





In Greenalia, SA (hereinafter, "Greenalia"), we present information regarding our performance during financial year 2021 (from January 1 to December 31, 2021) integrated into one document, this Annual Report 2021. Via this report, we want to inform all of our stakeholders how Greenalia generates value in the short, medium and long terms, and to provide true, relevant and exact information on our financial accounts for 2021.

The information included in this report covers both financial and non-financial aspects. We have consolidated our Financial and Non-Financial (NFR) Reports for FY21

Our NFR includes information related to our activities regarding sustainability, covering our performance during 2021 in the **Environmental, Social and Governance areas** (ESG sustainability) in response to the expectations of our stakeholders with respect to relevant information as identified in the materiality analysis, in addition to complying with the legal requisites of Law 11/2018 regarding non-financial information and diversity.

This information has been prepared by virtue of the provisions of article 17 of Regulation (EU) 596/2014 on market abuse, and article 228 of the reformed text of the Stock Market Law approved by Royal Legislative Decree 4/2015 of October 23 and concordant dispositions, and in Circular 03/2020 from the BME MTF Equity stock market, under the

exclusive responsibility of the company and its administrators, and presents the annual accounts and the audit report on the consolidated financial statement of December 31, 2021.

The scope of the information reported includes all of Greenalia's companies included in our Consolidated Annual Accounts corresponding to financial year 2021, since the reporting cycle is annual.

In line with the importance that we give to transparency and dialogue with our stakeholders, we also follow the indications of the main initiatives and bodies as regards reports:

- GRI Sustainability Reporting Standards. An Essential Option.
- The Ten Principles of the United Nations World Compact
- The Sustainable Development Goals approved by the UN General Assembly.

The information included has been independently verified by E&Y and TÜV SÜD. The scope and results of the independent verification are described in the corresponding Verification Reports included in this report.

For further information regarding the report or its contents, please address your request via email to sostenibilidad@greenalia.es.



# 9 greenalia\* FY21 Annual Report LETTER FROM OUR PRESIDENT

This is my first chance to speak to you as the President of Greenalia. During my professional career, I have been able to participate in some of the most challenging business projects and to work with groups of highly-qualified people. Participating in the transformation of sectors such as retail, communications or banking has, undoubtedly, involved challenges of enormous magnitude. However, the present situation is no less challenging. I am participating in the energy transition and the decarbonization of the economy, which may well be the main challenges currently faced by society and the business world.

2021 has been a convulsive year, marked by the consequences of the pandemic and new global conflicts. Nevertheless, in the middle of this convulsive and uncertain context, we have been able to maintain our course and reinforce our operations. Now it is time to look toward the future, aiming at recuperation. And along this course, energy transition and digitalization will be the levers that will move this process, greener and more sustainable. And I am doing this as the President of a company like Greenalia, a company closely involved

with the communities where we undertake our projects, supporting and collaborating with different organizations and administrations and participating in strategies to promote inclusion, diversity and equality for vulnerable groups.

I must not forget to mention Greenalia's commitment to Galician industry, especially at this time of price tensions in the electricity market. In Greenalia, we believe that this resource, wind power, is an opportunity to ensure, in the medium term, the competitiveness of Galician industry via long-term agreements on energy sales like those we have already formed with several large-scale consumers of electrical power.

As you will see in this document, from a financial and sustainability perspective, the company has maintained its route map despite the impact of the successive waves. In a year marked by the corresponding restrictions and closures of activities, the resilience of our business model, based on the green economy, vertical integration and recurring income has been reflected in the continuity of all of our planned projects.

We brought forward our plans to operate in the USA, incorporating a new technology –storage– into our pipeline, and we started 4 new wind farms in Spain. With this first step towards internationalization, we diversified our risk by being on two continents and at the same time, we have acquired greater stability and security in the

Jose María Castellano

achievement of the objectives of our strategic plans.

Our strategy for contributing to the development of a more egalitarian society maintains the company's unwavering commitment to the 17 Sustainable Development Goals (SDG) established in the United Nation's Agenda 2030, helping to resolve the great challenges facing humanity. Therefore, our adhesion to the global compact is a pillar on which to seat our management of sustainable and harmonious growth from the triple ESG perspective (Environmental, Social and Governance), creating an organization that exists within a complex ecosystem and at the same time contributes to its regeneration.

This is the path we believe in, reaffirming our alliance with the



environment and our respect for the planet. For this reason, we promote initiatives to reduce impacts on ecosystems, applying a circular bio-economy, reducing emissions and using clean energy in both our activities and in the projects we develop. We also have the satisfaction of having ratified our global objectives via the SBTi (Science-Based Target initiative), to reduce our direct emissions by 25% by 2030.

Convinced that the future depends on talent and people, we design and promote a diverse and inclusive work environment, guaranteeing that equality and equal opportunity are a reality of which we can be proud, avoiding any discrimination in our day to day life. Everyone in Greenalia contributes to its growth, and this is important to us, since it is the essence of the company's progress.

The challenges before us also require the strengthening of our organizational structure. In this regard, the renovation of the Board of Directors, with my arrival as the President, and the incorporation into the board of our Director of Corporate Development and Sustainability has led to the integration of sustainability into the highest management levels in the company.

In addition, during this year, we have also advanced in the consolidation of our Compliance Program, thanks to the approval by our Board of Directors and the Shareholders Meeting of the Green Book -the book of company policies-. The ratification of the Code of Conduct and Corporate Good Practice and the launch of the Responsibility Channel have allowed us to advance in the consolidation of our program of

regulatory compliance, another step forward in the implementation of the code of ethics that governs our business project.

With the full packet of measures and objectives established in these two documents, which are intrinsically linked, Greenalia has moved forward in our policies for good governance, just as we have moved forward in our pipeline.

As a company, we have managed to maintain the competitiveness of our lines of business by using synergies, seeking the growth of our model while attending to risk reduction. We have made a significant contribution with the process of energy transition, with an investment of 1,000M€ between 2019 and 2023 in projects for the generation of electricity from renewable sources. At the end of 2021, 27% of the investment planned up to 2023 has been implemented.

As a company closely involved with the communities where we undertake our projects, we support and collaborate with different organizations in projects of interest, participating together in effective strategies to promote inclusion, diversity and equality for vulnerable groups and their access to sports activities.

As I said earlier, 2021 has been a year marked by the pandemic. Now it is time to look toward the future, aiming at recuperation.

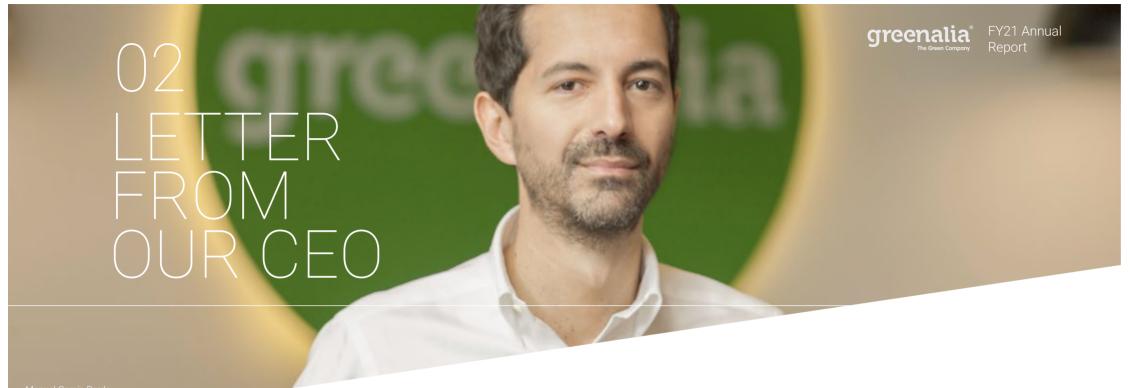
And on this path, energy transition and digitalization are concepts that will shape this process, concepts that we in Greenalia have internalized in our vision

because we believe that renewable energies and digital technologies must be the driving forces of a new economic model, greener and more sustainable. Our technological alliances with companies such as Microsoft have taught us this. We have been able to optimize processes, reduce our carbon footprint and become much more efficient in time management.

The bases are in place. We have many challenges in front of us. Europe wants to contribute to the containment of climate change by reducing its greenhouse gas emissions by 55% between now and 2030, to limit the temperature increase to less than 2°C. In Greenalia, we are firmly committed to this objective, and we are sure that our participation and active role in this change towards a climatically-neutral economy makes us a point of reference in the change of the energy model.

With green, positive energy, we are confident that in 2022, we will enjoy a year in which we shall continue to grow, to generate wealth and to contribute to a more sustainable planet.

José María Castellano Ríos GREENALIA'S PRESIDENT



As in previous years, I would like to dedicate a few lines to complement the financial documentation that we have provided to the market and to our stakeholders. Looking back on the last year, despite the exceptional circumstances we are living through due to the Russian 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 year, 2021, achieving our strategic objectives.

During 2020 we lived through an unprecedented world-wide situation as a result of the health emergency derived from Covid-19. During 2021, we have suffered many consequences derived from this situation. Nevertheless, in the middle of this convulsive and uncertain context, we have been able to maintain our course and reinforce our operations. We have continued to start up our projects in renewables, and we have also achieved other, strategic, objectives such as opening up the American market, milestones that have been attained in highly-professional ways. 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.

This has been an especially relevant year for the company. The start of operations of 4 of our projects, in addition to those that were already operating, has allowed us to successfully complete the plans established in previous years. We have exceeded our objectives set forth in our COVID RESILIENCE Plan. At the same time, we have achieved the figures promised in the



Business Plan presented when we went public in 2017. At the moment, with 6 projects in operation (with an installed power of 125MW), with another 1,000MW under construction, we have become a relevant player in the sector, especially for our multi-technological character and the important resource of our pipeline. In financial year 2021, these projects have led to an EBITDA of almost 40M€ and a net profit of over 10M€. The forecasts for 2022 are even better. Also, I would like to recall the recurrent and predictable nature of our business model, "Develop&Own", which means that, by retaining 100% of the ownership of our projects, we have guaranteed income for the next 25 years.

#### We brought forward our plans to operate in the USA, and started up 4 new wind farms in Spain.

Last July, we enjoyed an historic event in the group's history: The acquisition of our first international project. Our American subsidiary, Greenalia Solar Power US INC, acquired an American renewable energy generation company with a total capacity of 695MWp of photovoltaic power in RTB (Ready to Build) conditions, thus accelerating the implantation of our business in the USA. This acquisition also contemplates the installation of 170MW of battery storage. With this operation, the company has assured the achievements of the objectives established in its strategic plan, and increased its technological diversity to 5 technologies (Onshore Wind, Offshore Wind, Photovoltaic, Storage and Biomass) in two currencies, the Euro ( $\mathfrak E$ ) and the dollar (USD). The commitment of the US administration to renewable energy has opened a very attractive panorama in this

sector, and we must make the most of it. Apart from this acquisition, the company has submitted new projects there, and continues to study the acquisition of other companies in this sector, in order to advance rapidly in what is now a growth industry in the USA.

# I AM BOTH SATISFIED AND PROUD OF THE POSITIVE IMPACT THAT OUR COMPANY IS GENERATING IN THE LOCAL ECONOMY AND IN THE TRANSITION PROCESS TOWARDS A DECARBONIZED ECONOMY

On a corporate level, we should note the award, in January, of 135MW of terrestrial wind power in the tenders issued by MITECO (Ministry of Ecological Transition). This figure represents 13.5% of the power allotted by the Ministry to this technology.

Meanwhile, in December, we registered a Program of Green Credits with a value of 100 million Euros in the MARF (Alternative Fixed-Income Market) 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. This operation is in addition to the capital increase of 15 million Euros in November (via an accelerated placement procedure in which 4.4% of the company's capital was subscribed with

no discount on the previous day's price); this demonstrates confidence in the company on the part of investors and the capital markets.

I must also mention the signing, in December, of a pre-contract agreement to supply renewable energy to the Alcoa aluminium plant in San Cibrao (Lugo) for 10 years. This energy will be supplied from wind farms that are under development in the Galician Autonomous Region, mainly in the province of Lugo, where Alcoa's plant is located. This pre-contract 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 a PPA (Power Purchase Agreement) of this type.

I would also like to thank our Board of Directors for their hard work and dedication. The challenges that we are facing also demand the reinforcement of the organizational structure and of management. The renovation of the Board of Directors is the key to successfully facing future growth processes of the company. This includes the appointment as president of Jose Maria Castellano Rios, with a long business trajectory that we are all aware of, and the appointments of Beatriz Mato as Executive Director and Pablo Castellano Vazquez as Proprietary Director, who reinforce the capacity and the experience of our management. This tendency also implies the addition of the Director for Sustainability, represented by Beatriz Mato; as a result, the integration of sustainability into management extends to the top levels of the company.



On the other hand, and although it will be a reference to 2022, I would not wish to omit a mention of our current projects: The EOLO CBT project, with a power of 110MW, is now under construction and will soon export energy. To this, we must add the MISAE II project (Texas, USA), with a power of 695MW and 170MW of battery storage, also in the initial phase of construction.

In previous communications, I informed you that we are working on a new strategic plan. We will present this plan during the second half of this year.

At an organizational level, I am especially proud of the incorporation of new senior talent that will undoubtedly be a fundamental part of this new plan. To name but a few: Alberto Expósito, as Development Director of International Business Development, Alberto Ares, as Director of Engineering and Construction, and Pablo Barco, as Director of the Curtis-Teixeiro Biomass Plant, among others. Nor would I wish to forget the approval by the Board of Directors, last December, of a Stock Options Plan aimed at key management personnel. The aim of this plan is to achieve the maximum degree of motivation and loyalty of the personnel involved, 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 will be submitted for approval in the next General Shareholders' Meeting.

As part of our process of improvement and internal professionalisation, this year we have assigned more resources to the areas of Digitalization, Sustainability and Business Development, among others. Proof of this is the signing of the technological alliance with Microsoft, as is also our recognition by SAP, with a prize in the SAP Quality Awards 2021, in the category of Digital Pioneer.

Neither would I wish to leave out our commitment to the environment: this is a fundamental pillar of our strategy and business model. In this regard, I am happy to announce that, in the field of ESG, we present our Sustainability Report for 2021 together with our consolidated annual accounts. In this way, we formally communicate our commitment to contribute to the development of a more egalitarian society, maintaining the company's commitment to the 17 Sustainable Development Goals (SDG) established in the United Nations Agenda 2030. Therefore, our adhesion to the global compact is a pillar on which to seat our management of sustainable and harmonious growth from the triple ESG perspective (Environmental, Social and Governance), creating an organization that exists within a complex ecosystem and at the same time contributes to its regeneration. As a company closely involved with the communities where we undertake our projects, we support and collaborate with different organizations in projects of interest, participating together in effective strategies to promote inclusion, diversity and equality for vulnerable groups and their access to sports activities.

As I said at the beginning of this letter, 2021 has been a most convulsive year, marked by the consequences of the pandemic and new global conflicts. So, I want to thank the shareholders, institutions, financial entities and all other collaborators that have offered their support to Greenalia during this last year. Now it is time to look toward the future, aiming at recuperation. And along this course, energy transition and digitalization will be the levers that will move this process, greener and more sustainable. We are proud of and, above all, thankful for, the results that we are presenting today, because we know that this encouraging year has been made possible by the efforts of all members of our team, our assessors and the confidence of many suppliers and clients.

Before I finish, and as every year, I invite you to visit our website (<u>www.greenalia.es</u>) where we not only explain the nature of our business and present our team, but also present news, the evolution of our

activities, and relevant events. During 2021, we have also developed our GreenMap, with full, detailed information on each of our projects. You can access this via the following QR code



Best wishes to all of you

Manuel García Pardo CEO





Start-up of 4 WIND FARMS:

Ourol (22.5MW) Alto da Croa II (10.4MW) Monte Tourado (10.4MW) Alto da Croa I (7.3MW)



**COMPLIANCE PROGRAM** 



the **BOARD** and incorporation of the **SUSTAINABILITY** 

DIRECTOR









US PROJECTS





DIVERSIFICATION

and 2 CURRENCIES:



Establishment of a long-term INCENTIVES program for key directors, including ESG compliance objectives including ESG compliance objectives. New appointments of

**SENIOR TALENT** 









# Greenalia. The Green Company

We are an Independent Power Producer (IPP) that works exclusively with renewable technologies. Since 2017, we have been in the Alternative Stock Market (BME Growth) in Spain, where we have been one of the best stocks for relative evaluation.

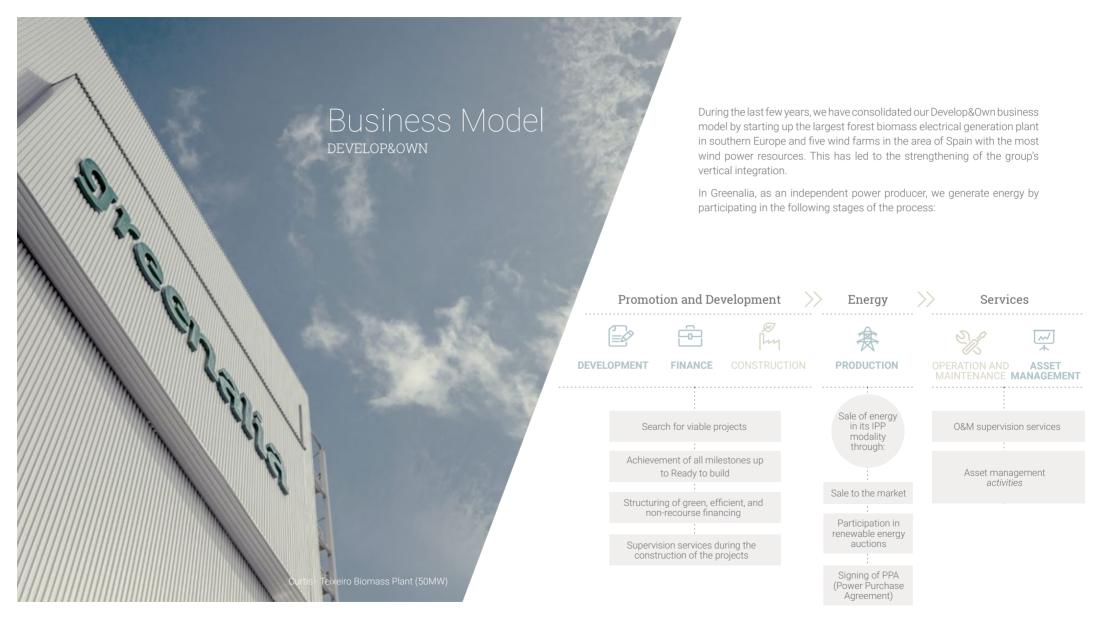
We use only wind, the sun and forest biomass, from thinning of certified plantations, to generate and store electricity in harmony with nature, providing employment and introducing innovation in the areas where we are active.

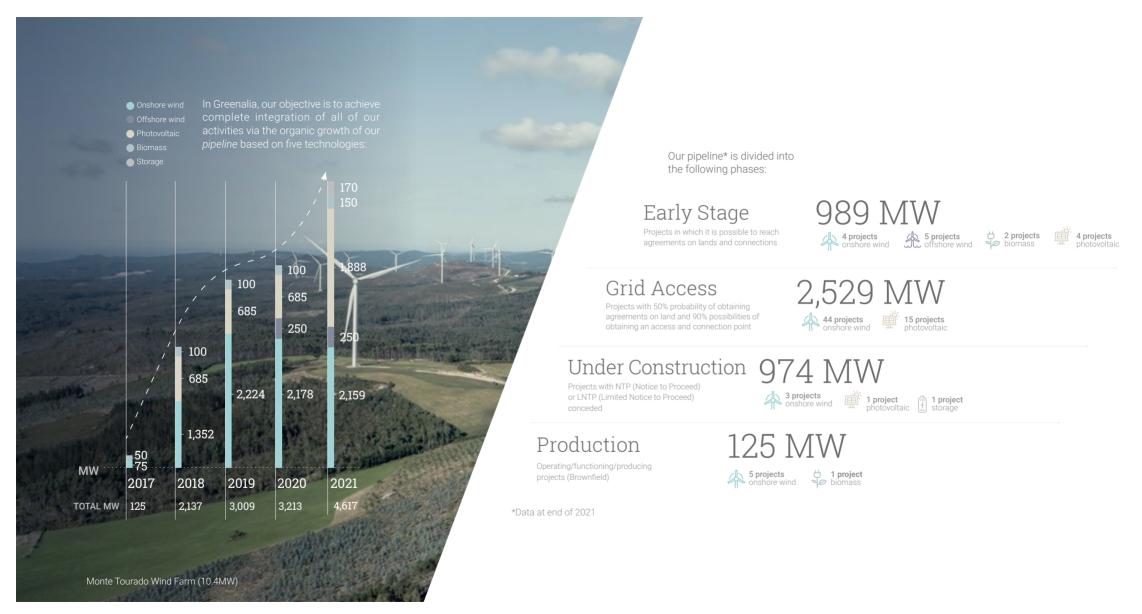
We are based in A Coruña (Spain). We are present and provide services in Europe (the Iberian Peninsula and the Canary Islands) and in the United States.

We are the first company in Spain to use floating wind platforms, a technology that we are committed to and have developed in this country, and in which we aim to establish ourselves as one of the leaders and so, via these developments, promote a high capacity in this sector for Spanish industry.

Long-term income is obtained from these installations, which allows us to structure resource-less project finance and obtain constant, dependable dividends.













#### DIVERSIFICATION OF THE RISK FACTOR WITH OUR PRESENCE IN TWO CONTINENTS AND FIVE TECHNOLOGIES.

Projects in 5 technologies located in the areas with most resources in Spain and the United States.

Pioneer in the processing of floating wind platforms in Spain.

Commitment to innovation in new technologies: battery storage.

Our pipeline is a commitment to innovation and diversification in new technologies and a presence in new markets.



Use this QR code to access our interactive map, **TheGreenMap**, to follow the evolution of our pipeline:

# Our assets Curtis-Teixeiro Biomass Plant





The plant is constructed on a plot of 103,000 square metres and has an installed power of 50MW, that can generate up to 375 GWh per year from forest biomass collected in the mountains in the region. The plant can treat over 500,000 tonnes of remains from forest thinning, from sustainably-managed plantations.

The sustainability of the biomass used is certified by SURE, a voluntary system recognized by the EU to guarantee compliance with

Renewable Energy Directive II.

The project incorporates the latest technological advances applied to biomass plants for electrical generation, complying with the most stringent European regulations. It is a highly-efficient installation both as regards production and emission levels. It is a dry-refrigeration plant, so it scarcely consumes water

**135M€** INVESTMENT

50MW INSTALLED POWER

#### Our assets











# Miñón

The Miñon Wind Farm, located in the Consello de Vimianzo (A Coruña), was connected to the grid at the end of 2019, making it our first operating wind farm

Its total power is 24 MW, obtained from six Enercon E-126 turbines, each with a power of 4 MW.

Investment

Power

### Ourol

During the first quarter of 2021, the Ourol Wind Farm, located in the province of Lugo, started operating.

Its total power is 22.5 MW, obtained from five Enercon E-136 turbines, wind generators with a higher power that, at the time, were the most powerful turbines installed in Spain in a commercial project.

26M€

Investment

22.5MW Installed Power

### Alto da Croa

The Alto da Croa Wind Farm, located in the Concello de Vimianzo, in the province of A Coruña, was connected to the grid during the third quarter of 2021.

Its total power is 7.3 MW, obtained from two Gamesa SG-132 turbines, each with a power of 3.65 MW.

5.5M€

Investment

**7.3MW** 

Installed Power

## Monte Tourado

The Monte Tourado Wind Farm, located in the Concello de Vimianzo, in the province of A Coruña, was connected to the grid during the third quarter of 2021.

Its total power is 10.4 MW, obtained from three Gamesa SG-132 turbines, each with a power of 3.46 MW.

8M€

Investment

10.4MW

Installed

## Alto da Croa II

The Alto da Croa II Wind Farm, located in the Concello de Vimianzo and the Consello de Dumbría, in the province of A Coruña, was connected to the grid during the third guarter of 2021.

Its total power is 10.4 MW, obtained from three Gamesa SG-132 turbines, each with a power of 3.46 MW.

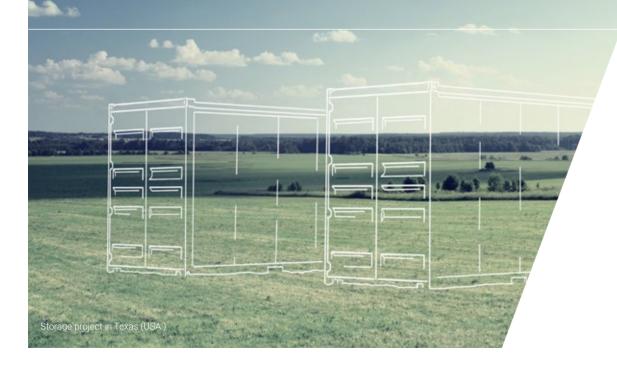
8M€

Investment

10.4MW

Installed Power

# Greenalia and technologica innovation



Electrical power storage systems are the leap into the USA, to start operating with emerging as one of the key solutions for the efficient integration of a high proportion of renewable solar and wind power sources around the world. A recent analysis by the International Renewable Energy Agency (IRENA) illustrated how electricity storage technologies can be used for a variety of applications in the energy sector, from electrical mobility and BTM (behind-themeter) applications to utility-scale public services.

Large-scale battery storage (i.e., utility scale) is vital if variable renewable energy (VRE) is to achieve a greater participation in the global energy mix, allowing greater penetration of renewable energy into the supply via its capacity to absorb, store and quickly return power into the grid. They also help to provide reliable electricity supplies with more efficient networks, cost savings and lower fossil-fuel emissions.

In Greenalia, we remain committed to innovation and diversification into new technologies, and in 2021, we have taken

a new technology: battery power storage (170MW), as well as successfully completing the application procedures to start construction of 695MWp of photovoltaic solar power in Texas. This has enabled us to diversify the risk factor, by being present in two continents, and at the same time, to acquire greater stability and security in our compliance with the objectives set in our strategic plan.

Energy storage technologies are a fundamental solution to provide reserve energy, diversify the combinations of supplies, reduce the impact of extreme weather conditions and, finally, to help construct a more resilient power network.



According to data from the International Energy Agency, it is expected that in 2050, 50% of the installed global production will come from renewable energy sources. This is a considerable amount if we compare it to the 2019 figure of 27%.



# Financial Excellence

The application of good financial practices is an extension of our commitment to sustainability. It means that strict compliance with fiscal responsibilities is one of our main principles, and is fully in line with our values and our philosophy of creating value and being a positive force in social transformation in the regions where we operate.





	2019	2020	2021	<b>VAR</b> vs 2020
Total income (M€)	40.2	43	76.5	+78%
EBITDA (M€)	3.3	11	38.7	+252%

2021 has been a successful year for Greenalia, with a 3.5-times increase in our EBITDA and with our shares reaching an all-time maximum price during the year  $(22.5 \in)$ 



Recurring income, predictable and stable in the long term.



Efficient financial structures, resource-free.



High profitability, focussed on the generation of EBITDA and value for shareholders



Our community of stockholders has become one of our most important groups of interest. As a result, we strive for more transparency and improved communications channels that enable us to hear them and to offer them value. seeking an equilibrium between constant investment in company growth and the generation of a positive impact in our surroundings.

We guarantee the market equal access to information. The information relating to the evolution of our business is communicated via our corporate web page and is distributed to investors and analysts in a mailing list with over 897 entries.

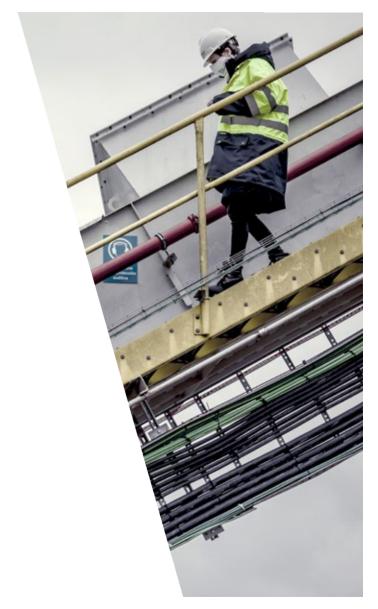
In addition, any private investor can use the Shareholders' Channel to request detailed information regarding the evolution of the business.

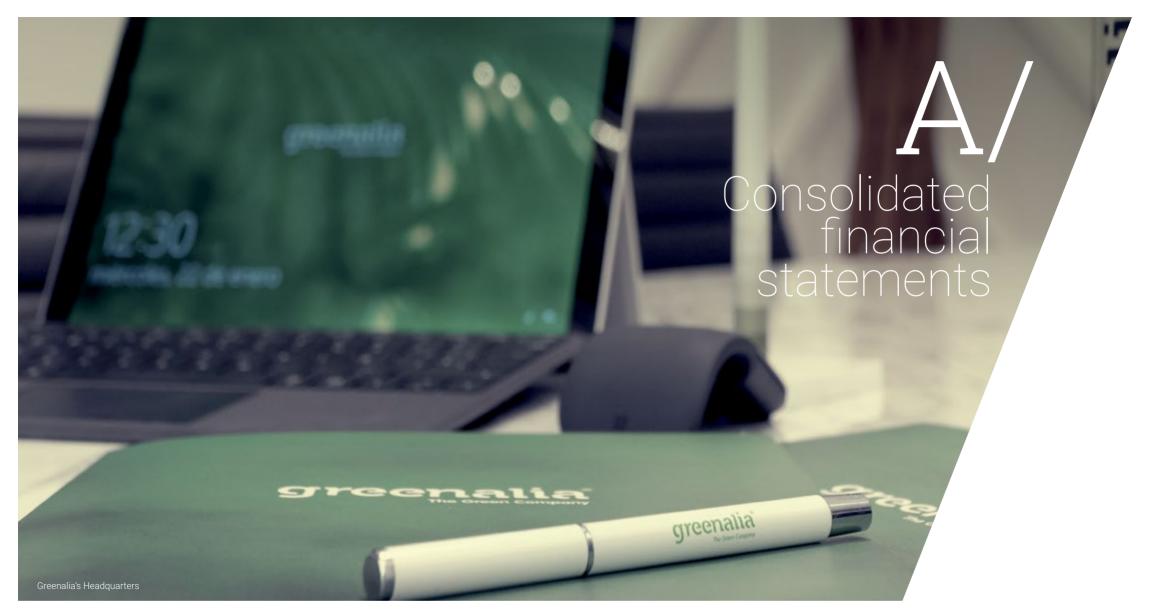
TOTAL CAPITALIZATION (31/12/2020)	201,717,984€	385,387,517€	351,409,906€
Local public administration	-67,402€	-58,429€	-97,047€
Central public administration	-83,175€	-720,465€	-2,022,704€
Capital providers	-4,040,759€	-6,128,695€	-17,158,281€
Shareholders	-86.,367€	0€	-12,035,891€
Personnel	-1,444,777€	-3,173,441€	-4,111,951€
ECONOMIC VALUE DISTRIBUTED	5,722,480€	10,081,030€	35,425,874€
Amortization and depreciation	-1,831,015€	-4,890,004€	-9,421,266€
ADDED VALUE	7,553,495€	14,971,034€	44,847,140€
Operating costs	-35,794,937€	-32,499,126€	-41,395,737€
ECONOMIC VALUE GENERATED	43,348,432€	47,470,160€	86,242,877€
Other income	3,057,283€	4,466,182€	9,710,161€
Income	40,291,149€	43,003,978€	76,532,716€
	2019	2020	2021

In 2021, we registered a program of one for 55 million, issued in December market (MARF) to a value of 100 million the maximum Standard&Poor's rating in Euros, valid for one year from the date of the sustainability sector. publication of the program.

With this initiative, the second program of Green Credits in the Spanish market, has consolidated its position as a pioneering company in the emission of green finance, since all credits issued up till now, the last

green credits in the Spanish fixed income 2020, have been qualified as "green", with





#### Greenalia, S.A. and dependent companies Consolidated balance on December 31, 2021 (Expressed in Euros)

Assets	2021	2020
NON-LIQUID ASSETS	282,387,644	245,189,176
Intangible fixed assets	2,753,617	2,538,146
Consolidated goodwill	66,992	80,716
Other intangible fixed assets	2,686,625	2,457,430
Material fixed assets	276,213,176	237,931,962
Land and buildings	7,411,063	3,419,048
Technical installations and other material fixed assets	218,454,424	167,416,452
In-progress fixed assets and advanced payments	50,347,689	67,096,462
Long-term investments in group and associated companies	524,606	919,717
Credits with group companies	524,606	919,717
Long-term financial investments	967,677	884,301
Equity instruments	858,374	852,397
Credits with third parties	20,637	13,152
Other financial assets	88,666	18,752
Differed tax assets	1,928,568	2,915,050

LIQUID ASSETS	98,079,086	56,698,502
Non-liquid assets held for sale	1,893,694	1,955,091
Stock	4,345,994	2,770,247
Commercial	1,990,634	1,567,890
Raw materials and other supplies	859,406	165,766
Finished products	775,188	242,693
Advance payments to suppliers	720,766	793,898
Commercial debtors and other amounts pending	18,619,546	9,353,321
Clients, for sales and services	18,169,446	8,862,876
Personnel	35,000	35,000
Current tax assets	25,131	139,436
Credits with Public Administrations	389,969	316,009
Short-term investments in group and associated companies	-	500,728
Credits with group companies	-	500,728
Short-term financial investments	436,909	210,167
Other financial assets	436,909	210,167
Short-term periodicity	606,114	255,573
Cash and equivalent liquid assets	72,176,829	41,653,375
Treasury	58,609,857	41,447,840
Other equivalent liquid assets	13,566,972	205,535
TOTAL ASSETS	380,466,730	301,887,678

# Greenalia, S.A. and dependent companies Consolidated balance on December 31, 2021 (Expressed in Euros)

NET EQUITY AND LIABILITIES	2021	2020
NET EQUITY	22,645,332	(7,065,174)
CAPITAL AND RESERVES	26,214,166	99,393
Capital	443,419	424,669
Authorized capital	443,419	424,669
Premium on issued shares	18,361,239	3,379,989
Reserves	(2,116,739)	(1,853,234)
Legal and statutory	80,254	80,254
Other reserves	(2,196,993)	(1,933,488)
Own shares and participations in equity	(1,045,494)	(713,654)
Results of previous years	(1,464,150)	(563,232)
Year's results attributed to the parent company	12,035,891	(575,145)
Adjustments for change in value	(3,769,535)	(7,433,376)
Hedging transactions	(3,831,387)	(7,433,376)
Translation differences	61,852	-
Subventions, donations and legacies transferred to P&L	193,951	262,059
External partners	6,750	6,750

NON-LIQUID LIABILITIES	191,617,050	273,906,189
Long-term debts	178,328,427	272,582,215
Bonds and other negotiable securities	54,076,343	56,316,446
Debts with credit institutions	87,748,825	109,800,063
Financial leasing creditors	6,403,402	7,107,558
Derivatives	3,730,582	9,163,598
Other financial liabilities	26,369,275	90,194,550
Long-term debts with group and associated companies	2,458,963	1,187,273
Other non-liquid liabilities	10,715,673	
Differed tax liabilities	113,987	136,701
LIQUID LIABILITIES	166,204,348	35,046,663
Short-term debts	144,890,755	27,408,844
Bonds and other negotiable securities	2,638,689	277,942
Debts with credit institutions	99,107,191	18,990,284
Financial leasing creditors	1,940,617	1,666,202
Derivatives	1,377,934	747,570
Other financial liabilities	39,826,324	5,726,846
Short-term debts with group and associated companies	4,342,841	474,043
Commercial creditors and other payments pending	16,970,752	7,163,776
Suppliers	2,933,500	3,460,511
Suppliers, group and associated companies	-	5,235
Sundry creditors	12,600,156	3,451,678
Personnel (remunerations pending payment)	2,197	861
Other debts with Public Administrations	349,919	242,383
Advance payments from clients	1,084,980	3,108
NET EQUITY AND LIABILITIES	380,466,730	301,887,678

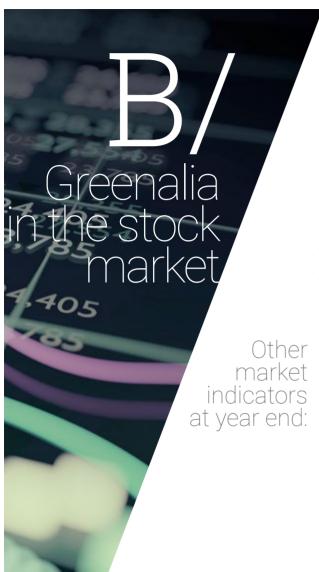
# Greenalia, S.A. and dependent companies Consolidated profit and loss account for the financial year ending

December 31, 2021 (Expressed in Euros)

ONGOING OPERATIONS	2021	2020
Net turnover	76,532,716	43,003,978
Sales	73,418,946	38,095,788
Provision of services	3,113,770	4,908,190
Variation in stock of finished and partially-finished products	(55,439)	(16,781)
Asset betterments and improvements by the company	1,273,237	4,148,265
Provisions	(29,595,223)	(24,396,125)
Consumption of merchandise	(14,504,756)	(16,025,676)
Consumption of raw materials and other consumables	(9,227,447)	(3,576,664)
Work carried out by other companies	(5,581,224)	(4,793,785)
Impairment of merchandise, raw materials and other provisions	(281,796)	-
Other operating income	24,001	131,295
Non-core and other current operating revenue	19,964	(2,099)
Operating subsidies incorporated into the year's results	4,037	133,394
Personnel costs	(4,111,951)	(3,173,441)
Wages, salaries and equivalents	(3,185,190)	(2,466,503)
Social costs	(926,761)	(706,938)
Other operating costs	(13,864,826)	(9,008,359)
External services	(11,681,985)	(8,077,291)
Taxes	(2,119,751)	(922,139)
Losses, impairment and variations in supplies in commercial operations	(63,090)	(8,929)
Other profits and losses	8,322,100	(24,729)

Allocation of subsidies for non-financial and other fixed assets	90,823	186,622
Amortization of fixed assets	(8,930,619)	(4,987,163)
Amortization of intangible fixed assets	(331,586)	(202,458)
EBITDA*	38,658,855	11,006,271
Amortization of material fixed assets	(8,599,033)	(4,784,705)
Impairment and profits/losses on disposal of fixed assets	(490,647)	121,888
Impairments and losses	(450,000)	-
Profits/losses on disposal of assets and others	(40,647)	121,888
OPERATING RESULTS	29,194,172	5,985,450
Financial income	7,435,411	9,537,435
From financial securities and other financial instruments	7,435,411	9,537,435
From third parties	7,435,411	9,537,435
Financial costs	(20,181,682)	(16,609,000)
For debts with third parties	(20,181,682)	(16,609,000)
Translation differences	441,443	367,725
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	367,725
FINANCIAL PROFITS/LOSSES	(13,029,631)	(6,703,840
PRE-TAX RESULTS	16,164,541	(718,390)
Tax on profits	(4,128,650)	143,245
RESULTS OF ON-GOING OPERATIONS IN YEAR	12,035,891	(575,145)
CONSOLIDATED RESULTS FOR THE YEAR	12,035,891	(575,145)
Results attributed to the parent company	12,035,891	(575,145)
Results attributed to external partners	-	-

<sup>\*</sup>EBITDA=Operating results - Other results + Losses, impairment and variations in supply + Amortization of fixed assets + Impairment and results of disposal of fixed assets".



Greenalia's corporate capital consists of 22,170,972 shares represented by uncertificated book entries, with a nominal value of 0.02 Euros each, and the same political and economic rights. Its capitalization at the close of the year (FY2021) was 351,409,906€

The company's shares have been traded on the BME Growth stock exchange since its IPO on December 1, 2017. On March 19, 2018, Greenalia, S.A. was included in the "IBEX Growth Market @15"

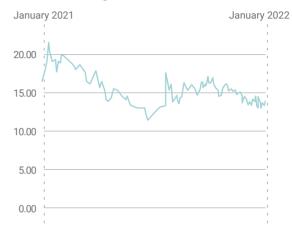
On January 25, 2019, the BME Growth intervention department communicated a change in the trading mode of shares in Greenalia, S.A., from Fixing to Continuous, on the basis of the market trading volume of the shares. The notification of the change of the trading mode of Greenalia's shares was published on Monday the 28th to take effect on Wednesday Jan-

uary 30: this was the first day on which Greenalia's shares could be traded in continuous mode in open session.

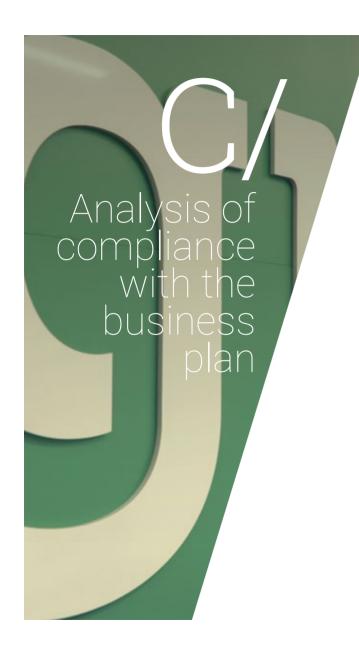
On September 3, 2020, the Alternative Stock Market was renamed BME Growth after the CNMV recognized its inclusion in the European category of Growth Market. Being in this category indicates that the quality and transparency standards of this BME market are on a par with those of other European Growth Markets.

ON DECEMBER 31, 2021, GREENALIA'S SHARES CLOSED AT 15.80 EUROS/SHARE; THIS CORRESPONDS TO AN INCREASE OF 678% SINCE THE SHARES STARTED TRADING ON DECEMBER 01 2017, AND A CAPITALIZATION OF 351,409,906 EUROS.

#### The chart below shows the share price evolution during 2021:



	2018	2019	2020	2021
Admitted capital (thousands of Euros)	425	425	425	443
Number of shares (x 1000)	21,233	21,233	21,233	22,171
Price at year end (Euros)	7.3000	9.5000	18.1500	15.8500
Last price in the year (Euros)	7.3000	9.5000	18.1500	15.8000
Max. price during year (Euros)	7.3500	12.4000	18.4000	22.5000
Min. price during year (Euros)	2.5000	5.8500	4.9800	11.1000
Capitalization (Thousands of Euros)	155,004	201,718	385,388	351,410
Volume (Thousands of shares)	1,493	1,853	3,426	1,434
Funds (Thousands of Euros)	5,848	16,085	36,580	22,831



#### **Evolution of the business and comparison with the Business Plan:**

On March 17, 2021, Greenalia, S.A. published its new plan for 2020-2021, naming it COVID RESILIENCE. The company wishes to express its satisfaction with the general degree of compliance with the Business Plan for 2021, and its correct execution.

In general, the objectives established for 2021 have been significantly surpassed, with material improvements compared to the previous year.

The increased figures in the profit & loss account consolidate the Develop&Own strategy developed in recent years. We continue to start up new energy projects, to which must be added increased performance and continuous improvement of our operating projects. In addition, the group has established new lines of business, anticipating its international expansion, which was originally planned for 2030. With the acquisition, in the second guarter of the year, of the MISAE photovoltaic project (695MW in Ready to Build condition, to which 170MW of storage will be added), a significant part of the income in 2024 will come from the US. With this operation, the company has assured the achievements of the objectives established in its strategic plan, and increased its technological diversity to 5 technologies (Onshore Wind, Offshore Wind, Photovoltaic, Storage and Biomass) in two currencies, the Euro (€) and the dollar (USD).

•The wind power business continues its

production activities, with the five EOLO MOC projects operating at full capacity at the end of the year (the wind farms Miñón, Ourol, Alto da Croa, Alto da Croa II and Monte Tourado). We must note the merchant trading of these projects, which is allowing us to obtain market prices above those included in the plan.

Without a doubt, a fundamental milestone in this period has been the start-up of our second wind power project, the 22.5MW Ourol wind farm; this has contributed to the group's consolidated income since May 2021.

Similarly, we must note the start-up of another three wind farms (Alto da Croa, Alto da Croa II and Monte Tourado), which have been contributing to the group's consolidated income since September 2021.

During 2021, these 5 projects have exported 132,795MWh of energy.

•The biomass plant (Curtis-Teixeiro) has continued to export energy, and although the Operation and Maintenance provider has been replaced, it is now producing maximum power and is fully operational.

•The other business segments continue to operate normally, with no significant incidents. The insurance cover has been reviewed, and we have been in conversations with our main clients in order to anticipate possible changes or loss of the demand, with no changes in this regard

having been notified.

In addition, construction work has commenced during 2021 on another 3 wind farms with a total power of 110MW. This will allow us to multiply our EBITDA by 10 during the COVID period (2019 vs. 2021), without compromising our mediumand long-term objectives, which will be equally increased.

From a quantitative point of view, the objective established for 2021 has been surpassed, with a very significant improvement with respect to the previous year.

Therefore, both of these objectives established in the plan were achieved by the end of 2021.

Consequently, the EBITDA-to-Sales ratio (EBITDA margin), for which 33.72% was proposed, has surpassed this, reaching 50.51%, greatly above

A) IN THE CASE OF INCOME, THIS HAS SURPASSED 76M€, A 23% IMPROVEMENT OVER THE ESTABLISHED OBJECTIVE THE INCREASE WITH RESPECT TO THE PREVIOUS YEAR IS 78%.

B) AS REGARDS THE EBITDA, THIS HAS REACHED 38.7M€, AN IMPROVEMENT OF 85% COMPARED TO THE OBJECTIVE ESTABLISHED IN THE PLAN. THE INCREASE WITH RESPECT TO THE PREVIOUS YEAR IS 251%.



the estimate; and in any case, an improvement over the previous year's figure of 25.59%.

Consequently, the objectives in the plan for income and EBITDA have been achieved, with a compliance in the case of EBITDA of 185%, and 123% in the case of income

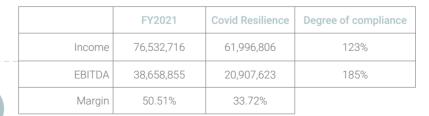
We should note that, during the IPO in the

second half of 2017, the company presented a 5-year plan that proposed an EBITDA in 2021 of 23.3 million Euros. At the end of this 2017 Plan, we can see that the company has exceeded the forecasts and commitments acquired at the time of the IPO in 2017.

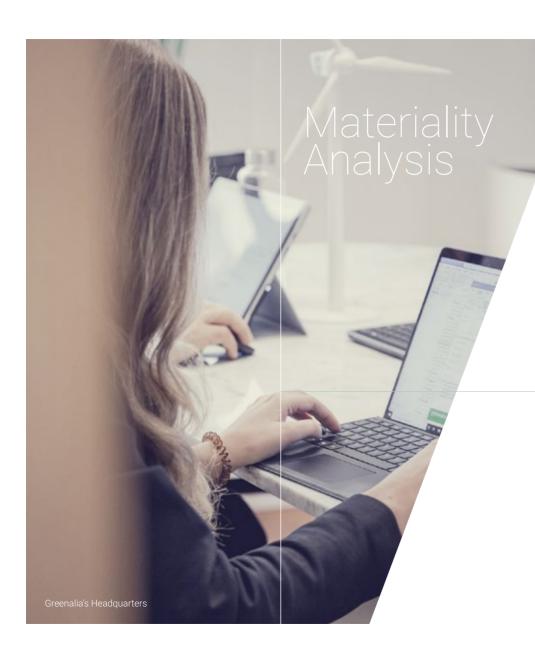
Comparison with previous year

	FY2021	FY 2020	% variation
Income	76,532,716	43,003,978	78%
EBITDA	38,658,855	11,006,271	251%
Margin	50.51%	25.59%	

Covid Resilience FY21







Materiality analysis is a most important tool with great added value. It allows us to identify the items that are most important to our groups of interest and so advance in the creation of value in governance, social and environmental terms, to ensure that the present and future needs of our groups of interest are satisfied.

In addition, and as a part of our strategy regarding the United Nation's Sustainable Development Goals, we have also examined which SDGs are impacted in each phase of the value chain, basing this on materiality analysis.

In order to carry out the process of identifying and prioritizing the material items, we have followed the recommendations of the GRI Standards, which

establish materiality as one of the principles that define the contents of sustainability reports, together with the inclusion of the groups of interest, the context of sustainability and exhaustiveness.

We select the groups via a process of internal discussion with department heads in all of our business areas, and so achieve a representative selection from the groups with which Greenalia interacts in one way or another via its activities and that can be affected directly or indirectly by the company's activities.

### ELABORATION OF THE MATERIALITY MATRIX

#### IDENTIFICATION

Analysis and identification of **27 candidates** for relevant items to the internal and external groups of interest, to

#### PRIORITIZATION

items to the internal and external groups of interest, to evaluate their relevance in terms of their impact in the economic, governance, social and environmental areas, and the influence of these items in their decisions and expectations.

#### **GLOBAL VALIDATION**

Validation by management of the results of the materiality matrix of the **21 materialitems** to ensure that they reflect, in a reasonable and balanced manner, items that are relevant to the organisation.

#### REVISION

The conclusions of the internal and external revision of the materiality matrix of the previous year (2020) have been applied during the materiality process in 2021.

During the prioritization of the material items in 2021, we have considered 64 replies from the following groups of interest: Suppliers, Administrative bodies, NGOs, Universities, Investors, News media, Associations in this sector, Forestry clients and Greenalia personnel.

# External Relevance Internal Relevance Greenalia's Headquarters

# Materiality Matrix

# ENVIRONMENTAL (E)

- 1 Climate Change
- 2 Energy transition
- 3 Circular Economy
- 4 Biodiversity
- 5 Water
- 6 Waste

- 8 Quality of employment
- 9 Talent management
- 10 Equality, Diversity and Inclusion
- 11 Occupational Health and Safety
- 12 Human Rights
- 13 Rural development
- 14 Impact on local communities
- 26 Cybersecurity

# GOVERNANCE (G)

- 19 Business Model, performance and competitiveness
- 20 Financial excellence
- 22 Green finance
- 23 Good governance and ethics. Compliance
- 24 Transparency
- 25 Management and risk control system
- 27 Corporate policies

# Sustainability Plan (ESG) 2019-2023

Our mission in Greenalia is to create value in a sustainable manner by generating electrical energy from renewable sources, supporting the process of global energy transition and protecting future generations.

Our vision of sustainability starts with intrinsic values of our business, such as non-conformity, defying the *status quo*, and pro-activeness, together with the intention that all areas of our business should contribute to the achievement of the objective of promoting a society that is progressively more regenerative.

Our ambition of being more sustainable led us to develop our 1st Sustainability Plan for 2019-2023, which included specific activities based on three main areas:

ENVIRONMENTAL SOCIAL GOVERNANCE





# Environmental

SDG	OBJECTIVE	2019		2020		2021	
7 PHODEIA ASSOLICE THO CONTANTANTE	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))	•
13 ACCITION POPER CITIMA	Carbon-neutral company	1st year of neutrality, compensating the Scope 1 and 2 emissions	•	Carbon-Neutral company for 2nd consecutive year	•	We are entering a phase of evaluation of other alternatives better aligned with the aims for reducing emissions approved during this year.	•
15 WITO DESCRIPTIONS TO THE PROPERTY OF THE PR	100% FSC®/PEFC wood in 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	•
15 WEAD OF CODESTIBLES IDENSITIES	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	•
12 PRODUCTÍN TODASINO ESPRIMATES	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.	•
12 PRODUCTÍN Y CONSIMO ESPRINANTS	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	•
12 PRODUCTÍN Y CONSUMO RESPONSANES	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	•
7 EMERGEA ASSOLUTE THE CONTINUENTE	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 Miñon.	•	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)	•
11 CHANGS Y COMMENCES SOUTHERES	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	•



# Social

SDG	OBJECTIVE	2019		2020		2021	
17 ALIANZAS PARA LOGRAFIA	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	•
4 EQUIZAÇIM DE CALIBAD	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.	•
8 TRANSPORCEMENT CONSISTENCY	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	•
1 ar an	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.	•
10 seasonath ar les	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 Tordolia Sports Training Schools to improve access to sports, facilitating the inclusion of the most disadvantaged groups.	•
3 SALIO VOLDMESTER	Zero accidents	Zero accidents in our workforce	•	Zero serious accidents in our workforce	•	Zero serious accidents in our workforce	•
5 DOMAND	Zero inequality	Diagnostic phase of this process, headed by the Equality Commission, carrying out quantitative and qualitative analyses and surveys, and defining focus groups	•	1st Plan for Equality, Diversity and Inclusion (2020-2023)	•	Advances in compliance in our 1st Plan for Equality, Diversity and Inclusion (2020-2023)	•
4 ESCALISM	Continuous improvement of training opportunities	1,060 hours of training	•	1,545 hours of training	•	2,649 hours of training	•

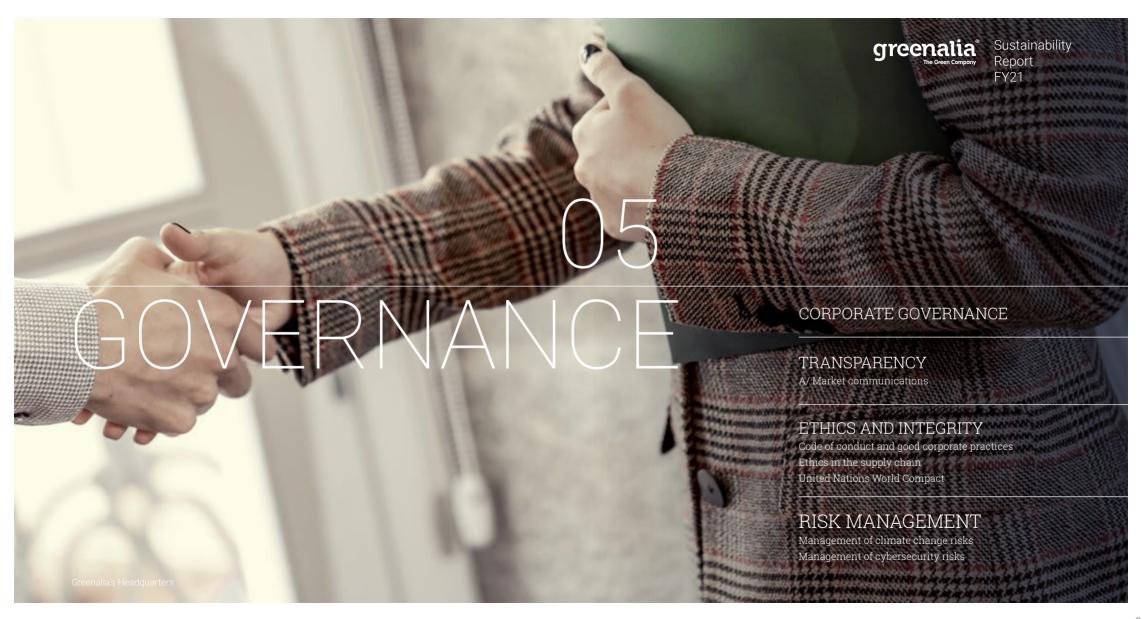
• Completed • In progress • Not completed



# Governance

SDG	OBJECTIVE	2019		2020		2021
16 PAL RITTERA SOLUTION SOLUTI	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	•	Webcast presenting results for 1st half of 2021, with 155 direct viewers and 193 views of the recording.  Presentation of results for FY2020 with 138 direct viewers and 170 views of the recording
16 PAZ, DISTINA EDISTINAS SÓLDAS	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
16 PAZ, JUSTEJA E PRETIDENIES SALIAS.	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.

• Completed • In progress • Not completed







# Governance



## Peace, Justice and Robust Institutions

Target / 16.5 / 16.6

We have advanced in the consolidation of our *compliance* program, thanks to the approval of the <u>Green Book - book of company policies</u> -, the ratification of the <u>Code of Conduct and Good Corporative Practices</u> by our Board of Directors and the inauguration of the <u>Responsibility Channel</u>.

We prioritize transparency and communication by organizing live webcasts, with Q&A sessions, to inform our groups of interest about the progress of our projects and their financial results, and we publish all financial information on our <a href="corporate web site">corporate web site</a>. Informamos de manera regular sobre los desafíos encontrados en el plano de la sostenibilidad, a través de publicaciones específicas en nuestra <a href="página web">página web</a>.



## Alliances to achieve our objectives

Target / 17.16

We collaborate with and maintain strategic alliances with public administrations, social organizations and relevant international organizations such as the United Nations World Compact, to advance towards sustainable development and to work with them to promote Human Rights.



## Governance structure

## ANNUAL GENERAL MEETING

Capital structure of the company

Smarttia SLU 81.21%

0.30% Treasury stock 5.19% Alazady España SL

13.30% Free Float Minorities

## **BOARD OF DIRECTORS**



José María Castellano Non-executive President



Manuel García Pardo CEO



Pablo

Castellano

Proprietary

Antonio Couceiro Independer



Antonio Fernández-Montells Executive



Beatriz Mato Executive Director



Laura Luaces Secretary (Non-voting)

## AUDIT COMMITTEE



José María Castellano Secretary



Norcorporate, S.L. represented by D. Antonio Couceiro, President

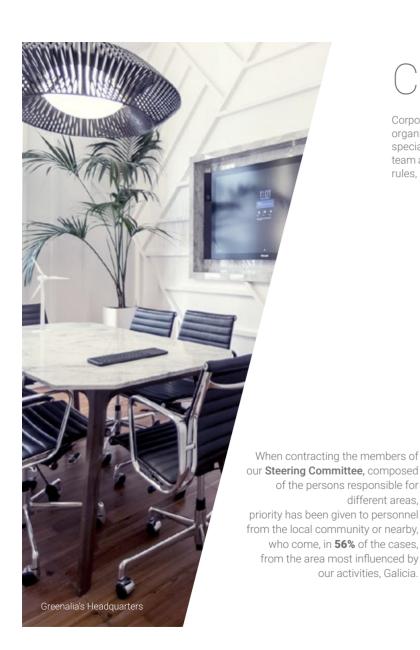
## RETRIBUTIONS AND APPOINTMENTS COMMITTEE



José María Castellano Secretary



Norcorporate, S.L. represented by D. Antonio Couceiro, (President)



# Corporate Governance

Corporate governance can be defined as the way in which companies are 
In this context, we speak of good corporative governance when organized, directed and controlled. Therefore, it is a general, transversal speciality that is meant to guarantee, at all times, that the management team and the members of the Board of Directors comply with the relevant rules, recommendations and best practices.

the members of the Board of Directors and the management team responsible for managing the company carry out their duties diligently, ethically and transparently, account for their activities, and guarantee the correct balance of powers, and respect and equality for all shareholders, especially minority shareholders.





In Greenalia, we have internal rules of conduct, approved by the Board of Directors, for matters related to the stock market. The main aim of this is the adoption by the company of the best practices applicable to the stock market, and particularly to establish rules for the management and control of privileged information, transparent communication of relevant information, the execution, when relevant, of treasury stock-market operations, and the detection and treatment of conflicts of interest, in addition to imposing certain obligations, limitations and prohibitions on the persons affected or informed. All of this is intended to protect the interests of investors in the company's shares and to prevent and avoid any abuse.

GREENALIA'S GOVERNANCE BODIES UPHOLD THEIR COMMITMENT TO CONTINUOUS IMPROVEMENT, SEEKING EFFICIENT, TRANSPARENT AND RIGOROUS MANAGEMENT OF ALL OF ITS BUSINESSES AND OPERATIONS. GREENALIA'S GOOD GOVERNANCE PRACTICES CONTRIBUTE TO THE GENERATION OF VALUE AND TO THE LONGTERM PROTECTION OF THE COMPANY, ITS SHAREHOLDERS AND ITS GROUPS OF INTEREST

## Functions of the Board of Directors

- Approval of Greenalia's Consolidated Annual Accounts and the Sustainability Report.
- Approval, promotion and follow-up of the ESG Policies (Green Book).
- Supervision of internal auditing and control and prevention of business risks.
- Elaboration of the proposal for the Directors' retributions.

## Main actions of the Board of Directors in 2021

- Preparation of the Annual Accounts for FY2021.
- Distribution proposal for the profits from 2020
- Approval of the Code of Conduct and Corporate Good Practice, and the ESG Policies (Green Book).

Our main means of governance are the Shareholders' Meeting and the Board of Directors, which comply with the principles of transparency and independence, and follow criteria of complementarity, professionalism and diversity.

