.317.163	4.798.436	4.262.790	29.197.024	186.696.018
Debt obligations and other marketable securities	2.539.889	-	-	54.076.343	-	-	56.715.032
Derivative instruments	1.377.924	1.319.466	954.787	845.295	571.234	-	5.108.516
Other	61.643.438	23.734.862	6.339.842	4.186.934	6.613.096	6.219.548	110.739.718
Total	164.767.252	30.259.722	51.612	63.876.808	11.447.119	35.416.572	358.419.282

19.6 Write-off of financial liabilities

No financial liabilities have been offset for disclosure purposes with other assets of the Group.

20. TRADE AND OTHER PAYABLES AND OTHER LIABILITIES

The breakdown of trade and other payables and other liabilities is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Suppliers	313.248	2.933.500	3.460.511
Group company suppliers	24.200	-	5.235
Sundry accounts payable	21.626.510	12.600.156	3.451.678
Personnel	11.540	2.197	861
Other debts with Government Agencies (Note 24)	284.021	349.919	242.383
Customer advances	-	1.084.980	3.108
Total	22.259.519	16.970.752	7.163.776

20.1 Sundry accounts payable

At 31 December 2022, "Sundry creditors" consists mainly of creditors for services rendered amounting to EUR 5,776 thousand, as well as a liability associated with work certificates for assets in operation amounting to EUR 3,632 thousand and EUR 9,508 thousand to be returned to the CNMC as remuneration for the operation.

20.2 Customer advances

The amount recorded in the heading "Advances from customers" at 31 December 2021 corresponded mainly to advances received by the subsidiary Greenalia Forest, S.L. from customers in the timber business. This amount has been reclassified at 31 December 2022 to held for sale (Note 8).

21. FINANCIAL INSTRUMENTS AND FAIR VALUE

The carrying amount, fair value, fair value hierarchy and valuation techniques applied to determine the fair value of financial assets and liabilities are as follows:

(Euros)	Carrying value	Fair value	Hierarch level
2022 Financial Year			
Financial assets measured at fair value through profit or loss			
Investment fund	1.153.084	1.153.084	Level 1
Biomasa Forestal, S.L.	-	-	Level 3
Other	204.800	204.800	Level 3
Derivative financial instruments	11.696.944	11.696.944	Level 2
Financial assets measured at amortised cost			
Loans to third parties	95.087	95.087	Level 3
Other financial assets	3.340.671	3.340.671	Level 3
Loans to Group companies	355.718	355.718	Level 3
Trade receivables for sales and services	8.629.235	8.629.235	Level 3
Personnel	-	-	Level 3
Other financial assets	540.414	540.414	Level 3
Loans to Group companies	4.443.986	4.443.986	Level 3
Financial liabilities at amortised cost			
Debt with financial institutions	165.745.607	165.745.607	Level 3
Debt obligations and other marketable securities	103.700.626	103.700.626	Level 3
Amounts payable to Group companies and associates	14.134.823	14.134.823	Level 3
Other financial liabilities	80.413.597	80.413.597	Level 3
Other non-current liabilities	-	-	Level 3
Lease liabilities (Note 10)	11.442.929	11.442.929	Level 3
Trade creditors and other accounts payable (Note 20)	21.963.958	21.963.958	Level 3

(Euros)	Carrying value	Fair value	Hierarch level
2021 Financial Year			
Financial assets measured at fair value through profit or loss			
Investment fund	431.000	431.000	Level 1
Biomasa Forestal, S.L.	427.374	427.374	Level 3
Financial assets measured at amortised cost			
Loans to third parties	20.637	20.637	Level 3
Other financial assets	88.666	88.666	Level 3
Loans to Group companies	524.606	524.606	Level 3
Trade receivables for sales and services	18.169.446	18.169.446	Level 3
Personnel	35.000	35.000	Level 3
Other financial assets	436.909	436.909	Level 3
Loans to Group companies	-	-	Level 3
Financial liabilities at amortised cost			
Derivative financial instruments	5.108.516	5.108.516	Level 2
Financial liabilities at amortised cost			
Debt with financial institutions	186.856.016	186.856.016	Level 3
Debt obligations and other marketable securities	56.715.032	56.715.032	Level 3
Amounts payable to Group companies and associates	6.801.804	6.801.804	Level 3
Other financial liabilities	66.195.599	66.195.599	Level 3
Other non-current liabilities	10.715.673	10.715.673	Level 3
Lease liabilities (Note 10)	10.937.401	10.937.401	Level 3

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(Euros)	Carrying value	Fair value	Hierarch level
1 January 2021			
Financial assets measured at fair value through profit or loss			
Biomasa Forestal, S.L.	852.397	852.397	Level 3
Financial assets measured at amortised cost			
Loans to third parties	13.152	13.152	Level 3
Other financial assets	18.752	18.752	Level 3
Loans to Group companies	919.717	919.717	Level 3
Trade receivables for sales and services	8.862.876	8.862.876	Level 3
Personnel	35.000	35.000	Level 3
Other financial assets	210.167	210.167	Level 3
Loans to Group companies	500.728	500.728	Level 3
Financial liabilities at amortised cost			
Derivative financial instruments	9.911.168	9.911.168	Level 2
Financial liabilities at amortised cost			
Debt with financial institutions	128.790.347	128.790.347	Level 3
Debt obligations and other marketable securities	56.594.388	56.594.388	Level 3
Amounts payable to Group companies and associates	1.661.316	1.661.316	Level 3
Other financial liabilities	95.921.396	95.921.396	Level 3
Other non-current liabilities	-	-	Level 3
Lease liabilities (Note 10)	10.761.086	10.761.086	Level 3
Trade creditors and other accounts payable (Note 20)	6.917.424	6.917.424	Level 3

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22. RISK POLICY AND RISK MANAGEMENT

The Group's activities are exposed to various financial risks: credit risk, market risk and liquidity risk. The Group's global risk management programme focuses on the uncertainty of the financial markets and aims to minimise the potential adverse effects on its financial returns.

Risk management is controlled by the Group's Central Treasury Department in accordance with policies approved by management. This Department identifies, assesses and hedges financial risks in close cooperation with the Group's operating units. The management provides written policies for overall risk management as well as for specific matters such as foreign exchange risk, interest rate risk, liquidity risk, use of derivatives and investment of surplus liquidity.

22.1 Credit Risk

Credit risk arises from the potential loss caused by the failure of Group companies' counterparties to meet their contractual obligations, i.e. the possibility of not recovering the financial assets for the amount recognised and within the time limit set.

Group companies regularly analyse the level of risk to which they are exposed by reviewing all outstanding receivables from customers, debtors and all other non-trade receivables. Based on this information, it considers that it does not represent this type of risk, as there are no cases of default and no cases of default have been detected.

The maximum exposure to credit risk is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Long-term loans to Group companies	355.718	524.606	919.717
Equity instruments measured at fair value through profit or loss	1.357.864	858.374	852.397
Loans to third parties	95.087	20.637	13.152
Other financial assets	3.340.671	88.666	18.752
Derivative financial instruments	9.530.065	-	-
Trade and other accounts receivable	8.727.899	19.315.181	10.007.783
Equity instruments measured at fair value through profit or loss	427.374	-	-
Other financial assets	540.414	436.909	210.167
Derivative financial instruments	2.166.879	-	-
Other current assets	978.003	606.114	255.573
Short-term loans to Group companies	4.443.986	-	500.728
Cash and other cash equivalents	50.783.250	72.176.829	41.653.375
	82.747.230	94.027.316	54.431.644

In general, Group companies hold their cash and cash equivalents with financial institutions with high credit ratings.

The main sales and customer focus is with the Spanish electricity system regulator (OMIE).

22.2 Market risk

Market risk arises from the potential loss caused by changes in the fair value or future cash flows of financial instruments due to changes in market prices. Market risk includes interest rate, foreign exchange and regulatory risk.

(i) Interest rate risk

Interest rate risk arises from the potential loss caused by changes in the fair value or future cash flows of financial instruments due to changes in market interest rates. The exposure to interest rate risk is mainly due to loans and credits received at variable interest rates.

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The Group manages interest rate risk by distributing the financing received at fixed and variable rates. In addition, the Group has contracted derivatives associated with senior debt to hedge as far as possible against interest rate fluctuations.

A significant part of the financing received by the Group, including listed bonds and other debts with third parties, is referenced to fixed interest rates. Variable interest rate financing is referenced to Euribor plus a spread, although this is mainly limited to debts with credit institutions.