Our Board of Directors consists of 6 members, with diverse knowledge, competences, origins and experience, and of both genders, guaranteeing an appropriate representation of the shareholders as a group, and efficient operation of the Board. As for diversity of gender, 16% of the Board is female. During this year, the Board has met on 11 occasions.

Sustainability is an ever-present factor in our decision processes and in our business model, and so we have a Sustainability Committee and an Equality Committee, consultative bodies whose task is to advise the Steering Committee in matters within their competence. Also, in 2021, we have incorporated a Director of Sustainability into the board. In this way, our Board of Directors can ensure that our strategic governance supports the sustainability policies and can actively monitor the contribution of the company to the United Nations Sustainable Development Goals.

In order to continue to move forward in our good corporate governance policies and to imbue our entire team with the best market practices, we have continued work during this year on our Program of Regulatory Compliance.

Our control environment consists of managerial elements, policies, procedures, operational controls and Executive Committees that support the Board of Directors in the exercise of their responsibilities.

The composition of each of these Committees varies according to the post or rank of the Greenalia personnel and the frequency of their meetings, which may be weekly, twice-monthly or monthly.



# Transparency

Good governance requires that the groups of interest have regular and specific access to information that is relevant, sufficient and reliable, both as regards the rules and exercise of governance and the results achieved.

Consequently, to attain the maximum transparency, Greenalia collaborates responsibly with public institutions, contributing our vision regarding matters that affect our business areas and the sectors in which we operate. To be the transparent organization that we wish to be:

- We maintain international forestry certifications that demonstrate the sustainability of the wood and other forestry products that we sell.
- We publish our financial information periodically and we undergo financial audits half-yearly, a greater frequency than that legally required.
- We have a direct channel open to shareholders

  and investors, to serve them in the most effective, flexible and clear way possible and ensure that they are constantly informed of our activities.
- We scrupulously respect the rules governing the treatment of privileged information and other
- relevant information when we communicate with stock markets, and those governing our relationship with our stockholders, as required by the Internal rules of conduct in matters related to the Stock Markets.

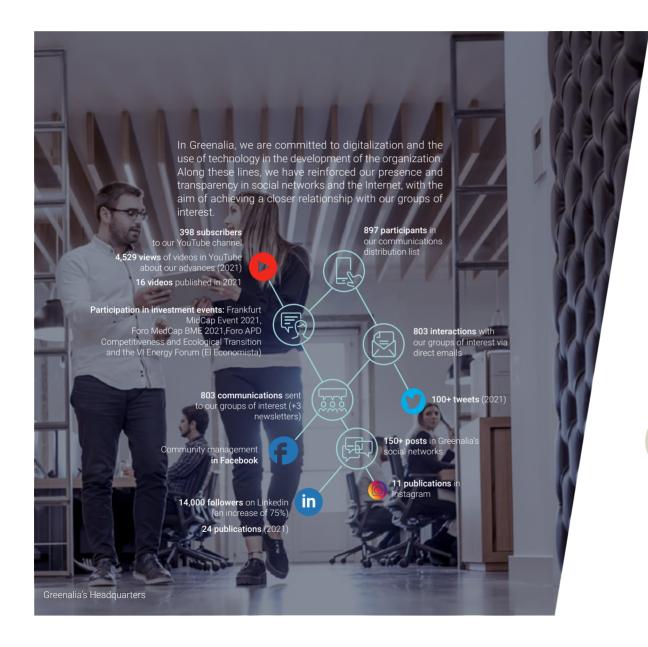
## Dialogue channels

Apart from including all of the relevant information and communications in our **corporate web site**, we organize live webcasts, with Q&A sessions, every time we announce our results or strategic plans, in which we inform our groups of interest regarding the progress of our projects and present our financial results.

We regularly report on the specific challenges encountered in the field of sustainability (ESG) as we carry out our business activities, via specific publications in our web page. Like the publication regarding our activities in social collaborations, or the advances in our compliance program. The aim of our Sustainability Plan (ESG) is to publish relevant information of this type every guarter

By the same token, we maintain a policy of open communications with communications media, paying special attention to those that are present in the areas where we operate, in order to inform the public about our projects and their characteristics, to guarantee greater awareness of them and so achieve a greater degree of transparency in the local area.



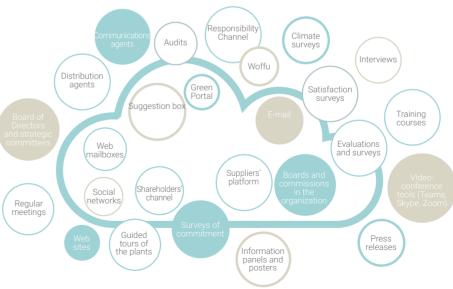


Constant dialogue with our groups of interest is essential to detect opportunities for improvement or other opportunities that allow us to achieve business excellence, and for this reason, we work to adapt our communications channels to the needs of each group of interest, guaranteeing continuous, stable, high-quality communication with all of them.

It must be said that, due to the restrictions imposed by the pandemic, remote work tools were the main support for the continuity of our relationships with most of the groups of

interest. We selected Teams as the reference tool in the company for internal meetings and meetings with external groups of interest in video call format, and also for team management and real-time content sharing. Moreover, participation in external events on large-scale platforms is the norm in all of our areas.

Greenalia's information is available in our <u>corporate web page</u>. The company also has social network profiles in Instagram, Facebook, Linkedln. Twitter and YouTube.





## **JANUARY 26, 2021**

Dear Sirs:

"By virtue of the provisions of article 17 of Regulation (EU) 596/2014 on market abuse, and article 228 of the reformed text of the Stock Market Law approved by Royal Legislative Decree 4/2015 of October 23 and concordant dispositions, and in Circular 03/2020 from the BME MTF Equity stock market, the following information related to GREENALIA, S.A. (The "ISSUER") is provided to the market under the exclusive responsibility of the issuer and its administrators:"

#### OTHER RELEVANT INFORMATION

Today, Greenalia, S.A., has been adjudicated 135MW of onshore wind power in the tenders issued by MITECO. This figure represents 13.5% of the power allotted by the Ministry to this technology.

The company will allocate the 135MW adjudicated in today's auction to the projects in its Eolo II plan, specifically, to the wind farms in Felga (21MW), Gato (25.2MW), Penas Boas (16.8MW), Pena Ombra (45MW) and O Cerqueiral (27MW), all in the province of A Coruña and in advanced stages of the authorization procedure, with public scrutiny under way.

Apart from these, there are another 135MW contemplated in the Eolo I Plan. These are the wind farms in Campelo (40MW), Bustelo (50MW), Monte Toural (20MW), and Touriñan (25MW), that are close to closing the pooled market financing, following the same strategy used for the other projects in this plan: Miñon (24MW), and Ourol (22.5MW), already operating, and Croa, Croa II and Monte Tourado, currently under construction, which together will generate 27.7MW.

With these 9 wind farms, Greenalia will have a total of 270MW, all to be installed in Galicia in 9 installations on which construction work will commence this year, allowing them to be commissioned progressively starting in 2022.

The technical configuration of the projects, sharing electrical infrastructure and with the same integration point, with a corresponding reduction in investment, plus the high availability of the projects, with an average of over 3,800 hours, has allowed a very competitive bid of 28.89€/MW in the bidding.

With the commissioning of these wind farms, plus the 74 MW currently in operation or under construction, Greenalia will have a total of 344MW in the next two years, apart from the 50MW of the biomass plant, which is also in operation. In total, 394MW, that form part of the pipeline of nearly 4GW that the group is currently negotiating in 4 technologies (onshore wind, offshore wind, photovoltaic and biomass), with a very diversified portfolio in which floating offshore wind power will play a significant role, since it is expected to be one of the best future renewable technologies world-wide.

These 270MW imply an investment of over 270 million Euros during the next few years, and the creation of 2,700 jobs during the construction of these wind farms.

With this new achievement, Greenalia has ratified its commitment to renewable energy as a source of green growth, and is in a key position in the decarbonization process in Spain and Europe.

For Greenalia, the development and construction of these MW of wind power in the community is an important step forward that should constitute an opportunity to strengthen the Galician industry of wind power components and establish jobs linked to it.

Please do not hesitate to contact us for any further information that you desire.

In A Coruña, January 26, 2021.

Sincerely,

D. Antonio Fernández-Montells Rodríguez Financial Director of Greenalia S.A

## **JUNE 29, 2021**

Dear Sirs:

"By virtue of the provisions of article 17 of Regulation (EU) 596/2014 on market abuse, and article 228 of the reformed text of the Stock Market Law approved by Royal Legislative Decree 4/2015 of October 23 and concordant dispositions, and in Circular 03/2020 from the BME MTF Equity stock market, the following information related to GREENALIA, S.A. (The "ISSUER") is provided to the market under the exclusive responsibility of the issuer and its administrators:"

#### OTHER RELEVANT INFORMATION

Yesterday, the Greenalia general shareholders' meeting approved the appointments of the members of the company's Board of Directors, reconfirming several of its members, as was proposed in the meeting in May.

At the same time, the meeting yesterday afternoon has approved the designation of Jose Maria Castellano as president of the company's Board of Directors.

Having been approved in the Shareholders' Meeting, the Board of Directors is composed of six members: Manuel Garcia Pardo, Antonio Fernández-Montells and Beatriz Mato, as executive directors; Norcorporate, S.L., represented by Antonio Couceiro, as an independent director; and José María Castellano and Pablo Castellano, as proprietary directors.

The Board of Directors consists of:

Manuel García, company CEO and main shareholder of Greenalia.

Antonio Fernández-Montells, Chief Financial Officer (CFO) of Greenalia, has a degree in business administration and management and an MBA (IESE Business School). With more than 14 years' experience, he has been CFO in Greenalia since 2016. He was previously a consultant for Accenture, PwC and KPMG.

Norcorporate, S.L., is represented by Antonio Couceiro, an independent director of Greenalia who has an engineering degree in Roads, Canals and Ports. He has received extensive training in the business world and has enjoyed a long professional career, during which he has been

Councillor for Industry in the Xunta de Galicia, Managing Director of Begano and a director in Inveravante. At the present moment, he is president of the Chamber of Commerce, of Afigal, and of Cesgar (Confederation of Reciprocal Guarantee Companies) and of the Royal Sporting Club of La Coruña.

Beatriz Mato, Greenalia's director of Corporative Development and Sustainability since February 2020, is a graduate of the Bilbao Higher School of Industrial Engineers and is specialized in Business Organization. She has an MBA from the approved Business School of the UDC. For 13 years, she worked in business environments, in IBM, Rank Xerox and Norcontrol (now Applus), before joining the innovation department of IGAPE. From 2009 to 2018 she was a Councillor in the Xunta de Galicia. At present, she combines her post in Greenalia with the post of independent councillor in the Euskatel Group and in the Technical Water Management company, Gestagua, S.A.

Since June, 2020, José María Castellano, owner of 5.18% of Greenalia's shares, has extensive experience as a manager and an investor. Since 1985, he has been a member of the Board of Directors of Inditex, and in 1997, he was named vice-president and CEO of the group. He has also been president of ONO and the NovaGalicia Bank. José María Castellano is a doctor in Business Economics (Madrid Complutense University), professor of Economic Finance and Accounting in the University of A Coruña and a member of the Academy of Economic and Financial Sciences. Currently, he is a member of the boards of directors of several leading Spanish companies.

Since 2015, Pablo Castellano has been president of Family Office Nakadama, the instrument used by the family of José María Castellano to administer their estate. Previously, he was president of Suburban Design and a director of Niki Bosch, and also a director in Riopele, all companies in the textile sector.

Please do not hesitate to contact us for any further information that you desire.

In A Coruña, June 29, 2021,

Sincerely,

D. Antonio Fernández-Montells Rodríguez Financial Director of Greenalia S.A

## JULY 21, 2021

Dear Sirs:

"By virtue of the provisions of article 17 of Regulation (EU) 596/2014 on market abuse, and article 228 of the reformed text of the Stock Market Law approved by Royal Legislative Decree 4/2015 of October 23 and concordant dispositions, and in Circular 03/2020 from the BME MTF Equity stock market, the following information related to GREENALIA, S.A. (The "ISSUER") is provided to the market under the exclusive responsibility of the issuer and its administrators:"

## **OTHER RELEVANT INFORMATION**

Greenalia, via its affiliate Greenalia Solar Power US INC, has today acquired an American renewable energy generation company with a total capacity of 670MW of photovoltaic power in RTB (Ready to Build) conditions, thus accelerating the implantation of our business in the USA.

Greenalia plans to construct the 670MWp of photovoltaic power (in Texas) during 2022. This purchase also contemplates the installation of 170MW of battery storage, and, between the two parts of the project, signifies an investment of \$450M.

With this operation, the company has assured the achievements of the objectives established in its strategic plan, and increased its technological diversity to 5 technologies (Onshore Wind, Offshore Wind, Photovoltaic, Storage and Biomass) in two currencies, the Euro (€) and the dollar (USD).

The company has thus accelerated the entry into the US market as contemplated in the "COVID Resilience Plan" presented this year in March. The commitment of the US administration to renewable energy has opened an attractive panorama in this sector and we must make the most of it.

In addition to this purchase, the company has started proceedings for new photovoltaic, wind power and storage projects there, and continues to study the acquisition of other companies in this sector, in order to advance rapidly in what is now a growth industry in the USA.

The exploitation of these projects, and other future business in the USA, will be carried out via the new companies Greenalia Power US, INC., and Greenalia Solar Power US, INC.

Please do not hesitate to contact us for any further information that you desire.

In A Coruña, July 21, 2021

Sincerely,

D. Antonio Fernández-Montells Rodríguez Financial Director of Greenalia S.A

## **NOVEMBER 24, 2021**

By virtue of the provisions of article 17 of Regulation (EU) 596/2014 on market abuse, and articles 226 and 228 of the reformed text of the Stock Market Law approved by Royal Legislative Decree 4/2015 of October 23 and concordant dispositions, and in Circular 3/2020 from the BME Growth sector of BME MTF Equity stock market ("BME MTF Equity") regarding information to be provided by companies trading in the BME Growth sector of BME MTF Equity (("Circular 3/2020 of BME MTF Equity"), in their current forms, Greenalia, S.A., (hereinafter, the "Company" or "Greenalia") reports the following:

## **PRIVILEGED INFORMATION**

Following on from our communication about PRIVILEGED INFORMATION issued by the company today in the context of the increase of the company's capital via monetary contributions and excluding preferential rights to subscription (the "Increase in Capital") approved today by the Company's Board of Directors (under the aegis of the delegation of faculties conferred by the Extraordinary General Meeting of Shareholders celebrated on November 22, 2021, voting on the third point of the Order of the Day, and in accordance with the provisions of article 297.1.b of the Law of Capital Companies), the Company reports the results of said Increase in Capital.

The Increase in Capital has been implemented by the Company via a procedure of accelerated placement, delegating, to certain directors and the company CEO, the faculty, among other questions, of fixing and determining the final terms of said Increase in Capital, including., amongst other considerations, the final amount, the maximum number of shares issued and the corresponding emission premium, which has been carried out as a consequence of the investigation of the demand carried out within the framework of private accelerated placement by Banco Santander, S.A., as

Senior Global Coordinator, and Solventis, A.V.,S.A., as Global Coordinator, and, in both cases, as placement entities (the "Placement Entities"), in which Banco Santander, S.A. has also acted as an agent in the placement.

The company announces that it has successfully completed this Increase in Capital and that, during the placement period that ended today (November 24, 2021), investors have subscribed 937,500 new shares (the "New Shares") at an issuing price per share (nominal plus premium) of 16.00 Euros, which represents approximately 4.4% of the company capital prior to the Increase in Capital, and 4.2% of the company capital following the Increase in Capital (which in any case, is less than the limit set by the delegation of the Shareholders' Extraordinary General Meeting of November 22, 2021, and less than the amount authorized by the Board of Directors).

Jose Maria Castellano, shareholder and member of the Greenalia Board of Directors, has participated in the increase in capital via Alazadi, S.L.., by subscribing to 50,000 shares.

#### Confidential

According to the above, the increase in capital implies the issue and circulation of 937,500 New Shares, with a total nominal value of 18,750 Euros and a total issue premium of 14,981,250 Euros. Therefore, the total cash value accrued by the company as a result of the Increase in Capital comes to 15,000,000 euros.

As a result of this increase, the company's capital has been established definitively in 443,419.40 Euros, divided into 22,170,972 shares with a nominal value of 0.02€, entirely subscribed and paid up.

In A Coruña, November 24, 2021

Sincerely,

D. Antonio Fernández-Montells Rodríguez Financial Director de Greenalia S.A

## **DECEMBER 13, 2021**

Dear Sirs:

"By virtue of the provisions of article 17 of Regulation (EU) 596/2014 on market abuse, and article 228 of the reformed text of the Stock Market Law approved by Royal Legislative Decree 4/2015 of October 23 and concordant dispositions, and in Circular 03/2020 from the BME MTF Equity stock market, the following information related to GREENALIA, S.A. (The "ISSUER") is provided to the market under the exclusive responsibility of the issuer and its administrators:"

## **OTHER RELEVANT INFORMATION**

Last Friday, December 10, 2021, the Greenalia, S.A. Company registered a program of Green Promissory Notes in the MARF (Alternative Fixed-Income Market) with a value of 100 million Euros, valid for one year from the date of publication. The coordinating body of the operation is Banco Santander, who will also act as a placement agent, together with Banco March.

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. The report issued by this international independent agency confirms that the company's financial program "is robust, transparent and aligned with the general sustainability strategy of the company, at the same time as allowing a contribution to the United Nations Sustainable Development Goal 7, that mentions access to affordable, safe, sustainable and modern energy for all"

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.

This operation is in addition to the company's capital increase of 15 million Euros, two weeks ago. Both operations fall in the context of the ongoing expansion plan of this company, whose head office is in A Coruña. This plan includes a high-capacity pipeline based on five technologies (onshore and offshore wind power, solar power, storage and biomass) in Spain and the USA.

At the same time, just as the company predicted in the section Other Relevant Information on November 23, 2021, where the YTD'21 results as of the end of October were presented, the previsions for the end of the year are positive, with an EBITDA that in any case will exceed the 24 million contemplated for 2021 in the Plan presented by the company in its IPO proposal in 2017 (Doc. IPO information, of November 27, 2017).

In A Coruña. December 13, 2021.

Sincerely,

D. Antonio Fernández-Montells Rodríguez Financial Director de Greenalia S.A

## **DECEMBER 26, 2021**

Dear Sirs:

"By virtue of the provisions of article 17 of Regulation (EU) 596/2014 on market abuse, and article 228 of the reformed text of the Stock Market Law approved by Royal Legislative Decree 4/2015 of October 23 and concordant dispositions, and in Circular 03/2020 from the BME MTF Equity stock market, the following information related to GREENALIA, S.A. (The "ISSUER") is provided to the market under the exclusive responsibility of the issuer and its administrators:"

#### OTHER RELEVANT INFORMATION

Last Thursday, December 23, Greenalia Wind Power S.L.U. (a company 100% owned by Greenalia, S.A.) signed a pre-contract agreement to supply renewable energy to the Alcoa aluminium plant in San Cibrao (Lugo).

As established in the document signed by the two companies, Greenalia has undertaken to supply up to 2,297GWh/year to Alcoa. This energy will be supplied from wind farms that are under development in the Galician Autonomous community, mainly in the province of Lugo, where Alcoa's plant is located. The regulatory framework of the supply contemplates a minimum duration of 10 years, starting on January 1, 2024.

This agreement meshes with Alcoa's industrial planning proposal to reactivate the installation, starting in 2024, in a context of rising electricity prices, which means that wind power is an opportunity to ensure, in the medium term, the competitiveness of Galician industry, and of

Alcoa in particular, via a PPA such as this one. In order to take on this commitment, in terms of timing and the quantity of energy to be supplied, Greenalia has selected 18 projects, all in Galicia, with a total maximum power of 895MW. These projects, that include access and connection, have been accepted for processing, and 8 of them are already in the public scrutiny phase. In addition, installations have been selected on the basis of power grid integration points, which reduces the environmental impact and the time required to enter into service.

Greenalia has 3,272MW under consideration in Spain, of which 80% include access and connection and are in a very advanced stage of processing. Of these, 584MW correspond to wind power projects in the province of Lugo, with access and connection to the Spanish Power Grid in the Xove substation, alongside Alcoa's installations. Some of these projects are being processed by the Ministry, and others by the Xunta (Galician regional government). Over 50% have already been opened to public scrutiny, and the rest will be opened at the start of next year, so construction will be able to start at the end of this year.

In A Coruña, December 26, 2021.

Sincerely,

D. Antonio Fernández-Montells Rodríguez Financial Director of Greenalia S.A



# Ethics and Integrity

## Code of Conduct and Corporate Good Practice

Greenalia's Board of Directors decided, in 2021, to implant a Program of Regulatory Compliance, to create a common framework of integrity in the course of our activities.

The centrepiece of this Program is the Code of Conduct and Corporate Good Practice, which is aligned with the principles of the World Compact, to which we are signatories, and which can be found in our <u>corporate web site</u>.

Our ethical principles and activity guidelines are expounded in our Code of Conduct. This code is accepted by every person who becomes a part of our organization, and establishes the basic principles and commitments that we expect and that must be demanded of the companies in Greenalia and of all personnel, directors and administrative organs. Therefore, it constitutes a common framework of integrity for everyone in their professional activities and in their relationships with the groups of interest...

To ensure compliance with applicable legislation and with the Code of Conduct, we continue to work on the reinforcement of our internal procedures and policies, accepting the guidelines on personal and professional behaviour that our Board of Directors deems necessary to generate added value for our shareholders, for ourselves and for the companies in the group that handle our different activities. All of this can be seen in the approval of the **Green Book**, the book of company policies, ratified by the Board of Directors during this year.



## RESPECT for LEGALITY

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





In all of our actions, we scrupulously respect the Human Rights and Public Liberties included in the Universal Declaration of Human Rights



**PRACTICE** 

## NTEGRITY

Our behaviour is ethically irreproachable, rejecting any form of corruption and respecting the particular circumstances and needs of all persons affected by our activities, with the desire that our corporate practices reflect our values.

## TRANSPARENCY

All information that we issue regarding our operations is true, verifiable, adequate, clear and transparent.

## SAFETY



We strive for excellence, creating optimum conditions of occupational health and safety. In all of our areas of activity, we demand a high level of safety in our processes, installations and services, paying attention above all to the protection of our personnel, suppliers' personnel and local clients.

## RESPONSIBILITY

We accept our responsibility and act in consequence, committing all of our resources to achieving this end.





Since September 2021, we have a Committee of Regulatory Compliance, charged with preventing, detecting, mitigating and correcting business behaviour not aligned with ethics and legality.

This committee is responsible for ensuring the correct application of our <u>Code of Conduct</u> and for resolving consultations received via the complaints channel, in addition to guaranteeing access to and training in the Code for all of our personnel.

# 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

A specialized external company has been appointed to act as the Committee Secretary, with a right to speak but no voting power.

The Committee's functions are:

- Practical application of the Program.
- Investigation of actions that could be illegal or might violate our internal regulations.
- Escalation of all documentation for the development of this Program to Greenalia's Audit Commission.
- To plan training on regulatory compliance, determining its contents.
- To respond to doubts of our personnel regarding the application of the Program.
- To issuing reports on the efficacy of the measures adopted and the activities produced, and to suggest improvements.

To promote compliance with this, with the rest of our Program of Regulatory Compliance and with the law, during this year we have set up a Responsibility Channel that may be used by any person who, in their relationship with Greenalia, observes any violation of our standards for regulatory compliance. This channel can also be used to present complaints, claims, questions regarding the Regulatory Compliance Program and suggestions All of this contributes to the creation of a true culture of compliance that will help us to develop our business project.

This channel is managed by an independent body, thus guaranteeing the confidentiality of the communications. The platform is set up to allow anonymous reports and may be accessed via the corporative web site.

Ethics in the supply chain

Our supply chain consists of supply companies, contractors and external collaborators that help us in the planning and execution of the projects that we undertake in our different lines of business and with whom we establish relationships based on trust, impartiality, objectivity and transparency.

In order for them to understand the behavioural guidelines that should govern their relationship with Greenalia, during 2021we have approved the Ethical Charter for Supply Companies, which has been elaborated on the basis of our <u>Code of Conduct</u> and is aligned with the principles of the World Compact

In order to ensure understanding and acceptance of this Charter, we ask recipients to sign a document to this effect. At the same time, to evaluate the performance related to some questions related to sustainability or ESG (Environmental, Social and Governance), we ask them to fill in a specific questionnaire.



It should be noted that this year, just as in 2020, no judicial actions have been taken against Greenalia for anti-competitive or disloyal practices, nor has any corruption been detected. Nor have we suffered any significant fines or penalties for non-compliance in the social, economic or labelling areas.

We work unceasingly to reinforce our internal policies and procedures to ensure compliance with the law and the Program. Specifically, in addition to the Code, we have approved our Regulatory Standards for the Compliance Committee and for the Responsibility Channel, and we are working on our Crisis Communications Manual, our Contracting and

Sub-contracting Standards and our Anti-corruption Standards. The latter establishes the obligation to include an anti-corruption clause in contracts with other companies and imposes specific behavioural guidelines for donations and sponsorships; gifts, invitations and journeys; relationships with the public sector; conflicts of interest; the establishment of due diligence in certain cases; donations to political parties (prohibited); and keeping of accounts books and entries.

In addition, as regards Data Protection, during 2021 we have constituted the Data Protection Committee, in order to confirm the correct assignation of all

functions and responsibilities related to adaptation to the European General Data Protection Regulations for Personal Data 2016/679 (GDPR)

It should be noted that during this year, no security violations have been detected in data treatment, so it has not been necessary to activate the procedure for registration and notification before the Data Protection Agency. The project for regulatory compliance affecting the data protection regulations forms part of a management system that includes, as a fundamental feature, reviews and audits as part of a cycle of continuous improvement.

As an additional tool to mitigate the risk of corrup-

tion, Greenalia submits to financial audits every six months, more often than required by law.

In order for all of our personnel to be familiar with the Compliance Program, we organize specific training courses about it, some of them more specialized, such as the one we gave at the end of the year to Greenalia's Board of Directors on corruption offences.



## United Nations Global Compact

In Greenalia, we formalized our adhesion in 2019 to the greatest sustainability initiative in the world, the United Nations Global Compact. With this decision, we have acquired a commitment to uphold the Ten Principles of the UN Global Compact, derived from declarations of the United Nations:

THE UNIVERSAL DECLARATION OF HUMAN RIGHTS

THE ILO DECLARATION ON FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK THE RIO DECLARATION ON ENVIRONMENT AND DEVELOPMENT

LABOUR

ANTI-CORRUPTION

CONVENTION AGAINST CORRUPTION

ATION ON THE UNITED NATIONS

#### PRINCIPLE

Support and respect the protection of internationally proclaimed human rights

## PRINCIPLE

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

## compais

Support a precautionary approach to nvironmental challenges

## PRINCIPLE 8

Undertake initiatives to promote greater environmental responsibility

## PRINCIPLE 9

Encourage the development and diffusion of environmentally-friendly technologies

#### PRINCIPLE 5

The effective abolition of child labour

## PRINCIPLE 6

Elimination of discrimination in respect of employment and occupation

## PRINCIPLE 1

Businesses should work against corruption in all its forms, including extortion and bribery Our commitment consists in incorporating the Global Compact and its principles into the strategy, culture and daily activities of our company, and in getting involved in cooperative projects that contribute to the Sustainable Development Goals. The GRI index in this report, which also constitutes a Progress Report, indicates the different parts of the document related to each of the Principles of the Global Compact.

In Greenalia, we believe that the Agenda 2030 continues to be of vital importance in the present situation provoked by COVID-19, since the SDGs will be fundamental in the sustainable reconstruction of health systems, of the different economies and of different sectors following the crisis provoked by this pandemic. In this new context, the SDGs do not just continue to be valid, they become more important than ever.

During 2021, we have imparted 58 hours of ESG training to all of our personnel, covering the Principles of the Global Compact and Human Rights.

We are aware of the need for a global contribution to a sustainable society, and we believe that the future of sustainability must move ever closer to an open vision in which collaboration must be a pillar upon which industry must evolve. To this end, we collaborate with different groups of interest and maintain alliances with various organizations for the development of technologies that favour the decarbonization of our energy model.

Energy Companies (APPA) and the Galician Association of Metal Industries and Associated Technologies (ASIME). We are in constant contact with industry via membership in other associations, such as the Wind Power Businesses Association (AEE), the Galician Wind Power Association (EGA), the Association for Progress in Management

We are present on the Boards of Directors of several

associations, such as the Association of Renewable

(APD), the Nordés Business club, The Spanish Association of Women in Energy (AEMENER), the Spanish Photovoltaic Union (UNEF), the Spanish Biomass Association (AVEBIOM), the Spanish Standardization Association (UNE), the Canary Islands Maritime Cluster (CMC), the WFO (World Forum for Offshore Wind) and the Spanish Biomass Technological Platform (BIOPLAT), as well as in local forestry associations.

During this year, we have joined the American Clean Power Association (ACP), the American Council on Renewable Energy (ACORE), the Solar Energy Industries Association (SEIA), the Smart Electric Power Alliance (SEPA) and the American Sustainable Business Network (ASBN), associations involved in the promotion of renewable energies in the US, a market in which we started operating in 2021.



This places us in a strategic position of leadership in regulations, technological solutions and new developments that affect the advance of renewable energies. In addition, our adhesion to the Energy Storage Association (ESA) and our active participation in various international forums allow us to undertake new projects in energy storage for renewable energy and to broaden Greenalia's technological spectrum internationally, positioning us as a key actor in this sector.

We have been selected as one of the

101

Exemplary Businesses #PorElClima

for our developments in Floating Offshore Wind.

Floating Offshore Wind Farm Project



# Risk management

Risk management in Greenalia is a process directed by the Board of Directors and the Steering Committee, with the aim of predictably guaranteeing the achievement of the company's objectives with a low-to-medium risk profile. This offers our groups of interest a sufficient guarantee of protection of the value generated.

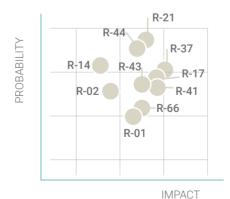
In the current complicated situation, proper risk management is even more relevant, for which reason Greenalia has carried out an analysis and evaluation of the corporate risks, both insurable and non-insurable, following the methods of one of the consultants with most experience in this field, which are aligned with international standards and best practices in the field of Integral Risk Management (ISO 31000, COSO, Global Risk Report, etc.).

The identification and evaluation of Greenalia's Risk Universe, in accordance with the defined risk scales, was carried out via interviews with the heads of business areas with a transversal view of the organization and its strategic challenges.

Once these risks were identified, they were classified according to different levels of exposure, in order to define a strategy for risk management and so mitigate, transfer and/or stave off the different risks.

Areas of exposure: Compliance, Business, Economic/Financial, ESG, Operational and Technological.

Impact and probability evaluation scales are instruments that allow Greenalia to weigh their exposures to risks in a quantitative manner, whenever necessary or whenever action is required.



Risk	Code Risk
Opposition from the local community or groups of interest	R-21
Setbacks in projects	R-37
Problems obtaining licenses and permits	R-44
Fluctuations in energy demand or prices	R-17
Non-compliance with the project specifications	R-41
Excessive construction or installation costs	R-43
Political risks	R-66
Lack of succession plans	R-14
Unfavourable variations in prices of raw materials or other commodities	R-02
Unfavourable variations in interest rates	R-01

In this context, after analysing the global risk tendencies, we have identified two themes that do not currently imply a critical risk for the organization but are nevertheless global tendencies: Exposure to climate risks and to cybersecurity risks.

## Global Risk Horizon 2021

Top 10 in short-term criticality (next 0 to 2 years)

Digital inequality

Top 10 in probability

Top 10 in impact

 Extreme weather Climate action failure 3 Human environmental damage Cybersecurity failure

4 Infectious diseases

Biodiversity loss

6 Digital power concentration

7 Digital inequality

8 Interstate relations fracture 9 Cybersecurity failure

10 Livelihood crises

Infectious diseases

Climate action failure

3 Weapon of mass destruction

4 Biodiversity loss

5 Natural resource crises

6 Human environmental damage

Livelihood crises

8 Extreme weather

9 Debt crises

10 IT infrastructure breakdown

The non-inclusion of these risk areas in Greenalia's key risk universe is a consequence of the evaluation by the Board of Directors of the efficacy of the measures of mitigation and management that the company has already implemented.





# Management of climate change risks

With the understanding that climate change is a critical global challenge, and in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), we have undertaken to identify, evaluate and quantify the risks and opportunities related to climate change.

## Main risks of climate change

## Category: Physical

Туре	Description		Impact	Management and mitigation of risk
Chronic	Long-term changes in rainfall patterns, increase of average temperatures, and consequently, the frequency of fires, plagues and forestry diseases, could affect the	High risk in the long term	Reduced income from forestry business due to decreased production capacity.	Mitigation of the impact on the traditional forestry business via a growth strategy for the main business centred on investment in renewable energy projects.
	productivity of forestry plantations.	tciiii	Increased operating and biomass supply costs.	Financial planning assumes a possible increase in operating and biomass supply costs.
Acute	An increase in the frequency and severity of extreme weather conditions could damage plantations and/or hinder forestry operations	Medium risk in the long term	Reduced income and increased costs related to the negative impact on the workforce (safety, health and absenteeism).	Creation of a work group to implement control procedures and to analyse the impact in forest productivity for the main forest species for different emission scenarios *.
Acute	Material damages in wind farms and photovoltaic installations caused by an increase in the frequency and severity of extreme weather conditions	High risk in the long term	Reduction of income derived from reduced sales. Increased repair and maintenance costs.	Risk transfer via insurance against risks derived from climatological phenomena.

<sup>\*</sup>On the basis of the Report on Climate Change in Galicia 2016, which included forecasts of temperature and rainfall variations for different emission scenarios.

## Main opportunities of climate change

Category	Opportunity		Impact	Opportunity management
Products and services	Increased demand for energy from renewable sources derived from regulatory changes on a European or national level.	Short/medium/ long-term opportunities	Increased income	Strategic plan 1-5-100, aligned with the Sustainability Plan, based on investment of over 1,000 M€ between 2019-2023 in renewable energy projects.
Efficient use of resources	Lower availability of hydraulic resources.	Short/medium/ long-term opportunities	Increased business resilience	Investment of 1 M€ in dry refrigeration technology in our biomass plant, practically zero water consumption.



Greenalia is positioned favourably with respect to the so-called transition risks, and we have a growth strategy based exclusively on renewable energy projects, in line with the global energy transition process towards a low-carbon economy. For this reason, this has not been identified as a critical risk for the organization.

With the aid of the Sustainability Committee, the Steering Committee in charged with supervising the organization's activities related to the environment, including the management and mitigation of the risks related to climate change.

The process of identifying these risks is nurtured by our constant communications with the sector via our memberships in associations and with our groups of interest, and also by consulting external sources, and they are evaluated according to their probability, and the economic consequences and effects on our reputation, in order to define the risk level and prioritize them.

## **RISK ANALYSIS 2021**

Physical risks derived from climate change

Risk level: 6.07

Residual probability: 2.13 Residual impact: 2.86 Climate transition risks

Risk level: 5.20

Residual probability: 2.14 Residual impact: 2.43



incorporate the management and mitigation process of general risks.

## Main cybersecurity risks Category: Physical

Туре	Description		Impact	Management and mitigation of risk
Acute	Security breaches, APTs, Ransomware attacks	Low risk in the long term	Padurad income from foractry business	
Acute	Security breaches in public cloud services	Medium risk in the long term	Reduced income from forestry business due to IT systems downtime.  Slowing of internal processing capacity and operational processes.	Mitigation of the impact on the traditional forestry business via a security strategy in IT systems using encryption and systems hardening, applying security policies both in hardware and in network data transit.

## RISK ANALYSIS 2021

Exposure to Cyberattacks

Risk level: 6.6

Residual probability: 3 Residual impact: 2.2







# Environmental

#### Clean water and drainage

Target / **6.4** 

Target / 7.2 / 7.a

Our Curtis-Biomass Plant uses dry refrigeration technology, reducing our potential water consumption by 90%.

Affordable, non-contaminating energy

We have made a significant contribution to the

process of energy transition, with an investment

of 1,000M€ between 2019 and 2023 in projects

for the generation of electricity from renewable

sources. At the end of 2021, 27% of the investment planned up to 2023 has been implemented.



#### Sustainable cities and communities

Target / 11.4

Greenalia has teams of expert archaeologists to identify and expose significant natural archaeological elements in the areas of our projects so that the public can see and enjoy



## Climate action plan

Target / 13.2 / 13.3

We have a Sustainability Plan (ESG) and environmental policies (Green Book). Reduction of nearly 60% of our direct emissions in equivalent k€ (EBITDA) compared to 2020.



## Terrestrial ecosystems

Target / 15.2 / 15.4

We are guided by the principle of precaution, avoiding all possible impacts on biodiversity as far as is possible.

We decided voluntarily to submit to audits according to the most prestigious standards of forestry management in the world, FSC® (Forest Stewardship Council®) and PEFC (Program for the Endorsement of Forest Certification schemes). In 2021, we advanced in our task of protecting the environment by successfully completing the audit process to obtain SURE certification.

We give priority to purchasing certified wood, which now constitutes 88% of our purchases.



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

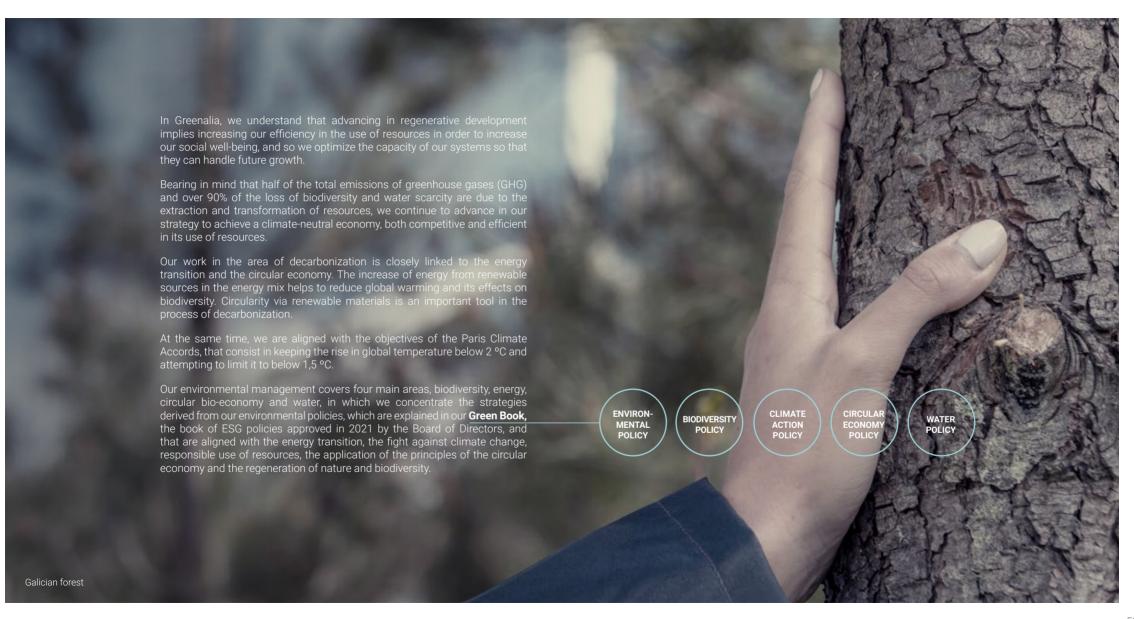


## Responsible production and consumption

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.







Galician forest



Our decisions are intended to guarantee environmental protection at all times, and we are guided throughout by the principle of precaution, from the initial planning on through the construction and operating phases of the projects.

To guarantee compliance with these measures, and their efficacy, we establish an Environmental Monitoring Program (EMP), carried out by teams of independent experts, thus ensuring transparency and objectivity.

During the planning phase of the installations, natural spaces protected at a national level, included in the Red Natura 2000, or included in the Galician Network of Protected Spaces are considered to be subject to strict restrictions. Respect for key areas of conservation of birds is one of our main mitigation principles, so we plan our projects to affect the least

possible surface area and to minimize earth movement. During this phase, we seek actively to avoid Important Bird and Biodiversity Areas (IBAs) and listed habitats.

In order to determine the existing populations of birds and bats in the areas of the projects, these being the animal communities most susceptible to the effects of this phase of the operation, fieldwork is carried out during a complete year. Special attention is paid to detect the real presence of protected species belonging to these protected communities that are potentially present according to the existing bibliography and documentation. The purpose of these studies is to create a census of the species present in the area, to study their distribution and abundance, their behaviour, biology and aetiology, and to propose corrective measures when necessary.



In 2020, we signed the Plan and program to protect the population of the species Centaurea ultreiae (Silva Panda herb) in the area around Monte Castelo, with the intention of minimizing the possible effects on undetected specimens of this species and achieve compatibility between the development of our projects and the conservation of this protected species.

To elaborate and develop this program, Greenalia has provided funds with a value of 200,000 Euros that are distributed according to a collaboration agreement with the Lourizan Centre for Forest Research, a department of the Axencia Galega de Calidade Alimentaria (AGACAL) and the higher polytechnic school of engineering (EPSE)-Campus Terra de Lugo (USC).

Under the aegis of this agreement, which is valid until 2024, the research team has carried out the first phase of this program during 2021, aimed at diagnosing the situation of this plant via extensive prospective research in the municipal districts of Coristanco, Carballo and Santa Comba (A Coruña), where this species is found.

After extensive sampling, involving detection and studies of population dynamics in 22 plots to determine the existing types of plants and their reproductive systems, in order to obtain detailed data on the evolution of this plant, their conclusion was that the real, numerical presence of Centaurea around Monte Castelo, at the confluence of the A Coruña towns of Coristanco, Carballo, Santa Comba, Tordoia and Val do Dubra is 7,587 plants.

From these figures, the project managers estimate that the total population of Centaurea ultreiae is somewhere between 15,000 to 20,000 shoots, double or triple the number estimated in previous studies. This suggests, therefore, a positive scenario with respect to its conservation, and demonstrates that the results of these studies indicates the real conservation status of the species.

After obtaining the relevant permits, and having located and identified examples of this herb, adult samples and seeds were collected for genetic studies, in order to analyse the viability of germinating the seeds and of in vitro fertilization, and so obtain precise data to implement, in the future, a repopulation program for this species. After various trials, it was possible to collect over 3,000 viable seeds, and at the end of the year, nearly 2,000 were reproducing and 30 were ready for acclimation in the field, offering the prospect of having almost 2,000 plants ready for planting when the Bustelo wind farm is constructed.

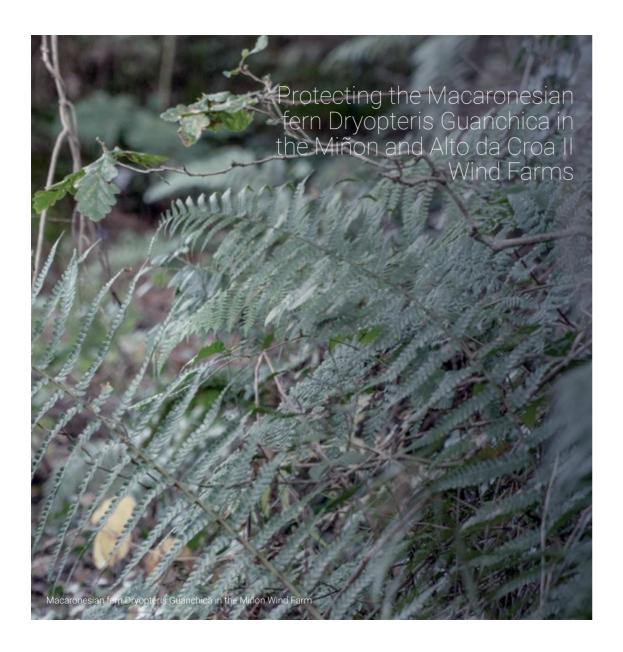


Periodic visits have been made to our operating wind farms and connection lines, as detailed in their EMPs (Environmental Monitoring Programs, EISs (Environmental Impact Statements) and EIRs (Environmental Impact Reports), to monitor possible impacts on the bird and bat communities. At the end of the year, there were no reports of collisions or electrocution of species catalogued as Vulnerable or in Danger of Extinction.

The list of threatened species included in the UICN Red List and national and regional lists shows that, in the area of our projects, the Alto da Croa, Alto da Croa II, Monte Tourado and Ourol wind farms, and their connection infrastructure, under construction in 2021, and during the first years of operation of the Miñon Wind Farm and its connection infrastructure, there were no endangered or critically endangered species present. The list includes species of birds and bats, amphibians, reptiles, terrestrial mammals and plants.

## List of protected species I 2021

UICN I	Nº of species	
CR	Critically endangered	0
EN	Endangered	1
VU	Vulnerable	8
NT	Near Threatened	38
LC	Least Concern	130
OTHEI AND R	Nº of species	
VU	Vulnerable	19
PE	Endangered	0
	Listed in the national catalogue	105



In response to the identification, in the area around the Miñon Wind Farm substation, of a rare species of **Macaronesian fern (Dryopteris Guanchica)**, classified as vulnerable in the Galician Catalogue of Threatened Species, in 2019 we launched the first phase of measures for its **protection and recuperation**, in collaboration with the University of Santiago de Compostela (USC), via the Laboratory of Environmental Technology and the Guisamo Agroforestry Training and Experimentation Centre.

As a first step, individuals of this species were located and identified, and were then transplanted to a nearby location suitable for their development, achieving a 100% survival rate of the transplanted plants.

We had previously obtained authorization from the General Directorate of the Natural Heritage, and the work was carried out according to their directions by a highly-qualified technical team from the USC (University of Santiago de Compostela) and the Guisamo ATEC. Specifically, the latter have several years' experience in similar work involving the species Dryopteris Guanchica in other areas in the Galician community.

The aim of the second phase, which commenced in 2020 and has continued during this year, is to ensure the conservation of this species and to establish an additional population near to the substation, using spores from the existing plants and dedicating a shady area for their reproduction. In addition, work commenced during 2021 to generate new seedlings, a process that will require 2 years in order to produce transplantable examples.

In the Alto da Croa II Wind Farm, we also located a small population of this species, near to a road that was to be reconditioned, and during the works, this was cordoned off, with the cordon and the plants being inspected weekly; it was planned that, when the weather was suitable, several leafy plants would be planted near to them, to provide natural cover to favour their conservation in the future.







In the areas of the projects, consideration is given to elements of cultural or archaeological heritage and the protective distances for these elements taken from the General Catalogue of Listed Heritage Sites in Galicia, the Basic Plan of the autonomous Region and municipal plans, strictly observing the protection areas of archaeological remains and including the corresponding zones of caution and respect when these have been established. At the same time, a prospective study is carried out of the entire area affected by the project plot and its surroundings, searching for unknown elements in order to include them in the official catalogue, and to evaluate the impact on them, as well as on the officially-registered elements.

The main measure to avoid or reduce possible effects on cultural heritage is that, while selecting the emplacement of the wind farms and their components, a thorough study is carried out to locate any elements of Cultural Heritage that exist in the area.

Since the locations of these elements and their protection perimeters are taken into account in the design of the wind farms, the possible effects on them are neutralized or minimized. and in each case, suitable corrective measures are proposed, to be studied by the technical services of the General Directorate of Cultural Heritage in complete compliance with applicable legislation.

During this year, there has been a total of 209 hours of archaeological monitoring (412h in 2020). The hours of fieldwork in 2021 were less than in previous years because, during this year, work has been in the completion phase, and no special actions were necessary, as a result of the work on evaluation and prevention of impacts carried out at the start of the project.

During the archaeological control and monitoring work for the construction of the Monte Tourado wind farm, a new, uncatalogued neolithic tumulus was located. It was found outside the zones of the works and activities, but was inside the control area. It was discovered after some pruning work on private land was noticed by the team of archaeologists, who decided to inspect the area, and found these new archaeological remains. The control team immediately informed the works director of this discovery, and appropriate measures were taken to guarantee its safety, while at the same time informing the General Directorate of Heritage via the appropriate incident report. By the same token, it has been catalogued in the General Inventory via the official standardized data form, so this element now has its own identity code, allowing administrative bodies to establish the protection measures prescribed in applicable legislation.

Archaeological, ethnographic and architectural elements identified and protected in the Ourol, Alto da Croa. Alto da Croa II and Monte Tourado

Cruceiro de Xanceda E-1 St. Michael Hermitage A-1 Cross of Abuin E-1 Pedra da Vela petroglyph GA15092099 Mámoa 1 da Fontaíña GA15092132 Mámoa 2 da Fontaíña GA15092133 Mámoa 3 da Fontaíña GA15092134

Mámoa 1 de Alto da Cruz GA15034011 Anta do Cabral GA15092008 Monte do Castro GA15092026 Tumulus 1 das Xoias GA15092027 Tumulus 2 das Xoias GA15092028 Mámoa 1 do Alto de Cabral GA15092029 Mámoa 2 do Alto de Cabral GA15092030 Mámoa do Cruceiro de Cabral GA15092031 Tumulus 7, Chan do Cabral GA15092039 Tumulus 1, Chan do Cabral GA15092033 Tumulus 2, Chan do Cabral GA15092034 Tumulus 3, Chan do Cabral GA15092035 Tumulus 4. Chan do Cabral GA15092036 Tumulus 5, Chan do Cabral GA15092037 Tumulus 6, Chan do Cabral GA15092038

Tumulus 8, Chan do Cabral GA15092040 Tumulus, Monte da Tella GA15092131 Tumulus, Pedra da Cruz GA15092 (1) Tumulus 10. Chan do Cabral GA15092186



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





La marca de la pestión forestal responsable The FSC® forest management certification guarantees 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 the management systems and the results in the field are reviewed yearly. The certifying body evaluates the social, economic and environmental conditions in the forest surface, demonstrating the sustainability of its management.



PEFC certification is intended to ensure that forests are managed responsibly and that their many functions are protected for present and future generations. Products obtained from PEFC-certified forests guarantee that consumers are buying products from forests that are managed sustainably, opposing illegal logging and promoting the main functions of forest resources, such as contributing to the maintenance of ecosystems and biological biodiversity, or being the sustenance of many rural populations, among others.

In Greenalia, we are leaders in the sustainable development of clean energy in Galicia, and one of the companies in the group has maintained a Madera Justa certificate for its purchasing operations of standing wood and forest waste.



This seal, promoted by the COPADE Foundation, is the first global certificate of Fair Trade in the forestry sector, and is intended to develop sustainable markets for wood products and derivatives. The seal certifies companies that use forest resources responsibly, and evaluates aspects of these companies such as the generation of wealth in rural areas, labour policies and environmental commitments. This seal confirms and validates our commitment to Fair Trade of forestry products and our contribution to the organic development of small and medium forestry producers in Galicia and Asturias.

This seal implies compliance with the requisites of internal environmental and social sustainability of the business (installations and workforce), and with criteria based on fair commercial relationships between the company and small producers.



With this step, Greenalia has anticipated compliance with the sustainability requisites established by the Renewable Energy Directive (UE 2018/2001 REDII), a European standard that established diverse criteria that should be met by all biomass employed in the bioenergy sector. All of this is intended to guarantee sustainability, the correct balance of biomass, a reduction in the emissions of greenhouse gases, and energy efficiency.

SURE is a voluntary system for certifying sustainability of the biomass, developed by REDcert (a German company experienced in the certification of the sustainability of biofuels) and Bioenergy Europe (the European bioenergy association, which has extensive knowledge of the biomass market and certification management). SURE offers a practical solution to all agents operating in the bioenergy sector who need to comply with the requirements imposed by the new European Renewable Energy Directive (UE 2018/2001 REDII).



With this in mind, we give priority to the use of residues obtained from the thinning of certified forests, with the goal of this reaching 100% in 2023. In line with this, we promote certification among small forest owners, and provide finance and technical support to a certification group that now has 2,364 members (2,116 members in 2020).

Most of our wood suppliers are owners of small local forests that, by themselves, could not undertake individual forest certification for technical or financial reasons. Greenalia has organized and completely financed a certification group in which 99.2% of the forest management units are smaller than 250 ha\*. We are audited annually by FSC® and PEFC-accredited auditors who act as independent third parties to evaluate, objectively and transparently, our compliance with the principles, criteria and indicators in the standards.

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

In 2021, Greenalia has processed **739,241 tonnes** of wood and forest-derived materials (710,736 tonnes in 2020). **100%** of the wood that we process comes from **controlled sources** and **88% of the logs** we use comes from FSC® / PEFC **certified sources** (85% in 2020).

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







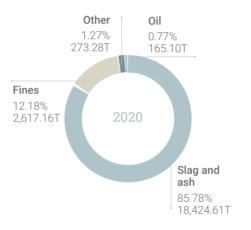


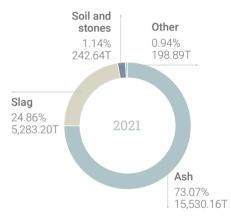
# Waste management

Correct classification of waste in our installations is a primordial task. Correctly-classified waste constitutes a material resource, for which reason we promote integral recycling practices, avoid single-use plastics and reduce the use of paper as far as possible.

We classify waste according to the European Waste Catalogue (EWC) and the corresponding national and regional legislation.

The main waste products generated, as can be seen in the graph below, are ash and slag from soil and stones, which are managed by legally-authorized managers for later recycling.





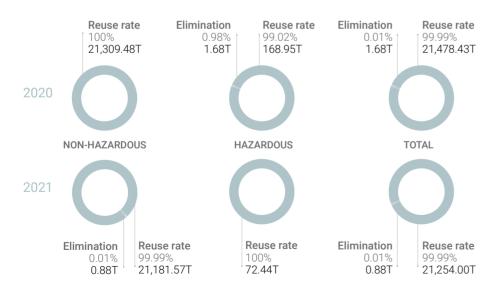
In our offices, we have eliminated single-use plastics and implement minimum and efficient use of material resources. To this end, we reduce as far as possible the use of resources like paper, and in practice, we keep all of our documents in digital format, limiting printed copies to those that are strictly necessary. Although the quantity is small, office waste that cannot be avoided is separated according to the category of the waste, and deposited in specifically-designated locations for recycling.

Due to its operations, the Curtis-Teixeiro biomass

plant, in operation since the start of 2020, is where the major part of our waste is generated, and we classify this according to applicable legislation as hazardous and non-hazardous. Hazardous waste includes oil, containers containing product residues, electric cells, fluorescent light tubes, etc., that are generated by maintenance work on the operating equipment in the plant. There are three main types of non-hazardous waste: slag from the crucible, ash from the furnace, and remains of stones and soil (fines) that were mixed with the biomass.



During this year, practically all of the waste accounted for was reused or recycled by legally-authorised managers who apply recycling or other appropriate treatments that allow its recuperation and suitable environmental management.



<sup>(1)</sup> The waste report includes data on waste from all of our installations (offices, biomass plant, wind parks and ship). Where real data was not available, the appropriate estimations have been used.



## PRODUCTS SOLD FOR REUSE

Fines produced 4,198 tonnes
Fines reused 3,800 tonnes
Percentage of product reused 90%

In 2021, the amount of waste has been reduced, since we have continued to sell the fines for use as a sub-product, so 90% of the fines produced in the biomass plant have been reused, mainly in the production of substrates and organic products.

<sup>(2)</sup> Given our activities, we do not generate waste catalogued as radioactive.



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

Via our business model, we promote the energy transition, which can mitigate the deleterious effects of climate change on aquatic ecosystems and their use, whether these consist of prolonged droughts, heating, floods or increased transport of sediments and contaminants.

The best opportunities for saving water are achieved by promoting energy efficiency and water reuse based on the principles of the circular economy.

The main actions undertaken by Greenalia to achieve more sustainable use of water are: Limit water consumption, continuous improvement of the processes used in our installations to reduce their impact, and reuse

2021

0.28

65.867 m<sup>3</sup>

WATER CONSUMPTION
IN THE BIOMASS PLANT

Total water used

Water used/production (m3/MWh)

Water consumption has been reduced in 2021, thanks to efficiency measures and the duration of the different programmed stoppages of the operations of our Biomass Plant.

and recycling of water in our installations.

Our main consumption of water is in our Biomass Plant, one of the most important renewable energy projects in Europe, not simply because of its efficiency and capacity, but also because of the technology used. Its dry refrigeration system avoids discharges and saves 130 m3/h of water, compared to traditional water-based refrigeration technologies, leading to a daily saving of 3,000 m3 of water. This is equivalent to saving an Olympic swimming pool full of water every day.

The water cycle required to generate energy in the biomass plant consists of a water supply from the water system of the industrial estate, which is then stored in a used water tank for use as a supply for energy production and as water for the fire extinction system. The water is used in the biomass plant for generating steam via the Rankine cycle, for refrigeration and for proper functioning of auxiliary systems.

WATER DISCHARGES FROM THE BIOMASS PLANT (m³) 2021

Public mains (fresh water)

51,410 m<sup>3</sup>

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

To correctly return it to the environment, we have a water treatment plant in this installation with systems to measure the quality of the water via continuous monitoring of various parameters - temperature, pH, conductivity, etc. - that guarantee that the water can be returned via the municipal drainage system in conditions that guarantee its subsequent use. This means that

76%

OF THE WATER USED IN
THESE INSTALLATIONS IS
RETURNED TO THE AREA
FOR REUSE

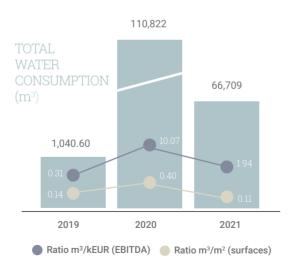
An accredited body analyses these discharges periodically and reports to the Administration, keeping the quality of the discharges within the required limits and even improving them with respect to the water received. The water discharged during 2021 has remained within the limits indicated in the corresponding Integrated Environmental Authorization (IEA) of this installation.

THE NEED TO ENSURE COMPLIANCE WITH THE LEGISLATION AND THE SEARCH FOR METHODS TO MINIMIZE THE RISKS OF DISCHARGE HAVE LED US TO ESTABLISH PROTOCOLS TO COMMUNICATE ANOMALIES AND INCIDENTS TO THE CORRESPONDING AUTHORITIES AND TO COMMENCE THE IMPLANTATION OF ISO 14001 CERTIFICATION DURING THIS YEAR. THIS WILL BE COMPLETED IN 2022.



#### TOTAL WATER CONSUMPTION

In our operations, we do not extract water, our supplies come mainly from the supply network in areas not considered to suffer from water scarcity. The following graph shows Greenalia's water consumption:



The water supply to our offices, fundamentally for cleaning and toilet facilities, comes from authorized public supply networks, which guarantees its discharge into municipal drainage networks.

To achieve efficient use of water in our offices, we use electronic taps with non-contact sensors, so that the taps only open when someone places their hands beneath the tap, and we use dual flush toilets.

We have also provided filtered water dispensers for our workforce, avoiding the use of bottled water.

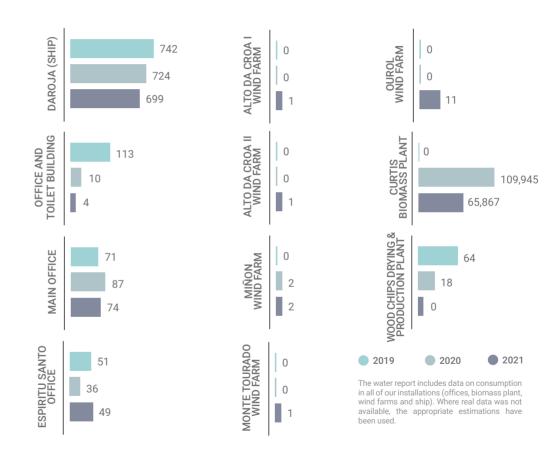
As for the water consumption in the wind farms, in the Miñon Wind Farm and in the Switchgear centre of the Alto da Croa, Alto

da Croa II and Monte Tourado wind farms, we have two systems (i) collection of rainwater for the toilet cisterns, and (ii) a water tank for the wash basins and shower that is filled from tanker trucks. The annual consumption for each of these installations is around 1-2m3. In the Ourol Wind Farm, we only have a 5m3 water tank. The three installations have septic tanks.

The fresh water supply of the ship is drawn from the supply networks of its ports of call. Water that cannot be discharged into the sea, according to the Marpol convention is transferred to the authorized waste managers in each port.







# Energy transition and climate change

plan based exclusively on renewable energy projects that contribute directly to the fight against climate change.

A large part of the energy that is consumed world-wide is lost in the transmission and distribution processes. In our commitment to the fight against climate change, provoking an increase in emissions of greenhouse gases to create a sustainable global energy structure, energy efficiency and renewable energies must be considered jointly.

renewable sources. We invest in our own renewable energy

Our business model is sustainable, with a strategic growth of 1,000 M€ by 2023 in renewable energy projects to generate electricity, and we had already invested 27% of the planned investment by the end of 2021, which implies an investment of 271.9M€ in the energy transition.

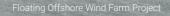
we not only use our own resources to implant measures (GHG), which are reduced when we consider energy for continuous improvement, we also adhere to external produced from renewable sources. As a result, in order initiatives that allow us to share improved practices and to

> framework of the Science-Based Targets initiative (SBTi) targets based on science as a way to provide companies

In February 2021, SBTi approved our science-based targets for decarbonization (SBTs). The SBTs are voluntary targets adopted by businesses to reduce their emissions of greenhouse gases. They are considered "sciencebased" if they are in line with the actions that the mostrecent scientific investigations deem necessary in order to comply with the objectives of the Paris Agreement.

# GREENALIA'S SBTs:

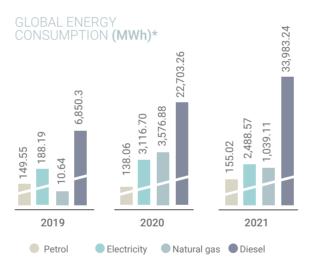
MEASURE AND SCOPE



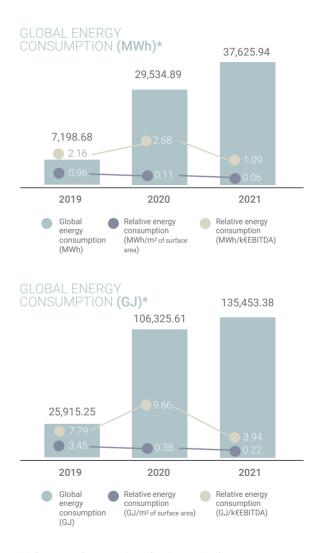


The energy used mainly involves the consumption of diesel fuel in the company's vehicles and in the bundling machines used in the field to bundle the forest biomass used in the biomass plant.

Consequently, the growth of the business and the operations of the biomass plant have led to an increase in the consumption of the diesel fuel used during thinning, in the bundling machines and in the company's vehicles.



During 2021, the commissioning of four new wind farms, together with the intrinsic growth of the business, has caused corresponding increases in our consumptions. To facilitate its analysis, we show relative data, which indicates that, proportionately, our consumption has decreased, as a result of monitoring and improved energy efficiency.



<sup>(\*)</sup> This indicator includes all of the energy consumed in our offices, biomass plant, wind farms, vehicle fleet and our forestry machinery (bundling machines).

In this regard, 100% of our electricity needs in 2021 have been met with energy from renewable sources, avoiding the emission of more than 1,150 tonnes\*\* of GHG.

In addition, the start of production in the Miñon Wind Farm and the Biomass Plant have allowed us to export 371,816.4 MWh of energy from renewable sources to the grid during 2021 (236,309.6 MWh in 2020), avoiding the emission of 137,572.1 tCO<sub>2</sub>eq\*\* to the atmosphere.

## PERCENTAGE OF ELECTRICAL ENERGY OBTAINED FROM RENEWABLE SOURCES



(\*\*) The emission factor used is as indicated for combined cycle plants, since this is the technology most used in 2020 in the class of energies with CO<sub>2</sub> emissions (source: Red Eléctrica Española (REE), March 2021)

In Greenalia, we use other necessary consumables that are needed for Maintenance and Operation of our renewable energy generation installations. During this year, the total consumption was 11.88 tonnes. No recycled materials have been used.

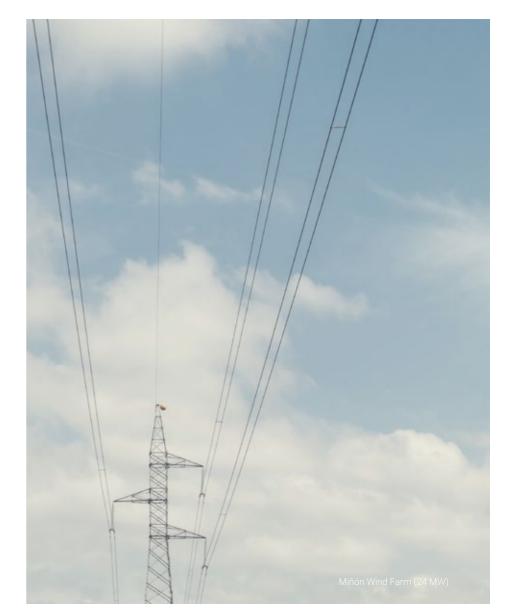
#### 2021

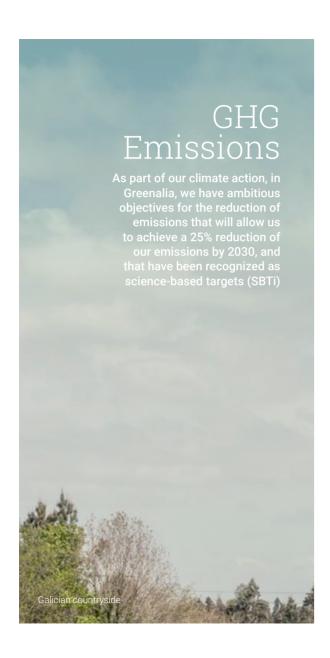
# CONSUMPTION OF MATERIALS

Lubricating oil (tonnes)	0.82
Hydraulic oil (tonnes)	10.14
Grease (tonnes)	0.92

ENERGY SAVINGS FROM GREEN PRODUCTS AND SERVICES

Green energy generated (GJ) 1,338,539.04





In 2021, for the third consecutive year, our carbon footprint has been calculated and verified by an independent third party accredited by the National Accreditation Agency (ENAC) for the verification of GHG reports. Moreover, our annual reports include information on the emissions caused by our daily activities.

In addition to calculating the scope 1 and 2 emissions derived from our own operations, during 2021 we have continued to improve our systems for measurement and calculation of indicators, and so expand the reporting of our calculation of scope 3 emissions.

The table shows our emissions inventory according to the GHG Protocol of the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

The operational control approach was used for the calculations, considering as operational limits the activities associated with the promotion and commissioning of installations for producing electricity from renewable sources (wind and biomass), and with forest exploitation and product logistics.

#### SCOPE 1

Direct emissions. These are GHG emissions associated with sources under our direct control

8,656.87 tCO2eq

#### SCOPE 2

Indirect emissions.
These are associated with the generation of the electricity that we purchase.

0 tCO<sub>2</sub>eq

#### SCOPE 3

An additional scope that includes indirect emissions associated with the production chain of goods and services produced outside our organization.

30,311.42 tCO2eq

#### Vehicle Fleet Daily travel of our 548.35 tCO2ea 33.76 tCO2ea personnel 100% electricity from renewable sources Business trips 16.14 tCO2ea 3,095.41 tCO2eq Third-party road, rail 6,787.10 and sea transport 3.616.16 tCO2ea (Cat. 4 and 9 GHG tCO2ea Gas Forestry work (Cat. 4 and 9 GHG 2,405.61 consumption 218.21 tCO2ea tCO2eq and offices 9.94 tCO2ea Water supply (Cat. 1 GHG Protocol) Diesel consumption 1.178.74 tCO2ea (Boiler and 18.14 tCO2ea generator Water treatment SF<sub>6</sub> leakage 0 tCO2ea 21.024.10 tCO2ea

38,968.29 tCO2 eq

16.63 tCO2eq

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).

Use of materials

(Cat. 1 GHG Protocol)





Minimizing the emissions of scope 3 greenhouse gases in travel is one of our priorities. In line with this, this year we have promoted the CARSHARING application, to share cars when travelling to work.

# Other Atmospheric Emissions

The table below shows the emissions of sulphur biomass in the electricity generation installations

2021	<b>Total</b> Tonnes	Rate (kg/MWh)
CO	26.78	0.11
HCI	5.49	0.02
NH₃	5.72	0.02
SO <sub>2</sub>	30.01	0.13
NOx	126.26	0.53
Particles	2.92	0.01

# Ozone layer reducing compounds have a marginal presence in our organization,

these products are those derived from on the basis of the recharge volumes

#### ATMOSPHERIC AND ACOUSTIC **EMISSIONS**

With respect to light and noise pollution, equipment and some refrigeration other acoustic measures to ensure legislation are concentrated. During the

authorized bodies of the emission limit

the installations that require it are boilers and steam boilers) that must of emission parameters established for animal life in the area, with monitoring each case are checked (for example: CO,







#### The end of poverty

Target / 1.5

We participated in the annual food collection campaign organized by the Food Bank

Our personnel have also participated, for the second year running, in the Christmas campaign of gift donations.



#### Health and Well-being

Target / 3.4

Caring for the persons that form the Greenalia team is a fundamental pillar of our sustainability strategy, and so, in Gu211, we have implemented the following initiatives: The Green Benefits Discount Portal, promotion of sustainable mobility (Car Sharing and parking for electric scooters and bicycles), Temporary Disability salary complement for maternity leave and tests covered by the company for PCR or antigen testing.



#### Quality of Education

Target / **4.5 / 4.7** 

Training our personnel is the key to the development of our business model, based on constant innovation, digitalization and team work.

We continue to contribute to education in our region with guided visits to our Biomass Plant, in collaboration with various universities.



# Social



#### Gender equality

Target / **5.5** 

We continue to advance in the compliance with our 1st Plan for Equality, Diversity and Inclusion, and provide training in Sustainability and Equality, with the aim of increasing awareness of these aspects among our personnel.

In order for our personnel management to be more objective and transparent, we have commenced a process of retributive registration and retributive policies, working together with a specialized consulting company.



# Decent working conditions and economic growth

Target / 8.6 / 8.8

Continuous improvement of employment is a priority for the company, to guarantee stable, safe work environments that favour the reconciliation of work and private life, and guarantee equal opportunities and professional development. In this regard, we favour employment of young people: 29% or our work force is under 30 years old, and the average age in the group is 36.

During this year, our work force has increased by 27% with respect to the previous year.



# Our Team

# The Green Team

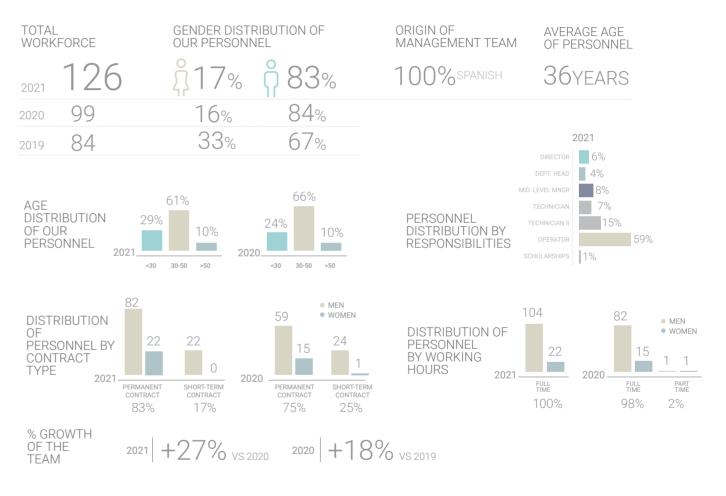
Caring for our team members is a priority that has allowed us to stride forward towards the achievement of our growth targets.

Our people form a driving force for change and are an essential part of the energy of the business, so we are committed to guaranteeing equal opportunities, to increasing the participation of women, favouring job flexibility, promoting professional development and a culture of health and safety.

The talent, commitment and dedication shown every day by our team, allied with our ambitious mission, give form to that energy: greener, more sustainable, more digital and more professionalized.

Sustainable generation of jobs in Galicia, currently our main area of influence, is one of our main objectives. In this way, we seek to contribute to the social and economic development of local communities, with direct and indirect employment throughout our value chain.





We include the professional category of scholarships in this information



# Talent management

In Greenalia, we are firmly committed to the development of a management model that will allow us to attract, encourage and promote talent. We want leadership that is proactive and seeks excellence, and so we are committed to fomenting management frameworks for talent and labour relationships that make all persons in the organization promoters and participants in its success, basing this in three key areas:

# ATTRACTION AND RETENTION OF TAL-ENT

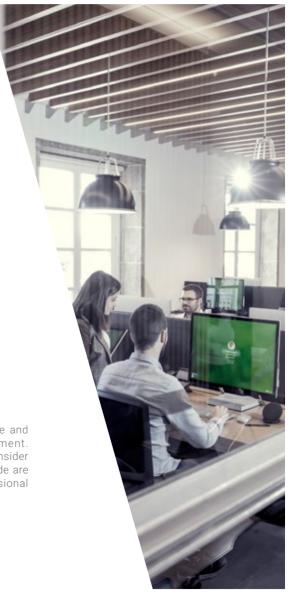
Development of suitable strategies to attract persons with the aptitudes required to successfully carry out our business activities. We are a great company to work for, and we want to communicate this clearly and transparently.

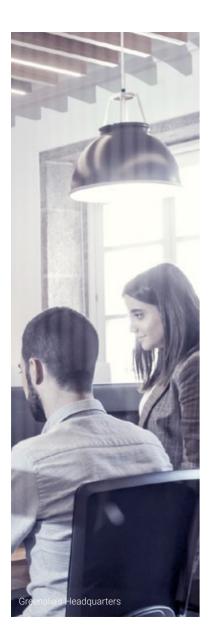
#### TRAINING AND DEVELOPMENT

To generate opportunities for the development of internal talent via promotion and continuous training, to keep the competences required in the different positions in the company up to date as the market evolves.

#### EQUALITY, DIVERSITY AND INCLUSION PLAN

A safe, diverse, competitive and human working environment. We attract people who consider that merit, effort and attitude are key energizers for professional development.





# Attraction and retention of talent

in ensuring that the company attracts develops and processes until we create high-performance teams. retains the necessary talent, so that we can advance surely towards the achievement of our business Our talent acquisition is based fundamentally on objectives. For this reason, in Greenalia we continue to develop our integral strategy for the complete cycle of and events that allow us to communicate the reality of talent management, from attraction and on-boarding. working for Greenalia to possible future candidates.

One of the key areas in personnel management consists then on through the development and retention

communication via social networks, employment fairs

# TALENT ACQUISITION IN GREENALIA

context and providing our personnel with suitable tools and processes for its resolution, in line with our proposal to achieve a world driven by renewable energies. This symbiotic development of persons, teams and the This means that in Greenalia, we have a different way advances that we have already achieved.

experiences of our personnel during the on-boarding process, on which we have focussed several projects for

In this area it is important to note our collaboration redesign, development, listening to our personnel and agreements with institutes, universities and schools, digitalization. Part of these efforts can be seen in our via which in 2021 we have implemented 6 scholarship 1-to-1 meetings, in the follow-up sessions 3 and 6 months after entering the company, satisfaction surveys and other similar initiatives. In addition, self-diagnosis, follow-up Our value proposal consists in promoting a challenging meetings, feedback and coaching by department heads and the work team are some of the features of our formula for continuous improvement.

organization is accompanied by the necessary policies of understanding personnel management, and for that of conciliation, equality and communications that allow us reason we are developing a plan for cultural transformation to lay the groundwork for the organization that we aspire in which one of the main features is a culture of feedback to be, remembering always our origins and the great that reinforces individual and team development. Without open discussion of objectives, action plans, competences, achievements, recognitions, areas for improvement and During this year, we have concentrated our efforts in the many other ingredients of our culture, it would not be possible to generate a flexible organization, constantly creative and open to continuous improvement.

# CONTRACTS

During this year, we have continued to strengthen our team in strategic areas while never loosing sight of our key differentiating factors: flexibility, high performance and versatility.

58% > 50 YEARS (11% in 2020)

## STOCK OPTIONS PLAN



In 2021, as in previous years, our salaries policy for the initial categories has put them greater that the minimum interprofessional salary or the stipulations of salary agreements, with no differences based on gender.

2021	Women	Men
Initial remuneration	14,990.52	14,990.52
Minimum remuneration in Spain	13,510	13,510
Ratio between initial and minimum remuneration	1.11	1.11

In a clear effort to maintain the team's motivation, in Greenalia, we have set up diverse benefit initiatives, such as: the stock options plan; the personnel benefits portal, with parking options, a travel portal, working from home and paid leave.

As part of our self-diagnosis, for the third year running, at the end of 2021 we have carried out a survey on the work environment and equality, and 84% of our office workers indicate that it is highly probable that they will still be working for us in two years, while over 90% feel that their work has a purpose. In addition, 90% consider that the company is heading in the right direction.

With regard to equality, the results show that more than **90% of our personnel feel that there is equality in Greenalia** between men and women, and 65% consider that the conciliation of family life, personal life and working life is favoured.

The results also suggest that we can improve internal communication and that we need to continue to advance in the consolidation of our projects for organizational development.

Moreover, this year we have incorporated a new metric into our satisfaction metrics, the **Net Promoter Score (NPS)**. We obtained a result of 46, which is considered **exceptional**, according to the applicable standards.





#### INTERNAL COMMUNICATIONS

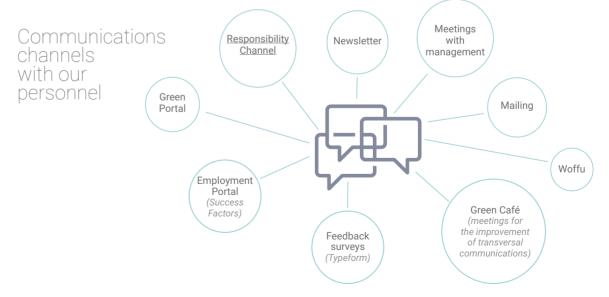
In Greenalia, we believe that internal communication is the key to maintaining the commitment of our personnel to the company, and is a powerful tool for managing change.

Our communications channels are adapted to the needs of the persons that form part of the company. Internal communications are bidirectional, open and transparent. In view of this, in Greenalia we comply with the legal and conventional requisites and the market best practices in terms

of notifications, warnings and significant operational changes, communicating our notifications in advance in accordance with the applicable regulations (article 41 of the Workers' statute).

As part of our way of doing things, in the case of important decisions, it is normal for the organization to take the opinions of our personnel into account, via direct consultation or via the normal communications and negotiating channels.

For example, this year we have carried out an internal program of listening to our personnel via surveys and interviews, in order to update our corporate values. By popular demand, they have been framed within the concept of ESG, a demonstration of the alignment of our personnel and our values with sustainability.





Our growth and evolution are closely linked to our personnel. For this reason, training is the key to the development of our business model, based on constant innovation, digitalization and our own style and culture. Therefore, one of the most important features of our personnel management consists in the creation of opportunities for their professional and personal growth and development.

We continue working on the development of our training plan, which we stated work on in 2021 and which is intended to cover the needs related to gaining competences, technical development and prevention of occupational risks, all necessary for proper performance at work, and aimed at producing a digital transformation in all areas of the company.

The training strategy is intended to be adapted to the needs of each person, as a function of

the business in which they work and of the current stage of their professional career. Consequently, in our process of continuous improvement, we promote a generalized feedback culture through which we detect the training needs of our personnel and teams in order for them to perform their functions. Our agility allows us to respond quickly to these needs, with internal training by our team of specialists and/or contracting specialized partners.

The training received by our teams commences when they are hired, ensuring that new personnel have the knowledge required for their activities, and are familiar with the defined requirements and action guidelines. This promotes an appreciation of work well done and environmental awareness.

INTERNAL TRAINING AND DEVELOPMENT PROGRAM



Main training programs



GENERAL TRAINING PROGRAM

Promoted by the personnel department and headed by persons identified as key talents in each business area, both for their level of knowledge and for their experience. We develop functional training programs and training in specific abilities, aimed at the younger workers with less experience and knowledge, and at members of other departments who will benefit from transversal training. This training is meant to meet the demands and requirements of our projects.

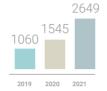
In line with the training objectives, and with priorities that are reviewed every year, this program is focussed on basic professional abilities and general competence. Among the areas covered by this training we find: language training, productivity and work systems/methods, cybersecurity, prevention of risks, equality, sustainability and our business culture, among others.

# Training Data

NUMBER OF COURSES



NUMBER OF HOURS OF TRAINING



PERCENTAGE OF CLASSROOM TRAINING



# HOURS OF TRAINING BY SUBJECT

2021	Hours
Digitalization	209
Wind power	34.5
Finance	9
Forestry	355
Logistics	180
Health and Safety	1346
Talent management	353.5
Sustainability	162

# HOURS BY SUBJECT AND GENDER

2021	M	F
Digitalization	34	175
Wind power	8.5	26
Finance	4	5
Forestry	247	108
Logistics	60	120
Health and Safety	1086	260
Talent management	169.5	184
Sustainability	54	108

# PARTICIPANTS BY SUBJECT

2021	No
Digitalization	38
Wind power	7
Finance	9
Forestry	32
Logistics	9
Health and Safety	89
Talent management	139
Sustainability	47

# TRAINEES BY SUBJECT AND GENDER

2021	M	F
Digitalization	15	23
Wind power	2	5
Finance	4	5
Forestry	22	10
Logistics	3	6
Health and Safety	80	9
Talent management	74	65
Sustainability	22	25

During 2021, the most relevant training areas of the year have been those related to digital transformation and cybersecurity, and actions aimed at the implantation of our Compliance Program and prevention of occupational risks.

By promoting training initiatives, we favour the technical excellence of our team, we achieve more complete professional profiles and we increase the motivation of

our personnel, who receive a average of 21 hours training hour person. knowledge of this area. With this training, we aim to per person.

The training ratio has increased from 16 hours/person to 21 hours/person since last year. The distribution by gender is 13 hours/male and 8 hours/female.

As part of our ESG strategy, during 2021 we have paid special attention to increasing our personnel's

knowledge of this area. With this training, we aim to increase awareness of the importance of working with an attitude aimed towards sustainability and mitigation of possible risks, both in cybersecurity and in work-related risks. We also want to promote the identification of new opportunities.

Collection of biomass in a Galician forest



# Equality, diversity and inclusion plan

Diversity, Equality and Inclusion are part of our way of doing things. We can't imagine our organization without them. We firmly believe that they are key elements in sustainable high-performance teams. We want to continue to develop our organization in harmony with the development of our business, creating a community in which talent can grow, drive and transform.

During 2021, we continued to develop our 1st Plan for Equality, Diversity and Inclusion (2020-2023) that governs all of our actions related to persons. It contains measures related to different areas of labour relations, such as selection, contracts, promotion, training, health and safety, retributions and conciliation of family life and working life. These measures are intended to avoid situations of gender inequality and to favour equal opportunity.

In line with this, we have approved the Equality, Diversity and Inclusion Policy, we have created an Equality Committee, there is a complaints channel and a Protocol for the prevention and treatment of sexual harassment, reflecting the company's firm commitment to the fight against harassment, both sexual and work-related

We accept that a diverse, creative and innovative work force is something positive, in which our personnel form part of a dynamic, talented team in which they can be accepted as they are, independently of race, ethnology, gender, sexual

orientation, age, religion, nationality or any other characteristic. This is reflected in our Code of Conduct and Corporate Good Practice, in which we commit to quaranteeing a work environment of equality, respect and safety, free of any type of discrimination. No cases of discrimination were detected during 2021.

Our Equality, Diversity and Inclusion Plan This equality organ meets every six is managed and supervised by an Equality months to evaluate compliance and Committee charged with ensuring compliance the efficacy of the measures applied. with it. Their functions are:

Ensure that the organization complies with the principle of equal treatment of men and women.

Promote communication and knowledge of the inclusive language, to help our Plan and its implantation in the organization.

mistreatment or violence.

Ensure the implantation of the plan and the measures derived from it. in order to achieve its objectives.

At the same time, we have a protocol defining actions against sexual harassment and discrimination. In addition, we have a guide of teams to promote more egalitarian Guarantee that there are no cases of communications in our work centres.

# Equality Committee



Beatriz Mato Director of Sustainability and Corporate Developmen



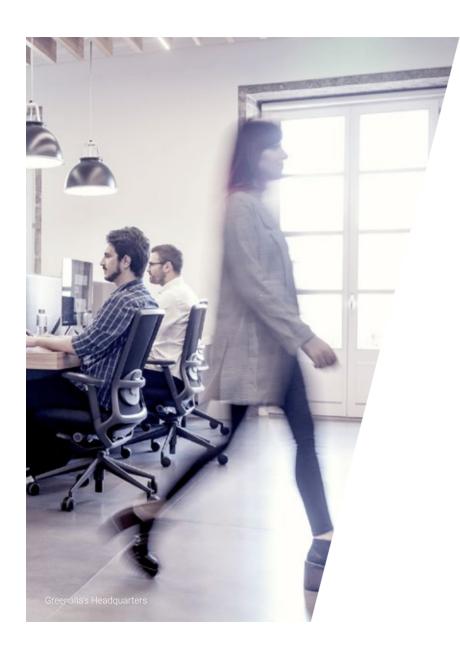
Laura Luaces Legal director



Gonzalo Castañeira Personnel Director. Brand and Communication



Mauro Coucheiro Director of Operations COO)



# GENDER DISTRIBUTION

2021	MEN	WOMEN
Scholarships	50%	50%
Director	57%	43%
Mid-level manager	50%	50%
Operator	100%	0%
Dept. Head	100%	0%
Technician	33%	67%
Technician II	63%	37%
Totals	83%	17%

# AGE DISTRIBUTION

2021	<30	30-50	>50
Scholarships	100%	0%	0%
Director	0%	86%	14%
Mid-level manager	50%	50%	0%
Operator	30%	58%	12%
Dept. Head	0%	100%	0%
Technician	33%	67%	0%
Technician II	26%	63%	11%
Totals	29%	61%	10%

# GENDER DISTRIBUTION OF OUR PEOPLE\*

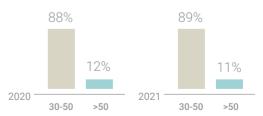
\*This data excludes the category of bundlers



DIVERSITY OF THE GOVERNANCE STRUCTURE



## DISTRIBUTION OF MEMBERS OF THE GOVERNANCE STRUCTURE BY AGE





Greenalia's retributive policy has no gender bias, since retribution is established objectively and mainly reflects professional experience and the level of responsibility in the company.

When analysing differences in salaries in our personnel, we have calculated the average remuneration during the year of men and of women, and at the end of the year, the distribution of average annual salaries was the following:

	2021						
CATEGORY	AVERAGE RI	GAP (%)					
	MEN	MEN WOMEN					
Director	70,000	73,333	-5%				
Mid-level manager	31,000	33,732	-9%				
Technician	25,045	25,356	-1%				
Technician II	22,725	21,155	7%				
Operator II	16,027	16,062	0%				
Scholarships	8,763	8,800	0%				

The salary gap has been calculated by comparing net annual retributions of equivalent professional categories with both male and female representatives, comparing the women's average salary to the men's. That is, we have compared personnel that perform the same function or have the same position.

# Wellbeing Health & Safety of Our team Workers in the Curtis-Teixeiro Biomass Plant(50MW)

In Greenalia, we are committed to guaranteeing working environments that are inspiring, stable and safe, in which equality of opportunity and professional development are a reality. So, via our Occupational Health and Safety Policy, we commit to promoting a culture of occupational health and safety, applying the necessary risk-prevention tools.

We believe that flexibility is a key element in the management and organization of working hours, always respecting applicable legislation and collective agreements that regulate working hours, specified every year in a work calendar. We apply the measures established in each and every collective agreement as regards holidays, leave, licenses, leave of absence and maternity/paternity leave.

In Greenalia, we promote measures to facilitate conciliation between family life and working life, with special attention to correspondence. We complement illness/accident benefits and maternity leave of the other parent with up to 100% of their salary.

In addition, 100% of our personnel are entitled to parenthood leave, and 5 persons (5 men) have enjoyed such leave during this year. 100% of them returned to work.

In Greenalia, we have assumed the commitment of promoting an internal policy that guarantees the right of labour disconnection in the digital sphere. To this end, we encourage people to adopt habits

such as respect for rest between working days and during holidays, and we also encourage direct communications between teams as one of our values.

Moreover, during this year we have created a program of savings and benefits for our personnel, that can be accessed via our Intranet (Green Portal) and that offers discounts in a selection of products.



# Health and Safety

100% of our personnel are covered by the company's Health and Safety service, provided by a Third-Party Prevision Service, which carries out an evaluation of the working environment.

Via the periodic review of the evaluation of occupational risks, we identify the possible risks to which each person in the organization is exposed and the necessary preventive actions are planned to minimize them, without identifying activities with risks of serious illness associated with the tasks involved.

In the case of field work, we prepare detailed health

and safety plans for each of our projects with the aid of specialists in risk prevention. These specialists are normally external to the company and come from the local community, bringing knowledge of the legal requisites on both a local and a national level.

We also carry out constant monitoring in the zones of the projects to prevent or mitigate effects on the health and safety of the persons with whom we are connected via indirect commercial relationships. There are no activities classified as hazardous in any of our work centres, and so there are no work activities in our different business activities with a high incidence or

high risk of accidents or occupational diseases.

As a consequence of the measures implemented, there have been no occupational diseases or mortal accidents during the year, while 9 minor accidents have been registered among men and 0 among women belonging to our personnel.

	GREENALIA		BIOMASS PROJECTS					PROJECTS			DIOMAGE DDO IECTO DDO IECTO				
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021			
Incidents with down time	0	4	9	22	2	0	1	l 1	0	3	1	1			
Severity index	0	0.34	0.50	0.37	0.37	0	0.21	0.47	0	0.64	0.95	0.10			
Mortal accidents	0	0	0	0	0	0	C	0	0	0	0	0			
Incident rate /TRIR)	0	5.28	9.37	5.67	2.70	0	2.30	2.08	0	9.16	4.33	1.99			
Total hours worked	98,842	151,540	192,063	776,266	145,487	22,013	86,739	95,849	45,860	62,853	46,163	100,531			
Absenteeism (days)	0	51	96												

We ensure that new personnel receive information about the risks associated with their job via the training that we provide to our personnel.

Health & Safety Training 2021

Specific job training
Health and safety in construction
Health & safety technician, basic level
First aid
Working at a height

We have continued to work during this year on our *Action Protocol in case of direct or indirect contact with persons positive for COVID-19*, which details all of the preventive measures to be applied in order to protect our personnel in the current pandemic situation, and which has been complemented with the following activities:



Annual medical examinations
179 appointments
for MR



WIND DOWED

Facilitating working from home

Organization of Covid-19 serological and PCR tests for our personnel

40 persons

UID Training in Hea

Training in Health and Safety 1346 hours



We care for the well-being and safety of all of our personnel, offering services and spaces centred on our work force.

of working, clean digital environments, well-ordered and coherent with our own brand and style. Our basis for doing this is the GTD method (Getting Things Done).

Our aim is to create spaces where our personnel can give their best, and develop as professionals dedicated to creating value, technologically flexible, digital, connected and giving high performance.

Our offices and work spaces are a reflection of our way

of working, clean digital environments, well-ordered and coherent with our own brand and style. Our basis for doing this is the GTD method (Getting Things Done), which helps us to optimize our daily task load using Microsoft's tool, Office 365-Outlook. With this method, our intention is to avoid concerns regarding future tasks, so that we can concentrate on the work at hand. In other words, it is based on creating an organization that allows us to concentrate on what we are doing now.

# Greenalia's keys to success









DIGITALIZATION CONNECTIVITY ORGANIZATION

AGILITY

In Greenalia, we also make important efforts to generate a cultural and digital change in the organization that is intended to achieve multiple benefits for our professional staff and the organization as a whole. In this sense, we have promoted the car sharing initiative, to share cars in our daily travel to work. We have also provided free

parking for our personnel for electric scooters.

In this way, we continue to foment healthy habits and to implant measures to reduce our waste production by promoting more modern working environments, adapted to professional needs.



Classified waste bins



Elimination of bottled water



Replacement of plastic containers with paper



Promotion of sustainable food for the entire team



Devices that avoid the use of paper



Digital archiving

# Connectivity and digitalization

personnel, groups of interest, the suite. environment, improvement and results.

strategy concentrates on an application for mobility and developing initiatives and projects operations in collection work that lead to the generation of using SAP technology. The value. We seek operational safety, platform selected, based on BTM profitable growth, operational and managerial excellence and allows working off-line when sustainable collaboration with our there is no Internet connection,

have advanced in the area of digitalization, in which we keep up to date in order to keep pace

values and commitments to our adopting the SAP SuccessFactors

In the first case, improvement of biomass production control. Therefore, our digitalization this has been achieved with (Business Technology Platform), and synchronizes the data when the connection is recovered. This For this reason, in 2021, we is very important in the task of collecting this material, which often involves working in areas with very poor coverage.

operational optimizations right from the start of the project. All this has led to improved results in the Biomass supply division and to gaining an award in the SAP Quality Awards, in the section Digital Pioneers.

Also, during this year, we have launched our job portal, which can be accessed via our corporate web site jobs.greenalia, which optimizes the registration of the candidates' data and improves management of job openings

Digitalization

Aimed at solutions for its strategies and challenges.

Fomenting digital culture inside the organization.

**Partnerships** with third parties that complement our internal capabilities.

Flexible methods:

quick, efficient responses

Team Management, defined planning and monitoring and improvement indicators.

Alto da Croa Wind Farm I (7.3MW)





# Community

We get directly involved with the communities in which we operate, making significant contributions to society, mainly as a consequence of all the activities necessary to supply a product as essential as energy. We also reinforce our commitment in the zones where we operate via social activities in collaboration with civil administrations, institutes and organizations, and with sponsorships and patronage via the Greenalia Foundation for energy transition.

# Local Communities

In Greenalia, we maintain a business strategy based on the creation of value, in which our biomass plant and wind farms have a positive impact in the local economy, in addition to fomenting social improvement and the fight against climate change.

When Greenalia executes a project in a particular place, the local communities there benefit from municipal taxes associated with the project. These include the ICIO (construction taxes) and the IBI (property taxes), which in some cases may be as much as 4% of the project budget.

Beyond this, with the desire to extend our ESG commitments to the supply chain and supply companies, this year we have also elaborated and approved our Ethical Charter for Supply Companies, and its diffusion by including its acceptance in supply contracts.

In this way, we also establish directives for control and management of risks associated with the activities of our suppliers.





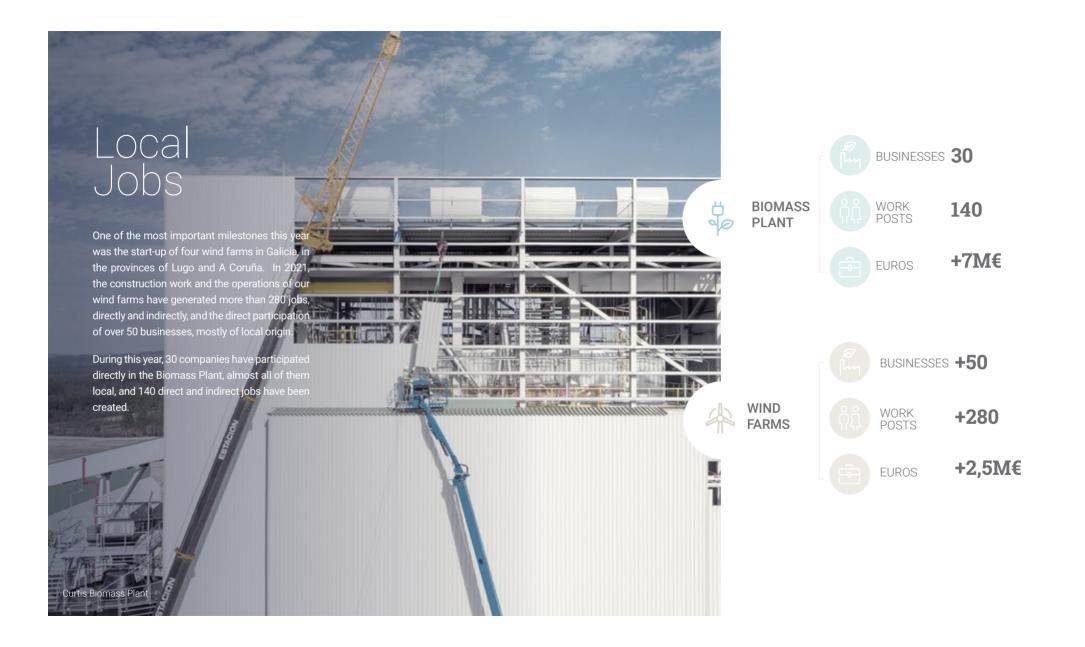
Our local impact in 2021 extends beyond the renewable energy projects, and involves more of our business lines, such as contracting the services of over 100 local transport companies and 80 local forestry companies, and purchase contracts with over 600 small forest owners in the region and 180 forestry suppliers.

Raw materials

suppliers







# Indirect economic impact

Local services near to the projects, such as restaurants and hostels, have received a significant indirect economic impact. In 2021, we estimate that this impact was over 2.5 million Euros in the areas around the Ourol, Alto da Croa I, Monte Tourado and Alto da Croa II wind farms, while the Curtis-Teixeiro Biomass Plant, with 7 million Euros, greatly exceeded this.

In line with out aim of maximizing local impact, following the start-up of the Ourol Wind Farm, we carried out work, with a local company, to apply a double surface treatment to over 4 km of public roads,

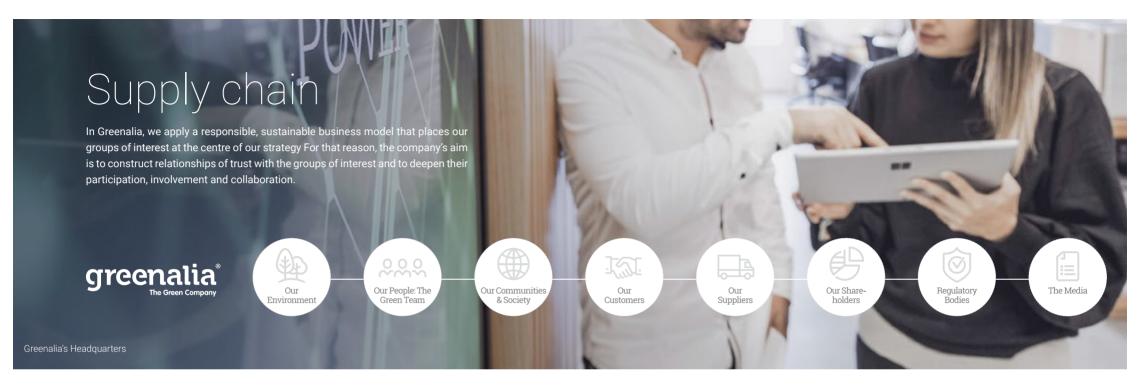
leaving them in much better conditions for traffic than before the construction work. Similarly, in Vimianzo and Dumbria, over 7 km of roads were constructed or repaired, improving the infrastructure that provides safe access to private plots that were previously inaccessible for normal vehicles; these roads also act as fire-breaks in case of forest fires. The roads were widened and the surface was improved, and they were provided with longitudinal and transversal drainage to protect them from the effects of erosion.

We have an air quality control station in the village of Teixeiro that measures NO2/NOX, PM10, PM2.5 and CO contamination, equipped with additional devices to measure wind speed and direction, humidity and temperature, providing the town with its own meteorological data.

Apart from this, we have continued to contribute this year to education in the region via guided tours of our Biomass Plant, in collaboration with several universities, adding a practical dimension to knowledge of renewable technologies acquired in the classroom.

It should be noted that attendance at different seminaries and conferences is a normal practice of our personnel, demonstrating the need to improve the development of renewable technologies, which are of key importance in the energy transition.

When payments are made to the Headquarters of our suppliers, the payments these may make to local sub-contractors are not taken into account, so the local economic impact may be greater than shown.



We are committed to our groups of interest, as a transparent, trustworthy and responsible organization that acts within the following

**FRAMEWORK** 



Stakeholder Identification

Board of Directors sustainability committee



Stakeholder Organization

Based on daily operation leads



Stakeholder Prioritization

Impact Analysis Value Assessment



Engagemei Levels

Interaction analysis



Engagement Channel

Channel mapping Channel optimization



Engagement Model Design

> Matching EM & Stakeholder Categories



issue potting



Risk ssessment



Execution Plan



Reporting

STAKEHOLDER MAPPING ENGAGEMENT PROTOCOL RISK & OPPORTUNITY ASSESSMENT EXECUTION PLAN



#### Our personnel:

Telephone, email, Green Portal, One-to-One meetings, surveys, committees, responsibility channel, job portal.

#### Shareholders and the financial community:

General shareholders' meeting, Newsletter, Responsibility Channel.

#### Administration:

Telephone, email, letters, corporate web site, meetings, workshops, debates, video conferences, consultations, procedures, surveys.

#### Supply companies:

Telephone, email, web site, meetings, responsibility channel, surveys.

#### Clients

Telephone, email, meetings, social networks, corporate web site, events, responsibility channel, surveys.

#### Communications media:

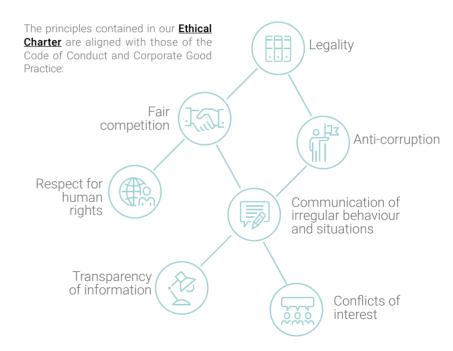
Telephone, email, corporate web site, meetings, video conferences, press releases, events, social networks, surveys.

## Society in general:

Telephone, email, corporate web site, meetings, video conferences, collaboration agreements, events, social networks, surveys.

Meanwhile, with the intention of creating a more specific framework of trust for Greenalia's suppliers of goods and services, our Board of Directors approved, at the end of 2021, the Ethical Charter for Supply Companies.

In this document, we specify the ethical behaviour we expect from the companies we do business with and the importance of complying with the principles defined. Among others, we value the integration in the operations of our suppliers of safety, health and environmental criteria that comply with applicable legislation regarding working conditions and risk prevention.



Thanks to the vertical integration of all of our activities, in Greenalia, we interact with a wide range of interested parties, from administrative bodies to forestry clients and investors. As a result, in the forestry section, we do not forget our clients, whose demands are as important as those of our financiers, and so we work to be able to respond to their expectations, to anticipate their questions and to facilitate the task of diligence for all of them.





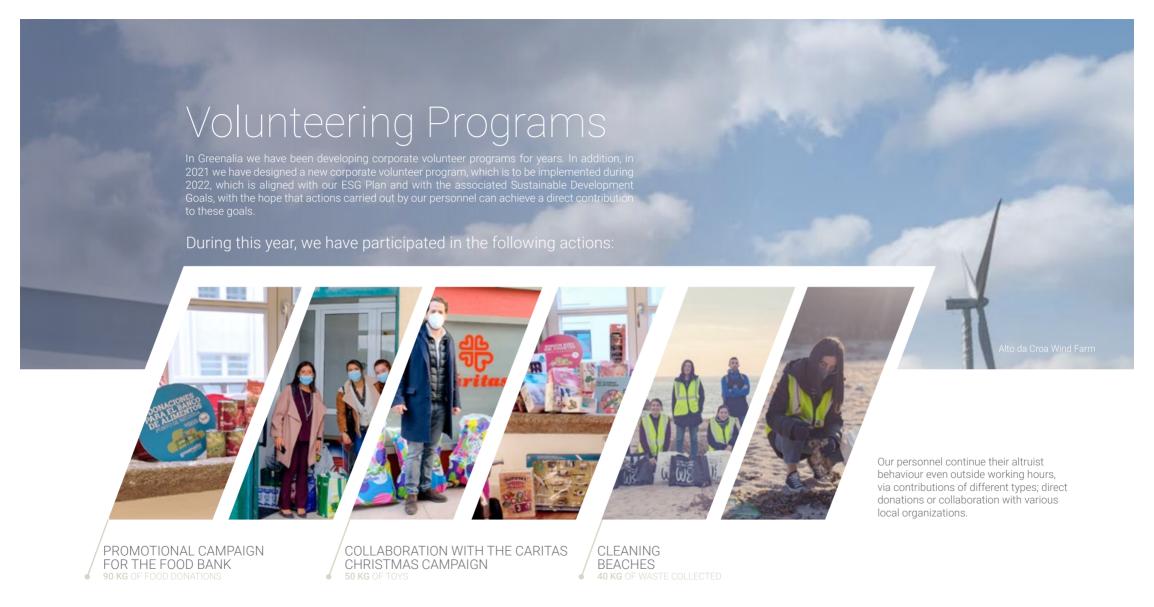
Promote the energy transition, reduce the environmental and social impact of the energy transition process in industries that are especially affected and in rural areas.

Support inclusion, diversity and equality of vulnerable groups.

Foment social/labour development and social coherence in rural areas.

CSR actions: 10K€ in A Coruña basketball scholarships.

CSR actions: 1K€ Tordoia Sports Schools









### **VERIFICATION**

TÜV SÜD Iberia S.A.U. has contrasted that

The 2021 SUSTAINABILITY REPORT of GREENALIA, S.A. has been prepared in accordance with the requirements established in the GRI standards in its essential variant and the requirements demanded under Law 11/2018 on Non-Financial Information Statements.

To verify this information, a Verification Audit was carried out on March 22, 2022, in telematic mode, due to the needs derived from the health crisis caused by the COVID-19 virus. This audit verified the veracity of the data included in the report based on the principles of the AA1000AS Sustainability Assurance Standard, which allows identifying, prioritizing and responding to sustainability challenges to improve the company's long-term performance and the requirements established in the International Standard on Assurance Engagements and conformance amendments (ISAE 3000 Revised).

940

Diana Abengózar

TÜV SÜD IBERIA S.A.U

In Madrid, April 04, 2022

#### GRI Standards Index

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
GRI 101: FOU	NDATION 2016		
General Conte	ents		
GRI 102: GEN	ERAL CONTENTS 2016		
PROFILE OF T	HE ORGANIZATION		
102-1	Name of the organization	Greenalia S.A.	
102-2	Activities, brands, products and services	pages 12-14	
102-3	Head office location	A Coruña, Galicia, Spain.	
102-4	Location of operations	Pages 16-19	
102-5	Ownership and legal form	Greenalia, S.A., is a mercantile company with the legal form of a joint stock company	
102-6	Markets served	Energy sales are via the system (OMIEE, via a market representative), and there are private clients in the traditional cellulose and sheet wood sectors	
102-7	Size of the organization	Pages 20-21; page 84	
102-8	Information on employees and other workers	pages 84 and 92	Principle 6
102-9	Supply chain	pages 99-109	
102-10	Significant changes in the organization and its supply chain	Page 19; pages 99-109	
102-11	Precautionary principle or approach	pages 60-67	Principle 7
102-12	External initiatives	Page 50	
102-13	Membership of associations	Page 51	
STRATEGY			
102-14	Declaration of top executives responsible for decision taking	pages 7-8	
ETHICS AND I	INTEGRITY		
102-15	Main impacts, risks and opportunities	pages 52-56	
102-16	Values, principles, standards and rules of conduct	pages 38-46	Principle 10
102-17	Mechanisms for advice and concerns about ethics	pages 47-49	Principle 10
GOVERNANCE	E		

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
102-18	Governance structure	pages 38-40; pages 47-49	
102-19	Delegation of authority	pages 38-40; pages 47-49	
102-20	Responsibility at executive level of economic, environmental and social concerns	pages 38-40; pages 47-49	
102-21	Consultation with groups of interest regarding economic, environmental and social concerns	pages 30-31	
102-22	Composition of the main organ of governance and its committees	Page 38	
102-23	President of the main organ of governance	Page 38	
PARTICIPATIO	N OF THE GROUPS OF INTEREST		
102-40	List of groups of interest	Page 30	
102-41	Collective negotiation agreements	All of our personnel are covered by four collective agreements	Principle 3
102-42	Identification and selection of groups of interest	Page 30	
102-43	Criteria for the participation of groups of interest	Page 30	
PROCEDURES	FOR PREPARING REPORTS		
102-44	Key concepts and concerns mentioned	Pages 30-31	
102-45	Entities included in the consolidated financial statement	Consolidated Annual Report 2021	
102-46	Definition of the contents and scope of the reports	Page 3	
102-47	List of material topics	Page 31	
102-48	Restatement 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.	
102-49	Changes in reporting	Page 3	

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
102-50	Period covered by the report	The Annual Sustainability Report reflects Greenalia's environmental, social and governance performance during financial year 2021, meaning from January 1, 2021, to December 31, 2021.	
102-51	Date of previous report	April 2021	
102-52	Reporting cycle	Annual	
102-53	Contact for questions regarding the report	sostenibilidad@greenalia.es	
102-54	Claims of reporting in accordance with the GRI standards	This report has been prepared in accordance with the Essential option of the GRI Standards	
102-55	GRI contents index	Page 112	
102-56	External verification	Page 111	
Material conce	epts		
GRI 200: ECON	NOMIC DISCLOSURES		
BUSINESS MO	DEL, PERFORMANCE AND COMPETITIVENESS		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 12-19	
103-2	The management approach and its components	Pages 12-19	
103-3	Evaluation of the management approach	Pages 12-19	
GRI 202: MARI	KET PRESENCE 2016		
202-1	Ratio of standard entry-level wage compared to minimum local wage by gender	Page 87	Principle 6
202-2	Proportion of senior management hired from the local community	Page 39	Principle 6
FINANCIAL EX	CELLENCE AND GREEN FINANCE		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 20-21	

GRI STANDARD	DARD CONTENTS PAGE, URL AND/OR COMMENTS		PRINCIPLE OF WORLD COMPACT
103-2	The management approach and its components	Pages 20-21	
103-3	Evaluation of the management approach	Pages 20-21	
GRI 201: ECON	NOMIC PERFORMANCE 2016		
201-1	Direct economic value generated and distributed	Page 21; pages 99-104; pages 107-109	
201-2	Financial implications and other risks and opportunities derived from climate change	Pages 54-55	Principle 7
201-4	Financial assistance received from the government	During 2021, Greenalia Biomass Supply has received 655,627€ in public subventions.	
RURAL DEVEL	OPMENT AND IMPACT ON LOCAL COMMUNITIES		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 99-109	
103-2	The management approach and its components	Pages 99-109	
103-3	Evaluation of the management approach	Pages 99-109	
GRI 203: INDIF	RECT ECONOMIC IMPACTS 2016		
203-1	Investment in infrastructures and supported services	pages 103-104; pages 107-109	Principle 1
203-2	Significant indirect economic impacts	Page 21; pages 103-104; pages 107-109	Principle 1
GRI 204: ACQI	JISITION PROCEDURES 2016		
204-1	Proportion of spending on local suppliers	Page 102	
GRI 301: MATE	ERIALS 2016		
301-1	Materials used by weight or volume	Page 69	Principle 7
301-2	Recycled supplies	N/A	
301-3	Reclaimed products and their packaging material	N/A	
GRI 308: ENVI	RONMENTAL EVALUATION OF SUPPLIERS 2016		
308-1	Our suppliers who have passed evaluation and selection filters according to environmental criteria	Pages 48-49; pages 105-106	Principle 8

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
308-2	Negative environmental impacts in the supply chain, and measures applied	Pages 48-49; pages 105-106	Principle 8
GRI 413: LOCA	AL COMMUNITIES 2016		
413-1	Operations with local community participation, evaluations of impact and development programs	Pages 62-64; pages 107-109	Principles 7 and 8
413-2	Operations with significant negative impact - real and potential - in local communities	Pages 62-64; pages 107-109	Principles 7 and 8
GRI 414: SOCI	AL EVALUATION OF SUPPLIERS 2016		
414-1	Our suppliers who have passed selection filters according to social criteria	Pages 48-49; pages 105-106	Principles 1 and 2
414-2	Negative social impacts in the supply chain, and measures applied	Pages 48-49; pages 105-106	Principles 1 and 2
MANAGEMEN <sup>-</sup>	T AND RISK CONTROL SYSTEM		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 52-56	
103-2	The management approach and its components	Pages 52-56	
103-3	Evaluation of the management approach	Pages 52-56	
GOOD GOVERI	NANCE AND ETHICS. COMPLIANCE		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 43-51	
103-2	The management approach and its components	Pages 43-51	
103-3	Evaluation of the management approach	Pages 43-51	
GRI 205: ANTI	-CORRUPTION 2016		
205-1	Operations evaluated for risks related to corruption	Pages 41-50; pages 52-53	Principles 1 and 10
205-2	Communication and training on anti-corruption policies and procedures	Pages 47-50	Principles 1 and 10
205-3	Confirmed cases of corruption and measures applied	Pages 48-49	Principles 1 and 10

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
GRI 206: UNF	AIR COMPETITION 2016		
206-1	Judicial actions related to unfair competition and monopolistic practices, and against free competition	Pages 48-49	Principles 1 and 10
TRANSPAREN	CY AND CORPORATE POLICIES		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 40-42; pages 49-50; page 59	
103-2	The management approach and its components	Pages 40-42; pages 49-50; page 59	
103-3	Evaluation of the management approach	Pages 40-42; pages 49-50; page 59	
GRI 307: ENVI	RONMENTAL COMPLIANCE 2016		
307-1	Non-compliance with environmental legislation and standards	During 2021, Greenalia has not received, via the corresponding available channels, significant fines for non-compliance with the applicable legislation or standards.	Principle 8
GRI 415: POLI	TICS 2016		
415-1	Contributions to political parties and/or representatives	Page 21; pages 48-49	Principle 10
GRI 419: SOCI	AL/ECONOMIC COMPLIANCE 2016		
419-1	Non-compliance with laws and standards related to the social and economic spheres	During 2021, Greenalia has not received, via the corresponding available channels, significant fines for non-compliance with the applicable legislation or standards.	Principle 1
GRI 300: ENVI	RONMENTAL DISCLOSURES		
CLIMATE CHA	NGE and ENERGY TRANSITION		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 75-80	
103-2	The management approach and its components	Pages 75-80	
103-3	Evaluation of the management approach	Pages 75-80	
GRI 302: ENEF	GY 2016		
302-1	Energy consumption within the organization	Pages 76-77	Principles 7, 8 and 9

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
302-2	Energy consumption outside the organization	Pages 76-77	Principle 8
302-3	Energy intensity	Page 76	Principle 8
302-4	Reduction of energy consumption	Page 76	Principles 8 and 9
302-5	Reduction of the energy requirements of products and services	Page 77	Principles 8 and 9
GRI 305: EMIS	SIONS 2016		
305-1	Direct emissions of GHG (scope 1)	Pages 78-79	Principles 7 and 8
305-2	Direct emissions of GHG when generating energy (scope 2)	Pages 78-79	Principles 7, 8 and 9
305-3	Other indirect emissions of GHG (scope 3)	Pages 78-79	Principles 7 and 8
305-4	Intensity of GHG emissions	Pages 78-79	Principle 8
305-5	Reduction of GHG emissions	Pages 78-79	Principles 8 and 9
305-6	Emissions of substances that deplete the ozone layer	Page 80	Principles 7 and 8
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant atmospheric emissions	Page 80	Principles 7 and 8
WATER			
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 72-74	
103-2	The management approach and its components	Pages 72-74	
103-3	Evaluation of the management approach	Pages 72-74	
303-1	Interaction with water as a shared resource	Pages 72-74	
303-2	Management of impacts related to discharged water	Pages 72-74	
GRI 303: WATI	ER AND EFFLUENTS 2018		
303-3	Water extraction	Pages 72-73	Principles 7 and 8

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
303-4	Water discharges	Pages 72-73	Principle 8
303-5	Water consumption	Pages 72-74	Principle 8
BIODIVERSITY	′		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 60-69	
103-2	The management approach and its components	Pages 60-69	
103-3	Evaluation of the management approach	Pages 60-69	
GRI 304: BIOD	DIVERSITY 2016		
304-1	Self-owned, rented or managed centres located in or near to protected areas or zones outside protected areas with a high value for biodiversity.	Pages 60-64	Principles 7 and 8
304-2	Significant impacts on biodiversity of activities, products or services	Pages 60-64	Principles 7 and 8
304-3	Protected or restored habitats	Pages 60-64	Principles 7 and 8
304-4	Species included in the IUCN Red List and in national conservation lists whose habitats are found in areas affected by operations.	Page 62	Principles 7 and 8
CIRCULAR ECO	ONOMY AND WASTE		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 68-71	
103-2	The management approach and its components	Pages 68-71	
103-3	Evaluation of the management approach	Pages 68-71	
306-1	Generation of waste and significant impacts related to waste	Pages 70-71	Principle 8
306-2	Management of significant impacts related to waste	Pages 68-71	Principle 8
GRI 306: WAS	TE 2020		
306-3	Waste generated	Pages 70-71	Principle 8
306-4	Waste not intended for elimination	Pages 70-71	Principle 8

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
GRI 400: SOCI	AL DISCLOSURES		
QUALITY OF E	MPLOYMENT		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 81-84	
103-2	The management approach and its components	Pages 81-84	
103-3	Evaluation of the management approach	Pages 81-84	
GRI 401: EMPL	OYMENT 2016		
401-1	New personnel contracts and personnel turnover	Page 86 The personnel turnover in Greenalia, including voluntary termination, has been 55 persons, 11% women and 89% men. As regards turnover vs age, the distribution was 34% in persons under 30, 62% in persons aged 30-50 and 4% in persons over 50.	Principle 6
401-2	Benefits for full-time employees that are not granted to temporary or part-time workers	Greenalia applies the same cover for occupational disability and maternity/ paternity leave to part-time workers as it does to full-time employees.	Principle 6
401-3	Parenthood leave	Page 94	Principle 6
GRI 402: LABO	DUR/MANAGEMENT RELATIONS 2016		
402-1	Minimum notification periods regarding operational changes	Page 88	Principle 3
OCCUPATIONA	IL HEALTH AND SAFETY		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 94-96	
103-2	The management approach and its components	Pages 94-96	
103-3	Evaluation of the management approach	Pages 94-96	
403-1	Management system for occupational health and safety	In Greenalia, we comply strictly with the relevant Spanish legislation	Principle 1

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
403-2	The Third-Party Prevision Service evaluates the risks associated with each work post according to the requirements of applicable legislation. On the basis of the risk evaluation, the nature of Greenalia's activities does not involve high-risk processes. Every year, in collaboration with the Third-Party Prevision Service, we plan our preventive activity, establishing means and action guidelines for all questions deemed relevant.		Principle 1
403-3	Occupational health services	Pages 95-96	Principle 1
403-4	Participation of workers, consultations and communications related to occupational health and safety	In Greenalia, we guarantee the participation of our personnel in matters concerning applicable legislation.	Principle 1
403-5	Personnel training on occupational health and safety	Page 95	Principle 1
403-6	Promoting the health of our workers  To guarantee the health of our personnel, medical checks are carried out periodically.		Principle 1
403-7	Prevention and mitigation of impacts in health and safety of workers arising directly via commercial relationships	The Third-Party Prevision Service evaluates the risks associated with each work post according to applicable legislation and reviews them if the circumstances change. The 2021 data demonstrate a low accident rate.	Principle 1
GRI 403: OCCL	JPATIONAL HEALTH AND SAFETY 2018		
403-8	Workers covered by a management system for occupational health and safety	In Greenalia, in compliance with applicable legislation, 100% or our personnel is covered by the company's health and safety service, provided by the Third-Party Prevision Service.  In the case of personnel from external companies, the business activities are coordinated according to guidelines established by applicable Spanish legislation.	Principle 1
403-9	Work-related injuries	Page 95	Principle 1
403-10	Work-related ill health	During 2021, no worker has taken sick leave related to an occupational illness. Nor have we identified Greenalia employees whose work implies a risk of serious work-related illnesses.	Principle 1

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT	GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT	
TALENT MANA	TALENT MANAGEMENT				HUMAN RIGHTS			
GRI 103: MAN	GRI 103: MANAGEMENT APPROACH 2016				AGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its boundary	Pages 83-93		103-1	Explanation of the material topic and its boundary	Pages 47-50; page 41; page 58; page 82	Principle 1	
103-2	The management approach and its components	Pages 83-93		103-2	The management approach and its components	Pages 47-50; page 41; page 58; page 82	Principle 1	
103-3	Evaluation of the management approach	Pages 83-93		103-3	Evaluation of the management approach	Pages 47-50; page 41; page 58; page 82	Principle 1	
GRI 404: TRAI	NING AND EDUCATION 2016			GRI 407: FREE	DOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
404-1	Average hours of training per employee	Page 90	Principle 6			Pages 47-49 Our Code of Conduct and Corporate Good	,d	
404-2	Programs to improve employees' skills and transition assistance programs	Pages 89-90	Principle 6	407-1	Operations and suppliers identified where the right to exercise freedom of association and collective bargaining may be at risk	Practice recognizes the right to freedom of association and collective bargaining, which we use as a framework to guide our		
404-3	Percentage of employees who receive a regular performance and career development review	Page 86	Principle 6			relationships with our Groups of Interest.		
EOUALITY. DIV	PERSITY AND INCLUSION			GRI 408: CHILD LABOUR 2016				
	AGEMENT APPROACH 2016				Operations and suppliers at significant risk for incidents	Pages 47-49 In Greenalia, we comply with applicable legislation, which provides a legal framework that protects and guards respect for Human Rights.		
103-1	Explanation of the material topic and its boundary	Page 83; pages 91-93		408-1	of child labour		Principle 5	
103-2	The management approach and its components	Page 83; pages 91-93		GRI 409: FORC	CED OR COMPULSORY LABOUR 2016			
103-3	Evaluation of the management approach	Page 83; pages 91-93				Pages 47-49 Since Greenalia is governed at all times		
GRI 405: DIVE	RSITY AND EQUAL OPPORTUNITY 2016			409-1	Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour	according to applicable legislation, there are no situations of forced or compulsory		
405-1	Diversity of governance bodies and employees	Page 84; page 92	Principles 1 and 6		Tisk for incluents of forced of comparisory labour	labour, inside the organization or in our supply companies.		
405-2	Ratio of basic salary and remuneration of women to men	Page 93	Principles 1 and 6	GRI 410: SECU	JRITY PRACTICES 2016			
GRI 406: NON	GRI 406: NON-DISCRIMINATION 2016					Greenalia does not have its own security personnel. When necessary, this service		
406-1	Incidents of discrimination and corrective actions taken	During 2021, Greenalia has not been informed via the available channels of		410-1	Security personnel who have received training in human rights policies or procedures	is sub-contracted to external companies with the highest standards of quality and security.	Principle 1	
		any discriminatory situations that imply an infringement of Human Rights.	and 6	GRI 411: RIGH	ITS OF INDIGENOUS PEOPLES 2016			

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT		
411-1	Incidents of violations of the rights of indigenous peoples	This indicator is not applicable to our company and activities, since there are no indigenous peoples in the geographical areas in which we operate.	Principle 1		
GRI 412: HUM	AN RIGHTS ASSESSMENT 2016				
412-1	Operations that have been subject to human rights reviews or impact assessments	Since Greenalia is a Spanish company, the risks related to Human Rights are considered very low, and are guaranteed by strict compliance with applicable legislation. At the same time, we work to improve our support for respect for Human Rights, in collaboration with our Groups of Interest.	Principles 1 and 2		
412-2	Hours of employee training on human rights policies or procedures	Page 50	Principle 1		
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Pages 47-49 In Greenalia, we have prepared the necessary documents and procedures to comply with legal requirements regarding the treatment of personal data	Principle 2		
GRI 416: CUST	OMER HEALTH AND SAFETY 2016				
416-1	Significant products and service categories for which health and safety impacts are assessed	This is not applicable to Greenalia, due to the nature of the products and services we offer, specifically from the forestry sector.			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	During 2021, no incidents of non- compliance with legal obligations or voluntary codes related to health and safety have been registered in Greenalia.			
GRI 417: MARKETING AND LABELLING 2016					
417-1	Information required in the labelling of products and services	This is not applicable to Greenalia, due to the nature of the products and services we offer, specifically from the forestry sector.			
417-2	Incidents of non-compliance related to product and service information and labelling	Given the nature of our activity, this requirement does not apply.			