Interest rate risk sensitivity analysis

In order to analyse the effect of a possible change in interest rates on the Group's accounts, a simulation has been carried out assuming an increase and decrease in interest rates at 31 December 2022 of 50 basis points on variable rate debt.

This sensitivity analysis to upward or downward variations of 0.50% in the levels of variable rates causes a sensitivity in the consolidated income statement of the Greenalia Group derived from the increase or decrease in the financial result from interest payments of EUR 142 thousand at 31 December 2022 (EUR 154 thousand at 31 December 2021).

(ii) Exchange rate risk

Foreign exchange risk arises from the potential loss caused by changes in the fair value or future cash flows of financial instruments due to fluctuations in exchange rates.

The Group's financial management considers that there are no significant exchange rate risks as the Group conducts most of its operations in euros. During the past year the Group has started to operate in the United States, but balances in this currency do not represent a significant part of the Group's assets and liabilities at this date.

(iii) Regulatory and market risk

Despite the fact that the energy business is in its early stages, the electricity sector is extensively regulated. The Group in its energy segment must comply with various regulations under national law. The Group and its electricity production facilities are subject to strict rules on the construction and operation of the facilities (including rules relating to the acquisition, use of land and obtaining authorisations), based on Law 24/2013 of 26 December on the Electricity Sector, the Ministry of Industry may modify all the parameters of remuneration for renewables (except the value of the initial investment and the useful life) in accordance with "the cyclical situation of the economy, electricity demand and the appropriate profitability for these activities", as has been the case in the current financial year 2022.

Certain of the projects sell the energy produced to the pool or market, at a price fluctuating on an hourly basis. This sale to the market has a lower regulatory contingency because it is not subject to a specific order or parameter, although they may suffer fluctuations in the sale price.

Therefore, there is a risk of variation in the remuneration parameters of the plants based on variations in the interest rate of the ten-year government bond, as well as the regulatory parameters themselves, which may be adjusted by the Ministry of Industry, Energy and Tourism.

22.3 Liquidity risk

Liquidity risk arises from the possibility that the Group may not have access to or availability of liquid funds in sufficient quantity and at the appropriate rate to meet its payment obligations at all times. The Group's objective is to maintain the necessary liquidity.

The Group exercises prudent management of liquidity risk based on the maintenance of sufficient cash and marketable securities, the availability of financing through a sufficient level of committed credit facilities and sufficient capacity to settle market positions.

As at 31 December 2022 and 2021, the liquidity available is as follows:

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(Euros)	Availability 2022	Availability 2021
Available credit lines (Note 19.1)	14.546	355.642
Cash and other equivalent cash assets (Note 15)	50.783.250	72.176.829
Total	50.783.250	72.176.829

The breakdown of maturities of existing financial liabilities as at 31 December 2022 and 2021 is shown in note 19.6.

As shown in the accompanying consolidated statement of financial position, at 31 December 2022 the Group has negative working capital of EUR 140,776 thousand (31 December 2021: EUR 68,125 thousand), as current liabilities exceed current assets; however, the directors have estimated cash flows that show that the Group will meet its existing commitments at year-end 2022 and those expected for 2023. The factors that have led to this working capital and its mitigating factors are detailed in Note 2.4.

23. OFFICIAL GRANTS

The breakdown of grants in the financial years 2022 and 2021 is as follows:

(Euros)	
Balance at 1 January 2021	349.412
Grants awarded during the year	-
Reimbursement of grants for non-compliance with conditions	-
Grants recognised in revenue	(121.097)
Entity deregistrations	-
Exchange differences	30.286
Balance at 31 January 2021	258.601
Grants awarded during the year	192.889
Reimbursement of grants for non-compliance with conditions	-
Grants recognised in revenue	(155.853)
Reclassification to discontinued operations	-
Exchange differences	29.359
Balance at 31 January 2022	324.996
(Euros)	
Balance at 1 January 2021	349.412
Grants awarded during the year	-
Reimbursement of grants for non-compliance with conditions	-
Grants recognised in revenue	(121.097)
Entity deregistrations	-
Exchange differences	30.287
Balance at 31 January 2021	258.602
Grants awarded during the year	192.889
Reimbursement of grants for non-compliance with conditions	-
Grants recognised in revenue	(155.853)
Reclassification to discontinued operations	-
Exchange differences	29.358
Balance at 31 January 2022	324.996

The breakdown of grants for the financial years 2022 and 2021 is as follows:

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Concessionary entity	31/12/2022	31/12/2021	Purpose	Date of award
The Regional Government of Galicia (Xunta de Galicia)	192.889	-	Procurement of two forestry forwarders	2022
The Regional Government of Galicia (Xunta de Galicia)	-	38.464	Acquisition of Sennebogen handling machine	2017
IGAPE	4.616	6.924	Logistics management system	2019
IGAPE	26.128	37.307	Industry 4.0	2019
The Regional Government of Galicia (Xunta de Galicia)	27.500	57.500	Acquisition of packaging machine	2018
The Regional Government of Galicia (Xunta de Galicia)	42.500	72.500	Acquisition of packaging machine (Xera)	2019
The Regional Government of Galicia (Xunta de Galicia)	25.495	36.126	Acquisition of Sennebogen timber grapples	2016
The Regional Government of Galicia (Xunta de Galicia)	5.868	9.780	Acquisition of pellet supply platform	2016
Total	324.996	258.601		

24. INCOME TAX

The breakdown of "Tax Receivables and Payables" is as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2021
Deferred tax assets	1.815.531	2.726.018	3.542.792
Current tax assets	25.131	25.131	139.436
Other credits with Public Administrations	98.664	389.969	316.009
VAT	80.577	208.528	98.091
Social Security	2.132,00	2.132	-
Tax withholdings and pre-payments	4.249,00	4.249	-
Grants awarded	2.685	166.038	204.648
Other receivables from tax authorities	9.021	9.022	13.270
	1.939.326	3.141.118	3.998.237
Deferred tax liabilities	4.043.434	840.972	690.966
Other accounts payable to Public Authorities	570.531	349.919	242.383
VAT	284.021	37.004	488
Personal income tax	-	192.483	128.298
Social Security	185.492	109.972	87.590
Other receivables from tax authorities	-	10.460	26.007
	4.613.965	1.190.891	933.349

As from 1 January 2019 and with the prior approval of the Board of Directors of Greenalia, S.A., it was agreed to approve the Company's application of the consolidated tax regime regulated in Chapter VI of the Consolidated Text of Law 27/2014, of 27 November, on Corporate Income Tax.

In this regard, it was resolved that Smarttia, S.L.U., which holds a direct stake of more than 70% in the share capital of Greenalia, S.A., should constitute, as the Parent Company, the aforementioned tax consolidation Group. Therefore, Greenalia, S.A. is integrated in the tax Group, and Smarttia, S.L.U. is the head of the tax Group formed by the Company and the remaining companies of the Group as subsidiaries.

In addition, with effect from 1 January 2019 and with the prior approval of the Board of Directors of Greenalia, S.A., it was agreed to approve the Company's application of the consolidated tax Group regime for Value Added Tax, regulated in articles 163 and following of Law 37/1992, of 28 December, on Value Added Tax. In this regard, it was agreed that the company Smarttia, S.L.U. will be the head of the tax Group formed by Greenalia, S.A. and its subsidiaries.

Tax contingencies and other

According to current legislation, tax returns cannot be considered final until they have been inspected by the tax authorities or the limitation period has passed, which is currently set at four years. In the opinion of the Group's directors and its tax advisors, there are no significant tax contingencies that could arise, in the event of inspection, from possible different interpretations of the tax legislation applicable to the transactions carried out by the Group.

24.1 Reconciliation of the accounting result with the tax result

The Parent Company is subject to corporate income tax on a consolidated basis with its certain investees and, as the Parent Company of the tax Group, is responsible for the settlement and filing of corporate income tax.

The reconciliation between the accounting profit before tax and the income tax expense as at 31 December 2022 and 2021 is shown below:

(Euros)	Income statement			Income and expenses recognised directly in equity		
	Increases	Reductions	Total	Increases	Reductions	Total
2022 Financial Year						
Income and expenses for the year						
Continuing operations	-	-	15.622.791	-	-	12.613.341
Discontinued operations	-	-	802.134	-	-	-
			16.424.925			12.613.341
Corporate Tax						
Continuing operations	-	-	4.712.619	-	-	4.201.365
Discontinued operations	-	-	468.866	-	-	-
			5.181.485			4.201.365
Balance of income and expense before tax			21.806.410			16.814.706
Permanent differences	2.222.023	-	2.222.023	-	-	-
Consolidation adjustments	-	-	-	-	-	-
Temporary differences	-	-	-	-	-	-
Arising in the year	-	(12.303)	(12.303)	-	(16.814.706)	(16.814.706)
Capitalisation reserve	-	-	(2.338.738)	-	-	-
Consolidation differences	-	-	(538.284)	-	-	-
Tax base (tax result)	2.222.023	12.303	20.939.108			

(Euros)	Income statement			Income and expenses recognised directly in equity		
	Increases	Reductions	Total	Increases	Reductions	Total
2021 Financial Year						
Income and expenses for the year						
Continuing operations	-	-	12.066.190	-	-	3.663.841
Corporate Tax	-	-	3.889.941	-	-	2.035.071
Balance of income and expense before tax			15.756.131			5.698.912
Permanent differences	1.628.697	-	1.628.697	-	-	-
Consolidation adjustments	-	-	-	-	-	-
Temporary differences	-	-	-	-	-	-
Arising in the year	1.565.624	(12.303)	1.553.321	-	(5.698.912)	(5.698.912)
Arising in prior years	-	-	-	-	-	-
Consolidation differences	-	-	(1.213.136)	-	-	-
Tax base (tax result)	3.194.321	(12.303)	17.725.013		(5.698.912)	

In 2022 and 2021 the main positive permanent differences relate to impairments that were not considered deductible, and the main temporary differences relate to the limitation of the deductibility of financial expenses.

The reconciliation between income tax expense / (income) and the result of multiplying the applicable tax rates to total recognised income and expense is as follows:

(Euros)	2022		2021	
	Income statement	Income and expense recognised directly in equity	Income statement	Income and expense recognised directly in equity
Balance of income and expense before tax	21.606.410	16.814.706	15.756.131	5.698.912
Theoretical tax burden (tax rate 25%)	5.401.602	-	3.939.033	1.424.728
Non-deductible expenses / Non-eligible income	541.854	4.203.677	103.890	-
Deductions activation	(59.487)	-	-	-
Capitalisation reserves and others	(722.504)	(2.312)	(24.821)	(15.462)
Effective tax expense/ (income)	5.181.485	4.201.365	4.018.102	1.409.266

The consolidated income tax expense / (income) is broken down as follows:

(Euros)	2022		2021	
	Income statement	Income and expense recognised directly in equity	Income statement	Income and expense recognised directly in equity
Current tax	-	-	-	-
Continuing operations	3.562.619	-	3.939.033	-
Discontinued operations	468.866	-	-	-
Change in deferred tax	-	-	-	-
Deductions pending application	1.150.000	-	172.918	-
Cash flow hedges	-	4.201.365	-	1.200.663
For cash flow hedges	-	-	-	-
Limitation of financial expenses	-	-	(391.406)	-
Other deferred	-	-	297.557	-
	5.181.485	4.201.365	4.018.103	1.200.663

The calculation of the corporate income tax payable is as follows:

(Euros)	2022
Current tax	4.031.485
Withholdings	(2.943.748)
Corporate income tax payable to parent company of tax Group	1.087.737

24.2 Deferred tax assets and liabilities

The breakdown and movements of the various items included in deferred taxes are as follows:

(Euros)	Changes reflected in				Closing balance
	Initial balance	Income statement	Equity	Other changes	
2022 Financial Year					
Deferred tax assets					
Cash flow hedges	1,277,128	-	(1,277,128)	-	-
Deductions pending application	13,602	-	-	4,125	17,727
Leases	648,346	501,412	-	-	1,149,758
Activated tax credits and other	648,046	-	-	-	648,046
	2,587,122	501,412	-1,277,128	4,125	1,815,531
Deferred tax liabilities					
Cash flow hedges			2,924,237		2,924,237
Leases	634,253	472,039	-	-	1,106,292
Other	81,086	-	-	(56,3)	12,905
	715,339	472,039	-	(56,3)	4,043,434
2021 Financial Year					
Deferred tax assets					
Cash flow hedges	2,477,792	-	(1,200,664)	-	1,277,128
Deductions pending application	186,520	(172,816)	-	-	13,602
Leases	496,831	151,515	-	-	648,346
Activated tax credits and other	250,738	397,308	-	-	648,046
	3,411,881	375,905	(1,200,664)	-	2,587,122
Deferred tax liabilities					
Leases	496,831	137,422	-	-	634,253
Other	63,224	17,862	-	-	81,086
	560,055	155,284	-	-	715,339

25. INCOME AND EXPENSES

25.1 Ordinary taxes

The distribution of the Group's net turnover from continuing operations by activity and geographical market is as follows:

(Euros)	31/12/2022	31/12/2021
Segmentation by activity categories		
Holding	35,550	-
Biomass energy	65,671,136	26,258,741
Wind energy	29,072,778	17,709,377
Other	292,613	-
Total	95,072,076	43,968,118
Geographic market segmentation		
Domestic	94,965,366	43,968,118
Intra-Community	106,710	-
Total	95,072,076	43,968,118

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The main balances of contracts with customers relate to customer balances for sales and services, customer advances and other non-current liabilities in the consolidated statement of financial position.

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In application of the treatment described in Note 5.17, ordinary income in 2021 included a negative adjustment for deviations in the market price in accordance with article 22 of Royal Decree 413/2014 of EUR 10,613 thousand, recognised in "Other non-current liabilities" in the consolidated annual accounts. This amount has been reverted during the year 2022 since, as mentioned above, at the end of the half year the NAV of the assets is zero and therefore no adjustment for price deviations applies, which is a liability for the Group.

25.2 Procurements

As at 31 December 2022 and 2021 the heading "Procurements" is as follows:

(Euros)	31/12/2022	31/12/2021
Consumption of goods	941.911	1.906.502
Consumption of raw materials and other consumable materials	15.981.419	1.821.225
Work outsourced to other companies	840.811	1.374.094
Total procurement	17.764.141	5.101.821

(i) Consumption of raw materials and other consumables

This heading includes mainly expenses relating to the acquisition of biomass supplies for the operation of the biomass plant located in Curtis-Teixeiro.

Almost all purchases of goods have taken place on national territory.

25.3 Total employee remuneration expenses

As at 31 December 2022 and 2021 the heading "Employee remuneration expense" is as follows:

(Euros)	31/12/2022	31/12/2021
Wages, salaries and similar compensation		
Wages and salaries	3.092.294	2.634.967
Severance payments	66.000	63.203
Share-based payments	131.916	-
Total wages, salaries and similar compensation	3.290.210	2.698.170

(Euros)	31/12/2022	31/12/2021
Social security contributions		
Social Security	911.521	745.359
Other welfare spending	9.379	17.749
Total employee welfare expenses	920.900	763.108
Total employee remuneration expenses	4.211.110	3.461.278

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25.4 Other expenses

As at 31 December 2022 and 2021 the heading "Other expenses" consists of the following:

(Euros)	31/12/2022	31/12/2021
Research and development	2.265	2.265
Leases	744.517	119.696
Repairs and maintenance	5.372.602	2.473.687
Independent professional services	209.200	408.454
Vehicles	258.417	115.258
Insurance premiums	1.027.939	701.985
Banking services	78.805	91.234
Advertising, promotion and public relations	-	1.000
Supplies	683.788	1.252.803
Other Services	1.137.650	1.002.653
Taxes	439.040	2.101.035
Losses on, impairment of and change in allowances for trade receivables (Note 12.e)	224	5
Total	10.034.447	8.270.075

The increase in "Repairs and upkeep" relates mainly to the costs of repairs carried out at the Curtis biomass plant, as well as repairs/damage to the balers.

In addition, the decrease in tax expenses corresponds to the effect of the application of the energy production tax exemption in 2022 (see Note 3).

25.5 Other profit/loss

The heading "Other results" in 2022 includes expenses related to the arbitration process in the company Greenalia Biomass Power Curtis Teixeira S.L.U. and the payment of a penalty of the holding company Greenalia S.A. related to the Tax Agency.

The amounts recognised in 2021 in other results arose from the company Greenalia Biomass Power Curtis Teixeira S.L.U., which terminated the contract with the UTE Biomasa Curtis and proceeded to execute all the guarantees it held, of which income of EUR 8.2 million was recognised in order to offset the loss of income from energy sales caused by delays in the delivery of the facility with respect to the dates set out in the contract.