GRI STANDARD	CONTENTS	PAGE, URL AND/OR COMMENTS	PRINCIPLE OF WORLD COMPACT
417-3	Incidents of non-compliance concerning marketing communications	During 2021, no incidents of non- compliance with regulations or voluntary codes related to marketing communications or product information have been registered in Greenalia.	
GRI 418: CUST	TOMER PRIVACY 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During 2021, no significant administrative sanctions have been received by Greenalia via the relevant available channels for substantiated complaints of non-compliance with regulations governing customer privacy and data protection.	
CYBERSECUR	ΤΥ		
GRI 103: MAN	AGEMENT APPROACH 2016		
103-1	Explanation of the material topic and its boundary	Pages 97-98	Principles 7 and 8
103-2	The management approach and its components	Pages 97-98	Principles 7 and 8
103-3	Evaluation of the management approach	Pages 97-98	Principles 7 and 8

#### Requirements for non-financial and diversity information (Law 11/2018)

The requisites established by Law 11/2018 with respect to the non-financial information are detailed below.

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
GENERAL INFORMATION		
	102-1 Name of the organization	Greenalia S.A
	102-2 Activities, brands, products and services	Pages 12-14
	102-5 Ownership and legal form	Greenalia, S.A., is a mercantile company with the legal form of a joint stock company
	102-7 Size of the organization	Pages 20-21; page 84
	102-3 Head office location	A Coruña, Galicia, Spain.
A brief description of the group's business model, including its business environment, its organization and structure, the markets in which	102-4 Location of operations	Pages 16-19
it operates, its objectives and strategies, and the main factors and tendencies that may affect its future evolution.	102-6 Markets served	Energy sales are via the system (OMIEE, via a market representative), and there are private clients in the traditional cellulose and sheet wood sectors
	102-14 Declaration of senior executives responsible for decision taking (vision and strategy related to the management of economic, social and environmental impacts)	Pages 4-8
	102-10 Significant changes in the organization and its supply chain	Page 19; pages 99-109
	102-11 Precautionary principle or approach	Pages 60-67
	102-15 Main impacts, risks and opportunities	Pages 52-56
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.	103-1 Explanation of the material topic and its boundary 103.2 The management approach and its components in all material matters	Pages 12-19; 20-21; 39-51; 40-42; 49-50; 52-56; 59; 60-69; 68-71; 83-84; 99-109
The results of these policies, which should include key indicators of pertinent non-financial results that allow monitoring and evaluation of progress and favour the comparability of companies and sectors in the national, European or international reference settings used for each topic.	103-2 The management approach and its components 103-3 Evaluation of the management approach in all material topics	Pages 12-19; 20-21; 39-51; 40-42; 49-50; 52-56; 59; 60-69; 68-71; 83-84; 99-109

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
GENERAL INFORMATION		
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.	102-11 Precautionary principle or approach 102-15 Main impacts, risks and opportunities 102-30 Effectiveness of risk management processes 201-2 Financial implications	Pages 52-67
	102-46 Definition of the report content and topic boundaries	Page 3
	102- 47 List of material topics	Page 31
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	102- 48 Restatement 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.
comparison of the information, both over time and between entities, standard non-financial key indicators that can be applied generally and	102-49 Changes in reporting	Page 3
that comply with the directives of the European Commission and with the standards of the Global Reporting Initiative shall be used especially,	102-50 Reporting period	Page 3
and the report should mention the national, European or international framework used in each case. The key non-financial results indicators	102- 51 Date of most recent report	apr-21
should be applied to each of the sections of the non-financial information statement. These indicators should be useful, taking into	102-52 Reporting cycle	Annual
account the specific circumstances, and should be coherent with the parameters used in the internal management and risk-evaluation	102-53 Contact point	Page 3
procedures. In any case, the information presented should be precise, comparable and verifiable.	102-54 Claims of reporting in accordance with the GRI standards	Page 3
	102-55 Content index	Pages 110-118
	102-56 External assurance	Page 111

Non-financial Information		
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.  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.	102-11 Precautionary principle or approach 102-15 Main impacts, risks and opportunities 102-29 Identification and management of impacts 102-30 Effectiveness of risk management processes 102- 31 Evaluation of economic topics 307-1 Non-compliance with environmental laws and/or regulations  305- 5 Reduction of GHG emissions 305- 6 Emissions of substances that deplete the ozone layer 305- 7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant atmospheric emissions 302- 5 Reduction of GHG emissions 302- 4 Reduction of energy consumption 103-2 The management approach (considering GRI 302 and 305)	Pages 52-56; 60-67  During 2021, Greenalia has not received, via the corresponding available channels, significant fines for non-compliance with the applicable legislation or standards.  Pages 78-79
The circular economy and waste management		
Measures for prevention, recycling, reuse, other forms of recuperation and elimination of waste; actions to combat food wastage	301- 1 Materials used by weight or volume 301-2 Recycled input materials 301- 3 Reclaimed products and their packaging material 303-3 Water withdrawal 306-1 Water discharge by quality and destination 306-2 Waste by type and disposal method 306-3 Significant spills 306-3 Transported hazardous waste 306-5 Water bodies affected by water discharges and/or run-off	Pages 68-74

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ON ENVIRONMENTAL QUESTIONS		
Sustainable use of resources		
Water consumption and water supply in accordance with local limitations	303-1 Extraction of water by source 303-2 Water sources significantly affected by withdrawal of water 303-3 Water withdrawal 303-4 Water discharge 303-5 Water consumption	Pages 72-74
Consumption of raw materials and measures adopted to improve the efficiency of their use	103-2 Management approach 301- 1 Materials used by weight or volume 301-2 Recycled input materials 301- 3 Reclaimed products and their packaging material	Page 69
Direct and indirect energy consumption	102-2 Management approach 302-1 Energy consumption within the organization 302-2 Energy consumption outside the organization 302-3 Energy intensity 302-4 Reduction of energy consumption 302-5 Reduction in energy requirements of products and services	Pages 76-77
Measures taken to improve energy efficiency	302- 4 Reduction of energy consumption 302-5 Reduction in energy requirements of products and services"	Pages 76-77
Usage of renewable energies	302-1 Energy consumption within the organization	Pages 76-77
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 emissions of GHG (scope 1) 305-2 Direct emissions of GHG when generating energy (scope 2) 305-3 Other indirect emissions of GHG (scope 3) 305-4 GHG emissions intensity	Pages 78-80
Measures adopted to adapt to the consequences of climate change	201-2 Financial implications, risks and opportunities derived from climate change	Pages 54-55

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ON ENVIRONMENTAL QUESTIONS		
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	Pages 78-79
Protection of biodiversity		
Measures to conserve or restore biodiversity	304-3 Protected or restored habitats	Pages 60-64
Impacts caused by activities or operations in protected areas	304-2 Significant impacts on biodiversity of activities, products or services 304-1 Operational sites owned 304-4 species that appear in the IUCN Red List	Pages 60-63

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ON SOCIAL QUESTIONS AND QUESTIONS RELATED TO PER	SONNEL	
Employment		
Total number and distribution of employees, taking into account criteria	"102-8 Information on employees and other workers	Pages 84 and 92
that represent diversity (gender, age, nationality, etc.)	405-1 Diversity of governance bodies and employees	Pages 84 and 93
	102-8 Information on employees and other workers	Pages 84 and 92
Total number and distribution of contract types, annual average of indefinite, temporary and part-time contracts by gender, age and	202-2 Proportion of senior management hired from the local community	Page 39
professional classification	401-2 Benefits for full-time employees that are not granted to temporary or part-time workers	Greenalia applies the same cover for occupational disability and maternity/paternity leave to part-time workers as it does to full-time employees.

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ON SOCIAL QUESTIONS AND QUESTIONS RELATED TO PER	SONNEL	
Number of dismissals by gender, age and professional classification	401-1 New personnel contracts and personnel turnover	Page 86 The personnel turnover in Greenalia, including voluntary termination, has been 55 persons, 11% women and 89% men. As regards turnover vs age, the distribution was 34% in persons under 30, 62% in persons aged 30-50 and 4% in persons over 50.
Average remunerations and their evolution, broken down by gender, age and professional classification or similar	202-1 Ratio of standard entry-level wage compared to minimum local wage by gender	Page 87
Salary gap, remuneration of equal work positions or company average	405-2 Ratio of basic salary and remuneration of women to men	Page 93
The average remuneration of directors, including variable retribution, expense allowances indemnities		Consolidated Annual Accounts
Payments into long-term savings plans and any other benefits, broken down by gender	201-3 Obligations related to the defined pension plan or other retirement plans	Page 86
Implantation of labour disconnection policies	103-2 The management approach and its components	Page 87
Employees with disabilities	405-1 Diversity of governance bodies and employees	Page 92
Organization of tasks		
Organization of working hours	-	Pages 94-98
Hours of absenteeism	403-2 Types of accidents and accident rates, occupational illnesses, work days lost, absenteeism, deaths due to work-related accidents or occupational illnesses	Pages 95-96
Measures intended to facilitate enjoyment of conciliation and to promote responsible use of these measures by both parents	403-1 Parental leave	Page 94
Health and safety		
Occupational health and safety conditions	403-3 Workers with high incidence or high risk of work-related illnesses	Pages 95-96
Work-related accidents, particularly their frequency and severity, and occupational illnesses, broken down by gender.	403-2 Types of accidents and accident rates, occupational illnesses, work days lost, absenteeism, deaths due to work-related accidents or occupational illnesses	Pages 95-96
Social relationships		

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ON SOCIAL QUESTIONS AND QUESTIONS RELATED TO PERSONNEL		
	402-1 Minimum notice provided regarding operational changes	Page 88
Social relationships	403-1 Management system for occupational health and safety	Pages 95-96
Percentage of employees covered by collective agreement per country	102-41 Collective negotiation agreements	All of our personnel are covered by four collective agreements
The balance of collective agreements, particularly in the field of occupational health and safety	403-4 Health and safety topics covered in formal agreements with trade unions	In Greenalia, we guarantee the participation of our personnel in matters concerning applicable legislation
Training		
Training policies implanted	403-5 Personnel training on occupational health and safety	Pages 95-96
Training policies implanted	404-2 Programs to improve employees' skills and transition assistance programs	Pages 89-90
Total hours training per professional category	404-1 Average hours of training per employee	Page 90
Universal accessibility for disabled persons		
Universal accessibility for disabled persons	103-2 The management approach and its components	Pages 94-96
Equality		
Measures adopted to promote equal treatment and opportunities for women and men	403-1 Parental leave	Page 94
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	Pages 84 and 93
The policy against all types of discrimination and, when appropriate, of diversity management	406-1 Incidents of discrimination and corrective actions taken	During 2021, Greenalia has not been informed via the available channels of any discriminatory situations that imply an infringement of Human Rights.

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION REGARDING RESPECT FOR HUMAN RIGHTS		
	102-16 Values, principles, standards and norms of behaviour	Pages 38-50
	102-17 Mechanisms for advice and concerns about ethics	Pages 47-49
	410-1 Security personnel who have received training in human rights policies or procedures	Greenalia does not have its own security personnel. When necessary, this service is sub-contracted to external companies with the highest standards of quality and security.
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	411-1 Incidents of violations of the rights of indigenous peoples	This indicator is not applicable to our company and activities, since there are no indigenous peoples in the geographical areas in which we operate.
mingate, manage and compensate any abaces committee	412-1 Operations that have been subject to human rights reviews or impact assessments	Since Greenalia is a Spanish company, the risks related to Human Rights are considered very low, and are guaranteed by strict compliance with applicable legislation. At the same time, we work to improve our support for respect for Human Rights, in collaboration with our Groups of Interest.
	412-2 Hours of employee training on human rights policies or procedures	Page 50
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Pages 47-49
Claims for cases of violation of human rights	419-1 Non-compliance with laws and standards related to the social and economic spheres	During 2021, Greenalia has not received, via the corresponding available channels, significant fines for non-compliance with the applicable legislation or standards.
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	406-1 Incidents of discrimination and corrective actions taken	During 2021, Greenalia has not been informed via the available channels of any discriminatory situations that imply an infringement of Human Rights.
	407-1 Operations and suppliers identified where the right to exercise freedom of association and collective bargaining may be at risk	Pages 47-49
elimination of discrimination in employment and work; the elimination of forced or compulsory labour; the abolition of child labour.	408-1 Operations and suppliers at significant risk for incidents of child labour	Pages 47-49
	409-1 Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour	Pages 47-49

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION RELATED TO THE FIGHT AGAINST CORRUPTION AND BRIBE	RY	
	102-16 Values, principles, standards and norms of behaviour	Pages 38-50
	102-17 Mechanisms for advice and concerns about ethics	Pages 47-49
	205-1 Operations evaluated for risks related to corruption	Pages 41-50; pages 52-53
Measures adopted to prevent corruption and bribery	205-2 Communication and training on anti-corruption policies and procedures	Pages 47-50
	205-3 Confirmed cases of corruption and measures applied	Pages 48-49
	206-1 Judicial actions related to unfair competition and monopolistic practices, and against free competition	Pages 48-49
	Contributions to political parties and/or representatives	Page 21; pages 48-49
	102-16 Values, principles, standards and norms of behaviour	Pages 38-50
Measures to fight against money laundering	102-17 Mechanisms for advice and concerns about ethics	Pages 47-49
	205-2 Communication and training on anti-corruption policies and procedures	Pages 47-50
Contributions to formulations and non-modit accominations	201-1 Direct economic value generated and distributed	Page 21; pages 99-104; pages 107-109
Contributions to foundations and non-profit organizations	413-1 Operations with local community participation, evaluations of impact and development programs	Pages 62-64; pages 107-109

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ABOUT THE COMPANY		
Company commitments to sustainable development		
	203-1 Investment in infrastructures and supported services	pages 103-104; pages 107-109
The impact of the company's activity on local employment and	203-2 Significant indirect economic impacts	Page 21; pages 103-104; pages 107-109
development	204-1 Proportion of spending on local suppliers	Page 102
	413-1 Operations with local community participation, evaluations of impact and development programs	Pages 62-64; pages 107-109
	204-1 Proportion of spending on local suppliers	Page 102
	411-1 Incidents of violations of the rights of indigenous peoples	n/a
The impact of the company's activity on local towns and in the region	413-1 Operations with local community participation, evaluations of impact and development programs	Pages 62-64; pages 107-109
	413-2 Operations with significant negative impact - real and potential - in local communities	Pages 62-64; pages 107-109
Relations maintained with actors in the local communities and methods of dialogue with them	102-43 Criteria for the participation of groups of interest	Page 30
Sponsorship or patronage activities	413-1 Operations with local community participation, evaluations of impact and development programs	Pages 62-64; pages 107-109
Sub-contracting and suppliers		
Inclusion in purchasing policy of social, gender equality and	308-1 Our suppliers who have passed evaluation and selection filters according to environmental criteria	Pages 48-49; pages 105-106
environmental questions	414-1 Our suppliers who have passed evaluation and selection filters according to environmental criteria	Pages 48-49; pages 105-106
	308-1 Our suppliers who have passed evaluation and selection filters according to environmental criteria	Pages 48-49; pages 105-106
Consideration in relationships with suppliers and sub-contractors of	414-1 Our suppliers who have passed evaluation and selection filters according to environmental criteria	Pages 48-49; pages 105-106
their social and environmental responsibility	308-2 Negative environmental impacts in the supply chain, and measures applied	Pages 48-49; pages 105-106
	102-9 Supply chain	Pages 99-109

Non-financial Information		
Requirements of Law 11/2018	Relationship with GRI indicators	Page numbers
INFORMATION ABOUT THE COMPANY		
Supervision and auditing systems and their results	414-2 Negative environmental impacts in the supply chain, and measures applied	Pages 48-49; pages 105-106
Customers		
	416-1 Significant products and service categories for which health and safety impacts are assessed	n/a
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During 2021, no incidents of non-compliance with legal obligations or voluntary codes related to health and safety have been registered in Greenalia.
Measures for the health and safety of customers	417-1 Information required in the labelling of products and services	n/a
	417-2 Incidents of non-compliance related to product and service information and labelling	n/a
	417-3 Incidents of non-compliance concerning marketing communications	n/a
	102-42 Identification and selection of groups of interest	Page 30
	102-43 Criteria for the participation of groups of interest	Page 30
Claims system, complaints received and their resolution	102-44 Key concepts and concerns mentioned	Pages 30-31
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During 2021, no significant administrative sanctions have been received by Greenalia via the relevant available channels for substantiated complaints of non-compliance with regulations governing customer privacy and data protection.
Fiscal information		
Profits obtained by country	102-45: Entities included in the consolidated financial statement	Consolidated Annual Report 2021
Profits obtained by country	201-1 Direct economic value generated and distributed	Page 21; pages 99-104; pages 107-109
Tax paid on profits	201-1 Direct economic value generated and distributed	Page 21; pages 99-104; page 107-109
Public subventions received	201-4 Financial assistance received from the government	During 2021, Greenalia Biomass Supply has received 655,627€ in public subventions.





As we come to the end of this second half year, we are leaving behind 12 months of special relevance as regards Greenalia's business. 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 year, 2021, with our objectives for the year achieved. In the midst of this convulsive and uncertain context, we have been able to maintain our course and reinforce our operations. We have continued to start up our projects in renewables, and we have also achieved other, strategic, objectives such as opening up the American market. 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 start of operations of 4 of our projects during 2021, in addition to those that were already operating, has allowed us to successfully complete the plans established in previous years. We have more than achieved the objectives set in the COVID RESILIENCE Plan. At the same time, we have achieved the figures promised in the Business Plan presented when we went Public in 2017. At the moment, with 6 projects in operation (with an installed power of 125MW), with almost 1,000MW more under construction, Greenalia has become a relevant player in the sector, especially because of our multi-technological character and the important resource of our pipeline. In financial year 2021, these projects have led to an EBITDA of 38,7M€ and a net profit of over 12M€. The forecasts for 2022 are even better.

The increased figures in the profit & loss account consolidate the Develop&Own strategy developed in recent years. In addition, the group has established new lines of business, anticipating its international expansion, which was originally planned for 2030.

With the acquisition, in the second guarter of the year, of the MISAE photovoltaic project (695MW in Ready to Build condition. to which 170MW of storage will be added), a significant part of the income in 2024 will come from the US. With this operation. the company has assured the achievements of the objectives established in its strategic plan, and increased its technological diversity to 5 technologies (Onshore Wind, Offshore Wind, Photovoltaic, Storage and Biomass) in two currencies, the Euro (€) and the dollar (USD). The commitment of the US administration to renewable energy has opened a very attractive panorama in this sector, and we must make the most of it. Apart from this acquisition, the company has submitted new projects there, and continues to study the acquisition of other companies in this sector, in order to advance rapidly in what is now a growth industry in the USA. The exploitation of these projects, and other future business in the USA, will be carried out via the new companies Greenalia Power US, INC., and Greenalia Solar Power US, INC.

- The wind power business continues its production activities, with the five EOLO MOC projects operating at full capacity at the end of the year (the wind farms Miñón, Ourol, Alto da Croa, Alto da Croa II and Monte Tourado). We must note the merchant trading of these projects, which is allowing us to obtain market prices above those included in the plan.
- A fundamental milestone in this period has been the start-up of our second wind power project, the Ourol wind farm (22.5MW); this has contributed to the group's consolidated income since May 2021.
- Similarly, we must note the start-up of another three wind farms (Alto da Croa, Alto da Croa II and Monte Tourado), which have been contributing to the group's consolidated income since September 2021.

- During 2021, these 5 projects have exported 132,795MWh of energy.
- The biomass plant (Curtis-Teixeiro) has continued to export energy, and although the Operation and Maintenance provider has been replaced, it is now producing maximum power and is fully operational.
- The other business segments continue to operate normally, with no significant incidents. The insurance cover has been reviewed, and we have been in conversations with our main clients in order to anticipate possible changes or loss of the demand, with no changes in this regard having been notified.

From a quantitative point of view, we are leaving behind the COVID period, during which, despite the world-wide pandemic, the group has increased its income by 90% (FY2019-FY2021) and its EBITDA by 1,062% (FY2019-FY2021). Having culminated the COVID Resilience Plan 2020-2021, we can confirm that its objectives have been completely achieved.

We should note that, during the IPO in the second half of 2017, the company presented a 5-year plan that proposed an EBITDA in 2021 of 23.3 million Euros. At the end of this 2017 Plan, we can see that the company has exceeded the forecasts and commitments acquired at the time of the IPO in 2017. This plan can be consulted in the IPO documentation dated November 27, 2017.

ON A CORPORATE LEVEL, THE ACQUISITION OF THE GROUP'S FIRST INTERNATIONAL PROJECT IS PARTICULARLY SIGNIFICANT. A SOLAR PHOTOVOLTAIC PROJECT (IN RTB CONDITION), WITH 170MW OF STORAGE, IN TEXAS, USA; THIS IS AN EXTREMELY RELEVANT MILESTONE FOR THE GROUP'S FUTURE BUSINESS.

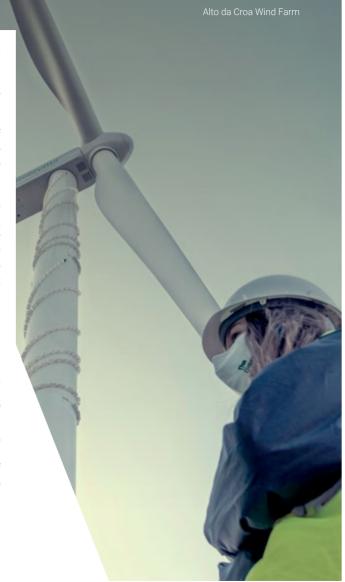
In addition, this period has been outstanding due to having obtained the highest retribution in wind power projects in the Ministry's tenders in January 2021. The retribution obtained, of 135MW, will allow the Eolo II projects to be financed with much more advantageous financial conditions and structuring. This figure represents 13.5% of the power allotted by the Ministry to this technology in this tender.

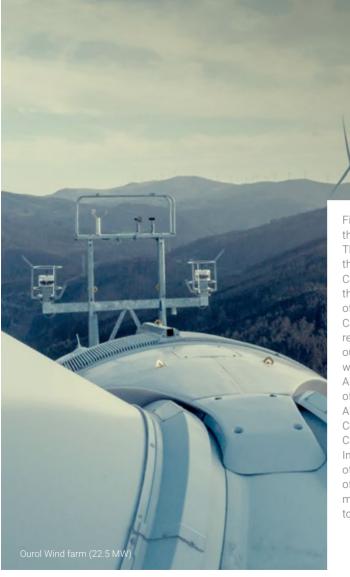
Meanwhile, in December, we registered a Program of Green Credits with a value of 100 million Euros in the MARF (Alternative Fixed-Income Market) The program has been evaluated by Sustainalytics, a leading agency in sustainability analysis, that has considered that the company's projects can contribute 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. This operation is in addition to the capital increase of 15 million Euros in November (via an

accelerated placement procedure in which 4.4% of the company's capital was subscribed with no discount on the previous day's price); this demonstrates confidence in the company on the part of investors and the capital markets.

I must also mention the signing, in December, of a pre-contract agreement to supply renewable energy to the Alcoa aluminium plant in San Cibrao (Lugo) for 10 years. This energy will be supplied from wind farms that are under development in the Galician Autonomous community, mainly in the province of Lugo, where Alcoa's plant is located. This pre-contract 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 a PPA (Power Purchase Agreement) of this type.

As for ESG issues (Environmental, Social and Governance), Greenalia presents its Sustainability Report together with the Annual Accounts for FY2021. As part of our process of improvement and internal professionalisation, this year we have assigned more resources to the areas of Digitalization, Sustainability and Business Development, among others. Proof of this is the signing of the technological alliance with Microsoft, as is also the recognition of SAP, with a prize in the SAP Quality Awards 2021, in the category of Digital Pioneer.





Finally, we should note the strengthening of the organizational and management structure. The renewal of the Board of Directors, with the appointment as president of Jose Maria Castellano Rios, with a long business trajectory that we are all aware of, and the appointments of Beatriz Mato as Executive Director and Pablo Castellano Vazquez as Proprietary Director, reinforce the capacity and the experience of our management. On an organizational level, we have incorporated senior talent, such as Alberto Esposito, as Development Director of International Business Development. Alberto Ares, as Director of Engineering and Construction, and Pablo Barco, as Director of the Curtis-Teixeiro Biomass Plant, among others. In the area of long-term incentives, the Board of Directors approved, during the second half of the year, a Stock Options Plan aimed at key management personnel. 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 will be submitted for approval in the next General Shareholders' Meeting.

## Results by business line

In general terms, we can see a very material improvement compared to the previous year.

- An increment of 78% in income, and an increment in EBITDA of 251% with respect to 2020
- As for the consolidated EBITDA margin, the ratio has increased to 50.5%, a significant improvement over the ratio of 25.59% for the same period in the previous year.

These increases in EBITDA and in the margin are due mainly to the contributions of the Ourol Wind Farm, starting in May, and the Alto da Croa, Alto da Croa II and Monte Tourado Wind Farms, which have been contributing to the group's consolidated results since September 2021.

### Treasury Stock

The company's treasury holds Greenalia stock with a value of 1,048 thousand Euros (66,166 shares) as of the date of issue of the annual accounts, which could easily be converted into cash.

Part of these shares have been placed at the disposition of the liquidity provider (Banco Santander).

#### 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 Teixeiro, 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 3.6 million Euros on the company's funds in 2021.

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 token, 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. 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.

# Evolution of share prices and market capital

The company's shares have been traded on the BME Growth stock exchange since its IPO on December 1, 2017.

On March 19, 2018, Greenalia, S.A. was included in the "IBEX BME Growth 15"2 index. On January 25, 2019, the BME Growth intervention department communicated a change in the trading mode of shares in Greenalia, S.A., from Fixing to Continuous, on the basis of the market trading volume of the shares.

Being in this category indicates that the quality and transparency standards of this BME market are on a par with those of other European Growth Markets.

On December 31, 2021, Greenalia's shares closed at 15.85 Euros/share; this corresponds to a reduction of 12.7% in the last 12 months, and an increase of 681% since the shares started trading on December 1, 2017, and a capitalization of 351,409,906 Euros.

### Evolution of our activity

The estimates forecast in the plan have been greatly surpassed. In this sense, the maintenance and improvement of our activity is clearly shown in the consolidated EBITDA of 2021, which reached 38,658,855 Euros. The net result after tax was 12,035,891 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 (+15,2% \_\_\_\_\_\_) with respect to year end 2020), fundamentally due to the investment in the wind farms included in Eolo MOC.

12.8 MILLION EUROS INCREASE IN IN-PROGRESS FIXED ASSETS CORRESPONDING TO THE INVESTMENT IN THE EOLO MOC WIND POWER PROJECTS.

27.4 MILLION EUROS INCREASE IN IN-PROGRESS FIXED ASSETS CORRESPONDING TO THE INVESTMENT IN OTHER PROJECTS.

 28.3 million Euros increase in debt with credit institutions and other financial obligations, fundamentally due to the outlay within the framework of the finance project for the wind power projects in the Eolo MOC and the development of other pipeline projects.

#### CONSOLIDATED EBITDA

Operating results	29,194,172
(-) Other profits and losses	19,673
(+) Losses, impairment and variation of supplies	63,090
(+) Amortization of fixed assets	8,930,619
(+) Impairment and profits/losses on disposal of fixed assets	490,647
TOTAL	38,658,855

- The value of the investments in the Curtis Teixeiro Biomass project as of year end 2021 was 128.8 million Euros, with an assigned non-recourse debt of 120.6 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 year end 2021 was 83.6 million Euros, with an assigned non-recourse debt of 68.7 million Euros, not taking into account the effect of the amortized cost.
- It should be noted that 72 % of the group's debt is non-recourse debt associated with the projects, guaranteed solely by the projects being financed.

The company's own funds show a positive balance of 26,214 thousand Euros, although this had to be adjusted for hedging operations (derivatives for the interest rate signed in the framework of the finance project) totalling 3.8 million Euros, and consequently, the net equity shows a positive balance of 22,645 thousand Euros.

### Financial Operations

The following financial operations have been formalized:

- During 2021, we have secured a mortgage for the purchase of the land for Curtis II, for the amount of 3,978 thousand Euros
- Increments in the balances of the Curtis Finance Project (3.8 million Euros) loan, the Eolo MOC loan (12.6 million Euros) and other debts for projects under development (9.7 million Euros).

- Diverse loans and leasings for the purchase of 5 bundling machines, to the amount of 1.5 million Euros.
- Other loans from third parties, to the amount of 3.69 million Furos
- $\,^{\circ}$  An increase in debt in credit lines, to the amount of 0.1 million Euros.
- · At the same time, the loans that the group had taken out with Abanca and Santander have been fully paid up.
- With regard to the corporate bonds, there is only one in effect, 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, we registered a Program of Green Credits with a value of 100 million Euros in the MARF (Alternative Fixed-Income Market). However, at the end of 2021, no emissions had yet been effected, so the accounts do not contain any debt derived from this program.
- Finally, in November, we increased our capital by 15 million Euros via an accelerated placement procedure in which 4.4% of the company's capital was subscribed with no discount on the previous day's price.
- The liquidity provider's policy has not been modified.





# Compliance with the business plan

On March 17, 2021, Greenalia, S.A. published its new plan for 2020-2021, naming it COVID RESILIENCE. The company wishes to express its satisfaction with the general degree of compliance with the Business Plan for 2021, and its correct execution.

In general, the objective established for the yearly budget and the end of the plan has been more than achieved, with a significant improvement with respect to the previous year.

The degree of compliance with the EBITDA forecast has been surpassed (185%), while compliance in the case of turnover was 123%.

The EBITDA-to-Sales ratio (EBITDA margin), for which 33.72% was proposed, has surpassed this, reaching 50.51%, greatly above the estimate; and in any case, an improvement over the previous year's figure of 25.59%.

Consequently, the objectives in the plan for income and EBITDA have been achieved, with a compliance in the case of EBITDA of 185%, and 123% in the case of income.

We should note that, during the IPO in the second half of 2017, the company presented a 5-year plan that proposed an EBITDA in 2021 of 23.3 million Euros. At the end of this 2017 Plan, we can see that the company has exceeded the forecasts and commitments acquired at the time of the IPO in 2017. This plan can be consulted in the IPO documentation dated November 27, 2017.



# Structure of the consolidated group

The dependent companies included in the consolidation perimeter as of December 31, 2021 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	2,163	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%

	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%

	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 VELLOS, 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%

	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, S.L.U.	100.00%
GREENALIA WIND POWER EOLO CAMPELOS, S.L.U.	A Coruña	Energy production	3,000	GREENALIA WIND POWER S.L.U.	100.00%
GREENALIA WIND POWER EOLO MOC , S.L.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	3,000	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 FONSANTA, 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%

	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 DEVELOPMENT, 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%

	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 OUROL, 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, 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%

	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 WOODCHIPS, S.L.U.	A Coruña	Production, sale and supply of wood chips	799,605	GREENALIA INDUSTRY, S.L.U.	100.00%
GREENALIA POWER DEVELOPMENT, S.L.U.	A Coruña	Energy production	344,397	GREENALIA WIND POWER, 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	3,838	GREENALIA POWER DEVELOPMENT, S.L.U.	100.00%

## 8 Consolidation perimeter at end of 2021

	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%

## Ocnsolidation perimeter at end of 2021

	Fiscal residence	Activity Particip		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 2021

	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 DEVELOPMENT, S.L.U.	85.00%
GREENALIA WIND POWER DUNAS, S.L.	A Coruña	Energy production	2,550	GREENALIA SOLAR 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 SOLAR 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	1,360,509	GREENALIA S.A.	100.00%

# 1 1 Consolidation perimeter at end of 2021

	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 SHIPPING, S.L.U.	A Coruña	Marine goods transport.	291,770	GREENALIA LOGISTICS, S.LU.	100.00%
GREENALIA SOLAR POWER SANTA ANNA I S.L.U.	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, S.L.U.	100.00%
GREENALIA SOLAR POWER SANTA ANNA II S.L.U	A Coruña	Energy production	3,000	GREENALIA SOLAR POWER, 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 2021

	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 SOLAR 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 2021

	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	-	GREENALIA POWER US, INC	100.00%
EXCEL ADVANTAGE SERVICE, LLC	Dallas	Energy production	-	GREENALIA SOLAR POWER, INC	100.00%



Audit Report for the Consolidated Annual Financial Statements Issued by an Independent Auditor

GREENALIA, S.A. AND SUBSIDIARIES Consolidated Annual Accounts and Consolidated Directors' Report for the fiscal year ending December 31, 2021



Ernst & Young, S.L. Edificio Ocaso Cantón Pequeño, 13-14 15003 La Coruña Españo 5el: 981 217 253 Fax: 981 223 475 eycom

To the shareholders of Greenalia, S.A.:

#### Audit Report for the Consolidated Annual Financial Statements

We have audited the consolidated annual accounts of Greenalia, S.A. (hereinafter, the "Parent Company") and together with its subsidiaries (hereinafter, the Group), which comprise the consolidated statement of financial position the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows as of December 31, 2021, and notes to the consolidated financial statements for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, a true and fair view of the Group's equity and financial position as of December 31, 2021, and of its consolidated results and cash flows for the year then ended, in accordance with the applicable financial reporting framework identified in mote 2 to the consolidated financial statements) and, in particular, with the accounting principles and criteria contained therein.

#### Basis of opinion

We have carried out our audit in accordance with the regulations currently in force in Spain that govern all account auditing activities. Our responsibilities under those standards are further described in the Responsibilities of the Auditor for the audit of the consolidated annual accounts section of our report.

We are an independent third party outside of the Group in accordance with the statutory requirements concerning ethics, including those relating to independence, which are applicable to any audit of consolidated annual accounts in Spain as required by the regulations which govern account auditing activities. Accordingly, we have not provided any services other than those necessary to conduct the audit of the accounts nor have any conditions or circumstances occurred that, in accordance with the provisions of the aforementioned regulatory regulations, would have otherwise compromised the independence regulate on conduct the audit

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the consolidated annual accounts of the current period. These risks have been addressed in the context of our audit of the consolidated annual accounts as a whole, and in formins our coinion thereon, and we do not provide a separate opinion on these risks.

#### Revenue recognition

Description The activities performed by the Group Include the purchase and sale, import, export, processing and handling in general of all types of wood and the transportation thereof, as well as the generation of energy by means of the operation of renewable energy facilities, as detailed in note 17.1 to the accompanying consolidated financial statements.

As indicated in note 5.20 to the accompanying consolidated financial statements, the Group recognizes revenue upon transfer of control of goods and services with customers and upon compliance with the specific conditions for each activity.

We have considered the proper recognition of revenues as a key audit matter in view of their atomization, as well as the accounting estimates to be made by the Parent Company's Management in order to determine the proper recording of certain revenues at year-end.

Our response Our audit procedures have included, among others:

Understanding of the processes applied by the Parent Company's Management for revenue recognition, as well as the regulatory framework of the power generation activity. Evaluation of the design and implementation of the relevant controls of such processes.

Obtaining third party confirmations and settlements from the National Markets and Competition Commission (CNMC) for a sample of balances and transactions for the year.

Verification, for a sample of the year's transactions, of the proper timing and amount of the accounting record of such transactions.

Review of a sample of the credit notes issued after the closing, assessing the proper accounting record thereof based on the accrual of the transaction.

Review of the breakdowns included in the consolidated annual report for the year in accordance with the applicable financial reporting framework.



3

#### Emphasis paragraph

We draw attention to note 2.4 to the accompanying consolidated financial statements, which describes the reasons for the Group's negative working capital on December 31, 2021, and the uncertainty related to the causes of early termination of the financing contracts for the Group's biomass plant located in Curtis, together with the mitigating factors of such uncertainty. This matter does not change our opinion.

Other information: Consolidated Director's Report

The other information exclusively comprises the consolidated Director's Report for the financial year 2021, the preparation of which is the responsibility of the Parent Company's Directors and is not an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not in any way include an opinion on the consolidated Director's Report. Our responsibility for the consolidated Director's Report, in accordance with the requirements of the regulations governing the auditing of accounts, comists of evaluating and reporting on the consolidated Director's Report with the consolidated financial statements, based on our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as evaluating and reporting on whether the content and presentation of the consolidated Director's Report comply with the applicable regulations. If, on the basis of the work we have conducted during the audit, we conclude that there are material misstatements, we are obliged to report said inaccuracies.

Based on the work performed, as described in the preceding paragraph, the information contained in the consolidated Director's Report is consistent with that of the consolidated financial statements for the 2021 financial year and its content and presentation are in accordance with the applicable regulations.

Responsibilities of the Directors of the Parent Company for the consolidated annual accounts

The Directors of the Parent Company are responsible for the preparation of the accompanying consolidated financial statements in order to present fairly the consolidated equity, financial position and results of the Group, in accordance with the regulatory financial reporting framework applicable to the Group in Spain, which is identified in Note 2 to the accompanying consolidated financial statements, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Directors of the Parent Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to figuidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee of the parent company is responsible for overseeing the process of preparation and presentation of the consolidated annual accounts.



Responsibilities of the Auditor for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or together, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal costrol.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Sole Director of the Parent Company.

Conclude on the appropriateness of the Sole Director of the Parent Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding financial information of entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for managing, supervising and preparing the audit of the Group. We are solely responsible for our audit opinion.

We are required to communicate with the Audit Commission of the Parent Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided the Audit Committee of the Parent Company with a statement stating that we have complied with applicable ethical requirements, including independence requirements, and have communicated with the Audit Committee to report matters that reasonably could compromise our independence and, where appropriate, related assurances.



5

From the significant risks communicated to the Audit Committee of the Parent company, we determine those risks that were of most significance in the audit of the annual accounts of the current period and are therefore the most significant assessed risks.

We have described these risks in our audit report insofar as we are able unless statutory or regulatory provisions prohibit public disclosure of the same.

#### Report on other legal and regulatory requirements

Additional report to the Audit Committee of the Parent Company

The opinion expressed in this report is consistent with that expressed in our additional report to the Audit Committee of the Parent Company dated April 1, 2022.

Contracting period

The Extraordinary General Shareholders' Meeting held on June 28, 2021, appointed us as the group's auditors for a period of one year, starting from the year ended December 31, 2020.

Prior to such date, we were appointed by resolution of the Extraordinary General Meeting of Shareholders for the period of 3 years, and we have been performing the work of auditing accounts on an uninterrupted basis since the fiscal year ended December 31, 2018.



### GREENALIA, S.A.

#### AND SUBSIDIARIES

Consolidated Annual Accounts and Consolidated Directors' Report for the Financial Year Ended on December 31, 2021



#### TABLE OF CONTENTS

#### CONSOLIDATED ANNUAL ACCOUNTS

- Consolidated balance as of December 31, 2021
- Consolidated profit and loss statement for the financial year ended on December 31, 2021
- Statement of changes in consolidated total equity for the financial year ended on December 31, 2021
- Consolidated cash-flow statement for the financial year ended on December 31, 2021
- Consolidated report for the financial year ended on December 31, 2021

#### CONSOLIDATED DIRECTORS' REPORT

Consolidated directors' report for the financial year ended on December 31, 2021

PREPARATION OF THE CONSOLIDATED ANNUAL ACCOUNTS AND CONSOLIDATED DIRECTORS REPORT



### GREENALIA, S.A. AND SUBSIDIARIES Consolidated balance as of December 31, 2021 (Stated in Euros)

ASSETS	Notes	2021	2020
NON-CURRENT ASSETS		282,387.644	245,189,176
Intangible fixed assets	- 6	2.783.617	2.538.146
Goodwill on consolidation		66.992	80.716
Other intangible fixed assets		2.686.625	2.457.430
Tangible fixed assets	7	276.213.176	237,931,962
Land and buildings		7.411.063	3.419.048
Technical installations and other tangible fixed assets		218.464.424	167,416,452
Fixed assets in process and advances		50.347.689	67,096,462
Long-term investments in group companies and associates		524.608	919.717
Loans to group companies		524,606	919.717
Long-term financial investments		967.677	884.301
Equity instruments		050.374	852.397
Loans to third parties		20.637	13.152
Other financial assets		88.098	18.752
Deferred tax assets	16	1,928,568	2.915,050
CURRENT ASSETS		98,079,086	56,699,502
Non-current assets kept for sale	6 and 7	1,893,694	1,955,091
Inventory		4.345.994	2.770.247
Salesmen		1,990,634	1.567,890
Raw materials and other supplies		859 408	165.766
Finished products		775.108	242 693
Atvances to suppliers		720.766	793.898
Trade and other receivables		18,619,546	9.353.321
Trade receivables for sales and services		19.169.445	8.862.976
Personnel		35.000	35.000
Current tax assets	16	25.131	139,436
Receivables from governmental agencies	16	389.909	316,009
Short-term investments in group companies and associates		-	600.728
Loans to group companies		-	500.728
Short-term financial investments		436,909	210,167
Other financial assets		436.909	210.167
Short-term accruals		605.114	255.573
Cash and other equivalent liquid assets	10	72.176.029	41,653,375
Canh		58.609.857	41,447,840
Other equivalent liquid as sets		13.566.972	205.538
TOTAL ASSETS		380,466,739	301,887,678

ORGENALIA, S.A.

Plaza de María Pita, 10 - 1 – Tež +34 901 402 100 – Past -34 901 403 000 – Postzode: 15001 – A Coruña – Spain

Ernal greenstres@greensla.se – www.greensla.se.



### GREENALIA, S.A. AND SUBSIDIARIES Consolidated balance as of December 31, 2021 (Stated in Euros)

NET EQUITY AND LIABILITIES	Notes .	2021	2029
NET EQUITY		22.645.332	(7.068.174)
OWN PUNDS	111155-11	28.214.166	99.393
Capital	11.1	443.419	424,669
Authorized capital		443.419	424,669
Issue premium	11.2	18,361,230	3.379.989
Reserves	11.3	(2.116.730)	(1.853.234)
Legal and statutory reserves		80.254	80.254
Oher reserves		(2.196.993)	(1.933.488)
Treasury shares	11.4	(1.045.494)	(713,654)
Profitious brought forward	11.3	(1.464.150)	(563.233)
Profitfoss for the year attributable to the parent company	11.5	12,035,891	(576,545)
Value adjustments	12	(3.769.535)	(7.433.376)
Hedging transactions		(3.831.387)	(7.433.376)
Conversion differences		61.852	
Grants, donations or gifts, and legacies received	13	193,951	262,019
Non-controlling interests	14	6.750	6.750
NON-CURRENT LIABILITIES		191.617.050	273,906,109
Long-term payables	16	178.328.427	272.582.215
Debt instruments and other marketable securities		54.076.343	56 316 446
Debts with gredit institutions		87 748 825	109.800.053
Creditors for financial leasing		6.403.402	7.507.658
Derivatives		3.730.582	9.963.598
Other financial liabilities		26.369.275	90.794.550
Long-term payables to Group companies and associates	15	2.458.963	1,187,273
Other non-current liabilities	18	10.718.673	_
Deferred tax liabilities	16	113.987	136,701
CURRENT LIABILITIES		166,204,348	35.046.663
Short-term payables	15	144,890,755	27.408.844
Debt instruments and other marketable securities		2.838.689	277.942
Debts with credit institutions		99.107.191	18.990.284
Creditors for financial leasing		1.940.017	1.000.202
Derivatives		1.377.934	747.570
Other financial liabilities		39.826.324	5,726,848
Short-term payables to group companies and associates	15	4.342.041	474.043
Trade and other payables		16.970.752	7.163.776
Suppliers	16	2.933.500	3.460.511
Suppliers, Group companies, and associates	15	-	6.235
Sundry creditors	15	12.000.156	3.451.678
Personnel (remuneration pending payment)	15	2.197	861
Other payables to Public Authorities	16	349.919	242 383
Customer advances	15	1.084.980	2.108
TOTAL NET EQUITY AND LIABILITIES		380.466.730	301.887.678

| GREENALA, S.A. |
Plaza de María Pita, 10 - 1 - Tet +34 961 462 (30 - Pazc +34 961 460 100 - Postcode: 15001 - A Coruña - Spain 
firmál intenscrisc@greenala as — www generala es.



#### GREENALIA, S.A. AND SUBSIDIARIES

Consolidated profit and loss statement for the financial year ended on December 31,

(Stated in Euros)

	Notes	2021	2020
CONTINUING OPERATIONS			
Net turnover	17.1	76,532,716	43,003,978
Sales		73,410,945	38.095.788
Services rendered		3.113.770	4.908.190
Variation in inventories for finished products and products being			
manufactured		(55.439)	(16.781)
In-house work on assets	7.1	1.273.237	4.148.265
Supplies		(29.595.223)	(24.396.125)
Consumption of goods	17.2	(14.504.756)	(16.025.676)
Consumption of new materials and other consumables		(9.227,447)	(3.576.664)
Work done by other companies		(5.581,224)	(4.793.785)
Impairment of goods held for resole, new materials, and other supplies	9	(281.796)	-
Other operating income		24.001	131.295
Non-core and other current operating income		19.964	(2.096)
Operating subsidies included in year-end results		4.037	133.394
Personnel costs	17.3	(4.111.961)	(3.173.441)
Wages, salaries, and similar compensation		(2.185.190)	(2.486.503)
Social security contributions		(926.761)	(706.638)
Other operating expenses	470.4	(13.064.026)	(9.008.369)
External services	17.4	(11.681.985)	(8.077.291)
Taxes		(2.119.751)	(922.136)
Losses, impairment and changes		100 0000	
in trade provisions	7	(53.090)	(8 929)
Other profitfoss Attribution of subsidies for non-financial		8.322.100	(24.729)
fixed assets and others	13	90.823	186.622
Amortization of fixed assets	6 and 7		
Amortization of intendible fixed assets	e and r	(8.930,619)	(4.987,163)
Amortication of PISE		(8.599.033)	(4.784.705)
Impairment and gains losses on fixed asset disposals		(490.647)	121.888
Impairment and losses	7	(450,000)	12.1.000
Gains forses due to disposals and other items	13	(40.847)	121.888
OPERATING PROFIT LOSS		29,194,172	5 5 6 5 6 5 6 5 6
AND THE PROPERTY OF THE PROPER		1 201111 411110	
Financial income	17.5	7,435,411	9.537.435
From marketable securities and other financial instruments		7.435.411	9.537.435
From third parties	47.5	7.435.411	9.537.435
Financial expenses	17.5	(20.181.682)	(16.609.000)
Payables to third parties		(20.131.682)	(15.509.000)
Exchange differences		441,443	367.725
Impairment and profitfloss on disposal of financial instruments		(724.803)	201.120
Impairment and losses. Gains losses due to disposals and other items	8	(725.023) 220	367.725
PHANCIAL RESULTS		(13.029.631)	15.703.840s
A CONTROL OF THE CONT		F0.00.000.000.000	100000000000000000000000000000000000000
PROFITA OSS BEFORE TAXES		16.164.541	(718.350)
Corporate income tax	16.1	(4.128.650)	143.245
PROPITAL OSS FOR THE YEAR FROM CONTINUING OPERATIONS		12.035.891	(876.148)
CONSOLIDATED PROPITA OSS FOR THE YEAR			
		12.038.891	(575.145)
Profitioss attributed to the parent company	115	12.035.891	(575.145)
Profitioss attributed to non-controlling interests	115	41-1000000000	2 (2000)

GREENALIA, S.A.
Piaza de Maria Pita, 10 - 1 - Tes + 34 981 482 100 - Pass + 34 981 480 100 - Postcode: \$5001 - A Coruña - Spaix
Email symmosys (Gymerulia es - www.greenulia es.



#### GREENALIA, S.A. AND SUBSIDIARIES

Statement of changes in consolidated total equity for the financial year ended on December 31, 2021 (Stated in Euros)

A) Consolidated statement of recognized income and expenses for the financial year ended on December 31, 2021

1	Notes	2021	2020
Consolidated profitioss for the year	11.5	12,035,891	(576.146)
Income and expense attributable directly to equity			
Due to conversion differences		61.852	-
Due to cash-flow hedges	12	3.337,426	1,204,234
Crants, donutions or gffs, and logacies received	13 12 and	-	(186.622)
Tax effect	13	(834.407)	(264.400)
Total income and expense attributable directly to consolidated equity		2.696.071	763,209
Transfers to the profit and loss account			
Due to conversion differences			
Due to canti-flow hedges	12	1.465,027	(4.707.098)
Grants, donations or gifts, and legacies received.	13	(90.823)	102,672
	12 and		
Tax effect	10	(343,542)	1.152.642
Total transfers to the consolidated profit and loss account		1,030,662	(3.451.584)
TOTAL RECOGNIZED CONSOLIDATED INCOME AND EXPENSE		15.631.624	(3.263.620)
Profitibles attributed to the parent company		15.631.624	(3.263.530)
Profitious attributed to non-controlling interests	11.5	-	_

Plaza de Maria Pita, 10 - 1 – Tel +34 991 492 100 – Exx. +34 991 490 900 – Postcode: 15001 – A Coruña – Spain Ensil: Invenceni@greconiu.or. — www.greconid.or.

### B) Statement of changes in consolidated total equity for the financial year ended on December 31, 2021

	Authorized capital (Note 11.1)	houe premium (Note 11.2)	Reserves (Note 11.3)	Treesury shares (Note 11.4)	Profitfoss brought forward (Note 11.3)	Profitions for the year attributable to the perent company (Mote 11.5)	Value adjustments (Note 12)	Grants, donations or gifts, and legocies received (Nico 13)	Non- controlling interests (Note 14)	TOTAL
FINAL BALANCE AS OF December 31, 2019	424,669	3.379.969	1,877,299	(531.639)	(69.650)	(53.605)	(4.866.228)	323,286	581.047	252'069
Total recognized income and expense	-	-	-	-	-	(575.145)	(2,627,148)	(61,227)		(3.263.520)
Transactions with partners or owners Transactions with treasury shares (not) (Note 11.3 and 11.4) Changes in slope and arguistics of shares from non-controlling	-	-	252.815	(182.015)	-					80.800
interes to	-	-	(3.100.011)	-	-	-	-	-	(528.007)	(3.626.018)
Other changes in not equity					(MAR. 540)	53.605				-
Transfer to profotoss Other movements			436.977 (533.814)		(493.582)	53.606		-	-	(533.814)
RNAL BALANCE AS OF December 31, 2020	424,669	3.379.969	(1.853.234)	(713.654)	(563.232)	(575.145)	(7.433.376)	262,059	6.750	(7.895.174)
Total recognized income and expense						12.035.891	3.663.841	(68.198)		15.631.624
Transactions with partners or owners										-
Capital Increase	18,750	14 581,250	(663.088)							14.335.912
Transactions with treasury shares (net) (Note 11.3 and 11.4)		-	219.439	(331.840)	-	-	-			(112.401)
Other changes in net equity										
Transition to profitions	-	-	325.773	-	(900.918)	575.145	-	-	-	
Other movements	-	_	(145.629)	_	-	-	-	-	-	(145.529)
FINAL BALANCE AS OF December 31, 2021	643,419	18.341,239	(2.116.733)	(1.045.454)	(1.864.150)	12,035,891	(3.765.535)	193,951	6.750	22.645,332



GREENALIA, S.A. AND SUBSIDIARIES Consolidated cash-flow statement for the financial year ended on December 31, 2021 (stated in Eurosa)

	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profitfloss for the year before taxes		16.164.641	(718.390)
Adjustments to profitious		22.968.313	11.391.423
Amortization of fixed assets	6 and 7	8 930 619	4.987.163
Value adjustments for impairment		344.886	8.929
Allocation of grants		(90.823)	(108.622)
Profitions on fixed asset disposals and write-offs.		490.647	(121.888)
Financial income	17.5	(7,435,411)	(9.537.435)
Financial expenses	17.5	20.181.682	16 609 000
Impairment and profitioss on disposal of financial instruments.		724.803	1367.725
Other income and expenses		(188.090)	
Changes in working capital		9.107,834	(4.582.903)
Inventory		(1.857.543)	415.468
Debtors and other receivables		(9.443.620)	(5,908,413)
Other current assets		(515.888)	(249.655)
Creditors and payables		9.806.976	1.159.697
Other non-current assets and lubilities		11.117.907	2.00 P. C.
Other cash flows from operating activities		(14,419,535)	(7.346.574)
Interest payments		(14.533.843)	(7.346.574)
Cash flows from operating activities		33.811.163	(1.255.445
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investment payments		(44,774,443)	(47.492.237
Group companies and associates		(300.000)	
Intergible fored assets	6	(547.057)	(333.828
Tangble fixed assets	7	(43.496.388)	(47.400.407
Other financial assets		(431.000)	241.993
Receivables from disinvestments		-	(346.089)
Tangible fixed assets		-	(345.089)
Cash flows from investment activities		(44,774,443)	(47.030.326)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receivables and payments for equity instruments		14 707 816	
Issuance of equity instruments		14.338.912	
Acquisition of own aguity instruments		(1.428.550)	
Disposal of own equity instruments		1.294,448	
Receivables and payments for financial liability instruments		27.283.934	70,969,917
bsuance			
Issuance of debts with credit institutions		66.549.533	27.354.816
Issuance of debts with Group companies and associates		500.728	1.017.730
Issuance of other debts		20.340.314	52,500,000
Return and emortization of			
Amortization of debts with credit institutions		(9.335.379)	(4.598.764)
Issuance of debts with Group companies and associates		797,657	
Amortization of other debts		(59.568.919)	(5.303.865)
Cash flows from financing activities		41.486,744	70,969,917
NET INCREASEDECREASE OF CASH AND CASH FOLIVIAL ENTS		20 522 555	21 225 111
		30.523.454	21,875,146
Cash and cash equivalents at the beginning of the year	10	41.683.378 72.176.829	19.778.229 41.663.375
Cash and cash equivalents at the end of the year			



#### GREENALIA, S.A. AND SUBSIDIARIES Consolidated report for the financial year ended on December 31, 2021

#### 1. PARENT COMPANY

Greenalia, S.A. (hereinafter "the Company" or "the Parent Company") was incorporated on December 13, 2013, as a private limited-liability company under the name of Grupo Garcia Forestal, S.L. On September 2, 2016, it changed its corporate name to Greenalia, S.L. and on July 7. 2017. It became a public limited-liability company. Its corporate purpose consists of the production of electricity using renewable energy sources and all complementary activities; the development, management, operation, maintenance, and marketing of energy-use and production facilities; the acquisition and disposal of shares and interests representing the share capital of any type of company; the financing of investees; and the 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.

The corporate purpose of the other Group companies is the production of electricity using renewable energy sources and all complementary activities: the development, management, operation, maintenance, and marketing of energy-use and production facilities; and the purchase and sale, import, export, processing, and handling of all types of wood in general, as well as the

The Company's registered office is at Avda, Zumalacárrequi, Nº 35, Piso Bajo, Cedeira (A Coruña). On September 2, 2016, the Company moved its registered office to Plaza de Maria Pita, Nº 10 Planta 1º. A Coruña.

In 2014, the shareholders of Greenalia, S.L. resolved to reorganize the Group in order to adopt an organizational structure separating the different business activities by company. As such, on August 13, 2014, the Group was incorporated pursuant to Article 42 of the Code of Commerce. These resolutions were agreed upon by the shareholders at the Annual General Meeting and filed at the Commercial Register of A Coruña, and the Group is subject to the tax regime established in Chapter VI II of Title VI I of Legislative Royal Decree Law 4/2004, of March 5, approving the Revised Text of the Corporate Income-Tax Law.

The consolidated annual accounts of Greenalia, S.A. and the consolidated directors' report for the financial year 2020 were drafted on March 31, 2021 and filed with the Commercial Registry along with the corresponding audit report. The consolidated annual accounts and the consolidated directors' report for the financial year 2021 will be drafted in a timely manner and filed, together with the corresponding audit report, with the Commercial Registry within the legally established deadlines.

The Group is controlled by Smarttia Spain, S.L.U. (previously Noroeste Inversión y Desarrollo S.L.U.), with registered office at Plaza de Maria Pita, nº 10 plants 1º. A Coruña, which, as of December 31, 2021, owned 81.21% of shares in the Company (84.26% as of December 31, 2020) and files its annual accounts with the Commercial Registry of A Coruña.

For the purposes of preparing the consolidated annual accounts, a group is understood to exist when the parent company has one or more subsidiaries, over which said parent company has direct or indirect control. The principles applied in the preparation of the Group's consolidated annual accounts are laid out in Note 5, with the consolidation scope detailed in Note 4.

The Group's functional currency is the euro.

#### 2. BASIS FOR PRESENTING THE ANNUAL ACCOUNTS

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tet: +34 981 482 100 - Fax: +34 981 493 800 - Postcode: 15001 - A Coruña - Spain Ernalt intercores@greenalis.es - www.greenalis.es.



The consolidated annual accounts have been prepared in accordance with the regulatory framework for financial information applicable to the Company, as set forth in the General Accounting Plan approved by Royal Decree 1514/2007, of November 16 - which, in turn, has been subject to several modifications since its publication, the last of these being Royal Decree 1/2021. of January 12, and its implementing regulations - as well as with all other commercial legislation in force, and, in particular, the regulations established in Royal Degree 1159/2010, of September 17. approving the rules for the preparation of the consolidated annual accounts.

The consolidated annual accounts have been approved by the Directors of the Parent Company and will be submitted for approval at the General Shareholders' Meeting, it being foreseen that they will be approved without any modification.

The figures included in the consolidated annual accounts are expressed in euros, unless otherwise indicated.

#### 2.1 True and fair view

The consolidated annual accounts have been prepared from the accounting records of the companies included in the consolidation scope and include adjustments and reclassifications as necessary for consistency in timing and valuation, having applied the legal provisions applicable to accounting in order to show a true and fair view of the consolidated assets, consolidated financial position, and the financial results of the consolidated Group.

The consolidated cash-flow statement has been prepared in order to provide accurate information on the origin and use of the consolidated monetary assets representing cash and other equivalent liquid assets belonging to the consolidated Group.

#### 2.2 Comparison of information

In accordance with commercial law and for comparative purposes, the consolidated annual statements for each item in the balance sheet, in the consolidated profit and loss statement, the statement of changes in consolidated total equity, and the consolidated cash-flow statement present both figures for the 2021 financial year and those for the previous financial year. Quantitative information for the previous financial year is also included in the consolidated report. except when an accounting standard specifically states that this is not necessary.

For the proper comparison of information, the effects of variations in the consolidation scope as indicated in Note 4.2 should be taken into account when comparing the figures for both financial

Royal Decree 1/2021, of January 12, was published on January 30, 2021, modifying the General Accounting Plan approved by Royal Decree 1514/2007, of November 18. The changes to the General Accounting Plan are applicable to the financial years starting from January 1, 2021, and are mainly focused on the recognition, valuation, and breakdown criteria for income and financial instruments.

This modification to the Plan has not entailed the need to account for any impact during transition on January 1, 2021, nor is a detailed reconciliation of the line items for financial assets and liabilities that had been included in the consolidated balance sheet in previous years required.

10

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tel: +34 981 482 100 - Fax: +34 981 480 800 - Postcode: 15001 - A Coruña - Spais Email imenoren@greensta.es - www.greensta.es.



Specifically, the Plan's modification indicates the following categories of financial instruments:

#### Financial assets

- 1. Financial assets at fair value through profit or loss.
- 2. Financial assets at amortized cost.
- 3. Financial assets at fair value through changes in total equity.
- 4. Financial assets at cost.

#### Financial liabilities

- 1. Financial liabilities at amortized cost.
- 2. Financial liabilities at fair value through profit or loss.

With regard to the modification of the Recording and Valuation Regulations for the recognition of income, this modification has not impacted the way in which the Group had been recognizing its income on the consolidated income statement.

#### 2.3 Effects of the COVID-19 pandemic on the Group's activity

The international pandemic officially declared by the World Health Organization (WHO) on March 11, 2020, has given rise to an unprecedented health crisis which has impacted the macroeconomic environment and the evolution of business.

In this regard, there have been disruptions in the supply chain, increases in raw-material and energy prices, and shortages in the supply of certain components. The evolution of the pandamic continues to have consequences for the economy in general and for the Group's operations, whose effects in the coming months are uncertain and will depend to a large extent on the evolution and scread off the pandemic.

As of the date of presentation of these consolidated annual accounts, there have been no significant effects to the Group's activity and, according to the Directors' current estimates, no significant effects are foreseen in the 2022 financial year.

#### 2.4 Going concern

As of December 31, 2021, the Group had a negative working capital of 68,125 thousand euros. Said working capital was caused by the termination of the EPC contract for the Curtis-Teixain Biomass plant, which, as a result, generated one of the cases for termination of said asset's financing contracts. According to accounting principles, this requires said debt to be classified as potentially due in the short term. Had this event not occurred, the Group's working capital would have been positive = 44 2,668 thousand euros.

As of the date of the preparation of these consolidated annual accounts, the Directors of the Parent. Company are in onegaing negotiations with lending financial institutions, which are expected to be satisfactorily concluded during the 2022 financial year.

Though these circumstances indicate uncertainty, the Directors of the Parent Company have considered the following mitigating factors:

- These types of situations fall within the normal operation of these types of assets and facilities.
- After the entry of a new operator and the adoption of the appropriate measures, the plant's
  production levels are now in line with the business plan that allowed for the original
  financing to be obtained.

11

 OREENALIA, S.A.

 Plaza de María Plia, 10 - 1 = Tet: +34 901 402 100 = Fox +34 901 400 000 = Postocóe: 16001 = A Coruña = Spain Email: (premiores/Expressible m. — www.preenalia.en.



- . The financing institutions stated on March 28, 2022, that:
  - 1. No proceedings have been initiated to terminate the financing contracts
  - 2. No actions are being carried out (nor are they intended to be carried out in the east three months) for the initiation of any proceedings aimed at (i) the termination of the Common-Terms Contract, (ii) the maturity of the financing or a request for its early repayment, or (iii) the enforcement of the guarantees granted under any of the Guaranteed Contracts.
- According to the estimates available at the date of preparation of these consolidated annual accounts, the underlying value of the plant is higher than that of the debt, therefore, in the event of potential execution thereof, this would not affect the rest of the Group's businesses nor the continued management of the Group as a whole.

To that end and taking into account the current business plan for the rest of the Group's assets and businesses with positive operating cash flows, the Directors of the Parent Company have prepared the consolidated annual accounts based on the coinc-concern principle.

#### 2.5 Critical valuation issues and estimation of uncertainty

When preparing the Group's consolidated annual accounts, the Directors of the Parent Company made estimates to determine the carrying amount of scene of the consolidated assets, liabilities, income, and expenses, and with regard to the breakdowns of consolidated contingent liabilities. These estimates were made based on the best information available at the end of the financial year. However, given the uncertainty inherent thereto, future events could arise that may force estimates to be modified in the coming years—which would, if necessary, be applied prospectively.

The key assumptions regrading the future, as well as other relevant data on the estimation of uncertainty at the financial-year closing date, all of which are associated with a risk of assuming significant changes in the value of consolidated assets or liabilities in the next financial year, are as follows:

#### Impairment of non-current assets

For non-current assets, the Directors of the Parent Company will analyze whether there are signs of impairment that may affect their recoverability. Specifically, for electric-energy generation and sale projects in the development phase:

- Compliance with the milestones established in Royal Decree-Law 23/2020 has been analyzed.
- For operating assets, the existence of external factors that may affect the profitability thereof has been analyzed, such as legislative changes and modifications in the price of energy.
- Their capacity to obtain the necessary financing to develop the projects has been analyzed.
- Additionally, valuations of the Group's projects (obtained from both internal and external sources) have been analyzed.

Should signs of impairment be detected, the valuation of non-current assets would require estimates to be made in order to determine their recoverable value for the purpose of evaluating possible impairment. To determine this recoverable value, the Parent Company's Directors have

12

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet + 34 901 402 100 - Fox +34 981 400 800 - Postoode: 15001 - A Coruña - Spain Errait enercorea@creenala.es - www.greenala.es



estimated the future cash flows expected from the assets or cash-generating units to which they belong, using an appropriate discount rate to calculate the present value of these cash flows. Future cash flows are contingent on projected financial-year budgets being met.

In their analysis of non-current asset recoverability, the Directors believe that, to date, there are no indications of impairment on any of the investments in renewable-energy projects.

The impairment recorded on one of the assets of the logistics activity has been calculated based on the purchase offers received in relation thereto.

#### Deferred tax assets

Deferred tax assets have been recorded for all deductible temporary differences, tax-loss carryforwards pending compensation, and deductions pending application for which it is probable that the Company will obtain future tax profits that allow for the realization of these assets, In order to determine the amount of deferred tax assets that can be recorded, the Directors must make significant estimates, taking into account the amounts and dates on which the future tax profits will be obtained and the reversal period of the taxable temporary differences.

The Group has recorded deferred tax assets as of December 31, 2021, in the amount of 1,928,568 euros (2,915,060 euros as of December 31, 2020), mainly corresponding to deductible temporary differences and part of the tax-loss carryforwards pending compensation (Note 16.2).

#### 2.6 Regulatory framework

The activity of some of the subsidiaries consists of power generation; as such, their viability is greatly influenced by the regulatory framework.

The fundamental regulations affecting the Group's operations are described below:

The renewable-energy sector is a regulated sector which has undergone fundamental changes in recent years, with a new regulatory framework created in 2013. Within this framework, the new reference law is Law 24/2013, of December 26, on the Electricity Sector, which repeals the previous Electricity-Sector Law 54/1997, of November 27.

On December 28, 2013, the new Sector Law was published, which ratified the provisions of Royal Decree-Law 8/2013, aliminating the special scheme and proposing a new remuneration scheme for renewable, cogeneration, and waste facilities. The new remuneration scheme (known as specific remuneration, and which will be awarded to new facilities on an exceptional basis) is an additional form of remuneration for the sale of energy on the market, composed of an amount per unit of installed capacity that covers, where necessary, the investment costs that cannot be recovered by the market, as well as an operational amount that covers, as applicable, the difference between operating costs and market price.

13

GREENALIA, S.A.

Plaza de María Pita, 10 - 1 - Tel: +34 901 402 100 - Fox: +34 981 400 000 - Postcode: 15001 - A Coruña - Spain Ernal: crestores@greenala.es - www.greenala.es



This new specific remuneration amount is calculated based on a typical installation throughout its regulatory useful life and taking into account the activity carried out by an efficient and wellmanaged company, based on:

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

This remuneration scheme is based on a reasonable return on investment, defined according to the interest rate for ten-year Government bonds plus a differential, which is initially set at 300 basic points. Regulatory periods of six years and sub-periods of three years are established. The remuneration parameters related to market-price forecasts may be changed every three years, incorporating any changes that may have occurred in the sub-period. The standard parameters for the facilities may be modified every six years—except for the initial investment value and useful life, which must remain unchanged throughout the life of the installations. Likewise, the remuneration interest rate can be changed every six years, but only for future remuneration.

The value of the standard investment for new facilities is determined based on competition. This new remuneration became applicable in July 2013, when Royal Decree-Law 9/2013 entered into force. Royal Decree-Law 4/13/2014 was published on June 6, 2014, regulating the activity of electricity production from renewable-energy sources, cogeneration, and waste. In addition, on June 16, 2014, the Order IET/104/5/2014 was published by the Ministry of Industry, Energy, and Tourism, approving the remuneration parameters for the standard contributions applicable to certain electrical-energy production facilities using renewable-energy sources, cogeneration, and waste. According to these new regulations, facilities will receive specific remuneration during their useful life (in addition to the remuneration for the sale of energy valued at the market price) made up of an amount per unit of installed capacity to cover, as applicable, the investment costs for each standard installation, provided that said costs may not be recovered by the sale of the energy on the market. This is referred to as the "investment remuneration". In addition, an operational amount will be granted that covers, as applicable, the difference between operating costs and the income earned through participation in the production market of such an installation, referred to as operational envancements.

#### 3. ALLOCATION OF PROFIT

The proposal for the allocation of profit from the Parent Company's 2021 financial year, formulated by the Directors and expected to be approved by the General Shareholders' Meeting, is as follows:

(Euros)	2021
Available for distribution	
Balance of the profit and loss account (profits)	1.754.826
	1.754.825
Application	2-21.21.21.2
To profitless brought forward	1,464,150
To legal reserves	8.430
To voluntary reserves	202.245
	1.754.825

14

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 – Tet +34 501 402 100 – Fax: +34 501 400 000 – Postcode: 15001 – A Coruña – Spain Erruit internormétarconalia es — www.greenalia.es



#### 3.1 Limitations on dividend distribution

The Parent Company is obliged to allocate 10% of the profits from the financial year to the establishment of the legally required reserve, until this reaches at least 20% of the share capital. This reserve, as long as it does not exceed 20% of the share capital, may not be distributed to shareholders (Note 11.3).

Once the requirements of the Law and bylaws have been covered, dividends can only be distributed from the profit of the financial year or from freely available reserves if the value of total equity is not less than share capital or will not fall under this amount as a result of distribution. For the purposes hereof, the profits directly attributed to total equity can neither be distributed directly nor indirectly. If there are losses from previous financial years that render the value of the Group's total equity less than the share capital, the profit will be used to compensate for said losses.





#### 4. STRUCTURE OF THE CONSOLIDATED GROUP

#### 4.1 Group companies

The subsidiaries included within the scope of consolidation as of December 31, 2021, are listed below:

	A40111	Attivity	Cost per Share	Helding Cempany	Pententage of the Group
kabaldistina.					
CREERALIK POWER SPAIN, S.L.U.	A Consta	A coalcition and transfer of abares and sixula recessoring	9,545,51	GREENHASA.	E0,0%
CREENALM WHO POWER, S.L.U.	A Consta	Acquisition and transfer of shares and stocks representing share capital.	2.767.906	GREENALIA POWER SPANISLU	EGUE
SEEENALIK SOLLE FOMER, S.L.O.	A Corolle	A copabilities and transfer of shares and stocks	2.60	SPAN, LLO	E4,0%
DECEMBLE SIGNASS POWER, S.L.U.	A Condo	Acquisition and transfer of shares and stocks representing share capital	9.279.090	SETTINGS POWER SPAN, SLU	EGUN
SEEEMALIK EIOMASS SIPPLY, S.L.M.	Acous	Logging, Chipping, busing and colling, processing, and handling of wood and forest blood as	5319672	SECTION BOMASS FOWERS L.U.	EAJON
SPEERAUM BIOMASS POWER CURTS TEREPOLISAU	A Condu	Energy production	5,000,000	FOWER SALE	E0,0%
DREEMAUN BIOMASS FOWER CURTS	A Corula	Energy production	m10	POWER, SAU	E0,076
EREENAUR FIOMASS FOWER LA ZAUR.	A CONN	Energy production	304.86	FOWER-SILV.	E0,0%
DREEMAJIK SOLAR POWER EL TRANCO. 1445	A C IMAR	Energy production	1.000	GREENALIA SOLAR POWER DEVELOPMENT, SAM.	89,096
GREENALIK SOLAR FOMER GUNDAME L 1 LU.	A Corulle	Energy production	3,000	CRITINALIA SOLAR POWER DEVELOPMENT. S.L.W.	20,0%
DEFENALW SOLAR FOWER GUADAME &	A Corolle	Energy production	5.000	SECENALIA SOLAR POWER DEVELOPMENT, S.L.M.	E0,076
SECENALIN SOLAR FORME GANDAME N.	A Conda	Energy production	3,000	CREENALIA SOLAR POWER DEVELOPMENT, \$1.00	EAVE
DECEMBLIK SOLAR FORCE GUNDAME M.	A Conda	Congrambation	1.000	GREENALIA SOLAR POWER DEVELOPMENT, S.L.M.	E4/66
DETERALIS SOLES FORME GUADAMEN,	A Condu	franga production	5,000	CREENALM SOLAR FOMER DEVELOPMENT, T.L.W.	E4,10%
BREENAUM SOLAR FORMER MOSEN, 14.00	A Corolla	Energy production	E.500	GREENALM SOLAR POWER DEVELOPMENT, S.L.M.	20,000
Data centinges					

15

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tel: +34 981 482 900 = Fax +34 981 483 800 = Postcode: 15001 = A Coruña = Spain Ernal inversores@greenala.es - www.greenala.es.



	Address	Activity	Cost per Share	Folding Company	Percentage of the Group
GREENAUM SOLAR POWER GUINTOS, S.L.W.	A Comfa	Energy production	3.580	GRITHALIA SOLAR POWER DEVELOPMENT, SLA	popes.
CELEBRUR WRO FOWER ACTIVIDAL.	A Comfo	Energy production	9.09	DEFENSIVA WIND FOWER DEVELOPMENT, S.L.U.	20,875
CEDA LILL	A Comfa	Europy production	81390	GREENIUA WIND FOWER FOUD SENDS MOC, STAL	\$0.00%
CREATUR WIND FOWER ALTO DA	A Corola	Energy production	35.677	CREENIUM WHO FOWER	100,00%
GREENALIA WHE FOWER AS LOUSERAS. S.L.U.	A Comfu	Energy production	5.380	GREENALIA WIND FOWER. DEVELOPMENT, S.L.U.	NO.NY
CREERAUN WHO FOWER BORRASCA,	A Comfa	Exergy production	3.580	GREENILA WHO FOWER,	DO-RIVE
GREENAUM WIND FORMS BOURA, SAUF	A.Comba	Energy production	3.560	GREENALA WING FOWER, 51.M.	Rolline .
GREENAUN WHO FOWER BESA, SAU	A Comfa	Exergy production	3,380	GREENALIA WHO FOWER,	BORRE
GREENAUN WIND FOWER BUSTELO. S.L.U.	A Constu	Exergy production	421296	GREENALIA WIND FOWER EDUD SENDR CAMPELOS, 51.M.	DOWN.
GREENAUN WHO FOMER CAMPLIC. S.L.U.	A Comfu	Energyproduction	75.7 (2)6	GREENALA WING FOWER EDID SENDE CAMPEIOS, 11.8	DO:RPS.
GREENALIK WIND FOWER CAMIFOR VOLUGE SAME	A Comba	Energy production	3,380	DEVELOPMENT, S.L.U.	DOUBLE.
GREENAUN WRO FOWER CARRALLAL.	A Comfa	Energy production	3.634	DEVELOPMENT, S.L.U.	BORNE.
GREENAUN WIND FOWER CEFFIG.S.L.U.	A Comfu	Energy production	3,590	GREENALA WIND FOWER,	DOME.
CREERALIA WHE FOWER COTO DOS. CRACS, LLU.	A Comfa	Energy production	3.80	GREENALIA WIND FOWER DEVELOPMENT, S.L.D.	ROBLE
CREERALIA WAS FOWER COTO MURO. 5 L.U.	A.Comfu	Exergy production	3,160	DEVELOPMENT, S.L.U.	200,80%
GREENALM WIND FOWER EDILD SERIOR MISC. S.L.M.	Acamha	Early production	28.875532	GREENIUA WINE FOWER	poses.
CREERALIA WHO FOWER EDED	A Centra	Exergs production	3,380	GREENIUA WIND FOWER.	E0.00%
SAUL WAS FORER EDED WOL.	A Comfa	Energy production	24.84426	GREENIUA WING FOWER, S.L.M.	DOM'S
Data continues				12.17.17	

OREENALIA, S.A.

Plazo de Maria Pita, 10 - 1 – Tet +34 981 482 900 – Fox +34 981 480 800 – Postoode: 15001 – A Coruña – Spain Firsal: <a href="mailto:testoore:Eppermilla.ps">testoore:Eppermilla.ps</a> — www.gevenda.ss.



	Address	Activity	Gest per Share	Holding Company	Percentage of the Group
CREENALIA WIND FOWER COLD SENIOR CAMPELOS, S.L.III.	A Comfo	Energy production	3,580	GREENILA WING FOWER EDUC-CAMPELOL, S.L.U.	prove.
GEFRALIA WHO FOWER FELGA, S.L.H.	A Comfa	Energy production	25.85	DEVELOPMENT, S.L.U.	8030%
CREENALIA WIND FOWER FORSANTA, 51.U.	A Comfa	Energy production	5.89	GREENALIA WWO FOWER DEVELOPMENT, S.L.U.	poper.
GREENALIK WHO FOWER FOR COVELO. S.L.O.	A Centra	Energy production	256.952	DEVELOPMENT, S.L.D.	100,00%
STEERALM WIND FOWER FEBRUS LIN.	A Comfa	Energy production	7,600	DEVELOPMENT, S.L.U.	DOM:
GREENALIN WHO FOWER GARGO, S.L.U.	A Contra	Energy production	3,000	GREEKILA WWG FOWER DEVELOPMENT, SEM	B0.00%
CELERALIN WHO FOWER GALLERIA. S.L.U.	A Contra	Except production	3,000	GETTARLA WIND FOWER.	posts.
GREENALIA WHO FOWER GATO, S.L.U.	A Comfa	Energyproduction	26.342	GREENALIA WIND FOWER DEVELOPMENT, S.L.V.	popes.
CREERALM WHO FOWER GOT D.S.L.	A Contra	Energyproduction	2.550	GREENALIA WING FOWER,	85.80%
GREENALIA WWO FOWER GRANTON, 5.1 U.	A Centra	Earnings pro-duction	9.615	DEVELOPMENT, S.L.U.	MORE.
GREENAUR WIND FORME CAMAS, S.L.M.	Acama	Energy production	44,000	DEVELOPMENT, S.L.U.	BOOK.
CREERAUM WHO FOW BLEVANTE.	A Cetura	Energy production	3,000	GETTHELLA WIND FOWER,	DOM:
GREENALIN WIND FOWER MIRON, S.L.M.	A Comfa	Eningsproduction	39.391	GREENALIA WING FOWER ROUGHERROR MOC. S.A.M.	NO. ALE
CREERAUR WHO POWER MISTERL S LIK	A Conta	Energy production	3.000	CREENALIA WIND FOWER.	80,075
CREERALIA WIND FOMER MONTE DO CORDAL, S.L.U.	A Comfo	Energy production	9.700	DEVELOPMENT, S.L.U.	pears.
GEERALIA WAS FOWER MONTE TOURAND SLUI	A Conto	Energy production	BI 527	GREENALA WWO FOWER	BOOK.
GREENAUM WIND FOWER MONTE TOURALS LA	A College	Energy productly s	201.048	GREENALIA WWO FOWER EDUD SENDR CAMPEUDS, S.L.H.	poses.
CREERALIA WHO FOWER WONTER O.	A Centra	Entrips and Audion	3.04	GREENALIA WING FOWER DEVELOPMENT, S.L.O.	BOOK.
Outs continues					

18

OREENALIA, S.A.

Plaza de Moria Pira, 10 - 1 – Tet +34 901 402 100 – Fox: +34 901 400 900 – Postoode: 15001 – A Coruña – Spain firmal intercorrectionere a — sews generalia es.



	Address	Activity	See Share	Faiding Company	Percentage of the Green
CREENALIA WHO FOWER WORLDON. S.E.O.	A Comfu	Eargyproduction	5.000	GREENALIA WHO FOWER,	X0.8FS
CREENALM WHO POWER HORDER, S.L.S.	A Comfu	Energy production	3,380	GREENALW WWO FOWER,	E0,00%
GREENALM WHO FOWER O	A Comfu	Energy production	5.500	GREENALA WWO FOWER. DEVELOPMENT, S.L.O.	EO.NES.
GREENALIA WHO FOWER ORZAN, S.L.M.	AConta	Energy production	3.560	GREENALIA WHILL POWER,	E0,00%
GREENALIN WHO FOWER DURCL, LLU.	A Comfa	Energy production	450.094	GREENAUM WHO FOWER	E0,86%
GREENALIA WAND FOWER FERA DA CARRA TAUR	A Comfe	Energy production	5.191	GREENALIA WIND FOWER DEVELOP MENT, SAM	X0.00%
CREENALIA WAND FOWER FERA CO. PCO. S.J. M.	A Comfa	Exegyprotection	24.863	GREENIUM WWO FOWER DEVELOPMENT, 11.U.	E0.00%
CHEFRALM WHO FOWER FERA.	A Comfu	Energyproduction	N.500	GREENILIA WHO FOWER DEVELOPMENT, S.L.U.	X0.00%
GREENALIA WIND FOWER PERAS BOAS, \$4.00	A Comfu	Europy production	1979	GREENALIA WWO FOWER DEVELOPMENT, SAU	E0,00%
CREENALIA WHO FOWER AS PENEAS.	A Comfu	Emergy production	24.485	GREENALIA WHO FOWER,	E0,00%
GREENALM WHILE CHES RESTELD.	A Comba	Energy production	9.220	GREENALIA WIND FOWER	20,00%
CREENLIN WHO FOWER ECOCOLS LIS	A Comfu	Energyproduction	4,569	DEVELOPMENT, S.L.U.	E0.00%
GREENALIA WIND FOWER SIROCO, S.L.U.	Atomia	Energy production	3,500	GREENIUM WHO FOWER,	20,00%
GREENALIA WHO FOWER SUME, S L.U.	A Comfa	Energy production	10.604	GREENIUM WAS FOWER DEVELOPMENT, S.L.U.	E0.00%
CREERALM WHO FOWER TORNADO,	A Comfa	Energy production	3.000	GREENALA WIND FOWER,	20,00%
CRECINALIA WIND FOWER TOUR BAN. 54.0.	A Comba	Energy production	300.000	GREENALIA WWO FOWER EDIO SENDE CAMP DIOS, S.L.M.	E0.00%
CELEBALIA WHO FOWER TRAMORTANA, S.L.U.	A Comfu	Energy production	3.500	GREENIUM WHO FOWER,	80,000
COLERALM WHO POWER VACUERA,	Acomia	Energy production	5.09	GREENALIA WWO FOWER BEYELDFMENT, LLU	E0.00%
Data continues					

OREENALA, S.A.

Plaze de María Pila, 10 - 1 – Tel +34 901 402 100 – Fox +34 901 400 800 – Posteode: 15001 – A Goruña – Spain Erreit erreit@greenala.ar. — www.greenala.ar.



	A deres	Activity		Relicing Company	Terranage of the Group
GREENALIA WWO FOWER VENTSCA, S.L.M.	A.Corolla	Energy production	1 000	SECTION AND FORES,	30,00%
GREENALIA WOODCHPS, S.L.M.	A Confe	Freduction, rain, and regally of wordships	789.605	SEEEMACK WOUSERS,	BUN
GREENALIA POWER DEVELOPMENT. S.L.M.	A CONN	Energy production	344,857	SECENAL POWER	B000K
GREENALIA WWO FOWER DEVELOPMENT, S.L.U.	A Corolla	Energyproduction	341397	GREENALN FOWER DEVELOPMENT 1 L.M.	жором
GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	A Condu	Enegyproduction	3.616	GREENALN FOWER DEVELOPMENT, SAM	BUJON .
GREENALIA SOLAR FOWER ZUMAJO I, S.L.W.	A CONA	E rengy production.	500	POWER DEVELOPMENT, SAGE	жодом
GREENALIA SOLAN POWER ZUMAJO IL S.L.M.	A Conda	Enegyproduction	100	POWER DEVELOPMENT,	#GDON
GREENALIA WHID FOWER ALTO DO 800KIO 83 LUI.	A CONN	Energy production	1.000	SECTION AND FORES,	x0,00%
GREENALIA WHO FOWER YOR MENTA, 51.00	A Condu	Energypeduction	3.000	SECULAR WEST CATE,	80,000
GREENALIA WWO FOWER HURACAN, S.L.M.	A Condu	Energyproduction	1.000	SECENAL MED POWER.	водом
GREENALIS WHO FOWER & MARABELA. S.L.	A.Condu	E regy production	2.708	GREENALR WHO FOWER,	NO. POR
GREENALIA WHO FOWER AS LACOAS, S.L.	A Condu	Energyproduction	3.700	CREENALE WHO FOWER,	NUM
GREENALIA WHO FOWER CEOFFIA, S.L.	A Conda	Energyproduction	2.708	SEEEMALK WHO FOWER,	NORM
GREENALIA WHO FOWER CERVO, S.E.	A Exculu	Enegypediction	2.500	CEEENALE WED FOWER,	90,000
GREENALIA WHID FOWER CORDORELAS, S.L.	A Confe	Energypediction	2.708	SECENAL AMBRONES,	90208
GREENALIA WHO FOWER ESTERO, S.L.	A Condo	Congressionism	2.708	SEERAGE WEDFOME,	
GREENALIA WWO FOMER MONTORO, S.L.	A Condu	Energypeotection	2.700	CELEBALA WHO POWER,	
GREENALIA WHO FOWER O SARRAL, S.L.	A Conde	Energyproduction	2.708	CECENALA WAD FOWER,	90,000
Data continues					



	Address	Activity		Kelding Company	the Group
GREENAUN WIND FORME FREND, S.L.	A Centa	Entproductor	1.700	CHEENALIN INVO FOMES,	90,00%
GREENALIA WWO FOMER FUNTA CANDERA, S.L.	A Corolla	Entropyproduction	2,700	STEENAGE WED FORES,	50,00%
GREENAUA WIND FORES RÉGON, S.L.	A Cenufe	Energyproduction	2,700	STEERAGE WED FORES,	90,00%
GREERALIA WIND FOMER SAN BORD. S.L.	A Confe	Energyproduction	2,700	GREENALD WAD FOMER.	PROPER
GREENALIA WWD FOMER SAN ROMÂN.	A Cente	Energyproduction	1,760	GREENALD INVO FOMER,	
GREENAUA WIND FOMER TEXANGEL.	A Consta	Energyproduction	2,700	GREENAUN WHO FOMEA.	
GREENALIA WIND FORMER VILAS, S.E.	A Corolla	Energyproduction	1,760	GREENAUM WARD FORCE.	
GREENAUN WWD FOMER CARDON, S.L.	A Consta	Entryproduction	2,350	STEERASE MED FORES,	
GREENALIA WHO FOMER DURAS, S.L.	A.Comfa	Energyanolaction	2,190	SEEKALD WED FOREK,	
GREENALIA WHIP FOREX GUARCHE, S.L.	A Consta	Energy-production	2.590	STEERAGE WED FORES,	85,00%
GREENALIA WIND FORMER MORD, S.L.	A Consta	Energyproduction	2.090	SALL	12/26/6
GREENAUN WIND FOMER LAMAS EST.U.	A Cente	Energyproduction	3.000	SAFERALD MAD FORES,	BUORE
GREERALIA WIND FOMER MESTERON.	A Comfa	Energyproduction.	62,663	CHECKAUM WHO FOWER,	Angone
GREENAUA WWD FOMER CABANELAS. SAM	A Confe	Energyproduction	401.000	STIERAGE WED FORCE	E0.00%
GREENAUM SOLAR POWER SAN HULAN L	A.Comba	Decreaseductor	80.000	PROBESSES.	MILLION.
GREENAUS SCLAR FOWER SANSULAN READ	A Comfe	Desgradiction	50000	POWER, SAME	EU.ON
GRECHAUM POREST, S.L.	A Confe	Salm and handing of wood	4.580,410	GREENAUR S.A.	\$0.00
GREENALIA MOUSTRY, S.L.M.	A Comfa	A right from and transfer of shares and stocks representing share coulded.	1308.589	GREENAUR SA.	puose.
Data continues					



	Actives	Actum		Holding Company	Tercentage of the Group
GREENAUM LOGITICS, S.L.III.	A.Comba.	Freedom of forecity and manage define a society.	305.700	GREENSLIN S.A.	E0,009.
OR FERNAL MINISTER STATE	A Corelle	Maritims transport of goods	291,719	SECTION AND SECTION.	BILLION
GREENALIA SOLLA POWER SANTA ARMA LS L.S.	A Confe	Energy pro-frection	3.800	POWER DEVELOPMENT, 14.00	BROWN
GREEMALIK SOLKE FOWER SANTA ANNA 8,1 LUI.	A Comfa	Energy production	3.000	SREEMBLA TOLAR POWER DEVELOPMENT, \$1.0.	ENDON
GREENALA SOLLA PONER EL PATIO. EL G.	A Comfa	Energy pro-thurston	3.800	POWER SAME	BADON
GEERALA SOLLE POWER DUNGS LA	A Comfe	Energy pro-rection	3,808	POWELLE.	ERDOR
SREEMAUR SOLLR POWER CEREZO.	A Comfe	Energyproduction	0.000	FOME S LO.	EROPE
GREENAUM SOLAR POWER HOMERO. St. II.	A Comite	Energy production	3.800	FOWER SELE	ENDON
CREENALM SOLLE FORES MOVIO.	A Comite	Energy production	2.000	CHICALLA SOLAR	EROPE
DECEMBAÇA SOLLE POWEE ALCAZARA.	A Comfa	Energyprotectors	3.000	CETTALLA TOLAR	TAJON
DEFENAL IN SOLAR POWER ALBAIC IN.	A Comfe	Energyperdection	3,800	CRECURAL A SOLAR POWER SEE	TROW
OR EE MACH SOCIAR POWER EL	A Comita	Energyprotection	1800	CREENAL A TOLAR	E4,08%
CREENAL M. SOLAR POWER LA TRINICAD.	A.Com/a	Exception decises	3,000	CRITICAL ATOLAS	TROW
OR CEMALIN SOLLS POWER EL TAGLESO, S.L. II.	A Comfa	Desproache	1.000	SETTRALIA TOLAR	E0,00%
OR EFRALM SOULE POWER ATHREA.	A Conda	Energyproduction	1.000	CRETALLA TOLAR	E4/094
SPEEMALM SOULE POWER LA	A Comba	Encyparation	1.000	CREEKILA TOLAN	ERDON
OFFERNAL M. MIND POWER TORDESELAS.	A Comfa	Energy production	1.000	POWER S LIS	EROPE
OFFENALIA SOLAR FOWER ENGINA.	A Com/a	Works and services for the production, framapoint, framation within and distributions, and take of energy.	1.000	SETTIMEN TOLAR FOWER, S.L.II.	TROOK

Sata cantinues...

	Address	Activity		Haiding Company	Percentage of the Group
GREENALM SOLER FORMER SAGES, S.L.O.	A CONN	Works and services for the production, transport, transformation and distribution, and sales of energy.	1,000	EREENAUN SOLAR POWER, S.L.III.	20,00k
CREENALK SOLLE FOMER ACCESO, S.L.U.	A CONN	Works and services for the production, truncport, truns to median and distribution, and spin of energy.	3,000	CREENALIA SOLAR POWER S.L.III.	BUJON
GREENALW. FOWER US, INC.	Militalogica	Energy production	945	ERECHALIA.S.A.	20,00%
GREENALW SOLAR POWER, NO	witnespie	Energy production	- 3	CREENALM POWER US.	20,00%
EXCELADVANTAGE SERVER, USE	Deller	Energy production		ERFERALIA SOLAR POWER INC.	20,000
End of date					

22

GREENALIA, S.A.
Piaza de Maria Pita, 10 - 1 – Tet - 3M 901 402 900 – Fax - 3M 901 400 a 200 – Postocet: 15001 – A Coruña – Spais firmă: <a href="mailto:testscensibprensiba.ps">testscensibprensiba.ps</a> — www.greenalia.es.



All subsidiaries are integrated by the full integration method and their functional currency is the euro - except for companies with registered offices in the United States, whose functional currency is the dollar.

#### 4.2 Changes in the consolidation scope during the year

For the 2021 fiscal year, variations in the consolidation scope are related with:

- Inclusion of the following companies, which were established during the financial year by the companies indicated below - except Excel Advantage Service, LLC, which was acquired by Greenalia Solar Power, Inc.:

Kelding	Direct parent company	
GREENALM SOLAR FOWER ENGINA, S.L.U.	GREENALIA SCLAR POWER, S.L.U.	
GREENALM SOLAR FOWER SAUCE, S.L. U.	GREENALA SCLAR POWER, S.L.U.	
GREENALM FOLAR POWER ACERO, S.L.U.	GREENALIA SQUAR POWER, S.L.U.	
GREENALIA POWER US, INC	GREENALIA, S.A.	
GREENALM SOLAR FOWER, INC	GREENALIA FOWER US, INC	
ENCEL ADVANTAGE SERVICE, IAC	GREENALIA SCLAR POWER, INC.	

- Inclusion of two companies that were excluded from the consolidation scope in 2020 due to their limited relevance. These companies are Greenalia Power Portugal SGPS, Unipessoal Lda, and Greenalia Solar Power Lda.
- The companies listed below went out of the consolidation scope due to their liquidation.

Holding	Direct parent company
GREENALIA BIOMASS POWER VEALBA, S.L.U.	GREENALIA BIOMASS POWER, S.L.U.
GREENALIA SOLAR POWER LA SERRA, S.L.U.	GREENALIA SOLAR POWER, S.L.U.
GREENALIA SOLAR POWER TORRELLANG, S.L.II	GREENALIA SOLAR POWER, S.L.N.

23

**GREENALIA, S.A.**Plaza de Maria Pira, 10 - I = Tel: +34 981 492 100 = Fax: +34 981 492 800 = Postcode: 15001 = A Coruña = Spairs Erralt intersores@greenala.es - www.greenala.es.



For the 2020 fiscal year, variations in the consolidation scope were as follows:

- Inclusion of the following companies, which were established during the financial year by the companies indicated below:

Holding	Direct parent company
CREENALIA FOWER DEVELOPMENT, S.L.U.	GREENALIA FOWER SPAIN, S.L.U.
GREENALIA WIND POWER DEVELOPMENT, S.L.U.	GREENALIA POWER DEVELOPMENT, S.L.U.
GREENALIA SOLAR POWER DEVELOPMENT, S.L.U.	GREENALIA POWER DEVELOPMENT, S.L.U.
GREENALIA WIND POWER ALTO DO RODICIO E S.L.U.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER TORMENTA, S.L.U.	CREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER HURACAN, S.L.U.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER A MARABILLA, S.L.	ORIENALIA WIND POWER S.L.U.
GREENALIA WIND POWER AS LAGGAS, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER CEDERA, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER CERVO, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER CORDOBELAS, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER ESTERO, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER MONTOXO, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER O BARRAL, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER PINERD, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER PUNTA CANDIERA, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER REGGA, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER SAN ISIDRO, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER SAN ROMAN, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER TEXADO, S.L.	GREENALIA WIND POWER S.L.U.
CREENALIA WIND POWER VILAS, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER CARDON, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER DUNAS, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER GUANCHE, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER MOJO, S.L.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWERLAMAS & S.L.U.	GREENALIA WIND POWER, S.L.U.
GREENALIA WIND POWER XESTERON, S.L.U.	GREENALIA WIND POWER, S.L.U.

- Inclusion of the following companies, which were purchased during the financial year by the companies indicated below and which have not had a relevant impact on the consolidated annual accounts:

Holding	Direct parent company				
OREENALIA SOLAR POMER ZUMAJO I, S.L.U.	GREENALIA SOLAR POMER DEVELOPMENT, S.L.U.				
GREENALIA SOLAR POMER ZUMAJO IL S.L.U.	GREENALIA SOLAR POMER DEVELOPMENT, S.L.U.				
GREENALIA WIND POWER CABANELAS, S.L.U.	GREENALIA WIND POWER DEVELOPMENT, S.L.U.				
CREENALIA SCLAR POWER SANJULIANI, S.L.U.	CREENALIA SOLAR POMER, S.L.U.				
ORIENALIA SOLAR POMERSANJULIAN IL SILIU	CREENALIA SOLAR POMER S.L.U.				

- The following companies were no longer within the consolidation scope: Greenalia Wind Premier Rosa dos Ventos (formerly Greenalia Solar Power Newco 5, S.L.U.), Greenalia Ferrol Port Terminal, S.L.U., and Greenalia Power Caución, S.L.U. (the two latter were

In addition, the following transactions took place between the subsidiaries during the 2020 financial

GREENALIA, S.A.

Plaza de Moria Pita, 10 - 1 - Te1 +34 981 482 100 - Fox +34 981 493 800 - Postopde: 15001 - A Coruña - Spain Ernal intercores@greenala.es - www.preenala.es.

166



- Merger by absorption in which Greenalia Biomass Power La Zalia, S.L.U. absorbed Greenalia Biomass Power La Espina, S.L.U. and Greenalia Biomass Power Villaviciosa.
- Merger by absorption in which Greenalia Industry, S.L.U. absorbed Greenalia Heating. S.L.U.
- Merger by absorption in which Greenalia Solar Power La Sierra, S.L.U. absorbed Greenalia Solar Power Almendral, S.L.U., Greenalia Solar Power Barreros, S.L.U., Greenalia Solar Power Belén, S.L.U., Greenalia Solar Power Chaparral, S.L.U., Greenalia Solar Power El Gordo, S.L.U., Greenalia Solar Power El Lobo, S.L.U., Greenalia Solar Power La Romana, S.L.U., Greenalia Solar Power Los Manantiales, S.L.U., Greenalia Solar Power Maestre, S.L.U., Greengia Solar Power Olivenza, S.L.U., Greengia Solar Power Trujilo, S.L.U., and Greenalia Solar Power Valverde, S.L.U.

These amendments had no material impact on the consolidated financial statements.

Additionally, during the 2020 financial year, 20% of the company Greenalia Forest S.L. was purchased for the amount of 3.6 million euros. With this transaction, the group held 100% of said company as of December 31, 2020. This transaction was mainly paid for through the transfer of rights over woodlands in the amount of 1,781 million euros, promissory notes issued in the amount of 1,071 million euros, and a payment deferred until June 2021 in the amount of 756 thousand

#### 4.3 Companies excluded from the consolidation scope

As of December 31, 2021, there were no companies excluded from the consolidation scope.

As of December 31, 2020, the subsidiaries and associates that were excluded from the consolidation scope due to their low relevance (both individually and as a whole) to the consolidated annual accounts were as follows:

	Address	Activity	Participation 0000	Owning Company	Sharehalding
Subsidiaries .					
CREENALA POWER PORTUGAL 1GPS, UN PESSOAL LEA (S	Fertigal	Energyproduction	1000	CREENALIS S.A.	
CPECHALIA SOLAR FOWER, IDA (S	Femal	Energy production	1,000	SHEEMALP POWER PORTUGAL SUPS, INVESTIGAL USA	20

The data on net book value, own funds, and results from the companies excluded from the group as of December 31, 2020, are shown in the attached table:

	Net book value	% sharehal d. Direct	Share capital	Reserves and profit and less brought forward	Postinfless for year	Total not equity	Operating profit/fess
Subsidiaries							
GREENALS FOWER PORTUGAL SOPS,							
UNIPESSONLADA (S	3.000	300%	8,000	(4.396)	(386)	(3,840)	(5.84)
GREENALIS SOLAR FOWER, LOADS	1.000	20%	3.000	(18)	194.6	3,039	1940

(2 Company recounts)

25

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tel: +34 981 402 100 - Fax: +34 981 400 800 - Postocole: 15001 - A Coruña - Spain Erralt intercorn@greensla.es - www.preensla.es.

greenalia

The main recognition and valuation criteria used by the group in the preparation of these consolidated annual accounts are as follows:

#### 5.1 Consolidation method

The consolidation method for subsidiaries is that of full integration, as the parent company has direct control over the subsidiaries to the tune of more than 50% of their share capital or voting

The full consolidation method consists of the inclusion of the assets and liabilities and the income and expenses of the subsidiary company considering the values they have in their respective financial statements and attributing to non-controlling interests the corresponding part of the net worth of said consolidated company.

#### 5.2 Homogenization of information

In relationship to time

The annual accounts of the companies that make up the consolidated group refer to the annual financial year ended December 31, 2021.

In relationship to valuation

All the assets and liabilities, as well as the income and expenses, for the companies included in the consolidation scope use the valuation rules indicated in this consolidated report.

### 5.3 Goodwill/Negative difference on first-time consolidation

Consolidation goodwill is recognized at the amount of the positive difference between the book value of the parent company's direct or indirect interest in the share capital of the subsidiary or associated company and the value of the proportional share of that company's own funds. attributable to the aforementioned interest on the date of first-time consolidation.

The positive difference is reduced by the amount of asset revaluations and by reductions in the value of subsidiary liabilities, with the limit of the market value, doing so in the proportion that corresponds to said amount considering participation in said subsidiary's share capital.

The negative difference is recognized at the amount of the negative difference between the book value of the parent company's direct or indirect interest in the share capital of the subsidiary or associated company and the value of the proportional share of that company's own funds, attributable to the aforementioned interest on the date of first-time consolidation. This difference will be recognized as income for the financial year in the consolidated profit and loss account.

#### 5.4 Non-controlling interests

Non-controlling interests in the subsidiaries are recognized by the percentage of participation in the equity thereof on the date of first consolidation. Non-controlling interests are presented in the net equity of the consolidated balance sheet separately from the net equity attributable to the parent company. The participation of non-controlling interests in profit or loss for the year is also presented separately in the consolidated profit and loss account.

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tel: +34 981 402 100 - Fox: +34 981 400 800 - Postoode: 15001 - A Coruña - Spain firmal memora@greenda.m - www.greenda.es.



The participation of the group and the non-controlling interests in the profits or losses and in changes in the net equity of subsidiary companies, once the adjustments and eliminations arising from consolidation were considered, were determined from the participation percentage at the end of the financial year, without regard to the possible exercise or conversion of voting rights.

The results and the income and expenses recognized in net equity of the subsidiaries are assigned to the net equity attributable to the parent company and to the non-controlling interests in proportion to their participation, even if this implies a debit balance for non-controlling interests. Agreements enfered into between the group and non-controlling interests are recognized as a separate transaction.

#### 5.5 Balances and transactions between companies included in the scope

We have eliminated all significant income and expenses stemming from transactions between the companies included in the consolidation scope by means of full integration, as well as the existing debtor and creditor balances between them.

For consolidated companies, the part of the balance and transactions corresponding to the group has been eliminated proportionally.

#### 5.6 Intangible fixed assets

Intangible fixed assets have been initially valued at their cost, whether this is the purchase price or the cost of production. The cost of intangible fixed assets acquired through business combinations is their fair value at the purchase date.

After initial recognition, intangible fixed assets are valued at their cost less the accumulated amortization and, as applicable, the accumulated amount of recognized impairment corrections.

Intangible assets with a defined useful life are systematically amortized based on the estimated useful life of the goods and their residual value. The methods and amortization periods applied are reviewed at each year end and, if applicable, adjusted prospectively.

At the end of the financial year (at minimum), the existence of signs of impairment is evaluated, in which case the recoverable amounts are estimated, making the appropriate value adjustments.

#### Goodwill

Consolidation goodwill is recognized at the amount of the positive difference between the book value of the parent company's direct or indirect interest in the share capital of the subsidiary or associated company and the value of the proportional share of that company's own funds, attributable to the aforementioned interest on the date of first-time consolidation.

Consolidation goodwill is amortized on a straight-line basis over a period of ten years from the date of acquisition. At least annually, the cash-generating units to which goodwill has been allocated are analyzed for signs of impairment and, if any, their possible impairment is verified in accordance with the provisions of Note 5.8.

27

OREENALIA, S.A.

Plaza de María Pita, 10 - 1 – Tet: +34 961 482 100 – Fax: +34 961 480 900 – Postcode: 15001 – A Coruña – Spain

Email Investociss@scoolia es — seve opiorasia es — seve



#### Computer software

This item includes the costs of computer applications purchased from third parties. Its amortization is carried out linearly over its estimated useful life of 4 years.

Repairs that do not represent an extension of the useful life and maintenance costs are charged to the consolidated profit and loss account in the year in which they occur.

#### 5.7 Tangible fixed assets

Tangible fixed assets have been initially valued at their cost, whether this is the purchase price or the cost of production. The cost of tangible fixed assets acquired through business combinations is their fair value at the purchase date.

After initial recognition, tangible fixed assets are valued at their cost less the accumulated amortization and, as applicable, the accumulated amount of recognized impairment corrections.

The cost of any assets acquired or produced after October 1, 2008, which need more than one year to be in usable condition, includes financial expenses accrued before the commissioning of the fixed assets that meet the requirements for capitalization.

Likewise, the value of the tangible fixed assets includes the initial estimate of the current value of any obligations assumed stemming from dismanding or withdrawal thereof, as well as other obligations associated with the asset, such as rehabilitation costs, if these obligations give rise to the recognition of provisions.

Likewise, the Group includes as "fixed assets in progress" any expenses incurred in the development and construction of projects that are still in the process of construction, in their initial design and development phases, and that will be exploited by the group once their development is complete.

Repairs that do not represent an extension of the useful life and maintenance costs are charged to the consolidated profit and loss account in the year in which they occur. The costs of renovation, expansion, or improvement that give rise to an increase in the production capacity or an extension of the useful life of the goods are incorporated into the asset as a greater value thereof derecognizing, where appropriate, the book value of the replaced elements.

Costs related to major repairs of the tangible fixed assets are capitalized at the time they are incurred and are amortized over the period that elapses until the next major repair.

The amortization of tangible fixed assets is carried out from the moment they are available for commissioning in a linear fashion over their estimated useful life.

28

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 – Tet +34 901 402 900 – Fox +34 901 400 800 – Postcode: 15001 – A Coruña – Spais Ernat intersores@precratica.es — www.greenatica.es



The years of estimated useful life for the various tangible fixed assets are as follows:

	Estimated years of useful life		
Buildings	33		
Machinery	10 - 14		
Technical facilities	25-30		
Tools	2.5 - 8		
Furnishings	2.5 - 10		
Data-processing equipment	4 - 10		
Other fixed assets	4		
Transportation elements	8		

In the 2021 financial year, the group began to amortize the tangible fixed assets related to the wind farms Alto da Croa (Greenalia Wind Power Alto da Croa, S.L.U.), Alto da Croa II (Greenalia Wind Power Alto da Croa, S.L.U.). Ourol (Greenalia Wind Power Ourol, S.L.U.), and Monte Tourado (Greenalia Wind Power Monte Tourado, S.L.U.) — as they were in operating condition. These wind farms began to be amortized in June 2021 (in the case of the Ourol Wind Farm) and in October (in the case of the remaining wind farms).

In the 2020 financial year, the group began to amortize the tangible fixed assets related with the biomass plant belonging to the subsidiary Greenalia Biomass Power Curtis Texeiro, S.L.U. — as it was in operating condition. This situation occurred as of June 1, 2020. This plant, located in the town of Curtis Tekeiro (A Coruña), is to be amortized over a period of 25 years. This limit is also taken into account for the amortization of the remaining tangible assets existing in said plant.

Similarly, in the 2020 financial year, the group began to amortize the fixed assets related to the Milhon Wind Farm belonging to the subsidiary Greenalist Wind Power Milhon, S.L.U. (as it was in operating condition) — a shuston that occurred as of July 1, 2020.

At each financial year end, the group reviews the residual values, useful lives, and amortization methods of the tangible fixed assets and, if applicable, they are adjusted prospectively.

#### 5.8 Impairment of the value of non-financial assets

At least at the end of the fiscal year, the Group evaluates whether there are indications that any non-current assets or, if applicable, any cash-generating unit may be impaired. If there are indications of the aforementioned, the corresponding recoverable amounts are estimated.

The recoverable amount is the higher amount between the fair value less selling costs and the value in use. When the book value is greater than the recoverable amount, an impairment loss occurs. The value in use is the present value of the expected future cash flows, using risk-free market interest rates, adjusted for the specific risks associated with the asset. For those assets that do not generate cash inflows (largely independent from those of other assets or groups of assets) the recoverable amount is determined for the cash-generating unit to which the asset belongs, with those cash-generating units being understood to be the minimum group of elements that generate cash inflows (largely independent from those of other assets or groups of assets).

29

 ORDENALIA. S.A.

 Plaza de María Pita, 10 - 1 = Tel: +34 981 482 900 = Fax +34 981 493 800 = Postode: 15001 = A Coruña = Spais Ernat (reservores@greenia.es. — www.peenalu.es.



The value adjustments for impairment and their reversal are recognized in the consolidated profit and loss account. Value adjustments for impairment are reversed when the circumstances that gave rise to them cease to exist, except for those corresponding to goodwill. The reversal of impairment is limited to the book value of the asset that would appear if the corresponding impairment had not been previously recognized.

#### 5.9 Leases

Contracts are classified as financial leases when it is deduced from their economic conditions that materially all the risks and benefits inherent to the ownership of the asset subject to the contract are transferred to the lease. Otherwise, the contracts are classified as operating leases.

#### Company as lessee

Assets acquired through a financial lease are recognized in accordance with their nature, for the lower value between the fair value of the asset and the current value of the agreed minimum payments, including the purchase option, at the beginning of the lease, accounting for a financial liability for the same amount. The calculation of agreed minimum payments does not include fees of a contingent nature, the cost of services, and taxes chargeable by the lessor. Payments made for the lease are distributed between the financial expenses and the reduction of the liability. The total financial burden of the contract is charged to the profit and loss account for the year in which it is accrued, using the effective interest rate method. The same depreciation, impairment, and derecognition criteria epply as those used for other assets of the same nature.

Payments for operating leases are recognized as expenses in the consolidated profit and loss account when accrued.

#### Company as lessor

Income stemming from operating leases is recognized in the consolidated profit and loss account when accrued. The direct costs attributable to the contract are included as the higher value of the leased asset, and they are recognized as an expense during the term of the contract, applying the same criteria used for the recognition of lease income.

#### 5.10 Financial assets

#### Classification and valuation

At the time of initial recognition, the group classifies all financial assets into one of the categories listed below, thus determining the applicable initial and subsequent valuation method:

- Financial assets at fair value through consolidated profit or loss.
- Financial assets at amortized cost.
- Financial assets at fair value through changes in consolidated equity.
- Financial assets at cost.

30

Plaza de Maria Pira, 10 - 1 - Te1 + 34 901 402 100 - Fox +34 901 403 800 - Postcode: 15001 - A Coruña - Spain Ernal: premotes@premala.es - www.premala.es



Financial assets at fair value through consolidated profit or loss.

The group classifies a financial asset in this category unless it is to be classified in one of the other categories.

In any case, financial assets held for trading are included in this category. The group considers that a financial asset is held for trading when at least one of the following three circumstances is met:

- a) It appears or is acquired with the purpose of selling it in the short term.
- At the time of its initial recognition, it is part of a portfolio of financial instruments identified and managed jointly for which there is evidence of recent actions to obtain short-term profits.
- It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

In addition to the foregoing, the group has the possibility at the time of initial recognition to interocably designate a financial asset as measured at fair value through consolidated profit or loss, even if said asset otherwise would have been included in another category (assalty referred to as a "fair value option"). This option can be chosen if, by doing so, a valuation inconsistency or accounting asymmetry that would otherwise arise from the valuation of assets or liabilities on different bases is eliminated or significantly reduced.

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration given. Directly attributable transaction costs are recognized in the consolidated profit and loss account for the financial year (i.e., they are not capitalized).

Subsequent to the initial recognition, the group values the financial assets included in this category at fair value through consolidated profit and loss (financial result).

Financial assets at amortized cost.

The group classifies a financial asset in this category even when it is admitted to trading on an organized market if the following conditions are met:

 The group maintains the investment under a management model whose objective is to receive the cash flows stemming from the execution of the contract.

Management of a portfolio with financial assets to obtain contractual cash flows does not mean that all instruments must necessarily be held until maturity; financial assets may be considered to be managed for that purpose even if a sales have occurred or are expected to occur in the future. To that end, the group considers the frequency, amount, and timing of sales in previous financial years, the reasons for such sales, and the expectations in terms of future sales activity.

31

GREENALIA, S.A.

Ptara de Meria Pila, 10 - 1 = Tel: +34 981 482 100 = Fox +34 981 460 800 = Postocide: 15001 = A Coruña = Spain Email: inversores@creensla.es = www.greensla.es



- The contractual characteristics of the financial asset give rise, on specified dates, to cash flows that are only collections of principal and interest on the amount of outstanding principal. That is, cash flows are inherent in an agreement that has the nature of an ordinary or common ioan, notwithstanding the fact that the transaction is agreed at a zero or below-market interest rate.

It is assumed that this condition is met in the case of a bond or a simple loan with a contain maturity date and for which the group charges a variable market interest rate, being able to be subject to a limit. On the contrary, it is assumed that this condition is not met in the case of instruments that are convertible into net equity instruments for the issuer, loans with inverse floating interest rates (that is, a rate that has an inverse relationship with market interest rates), and loans in which the issuer may defer the payment of interest if such payment would affect its solvency, doing so without the deferred interest accruing additional interest.

In general, this category includes trade receivables ("commercial customers") and non-trade receivables ("other debtors").

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration given plus the transaction costs directly attributable thereto. That is, the inherent transaction costs are capitalized.

However, trade receivables falling due in no more than one year without a contractual interest rate, as well as staff credits, dividends to be collected, and disbursements required by third parties on shares (whose amount is expected to be paid in the short term) are valued at their nominal value if the effect of not updating the cash flows is not significant.

For subsequent valuation, the amortized cost method is used. Accrued interest is accounted for in the consolidated profit and loss account (financial income) by applying the effective interest rate method.

Credits with a maturity of not more than one year that, as stated above, are initially valued at their nominal value, will continue to be valued at that amount unless they have deteriorated.

In general, if the contractual cash flows for a financial asset at amortized cost are changed due to the issuer's financial difficulties, the group analyses whether an impairment loss should be accounted for.

Financial assets at fair value through changes in consolidated equity.

Financial assets that meet the following conditions are included:

- The financial instrument is not held for trading and should not be classified at amortized cost.
- The contractual characteristics of the financial asset give rise, on specified dates, to cash
  flows that are only collections of principal and interest on the amount of outstanding
  principal.

In addition, the group has the option of (irrevocably) classifying investments in equity instruments in this category, provided that they are not held for trading and should not be valued at cost (see cost category below).

GREENALIA, S.A.

Plaza de María Pila, 10 - 1 = Tel: +34 991 492 100 = Fax: +34 991 490 900 = Postoció: 16001 = A Coruña = Spain firmal: premoces@greenatia.es = www.greenatia.es

170



The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration given, plus the transaction costs directly attributable thereto. That is, the inherent transaction costs are capitalized.

The subsequent valuation is at fair value, without deducting the transaction costs that could be incurred upon disposal. The changes that occur in the fair value are recognized directly in the consolidated equity until the financial asset is derecognized in the consolidated belance or becomes impaired, at which point the amount recognized as mentioned above is charged to the consolidated profit and loss account.

Impairment value adjustments and profit and losses resulting from exchange differences in monetary financial assets in foreign currencies are recognized in the consolidated profit and loss account and not in consolidated equity.

The amount of interest (calculated in accordance with the effective interest rate method) and accrued dividends (financial income) are also recorded in the consolidated profit and loss account.

Financial assets at cost.

The group includes in this category:

- d) Investments in the equity of the Group, multi-group and associated companies (in the individual financial statements).
- e) The remaining investments in equity instruments whose fair value cannot be determined by reference to a price quoted on an active market for an identical instrument, or which cannot be estimated reliably, and derivative investments which have these investments as underlying assets.
- f) Hybrid financial assets whose fair value cannot be estimated reliably, unless the requirements for their accounting at amortized cost are met.
- g) Contributions made as a result of a joint venture agreement and the like.
- Equity loans whose interest is contingent either because a fixed interest rate or a variable rate has been agreed upon, conditioned on the fulfillment of a milestone in the borrowing company (for example, the obtaining of profits), or because interest is calculated solely by reference to the evolution of said company's activity.
- Any other financial asset that should initially be included in the fair value portfolio through the consolidated income statement when it is not possible to obtain a reliable estimate of its fair value.

Invastments included in this category are initially valued at cost, which is equivalent to the fair value of the consideration provided plus the transaction costs directly attributable thereto. That is, the inherent transaction costs are capitalized.

33

OREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 = Tet: +34 661 482 100 = Fax: +34 661 468 000 = Posicode: 15001 = A Coruña = Spain

Email Investociss@sysconia.es = sww generalia es.



In the case of investments in Group companies, if there was an investment prior to qualification as a group company, multi-group company, or associate, the cost of said investment will be considered as the book value immediately before the Group company took on said qualification.

Subsequent valuation is also at cost less, as appropriate, accumulated value adjustments for impairment.

Contributions made as a result of a joint venture agreement and the like are valued at the cost, increased or decreased by the profit or loss, respectively, corresponding to the company as a non-managing unitholder and less, as appropriate, accumulated value adjustments for impairment.

This same criteria is applied for equity loams whose interest is contingent either because a fixed interest rate or a variable rate has been agreed upon, conditioned on the fulfillment of a milestone in the borrowing company (for example, the obtaining of proffis), or because interest is calculated solely by reference to the evolution of said company's activity. If, in addition to confingent interest, invevocable fixed interest is also agreed upon, the latter is accounted for as financial income based on its accrual. Transaction costs are charged to the consolidated profit and loss account on a straight-line basis over the life of the equity loan.