25.6 Impairment and gains or losses on the disposal of fixed assets

At 31 December 2022 and 2021 the heading "Impairment and gains or losses on disposals of fixed assets" is broken down as follows:

(Euros)	31/12/2022	31/12/2021
Impairment and losses	(18.481.973)	(450.000)
Gains or losses on disposals and other	(1.821.000)	(24.872)
	(20.302.973)	(474.872)

The heading "Gains/(losses) on disposal and impairment of fixed assets" in 2022 relates mainly to the recognition of the definitive loss of the cost of certain wind and solar projects under development by the Group as a result of non-compliance with environmental regulations which has led to unfavourable environmental impact statements (EIS) being obtained.

In addition, as a result of the sales of Greenalia Woodchips' fixed assets (see Note 8), which at 31 December 2021 were classified as held for sale, a loss of EUR 1,821,000 was recognised.

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25.7 Financial expenses and income

The breakdown of finance costs and income at 31 December 2022 and 2021 is as follows:

(Euros)	31/12/2022	31/12/2021
Financial expenses		
Payables to third parties	12.759.388	12.440.742
Incorporation of financial expenses into assets	4.742.555	7.435.411
Total	17.501.943	19.876.153
(Euros)	31/12/2022	31/12/2021
Financial income		
From third parties - Loans to third parties	150.458	-
From third parties - Incorporation of financial expenses into assets	4.742.555	6.836.277
Total	4.893.013	6.836.277

As at 31 December 2022 and 2021 the Group includes under the heading "Incorporation of financial expenses into assets" the financial expenses arising from the financing used to fund the development of projects until they are in a usable condition.

25.8 Foreign currency

As regards assets and liabilities held at 31 December 2022 and 2021 in foreign currencies and outside the national territory, they are mainly composed of an asset relating to a deposit in USD for EUR 15,000 thousand equivalent to EUR 14,063 thousand (EUR 13,234 thousand in 2021), relating to projects in the USA that the Group is carrying out.

26. SHARE-BASED PAYMENTS

The parent company's meeting of shareholders approved a stock option plan for certain employees of the Group.

The Plan involves the granting by the Company of a series of free call options on the Company's shares which will be exercisable subject to the fulfilment of a number of conditions. The maximum number of options to be granted is 584,896 options. As at 31 December 2022, all options have been allocated (as at 31 December 2021, 571,875 options had been allocated).

Each option granted will entitle the holder to receive one share in the Company upon payment by the beneficiary of the approved exercise price, which has been set at EUR 11.60.

The share options granted will vest on 1 January 2026, which date will be taken as the reference date for determining the fulfilment of the conditions. In addition, there are certain circumstances that could lead to early termination of the plan.

The conditions established to acquire the right to exercise the allocated options are vesting conditions, as well as various performance conditions, both market and non-market, all of which must be fulfilled.

Since this Plan will be settled in equity instruments, the Company has recorded in the consolidated income statement for 2022 a personnel expense as an increase in equity under "Other contributions from shareholders" based on the fair value of the options at the grant date amounting to EUR 131 thousand.

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27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

27.1 Group related party transactions

The related parties with which the Group has entered into transactions during 2022 and 2021 and the nature of such related party transactions are as follows:

Company	Nature of the relationship
2022 Financial Year	
Smarttia, S.L.U.	Direct parent company
Alazady España, S.L.	Related party
Biomasa Forestal, S.L.	Related party
Smarttia Re Office Amargura 15, S.L.U.	Related party
2021 Financial Year	
Smarttia, S.L.U.	Direct parent company
Biomasa Forestal, S.L.	Related party
Greenalia Power Portugal SGPS, Unipessoal LDA	Group company
Greenalia Solar Power, LDA	Group company

The balances held with the related companies listed above are as follows:

(Euros)	Related party	Direct parent company	Group company
2022 Financial Year			
Short-term loans	-	355.718	-
Long-term loans	-	4.443.986	-
Long-term debts	-	(8.426.422)	-
Short-term debts	-	(5.708.401)	-
Suppliers	(24.200)	-	-
Total	(24.200)	(9.335.119)	-

(Euros)	Related party	Direct parent company	Group company
2021 Financial Year			
Long-term loans	-	524.606	-
Long-term debts	-	(2.458.963)	-
Short-term debts	(9)	(4.342.832)	-
Total	(9)	(6.277.189)	-

(Euros)	Related party	Direct parent company	Group company
1 January 2021			
Long-term loans	-	919.717	-
Short-term loans	-	482.551	-
Long-term debts	-	(1.183.381)	-
Short-term debts	-	(477.935)	18.177
Suppliers	-	(5.235)	-
Total	-	(264.283)	18.177

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At 31 December 2022 and 2021, the long-term receivables and payables to Smarttia, S.L.U. consist entirely of the balances resulting from the VAT settlements payable and receivable in connection with the tax Group headed by this company. In addition, the balances of short-term receivables and payables with Smarttia, S.L.U. correspond to the current accounts of the Group companies with this entity, as well as the balances resulting from the settlement of corporate income tax payable in connection with the tax Group headed by this company.

In addition, at 31 December 2022, the Group recognised EUR 6,888 thousand as "Long-term debt" with Alazady España, S.L. and Smarttia, S.L.U. in order to partially finance the repayment of contributions to minority shareholders in connection with the takeover bid.

The breakdown of transactions with related parties is as follows:

(Euros)	Related party	Direct parent company	Group company
2022 Financial Year			
Sales and provision of services	3.748.869	-	-
Purchases of goods for resale	-	-	-
Services received	(206.937)	(240.000)	-
Financial expenses	(5.118)	(60.470)	-
Total	3.536.814	(300.470)	-

(Euros)	Related party	Direct parent company	Group company
2021 Financial Year			
Sales and provision of services	3.444.313	1.986	-
Purchases of goods for resale	(188.786)	-	-
Services received	-	(244.906)	-
Total	3.255.527	(242.920)	-

Transactions with Group related companies were performed within the ordinary course of the Company's business and on an arm's-length basis.

In addition, at 31 December 2022 and 2021 Smarttia, S.L.U. holds EUR 5,000,000 and EUR 5,000,000 respectively of the bond issued by the Parent Company which was subscribed and paid on the Alternative Fixed Income Market (MARF) (Note 19.2).

27.2 Information relating to Parent Company Directors and Senior Management Personnel

During the financial years 2022 and 2021 no remuneration has been paid to the Board of Directors for their work as directors.

The Group considers as Senior Management staff those persons who perform functions relating to the general objectives of the Group, such as planning, directing and controlling activities, carrying out their duties with autonomy and full responsibility, limited only by the criteria and instructions of the legal owners of the Group or the governing and administrative bodies representing such owners. The Group considers only one person to be senior management, as defined above. The combined remuneration of the Group companies to Senior Management for all items in financial year 2022 amounted to EUR 60,000 (EUR 180,000 in financial year 2021).

In addition, the Board of Directors has two executive directors, who are also employees of the Group, whose gross remuneration in financial year 2022 amounted to EUR 220,909 (EUR 224,805 in financial year 2021).

In addition, an entity related to an independent director has invoiced various services to Group entities in 2022 amounting to EUR 30,768.59 (EUR 79,805.78 in 2021).

At 31 December 2022 and 2021 the Group companies had no pension and life insurance obligations to former or current members of their management bodies.

At 31 December 2022 there is a loan granted to an executive director who is also an employee of the Group amounting to EUR 100,000 (EUR 0 in 2021).

During the financial year 2022, Directors' liability insurance premiums were paid for damages incurred in the course of office totalling EUR 17,139 (EUR 17,138 in 2021 financial year).

In 2022 and 2021 the members of the Board of Directors of the Parent Company have not entered into any transactions with the Parent Company or with Group companies outside the ordinary course of business or on other than arm's length terms.

In relation to articles 229 and 230 of the Capital Companies Act, the directors of the parent company have communicated that they have no conflicts of interest with consolidated companies.

28. INFORMATION ON EMPLOYEES

The average number of employees of the Group during the year, broken down by category, is as follows:

(Number)	31/12/2022	31/12/2021
Executives	14	7
Administrative staff	34	36
Marketing, sales and similar staff	50	53
Total	98	96

The year-end gender distribution of the Group's employees during the year is as follows:

(Number)	31/12/2022		31/12/2021	
	Women	Men	Women	Men
Executives	3	11	3	4
Administrative staff	22	21	18	25
Marketing, sales and similar staff	-	57	-	74
Total	25	89	21	103

Both the year-end and the average number of employees during the year take into account the staff of the companies that have been reclassified to discontinued operations.

The Company does not have any employees with disabilities for the financial years 2022 and 2021.

As at 31 December 2022 and 2021 the Board of Directors of the Parent Company consisted of six persons, five men and one woman.