#### Derecognition of financial assets

The group derecognizes a financial asset when:

- Contractual rights to the asset's cash flows expire. In this sense, a financial asset is written
  off when it has matured and the group has received the corresponding amount.
- The contractual rights to the financial asset's cash flows have been transferred. In this case, the financial asset is written off when the risks and benefits inherent to its ownership have been transferred materially. In particular, in sales transactions with repurchase agreements, factoring, and securifizations, the financial asset is written off once the Group's exposure (before and after the transfer) to variation in amounts and in the schedule of the net cash flows for the transferred asset has been compared and it is decided that the risks and benefits have been transferred.

After analysis of the risks and benefits, the Group recognizes the write-off of financial assets in accordance with the following situations:

- a) The risks and benefits inherent to ownership of the asset have been transferred materially. The asset transferred is written off from the balance and the group recognizes the results from the transaction: the difference between the consideration received net of attributable transaction costs (considering any new assets obtained, less any liabilities assumed) and the carrying value of the financial asset plus any accrued amounts that have been recognized directly in consolidated equity.
- b) The risks and benefits inherent to the ownership of the asset have been retained materially by the group. The financial asset is not written off and a financial liability is recognized for the same amount at the consideration received.

34

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 – Tet +34 901 402 900 – Fox +34 901 402 300 – Postopde: 15001 – A Coruña – Spais Ernal: exercores@precrafa.es — www.greenska.es.



- c) The risks and benefits inherent to ownership of the asset have not been transferred or retained materially. In this case, there are two possible situations:
  - Control is transferred (the transferee has the practical ability to re-transfer the asset to a third party); the asset is written off from the consolidated balance sheet.
  - Control is not transferred (the transferre does not have the practical ability to retransfer the asset to a third party): the group continues to recognize the asset for the amount to which it is exposed to changes in the transferred asset's value, i.e., for its continued involvement, and it is necessary to recognize an associated liability.

#### Impairment of the value of financial assets

Debt instruments at amortized cost or fair value through changes in consolidated equity

At the close of the financial year (at minimum), the group assesses whether there is objective evidence that the value of a financial asset or of a group of financial assets with similar risk characteristics valued collectively has deteriorated as a result of one or more events that occurred after initial recognition, resulting in a reduction or delay in the estimated future cash flows, which may be brought on by the insolvency of the debtor.

In the event that there is such evidence, the impairment loss is calculated as the difference between the book value and the current value of the future cash flows, including, as applicable, flows stemming from the execution of the collateral-backed and personally-backed guarantees, less the effective interest rate calculated at the time of initial recognition. For variable interest rate financial assets, the effective interest rate corresponding to the closing date of the consolidated annual accounts is used in accordance with the contractual conditions. When calculating impairment losses on a group of financial assets, the group uses models based on formulas or statistical methods.

Impairment value corrections (as well as their reversal when the amount of such loss decreases due to reasons related to a subsequent event) are recognized as an expense or income, respectively, in the consolidated profit and loss account. The reversal of impairment is limited to the carrying amount of the asset that would be recognized at the date of reversal if the impairment had not been recognized.

As a substitute for the current value of future cash flows, the group uses the market value of the instrument — provided that it is sufficiently reliable to consider it representative of the value that the group could recover.

In the case of assets at fair value through net consolidated equity, the accumulated losses recognized in net equity due to a decrease in fair value are recognized in the consolidated profit and loss account, provided that there is objective evidence of impairment in terms of the asset's value.

Equity instruments at fair value through changes in consolidated equity

In this type of investment, the group assumes that the instrument has deteriorated due to a oneand-a-half-year or forty percent drop in its price, without the recovery of its value having occurred — notwithstanding the fact that it may be necessary to recognize an impairment loss before said period has elapsed or the price has decreased by the aforementioned percentage.

Impairment adjustments are recognized as an expense in the consolidated profit and loss account.

35

GREENALIA, S.A.

Plaza de Maria Pila, 10 - I = Tel: +34 981 412 100 = Fax +34 981 402 800 = Postonde: 15001 = A Conafia = Spain Email: inversores@greenatia.es — www.greenatia.es



In the event that the fair value increases, the valuation correction recognized in previous years is not reversed with a credit to the consolidated profit and loss account and the increase in fair value is recognized directly against the consolidated net equity.

#### Financial assets at cost.

In this case, the amount of the value correction is the difference between its carrying amount and the recoverable amount, defined as the highest amount of its fair value less costs to sell and the present value of the future cash flows resulting from the investment. This, in the case of equity instruments, is calculated either by the estimation of flows expected to be received as a result of dividend distribution by the subsidiary company and the disposal or write-off of the investment in the accounts or by estimating the participated in the cash flows expected to be generated by the investee company from its ordinary activities and from its disposal or derecognition. Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the impairment loss of this assert class is calculated based on the net equity of the investee company and the tactic capital gains existing at the valuation date, not of the tax effect.

The recognition of impairment value adjustments and, where appropriate, their reversal, is recognized as an expense or income, respectively, in the consolidated profit and loss account. The reversal of impairment is limited to the carrying amount of the asset that would be recognized at the date of reversal if the impairment had not been recognized.

#### Interest and dividends received on financial assets

Interest and dividends on financial assets accrued after the time of acquisition are recognized as income in the consolidated profit and loss account. Interest is recognized using the effective interest rate method, and dividends are recognized when the right to receive them arises.

If the dividends distributed unequivocally come from results generated prior to the acquisition date because amounts greater than the profits generated by the investee company since acquisition have been distributed, they will not be recognized as income and will reduce the carrying value of the investment. Judgment in terms of whether profits have been generated by the investee will be made based exclusively on the profits accounted for in the individual profit and loss account from the date of acquisition, unless distribution from said profits should undoubtedly be classified as a recovery of the investment from the perspective of the entity receiving the dividend.

#### 5.11 Financial liabilities

#### Classification and valuation

At the time of initial recognition, the group classifies all financial liabilities into one of the categories listed below:

- Financial liabilities at amortized cost.
- Financial liabilities at fair value through consolidated profit or loss.

Financial liabilities at amortized cost.

The group classifies all financial liabilities in this category except when they should be measured at fair value through consolidated profit and loss.

In general, this category includes trade payables ("suppliers") and non-trade payables ("other creditors").

GREENALIA, S.A.

Plaza de Moria Pita, 10 - 1 = Tel: +34 981 602 100 = Faix +34 981 603 800 = Postcode: 15001 = A Consta = Spain E-mail: <a hresholder: constant = mail: mail: constant = m



Equity loans that have the characteristics of an ordinary or common loan are also included in this category, notwithstanding the fact that the transaction is agreed at a zero or below-market interest rate.

The financial liabilities included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration received, adjusted for the transaction costs directly attributable thereto. That is, the inherent transaction costs are capitalized.

Trade payables falling due in no more than one year without a contractual interest rate, as well as the disbursements required by third parties on shares (whose amount is expected to be paid in the short term) are valued at their nominal value if the effect of not updating the cash flows is not significant.

For subsequent valuation, the amortized cost method is used. Accrued interest is accounted for in the consolidated profit and loss account (financial expense) by applying the effective interest rate method.

However, debits with a maturity of not more than one year that, as stated above, are initially valued at their nominal value, will continue to be valued at that amount.

Contributions received as a result of a joint venture agreement and the like are valued at the cost, increased or decreased by the profit or loss, respectively, to be attributed to non-managing unitholders.

This same criteria is applied for equity loans whose interest is contingent either because a fixed interest rate or a variable rate has been agreed upon, conditioned on the fulfillment of a milestone in the borrowing company (for example, the obtaining of profits), or because interest is calculated solely by reference to the evolution of said company's activity. Financial expenses are recognized in the consolidated profit and loss account on an accrual basis, and transaction costs are charged to the consolidated profit and loss account on a financial basis or, if not applicable, on a straight-line basis over the life of the equity loan.

Financial liabilities at fair value through consolidated profit or loss.

In this category, the Group includes financial liabilities that meet any of the following conditions:

- They are liabilities that are held for trading. A financial liability is considered to be held for trading if it meets one of the following conditions:
  - It is issued or assumed primarily for the purpose of repurchasing it over the short term (for example, debt instruments and other marketable securities that the company may purchase over the short term based on changes in value).
  - It is an obligation that a short seller has to deliver financial assets that have been lent to them ("short sale").
  - At the time of its initial recognition, it is part of a portfolio of financial instruments identified and managed jointly for which there is evidence of recent actions to obtain short-term profits.
  - It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

37

| OREENALIA, S.A. |
Plaza de Maria Pita, 10 - 1 = Tel: +34 981 482 100 = Fax +34 981 400 800 = Postocio: 15001 = A Coruña = Spain |
Final: intercorres@creenalia.m. = www.goveralia.es.

7



- From the time of initial recognition, it has been irrevocably designated to be accounted for at fair value through the consolidated profit and loss account ("fair value option"), because:
  - An inconsistency or "accounting asymmetry" with other instruments at fair value through consolidated profit or loss is eliminated or reduced significantly; or,
  - A group of financial liabilities or financial assets and liabilities that is managed and whose performance is assessed on the basis of its fair value in accordance with a documented risk management or investment strategy and group information is also provided on the basis of fair value to key management personnel.
- Optionally and irrevocably, hybrid financial liabilities with separable embedded derivatives may be included in their entirety in this category.

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration received. Directly attributable transaction costs are recognized in the consolidated profit and loss account for the financial year.

Subsequent to the initial recognition, the group values the financial liabilities included in this category at fair value through consolidated profit and loss.

. .

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet +34 901 402 100 - Fox +34 901 400 800 - Postoode: 15001 - A Coruña - Spain firmal creescora@creenda.es - www.greenda.es.



#### Derecognition of financial liabilities

The group derecognizes a previously recognized financial liability when one of the following circumstances occurs:

- The obligation has been extinguished because payment has been made to the creditor to cancel the debt (through cash payments or other goods or services), or because the debtor is legally relieved of any responsibility over the liability.
- Own financial liabilities are acquired, even if it is with the intention of relocating them in the
- An exchange of debt instruments takes place between a lender and a borrower, provided that they have materially different conditions, recognizing the new financial liability that arises: likewise, a substantial modification of the current conditions for a financial liability is recorded as indicated for debt restructurings.

Accounting for the derecognition of a financial liability is undertaken in the following way: the difference between the carrying amount of the financial liability (or the part thereof derecognized) and the consideration paid -including any attributable transaction costs, also including any transferred asset other than cash or liabilities assumed- is recognized in the consolidated profit and loss account for the financial year in which it takes place.

#### Debt restructuring

The group carries out the restructuring of its debt commitments to its creditors in certain cases. For example: extending the term for the payment of principal in exchange for a higher interest rate, not paying and adding the interest in a single "bullet" payment of principal and interest at the end of the life of the debt, etc. The ways in which such changes in the terms of a debt can be carried out are several:

- Immediate payment of the nominal amount (before maturity), followed by the refinancing of all or part of the nominal amount through a new debt ("debt exchange").
- Modification of the terms of the debt agreement before its maturity ("debt modification").

in these cases of "debt exchange" or "debt modification" with the same creditor, the Group analyzes whether there has been a substantial change in the conditions of the original debt. In the event that there has been a substantial change, the accounting treatment is as follows:

- The carrying amount of the original financial liability (or its corresponding part) is written off from the consolidated balance sheet:
- The new financial liability is initially recognized at fair value:
- Transaction costs are recognized against the consolidated profit and loss account;
- The difference between the carrying amount of the original financial liability (or the part thereof that has been written off) and the fair value of the new liability is also recognized against profit or loss.

On the other hand, if, after analysis, the group concludes that both debts do not have materially different conditions (they are, in essence, the same debt), the accounting treatment is as follows:

39

**GREENALIA, S.A.** Plaza de Maria Pita, 10 - 1 - Tet +34 561 462 100 - Fax: +34 561 460 500 - Postcode: 15001 - A Coruña - Spain Email inconcros@greenala.es - www.greenala.es.



- The original financial liability is not written off from the consolidated balance sheet (that is, it is kept on the consolidated balance sheets:
- The commissions paid in the restructuring transaction are carried as an adjustment to the book value of the debt;
- A new interest rate is calculated, effective from the date of restructuring. The amortized cost of the financial liability is determined by applying the effective interest rate, which is equal to the carrying amount of the financial liability at the modification date with the cash flows payable under the new conditions.

The terms of the contracts are deemed to be materially different, among other cases, when the current value of the cash flows for the new contract (including any fees paid net of any commissions received) differs by at least ten percent from the current value of the remaining cash flows from the original contract, with both amounts being updated at the effective interest rate of the latter.

Certain modifications in the determination of the cash flows may not pass this quantitative analysis. but they may also lead to a material modification of the liabilities, such as: a change from fixed rate to variable rate in the remuneration of the liability, the liability's restatement into a different currency, a loan at a fixed interest rate that becomes a equity loan, among other cases.

#### 5.12 Fair value

Fair value is the price that would be received for the sale of an asset or that would be paid to transfer or write off a liability through a transaction between market participants at the valuation date. The fair value is to be determined without making any deductions for any transaction costs that may be incurred due to disposal or disposition by other means. Under no circumstances can fair value be considered as the result of a forced or urgent transaction, nor can it be considered as a result from an involuntary liquidation situation.

The fair value is estimated for a certain date and, since market conditions may vary over time, that value may be inadequate for another date. In addition, when estimating the fair value, the Group takes into account the conditions of the asset or liability that market participants would take into account when pricing the asset or liability at the valuation date.

In general, fair value is calculated by reference to a reliable market value. For those items for which there is an active market, the fair value is obtained, as appropriate, through the application of valuation models and techniques. Valuation models and techniques include the use of references to recent transactions under conditions of mutual independence between interested and duly informed parties, if available, as well as references to the fair value of other assets that are materially the same, methods of discounting estimated future cash flows, and models generally used to assess options.

40

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet +34 981 492 100 - Fox +34 981 490 800 - Postcode: 15001 - A Coruña - Spain Email: mersores@greenala.es - www.greenala.es.



In any event, the valuation techniques used are consistent with the methodologies accepted and used by the market for setting prices, employing, if possible, the technique that has proven to obtain the most realistic price estimates. These techniques also take into account the use of observable market data and other factors that participants would consider when setting prices, limiting as much as possible the use of subjective considerations and unobservable or unverifiable data.

The group evaluates the effectiveness of the valuation techniques it uses on a periodic basis, using as a reference the observable prices of recent transactions for the same asset, being valued or using prices based on observable market data or indices that are available and applicable.

In this way, a hierarchy is established for the variables used to determine fair value and a fair value hierarchy is created that allows for the estimates to be classified into three levels:

- Level 1: Estimates that use unadjusted prices in active markets for identical assets or liabilities which the company can access at the valuation date.
- Level 2: Estimates that use prices in active markets for similar instruments, or other valuation methods in which all significant variables are based on directly or indirectly observable market data.
- Level 3: Estimates in which a significant variable is not based on observable market data.

A fair value estimate is classified at the same level of the fair value hierarchy as the lowest-level variable that is meaningful for the valuation result. For these purposes, a significant variable is one that has a decisive influence on the result of the estimate. In assessing the importance of a particular variable for the estimate, the specific conditions of the asset or liability being valued are taken into account.

#### 5.12 Accounting hedges

From an accounting point of view, the Group divides financial derivatives into two large groups:

- Trading derivatives: These are recorded at fair value and changes in said fair value are recognized against the consolidated profit and loss account (these are included in the category "assets/financial liabilities at fair value through the profit and loss account").
- Hedging derivatives: These are also recognized at fair value. However, special accounting rules (hedge accounting) apply. Depending on the hedge accounting model, the offsetting entry for the change in the value of the derivative may change or an adjustment to the accounting for the hedged item may be made.

41

GREENALIA, S.A.

Plaza de Maria Pira, 10 - 1 = Tel: +34 981 402 900 = Fox +34 981 402 800 = Postcode: 16001 = A Coruña = Spain Email: emercoren@greenzela.es = www.greenzela.es



The aim of hedge accounting is to eliminate or reduce so-called "accounting asymmetries." These "accounting asymmetries" usually arise when the group uses derivatives (or sometimes another financial instrument) as a hedge (or to offset changes in the fair value or cash flows) for another item, and this item is either not recognized at fair value through the profit and loss account (for example, a loan at amortized cost or stock at cost) or does not appear on the balance sheet (for example, a planned purchase of raw materials or an expected issuance of a bond).

Asymmetry causes the consolidated profit and loss account to have volatility during the life of the hadging transaction, with the group being economically covered in relation to one or more specific risks.

In order to avoid the volatility that this different recognition criteria entails in the results from both the hedging instrument and hedged item, special hedge accounting rules have arisen, which are applied through hedge accounting models. These models involve applying special accounting rules to break up the "accounting asymmetry."

In order to be able to apply the special hedge accounting rules, the group meets the following three requirements:

- The components of the hedge (the hedging instrument and the hedged item) must comply
  with the provisions of accounting regulations; that is, they must be "eligible."
- The initial documentation and formal designation of the hedge must be prepared.
- . The requirements for the effectiveness of the hedge must be met.

There are three hedge accounting models: fair value hedging, cash flow hedging, and net investment hedging. Each of them provides a solution to help avoid "accounting asymmetry," and each of them applies to a specific type of coverage.

#### Fair value hedges

A fair value hedge covers exposure to changes in the fair value of recognized assets or liabilities or of firm commitments not yet recognized (or of a specific part thereof), attributable to a specific risk that may affect the consolidated profit and loss account (for example, the contracting of a financial swap to cover the risk of financing at a fixed interest rate).

The applicable accounting rules are as follows:

- Changes in the value of the hedging instrument are recognized in the consolidated profit and loss account.
- Changes in the value of the hedged item attributable to the hedged risk are recognized in the consolidated profit and loss account from the beginning of the hedging operation.

When the hedged item is an unrecognized firm commitment or a component thereof, the cumulative change in the fair value of the hedged item subsequent to its designation is recognized as an asset or liability, and the corresponding gain or loss is reflected in the consolidated profit and loss account.

Changes in the carrying amount of hedged items measured at amortized cost will imply the correction of the effective interest rate for the instrument — either from the time of the modification or (at the latest) from when hedge accounting ends.

Cash flow hedges

GREENALIA, S.A.

42

Plaza de María Pita, 10 - 1 - Te1 +34 961 402 100 - Fax +34 961 402 600 - Postcode: 15001 - A Coruña - Spain Ernal: internoren@premalia.es - www.greenalia.es



A cash flow hadge covers exposure to changes in cash flows that are stributable to a specific risk associated with all or a part of a recognized asset or fisibility (such as the contracting of a farmal swap to cover the risk of financing at a variable interest rate), or that are attributable to a highly probable transaction (for example, hedging exchange rate risk related to expected purchases and sales of tangible fixed assets, goods and services in a foreign currency), and that may affect the consolidated profit and loss account. The exchange rate risk hedge of a firm commitment can be accounted for as a cash flow hedge or as a fair value hedge.

The applicable accounting rules are as follows:

- The covered item should not change its accounting method.
- The loss or gain of the hedging instrument will be recognized directly in the consolidated net equity (to the extent of effective hedging). Thus, the net equity component arising as a result of the hedge will be adjusted to be equal, in absolute terms, to the lesser of the following two values:
  - The cumulative loss or gain of the hedging instrument from the start of the hedge.
  - The cumulative change in the fair value of the hedged item (i.e., the present value of the cumulative change in expected future cash flows hedged) from the start of the hedge.

Any remaining loss or gain on the hedging instrument or any loss or gain required to offset a change in the cash flow hedging adjustment calculated in accordance with the preceding paragraph represents a hedging inefficiency that makes it necessary to recognize those amounts in the profit or loss for the fiscal period.

The "recycling" of the net equity amount deferred to profit or loss depends on the type of transaction hedged:

If a highly likely foreseen hedging transaction gives rise later to the recognition of a non-financial asset or a non-financial liability, or if a foreseen hedging transaction related with a non-financial saset or a non-financial liability becomes a firm commitment to which fair value hedging applies, the company will remove the amount of the adjustment for cash flow hedging and include that figure directly in the initial cost or other carrying amount for the asset or liability. The same criteria will be applied in hedges for the exchange rate risk during investments in a group, multi-group, or associate company.

43

 ORDERALIA, S.A.

 Plaza de Maria Pita, 10 - 1 = Tet +34 981 402 100 = Fax: +34 981 40 800 = Postocie: 15001 = A Coruña = Spain.

 Email: memoras@czemnia m. — www.poennia m.



- In all other cases, the adjustment recognized in net equity will be transferred to the
  consolidated profit and loss account to the extent that the expected future cash flows
  hedged affect the profit or loss for the financial period (for example, in financial periods in
  which interest expenses are recognized or in which an expected sale takes place).
- However, if the adjustment recognized in net equity is a loss and the group expects not to recover all or part of this amount in one or more future financial periods, the amount that is not expected to be recovered will be reclassified immediately in the profits and losses of the fiscal period.

#### Net investment hedges

Net investment hedging in business abroad: This covers the exchange rate risk in investments in subsidiaries, associates, joint ventures, and branches whose activities are based or carried out in a functional currency other than that of the company preparing the annual accounts.

In net investment hedging transactions in joint ventures that lack an independent legal personality and branches abroad, the value changes of the hedging instrument attributable to the hedged risk are recognized temporarily in the consolidated net equity, being charged to the consolidated profit and loss account in the financial period or periods in which there is the sale (or disposal by any other means) of the net investment in the foreign business.

Net investment hedging transactions for foreign business in subsidiaries, multi-group, and associated companies are treated as fair value hedges due to the exchange rate component.

The net investment in a foreign business is made up —in addition to the share in net equity— of any monetary liter receivable or payable whose liquidation is not contemplated and is not likely to occur in the foreseeable future, excluding items of a commercial nature.

#### 5.13 Treasury shares

Treasury shares are recognized in net equity as less own funds when they are acquired, with no result being recorded in the profit and loss account for their sale or cancellation. Income and expenses arising from transactions with treasury shares are recognized directly in net equity as less reserves.

#### 5.14 Inventory

Inventory is valued at its purchase price or production cost. The purchase price includes the amount invoiced by the seller, after deducting any discounts, price reductions, or other similar items, and all additional expenses incurred until the goods are ready for sale — such as transportation, customs duties, insurance, and other expenses directly attributable to the purchase of the inventory. The cost of production is determined by adding the costs directly attributable to the product to the purchase price of raw materials and other consumables. Also included are reasonable costs indirectly attributable to the products (mediar as such costs correspond to the period of manufacture, elaboration or construction), incurred when placing them for sale. These costs are based on the level of use of normal working capacity for the means of production.

The group uses the average weighted cost for assigning values to inventories.

When the net realizable value of the inventory is lower than its acquisition price or production cost, the Company makes the appropriete value adjustments by recognizing them as an expense in the profit and loss account. For raw materials and other consumables in the production process, no valuation adjustment is made provided that the finished products into which they are incorporated are expected to be sold above cost.

GREENALIA, S.A.

44

Plaza de Maria Pita, 10 - 1 - Tet +34 901 402 100 - Fox +34 901 400 00 - Postoode: 15001 - A Coruña - Spain firmal: prestocen@creenda.es - www.greenala.es.



#### 5.15 Cash and other equivalent liquid assets

This heading includes cash on hand, current accounts at banks, and certificates of deposit, and the temporary acquisition of assets, providing they meet all of the following requirements:

- They must be convertible into cash.
- At the time of their acquisition, their maturity may be no greater than three months.
- They are not subject to a significant risk of value changes.
- They are part of the group's normal treasury/cash management policy.

#### 5.16 Subsidies

Subsidies are classified as non-repayable if the conditions established for their granting have been met, being recognized directly in net equity after deducting the corresponding tax.

Repayable subsidies are recognized as Group liabilities until they acquire the condition of nonrepayable, with no income being recognized until that time.

Subsidies received to finance specific expenses are charged to the profit and loss account for the financial year in which the expenses that are being financed are accrued. Subsidies received to purchase tangible assets are charged as income for the financial year in proportion to their amortization.

#### 5.17 Provisions and contingencies

Liabilities that are unspecified in terms of their amount or the date on which they will be cancelled are recognized in the consolidated balance sheet as provisions, provided the group has a present obligation (either by a provision of law, a contractual provision, or an implied or tact obligation) arising as a result of past events, making it likely for there to be a quantifiable outflow of resources for liquidation.

Provisions are valued at the current value for the best possible estimate of the amount necessary to cancel or transfer the obligation to a third party, recognizing any adjustments arising from updating the provision as a financial expense as it accrues. 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 carried out. The provisions are reviewed at the closing date of each consolidated balance sheet and are adjusted in order to reflect the best current estimate of the corresponding liability at any given time.

The compensation to be received from a third party at the time of liquidating the provisions is recognized 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 recognized. When there is a legal or contractual link to externalize risk, by virtue of which the group is not obliged to answer for it, the amount of said compensation is deducted from the amount of the provision.

45

OREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 = Tet +34 901 482 100 = Fax: +34 901 400 900 = Postcode: 15001 = A Coruña = Spain Email: (negrocots/dzyconsla.co. avv geteralia.co.



Additionally, possible obligations arising from past events are considered contingent liabilities; their materialization is conditioned on the occurrence of future events that are not entirely under the control of the group, as well as present obligations that have arisen as a result of past events and for which it is not probable that there will be an outflow of resources for their liquidation, or they cannot be assessed reliably enough. These liabilities are not subject to accounting recognition, being detailed in the consolidated report — except when the chances for the outflow of resources is remote.

#### 5.18 Corporate income tax

The expense for taxes on income for the fiscal year is calculated as the sum of current tax, resulting from applying the corresponding tax rate to the taxable base for the financial year and subtracting any existing discounts and deductions, as well being calculated from the variations produced during that financial year in the assets and liabilities for deferred taxes. This expense is recognized in the consolidated profit and loss account, except when it corresponds to transactions that are recognized directly in the consolidated net equity, in which case the corresponding tax is also recorded in the consolidated net equity — and in the initial accounting for business combinations in which it is recognized as any other equity asset of the acquired business.

Deferred taxes are recognized for temporary differences existing at the balance sheet date between the tax base for assets and liabilities and their accounting values. The amount attributed to an equity item for tax purposes is considered as the tax base thereof.

The tax effect from temporary differences is included in the corresponding headings ("Deferred tax assets" and "Deferred tax liabilities") of the consolidated balance sheet.

The group recognizes a deferred tax liability for all taxable temporary differences except for the exceptions provided for in current law, as applicable.

The group recognizes deferred tax assets for all deductible temporary differences, unused tax credits, and tax-loss carryforwards pending compensation, doing so to the extent that it is likely that the group will have future tax gains that allow for the realization of these assets — except for the exceptions provided for in current law, as applicable.

At the closing date of each financial year, the group evaluates the deferred tax assets recognized and those that have not been recognized previously. Based on said assessment, the group proceeds to write off a previously recognized asset if its recovery is no longer probable, or the group proceeds to recognize any deferred tax assets not previously recognized whenever it is probable that the group will have future tax gains that allow for said assets" realization.

Deferred tax assets and liabilities are valued at the expected tax rates at the time of their reversal, in accordance with current regulations in force and in accordance with the way in which it is rationally expected to recover or pay for the deferred tax asset or liability.

Deferred tax assets and liabilities are not deducted and are classified as non-current assets and liabilities.

46

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tet +34 981 482 900 = Fox +34 981 480 800 = Postcode: 15001 = A Coruña = Spain Ernal: exercizes@preciala.es — www.greenala.es.



#### 5.19 Classification of assets and liabilities into current and non-current

Assets and liabilities are presented in the consolidated balance sheet classified as current and noncurrent. For these purposes, assets and liabilities are classified as current when they are linked to the Group's normal operating cycle and are expected to be sold, consumed, realized, or liquidated during the course thereof and their expiration, disposal, or realization is expected to occur within a maximum period of one year; they are held for trading purposes or they are cash and other equivalent liquid assets whose use is not restricted for a period exceeding one year. Otherwise, they are classified as non-current assets and liabilities.

The normal exploitation cycle is less than one year for Group activities.

#### 5.20 Revenue recognition

In accordance with accrual criteria, the group recognizes income from the ordinary undertaking of its activity when there is a transfer of control of the goods or services promised to customers or users, regardless of the date of their collection or payment.

Income and expenses are allocated based on the accrual principle; that is, when the actual flow of goods and services they represent occurs and regardless of when the monetary or financial flow deriving therefrom takes place. Said income is valued at the fair value of the consideration received, not of discounts and taxes. As for the income from the provision of services, this is recognized in the period in which the services are provided.

For the accounting recognition of income derived from contracts with clients, the group follows the 5-stage model established in the regulations.

The income obtained by the group corresponds mainly to the sale of energy and the provision of services, as well as the sale of wood in the forestry business.

#### Logistics and forestry service provision and sales

In terms of services, the Group provides mainly forestry and logistics services. These services are provided on the basis of a specific date and specific material and are recognized at the rates agreed between independent parties.

#### Curtis-Telreiro biomass plant

The income stamming from the sale of energy from the blomass plant located in the town of Curtis Courles) comes from the Decision of January 18, 2018, by the Directorate General of Energy Policy and Mines, which decides on the bidding process to assign the specific remuneration scheme to new installations of electric energy production from blomass in the Peninsular electrical system and for wind power installations, under the provisions of Royal Decree 947/2015, of October 18. Remuneration consisting of two amounts was recognized: the operating remuneration (Ro) in GMWh and governed by the aforementioned regulations, and the Designated Electricity Market Operator Market Price.

47

OREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet +34 561 462 100 - Fax: +34 561 460 000 - Postcode: 15001 - A Coruña - Spain Email: invenorse@greenalia.es - sww.greenalia.es



#### Eolo I Moc Wind Farms

The income stemming from the sale of energy from the Millón Wind Farm located in the town of Vimianzo (A Coruña) comes from the Decision of July 27, 2017, by the Directorate General of Energy Policy and Mines, which decides on the bidding process to assign the specific remuneration scheme under the provisions of Royal Decree 650/2017, of June 16, and Order ETU/615/2017, of June 27. The income stemming from the sale of energy from the aforementioned wind farm is at Designated fillschrich/ Market Operator market prices.

The income stemming from the sale of energy from the rest of the wind farms is not at Designated Electricity Market Operator market prices.

The main judgment applied by the group in the recognition of income corresponds to the calculation of the value of the adjustments for deviations in the market price (Vajidm), in accordance with Article 22 of Royal Decree 413/2014, at the difference, if any, between the average daily and intraday price of the period and the upper and lower limits established in the aforementioned regulation and in the corresponding orders with parameters. There are no other relevant judgments regarding the identification of performance obligations, timing of recognition, and/or related costs for obtaining a contract.

#### 5.21 Business combinations

Business combinations in which the group acquires control of one or more businesses by merging or demerging several companies or by acquiring all the assets of a company or a part constituting one or more businesses are all recognized by the acquisition principle, which involves accounting, at the acquisition date, for the identifiable assets acquired and the liabilities assumed at their fair value, provided that this can be measured reliably.

The difference between the cost of the business combination and the value of the identifiable assets acquired lists the value of the liabilities assumed is recognized as goodwill if positive or as income into the profit and loss account if negative.

Business combinations for which the valuation process needed to apply the acquisition principle has not been completed at the year-end date are accounted for using provisional values. These values must be adjusted within a maximum period of one year from the date of acquisition. The adjustments that are recognized to complete the initial accounting are done retroactively so that the resulting values are those that would stem from having initially had said information — adjusting, therefore, the comparative figures.

#### 5.22 Equity elements of an environmental nature

Expenses related to the deconfamination and restoration of contaminated sites, waste disposal, and other expenses stemming from compliance with environmental taw are recorded as expenses for the financial year in which they occur, unless they correspond to the cost of purchasing elements that are added to the group's equity in order to be used over time, in which case they are accounted for in the corresponding items under the heading "Tangible fixed assets," being amortized with the same criteria.

48

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tet +34 981 492 900 = Fox +34 981 490 800 = Postcode: 15001 = A Coruña = Spain Ernal: interscrees@greenala.es — www.greenala.es.



#### 5.23 Related party transactions

Related party transactions are accounted for in accordance with the valuation rules detailed above. except for the following transactions:

- . Non-monetary contributions from a business to a group company are valued, in general, by the book value of the equity elements contributed in the consolidated annual accounts on the date on which the transaction is carried out.
- . In business merger and demerger transactions, the acquired elements are generally valued at the amount corresponding thereto once the transaction has been carried out, in the consolidated annual accounts. The differences that arise are recognized in reserves.

The prices of related party transactions are adequately supported; thus, the Group's Directors feel that there are no risks that could cause significant tax liabilities.

#### 5.24 Severance pay

In accordance with current labor law, the Group is obliged to pay compensation to those employees with whom, under certain conditions, it terminates employment relationships. Severance payments subject to reasonable quantification are recorded as an expense for the financial year in which there is a valid expectation created by the Group regarding the third parties affected.

49

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tel: +34 981 482 100 - Fax: +34 981 492 800 - Postcode: 15001 - A Coruña - Spain Ernalt inversoren@greenalia.es - www.greenalia.es.



#### INTANGIBLE FIXED ASSETS

The details and movements of the different items that make up the intangible fixed assets are as follows:

(Euros)	Initial balance	Acquisitions and provisions	Write- offs/Disposal 6	Transfers and other changes	Closing balance
Year 2021					7.50.00
Cost Goodwill on consolidation Other interroble fixed assets	137 245 4 215 503	584,167	(144,647)	-	137.245 4.655.113
	4.352.838	584,167	(144,647)	-	4,792,350
Accumulated amortization Goodarill on consolidation Other internable fixed assets	(56.529) (1.758.163)	(13.724) (317.862)			10 000 1000
	(1.814.692)	(331.595)	107.537	-	(2.030.741)
Net book value	2,538,146	¥			2,763.617
Year 2020					
Cost Goodwill on consolidation Other intergible fixed assets	137 245 6.181.751 6.318.996	333.826	10.10.000	(1,480,307)	
	6.319.996	333,020	(919/244)	(1,400,307)	4.302.030
Accumulated amortization Goodar III on consolidation Other intergible fixed assets	(42 805) (1.553.598)	(13.724) (188.734)		(15.831)	
	(1.596.403)	(202.458)	-	(15.831)	(1.814.692)
Net hook value	4 772 593				2 538 146

#### 6.1 Description of the main movements

The acquisitions of the 2021 and 2020 financial years mainly correspond to the purchase of computer applications and reporting, while the write-offs mainly correspond to different SAP modules which were fully amortized at year close.

The acquisitions of the 2020 financial year mainly corresponded to the acquisition of computer applications, while the write-offs mainly corresponded to the transfer of forest exploitation rights held by the group and which were part of the payment for the purchase of 20% (part held by noncontrolling interests) of the subsidiary Greenalia Forest, S.L. (Note 11.3).

The transfers for the 2020 financial year included 1,302,910 euros relating to various remuneration rights from a bidding process held in July 2017. Said rights were acquired by the group and have been allocated to different energy projects in development of the tangible fixed assets. The rest of the transfers corresponded to all of the intangible fixed assets of the subsidiary WoodChips, which have been transferred to the "Non-current assets held for sale" heading of the consolidated balance sheet.

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet: +34 981 492 100 - Fax: +34 981 493 800 - Postcode: 15001 - A Coruña - Spain Email: memores@greenala.es - www.greenala.es.

179



#### 6.2 Goodwill allocated to cash-generating units

Goodwill was added into the 2017 financial year and corresponds to the inclusion of the subsidiary Greenalia Biomass Power, S.L. and all its subsidiaries into the consolidation scope.

#### 6.3 Other information

As of December 31, 2021 and 2020, there are no intangible fixed assets still in use and fully

As of December 31, 2021 and 2020, there are no assets subject to guarantees in the group.

As of December 31, 2021 and 2020, no value adjustments for impairment have been recognized, there are no intengible fixed assets not subject to exploitation, nor are there intengible fixed assets located abroad.

Finally, there are no firm purchase or sale commitments in relation to the aforementioned assets.

#### 7. TANGIBLE FIXED ASSETS

The details and movements of the different items that make up the tangible fixed assets are as

Email: invenores@greenala.es. - www.greenala.es.

51 **GREENALIA, S.A.**Plaza de Moria Pita, 10 - 1 = Tel: +34 981 492 100 = Fax: +34 981 490 800 = Postoode: 16001 = A Coruña = Spain

greenalia

(fares)	Initial balance	Acquisitions and provisions	Virise- offs/Dispos als	Transfers and other movements	Closing balance
Year 2021					
Cost.					
Land and buildings Technical facilities and	3.410.071	4.000.992	-		7.411.063
other tangible fixed assets	173.537.243	9.125.075	(1.987.790)	52:929.311	233.603.839
Fixed assets in progress	67.096.462	36,867,702	(707.244)	(52.929.311)	50.347,689
	244.043.776	50,013,849	(2.095.034)		291.362.591
Accumulated amortization Buildings Technical facilities and	8.977	(8.977)	-	-	
other sangble fixed assets	(6.120.791)	(8.500.056)	11.432	2	(14.600.415)
	(5.111.214)	(8.599.033)	11.432	-	(14.690.415)
Value adjustments Technical facilities and					
other tangible fixed assets		(450.000)			(450.000)
	-	(450.000)	7		(450 000)
Net book value	237.931.962				276.213.176

Net book value	237.931.962				276.213.176
Year 2020					
Cost					
Land and buildings Technical facilities and	4.563.401	-	-	(1.183.330)	3.410.071
other tangible fixed assets	13.216.295	5.336.771	(243.940)	155.228 035	173.537.243
Fixed assets in progress	165.434.724	57,709,654	-	(\$56.047.916)	67.096.462
and the same of the same	183,244,419	63,046,425	(243.040)	(2.000.211)	244.043.776
Accumulated amortization					
Buildings	(38.432)			47,409	8.977
Technical facilities and					
for tangible fixed as sets	(1.488.497)	(4.784.705)	19.647	132.764	(6.120.791)
	(1.526.929)	(4.784.705)	19.647	180,173	(6.111.014)
Net book value	181,717,481				237.931.962



#### 7.1 Description of the main movements

Acquisitions under the heading "Land and buildings" for the 2021 financial year correspond in their entirety to the purchase of 11 plots located in the town of Curtis Tetxeiro, owned by Greenalia Biomass Power Curtis Tetxairo (II. Sct. U. for which a mortgage loan was formalized (Note 15).

Acquisitions under the heading "Technical installations and other tangible fixed assets" for the 2021 financial year mainly correspond to fixed assets related to the completion of works at the Biomass plant located in Curtis Teixeiro, as well as acquisitions of forestry machinery, including 10 forest balans for an amount of 3.7 million euros.

Acquisitions under the heading "Fixed assets in progress" in the financial year 2021 correspond mainly to the fixed assets for the 4 wind farms in Galicia under the Eolo I Project which, at the start of the financial year, were under construction and started to work in the second half of the 2021 financial year, as well as the rest of the investment made in the undertaking of various renewable energy projects.

Transfers related to "Technical facilities and other tangible fixed assets" from the 2021 financial year correspond to the commissioning of the Ourol, Alto de Croa, Alto de Croa II, and Monte Tourado Wind Farms under the Eolo I Project.

Additionally, on May 24, 2021, Greenalia Blomass Power Curtis-Telveiro S.L.U. terminated the contract with the temporary joint venture Blomass Curtis, proceeding to the execution of all the guarantees available. Of said guarantees, income of 8.2 million euros has been recognized, the purpose of which was to compensate for the loss of income from the sale of energy caused by delays in the delivery of the installation in accordance with the dates provided for in the contract. Currently, the work has been restarted with a new supplier and, after taking the appropriate measures, it is at production levels that are in line with the business clan.

Acquisitions under the heading "Technical installations and other tangible fixed assets" for the 2020 financial year mainly corresponded to the purchase of eleven forest balers for an amount of 5.232.188 euros.

Acquisitions under the heading "Fixed assets in progress and advances" that took place in the 2020 financial year mainly corresponded to:

- Fixed assets related to the construction of the biomass electric power production plant in the town of Curtis Teixeiro (A Coruña, Galicia) that was being carried out by the subsidiary Greenalia Biomass Power Curtis Teixeiro, S.L. and that amounted to 9.633 million euros. The amount included capitalized financial expenses amounting to 2.681 million euros, which corresponded to the specific financing obtained for the aforementioned project.
- Fixed assets related to the construction of 5 wind farms in Galicia for the Eolo I Project, which the group was developing and which amounted to 33.467 million euros. Included in the amount were capitalized financial expenses amounting to 3.533 million euros, which corresponded to the specific financing obtained for the aforementioned project.

As of December 31, 2021, 1,273,237 euros were included as fixed assets, respectively, corresponding mainly to expenses that the group incurred with its own resources, linked to the projects that are under development (4, 148,285 euros as of December 31, 2021).

The transfers under the heading "Land and buildings" for the 2020 financial year corresponded mainly to the fixed assets of the subsidiary Greenalis WoodChips, S.L.U., having been transferred to the "Non-current assets kept for sale" heading of the consolidated balance sheet, as the sale of said company's plant is planned in less than one year. The results provided by said plant were not slorificant.

53

OREENALIA, S.A.
Plaza de María Pita, 10 - 1 – Tet: +34 961 482 100 – Faz: +34 961 462 900 – Postcode: 15001 – A Coruña – Spain
Email Investocins@prenala.es – www.gerenala.es



Transfers related to "Technical facilities and other tangible fixed assets" from the 2020 financial year corresponded mainly to the commissioning of the Curtis Teixeiro Biomass Plant and the Millión Wild Farm, under the Eolo I Project.

#### 7.2 Other information

As of December 31, 2021 and 2020, no significant impairment value adjustments were recognized for tangible fixed assets.

As of December 31, 2021 the cost of fully amortized tangible fixed assets in use amounts to 30,895 euros (the same amount as of December 31, 2020).

As of December 31, 2021 and 2020, the tangible fixed assets are not subject to any type of guarantees except:

- The land corresponding to the plot located in the industrial area of Sigüeiro, property of Greenalia Woodchips, S.L.U., is subject to a mortgage loan granted by Banco Pastor Bank to the aforementioned company. The loan has a maturity date of 2027 and remains pending payment in the amount of 85,930 euros as of December 31, 2021 (99,419 euros as of December 31, 2020) (Note 15).
- The land corresponding to eleven plots located in the town of Curtis Teixeiro, property of Greenalia Biomass Power Curtis Teixeiro II, S.I.U., is subject to a mortgage loan granted by Sepes Entidad Pública Empresarial de Suelo (Sepes) to the aforementioned company. The loan has a maturity date of 2031 and remains pending payment in the amount of 3,779,573 euros as of December 31, 2021 (Note 15).

The group has granted a pledge right on the assets for the development of the biomass project in Curtis to the financing entities of that project.

Additionally, the group has granted a pledge right on the assets for the development of the Eolo Mic-Project (five wind farms with a total capacity of 74.22 MW) to the financing entities of that project.

The group has contracted insurance policies that cover the net book value of the tangible fixed assets.

#### 7.3 Finance leases

The net book value of tangible fixed assets acquired through finance lease agreements is as follows:

(Buros)	2021	2020
Technical installations and other fixed assets	10,000,000,00	1.000-000-pi
Cost	16.059.226	10.548.352
Accumulated amortization	(2.533.357)	(874.785)
	13.525.069	9,673,567

In the 2021 and 2020 financial years, the group formalized several finance lease agreements for the acquisition of forest balers.

The amount for which the financial lease assets were initially recognized was at the current value of the minimum payments to be made at the time of signing the financial lease agreement.

GREENALIA, S.A.

54

Plaza de Maria Pita, 10 - I = Tel: +34 981 402 900 = Fox +34 981 400 000 = Postcode: 15001 = A Consta = Spais Email: interscren@greenalia.es. — www.greenalia.es.



Reconcilation between the total amount of minimum future payments and current value is as follows:

	202	1	2020	
	Future minimum payments	Current Value (Note 15.1)	minimum payments	(Note 15.1)
Up to a year	1.993.291	1.940.617	1,709,523	1,666,202
Between one and five years	6.574.067	6.403.402	7.184.550	7.002.485
More than five years	-	-	107,805	105.073
	8.567,358	8.344.019	9.001,878	8.773.760

The finance lease agreements have the following features:

- The lease terms are 5 and 8 years.
- The interest rate is the interbank interest rate plus a premium between 1.76% 3%.
- The conservation and maintenance expenses are borne by the lessee.
- The amount of the purchase option is equivalent to the last installment of the finance lease
- There are no contingent amounts.

### 7.4 Operating leases

The group mainly has operating leases related to the offices where it undertakes its activity. The lease expenses in the 2021 financial year amounted to 48,000 euros (39,600 euros in the 2020)

The minimum future non-cancellable lease payments as of December 31, 2021 and 2020 amount

(Euros)	2021 Future minimum payments	2020 Future minimum payments	
Up to a year	48.000	39.600	
stween one and five years	28.000	23,100	
	76.000	62,700	

Erralt intersores@greenala.es - www.greenala.es.

55

**GREENALIA, S.A.**Plaza de Maria Pira, 10 - I = Tel: +34 981 492 100 = Fax: +34 981 492 800 = Postcode: 15001 = A Coruña = Spairs



#### FINANCIAL ASSETS

The composition of financial assets by category is as follows:

	Equity instruments		Loans, derivatives, and other		Total	
(Duros)	2021	2920	2021	2020	2021	2020
Long-term financial assets				1,7.17	71,7	
Financial assets at amortized cost.	-	-	633.909	951.621	633.909	951.621
Financial assets at cost. Financial assets at fair value through	427.374	852.367	-	-	427.374	852,397
profit or loss	431,000		-		431,000	
	058.374	052,397	633.909	951,621	1.492.203	1,004.010
Short-term financial assets						
Financial assets at amortized cost.	_	_	18.641.355	9.608.771	18.641.366	9.608.771
	-	-	18.641.355	9.908.771	10.641.355	9,900,771
	858.374	852,397	19.275.264	10.560.392	20.133.638	11,412,789

These amounts are included in the following items of the consolidated balance sheet:

(5)	Equity instruments		Loans, deriv		Total	
(Buros)	2021	2020	2021	2020	2021	2020
Other non-current financial assets						
Investments in group companies and associates Long-term financial investments	868.374	852.397	524 606 109 303	919.717 31.904	524,606 967,677	919.717 884.301
	858.374	852.397	633.909	951.621	1.492,283	1.804.018
Other current financial assets.						
Trade receivables for sales and						
services	-	100	18.169.446	8.862.876	18.169.446	8.862.876
Personnel Investments in group companies and	-		35.000	35.000	35,000	35,000
associales	-			500.728	-	500.728
Short-term financial investments			435.909	210.167	435,909	210.167
	To		18.641.355	9.508,771	18,641,355	9.808.771
	850.374	852,397	19.275.264	10.560.392	20.133,638	11,412,709

56

GREENALIA, S.A.
Plaza de Moria Pita, 10 - 1 = Tel: +34 981 492 100 = Fax: +34 981 490 800 = Postoode: 15001 = A Coruña = Spain Email intercores@greensha.m. - www.greensha.es.



#### 8.1 Financial assets at cost.

The details of the financial assets classified in this category are as follows:

(Euros)	Initial balance	Acquisitions	Write- offs/Dispos als	Provisions	Closing balance
Year 2021					
Equity instruments					
Cost	052,397	300,000	-	-	1.152.397
Value adjustments for impairment	-	-		(725.023)	(725 023)
297	852.397	300.000	74	(728.023)	427,374
Year 2020					
Equityinstruments					
Cost	852.397				852.397
Value adjustments for impairment	1000	-			
	852.397	-	0 0-	-	852,397

On July 24, 2015, the group acquired 14.42% of the company Biomasa Forestal, S.L. for an amount of 700 thousand euros, recognized under the heading "Equity instruments." On March 31, 2021, a capital increase took place in which the subsidiary company Greenalia Logistics, S.L. contributed 300,000 euros, maintaining its percentage of participation.

In the year 2021, value adjustments were made in the amount of 725,023 euros, which are recognized in the section "Impairment and profitlioss on disposal of financial instruments impairment and losses" of the consolidated profit and loss account (no impairment in the 2020 financial year). This was done on the grounds that there are indications of impairment due to the losses incurred in recent years and not having identified other capital gains relating to this investment.

Said company is not listed on the stock exchange and the most relevant data are the following:

Group companies	Not book	S. shorteld. Sinct	Dare rapidal	Reserves, adolfdonal publicle expital and results of prior periods	Profition to:	Grants	Sold reprint	Operating profetores
New 3031 BIOMASIA HORSEST RE, ISL	48.31	1025	(500.081	K80300	0.8814	1,81,80	UNIO	80.75
	400,374		1350.001	3630306	(1,806,175)	13036	2361757	(825.717)
Yur 2020 BOMASA FOREITIN, D.L.	19.39	10,0%	5150,001	(448.81)	(5/3.500)	1535 94	1,96.04	W218)
	192,300		5,160,201	(4.46.811)	(975.500)	100.00	1,000,024	(80,170)

The Board of Directors of the Company (taking into account the provisions of Royal Decree 1159/2010, of September 17, which approves the rules for the formulation of consolidated annual accounts, in its article 5 "associated companies,") considers that, while there is the participation of the company Biomeasa Forestall, S.L. to the amount of 14,42%, this does not imply a significant influence thereon and, accordingly, it cannot be regarded as an associated company. This is due to the fact that said percent does not reach 20% and, in general, the rest of the indicators established in the aforementioned article 5 are not met.

57



#### 8.2 Financial assets at fair value through profit or loss

The details of the financial assets classified in this category are as follows:

	20:	2020			
(Buros)	Acquisition cost	Fair value	Acquisition cost	Fair value	
Short-term financial assets					
Equity instruments					
Investment funds	431.000	431.000		-	
	431.000	431,000	-	-	
	431.000	431.000			

The group maintains a fixed income investment fund in this category. It was subscribed on dates close to the end of the year, so there is no difference between its cost value and fair value calculated in accordance with level 1 (quoted market prices).

#### 8.3 Financial assets at amortized cost.

The details of the financial assets classified in this category are as follows:

(Euros)	2021	2020
Long-term financial assets	2,00,010	
Loans to group companies (Note 18.1)	524.606	919.717
Loans to third parties	88.666	18.752
Guarantees delivered and advance payments	20.637	13.152
	633.909	951.821
Short-term financial assets		
Trade receivables for sales and services	18.169.446	8.862.876
Personnel	35.000	35,000
Loans to group companies (Note 18.1)	-	500.728
Guarantees delivered and advance payments	436.909	210.167
	18.641.355	9.608.771

The fair value of these financial assets, calculated based on the discounted cash flow method, did not differ significantly from their carrying amount.

Long-term and short-term loans to group companies

As of December 31, 2021 and 2020, the heading "Long-term loans to group companies" consists entirely of the resulting balance of VAT receivable in relationship with Smarttia Spain, S.L.U. (formerly Noroeste Inversión y Desarrollo, S.L.U.) due to the tax group headed by said company. Likewise, the current account with said entity is included in the "Short-term loans to group companies" heading.

Guarantees delivered and advance payments

This section mainly includes guarantees related to forestry activities to guarantee possible damage due to forest exploitation.

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 = Tet +34 901 402 100 = Fox +34 901 400 800 = Postoode: 15001 = A Coruña = Spain Email: crestocen@greensla.es = \_\_www.greensla.es.

183



#### Trade receivables for sales and services

As of December 31, 2021, the amount shown under the heading "Trade receivables for sales and services" is primarily composed of invoices for the sale of energy corresponding to production from the last two months of the year, and for trade receivables related to forestry.

#### Personne

The group recognizes under this heading several credits to executive employees for the purchase of shares.

#### Value adjustments

As of December 31, 2021 and 2020, the group does not recognize impairment value adjustments in the item "Trade receivables for sales and services."

Long-term loans do not have specific terms, so the classification as long-term corresponds to the best estimate by the Directors on the length thereof.

#### 8.4 Financial asset offsets

For presentation purposes, no financial assets have been offset against the group's other liabilities.

#### 9. INVENTORY

The inventories at the end of the year mainly are comprised of commercial inventory related to wood.

The amount recorded under the heading "Supplier advances" consists mainly of advances delivered by the subsidiary Greenalia Forest, S.L. to wood suppliers.

As of December 31, 2021 and 2020, pre-agreements have been signed with forest biomass suppliers that do not generate an obligation for the group.

The group has insurance policies contracted that guarantee the recoverability of the net book value of inventories.

As of December 31, 2021, impairment value adjustments amounting to 281,798 euros have been recognized (no amount as of December 31, 2020).

#### 10. CASH AND OTHER EQUIVALENT LIQUID ASSETS

The composition of this heading is as follows:

(Euros)	2021	2020
urrent accounts on demand ther equivalent liquid assets	58.609.857 13.568.972	41,447,840 205,535
	72.176.829	41.653.375

Current accounts accrue the market interest rate for this type of account.

OREENALIA, S.A.

59

. Plaza de Maria Pita, 10 - 1 = Tet: +34 501 402 100 = Fax: +34 501 400 000 = Postcode: 15001 = A Coruña = Spain Email: interroring@greenalia.es = www.greenalia.es.



As of December 31, 2021 and 2020, the heading "Other equivalent liquid assets" includes:

- The current account with Santander Bank for the funds contributed to the liquidity provider in the amount of 307 thousand euros, as established by the alternative market regulations. These funds are the property of Greenalia S.A., although they are made available to said provider so that it can attend to the orders for the sale of shares on behalf of Greenalia S.A. Therefore, the amount of this current account has restrictions on availability.
- A deposit in dollars equivalent to 13.234 million euros, which the group has available to liquidate, but which is pledged due to the requirements to carry out the commissioning of the projects in the United States that the group is carrying out. This deposit generated a positive exchange rate difference of 495,289 euros during the financial year, which is included under the heading "Exchange rate differences" in the accompanying consolidated profit and loss account.

As of December 31, 2021, there are restrictions on the availability of the amount in the current accounts for certain energy generation subsidiaries financed through project finance contracts to the amount of 37,633,914 euros. Thus, the Debt Service Reserve Account (DSRA) of these companies serves as a guarantee to cover bank debt service and it amounts to 2,258,617 euros as of December 31, 2021.

#### 11. NET EQUITY - OWN FUNDS

#### 11.1 Authorized capital

The Parent Company's share capital on December 31, 2021 and 2020 is represented by 21,233,472 fully subscribed and paid bearer shares with a par value of 60,02 each.

(Euros)	2021	2020
Authorized capital	443.419	424.689
	443,419	424,669

As of December 31, 2021 and 2020, the Parent Company has all its shares admitted to trading on the BME Growth Market.

On November 26, 2021, the Parient Company approved a capital increase by issuing 937,500 shares at 0.02 euros par value, each with a premium of 15.98 euros per share. Therefore, the total amount of the increase came to 18 thousand euros of capital and 14,981 thousand euros of issue premium. The extension was fully subscribed by the existing shareholders on that date. Likewise, the issue premium, as required by current law, was fully paid up at the time of subscription. The costs of the increase amounted to 653,088 euros and they were recorded against reserves (Note 11.3).

All the shares making up the share capital enjoy the same rights, there being no statutory restrictions on their transferability.

60

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Ter +34 901 402 900 - Fox +34 901 402 300 - Postopde: 15001 - A Coruña - Spais Ernal inversores@greenala.es - www.greenala.es



The composition of the shareholders is as follows:

	2021	2020
Smarttia Spain, S.L.U.	81,21%	84,26%
Alazady España, S.L.	5,19%	5,18%
Treasury	0,30%	0,32%
Minority shareholders	13,30%	10,24%
	100%	100%

#### 11.2 Issue premium

The issue premium comes to:

(Euros)	2021	2020
Issue premium	18.361.239	3.379.989
	18.361.239	3.379.989

The Capital Companies Act expressly allows the use of the balance of the issue premium to increase capital and it does not establish any specific restrictions on the availability of said balance.

The increase in the issue premium is due to the capital increase of the Parent Company in the 2021 financial year (Note 11.1).

#### 11.3 Reserves and profit and loss brought forward

The details of the heading "Reserves" in the attached consolidated balance sheet are as follows:

(Turos)	Initial belance	Distribution of results	Changes in perimeter	Transactions with treasury shares (not) (Note 11.4)	Other movements	Closing beleace
Year 2021						
Reserves of the Rerent Company						
Legal reserves	80.254		-			80,254
Yokintary receives	(2.746.672)	_	-	219.439	(963,086)	(3.189.321)
Capitalization reservos	36,594	-	-			36.694
Reserves in fully consolidated companies	775,500	325,773			(145,629)	965,734
	(1.853.234)	38.703	-	219.439	(808.757)	(2.196.739)
Profitions brought forward	(963,232)	(900.918)				(1.464.150)
	(2.416.469)	(575.143)		219.439	(808,717)	(3.580,899)
Year 2020	707	100			12 m	100
Reservos of the Rerent Company						
Logal reserves	80,254		2 0 5 F	or property	10000-0	80,254
Voluntary reserves	172.451	-	(3.100.011)	262.016	(80.927)	(2.745.672)
Capitalization reserves	36,504	-	_	_	_	36,594
Reserves in fully consolidated companies	798.500	429.977	-	-	(452.867)	275,500
	1,077,799	439.977	(3.100.011)	262.816	(533.814)	(1.863.234)
Profitious brought forward	(69,610)	(60,512)	-		-	(963.232)
	1,018,149	(53,605)	(3.100,011)	262.815	(503,814)	(2.4%,400)

GREENALIA, S.A.

61

Plaza de Maria Pila, 10 - 1 = Tel: +34 991 402 900 = Fax +34 981 400 000 = Postoode: 15001 = A Coruña = Spain Emait intercorres@greenafa.es = www.greenafa.es.



The change in voluntary reserves in the 2021 financial year is mainly due to the expenses incurred in the Company's capital increase (Note 11.1), as well as the result obtained from the sale of treasury shares through the liquidity provider.

The change in voluntary reserves in the 2020 financial year mainly included the sale of treasury shares through the liquidity provider, as well as the impact of the purchase (by the Parent Company) of 20% of the subsidiary Greenalla Forest, S.L. To this end, on July 30, 2020, the Parent Company equired 20% of Greenalla Forest, S.L. for an amount of 3,828,018 euros. With this transaction, the group held 100% of said company as of December 31, 2020. This transaction was mainly paid for through the transfer of rights over woodlands in the amount of 1.781 million euros, promissory notes issued in the amount of 1.071 million euros, and a payment deferred until June 2021 in the amount of 756 thousand euros.

#### Legal reserves

In accordance with the Consolidated Text of the Capital Companies Act, the legal reserve, as long as it does not exceed the limit of 20% of the share capital, is not distributable to the Partners and may only be used to compansate losses in the event that there are no other reserves available. This reserve may also be used to increase the share capital to the tune of 10% over the already increased capital.

#### Capitalization reserves

In accordance with Law 27/2014 of November 27, on Corporate Income Tax, it is established that the Parent Company will be entitled to a reduction in the taxable base equating to 10 percent of the amount of the increase of own funds — provided that the following requirements are mat:

- The amount of the increase in the entity's own funds must be maintained for a period of 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 must be provided in the amount of the reduction, and this must appear on the balance sheet with absolute separation and an appropriate title, and it will be unavailable during the period provided for in the previous point.

# 11.4 Treasury shares

As of December 31, 2021 and 2020, the Parent Company holds 66,166 treasury shares (57,747 shares as of December 31, 2020).

In total, during the 2021 financial year, 86.855 million shares were acquired with a purchase value of 1.425 million euros (233 thousand shares at a value of 2.493 million euros in the 2020 financial year), and 78 thousand shares were sold at a sale value of 1.294 million euros (212 thousand shares at a value of 2.249 million euros in the 2020 financial year).

The main transactions that have taken place in the 2021 and 2020 financial years are due to the purchase and sale of treasury shares through the liquidity provider.