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29. AUDIT FEES

The fees accrued during the year for services rendered by the auditor were as follows:

(Euros)	2022	2021
Audit fees	173.930	157.550
Other attest services	20.172	16.500
	194.102	174.050

The other audit services for the financial years 2022 and 2021 relate to the limited review report on the half-yearly financial information and certain agreed procedures required by the financing contracts.

30. GUARANTEES, SURETIES, COMMITMENTS AND CONTINGENCIES

30.1 Guarantees

The subsidiary Greenalia Wind Power, S.L. has deposited guarantees for a total amount of EUR 7,066 thousand in relation to the registration in the Specific Remuneration Regime Register in pre-assignment status of eight wind farms in a state of promotion, construction or operation (as the case may be) in Galicia. The company has made several extension requests for deadlines and appeals due to the non-compliance with certain administrative deadlines that could lead to the execution of these guarantees. In this regard, the Group's legal advisors consider probable that such actions will prevent the execution of the guarantees.

In relation to the guarantees that the parent company has granted for the financing that the subsidiary Greenalia Biomass Power Curtis Teixeira, S.L.U. has obtained from financial institutions for the construction of the biomass plant located in the municipality of Curtis (A Coruña), the following is established:

(i) Senior Debt – Greenalia Biomass Power Curtis Teixeira, S.L.U.:

- First-ranking pledge on 100% of the borrower's shares.
- First-ranking pledge on the initial subordinated debt contract.
- First-ranking pledge on the receivables from the project contracts.
- First-ranking pledge on the project accounts (except for the VAT and Mezzanine account).
- First-ranking pledge of security interest in the project assets.
- Debt service reserve account with recalculation in next regulatory period (2020)
- Biomass reserve account.
- Physical stock of biomass equivalent to 3 months of the plant's operational needs.
- Coverage of possible contingencies during construction amounting to 2,500,000 euros.
- Greenalia, S.A. guarantees the obligations of the biomass supplier Greenalia Forest, S.L.
- Greenalia, S.A. provides a guarantee for cost surpluses during the construction period.
- Greenalia, S.A. provides a guarantee of completion and commissioning.

(ii) Mezzanine Debt – Greenalia Biomass Power Curtis Teixeira, S.L.U.:

- First-ranking pledge on the Mezzanine account.
- Second-ranking pledge on the borrower's shares.
- Second-ranking pledge on the initial subordinated debt contract.
- Second-ranking pledge on the project accounts (except for the VAT and Mezzanine account).
- First-ranking pledge of security interest in the project assets.
- Second-ranking pledge on the receivables from the project contracts.

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- Same corporate guarantees from Greenalia, S.A. on the project.

(iii) Senior Debt – Greenalia Wind Power Eolo Senior Moc, S.L.U.

The Borrower grants the following first-ranking pledges in favour of the secured creditors:

- First-ranking pledge over the shares of Greenalia Wind Power Alta da Croa, S.L.U.
- First-ranking pledge over the shares of Greenalia Wind Power Alta da Croa II, S.L.U.
- First-ranking pledge over the shares of Greenalia Wind Power Monte Tourado, S.L.U.
- First-ranking pledge over the shares of Greenalia Wind Power Miñón, S.L.U.
- First-ranking pledge over the shares of Greenalia Wind Power Ouro, S.L.U.
- Pledge on initial subordinated debt contracts.
- First-ranking pledge on the rights arising from the obligors from the pledged contracts, these being the following:
 - o Evacuation infrastructure construction contract entered into between Viesgo Distribución Eléctrica, S.L. and Greenalia Wind Power Eolo Oroul, S.L. on 13 August 2018.
 - o VAT intragroup credit agreement entered into by the Borrower and the Companies (Eolo Moc senior and its subsidiaries) dated 30 July 2019.
 - o Intragroup credit agreement entered into by the Borrower and the Companies dated 30 July 2019.
 - o Commitments and guarantees agreement entered into between the Borrower, the Companies, Greenalia Wind Power Eolo Moc, S.L.U., Smarttia, S.L.U. and the Secured Creditors dated 30 July 2019.
 - o Turnkey construction contract for the Miñón Wind Farm with a total projected power of 24 MW signed on 29 July 2019 between Miñón, the Borrower and Elecnor, S.A.; and
 - o Turnkey construction contract for the Oroul wind farm with a total projected power of 22.50 MW signed on 29 July 2019 between Oroul, the Borrower and Elecnor, S.A.
- First-ranking pledge on the credit rights in its favour arising from the Interest Rate Hedging Contracts.
- First-ranking pledge on VAT credit rights.

In addition, the following security pledges are established:

- Pledge to create a first-ranking security interest, more appropriate to the nature of the specific asset, real estate mortgage, chattel mortgage or pledge, over the assets of the project, in the event that the RCSD is less than 1.10x; or any of the causes for early termination foreseen in the secured contracts have occurred.
- First-ranking pledge on credit claims of any nature arising from future project contracts (signed after the financing contract).
- Commitment to pledge the remuneration rights.
- Smarttia, S.L.U. is acknowledged as the tax guarantor.

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(iv) Other payables

The Elecnor loan formalised by the subsidiary Greenalia Wind Power, S.L.U., sets forth the following guarantees:

- Greenalia S.A. is the guarantor of the financing contract, and is jointly and severally liable to Elecnor for all the obligations guaranteed in the financing contract.
- Bank guarantee amounting to 1,000,000 euros.
- Pledge guarantee on 911,816 shares of Greenalia, S.A.

The loan from Banco Santander entered into by the subsidiary Greenalia Power Development, S.L.U., establishes the following guarantees:

- The borrower is liable for the compliance with the borrower's obligations arising from the contract.
- Notwithstanding the personal and unlimited liability of the previous borrower, the guarantors guarantee in an unconditional and irrevocable manner in favour of the financing entities, the obligations guaranteed.
- The Borrower grants the following first-ranking pledges in favour of the secured creditors:
 - o First-ranking pledge on 100% of the obligors' shares.
 - o First-ranking pledge on receivables that arise or may arise in the future in its benefit from the financing account and the intragroup receivable.
- Should the obligors receive authorisation to subscribe financial debt in addition to the financing and to grant guarantees in relation to the same, the obligors undertake to grant the same real guarantees in favour of the financing entities and with the same rank as those granted in guarantee of the new financial debt.

30.2 Guarantees

The Group has guarantees with the Spanish Tax Agency amounting to 530 thousand euros for the suspension of the execution of the tax assessments appealed in economic-administrative proceedings corresponding to Value Added Tax and Corporate Income Tax assessments for the years 2015, 2016 and 2017.

The Group has also provided guarantees to other authorities (Reindus) totalling 80 thousand euros. In addition, the Group has guarantees with private entities (REE, GNF, PROMACE and others) totalling 565 thousand euros. Lastly, the Group has guarantees to cover the biomass supply contract for the electricity generation plant totalling EUR 700 thousand.

At the date of preparation of the consolidated financial statements, the Group has guarantees granted by surety insurance companies for the award and access to the remuneration of electricity production amounting to EUR 174.1 million (EUR 155.58 million in 2021).

The Group has also provided surety insurance guarantees to cover decommissioning requirements, works and environmental impact statements in the amount of EUR 768 thousand (EUR 757 million in 2021).

The Board of Directors considers that said guarantees will not give rise to incidents, since the risk is assessed and limited. Therefore, they consider that said guarantees should not entail any economic loss for the Group.

The Group also has bank guarantees issued within the framework of the Aeolus Project Finance (issued by the agent bank itself), amounting to EUR 757 thousand for the Aeolus project (EUR 151 million in 2021).

In addition, guarantee lines have been set up between the Guarantor and the Obligors under which guarantees will be issued for the benefit of:

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- The Directorate General of Energy and Mines of the Department of Economy, Employment and Industry of the Regional Government of Galicia or, where appropriate, the corresponding body of the Regional Government of Galicia that replaces it amounting to EUR 2,200,000 in order to request the guarantees required to ensure compliance by the accredited party and the companies with their obligations to dismantle the Project in accordance with the applicable legislation.

30.3 Commitments

In 2022, the Group entered into two long-term power purchase agreements ("financial PPAs") for two projects in the early stages of development, which are subject to the achievement of certain milestones and may be cancelled at no cost if the milestones are not met. As the probability of reaching these milestones is considered to be remote at 31 December 2022, these contracts have been deemed to have no value.

In addition, a long-term energy sales contract with physical delivery (Physical PPA) has also been signed. This contract entails the sale of energy produced by several wind farms currently under development, from the time these wind farms come into operation until 31 December 2033. This contract has been classified as an "Executive contract" and, therefore, is not reflected in the consolidated financial statements until execution of the contract commences.

30.4 Contingencies

Curtis project arbitration

In addition, as a result of the termination of the construction contract with the joint venture Imasa Ingeniería y Proyectos y Acciona Industrial S.A. mentioned in Note 19.1 i), the BIOMASA joint venture has filed with the Madrid Chamber of Commerce and Industry the commencement of arbitration for termination of the contract dated 25 July 2018 for the construction of the biomass plant in the town of Curtis. At this stage, the joint venture has filed the lawsuit with its claims and evidence. In short, the joint venture requests in its claim that it be granted the right to an extension of the deadline for the execution of the plant, including compensation for a longer period of time, as well as the rejection of penalties for delays. In addition, it also requests that it be acknowledged that the plant was in a condition to be provisionally received and that it be declared that Greenalia lacked just cause to terminate the EPC Contract and that, furthermore, the UTE is entitled to claim damages for the termination of the O&M Contract. As of the date of this report, Greenalia is preparing its response to the lawsuit.

In December 2022 the witness statements took place and in February 2023 the expert statements. Following these hearings, a written statement of conclusions is awaited and should be submitted in May 2023, thus completing the arbitration proceedings and awaiting the issuance of the award by the Arbitral Tribunal.

In December 2022 the witness statements took place and in February 2023 the expert statements. Following these hearings, a written statement of conclusions is awaited and should be submitted in May 2023, thus completing the arbitration proceedings and awaiting the issuance of the award by the Arbitral Tribunal.

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The worst case scenario for Greenalia consists of the total estimation of the JV's claims, whose quantification amounts to EUR 27 million, plus interest. However, we understand that the claims linked to the delay in the work do not justify the delay generated, just as the causes for termination (non-compliance with deadlines, environmental non-compliance) are clear and demonstrable.

The risk assessment carried out by the Group's legal advisors in relation to this potential contingency suggests that it is remote and therefore no provision of any kind has been recorded.

31. ENVIRONMENTAL INFORMATION

The equipment and installations incorporated into tangible fixed assets whose purpose is to minimise the environmental impact and to protect and improve the environment, which are recorded under the heading "Technical installations and other tangible fixed assets", are as follows:

(Euros)	31/12/2022	31/12/2021	01/01/2020
Cost	14.625.652	16.720.344	12.384.364
Accumulated amortisation	(3.346.353)	(2.671.714)	(1.006.122)
Total	11.279.299	14.048.630	11.378.242

The directors of the Parent company believe that there are no significant contingencies relating to the environmental protection and improvement and, therefore, do not consider appropriate to record any provision in this regard.

32. INFORMATION REGARDING DEFERRALS OF PAYMENTS MADE TO SUPPLIERS. THIRD ADDITIONS PROVISION "DUTY TO REPORT" OF LAW 15/2010 OF 5 JULY

The information on payment deferrals made to suppliers by Spanish consolidated companies is as follows:

	31/12/2022	31/12/2021
(Days)		
Average supplier payment period	21	30
Ratio of transactions paid	19	30
Ratio of transactions pending payment	41	29
(Euros)		
Total payments made	75.787.138	87.913.684
Total payments pending	5.727.370	9.165.116

The information on invoices paid in a period shorter than the maximum period established in the late payment regulations is as follows:

	31/12/2022	31/12/2021
Monetary volume paid in euro (thousands of euro)	75.787.138	n/a
Percentage share of total monetary payments to suppliers	93%	n/a
Number of paid invoices	10.229	n/a
Percentage over the total number of invoices paid to suppliers	97%	n/a

33. EVENTS AFTER THE REPORTING PERIOD

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On 2 January 2023 the parent company Greenalia S.A. executed a deed of sale with Smarttia, S.L.U. (the direct parent company of Greenalia S.A.) for the transfer of the shares of Greenalia Forest, S.L.U. and Greenalia Logistics, S.L.U., which is why in these financial statements the balances of both companies are shown as available for sale and in discontinued operations as they comply with the definition of discontinued operations (see Note 8).

On 23 December 2022, the Company Greenalia Industry, S.L.U. executed a deed of sale of its investment in the company Biomasa Forestal, S.L., which will be completed on 2 January 2023.

On 31 January 2023 and 27 February 2023, the eleventh and twelfth issues, respectively, of the Green Notes Programme subscribed by the Parent Company took place for a maximum nominal outstanding balance of EUR 100 million, with a term of one year from the date of publication. The amount of these drawdowns was EUR 10,900,000 and EUR 30,700,000, respectively.

At the date of issue of these consolidated financial statements, the current issued balance of the programme amounted to EUR 61,800,000.

In A Coruña, on 27 April 2023, the members of the Board of Directors of the Parent Company hereby prepare these consolidated annual accounts of Greenalia, S.A. for the financial year 2022, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement and the consolidated annual report for the year ended 31 December 2022, as well as the consolidated management report for the year for the year.

D. José María Castellano Ríos
Presidente del Consejo

D. Manuel García Pardo
Consejero

D. Antonio Fernández-Montells Rodríguez
Consejero

Norcorporate, S.L.
Representada por D. Antonio Couceiro Méndez

D. Pablo Castellano Vázquez
Consejero

D. Beatriz Mato Otero
Consejero

GREENALIA, S.A. AND SUBSIDIARIES

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2022 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
Subsidiaries					
GREENALIA POWER SPAIN, S.L.U.	A Coruña	(1)	18.545.158	GREENALIA S.A.	100,00%
GREENALIA WIND POWER, S.L.U.	A Coruña	(1)	12.787.966	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA SOLAR POWER, S.L.U.	A Coruña	(1)	3.001	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA BIOMASS POWER, S.L.U.	A Coruña	(1)	9.079.691	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA BIOMASS SUPPLY, S.L.U.	A Coruña	(2)	3.321.672	GREENALIA BIOMASS POWER S.L. U.	100,00%
GREENALIA BIOMASS POWER CURTIS TEIXEIRO, S.L.U.	A Coruña	(3)	5.000.001	GREENALIA BIOMASS POWER, S.L.U.	100,00%
GREENALIA BIOMASS POWER CURTIS TEIXEIRO II, S.L.U.	A Coruña	(3)	85.513	GREENALIA BIOMASS POWER, S.L.U.	100,00%
GREENALIA BIOMASS POWER LA ZALIA, S.L.U.	A Coruña	(3)	304.140	GREENALIA BIOMASS POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER EL TRANCO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME I, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME II, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME III, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME IV, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME V, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER MOSEN, S.L.U.	A Coruña	(3)	3.500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER QUINTOS, S.L.U.	A Coruña	(3)	3.500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ACEVEDAL, S.L.U.	A Coruña	(3)	17.018	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ALTO DA CROA II, S.L.U.	A Coruña	(3)	81.390	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER ALTO DA CROA, S.L.U.	A Coruña	(3)	35.077	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER AS LOUSEIRAS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER BORRASCA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER BOURA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER BRISA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER BUSTELO, S.L.U.	A Coruña	(3)	427.796	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER CAMPELO, S.L.U.	A Coruña	(3)	757.826	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER CAMPOS VELLOS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER CARBALLAL, S.L.U.	A Coruña	(3)	19.614	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER CEFIRO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER COTO DOS CHAOS, S.L.U.	A Coruña	(3)	15.181	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER COTO MUIÑO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER EOLO SENIOR MOC, S.A.U.	A Coruña	(3)	20.371.522	GREENALIA WIND POWER EOLO MOC, S.A.U.	100,00%
GREENALIA WIND POWER EOLO CAMPELOS, S.L.U.	A Coruña	(3)	179.000	GREENALIA WIND POWER, S.L.U.	100,00%

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GREENALIA, S.A. AND SUBSIDIARIES