62

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 = Tel: +34 981 492 100 = Fax: +34 981 492 800 = Postocide: 15001 = A Coruña = Spain Email: enercores@greenalia.es = www.greenalia.es



# 11.5 Consolidated profit/loss

The results for the financial year of each of the consolidated companies are as follows:

		2021			2020	
(lares)	Druttsboss attrouted to the parent company	attributed to non- controlling interests	Profesiona for year	Profittons attributed to the porent company	attributed to non- controlling intervals	Profitions for year
ORENIA, SA	(1.417.630)	-	(1417.439)	(1.380 eas)	-	(4.300.646)
Substitutes						
GREENIUA FOREST, S. L.	1.070,746	-	1,070,746	984 957		004.552
GREENILIA BIOMPIES SUPELY, SLL.U.	(1.526.706)		(1.525.700)		-	
GRENIUA LODISTICI, SILILI	202,806		222,836	562,183		612.183
GREINIUA WOODDHRI, S.L.U.	1.462103	-	1.462.173	(94.800)	-	(94,980)
GREENIUA INDUSTRY, SILUI	80	-	10	26.300		28.136
GREINLIA POMERSYNN, S.L.U.	(606.408)		(606.408)	-	-	
ORDENIUM SHIPMO, SILIJI.	(3077.328)		(377.308)	280.570	-	286,576
GREENILIA BOMASS POMER, S.L.U.	100.294		100,291	52.321	-	12.221
GREENIUM BIOMISS POWER CURTS TEXCHO, S.L.U.	12020		12028	(712,040)	-	(712.140)
GREENALIA WHID POWER, S.L.U.	(280,506)		(280,006)			
ORESMUA WIND FOMERALICEA CREA, SLUI	1.017/638		1017828	-	-	
ORIENALIA WIND POWER ALTO DA ORDA E SILUI	621.796		829,796		-	
CHEMILA WHO FOMILIMONE SOURCE, ST. II.	671208		673 208	(9.062)	-	(6.165)
CREINLIA WIND FOMIR FROM, SL. U.		-	-	(100.201)	-	[130,231]
GREENILA WIND POMER DURCK, SLL LL	1 140 52 5		150.61		-	
GREENILIA SOLAR POWER, SILLII	(847)		(827)		-	
CREENALIA WHID FOWERMACK, SILLU	3.269.177		3.289,177	10000		-
GREENIUM BIOMISS SUPPLY, SILILI			100	(461,036)		[481.EM]
GREENILIA POWER DEVELOPMENT, S.L.U.	(51,000)		(51,006)			
GRENIUA WIND FOWER BOLD MICK, SLL U.	(1.505.001)	-	(1.590,001)	514.800	-	554.000
GREENILIA UND POMEREDI, O SENDRIMOC, S.L.U.	(64,000)		(84,090)			
GREENILIA POWER PORTUGAL	(1.730)		(9.736)			
GREINLIA SCLARFORTLEAL	(929)	-	(5.79)			
GRENIUS POWERUE, NO.	(7.308)	-	(7.308)		-	
CHENIA SOLARIONG NO	(63.209)	-	(61,218)			
	12.005361	-	12.055,861	(575.14%)	-	(575.145)

63

OREENALIA, S.A.

Plaza de María Pla, 10 - 1 - Tel +34 981 482 100 - Exc +34 981 480 800 - Postoode: 15001 - A Coruña - Spain
Emai: intercorres@greenala.as - www.gorenala.as.



#### 12. NET EQUITY - VALUE ADJUSTMENTS

The details and movements for value adjustments are as follows:

(flures)	Initial balance	Additions / (Withdrawals)	Tax effect of Additions / (Withdrawals) (Note 16.2)	Transfers to the profit and loss account	Tax effect of transfers (Note 16.2)	Closing belance
Year 2021						
Cash fow hedges	(7.433.376)	3.337.626	(834,407)	1.465.027	(366,257)	(3.851.387)
Conversion differences	_	61.852	_	-	_	61.852
	(7.423.276)	2,209,479	(834.407)	1.465.027	(266.257)	(3.769.535)
Year 2020						
Cash fow hedges	(4.006 220)	(4.707.050)	1.176.775	1,204,234	(301.059)	(7.433.376)
	(4,806,228)	(4.707.088)	1,176,778	1,204,234	(301,050)	(7,422,274)

# 13. NET EQUITY - SUBSIDIES RECEIVED

Movements in terms of non-repayable capital subsidies are as follows:

	inital balance	Additions/ (Withdraws) s)	Tax effect of additions (Note 16.2)	Transfers to the profit and loss account	Tax effect of transfers (Note 16.2)	Other	Classing belance
Year 2021							
Capital subnities	262.059	_	-	(90.023)	22,715	-	193.951
	282,059	-	-	(90.822)	22.715	-	193,991
Year 2000							
Capital subsidies	323,206	95.730	(23.933)	(196.622)	46.656	6942	262.006
	323,206	95.730	(23,933)	(186,622)	46,656	6.942	202.048

The subsidies awarded mainly correspond to grants related to the acquisition of balers and for the financing of training initiatives.

64

| Plaza de María Pita, 10 - 1 = Tel + 34 981 402 100 - Exx +34 981 403 800 - Postoodo: 15001 - A Coruña - Spain | Email: cressoors@ggreenda.ar. - www.greenda.ar.



#### 14. NET EQUITY - NON-CONTROLLING INTERESTS

The balance included in this heading of the accompanying consolidated balance sheet reflects the value of the minority shareholders' interests in the consolidated companies. Likewise, the balance shown in the consolidated profit and loss account attached under the heading "Profit loss attributed to non-controlling interests" represents the participation of said minority shareholders in the consolidated profit for the year,

The details on non-controlling interests, as well as their movements, are as follows:

(Euros)	Initial balance	Result Allocation	Changes to perimeter	Dividends	Closing balance
Year 2021					
Subsidianes GREENALIA FOREST, S.L.				-	
OTHERS	6.750			-	6.750
	6.760		- CH	0.00	6,760
Year 2020					
Subsidiaries					
GREENALIA FOREST, S.L.	581.047		(534.757)	(46,290)	9
OTHERS	-	9	6.750		6.750
	581.047	) 17	(528.007)	(46.290)	6.760

As of July 30, 2020, the Parent Company acquired 20% of Greenalia Forest, S.L. (Note 11.3). This meant the derecognition of the non-controlling interests of that company. With this transaction, the group held 100% of said company as of December 31, 2020.

65

OREENALIA, S.A.
Plaza de María Pita, 10 - 1 – Tet +34 501 403 100 – Fox +34 501 403 000 – Poxicode: 15001 – A Coruña – Spain Final: Internet mcBgrensilla es. — www.gerensilla es.



The breakdown of non-controlling interests by amounts is as follows:

	Capital	Reserves and issue premium	Result	Subsidies	Closing balance
Year 2021					
Subsidiaries					
GREENALIA VAND FOMER GORD, S.L.U.	450	_	-	-	49
CREENALIA VAND POMERA MAGABELA. S.L.U.	500				30
GREENILIA WIND POWER AS LAGCAS, SIL U.	200	_	_	_	30
CREENULIA VINO POMERICEDERA. S.L.U.	300				30
GREENILIA WIND FOMERCIENO, S.L.U.	300		- 0	-	30
CRETIVUS VIND POWER CORDORE AS SUU	300			- 2	30
GREENLIA VIND POWER ESTERO, S L U	300				30
CREENALIA WIND POWER MONTOKO, S.L.U.	300		- 0	- 0	30
GREEN LIA WHO POWER BARRAL, S.L.U.	500				30
CREENLIA WAD FOWER PREPD, S.L.U.	300		-	-	30
GREEN/LIA WIND POWER PLINTA CANDERA, S.L.U.	300	-		-	30
ORENALIA YAND POMERREGGA, S.L.U.	300	-	100		30
CREEN/LIA WIND FOWER SANISIORO, S.L.U.	300	-	-	-	30
CREENALIA YAND FOMER SAN ROMAN, S.L.U.	300	-	-	-	30
CREENALIA VAND POWER TEXADO, S.L.U.	200	-	-	-	30
ORGINALIA WIND FOMER VILAS, SILILI.	300	-	-	**	30
CREENALIA WIND FOWER CARDON, SILLU	450	=	-	-	45
CREEN/LIA WIND POWER DUNAS, S.L.U.	450	-			45
CREENALIA YAND FOMER QUANCHE, S.L.U.	450	~ ~	_	-	45
CREENVLIA VIND POWERIMOJO, 8.I. U	450				45
	6.798	- 11	10	71	6.75
Year 2020					
Spridges					
ORESNALIA VIND FOWER GOFFO, S.L.U.	450		-	-	45
CREEN/LIA WAD FOWER A MARABELA; S.L.U.	300	-	-	-	30
CRENALIA WIND FOWER AS LACCAS, S.L.U.	200	-	-		30
CREENALIA VAND POMER CEDERA, S.L.U.	300	-	-	-	30
GREENALIA VINIO POWER CIERVO, S.L.U.	300	-	-	-	30
CREENVLIA VAND POWER CORDOBELAS, S.L.U.	200		100	19	30
GREEN/LIA VAND POWER ESTERO, S.L.U.	300	-			30
GREENALIA YAND POMER MONTOXO, S.L.U.	300	-	-	-	30
CREMALIA VAND FOMERIJA IRAL, S.L.U.	500		-	7	30
ORENALIA YAND POMER PREPCI, S.L.U.	300	-	-	**	30
CREINALIA VIND FOMER PLINTA CANCERA, S.L.U.	300		-	-	30
CREENVLIA VAND POWERIREGOA, S.L.U.	300				30
CREENIUS VIND FOMER SANISIDRO, S.L.U.	300				30
GREENALIA YAND FOWER SAN ROWAY, S.L.U.	300	_	_	_	30
GREENIJA VIND POMER TENDO, S.L.U. GREENIJA VIND POMER VILAS, S.L.U.	300			-	30
GREENLIA WIND FOMER CARDON, SLLU	450				45
SPEENALIA VAND POWERDUNAS, SLL U	450		- 7	7	45
CREENLIA WIND FOMERCUANDE, S.L.U.	400				45
CHARLES CHELLOWS CONTRACT OF CO.	400			-	45
CREENALIA VAND FORMERINCAD, S.L.U.				-	
CREINALA VIND FOMERMOJO, SILU					

GREENALIA, S.A.

Piaza de Maria Pita, 10 - I = Tel: +34 981 492 900 = Fax +34 981 490 800 = Postcode: 15001 = A Coruña = Spain Email: investmen@greenala.es - www.greenala.es.



# 15. FINANCIAL LIABILITIES

The composition of financial liabilities is as follows:

	Dobes wi		other ma		Derivatives	and others	To	Total
(Sires)	2921	2020	2021	2021	2021	2020	2021	2020
Long-term Fear-cial Substition Fear-cial Substition at amortized								
cost.	94.152.227	196,907,621	54,075,343	56.316.446	39,543,911	91.301.023	107.772.491	254.605.190
Hedging derivatives	-	-	-	-	3,750,582	9.163,998	3,730,682	9 163 598
	94.152.227	196.907.621	54.076.343	56.316.446	43:274.403	100.545-421	191.503.063	273,769,488
Short-term Francial labilities Financial labilities at amortized								
cost.	101.047.808	20,658,486	2.636.689	277.942	60,789,996	13.122.282	164.476.495	34.056.710
Hudging derivatives	_	-	_	-	1377536	747.570	1377536	747.570
	101.047.808	20.658.486	2.638.689	277.942	62:167:502	13.869.852	165.854.429	34.804.280
	195.200.035	137,564,987	56,715,832	56,594,300	105.442.425	116,615,273	357,357,492	308.573.768

These amounts are included in the following items of the consolidated balance sheet:

	Dobts wi		Debt instruments and other marketable securities Derivatives and others		Te	Yotal		
(Euros)	2021	2020	2621	2020	2021	2420	2021	2020
MORKS								
Long-term payables Long-term payables to Group		116.907.621	64.0763(3)	56,316,446	30.099.07	99.358,140	176320.427	292,582,216
companies and associative Other non-current labilities	1	-	1	_	2.468.963 10.715.673		2.458.963 10.715.673	1.187.273 1.187.273
	54 152 227	116.907.621	64.076.343	56,316,446	63.274.693	100.585.021	191.503.063	274,956,761
Current financial liabilities								
Shortem payables Shortem payables to group	101.047.008	22.656.106	2,510,689	277.942	41204258	6.074.035	144,890,755	27,400,044
companies and associates	77	-			4.342.341	474.043	4342.841	474 043
Suppliers Suppliers, Group companies, and	74	-		-	2,933,500	3.460.511	2.903.600	3,490,611
associates						5295		5.2%
Sundry creditors		-	-		12,400,116	3.451.670	12,600,156	3.451.678
Personnel (nonuneration pending								
(seyment)		-			2.197	861	2.190	861
Advances received for orders			-		1.084.900	3.100	1.004.960	3.108
	101.047.008	20 656 456	2.030.669	297 942	62 167 912	13.969.852	955854.429	34.804.280
	195,200,035	137.564.167	56,715,602	56,514,388	105.442.425	114.415.273	357,357,492	308,573,768

67

 OREENALIA, S.A.

 Plaza de Maria Pila, 10 - 1 – Tel: +34 981 482 900 – Fax +34 981 483 900 – Postcode: 15001 – A Coruña – Spain Final: <a href="mailto:intercore:@greenalia.se.">intercore:@greenalia.se.</a> – www.greenalia.se.



#### 15.1 Financial liabilities at amortized cost - Debts with credit institutions

Loans and lines of credit from credit institutions

The breakdown of all bank borrowings is as follows:

(Euros)	2021	2020
Long-term		- 0
Loans and lines of credit from credit institutions	87.748.825	109.800.063
Creditors for finance leasing (Note 7.3)	6.403.402	7.107.558
	94.152.227	116.907.621
Short-term		
Loans and lines of credit from credit institutions	99.107.191	18.900.284
Creditors for finance leasing (Note 7.3)	1.940.617	1.066.202
	101.047.808	20,656,466
	195,200,035	137.564.107

 ORDERNALIA, S.A.

 Plaza de Morta Pira, 10 - 1 – Tet + CM 981 482 100 – Fox + CM 981 483 800 – Postcode: 15001 – A Coruña – Spain Emañ (menorre@greenda as ... - www.geenda.es.



#### Loans and lines of credit from credit institutions

The breakdown of all bank borrowings is as follows:

- 3	2021	10	200	10		1
(Guros)	Long-term	Short-term	Long-term	Short-term	Amount granted/ Limit	Maturity
Loans - Senior Debt (Greenalla Biomass	Pow er Curtis Telepin	0.81.01				
European Investment Bank tranche		43.907.866	41,253,416	2.540.217	50,000,000	2.034
Commercial branche		22,979,581	21.451.774	1,216,912	26,000,000	2.034
EGA tranche	200	21.075.400	19.802 168	1.123.440	23 999 563	2.034
VAT credit	144	-	-	_	2.000,000	2.000
Formalization expenses		(3.626.427)	(3.536.353)	(364.763)	22222	-
Loans - Senior Debt (Greenalis Wind Pov	e er Epio Senior Moc.	31.03				
Senior tranche	44.877.310	2.014.307	27.134.048	1.571.603	61,209,766	2.006
VAT code	-		_	821.512	1,000,000	2.021
Formatization expenses	(1.139.600)	(124.335)	(1.105.675)	(134.335)	-	-
Loans (Greenato Power Development, S	U. UD					
Santanoer	40,000,000	-		-	40,000,000	2.023
Formalization expenses	(752.674)	(408.289)				-
Interest accrued and not past	-	458,667	_	-	-	-
Loans - others						
Abenca				28.054	250,000	2.001
Darress	77.380	70,252	147,683	68.946	345,360	2.023
Danida	577.451	72.549	396,671	54.322	450,000	2.005
Bunkhlur	248.851	110.502	-	558.220	568,220	2.005
Bananter	308.016	41.982	207.641	42 355	350 000	2.025
Bantinter	203.954	58.082		2000	300.000	2.028
Lie Galica		44		50.868	150,000	2.021
La Catxa	91.084	55,375	146.459	53.768	261,000	2.024
Liberburk.	83.816	20,210	104.025	19.746	125,400	2.006
Libertrank	258.696	41.302	256,696	41.302	300,000	2.005
Sabadel	12.898	12:389	25.292	11.503	76,171	2.023
Subadel	29.064	30.883	59.947	30.046	150,000	2.003
Caya Duero	189.279	81.234	270.514	79.508	560,000	2.025
Trodos	107.210	49.897	157.106	48.910	250.000	2.025
Triodos	401.243	63,138	401.243	98.757	500,000	2.005
Tredes	58.066	5.137	56 060	15.570	80,000	
Santander	527.099	72.301	527.699	72:301	600.000	2.025
Santandor	445.318	199.144	644.534	195.431	980,260	2.025
Santanger	617.350	82,641	616,648	19.352	700,000	2.025
BBVA	554,197	123,155	677.352	123,155	819.904	2:027
Pinskor	72.212	13.718	86.961	13,356	100.525	2:027
Popular		-	-	65.761	318.757	2:021
interest accrued and not paid	-	20.032		_		
Credit policies	**	5.466,726		5.347.571		2022-2025
Discount Lines / Confirming / Factoring		5.337.469	-	5.264.578	6.000.000	2022-2025
Bank cards		7.864	-	18,032		-
	87.748.825	99.107.191	109.800.063	18.990.284	224.445.190	

69

| OREENALIA, S.A. |
Plaza de María Pita, 10 - 1 = Tel: +34 981 482 100 = Fax: +34 981 403 800 = Postocie: 15001 = A Coruña = Spain.
Email: intercores@greenia.m. = www.preculia.es.



1) Senior Debt - Greenalia Biomass Power Curtis Teixeiro, S.L.U.

As of July 25, 2018, Greenalia, S.A. (through its subsidiary Greenalia Biomass Power Curtis Telceiro S.L.U.) signed a loan of 125 million euros to finance the biomass electric power production plant in the town of Curtis Telceiro (A Coruña, Galicia). A structured loan was formalized through a Project Finance Agreement for a total of 102 million euros (Project Financing) and a Mezzanine Financing Agreement was formalized for the amount of 23 million euros to finance the commissioning of an electric power generating plant using biomass that is being built in A Coruña and which will have a capacity of about 50 MW.

The transaction, in which Santander Bank acted as agent and coordinator, involved the EIB, ICO, and Santander Bank itself in the Senior Debt of the Project, as well as its the Margueritle II Fund in the Mezzanine Financing (Note 15.3, under the heading "Other long-term and short-term debts"). The project also has a guarantee from the Finnish ECA, Finnvera Ptc. representing 95% of the ECA portion.

The interest rate for these debts is the 8-month Euribor plus a margin. The financial expenses accrued in the year 2021 corresponding to the Senior Debt amounted to 2,363,350 euros (2,322,751 euros of financial expenses in the year 2020, of which 817,572 euros ware capitalized under "Tangible fixed assets" in the consolidated balance sheet and which corresponded to the interest accrued during the months in which the plant was under construction.

The Senior Debt Loan Agreement is subject to compliance ratios, applicable to Greenalia Biomass Power Curtis Teixeiro, S.L.U. as of December 31, 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 bring about early termination of the contract. As of December 31, 2021, the Dependent Company has not breached any of said ratios.

As of December 31, 2021, the senior debt is classified as short-term in its entirety due to the change of biomass plant operator. The prior approval thereof, according to the financing contract, was required by the financing institutions and this is an early termination clause. This approval had not been obtained as of December 31, 2021; thus, all of the debt was classified as short-term debt.

2) Senior Debt - Greenalia Wind Power Eolo Senior Moc, S.L.U.

As of July 30, 2019, through its affiliates Greenalia Wind Power Eolo S.L.U. and Greenalia Wind Power Eolo Senior S.L.U., Greenalia S.A. obtained lines of credit for 84 million euros 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 undertaking in Galicia.

The operation has been structured through the project finance scheme with a senior and another junior (mezzanine) portion. Sabadell Bank is the agent and coordinator of the senior portion, which comes to the amount of 61 million euros. The junior/mezzanine portion has been subscribed for an amount of 22 million euros (Note 15.3 under the heading "Other long- and short-term debts"). In addition, VAT policies have been subscribed for the amount of 1 million euros, as well as guarantees and the remaining contracts and instruments required for this type of financing.

In addition to which, as part of the capital structure, Greenalis has signed a bilateral loan with EPCista (Electron S.A.), who will be involved in the Bollo Project beyond the simple execution of the construction (note 15.3 under "Other long- and short-term financial liabilities").

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I - Tel: +34 981 402 100 - Fox +34 981 400 800 - Postoode: 15001 - A Goruña - Spain Email: crestoces@greenala.es - www.greenala.es

189



The interest rate for these debts is the 6-month Euribor plus a margin. The financial expenses accrued in the year 2021 corresponding to the senior debt (except VAT credits) amounted to 1,192,565 euros (127,947 euros of which were capitalized under the heading "Tangible fixed assets" on the belance sheet, corresponding to the interest accrued for the wind farms under construction; (802,081 euros of financial expenses in the year 2020, of which 485,989 euros were capitalized under the heading "Tangible fixed assets".

#### 3) Other loans

As of October 8, 2021, the subsidiary Greenalis Power Development, S.L.U. signed a loan agreement with Banco Santander, S.A. for the amount of 40,000,000 euros, granted exclusively to refinance the debt granted by Mast Investment and to continue financing the development costs for the project. This loan accruse interest at a Euribor interest rate plus a margin. The maturity date of said loan is October 6, 2023, with the possibility of rereved under compliance with certain conditions. The financial expenses accrued in the 2021 financial year amounted to 528,715 euros, of which 458,867 euros have been capitalized under the heading "Tangible fixed assets – Fixed assets in progress and advances" of the ettached consolidated belance sheet.

Regarding the rest of the loans, they have a variable interest rate consisting of the Euribor rate plus a market premium and are not subject to any guarantee — except the loan with the Banco Pastor Bank in the amount of 86,930 euros (99,419 euros on December 31, 2020) which matures in 2027. This loan is subject to a mortgage guarantee over the land owned by the group (Note 7.2).

in 2021, the group obtained a loan for a total amount of 300,000 euros with the guarantee of the Official Credit Institute of Spain (ICO), its maturity is in 2028.

In 2020, the group received eight loans for a total amount of 3,548,220 euros with the guarantee of the Official Credit Institute of Spain (ICO), all of which mature in the year 2025. This was thanks to the measures adopted by the Government of Spain to alleviate the effects of the COVID-19 pandemic for companies.

The details of the annual maturities for long-term loans and lines of credit credits with credit institutions (excluding debt formalization expenses) are as follows:

(Euros)	2021		2020
Year 2023	4.252.635	Year 2022	7.844.288
Year 2024	44.117.098	Year 2023	7.916.483
Year 2025	3.813.677	Year 2024	7.927.236
Year 2026	3.310.027	Year 2026	7.884.547
Year 2027 and those that foll	34.147.670	Year 2026 and those that follow	82.953.581
	89.641.107		114.526.135

The Directors believe that the group will be able to meet all contractual obligations arising from the loans on time in the future.

71

### OREENALA, S.A.

Plaza de Maria Pita, 10 - 1 = Tet +34 961 482 100 = Fax +34 961 489 800 = Postcode: 15001 = A Coruña = Spain

final: ||mesticos/Egracosalia.es | www.generalia.es |



Regarding loan and discount policy agreements, the group has the following:

	2021			2020		
(Buros)	Drawn	Limit	Available	Drawn .	Limit	Available
Credit policies	5.466.725	5.822.368	385.642	5.347.571	5,461,842	114.271
Discount Lines / Confirming	5.337.469	6.000.000	662.531	5.284.376	5.100,000	-164.578

The loan and discount policy agreements accrue a variable interest rate, consisting of the Euribor rate plus a market premium.

15.2 Financial liabilities at amortized cost - Debt instruments and other marketable securities

This heading includes bonds that the Parent Company has issued as debt and that are admitted to trading:

	, s t	2021	95000000000	2020		
(Buros)	Long-term	Short-term	Financial expenses	Long-term	Short-term	Financial expenses
Bond I	-	_	(4.580)	-	100,000	(537.306)
Bond II	100	-	_	-	-	(357.441)
Bond III	55000 H	2,400,000	(132,000)	2.400,000	_	(451,146)
Bond N	55 000 000	0.0000000000000000000000000000000000000	(2.722.500)	66,000,000		(111.884)
Formalization expenses - Bond I	400000000000000000000000000000000000000	_	(5.015)	variable.	(5.015)	(113.245)
Formalization expenses - Bond #			-		-	(162,609)
Formalization expenses - Bond III		(9.406)	(09,055)	(37,414)	(60.927)	(30.015)
Formalization expenses - Bond N	(923.957)	0.000	(215.146)	(1.046.140)		- 11
Interest accrued and not paid		247.175			243.884	
Total	54.076.343	2,638,619	(3.169.207)	56.316.446	277.942	(1.766.738)

On December 15, 2020, the Parent Company issued a senior bond for an amount of 55,000,000 euros that has been fully subscribed and disbursed on the Alternative Fixed Income Market (MARF). That bond matures in the year 2025 and accrues annual interest at the fixed annual rate of 4,95%. The destination of the funds obtained will be:

- Substitution of bonds in MTF Lux for a total amount of up to 15 million euros meant to finance the biomess plant.
- Replacement of the Mast Investment loan in the amount of €18M for the financing of the first wind farms developed and photovoltaic licenses.
- Financing of Eligible Green Projects in accordance with the Green Bond Principles (GBPs), published by the International Capital Markets Association (ICMA).

Consequently, the parent Company proceeded in financial year 2020 to cancel bonds I, II, and (partially) bond III, as well as the amortized costs linked to said bonds that had been recognized as a financial expense in the consolidated profit and loss account.

72

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tel: +34 981 492 900 = Fax: +34 981 492 800 = Postoode: 15001 = A Coruña = Spais Email: enercores@greenala.es — www.greenala.es



This bond had the following specific conditions, among others:

- i. Obligations of the issuer:
- a) Semi-annual reporting obligations consisting of the publication of a limited review of the Group's semi-annual financial statements and the unaudited Adjusted Debt to Equity Ratio for that semester.
- Annual reporting obligations consisting of the publication of the consolidated annual accounts and the Adjusted Debt to Equity Ratio (both audited) for that year.
- c) Pari passu ranking, which means that the rights of the bondholders before the issuer will have at least the same priority rank (pari passu) in terms of preference or privilege as the rights corresponding to the rest of the unsubordinated creditors not guaranteed by the issuer.
- d) Debt limit: The issuer agrees not to increase indebtedness when, at the Group level, the Net Financial Debt/Adjusted EBITDA ratio exceeds the following limits:

	2021	2022	2023	2024	2028
Ratio s	5x	5x	4.5x	4x	3.5x

Additionally, the issuer agrees to not increase indebtedness if the debt service coverage ratio is below 1.5x during the 5-year term of the bond.

- Limitations on structural modifications: The issuer undertakes not to sell assets and/or subsidiary companies, unless the destination of the resources is the cancellation of debt or reinvestment in new projects.
- f) Limitations on the distribution of dividends: Maximum pay-out of 25% provided that the Net Recourse Debt/Adjusted EBITDA ratio is below 4x and provided that 100% of the note has been covered in the Quarantee Account corresponding to the current year.
- Early maturity in the event of a change of control in the company and/or the sale of the business.
- ii. Guarantees:

Issuance is to have the following guarantees to be granted by Smarttia Spain, S.L.U. (the "Issue Guarantees"):

- a) Pledge over 20% of the shares of Greenalia, S.A.
- b) Piedge on the Guarantee Account to guarantee the annual note, in which the cash flows generated by the company's activity are deposited until the amount of 100% of the annual note is reached - until at least the debt service coverage ratio for the note for the financial year is covered.

73

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 – Tek +34 681 482 100 – Fax: +34 101 480 100 – Postcode: 15001 – A Coruña – Spain Email Instructos/Exprensión es — sww. generalía es

greenalia

On July 26, 2018, the Parent Company issued a simple bond program in the full amount of 25,000,000 euros on the European Market. Luxembourg Stock Exchange (MTF of Luxembourg). That program began with the issue of a Series 1 Tranche 1 bond for the amount of 3,200,000 euros (Bond II), which was fully subscribed and paid in. That bond matures in the year 2022 and accrues annual interest at the fixed annual rate of 6,75%. Said bond was cancelled in full during 2020.

In addition, a bond in the amount of 2,400 million euros (Bond III) is recognized under this heading. This bond was initially issued on January 31, 2019, for an amount of 8 million euros, it matures in 2022, and it accrues fixed annual interest at a rate of 5,50%. This bond was partially canceled in the 2020 financial year, and it had the following specific conditions:

- Restriction on the distribution of dividends at 20%, provided that the Net Financial Debt/EBITOA ratio is greater than 1.5x and that 100% of the note has been covered in the Guarantee Account.
- Early maturity in the event of a change in control in the company and/or the sale of the business.
- Early maturity of issuance in the event of capital increase (after payment of the Call Option).
- iv. The same order of priority (pari passu) as the current and future receivables of others (unsubordinated and non-guaranteed creditors), with the expiration of lines of credit that early preferential status in accordance with the law.
- v. Guarantees:
- a) Pledge of 3.6% of the shares of the share capital belonging to Greenella, S.A. The shares subject to the pledge will come from the companies' holding shares of the holding company, currently Smarttia Spain, S.L.U. (formerly Norceste Inversion y Desarrollo, S.L.U.). In this way, the pledged shares will be adjusted depending on the final amount of the bond and the price of the share at the close of placement, determining the debt/guerantee ratio at 100% Loan to Value levels.
- Bondholders will have the right to preferential subscription in the next capital increase that the company carries out.
- c) Call option at 101.25% in 2020 and 100.75% in 2021.
- d) Commitment of the parent company to go on the continuous market in the next 24/36 months.



#### 15.3 Financial liabilities at amortized cost - Others

The details of the financial liabilities classified in this category are as follows:

(Euros)	2021	2020
Long-term	3998 D. (5-5) G. K.	www.com
Amounts payable to Group companies and associates (Note 1	2,458,963	1.187.273
Other financial liabilities	26.389.275	90.194.550
Other non-current liabilities	10.715.673	-
	39.543.911	91.381.823
Short-term		
Amounts payable to Group companies and associates (Note 1	4.342.841	474.043
Other financial liabilities	39.826.324	5.726.846
Trade and other payables	16.620.833	6.921.393
	60.789.998	13.122.282
	100.333,909	104.504.105

Long- and short-term payables to Group companies and associates

As of December 31, 2021, the heading "Long-term payables to group companies" consists entirely of the resulting balance of VAT receivable in relationship with Smarttia Spain, S.L.U. (formerly Norpeste Inversión y Desarrollo, S.L.U.) due to the tax group headed by said company. Likewise, the current account with said entity is included in the "Short-term payables to group companies"

75

GREENALIA, S.A.
Piaza de Maria Pita, 10 - I = Tet +34 981 492 900 = Fax: +34 981 493 800 = Postcode: 16001 = A Coruña = Spais

Erralt inversoren@greenala.es - www.greenala.es.

# greenalia

# Other long- and short-term financial liabilities

The composition of this heading is as follows:

	2621		2020		100		
(liuros)	Long-term	Short-term	Long-term	Short-term	Amount granted	Meterity	
Meccanine Debt Greenaka Biomasa P	Ower Curtin Tele	ero, SLU3					
Debt Microsnine		22,588,140	22,579,196	420,804	23,000,000	2.034	
Formalization expenses		(179.554)	(179.554)	(13.300)	_	2.034	
Interest capitalized		10.079.685	6.675.925	-	-	2.034	
Date Magzanina (Greenafia Wind Powe	r Eolo Moc. S.L.U	22					
Cebit Nicosnine		-	22,000,000	-	22,000,000	2.022	
Formalization expenses					_	2.002	
Interest accrued and not paid	0.00	-	4.508.714			2.032	
Dubt (Groomatia Power Spain, S.L.U.)				-		13.00	
Mast Investment		-	30.296.425	_	28,000,000	2 002	
Formalization appenage			(040.129)			2.002	
Debt (Greenalis Wind Power, S.L.U.)							
Becrer		3.164.000	2 225 013	-	3 164 000	2.022	
Formalization expenses	(5.167)	-	(13.753)	-	-	2.032	
Debt   Generalia Wnd Power Eolo Moc Acoli	21,000,000	0.00			21,000,000	2.006	
Formalisation expenses	(294.441)	(80.307)	-	-	-	100	
Interest accrued and not paid	1000	410.794	-	-		-	
Debt (Greenalia Wind Power, S.L.U.)							
Impact Endge		2.750.000	-	-	4 000 000	2.002	
Formalization expenses Other debts	(10.430)	-		-			
The Spoke Loan Funding Dac.	1965750	-	1.955,750	-	2 000 000	2.023	
Doubleho Leaning Borica	14.496	9.908	25.160	9.681	651.604	2023-2024	
Emplea - Ministry of the Economy							
and Competitioness	-	_	-	10.288	161.486	2.021	
Gallician Institute for Economic						0.000	
Promotion (tyape)	100 833	403.333	504 167	403.333	1.139.006	2.021	
Gedesos Odobur				104.579	800,000	2 000	
Other debts	No. term	251.106	103262	878.096	1 566 546	2 004	
Metiplicit	28.360	7.127	7.127	84.870	260,000	2 002	
Fixed as a et suppliers		(8,734)	1321	3.612.982	290,000	2.002	
Reindustrialization (Beindus)	196 (7)	99.086	297.267	3012302 30 DAG	2 303 250	2 624 2 626	
Torofeunce	198,873	33.000	297.207	13.340	1,200,000	2.024 2.025	
Sepes mortosce loan	3.301.721	397.850	- 2	10.340	3 570 000	2.021	
Items pending application	3.301.723	(66.115)	- 5	7.711	2370.000	2401	
1-0-82000 000 00000		2000		* ******		10	
	26,369,275	39.826,324	30.194.550	5,726,846	118,283,894		

<sup>1)</sup> Mezzanine Debt (Greenalia Biomass Power Curtis Teixeiro, S.L.U.)

As of July 25, 2018, within the framework of the financing of the Curtis Teixeiro Biomass Plant (A. Coruña), formalized by the subsidiary Greenalla Biomass Power Curtis Teixeiro, S.L.U.

76

| GREENALIA, S.A. |
Plaza de Maria Pita, 10 - 1 = Tel: +34 981 432 100 = Fax: +34 981 403 800 = Postoode: 16001 = A Consta = Spain Email::messores@preciala.m. - www.greensta.es.



The interest rate on this debt is fixed. The financial expenses accrued in the year 2021 corresponding to the mezzanine debt amounted to 3,417,060 euros (3,043,280 euros in the year 2020, of which 1,275,632 euros were capitalized under "Tangible fixed assets - Fixed assets in progress and advances" in the consolidated balance sheet and which corresponded to the interest accrued during the months in which the biomass plant was under construction).

This debt is subject to compliance with the same ratios as the senior debt, applicable as of December 31, 2020 (Note 15.1).

As of December 31, 2021, the mezzanine debt is classified as short-term in its entirety due to the change of biomass plant operator. The prior approval thereof, according to the financing contract. was required by the financial institutions and this is an early termination clause. This approval had not been obtained as of December 31, 2021; thus, all of the debt was classified as short-term debt.

2) Mezzanine Debt (Greenalia Wind Power Eolo Senior Moc. S.L.U.)

This debt has been cancelled by repaying it, mainly with the financing obtained from a fund managed by Acofi Gestion, S.A.

The interest rate on this debt was fixed. The financial expenses accrued in the year 2021 corresponding to the mezzanine debt amounted to 2.392,875 euros of which 1,216,491 euros were capitalized under "Tangible fixed assets -Fixed assets in progress and advances" in the consolidated balance sheet and which corresponded to the interest accrued related with the wind farms under construction (3,011,404 euros in the year 2020, of which 2,566,780 euros were capitalized under "Tangible fixed assets" and which corresponded to the interest accrued during the months in which the wind farms were under construction).

3) Other debts

The main debts included under this heading are as follows:

On July 30, 2021, the subsidiary Greenalia Wind Power Eolo Moc, S.L.U. signed a loan agreement with a fund managed by Acofi Gestión, S.A. for the amount of 21,000,000 euros, granted exclusively to partially refinance the debt granted by Ben Oldman (Mezzanine). This loan accrues interest at a fixed interest rate subject to periods. The maturity date of said loan is July 30, 2026. The financial expense accrued in the 2021 financial year amounted to 437,562 euros.

77

GREENALIA, S.A. Plaza de María Pita, 10 - 1 - Te1: +34 981 482 100 - Fax: +34 981 480 800 - Postopde: 15001 - A Coruña - Spain Erralt intercores@greenals.es. - www.precolis.es.

greenalia

On September 9, 2021, the subsidiary Greenalia Wind Power Eolo Moc. S.L.U. signed a loan agreement with a fund (IB ImpactDebt Fund) for the maximum amount of 4,000,000 euros, granted exclusively to partially refinance the debt granted by Ben Oldman (Mezzanine). This loan accrues interest at a fixed interest rate. The maturity date of said loan is September 9, 2022. The financial expenses accrued in the 2021 financial year amounted to 70.841 euros, of which 65.625 euros have been capitalized under the heading "Tangible fixed assets - Fixed assets in progress and advances' of the attached consolidated balance sheet.

As of May 24, 2021, the subsidiary Greenalia Biomass Power Curtis Teixeiro II, S.L.U. formalized a mortgage loan with Sepes Entided Pública Empresarial de Suelo (Sepes) in the amount of 3,978,000 euros for the acquisition of eleven plots located in the town of Curtis Teixeiro (A. Coruña). This loan accrues interest at a fixed interest rate. The maturity date of said loan will come about in the 2031 financial year.

As of August 1, 2019, the subsidiary Greenalia Wind Power, S.L.U. signed a loan contract with Elecnor, S.A. for an amount of 3.164,000 euros, composed of 2.164,000 euros granted exclusively to complete the financing necessary for the execution of the Ourol and Miñon Projects, which fall under the Eolo I Project, and 1,000,000 euros to complete the necessary funding for the execution of the Alto da Croa I and Alto da Croa II Projects, also included in the Eolo I Project. These loans accrue interest at a fixed annual rate. The maturity date of said loan is August 2, 2022. The financial expenses accrued in the 2021 financial year amounted to 197,768 euros, of which 80,218 euros have been capitalized under the heading "Tangible fixed assets - Fixed assets in progress and advances" of the attached consolidated balance sheet (151,480 euros in 2020, which were fully capitalized as "Tangible fixed assets").

As of December 31, 2020, a loan with Mast Investment, S.A.R.L. was also included, which was repaid with the funds obtained in the debt with Banco Santander described previously. The financial expenses accrued in the year 2021 came to 3.735.925 euros, of which 723.948.97 euros have been paid (CASH interest) and the rest capitalized (PIK interest), of which 2.895,796 euros have been capitalized under the heading "Tangible fixed assets - Fixed assets in progress and advances" in the accompanying consolidated balance sheet (financial expense in the year 2020 in the amount of 3.061,900 euros, of which 765,475 euros were paid (CASH interest) and the rest capitalized (PIK interest), capitalized in full as "Tangible fixed assets").

As of December 31, 2021, a lower income effect was included in the liabilities due to adjustment for market price deviations (VAJDM) as stipulated in Royal Decree 413/2014, for the year 2021 - the amount of which was 10,716 million euros.

Likewise, as of December 31, 2020, this heading included suppliers of fixed assets in the amount of 3,612,982, which mainly came from the subsidiary Greenalia Biomass Power Curtis Teixeiro.

78

GREENALIA, S.A. Plaza de María Pita, 10 - 1 - Tel: +34 981 402 100 - Fax: +34 981 400 800 - Postopde: 15001 - A Coruña - Spain Erral (removes@greenstam - www.greenstam.



The details of the annual maturities for "Other financial liabilities" over the long term (excluding debt formalization expenses) are as follows:

(Garos)	2021		2020
Year 2023 Year 2024 Year 2025 Year 2026 Year 2027 and those that follow	2,617,004 525,472 422,729 21,422,729 1,890,817	Year 2022 Year 2023 Year 2024 Year 2025 Year 2025 and those that follow	28.105.703 36.097.160 1.539.504 1.690.459 23.715.160
	26.679.333		91,227,986

#### Other non-current fiabilities

As of December 31, 2021, a lower income effect was included in this heading due to adjustment for market price deviations (VA-IDM) as stipulated in Royal Decree 413/2014, for the year 2021 — the amount of which was 10,716 million euros.

#### Trade and other payables

The composition of this heading is as follows:

(Euros)	2021	2020
Suppliers	2.933.500	3.460.511
Suppliers, group companies, and associates (Note 18.1)	=	5.235
Sundry creditors	12,600,158	3,451,678
Personnel (remuneration pending payment)	2.197	861
Customer advances	1.084.980	3.108
	16.620.833	6.921.393

#### 15.4 Financial liabilities at fair value through profit or loss

#### Hedging derivatives

As a result of the Senior Debt financing agreement formalized by Greenalia Biomass Power Curtis Teleciro, S.L.U. (Note 15.1), in order to obtain a hadge with respect to possible variations in interest rates under the EIB Financing Contract, the ECA Financing Contract, and the Commercial Financing Contract, the company Greenalia Biomass Power Curtis Teleciro, S.L.U. (on the same date as the financing agreements described above) concluded an interest rate hedging agreement with Sentander Bank (Fedging Agreement), under which the Company will pay the hedging entity a certain fixed interest rate and will receive the variable interest rate formalized on the indicated long-term loans from the provider entity. This agreement is designed to cover interest rate risks on long term loans.

79

 OREENALA, S.A.

 Plaza de Moria Pita, 10 - 1 = Tet + 34 961 402 100 = Pax + 34 901 400 800 = Postcode: 15001 = A Coruña = Spain Email (instructor)@greenalia e.



Likewise, as a result of the Senior Debt financing agreement formalized by Greenalia Wind Power Eolo Senior Moc, S.L.U. (Note 15.1), in order to obtain a hedge with respect to possible variations in interest rates under the Financing Contract, said company concluded an interest rate hedging agreement with Sabadel Bank (Hedging Agreement), under which the Company will pay the hedging entity a certain fixed interest rate and will receive the variable interest rate formalized on the indicated long-term loans from the provider entity. This agreement is designed to cover interest rate risks on long-term loans.

The details on the hedging derivatives held by the Company as of December 31 are as follows:

	Notic	Fair value		
(Baros)	2021	2020	2021	2020
Interest rate swap	108.384.419	112 864 305	5.108.518	9.911.108
Total	108.384.419	112.884.305	5.108.516	9.911.168
Total	108.384.419	112.884.305	5.108.616	

The fair values of these financial instruments, calculated on the basis of the discounted cash flow method using interest rate curves and future exchange rates, are reflected in financial assets and liabilities as of December 31 as follows:

(Baros)	2021	2020
Long-term debt - Derivatives	3.730.582	9.163.596
Short-ferm-debt - Derivatives	1.377.934	747.570
Total	5.108,516	9,911,168

The fair value of hedging derivatives corresponds to Level 2 (significant observable variables).

The fixed rate of derivatives is between 1.2% and 0.6%. The financial expenses accrued in the year 2021 corresponding to the hedging derivatives amounted to 1,465,027 euros, of which 66,667 euros were capitalized under "Tangète fixed assets" in the consolidated belance sheet and which corresponded to the interest accrued related with the wind farms under construction (1,204,234 euros in the year 2020, of which 624,675 euros were capitalized under "Tangèble fixed assets" and which corresponded to the months in which the biomass plant and wind farms were under construction.

#### 15.5 Financial liabilities offsets

For presentation purposes, no financial liabilities have been offset against the group's other assets.

- 84

 GREENALIA. S.A.
 Plaza de Maria Pita, 10 - 1 = Tel: +34 981 432 900 = Fax: +34 181 483 800 = Postcode: 15001 = A Coruña = Spais

 Email: inversore::Spreeniala.m. — www.preeniala.m.
 — www.preeniala.m.



#### 16. TAX SITUATION

The details of the balances related to tax assets and tax liabilities are as follows:

(Euros)	2021	2020
Deferred tex assets	1,928,568	2.915.050
Current tex assets	25 131	139.430
Other receivables from Public Authorities	309.969	316,009
VAT	200.520	96.091
Social socurity	2.132	-
Withholdings and payments on account	4.249	0.000
Subsidies granted	166.038	204.648
Other balances receivable from tex authorities	9 022	13.270
	2.343.668	3,370,495
Deferred tox trabities	113.987	136,701
Current tax liabilities	-	-
Other payables to Public Authorities	349.919	242.363
VAT	37,004	480
Personal income tax	192.483	128.298
Social security	109.972	87.590
Other balances payable to the tax authorities	10.460	26.007
	463.906	379.084

With effect from January 1, 2019, and with the approval of the Board of Directors of Greenalis, S.A., it was agreed to approve the Company's acceptance of the tax consolidation scheme governed in Chapter VI of the Consolidated Text of Law 27/2014, of 27 November, on Corporate Income Tax.

To this end, it was agreed that the Company Smarttia Spain, S.L.U. (formerly Noroeste de Inversión y Desarrollo, S.L.U.), holder of a direct stake of more than 70% in the share capital of Greenalla, S.A., should establish, as a parent company, said tax consolidation group. Therefore, Greenalla, S.A. is part of the tax group, with Smarttia Spain, S.L.U. being the head of the tax group formed by the Company and the other companies of the group as subsidiaries.

In addition, with effect from January 1, 2019, and with the approval of the Board of Directors of Greenalla, S.A., it was agreed to approve the Company's acceptance of the tax consolidation scheme for Value Added Tax, governed in articles 153 and those that follow of Law 37/1992, of December 26, on Value Added Tax. To this end, it was agreed that the company Smarttla Spain, S.L.U., (formerly Norceste Inversion y Desarrollo, S.L.U.) would be the head of the tax group formed by Greenalia, S.A. and the subsidiaries.

#### Tax contingencies and others

According to the current legal provisions, tax liquidations cannot be considered final until they have been inspected by the tax authorities or the limitation period has elapsed (currently set at four years). In the opinion of the group's Directors, as well as its tax advisors, there are no tax contingencies of significant amounts that could arise in the event of an inspection from possible different interpretations of the tax regulations applicable to the transactions carried out by the group.

81



#### 16.1 Calculation of corporate income tax

Set out below is the reconciliation between net income and expense for the year and the tax assessment base for Corporate Income Tax:

	Frofit and loss account			Income and expenses directly charged to equity		
(Duros)	Increases	Decreases	Total	Increases	Decreases	Total
Year 2021 Balance of income and expenses for the			10/20/20/20			117000 107
Continuing operations			12 035 891			3 595 733
			12.036.801			3.555.733
Corporate income tax						
Continuing operations		-	4.128.650	-		1.177.940
			4.128.650			1.177.940
Balance of income and expenses for	the year		- 100000			100000
before taxes			15.164.541			4,773,683
Permissent differences	1.628.607	-	1.628.657	-	14	(H
Temporary differences						
Arising during the year	1.565.624	(12.303)	1.563.321		(4.773.682)	(4.773.682)
Capitalization reserves	-	-		-	***	-
Conversion differences	-	-	(1.213.136)			-
Taxable base (tax result)	3,194,321	(12.303)	18.133.423			
Year 2020						
year'						
Continuing operations		_	(575.145)	2		(2.688.375)
300 2 2 3 3 3 3 4 5 5 C L			(575.145)			(2.660.375)
Corporate income tax						
Continuing operations	-	100	(143.245)	-		(898.439)
			(143.245)			(890.439)
Balance of income and expenses for	the year		100000			Mary State
before taxes			(718.390)			(3.586.814)
Permanent differences	28.973	6 9	28.973			
Temporary differences	20000		200.00			
Arising during the year	) H	(145.957)	(145.957)		3.585.814	3.586.814
Conversion differences			485,835			
Taxable base (tax result)	28,973	(148.987)	(349.539)			-

In the 2021 financial year, the main positive permanent differences correspond to impairments that were not considered deductible, and the main temporary differences correspond to limitations in terms of the deductibility of financial expenses.

82

GREENALIA, S.A.

Plaza de Maria Pira, 10 - I - Tel: +34 981 492 100 - Fox +34 981 492 800 - Postcode: 15001 - A Consta - Spain Email: memoran@greenala.m. - www.greenala.en.



Reconciliation between tax expenses/income, and the result of multiplying the tax rates applicable to the total recognized income and expenses is as follows:

	20.	25	2020		
(furos)	Profit and loss account	expense attributable directly to	Profit and loss	expense attributable directly to	
Balance of income and expenses for the year before taxes	16.104,541	4,773,982	(718.390)	(3.585.814)	
Tax burden (tax					
rate 25%)	4.041.135	1.193.421	(179:500)	(896.439)	
Non-deductible expenses/Non-computable income	103.800		128.702	1000000	
Activation of deductions	-	-	(92.349)	-	
Others	(16.375)	(16.472)	-	-	
Effective tax expense/income	4.128.650	1.177.949	(143.245)	(896,439)	

The consolidated profit tax expense/income can be broken down as follows:

	20	21	2020	
(Biros)	Profit and loss	income and expense attributable directly to equity	Profit and loss	income and expense amributable directly to equity
Current tax	4.342.031	0.40	(179.734)	1.0
Deferred tax variation				
Deductions pending application	172.918	-	-	
Cash flow hedges	-	1.200.663	-	(875.716)
Limitation of financial expenses	(391.406)	-	36.409	
Grants, donations or gifts, and legacies received		(22.714)	100	(29.005)
Other deferred	4.307			6.942
	4,128,650	1.177,949	(143.245)	(898,439)

The result to pay from the calculation of corporate income tax for the companies of the group in the year 2021 amounts to 4.342 million euros (177,809 to be paid in the 2020 financial year), which has been charged to the parent company of the tax group Smarttla Spain, S.L.U.

83

OREENALIA, S.A.

Plaza de María Plia, 10 - 1 - Tel +34 981 482 100 - Exc +34 981 480 800 - Postocido: 15001 - A Coruña - Spain

Email: intercorres@greenala.ar. - awar generalia as.



#### 16.2 Deferred tax assets and liabilities

The details and movements of the different items that make up deferred taxes are as follows:

		Variations :	reflected in			
(Euros)	Initial balance	Profit and loss account	Net equity	Other changes	Closing balance	
Year 2021						
Deferred tax assets Cash flow hedges Deductions pending application	2.477.792 186.520	(172.918)	(1.200.064)	-	1.277.128	
Capitalized lax credits and others	250.738 2.915.050	387.100 214.182	(1,200,664)		1.028.568	
Deferred tax liabilities Non-refundable grants	136.701	214.192	(22.714)		113.962	
	3.651.751	214.182	(1.223.378)		2.042.555	
Year 2020						
Deferred tax assets  Cash flow hedges  Deductions pending application  Capitalized tax credits	1,602,076 188,520 318,443	(36.489)	875.716	(31.216)	2.477.790 198.520 250.738	
	2.107.039	(36.489)	875.716	(31.216)	2.915.050	
Deferred tax labilities. Non-refundable grants	103.796		(29.665)	62.570	136.701	
	103.796		(29.665)	62.570	136.701	
	2.210.835	(36.489)	846.051	31,354	3.051,751	

## 17. INCOME AND EXPENSES

#### 17.1 Net turnover

The distribution of the group's net turnover corresponding to its continuing operations by activity and by geographical market is as follows:

	2021	2020
Segmentation by activity categories		
Forestry / Industrial	21.629.302	23,464,056
Logistics	3.072.348	4.724.389
Energy	51.831.066	14,815,533
	76.532.716	43,003,978
Segmentation by geographical markets		
Domesto	69.758.958	35.854.781
Intra-Community	6.773.758	7.149.197
	76.532.716	43,003,978

84

Plaza de María Pita, 10 - 1 - Tel: +34 981 492 100 - Fox: +34 981 493 800 - Postode: 15001 - A Coruña - Spain Emai: reconoco@greenda as - awar greenda as.



The recognition of adjustments for market price deviations (VAJDM) corresponding to the 2021 financial year has meant a decrease in the income from the sale of renewable energy in the amount of 12.235 million euros (1.521 million euros as the highest income value in the 2020 financial year) and this is included in the heading "Other non-current liabilities" of the consolidated balance sheet.

The main balances from contracts with customers correspond to customer balances for sales and the provision of services, customer advances, and other non-current liabilities from the consolidated balance sheet.

#### 17.2 Consumption of goods

Details on this heading of the attached consolidated profit and loss account are as follows:

(Euros)	2021	2020	
Purchases of goods	15.344.914	17.276.796	
Variation of goods	(840.158)	(1.251.120)	
	14,504,756	16.025.676	

Almost all of the purchases of goods have been made in national territory.

#### 17.3 Personnel costs

Details on personnel expenses are as follows:

(Euros)	2021	2020
Wages, salaries, and similar compensation		
Wages and salaries Indemnifications	3.121.987 63.203	2.411.299 55.204
VACE A CONTROL OF THE A CONTROL OF THE CONTROL OF T	3.185.190	2.466.503
Social security contributions		
Social security	909.012	690,543
Other social security expenses	17.749	16.395
	926.761	706.938
	4.111.951	3.173.441

#### 17.4 External services

Details on external services are as follows:

(Euros)	2021	2020
Research and development	2.265	41.700
Leases	556.161	319.278
Repairs and maintenance	2.487.787	859.200
Independent professional services	639.993	821.761
Transportation	4.783.967	5.141.505
Insurance premiums	772.613	147,410
Banking services	95.688	24.326
Advertising, publicity and public relations	1.000	1.128
Supplies	1.252.803	235.100
Other services	1.089.708	485.783
	11.681.985	8.077.291

85



#### 17.5 Financial income and expenses

Details on financial income and expenses are as follows:

	2021	2020
Financial expenses		
For payables to Group companies and associates (Note 18.1)	-	(50.000)
Payables to third parties	(12.748.271)	(7.021.841)
For incorporation of financial expenses to assets	(7.435.411)	(9.537.159)
	(20.101.602)	(16.609.000)
Financial income		
Third parties - Capitalization of financial expenses	7.435.411	9.537.156
From third parties - Due to receivables from third parties	-	276

As of December 31, 2021 and 2020, the group includes under the heading "Capitalization of financial expenses" the financial expenses derived from the financing used to finance the development of projects until they are in usable condition.

#### 17.6 Foreign currency

In relation to the assets and liabilities held as of December 31, 2021 in foreign currency and outside national territory, they are mainly composed of an asset related to a dollar deposit of 15 million euros, equivalent to 13,234 million euros — related to the projects in the USA that the group is carrying out (Note 10).

#### 18. TRANSACTIONS WITH RELATED PARTIES

The related parties with which the Group has had transactions during the financial years 2021 and 2020, as well as the nature of this relationship, are as follows:

	Nature of the relationship
Biomasa Forestal, S.L.	Related party
Smarttia Spain, S.L.U.	Direct parent company
Greenalia Power Portugal SGPS, Unipessoal LDA	Group company
Greenalia Solar Power, LDA	Group company

- 0

7.435.411 9.537.435

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tel: +34 961 492 100 = Fax: +34 961 492 300 = Postcode: 15001 = A Coruña = Spais Ernañ inversoren@greenala.es = www.greenala.es



#### 18.1 Affiliated companies

The balances held with the affiliated companies detailed above are as follows:

(Euros)	Long-term loans (Note 8.3)	Short-term loans (Note 8.3)	Long-term payables (Note 15.3)	Short-term payables (Note 15.3)	Suppliers (Note 15.3)
Year 2021					
Smerttle Spein, S.L.U. Biomese Forestal, S.L.	524.606		(2.456.963)	(4.342.632) (9)	7
	524.606	(14)	(2.468.963)	(4.342.841)	-
Year 2020					
Smorttie Spein, S.L.U. Greenollis Power Portugal	919.717	482.551	(1.187.273)	(477.935)	(5.235)
SCPS, Unipersonal LDA		13.900			
Greenella Solar Power, LDA		4.200	-	-	90
Other related parties	-	77		3.892	-
	919.717	500.728	(1.187.273)	(474.043)	(5.235)

As of December 31, 2021 and 2020, the balances of long-term lines of credit and debts with Smartfia Spain, S.L.U. are composed in their entirety of the balances resulting from VAT payable and receivable due to the tax group headed by said company. In addition, the balances of credit and short-term debts with Smartfia Spain, S.L.U. correspond to the current accounts of the group companies with said entity and the Corporate Tax payable.

The details of the transactions carried out with related parties are as follows:

(Curos)	Sales and provision of services	Purchases of goods	Services received	Financial expenses	Financial Income
Year 2021					
Smerttle Spain, S.L.U.	1.986	-	(244.906)	199	
Diomasa Forestat, S.L.	3,444,313	(188.786)		-	-
	3,446,299	(188.786)	(244.906)		
Year 2020					
Smerttle Spain, S.L.U.	120.000		(28.194)	(50.000)	
Diomesa Forestal, S.L.	2.766.007	(298.387)		-	-
	2,086,007	(298.387)	(20.194)	(50,000)	

Transactions with group and related/associated companies have been carried out within the ordinary course of the company's business activity and under normal market conditions.

Sales of goods to Biomasa Forestal correspond to the supply of wood for the related company's production process.

Additionally, in the 2020 financial year, the following should be highlighted:

 Assignment of debt to Smarttla Spain S.L.U. in the amount of 729 thousand euros, which generated a positive result for the group of 389 thousand euros.

87

| GREENALIA. S.A. | Plaza de Maria Pita, 10 - 1 = Tel: +34 981 482 900 = Pax +34 181 483 800 = Postocóe: 15031 = A Coruña = Spain | Final: intercores@greenida as = www.greenida as.



 In addition, the acquisition of 20% of Greenalia Forest has been undertaken with persons related to the majority shareholder of the Company.

What's more, as of December 31, 2021 and 2020, Smarttis Spein, S.L.U. is the holder of 5,000,000 and 7,600,000 euros, respectively, from the bond issued by the parent Company that was subscribed and paid in the Alternative Fixed Income Market (MARF) (Note 15.2).

#### 18.2 Directors and senior management

During the 2021 and 2020 financial years, no remuneration was paid to the Board of Directors for their work as board members.

The Group considers Senior Management staff to be those persons who undertake tasks related to the general objectives of the Group, such as planning, directing, and controlling activities, carrying out their tasks with autonomy and full responsibility, only limited by the criteria and instructions of the logal owners of the Group or the governing and administrative bodies representing said owners. The Group only considers a person can be considered as Senior Management if that person aligns with the definition set out above. The Group companies' joint remuneration to Senior Management for all amounts in the 2021 financial year amounted to 180,000 euros (150,000 euros in the 2020 financial year).

Likewise, the Board of Directors has two executive directors who, in turn, are employees of the Group whose gross remuneration in the 2021 financial year amounted to 224,805 euros (corresponding to one executive director in the amount of 113,333 euros in the 2020 financial year).

In addition, an entity linked to an independent board member invoiced different services to the Group's entities in the 2021 financial year in the amount of 79,805.78 euros (49,000 euros in the 2020 financial year).

As of December 31, 2021 and 2020, the group companies had no pension and life insurance obligations with respect to the previous or current members of their managerial bodies.

In addition, as of December 31, 2021 and 2020, there were no advances or loans granted to senior management personnel or members of the Board of Directors of the Parent Company, nor had any obligations been assumed by them in terms of guarantees.

As of December 31, 2021, there are no credits granted to executive directors who are in turn employees of the group (same amount in 2020).

During the 2021 financial year, the Directors' civil liability insurance premiums were paid for damages caused in the exercise of their position in the amount of 17,138 euros (5,573 euros in the 2020 financial year).

In relation to articles 229 and 230 of the Capital Companies Act, the Directors of the Parent Company have stated that they do not have any conflicts of interest with the consolidated companies.

80

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 = Tel: +34 981 492 100 = Fax: +34 981 492 800 = Postocide: 16001 = A Consha = Spain Email: intercores@greensia.es - www.greensia.es



#### INFORMATION ON THE NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Risk management policies are established by the Group's management, Based on these policies, the Group's Financial Department has established a series of procedures and controls that allow for identifying, measuring, and managing the risks arising from activities with financial instruments.

Activities with financial instruments expose the group to credit, market, and liquidity risk.

#### 19.1 Credit risk

Credit risk is caused by the possible losses caused by the breach of the contractual obligations by the counterparties from Group companies; that is to say, by the chance of not recovering the financial assets at their carrying amount and within the set term.

Group Companies periodically analyze the level of risk to which they are exposed, carrying out reviews of all outstanding receivables from their customers, debtors, and all others of a noncommercial nature. Based thereon, it has been estimated that this type of risk is not present, as there are no cases of delinquency existing or having been detected.

The maximum exposure to credit risk is as follows:

(Buros)	2021	2020
Long-term investments in group companies and associates	524,606	919.717
Long-term financial investments	109.303	31.904
Trade and other receivables	18.619.546	9.353.321
Short-term payables to group companies and associates	***	500.728
Short-term financial investments	436.909	210.167
Cash and other equivalent liquid assets	72.176.829	41.653.375
100	91,867,193	52.669.212

In general, the group's companies maintain their cash and cash equivalent liquid assets in financial institutions with a high credit rating.