GREENALIA WIND POWER EOLO MOC, S.A.U.	A Coruña	(3)	24.364.595	GREENALIA WIND POWER, S.L.U.	100,00%
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2022 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	A Coruña	(3)	179.000	GREENALIA WIND POWER EOLO CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER FELGA, S.L.U.	A Coruña	(3)	21.135	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER FONSAANTA, S.L.U.	A Coruña	(3)	16.119	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER FORGOSELO, S.L.U.	A Coruña	(3)	256.952	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER FRIOL, S.L.U.	A Coruña	(3)	7.800	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER GAIOSO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER GALERNA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER GATO, S.L.U.	A Coruña	(3)	26.342	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER GOFIO, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER GRANXON, S.L.U.	A Coruña	(3)	14.831	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER LAMAS, S.L.U.	A Coruña	(3)	44.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER LEVANTE, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER MIÑON, S.L.U.	A Coruña	(3)	310.391	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER MISTRAL, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER MONTE DO CORDAL, S.L.U.	A Coruña	(3)	9.700	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER MONTE TOURADO, S.L.U.	A Coruña	(3)	107.577	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER MONTE TOURAL, S.L.U.	A Coruña	(3)	200.668	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER MONTEIRO, S.L.U.	A Coruña	(3)	15.136	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER MONZON, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER NORDÉS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER O CERQUEIRAL, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ORZAR, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER OUIROL, S.L.U.	A Coruña	(3)	458.684	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER PENNA DA CABRA, S.L.U.	A Coruña	(3)	15.531	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER PENNA DO PICO, S.L.U.	A Coruña	(3)	24.042	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER PENNA OMBRAL, S.L.U.	A Coruña	(3)	16.920	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER PENNAS BOAS, S.L.U.	A Coruña	(3)	21.371	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER AS PENIZAS, S.L.U.	A Coruña	(3)	24.485	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER RESTELO, S.L.U.	A Coruña	(3)	18.820	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER RODICIO, S.L.U.	A Coruña	(3)	6.509	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER SIROCO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER SUIME, S.L.U.	A Coruña	(3)	22.024	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%

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GREENALIA, S.A. AND SUBSIDIARIES

GREENALIA WIND POWER TORNADO, S.L.U	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER TOURINÁN, S.L.U	A Coruña	(3)	300.000	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER TRAMONTANA, S.L.U	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER VAQUEIRA, S.L.U.	A Coruña	(3)	8.410	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%

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2022 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
GREENALIA WIND POWER VENTISCA, S.L.U	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA POWER DEVELOPMENT, S.L.U.	A Coruña	(3)	344.397	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA WIND POWER DEVELOPMENT, S.L.U.	A Coruña	(3)	341.397	GREENALIA POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	A Coruña	(3)	3.000	GREENALIA POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER ZUMAJO I, S.L.U.	A Coruña	(3)	500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER ZUMAJO II, S.L.U.	A Coruña	(3)	500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ALTO DO RODICIO II, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER TORMENTA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER HURACÁN, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER A MARABILLA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER AS LAGOAS, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER CEDEIRA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER CERVO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER CORDOBELAS, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER ESTEIRO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER MONTOXO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER O BARRAL, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER PIÑEIRO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER PUNTA CANDIEIRA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER RÉGOA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER SAN ISIDRO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER SAN ROMÁN, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER TEIXIDO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER VILAS, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER CARDON, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER DUNAS, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER GUANCHE, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER MOJO, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER LAMAS II, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER XESTEIRON, S.L.U.	A Coruña	(3)	62.663	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER CABANELAS, S.L.U	A Coruña	(3)	486.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%

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GREENALIA, S.A. AND SUBSIDIARIES

GREENALIA SOLAR POWER SAN JULIAN I, S.L.U	A Coruña	(3)	150.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER SAN JULIAN II, S.L.U.	A Coruña	(3)	150.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER SANTA ANNA I, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER SANTA ANNA II, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER EL PATIO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%

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2022 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
GREENALIA SOLAR POWER SAUCE, S.L.U.	A Coruña	(8)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER ACEBO, S.L.U.	A Coruña	(8)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA POWER PORTUGAL SGPS UNIPessoal, LDA	Porto	(3)	6.000	GREENALIA, S.A.	100,00%
GREENALIA SOLAR POWER, LDA.	Porto	(3)	3.001	GREENALIA POWER PORTUGAL SGPS UNIPessoal, LDA	100,00%
GREENALIA POWER US, INC	Wilmington	(3)	849	GREENALIA S.A.	100,00%
GREENALIA SOLAR POWER, INC	Wilmington	(3)	938	GREENALIA POWER US, INC	100,00%
EXCEL ADVANTAGE SERVICE, LLC	Dallas	(3)	21.139.348	GREENALIA SOLAR POWER, INC	100,00%
GREENALIA ENGINEERING AND CONSTRUCTION, S.L.U.	A Coruña	(1)	3.000	GREENALIA S.A.	100,00%
GREENALIA WIND POWER BLUE HILLS, LLC	Dallas	(3)	7.639.914	GREENALIA WIND POWER, INC	100,00%
GREENALIA WIND POWER, INC	Wilmington	(3)	938	GREENALIA POWER US, INC	100,00%
GREENALIA SOLAR POWER REIS, LLC	Dallas	(3)	0	GREENALIA SOLAR POWER, INC	100,00%
GREENALIA SOLAR POWER WENSOWITCH, LLC	Dallas	(3)	0	GREENALIA SOLAR POWER, INC	100,00%
GREENALIA SOLAR POWER RATCLIFF, LLC	Dallas	(3)	0	GREENALIA SOLAR POWER, INC	100,00%
GREENALIA SOLAR POWER DRISKELL, LLC	Dallas	(3)	0	GREENALIA SOLAR POWER, INC	100,00%
GREENALIA FOREST, S.L.	A Coruña	(5)	4.980.480	GREENALIA S.A.	100,00%
GREENALIA LOGISTICS, S.L.U.	A Coruña	(6)	305.700	GREENALIA S.A.	100,00%
GREENALIA INDUSTRY, S.L.U.	A Coruña	(1)	0	GREENALIA S.A.	100,00%

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GREENALIA, S.A. AND SUBSIDIARIES

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2021 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
Subsidiaries					
GREENALIA POWER SPAIN, S.L.U.	A Coruña	(1)	18.545.158	GREENALIA S.A.	100,00%
GREENALIA WIND POWER, S.L.U.	A Coruña	(1)	12.787.966	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA SOLAR POWER, S.L.U.	A Coruña	(1)	2.163	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA BIOMASS POWER, S.L.U.	A Coruña	(1)	9.079.691	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA BIOMASS SUPPLY, S.L.U.	A Coruña	(2)	3.321.672	GREENALIA BIOMASS POWER S.L. U.	100,00%
GREENALIA BIOMASS POWER CURTIS TEIXEIRO, S.L.U.	A Coruña	(3)	5.000.001	GREENALIA BIOMASS POWER, S.L.U.	100,00%
GREENALIA BIOMASS POWER CURTIS TEIXEIRO II, S.L.U.	A Coruña	(3)	85.513	GREENALIA BIOMASS POWER, S.L.U.	100,00%
GREENALIA BIOMASS POWER LA ZALIA, S.L.U.	A Coruña	(3)	304.140	GREENALIA BIOMASS POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER EL TRANCO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME I, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME II, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME III, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME IV, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER GUADAME V, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER MOSEN, S.L.U.	A Coruña	(3)	3.500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER QUINTOS, S.L.U.	A Coruña	(3)	3.500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ACEVEDAL, S.L.U.	A Coruña	(3)	17.018	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ALTO DA CROA II, S.L.U.	A Coruña	(3)	81.390	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER ALTO DA CROA, S.L.U.	A Coruña	(3)	35.077	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER AS LOUSEIRAS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER BORRASCA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER BOURA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER BRISA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER BUSTELO, S.L.U.	A Coruña	(3)	427.796	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER CAMPELO, S.L.U.	A Coruña	(3)	757.826	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER CAMPOS VELLOS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%

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GREENALIA, S.A. AND SUBSIDIARIES

GREENALIA WIND POWER CARBALLAL, S.L.U.	A Coruña	(3)	19.614	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER CEFIRO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER COTO DOS CHAOS, S.L.U.	A Coruña	(3)	15.181	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER COTO MUIÑO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	A Coruña	(3)	20.371.522	GREENALIA WIND POWER EOLO, S.L.U.	100,00%
GREENALIA WIND POWER EOLO CAMPELOS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER EOLO MOC, S.L.U.	A Coruña	(3)	24.364.595	GREENALIA WIND POWER, S.L.U.	100,00%

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2021 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER EOLO CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER FELGA, S.L.U.	A Coruña	(3)	21.135	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER FONSAITA, S.L.U.	A Coruña	(3)	16.119	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER FORGOSELO, S.L.U.	A Coruña	(3)	256.952	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER FRIOL, S.L.U.	A Coruña	(3)	7.800	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER GAIOSO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER GALERNA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER GATO, S.L.U.	A Coruña	(3)	26.342	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER GOFIO, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER GRANXON, S.L.U.	A Coruña	(3)	14.831	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER LAMAS, S.L.U.	A Coruña	(3)	44.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER LEVANTE, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER MINON, S.L.U.	A Coruña	(3)	310.391	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER MISTRAL, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER MONTE DO CORDAL, S.L.U.	A Coruña	(3)	9.700	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER MONTE TOURADO, S.L.U.	A Coruña	(3)	107.577	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER MONTE TOURAL, S.L.U.	A Coruña	(3)	200.668	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER MONTEIRO, S.L.U.	A Coruña	(3)	15.136	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER MONZON, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER NORDÉS, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER O CERQUEIRAL, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ORZAR, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER OUROL, S.L.U.	A Coruña	(3)	458.684	GREENALIA WIND POWER EOLO SENIOR MOC, S.L.U.	100,00%
GREENALIA WIND POWER PENA DA CABRA, S.L.U.	A Coruña	(3)	15.531	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER PENA DO PICO, S.L.U.	A Coruña	(3)	24.042	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER PENA OMBRAL, S.L.U.	A Coruña	(3)	16.920	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%

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GREENALIA, S.A. AND SUBSIDIARIES

GREENALIA WIND POWER PENAS BOAS, S.L.U.	A Coruña	(3)	21.371	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER AS PENIZAS, S.L.U.	A Coruña	(3)	24.485	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER RESTELO, S.L.U.	A Coruña	(3)	18.820	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER RODICIO, S.L.U.	A Coruña	(3)	6.509	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER SIROCO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER SUIME, S.L.U.	A Coruña	(3)	22.024	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER TORNADO, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER TOURIÑAN, S.L.U.	A Coruña	(3)	300.000	GREENALIA WIND POWER EOLO SENIOR CAMPELOS, S.L.U.	100,00%
GREENALIA WIND POWER TRAMONTANA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER VAQUEIRA, S.L.U.	A Coruña	(3)	8.410	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%

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2021 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
GREENALIA WIND POWER VENTISCA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WOODCHIPS, S.L.U.	A Coruña	(4)	799.605	GREENALIA INDUSTRY, S.L.U.	100,00%
GREENALIA POWER DEVELOPMENT, S.L.U.	A Coruña	(3)	344.397	GREENALIA POWER SPAIN, S.L.U.	100,00%
GREENALIA WIND POWER DEVELOPMENT, S.L.U.	A Coruña	(3)	341.397	GREENALIA POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	A Coruña	(3)	3.838	GREENALIA POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER ZUMAJO I, S.L.U.	A Coruña	(3)	500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER ZUMAJO II, S.L.U.	A Coruña	(3)	500	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA WIND POWER ALTO DO RODICIO II, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER TORMENTA, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER HURACÁN, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER A MARABILLA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER AS LAGOAS, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER CEDEIRA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER CERVO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER CORDOBELAS, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER ESTEIRO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER MONTOXO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER O BARRAL, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER PIÑEIRO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER PUNTA CANDIEIRA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER RÉGOA, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER SAN ISIDRO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER SAN ROMÁN, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER TEIXIDO, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%
GREENALIA WIND POWER VILAS, S.L.	A Coruña	(3)	2.700	GREENALIA WIND POWER, S.L.U.	90,00%

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GREENALIA, S.A. AND SUBSIDIARIES

GREENALIA WIND POWER CARDON, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER DUNAS, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER GUANCHE, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER MOJO, S.L.	A Coruña	(3)	2.550	GREENALIA WIND POWER, S.L.U.	85,00%
GREENALIA WIND POWER LAMAS II, S.L.U.	A Coruña	(3)	3.000	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER XESTEIRON, S.L.U.	A Coruña	(3)	62.663	GREENALIA WIND POWER, S.L.U.	100,00%
GREENALIA WIND POWER CABANELAS, S.L.U.	A Coruña	(3)	486.000	GREENALIA WIND POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER SAN JULIAN I, S.L.U.	A Coruña	(3)	150.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER SAN JULIAN II, S.L.U.	A Coruña	(3)	150.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA FOREST, S.L.	A Coruña	(5)	4.980.480	GREENALIA S.A.	100,00%
GREENALIA INDUSTRY, S.L.U.	A Coruña	(1)	1.360.509	GREENALIA S.A.	100,00%

Annex I

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2021 Financial Year	Registered office	Corporate Activity	Cost shareholding	Company Holder	Group percentage
GREENALIA LOGISTICS, S.L.U.	A Coruña	(6)	305.700	GREENALIA S.A.	100,00%
GREENALIA SHIPPING, S.L.U.	A Coruña	(7)	291.770	GREENALIA LOGISTICS, S.L.U.	100,00%
GREENALIA SOLAR POWER SANTA ANNA I, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER SANTA ANNA II, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	100,00%
GREENALIA SOLAR POWER EL PATIO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER OLIVO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER CEREZO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER ROMERO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER INDALO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER ALCAZABA, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER ALBAICÍN, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER EL NARANJO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER LA TRINIDAD, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER EL TABLERO, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER AZHARA, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER LA GOLONDRINA, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA WIND POWER TORDESILLAS, S.L.U.	A Coruña	(3)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER ENCINA, S.L.U.	A Coruña	(8)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER SAUCE, S.L.U.	A Coruña	(8)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA SOLAR POWER ACEBO, S.L.U.	A Coruña	(8)	3.000	GREENALIA SOLAR POWER, S.L.U.	100,00%
GREENALIA POWER US, INC	Wilmington	(3)	849	GREENALIA S.A.	100,00%
GREENALIA SOLAR POWER, INC	Wilmington	(3)		GREENALIA POWER US, INC	100,00%
EXCEL ADVANTAGE SERVICE, LLC	Dallas	(3)		GREENALIA SOLAR POWER, INC	100,00%

(1) Acquisition and disposal of shares and ownership interests representative of the authorised share capital.

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GREENALIA, S.A. AND SUBSIDIARIES

- (2) Felling, chipping, buying and selling, processing and handling of timber and forest biomass.
- (3) Energy Production.
- (4) Production, sale and supply of wood chips.
- (5) Purchase/sale and processing of timber.
- (6) Provision of forestry and transport services.
- (7) Transport of goods by sea.
- (8) Works and services for the production, transport, transformation and distribution or commercialisation of energy.

	Capital	Reserves and issue premium	Result	Grants	Closing balance
2022 Financial Year					
Subsidiaries					
GREENALIA WIND POWER GOFIO, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER A MARABILLA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER AS LAGOAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CEDERA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CERVO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CORDOBELAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER ESTERO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER MONTOXO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER BARRAL, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER PÑEIRO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER PUNTA CANDIERA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER REGOA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER SAN ISIDRO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER SAN ROMAN, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER TEXIDO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER VILAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CARDON, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER DUNAS, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER GUANCHE, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER MOJO, S.L.U.	450	-	-	-	450
	6.750	-	-	-	6.750
2021 Financial Year					
Subsidiaries					
GREENALIA WIND POWER GOFIO, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER A MARABILLA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER AS LAGOAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CEDERA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CERVO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CORDOBELAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER ESTERO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER MONTOXO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER BARRAL, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER PÑEIRO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER PUNTA CANDIERA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER REGOA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER SAN ISIDRO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER SAN ROMAN, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER TEXIDO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER VILAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CARDON, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER DUNAS, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER GUANCHE, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER MOJO, S.L.U.	450	-	-	-	450
	6.750	-	-	-	6.750

	Capital	Reserves and issue premium	Result	Grants	Closing balance
1 January 2021					
Subsidiaries					
GREENALIA WIND POWER GOFIO, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER A MARABILLA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER AS LAGOAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CEDERA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CERVO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CORDOBELAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER ESTERO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER MONTOXO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER BARRAL, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER PÑEIRO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER PUNTA CANDIERA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER REGOA, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER SAN ISIDRO, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER SAN ROMAN, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER VILAS, S.L.U.	300	-	-	-	300
GREENALIA WIND POWER CARDON, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER DUNAS, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER GUANCHE, S.L.U.	450	-	-	-	450
GREENALIA WIND POWER MOJO, S.L.U.	450	-	-	-	450
	6.750	-	-	-	6.750



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