Group companies do not have a significant amount of credit risk, with exposure being distributed among a large number of clients.

#### 19.2 Market risk

Market risk arises from possible losses caused by changes in the fair value or future cash flows for financial instruments due to changes in market prices. Market risk includes interest rate, exchange rate, and regulatory risks.

#### Interest rate risk

Interest rate risk arises from possible losses caused by changes in the fair value or future cash flows for financial instruments due to changes in market interest rates. Exposure to the risk of changes in interest rates is mainly due to loans and lines of credits received at variable interest

The group manages interest rate risk by distributing the financing received at fixed and variable rates. Likewise, the group has contracted derivatives associated with senior debts to cover, as far as possible, variations in interest rates.

89

GREENALIA, S.A. Plaza de María Pita, 10 - 1 - Te1: +34 981 482 100 - Fax: +34 981 480 800 - Postcode: 15001 - A Coruña - Spain Erralt intercores@greenals.es - www.precolis.es.



A large part of the financing received by the group, including bonds admitted to trading and other debts with third parties, are referenced to fixed interest rates. Variable interest rate financing is referenced to the Euribor rate plus a margin, although it mainly boils down to debts with credit institutions.

#### Foreign exchange rate risk

Exchange rate risk arises from possible losses caused by changes in the fair value or future cash flows for financial instruments due to changes in foreign exchange rates.

The Group's Financial Management considers that there are no significant exchange rate risks since the group conducts most of its operations in euros. During the current financial year, the group started operating in the United States but the balances in that currency do not represent a significant part of the group's assets and liabilities to date.

#### Regulatory risk and market risk

Although energy-related activities are in an incipient phase, the electricity sector is widely regulated. In its energy segment, the Group must comply with various regulations to meet national law. The group and its electric power production facilities are subject to strict rules on the construction and operation of the facilities (including rules on the acquisition and use of land and on obtaining permits). Based on Law 24/2013, of December 26, on the Electricity Sector, the Ministry of Industry may modify all the remuneration parameters for renewable energies (except the value of the initial investment and the useful life) in accordance with "the cyclical situation of the economy, the electricity demand, and the proper level of profitability for these activities."

Some of the projects sell the energy produced to the pool or market at a price that varies hourly. This market sale has fewer regulatory contingencies because it is not subject to a specific order or parameter, although there may be oscillations in the selling price.

There is therefore a risk of variation in the parameters for the remuneration of plants, based on changes in the interest rate of the Government bond over ten years, as well as the regulatory parameters themselves, which may be adjusted by the Ministry of Industry, Energy, and Tourism.

#### 19.3 Liquidity risk

Liquidity risk is caused by the possibility that the group may not be able to have liquid funds or access them in sufficient amounts and at the right cost to meet its payment obligations at all times. The objective is to maintain the necessary liquid availability.

The Group undertakes prudent liquidity risk management, which implies maintaining sufficient cash and ensuring the availability of funding through sufficient committed credit facilities, as well as the ability to liquidate market positions.

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tel: +34 981 402 100 - Fox: +34 981 400 800 - Postoode: 15001 - A Coruña - Spain Erral (removes@greenstam - www.greenstam.



#### 20. Guarantees, surety, commitments, and contingencies

The Group maintains guarantees before the Tax Agency for a total of 135 thousand euros to suspend execution of the settlement which was appealed in tax appeal proceedings, corresponding to Value Added Tax and Corporate Income Tax for the years 2013, 2014, and 2015.

In addition, the Croup has guarantees before other governmental agencies (Reindus) in the amount of 80 thousand euros. Likewise, the group has guarantees before private entities (RES-GNF, PROMACE, and SEPES) amounting to 435 thousand euros. Finally, the group has guarantees to cover the contract for the supply of biomass to the power generation plant in the amount of 1.107 million euros.

As of the date of the preparation of the consolidated annual accounts, the Group has guarantees granted through surety bonds for the awarding of and access to remuneration for the production of electric energy in the amount of 155.58 million euros.

Likewise, the group has guarantees granted by surety bonds to cover the dismantling requirements, works, and environmental impact statements — all amounting to 757 thousand euros.

The Board of Directors feels that these guarantees will not generate incidents, as the risk is evaluated and limited. Therefore, they feel that no type of economic damage will turn up for the group in relation to the aforementioned guarantees.

The subsidiary Greenalia Wind Power, S.L. has guarantees for a total amount of 7,066 million euros in connection with registry with the Register of Specific Remuneration Schemes, in a state of pre-allocation for eight wind farms under development, construction, or operation (depending on the case) in Calicia. The Company has made various requests for extensions of deadlines and appeals due to the failure to comply with certain governmental deadlines that could entail the execution of such guarantees. To this end, the Group's legal advisors consider it likely that said actions will prevent the execution of the guarantees.

Likewise, the group has bank guarantees issued within the framework of the Eolo Project Finance Agreements (issued by the agent bank itself) amounting to 151 thousand euros for the Eolo Project.

In relation to the guarantees that the parent Company has granted for the financing that the subsidiary Greenalia Biomass Power Curtis Teixeiro, S.L.U. obtained from financial entities for the construction of the biomass plant located in the municipality of Curtis (A Coruña), the following is hereby noted:

Senior Debt - Greenelia Biomass Power Curtis Teixeiro, S.L.U.;

- First ranking pledge on 100% of the shares of the borrower.
- First ranking pledge on the initial subordinated debt contract.
- First ranking pledge on the credit rights of the project contracts.
- First ranking pledge on the project accounts (except the VAT and Mezzanine accounts).
- Commitment to a first ranking real guarantee over the project's assets.
- Debt service reserve account, recalculation in the next regulatory period (2020).
- Biomass reserve account.
- Physical stock of biomass equivalent to 3 months of the operational needs of the plant.
- Coverage of possible contingencies during construction in the amount of 2,500,000 euros.
- Greenalia, S.A. will guarantee the obligations of the biomass supplier Greenalia Forest, S.L.
- Greenalia, S.A. will provide a cost overrun guaranty during the construction period.
- Greenalia, S.A. will provide a completion and commissioning guarantee.

Mezzanine Debt - Greenalia Biomass Power Curtis Teixeiro, S.L.U.:

FNALIA S.A.

91

Plaza de Maria Pita, 10 - 1 – Tet +34 501 483 100 – Fax: +34 501 480 000 – Postcode: 15001 – A Coruña – Spain Émail invencess@greenalia.es – www.greenalia.es



- First ranking pledge on the mezzanine account.
- Second ranking piedge on the shares of the borrower.
- Second ranking pledge on the initial subordinated debt contract.
- Second ranking pledge on the project accounts (except the VAT and Mezzanine accounts).
- Commitment to a first ranking real guarantee over the project's assets.
- Second ranking pledge on the credit rights of the project contracts.
- Same corporate guarantees of Greenalia, S.A. over the project.

Senior Debt - Greenalia Wind Power Eolo Senior Moc, S.L.U.

The borrower establishes, in favor of the guaranteed creditors, the following first raking pledges:

- First ranking pledge on the shares of Greenalia Wind Power Alta da Croa. S.L.U.
- First ranking pledge on the shares of Greenalia Wind Power Alta da Croa II, S.L.U.
- First ranking pledge on the shares of Greenalia Wind Power Monte Tourado, S.L.U.
- First ranking pledge on the shares of Greenalia Wind Power Miñón, S.L.U.
- First ranking pledge on the shares of Greenalia Wind Power Ourol, S.L.U.
- Pledge on the initial subordinated debt contracts.
- First ranking pledge on the rights stemming from the pledged contracts for the obliged parties, these being:
- Construction contract for Evacuation Infrastructures signed between Viesgo Distribución Eléctrica, S.L. and Greenalis Wind Power Eolo Ourol, S.L., dated August 13, 2018.
- Intragroup VAT credit contract signed by the borrower and the Companies (Eolo Moc senior and its dependents), dated July 30, 2019.
- Intragroup credit contract signed by the borrower and the Companies dated July 30, 2019.
- Commitment and guarantee contract signed between the borrower, the Companies, Greenalis Wind Power Eolo Moc, S.L.U., Smarttis Spain, S.L.U. (formerly Norceste de Inversión y Desarrollo, S.L.U.) and the Guaranteed Creditors, dated July 30, 2019.
- "Turnkey" construction contract for the Miñón Facility with a total projected power of 24 MW, signed on July 29, 2019, between Miñón, the borrower, and Elecnor, S.A.; and
- "Turnkey" construction contract for the Ourol Facility with a total projected power of 22.50 MW, signed on July 29, 2019, between Ourol, the borrower, and Elecnor, S.A.
- First ranking pledge on the credit rights arising from the Interest Rate Hedging Contracts.
- First ranking pledge on the VAT credit rights.

Additionally, the following commitments to real guarantees are established:

- Commitment to establish a first ranking real guarantee that is appropriate for the nature of the specific asset (real estate mortgage, chattel mortgage, or pledge) on the assets of the project in the event that the debt service coverage ratio is less than 1.10x; or any of the causes for early termination provided for in the guaranteed contracts have occurred.
- Commitment to establish a first ranking pledge over the credit rights of any nature arising from future project contracts (signed after the financing contract).
- Commitment to establish a pledge over compensation rights
- Smarttia Spain, S.L.U. (formerly Noroeste Inversión y Desarrollo, S.L.U.) is recognized as a tax guarantor.

Likewise, lines of guarantees have been established, which are subscribed by the Guarantor and the Borrowers, and under which guarantees will be issued to benefit:

 The General Directorate of Energy and Mines, under the Ministry of Economy, Employment, and Industry of the Regional Government of Galicia or, if applicable, any agency of the Government of Galicia that replaces the aforementioned, for the amount of 2,200,000 etc.

GREENALIA, S.A.

92

Plaza de Maria Pita, 10 - I = Tel: +34 981 412 100 = Fax: +34 981 492 800 = Postocide: 15001 = A Coruña = Spais Ernal: enercizen@greenala.es — www.greenala.es



for the guarantees needed for the borrower and the companies to comply with their obligations in terms of the Project's decommissioning in accordance with applicable law.

. The PPA Counterparty for a combined amount of 5,000,000 euros for the necessary guarantees to meet certain payment obligations under the Financial PPA.

#### Other Debts

In the Elecnor loan formalized by the subsidiary company Greenalia Wind Power, S.L.U., the following guarantees are established:

- . Greenalia S.A. is the guarantor of the financing contract and jointly and severally liable to Elecnor for all the obligations guaranteed in the financing contract.
- . Delivery of bank guarantee in the amount of 1,000,000 euros.
- Pledge over 911,818 shares of Greenalia, S.A.

In the Banco Santander loan formalized by the subsidiary company Greenalia Power Development. S.L.U., the following guarantees are established:

- . The borrower is responsible for fulfilling the obligations arising from the contract.
- · Notwithstanding the personal, unlimited liability of the previous borrower, the guarantors guarantee the guaranteed obligations unconditionally and irrevocably in favor of the financing entities.
- . The borrower establishes, in favor of the guaranteed creditors, the following first raking pledges:
  - First ranking pledge on 100% of the shares of the borrowers.
  - First ranking pledge on credit rights that are derived from, or may be derived in the future from, the financing account and the intragroup loan.
- . In the event that the borrowers obtain authorization to subscribe additional financial debt in addition to the financing and to grant guarantees in relation to thereto, the borrowers agree to grant, in favor of the financing entities, the same real guarantees with the same ranking as those granted in guarantee of the new financial debt.

93

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tel: +34 981 492 100 - Fax: +34 981 490 800 - Postcode: 15001 - A Coruña - Spain Erral intercorn@greenins - www.greenins.



#### Curtis Project Arbitration

Additionally, as a result of the termination of the construction contract with the temporary business union Imasa Ingenieria y Proyectos and Acciona Industrial S.A., described in Note 7.1, the BIOMASS temporary business union has brought before the Chamber of Commerce and Industry of Madrid the initiation of arbitration due to the termination of the Contract dated July 25, 2018 for the Construction of a Biomass Plant in the town of Curtis. At the moment, the temporary business union has filed its complaint with its claims and evidence, in summary, the temporary business union requests in its complaint that it have its right recognized to an extension of the deadline to build the plant, which entails the recognition of compensation for a longer stay, as well as the rejection of penalties for delays. Likewise, it also asks that it be recognized that the plant was in a position to be provisionally received and that Greenalia lacked a justifiable cause to terminate the EPC Contract and that, in addition, the temporary business union has the right 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 complaint.

The worst scenario for Greenalia would consist of the finding fully in favor of the temporary business union's claims, the amount of which would come to 27 million euros plus interest. However, we understand that the claims linked to the delays in the work do not justify the delay actually generated; likewise, the causes of termination (non-compliance with deadlines, environmental breaches) are clear and demonstrable.

The risk assessment carried out by the Group's legal advisors in relation to this potential contingency is that it is remote; thus, no provision has been recognized.

#### 21. OTHER INFORMATION

#### 21.1 Personnel structure

The people employed by the Group, distributed by categories, are as follows:

	Number of people employed at the end of the financial year			number of people	of people with a disability > 33%	
	Men	Women	Total	employed in the financial year	out of all those employed in the financial year	
Year 2021				7.14-110		
Executives	4	3	7	7		
Administrative staff	25	10	43	36		
Managers, sales personnel and others	74	-	74	53		
	103	21	124	96		
Year 2020						
Direcutives	6	3	9	0		
Administrative staff	18	12	30	26		
Managers, sales personnel and others	55	1	56	41		
	79	16	95	75		

As of December 31, 2021, the Board of Directors of the Parent Company consisted of 6 people: 5 men and one woman (4 people, all men, as of December 31, 2020).

94

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tet: +34 981 492 100 - Fax: +34 981 493 800 - Postcode: 15001 - A Coruña - Spain Email intercores@greenala.es - www.greenala.es.



#### 21.2 Audit fees

The fees accrued in the financial year for the services provided by the accounts auditor were the following:

(Euros)	2021	2020	
Fees for the audit	157.550	70.500	
Other verification services	16.500	10.175	
	174.050	80.675	

The other verification services for the 2021 financial year are comprised of the limited review report for the semi-annual financial information and certain agreed procedures required by the financing contracts.

The 2020 financial year corresponded to the limited review of the semi-annual financial information.

#### 21.3 Environmental information

The equipment and installations included in the fixed assets whose purpose is to minimize the environmental impact and protect and improve the environment, which are recorded under the heading "Technical installations and other tangible fixed assets", were the following:

(Buros)	2021	2020
Cost	16.720.344	12.384.364
Accumulated amortization	(2.671.714)	(1.006.122)
	14.048.630	11.378.242

The Directors of the Parent Company consider that there are no significant contingencies related to the protection and improvement of the environment; thus, they do not consider it necessary to necognize any type of provision in this regard.

#### Information about the average period of payment to suppliers. Third additional provision. "Duty of information" of Law 15/2010 of July 5.

The information regarding the average period of payment to suppliers for the companies that make up the consolidated group is as follows:

	2021	2020
(Days)		
Average payment period suppliers	30	30
Ratio of transactions paid	30	31
Ratio of transactions pending payment	29	28
(Euros)		
Total payments made	87.913.684	94.823.040
Total payments pending	9.165.116	9.905.706

95

Plaza de María Plia, 10 - 1 - Tel +34 981 482 100 - Fox +34 981 403 800 - Postodo: 15001 - A Coruña - Spain Email: immorros@greenda as - www.gendada.ss.



#### 23. SEGMENTED REPORTING

The Group's financial information, broken down by operating segments, is shown below:

At December 31, 2021	Forestry/ Industrial	Logistics	Bergy	Consolidation adjustments and reclassification	Tetal
Net turnover	38.037,653	4.122.308	55 100 782	(20.728.047)	76.532.736
Variation in inventories	(55.439)	100			(55.439)
Work done by other companies	100	-	-	1.273.237	1.273.237
Supplies	(25.997.829)	(1.887.278)	(16.454.679)	14.743.963	(29:595.223)
Other operating income	4.007	-	19.964	-	24.001
Personnel costs	(3.108.428)	(190.790)	(812.730)	-	(4.111.951)
Other operating expenses	(6.977.721)	(1.271.590)	(0.464.484)	2.968.577	(13.064.026)
Amortization of fixed assets	(1.099.456)	(323.529)	(6.790,071)	90.436	(0.930.619)
All toution of subsidies for non-financial fixed					
assets and others	14.621	74.543	1 659	-	90.622
Impairment and gains/losses on fixed asset					
disposals	(40.547)			(450 000)	(490.647)
Other profit/ous	80.296	17.233	8.223.559	1.012	8.322.100
Operating profittous	57,067	540.907	30.796.600	(2.208.422)	29.194.172
Financial result	(2.486.577)	(594.895)	(12.636.306)	2,860,239	(13.028.631)
Tax expense	279,778	(98.500)	(4.309.925)	-	(4.128,680)
Result	(2.119.712)	(154.491)	12,950,277	1,309,817	12,016,891
Segment as sets	145.292.214	7.558.991	666 736 310	(439.122.785)	360.455.730
Secret labilities	123 524 592	5.740.695	561 791 505	(35) 522 739)	959 347 007

At December 31, 2020	Forestry/ Industrial	Logistics	Bergy	adjustments and recipanthosison	Total
Net turnover	31.821.207	5.800.218	21.362.887	(16:580:334)	43.003.578
Variation in inventories	(9.757)	-	(7.024)	- 100	(16.781)
Work done by other companies			-	4.148.265	4.148.265
Supplies	(23.758.771)	(1.641.000)	(5.595,714)	7 900 963	(24.396.125)
Other operating income	20.710		110,585	2000	131.295
Personnel costs	(1.148.975)	(228.963)	(1.795.503)		(3.173.441)
Other operating expenses	(4.903.775)	(2.262.887)	(4.359.958)	2.518.261	(9.008.350)
Amortization of fixed assets	(263.653)	(294.512)	(4.295,074)	(13.724)	(4.987.183)
Altribution of supridies for non-timenosi fixed					
ansets and others	909.298	74.543	2.761	10	186.622
impairment and gains/losses on fixed asset					
disposals	(24.610)	12.876	111.620		121,888
Other profitioss	9,615	(16.437)	(17,907)		(24.729)
Operating profitions	1.801.090	1.443,007	4,408,694	(1.727,271)	5.995.450
Financial result	(2.291.565)	(178.021)	(5.815,788)	1.241.534	(6.703.840)
Tax expense	190,225	(333.661)	286.681	-	143,245
Pesuit	[420.475]	1.265.016	(1.677.004)	(485.537)	(718.200)
Segment accels	39.659.905	7.766.307	455,006,481	(261,245,015)	301.887.678
Segment labilities	94.260.770	5 830 556	375 687 254	(166.515.730)	306 552 852

96



#### 24. EVENTS AFTER THE BALANCE SHEET DATE

As of the date of drafting, the following significant subsequent events have occurred that have been duly noted in the relevant way:

In the month of December, a Green Promissory Note Program worth 100 million euros was recorded on the MARF (Alternative Fixed Income Market). The Program was submitted for evaluation by Sustainalytics, a leading agency in sustainable ratings, which considered that the company's projects contribute to the energy transition process in Spain. With this, the second Green Promissory Note Program on the Spanish market, Greenalia consolidates list position as a pioneering company in the emission of green financing after qualifying as "green" with all the bonds issued up to now, the last of which (55 million) was issued in December of 2020, also being qualified with the highest score in terms of sustainability by the Standard & Poors rating espency.

On February 1, 2022, the first issue of the program was listed on the MARE (Alternative Fixed income Market) for a total nominal amount of 20,000,000 euros, with maturities at 90 and 180 days. On March 3, 2022, the second issue of the program was listed on the MARE (Alternative Fixed Income Market) for a total nominal amount of 9,400,000 euros, with maturities at 90, 210, and 365 days.

As of the date of issuance of this report, the current issued balance for the program amounts to 29,400,000 euros.

In addition, the group is analyzing in detail the measures included the Royal Decree-Law 6/2022, of March 29; however, a preliminary evaluation thereof is not considered to affect significantly the profitability and liquidity of operations and, in any event, this is a type 2 subsequent event that would not affect the financial statements for the 2021 fiscal year.

97

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 – Tet +34 501 402 100 – Fax: +34 501 400 000 – Postcode: 15001 – A Coruña – Spain Email: invenoradbgrenalia es – sww.gerenalia es



#### Greenalia, S.A. and Subsidiaries

#### Consolidated Directors' Report for the 2021 Financial Year

Taking stock of this last semester, we leave behind 12 months of special relevance as far as Greenala's business is concerned. Despite the exceptional situation in which we live as a result of the conflict between Russia and Ukraine, the post-pandemic consequences, inflation, and supply chain and transport problems, in relation to the business activity of Greenalis, we can celebrate that we are closing the year 2021 with the satisfaction of having overcome once more the objectives set for the year. In the midst of this turbulent and uncertain context, we have managed to maintain our direction and strengthen our operations. We have continued with the implementation of our renewable projects, in addition to achieving other strategic objectives such as opening up to the American market. These results show the restilence of our business model — a model with which, despite the restrictions imposed, we have managed to consolidate the growth of our business during this pecied.

The entry into operation of 4 of our projects during the 2021 financial year, together with those that we already had in operation, has made it possible to successfully furfill the plans set in previous financial years. We have exceeded the objectives set in the COVID RESILIENCE Plan. Likewise, the figures promised in the Business Plan presented for the 2017 IPO have been reached. Currently, with 6 projects in operation (with an installed capacity of 125 MW), together with the arimsof 1,000 MW under construction, Greenalla has become a relevant player in the sector. The company is special because of its multi-technological nature and the high-level resources of its pipeline. These projects have resulted in an EBITDA of 638.7M in 2021, and a net profit of more than 612M. The expectations for this 2022 are even better.

The increase in the figures of the group's profit and loss account does nothing more than consolidate the Develop & Own Strategy put into place in recent years. In addition, the group is establishing new business lines in anticipation of its international expansion, which is initially planned on the 2030 horizon. With the acquisition in the second half of the year of the MISAE photovoltaic project (885 MM, in Ready to Build state, to which 170 MW of storage will be added), a very important part of the revenue obtained in 2024 will come from America. With this transaction, the company ensures the development of the objectives set out in its strategic plan and expands its technological diversification to 5 technologies (Onshore Wind, Offshore, Photovollaic, Storage, and Biomass) — doing so in two currencies, euro (6) and dollar (USD). The US government's commitment to renewable energies has opened up a very attractive paracrama for the sector, which we must take advantage of, in addition to this purchase, the group has already begun with the undertaking of new projects in America and will confinue to study the purchase of other companies in the sector, with the aim of advancing quickly in a growing industry in the USA. The exploitation of these projects, as well as the future business in the USA, will confinue through the recently incorporated companies Greenalia Power US, INC, and Greenalia Solar Power US, INC.

 The wind energy business continues its production activity with the five EOLO MOC Projects operating at full capacity at year-end (Miñón, Ourol, Alto da Croa, Alto da Croa II, and Monte Tourado Wind Farms). It is necessary to highlight the market exploitation (merchent) of these projects, which is allowing us to obtain market prices higher than those included in the plan.

A fundamental milestone of this period has been the commissioning of our second wind project, the Ourol Wind Farm (22.5 MW). It began to contribute to the Group's consolidated profit and loss account in May of 2021.

Also noteworthy is the commissioning of three other wind farms (Alto da Croa, Alto da Croa II, and Monte Tourado), which begin to contribute to the group's consolidated profit and loss account in Sestember 2021.

The energy exported by these 5 projects during the 2021 financial year amounted to 132,796 MWh.

98

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 = Tet +34 901 432 100 = Fax: +34 901 402 000 = Postcode: 15001 = A Coruña = Spais Ernalt intersoren@greenala.es. — www.greenala.es.



- The biomass plant (Curtis Teixeiro) has continued to export energy and, although the Operation and Maintenance supplier has been replaced, it is currently producing at full capacity with its operations fully restored.
- The rest of the businesses continue to undertake their activities at a usual pace, without
  major incidents. The insurance coverages have been reviewed and conversations have
  been held with the main clients to anticipate possible changes or ceases in the demand,
  and no changes in this regard have been notified.

From a quantitative point of view, we are leaving behind a COVID period in which, despite the global pandemic situation, the group has increased its revenue by 90% (FY2019-FY2021) and its EBITDA by 1,062% (FY2019-FY2021). With the COVID Resilience 2020-2021 Plan completed, we can state that the objectives thereof have been widely fulfilled.

It should be noted that, during the IPO process in the second half of 2017, the company presented a 5-year plan with an EBITDA target for 2021 of 23.3 million euros. Having completed the plan presented in 2017, it can be stated that the company has exceeded the forecasts and commitments acquired at the time of going public (IPO) in 2017. This plan can be consulted in the DMI (incorporation to the Market Document) dated November 27, 2017.

In addition, this period has stood out for having obtained the highest remuneration for wind projects in the Ministry's auction held last January 2021. The renumeration obtained for 135 MW will allow for our finencing the Eolo III Projects with much more advantageous conditions and a better financial structure. The figure obtained represents 13.5% of the power allocated by the Ministry in that auction for said technology.

Likewise, in the month of December, a Green Promissory Note Program worth 100 million euros was recorded on the MARE (Alternative Fixed Income Market). The Program was submitted for evaluation by Sustainalytics, a leading agency in sustainable ratings, which considered that the company's projects contribute to the energy transition process in Spain. With this, the second Green Promissory Note Program on the Spanish market, Greenalia consolidates its position as a pioneering company in the emission of green financing after qualifying as "green" with all the bonds issued up to now, the last of which (55 million) was issued in December of 2020, also being qualified with the highest score in terms of sustainability by the Standard & Poors rating agency. This operation is in addition to the capital increase of 15 million euros executed in the month of November (through a procedure of accelerated placement in which 4.4% of the share capital was subscribed at a price without a discount on the market price of the previous day). This demonstrates the confidence in the company by investors and the capital markets.

Also mention the signing, during the month of December, of a pre-agreement to supply renewable energy to the Alcoa aluminum plant in San Obrao (Lugo) for 10 years. This energy will be supplied with wind farms that are being developed in Galicia, mainly in the province of Lugo, where the Alcoa plant is located. This pre-agreement is part of Greenalia's commitment to Galician industry, in particular at these times of price tensions in the electricity market. We at Greenalia feel that wind resources are an opportunity to ensure the competitiveness of Galician industry in the medium term through a PPA like the one agreed upon.

99

GREENALIA, S.A.
Pitazo de Moria Pita, 10 - 1 – Tet: +34 661 483 100 – Fax: +34 661 466 300 – Postcode: 15001 – A Coruña – Spoin
Email inversortes@greenalia es – www.genenalia es.



In the ESG (Environmental, Social, and Corporate Governance) sphere, Greenalla will present at the same time as the consolidated annual accounts its Sustainability Report corresponding to the 2021 financial year. In it, we set out and formalize our commitment to contribute to the development of a more equitable society, keeping intact the company's upholding of the 17 Sustainable Development Goals (SDGs) set by the UN 2030 Agenda. Thus, our adherence to the global compact constitutes a pillar on which to base our management of sustainable and harmonious growth from the triple ESG perspective (Environmental, Social, and Corporate Governance), creating an organization that coexists in a complex ecosystem and in turn contributes to regenerating if. As a company with a close relationship with the communities where we conduct our activities, we support and collaborate with different organizations in projects of interest, participating with them in effective strategies to improve inclusion, diversity, and equality for vulnerable groups, as well as their access to spon.

Also, as part of our internal improvement and professionalization process, this year we have allocated more resources in the area of Digitization, Sustainability, and Business Development, among others. Proof of this is the signing of our technological alliance with Microsoft, as well as the recognition obtained from SAP with the 2021 SAP Quality Awards (in the Digital Pioneer category).

Finally, we must highlight the strengthening of our organizational and management structure. The renewal of the Board of Directors with the appointment as Chairman of Mr. José Maria Castellano Rlos, who has an extensive business background known by all, as well as the appointments of Ms. Beatriz Mato as Executive Director and Mr. Pablo Castellano Vazquez as Director Representing Controlling Shareholders, all reinforces the capabilities and experience of the managerial body. This move also implies the incorporation of the Sustainability Directorate, represented by Ms. Beatriz Mato, so that the integration of Sustainability in management is promoted from the highest level of the company. At the organizational level, there have been new additions of senior talent such as Alberto Expósito as Director of International Business Development, Alberto Ares as Director of Engineering and Construction, and Pablo Barco as Director of the Curtis Teixeiro Biomass Plant, among others. In the area of long-term incentives, a Stock Options Plan for key managerial staff members was approved by the Board of Directors in the second half of the year. This Plan aims to achieve employees' maximum degree of motivation and loyalty, as well as providing them with an incentive to promote the Group's good results, aligning the interests of the beneficiaries with the value over the medium-term of shareholders. The duration of the Plan will be last until January 1, 2026, a date that will be taken as a reference to determine if the objectives for the exercise of the options have been achieved. The Plan will be submitted for approval at the next General Shareholders' Meeting.

#### a) Evolution of activities

The estimates provided for in the plan have been met fully. To this end, our maintenance and improvement of our business activity is reflected in the consolidated EBITDA for the 2021 financial year, amounting to 36,658,855 euros. The net result after taxes amounts to 12,035,891 euros.

100



Reconcilation between the accompanying consolidated profit and loss account and EBITDA that the Directors have included in this recort can be reflected as follows:

	CONSOLIDATED EBITDA
Operating profit loss	29,194,172
(+) Other profitfloss	(19,673)
(+) Losses, impairment and changes in provisions	63,090
(+) Amortization of fixed assets	8,930,619
(+) Impairment and profitfoss on fixed asset disposals	490,647
TOTAL	38,858,855

Main operations that explain the balance sheet:

- Significant increase in the non-current assets (+15.1% over the close of fiscal year 2020), basically due to the investment made in the wind farms included in Eolo MOC.
- An additional 28.3 million euros' increase in long term debt with credit entities and other financial liabilities, mainly due to the amounts disbursed within the framework of the project finance agreement for the wind projects included in Eolo MOC and the development of other pipeline projects.
- The value of the investments made in the Curtis Teixeiro Biomass Plant Project at the close of 2021 was 128.8 million euros, with an assigned debt (non-recourse) of 120.6 million euros (without taking into account the amortized cost effect).
- The value of the investments made in the Eolo MCC Wind Farm Projects at the close of 2021 was 93,5 million euros, with an assigned debt (non-recourse) of 68.7 million euros (without taking into account the amortized cost effect).
- It should be noted that 70% of the group's debt is non-recourse financing associated with the projects, with the only guarantee being the projects themselves that are being financed.

Treasury funds show a positive balance of 28.214 million euros, although an adjustment was necessary for hedging operations (for the interest rate derivative signed off on as part of the project finance agreement) for 3.8 million euros. Consequently, net equity had a positive balance of 22.645 million euros.

The following financial transactions have been formalized:

- During the 2021 financial year, a mortgage was formalized corresponding to the purchase of the Curtis II land in the amount of 3.978 million euros.
- Increase in the balances of Curtis Project Finance loan (3.8 million euros), Eolo MOC loan (12.8 million euros), and other debts from projects in development (9.7 million euros).
- Various loans and leases for the purchase of 5 balers for the amount of 1.5 million euros.
- . Other loans with third parties in the amount of 3.69 million euros.
- Increased debt in lines of credit in the amount of 0.1 million euros.
- Likewise, the loans that the group maintained with Abanca and Santander have been fully repaid.

101

GREENALIA, S.A.

Plaza de Maria Pila, 10 - I = Tet: +34 981 402 900 = Fox: +34 981 402 800 = Posicode: 15001 = A Coruña = Spain. Ernalt inversoren@greendis.es — www.greendis.es. — www.greendis.es.



- In relation to corporate bonds, only the bond issued on December 15, 2020, for an amount of 55,000,000 euros, listed on the Alternative Fixed Income Market (MARF), remains in force. That bond matures in the year 2025 and accrues annual interest at the fixed rate of 4,95%. All previous bonuses (I, II, and III) have been cancelled. At the end of 2021, an amount of 2.4 million euros from bond III was outstanding. Said amount was fully regain or January 24, 2022.
- Likewise, in the month of December, a Green Promissory Note Program worth 100
  million euros was recorded on the MARF (Alternative Fixed Income Market). Although
  at the end of the 2021 financial year no issuance was made on that promissory note
  program, so the accounts do not show a debt balance from the program.
- Lastly, there was a capital increase of 15 million euros executed in the month of November (through a procedure of accelerated placement in which 4.4% of the share capital was subscribed at a price without a discount on the market price of the previous day).
- · The liquidity provider policy has not changed.

#### Results by business line

in general, there is a very noticeable improvement compared to the previous financial year:

- An increase of 78% in revenue and an increase in EBITDA of 251% compared to the 2020 financial year.
- As for the target consolidated EBITDA/Sales ratio (EBITDA Margin), the figure amounts to 50.51%, improving very significantly the 25.59% of the same period from the previous year.

This increase in EBITDA and margin is mainly due to the incorporation of the results of the Ourol Plant from May and the Alto de Croa, Alto da Croa II, and Monte Tourado Plants, which began to contribute to the group's consolidated profit and loss account in September 2019.

b) Research and development

During 2021, no research and development activities were carried out.

c) Events after the balance sheet date

As of the date of the annual accounts, there are no post-closing events that have a significant impact on the group's equity and bring about situations that could affect the true image of the consolidated annual accounts — except those indicated in Note 24 of the consolidated repost

a) Treasury stock

The Company holds treasury stock with a market value of 1.049 million euros (86,168 titles) as of the date of preparing the annual financial statements, which can easily be converted to cash.

Part of the company's own shares have been made available to the liquidity provider (Santander Bank).

102

GREENALIA, S.A.

Plaza de Moria Pila, 10 - 1 = Tet: +34 981 402 100 = Fox: +34 981 400 800 = Postcode: 15001 = A Coruña = Spain Ernalt inversoren@greensis.es = www.greensis.es.



#### b) Environmental management

During the 2021 financial year, there are items of an environmental nature and they have been included in Note 21.3 of the consolidated report.

#### c) Use of financial instruments

As part of the Senior Debt financing agreement for the Biomass Plant Project Finance Plan, and to cover possible variations in interest rates, Greenalia Biomass Power Curtis Taixeiro, S.L.U. has formalized a derivative contract with Santander Bank. This agreement is designed to cover interest rate risks on long term loans, which have no impact on cash according to the defined financing model. The accounting valuation criteria for this instrument has had an impact on own funds, amounting to 3.8 million euros in 2021.

That assessment and the impact on future results could vary with a positive or negative effect on the amount, until the expiration of the instrument when the impact of that instrument on on own funds is seen.

As part of the Senior Debt financing agreement for the Biomass Plant Project Finance Plan for the wind farm projects of EOLO MOC, and to cover possible variations in interest rates, the company Greenalis Wind Power Bolo Senior MOC, S.L.U. has formalized a derivative contract with Sabadeli Bank. This agreement is designed to cover interest rate risks on long term loans, which have no impact on cash according to the defined financing model.

#### d) Evolution of listing and market value

The company shares have been listed on BME Growth since their issue on December 1, 2017.

On March 19, 2018, Greenalia S.A. was included in the "IBEX BME Growth 15" index. On January 25, 2019, the BME Growth Intermediation Department reported a change in the listing scheme for Greenalia S.A. shares, from Fixing to Continuous; based on the trading volume for shares contemplated in the Market.

Being part of this category means that the quality and transparency standards of this BME market are homogeneous with those of other Growth Markets in Europe.

On December 31, 2021, the Greenalia listing closed at 15.85 euros/share, representing a decrease of 12.75 during the last 12 months and a revaluation of 681% since it was listed on December 1, 2017 — and a capitalization of 351,409,906 euros.

#### e) Completion of the business plan

On March 17, 2021, Greenalia, S.A. published its new plan for the 2020-2021 period called COVID RESILIENCE. Greenalia S.A. is pleased with the degree of general completion of the Business Plan for financial year 2021, and with the plan's correct execution.

In general, the objectives established for the budget of the year and for the end of the plan have been exceeded, with very significant improvements over the previous year.

The degree of compliance with the EBITDA projection has been fulfilled (186%) and in the case of turnover, it has been 137%.

With respect to EBITDA/Sales (EBITDA margin), the budget amount was 33.72% while the real amount was 50.51%, greatly exceeding the objective set and a significant improvement over the 25.59% of the previous year.

103

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tel: +34 981 482 100 - Fox +34 981 400 800 - Postocole: 15001 - A Coruña - Spain.

Emai: intercorres@greenala.m. - www.govenala.m.

# greenalia

It should be noted that, during the IPO process in the second half of 2017, the company presented a 5-year plan with an EBITDA target for 2021 of 23.3 million euros. Having completed the plan presented in 2017, it can be stated that the company has exceeded the forecasts and commitments acquired at the time of going public (IPO) in 2017. This plan can be consulted in the DMI (Incorporation to the Market Document) dated November 27, 2017.

104

GREENALIA, S.A.

Plaza de María Pita, 10 - I - Tel: +34 981 402 100 - Fax: +34 981 400 800 - Postoode: 15001 - A Coruña - Spain filmal: reversores@greensla.es - www.greensla.es.



#### GREENALIA, S.A. AND SUBSIDIARIES ANNUAL FINANCIAL STATEMENTS AND DIRECTOR'S REPORT For the fiscal year ending December 31, 2021

# PREPARATION OF THE CONSOLIDATED ANNUAL ACCOUNTS AND CONSOLIDATED DIRECTORS' REPORT

In A Coruña, on March 31, 2022, the members of the Board of Directors of the Perent Company formulated these consolidated annual accounts for Greenalia, S.A. for the 2021 financial year, made up of the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of changes in net equity, the consolidated statement of cash flows, and the consolidated annual report for the year ended December 31, 2021, likewise formulating the Consolidated Directors' Report for the year.

D. José Maria Castellano Rios	D. Manuel Garcia Pardo
Presidente del Corsejo	Corsojoro
D. Antonio Fernández-Montella Rodríguez	Noncorporate, S.L.
Consigna	Representada por D. Antonio Couceiro Mindez
D. Pablo Castellano Wizquez	D. Beatriz Mato Otero





# GREENALIA, S.A.

Annual Financial Statements and Director's Report for the fiscal year ending December 31, 2021



# TABLE OF CONTENTS

#### ANNUAL FINANCIAL STATEMENTS

- Balance as of December 31, 2021.
- . Profit and loss account for the financial year ended on December 31, 2021.
- Statement of changes in consolidated equity for the financial year ended on December 31, 2021.
- Cash flow statements for the financial year ended on December 31, 2021.
- . Report for the financial year ended on December 31, 2021.

# DIRECTOR'S REPORT

. Directors' report for the financial year ended on December 31, 2021.

PREPARATION OF THE ANNUAL ACCOUNTS AND DIRECTORS' REPORT



Greenalia, S.A. Balance as of December 31, 2021 (Stated in euros)

ASSETS	Notes	2021	2020
NON-CURRENT ASSETS		72.490.205	38.863.099
Intangible fixed assets	5	758.661	505.901
Computer applications		758 661	505 901
Tangible fixed assets	6	66.341	154,795
Technical installations and other tangible fixed assets		66.341	154.795
Long-term investments in group companies and associates		71.077.428	38.058.890
Equity instruments	7	24,473,673	25.191.847
Loans to companies	8	46,603,755	12.867.043
Long-term financial investments	8	440.544	-
Equity instruments		431.000	_
Loans to third parties		9.544	-
Deferred tax assets	12	147.231	143.513
CURRENT ASSETS	7.7	35.608.430	39.746.282
Inventory		-	312
Advances to suppliers		100000000000000000000000000000000000000	312
Trade and other receivables		1.316.497	2.201.357
Trade receivables for sales and services	8	2.182	120.892
Trade receivables, group companies and associates	8	1,184,413	1.951.036
Personnel	6	35.000	35.000
Current tox as sets	12	34.153	34.153
Receivables from governmental agencies	12	60.749	60.276
Short-term investments in group companies and associates	8	3.901.374	422.048
Loans to group companies		160.422	422.048
Other financial assets		3.740.952	
Short-term financial investments	8	6.642	4.976
Other financial assets		6.642	4.976
Short-term accruals		18.109	34.059
Cash and other equivalent liquid assets	9	30.365.808	37.083.530
Cash		16.798.836	36.877.995
Other equivalent liquid assets		13.566.972	205.535
TOTAL ASSETS		108.098.635	78.609.381

ORGENALIA, S.A.

Plaza de Maria Pita, 10 - 1 – Tež +34 901 402 100 – Past -34 901 403 000 – Postzode: 15001 – A Coruña – Spain

Ernal greenstres@greensla.se — www.greensla.se.



Greenalia, S.A. Balance as of December 31, 2021 (Stated in euros)

NET EQUITY AND LIABILITIES	Notes	2021	2020
NET EQUITY		18.077.377	2.098.040
OWN RINDS	70-37	18.077,377	2.098.040
Capital	10.1	443,419	424,669
Authorized capital		443,419	424,669
Issue premium	10.2	18.361.239	3.379.989
Reserves	10.3	27.538	471.187
Legal and statutory reserves		80.254	80.254
Other reserves		(52.716)	390.933
Profitions brought forward	10.3	(1.484.150)	(563.232)
Treasury shares	10.4	(1.045.494)	(713.654)
Profit/loss for year	3	1.764.826	(900.919)
NON-CURRENT LIABILITIES		85,560,364	73.977.309
Long-term payables	11	54.076.343	56.316.446
Debt instruments and other marketable securities		54.076.343	56.316.446
Long-term payables to Group companies and associates	11	31.484.021	17.660,863
CURRENT LIABILITIES		4,460,894	2.534.033
Short-term payables	11	3,689,588	2.223.691
Dobt instruments and other marketable securities		2.638.689	277.942
Debts with credit institutions		1.001.795	1.170.571
Other financial liabilities		49.104	775.178
Short-term payables to group companies and associates	11	45.453	45,453
Trade and other payables		725.853	264,889
Suppliers, Group companies, and associates	11	-	5.235
Sundry creditors	11	617.783	201.986
Other payables to Public Authorities	12	108.070	57.068
TOTAL NET EQUITY AND LIABILITIES	166	108.098.636	78.609.382

# Greenalia, S.A.



# Profit and loss account for the financial year ended on December 31, 2021 (Stated in euros)

	Notes	2021	2020
Net turnover	13.1	7.326.166	2.169.522
Supplies		(11.520)	(9.028
Consumption of goods		(11.520)	(4.379)
Consumption of raw materials and other consumables		_	(4,649)
Personnel costs	13.2	(666.089)	(592.984)
Wages, salaries, and similar compensation		(549.481)	(488.937)
Social security contributions		(116.608)	(104.047)
Other operating expenses		(681.819)	(571.861)
External services	13.3	(680.812)	(562.269)
Taxos		(1.007)	(9.592)
Attribution of subsidies for non-financial			
fixed assets and others		473	20.710
Amortization of fixed assets	5 and 6	(389.511)	(216,174)
Impairment and gains/losses on fixed asset disposals		(24.750)	2.171
Impairment and losses			
Cains/losses due to disposals and other items		(24.750)	2.171
Impairment and gains/losses on investments in group			
companies and associates	7.1	(725.023)	-
Other profit/loss		15.086	(3.749)
OPERATING PRORTALOSS		4.843.003	798.607
Financial Income		-	380.901
From markefable securities and other financial instruments		-	388.986
From third parties			388.986
Financial expenses	13.4	(3.694.206)	(2.396.690)
Amounts payable to Group companies and associates		(460.934)	(695.260)
Payables to third parties		(3.233.302)	(1.901.430)
Exchange differences	13.5	441.888	
FINANCIAL RESULTS		(3.252.310)	(2.007.704)
PROFITALOSS BEFORE TAXES		1.590.685	(1.209,097)
Corporate income tax	12.1	164.140	308.178
PROFITACISS FOR THE YEAR FROM			
CONTINUING OPERATIONS		1.764.825	(900.919)
PRODUCT OSS EOR THE REGION		1.784.618	7955 616

GREENALIA, S.A.
Piaza de Maria Pita, 10 - 1 - Tes + 34 981 482 100 - Pass + 34 981 480 100 - Postcodes: \$5001 - A Coruña - Spaix
Email: symmosymiggreenalis es - www.greenalis es.

# greenalia

Greenalia, S.A. Statement of changes in equity for the financial year ended on December 31, 2021 (Stated in euros)

A) Statement of recognized income and expenses for the financial year ended on December 31, 2021

	Notes	2021	2020	
Result of the profit and loss account	3 1.754.825		(900.919)	
Income and expense attributable directly to equity		-		
Total transfers to the profit and loss account		-	-	
TOTAL RECOGNIZED INCOME AND EXPENSES		1.764.826	(900.919)	

GREENALIA, S.A.
Plaza de Moria Pita, 10 - 1 – Tel +34 981 482 100 – Exa +34 981 480 800 – Postoode: 15001 – A Conuña – Spain
Ensilé Investorent@greensile.go – away greensile.ee.



Greenalia, S.A.
Total statement of changes in for the financial year ended on December 31, 2021 (State in survey)

# B) Total statement of changes in for the financial year ended on December 31, 2021

	Authorized capital (Note 19.1)	Issue premium (Note 10.2)	Reserves (Note 10.3)	Profitioss brought forward (Note 10.3)	Treasury shares (Note 10.4)	Profitious for year (Note 3)	TOTAL
FINAL BALANCE AS OF December 31, 2019	424,669	3.379.969	289.299	(69.650)	(\$31.639)	(493.582)	2.999.080
Total recognized income and expense		-	-		-	(900.919)	(900.919
Transactions with partners or owners							
Distribution of sesults		-	-	(493.582)	-	490.582	
Transactions with treasury shares (net) (Note 10.3 and 10.4)			262.815		(182.015)		80.80
Other changes is net equity	-	-	(80.927)	-	-	-	(80.927
FINAL BALANCE AS OF December 31, 2020	424,669	3.379.969	471.187	(563.232)	(713.654)	(900.919)	2.098.040
Total recognized income and expense	-	-	-	-	-	1.754.825	1,754,82
Transactions with partners or owners							
Capital increases	18.750	14.981.250	(963,088)		-		14.336.912.0
Distribution of results		-	-	(900.919)	-	900.919	
Transactions with treasury shares (net) (Note 10.3 and 10.4)		-	219.439		(331,840)		(112.401
Other changes in net equity							
Other movements	-	-	-	1	-	-	
FINAL BALANCE AS OF December 31, 2021	443,419	18.361.239	27.538	(1.464.150)	(1.045.404)	1.754.825	18.077.37

GREENALIA, S.A.
Plaza de Maria Pila, 10 - 1 - Tel. +34 961 482 100 - Fax: +34 961 480 800 - Postoode: 15001 - A Coruña - Spain
Email: pressores@greenalia.es - www.groenalia.es



# Greenalia, S.A. Cash flow statements for the financial year ended on December 31, 2021 (Stated in euros)

	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profitioss for the year before taxes		1,590,685	(1,209,097
Adjustments to profitious		2.743.345	1.407.09
Amortization of fixed as sets	5 and 6	389.511	215.17
Allocation of grants		(473)	
Profitfoss on fixed assot disposals and write-offs		24.750	(2.17)
Financial income			(014,613
Financial expenses	13.4	3.694.206	2.396.69
Exchange differences		(441.888)	
impairment and profitioss on disposal of financial instruments		(725.023)	(386,986
Other income and expenses	13.1	(197.738)	
Changes in working capital		(1.698.387)	(951.588
injentory		312	4.18
Debtors and other receivables		901 282	(1.026.568
Other current assets		132.246	65.15
Creditors and payables		460.967	5.62
Other current liabilities		(3.128.704)	3.02
Other non-current liabilities		(64 490)	
Other cash flows from operating activities		(2.977.948)	(2.603.806
Interest payments		(2.977.948)	(2.803.800
Other payments		(2.907.940)	12,000,000
Cash flows from operating activities		(342.305)	(3.367.40)
		12.2.2.5	
CASH FLOW'S FROM INVESTMENT ACTIVITIES			
Investment payments		(33.664.914)	(1,986,913
Group companies and associates	-	(32.644.137)	(1,405,464
intangible fixed assets	5	(578.567)	(581.448
Other financial assets		(442.210)	
Cash flows from investment activities		(33.664.914)	(1.986.912
Cash flows from investment activities			(1.986.91)
Cash flows from investment activities :  CASH PLOW'S FROM FINANCING ACTIVITIES			
Cash flows from investment activities  CASH PLOWS FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments		(33.864.914)	
Cash flows from Investment activities  CASH PLOWS FROM PHANCING ACTIVITIES  Receivables and payments for equity instruments  Issuance of equity instruments		(33.864.914)	
Cash Bows from Investment activities  CASH FLOW'S FROM PINANCING ACTIVITIES  Receivables and payments for equity instruments  Issuance of equity instruments  Amortization of equity instruments		(33.864.914) 14.422.260 14.556.352	
Cash flows from Investment activities  CASH PLOWS FROM PRIANCING ACTIVITIES  Receivables and payments for equity instruments  Issuance of equity instruments  Amortzation of equity instruments  Isspessed of own equity instruments  Isspessed of own equity instruments		(33.664.914) 14.422.260 14.556.352 (1.420.550) 1.294.448	
Cash flows from investment activities  CASH FLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments  bissance of equity instruments  Amortization of equity instruments  Disposal of own equity instruments  Disposal of own equity instruments		(33.864.914) 14.422.260 14.556.352 (1.420.550)	40.869.38
Cash flows from investment activities  CASH FLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments Issuance of equity instruments Disposal of own equity instruments Disposal of own equity instruments Receivables and payments for financial flability instruments Issuance of dool instruments and other marketable securities		(33.864.914) 14.422.260 14.566.362 (1.420.550) 1.294.448 12.426.369	40.869.38 42.500.00
Cash flows from investment activities  CASH PLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments  Insurance of equity insurances  Os posal of own equity instruments  Disposal of own equity instruments  Receivables and payments for financial liability instruments  issuance of clobb with crudit institutions  issuance of clobb with crudit institutions		(33.864.914) 14.422.260 14.565.362 (1.420.550) 1.294.448 12.425.389	40.869.38 42.500.00 400.73
Cash flows from investment activities  CASH FLOW's FROM PINANCING ACTIVITIES  Receivables and payments for equity instruments  Issuance of equity insurances  Anontzation or equity instruments  Dis posal of own equity instruments  Excelerables and payments for financial liability instruments  Issuance of ciebt instruments and other marketable securities  Issuance of ciebt with croup companies and associaties  Issuance obtains with croup companies and associaties		(33.864.914) 14.422.260 14.556.362 (1.429.550) 1.294.448 12.425.389  13.420.212	40.869.38 42.500.00 400.73
Cash flows from investment activities  CASH PLOWS FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments issuance of equity instruments Americation of equity instruments Desposal of own equity instruments Receivables and payments for financial flability instruments issuance of clotols instruments and offer marketable securities issuance of clotols with cradit institutions issuance of clotols with Craup compenies and associates Cother cloobs		(33.864.914) 14.422.260 14.565.362 (1.420.550) 1.294.448 12.425.389	40.869.38 42.500.00 400.73
Cash Rows from Investment activities  CASH PLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments bissance of equity instruments  Annotazion of equity instruments  Disposal of own equity instruments  Disposal of own equity instruments  Issuance of diction transects and other marketable securities  Issuance of diction with credit instruments  Issuance of diction with credit instruments  Issuance of diction with credit instruments  Issuance of dictions with Credit instruments  Issuance of Receiver of the R		(33,864,914) 14,422,260 14,566,362 (1,420,550) 1,204,448 12,426,369  13,420,217 49,103	40.869.38 42.509.00 409.73 98.13
Cash flows from investment activities  CASH PLOWS FROM PHANCING ACTIVITIES  Receivables and payments for equity instruments Issuance of equity instruments Issuance of equity instruments Insposal of orm equity instruments Receivables and payments for financial liability instruments Issuance of dobt instruments and other marketable securities Issuance of dobts with credit instruments and associates Other dobts Return and amortisation of Return and amortisation of		(33.864.914) 14.422.259 14.565.352 (1.429.550) 1.294.448 12.426.369 13.420.212 49.103 (100.000)	40.889.38 42.500.00 400.73 98.13
CASH FLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments Insurance of equity instruments Americant of equity instruments Dis posal of own equity instruments Exceleration of equity instruments Dis posal of own equity instruments Issuance of decide the struments and other marketable securities Issuance of decide the struments and other marketable securities Issuance of decide the struments and other marketable securities Issuance of decide with calculate the struments Issuance of decide with Caroup compenies and essociates Cather deoits Return and americandon of Deturn of decid instruments and other marketable securities Decide with credit instruments		14.422.260 14.563.05 17.429.550 12.94.448 12.426.389 13.420.212 49.103 (100.000) (168.776)	40.869.38 42.500.00 400.73 98.13
Cash flows from Investment activities  CASH PLOWS FROM PNANCING ACTIVITIES  Receivables and payments for equity instruments Insurance of equity instruments Amerization of equity instruments Insposal of own equity instruments Receivables and payments for financial liability instruments issuance of decide instruments and other marketable securities issuance of decide with crouge congenies and associates Citate decide Return and amortisation of Return and amortisation of Return decide instruments and other marketable securities Decide with credit instruments and other marketable securities Decide with credit instruments and other marketable securities		(33.864.914) 14.422.269 14.556.352 (1.429.550) 1.204.448 12.425.369 13.420.212 49.103 (100.000) (166.776) (775.190)	60.869.38 62.500.00 600.73 98.13 (966.806 (1.458.665
CASH FLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments  Receivables and payments for equity instruments  Receivables and payments for equity instruments  Ameritation of equity instruments  Dis posal of own equity instruments  Receivables and payments for financial flability instruments  Issuance of doubt instruments and other marketable securities  Issuance of doubts with cold instruments and essocialies  Other doubt  Return and amortication of  Return of debt instruments and other marketable securities  Debts with credit instruments and other marketable securities  Other doubt		14.422.260 14.563.05 17.429.550 12.94.448 12.426.389 13.420.212 49.103 (100.000) (168.776)	49.869.38 42.500.00 409.73 98.13 (968.80% 1458.68 185.46
Cash flows from Investment activities  CASH PLOWS FROM PNANCING ACTIVITIES  Receivables and payments for equity instruments Insurance of equity instruments Amerization of equity instruments Insposal of own equity instruments Receivables and payments for financial liability instruments Issuance of educity instruments Issuance of decide instruments and other marketable securities Issuance of decides with Croup companies and associates Cother decide Relatin and americations Decide with credit instruments and other marketable securities Decide of the securities of the securities of the other decide instruments of the securities of the sec		(33.664.914) 14.422.260 14.566.362 (1.429.556) (1.429.556) 13.420.242 49.103 (100.000) (166.776) (775.190)	40.869.38 42.500.00 400.73 98.13 (968.805 (1.458.685 185.16
CASH FLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments  Receivables and payments for equity instruments  Receivables and payments for equity instruments  Ameritation of equity instruments  Dis posal of own equity instruments  Receivables and payments for financial flability instruments  Issuance of doubt instruments and other marketable securities  Issuance of doubts with cold instruments and essocialies  Other doubt  Return and amortication of  Return of debt instruments and other marketable securities  Debts with credit instruments and other marketable securities  Other doubt		(33.864.914) 14.422.269 14.556.352 (1.429.550) 1.204.448 12.425.369 13.420.212 49.103 (100.000) (166.776) (775.190)	40.869.38 42.500.00 400.73 98.13 (968.805 (1.458.685 185.16
Cash flows from Investment activities  CASH PLOWS FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments Issuance of equity instruments Ameritation of equity instruments Disposal of own equity instruments Receivables and payments for financial flability instruments issuance deciration surveness and define marketable securities issuance of decirate with a security of the deciration of t		(33.664.914)  14.422.260 14.566.362 (1.420.550) 1.204.448 12.425.369  13.420.212 49.103 (100.000) (166.776) (775.180)  28.847.603 441.888	49.849.23 42.500.00 409.73 96.13 (666.80) (1458.665 185.16 41.054.54
Cash flows from investment activities  CASH PLOW'S FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments Insurance of equity insubments Amentation of equity insubments Disposal of own equity instruments Disposal of own equity instruments Insurance of circle tims trained and other marketable securities issuance of circle tims trained and other marketable securities issuance of circle tims trained and other marketable securities issuance of circle with crown companies and essociates Other deobs Return and amentation of Perturn of detc in struments and other marketable securities Debs with credit instruments and other marketable securities Other deobs Other deobs Other deobs Other deobs Other deobs Cash flows is received and remuneration from other equity instruments Distances		(33.864.914)  14.422.260 14.566.362 (1.429.596) 1.201.448 12.425.369 13.420.212 49.103 (100.006) (166.776) (775.190) 28.847.609	(1.386.912 40.869.38 42.509.00 409.73 98.13 (666.800) (1.458.66 185.16 41.084.54
Cash flows from Investment activities  CASH PLOWS FROM FINANCING ACTIVITIES  Receivables and payments for equity instruments Issuance of equity instruments Ameritation of equity instruments Disposal of own equity instruments Receivables and payments for financial flability instruments issuance deciration surveness and define marketable securities issuance of decirate with a security of the deciration of t	,	(33.664.914)  14.422.260 14.566.362 (1.420.550) 1.204.448 12.425.369  13.420.212 49.103 (100.000) (166.776) (775.180)  28.847.603 441.888	49.849.23 42.500.00 409.73 96.13 (666.80) (1458.665 185.16 41.054.54

 ORDERNALIA, S.A.

 Plaza de Morta Pita, 10 - 1 – Tet + CM 901 402 100 – Fax + CM 901 403 800 – Postcode: 15001 – A Conuña – Spain Emañ, emensores@premisia se — seve generala se.



Greenalia, S.A. Report for the financial year ended on December 31, 2021

#### COMPANY ACTIVITIES

Greenalia, S.A. ("the Company" or "the Parent") was incorporated on December 13, 2013, as a price of the property of the Company under the name of Grupo Garcia Forestal, S.L. On September 2, 2016, it changed its company name to Greenalia, S.L. and on July 7, 2017, it became a public limited liability company. The company is registered in the Commercial Registry of A Coruña in volume 3,604, General Section, folio 12, sheet C-60,983, its registered office, which was established on December 31, 2015, at Avenida de Zumalackeregui, number 35 Bajo, 15360, Cedeira (A Coruña), was changed on September 2, 2016, to Plaza de Maria Pita, nº 10 plants 1° in A Coruña.

its corporate purpose consists of the production of electricity using renewable energy sources and all complementary activities; the development, management, operation, maintenance, and marketing of energy-use and production facilities; the acquisition and disposal of shares and interests representing the share capital of any type of company; the financing of investees; and the 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.

The company is currently the parent company of the Greenalia Group and files the consolidated annual accounts with the Commercial Registry of A Coruña. The consolidated annual accounts of the Greenalia, S.A. Group and the consolidated Director's Report for the financial year 2020 were drafted on March 31, 2021, and were filed with the Mercantile Registry together with the corresponding audit report. The consolidated annual accounts and the consolidated Director's Report for the financial year 2021 will be drafted in a timely manner and filed, together with the corresponding audit report, with the Commercial Recistry within the legality established deedlines.

The 2014 financial year was the first year in which the company presented consolidated financial statements. Likewise, the company is controlled by SMARTTIA SPAIN, SL.U. (previously Norceste Inversion y Deserrollo S.L.U.), with its registered office at Plaza de María Pita. Number 10, Floor 1, in A Coruña and which files its annual accounts with the Commercial A Coruña.

During the last few years, the company and the group it heads have been leading the achievement of the following energy projects and have implemented a strategic plan aimed at the development of renewable energies.

The functional currency of the Company is the euro.

9

OREENALIA, S.A.

Plaza de María Pira, 10 - 1 = Tel: +34 981 402 100 = Fax +34 981 403 800 = Postonde: 16001 = A Coruña = Spain

Ernal: Investores@greenalia as. — www.presnalia as.



#### 2. BASIS FOR PRESENTING THE ANNUAL ACCOUNTS

The annual accounts have been prepared in accordance with the regulatory framework for financial information applicable to the Company, which is set forth in the General Accounting Plan approved by Royal Decree 1514/2007, of November 1, which, in turn, has been subject to several modifications since its publication, with the last of them being by Royal Decree 1/2021, of January 12, and its rules for implementation, as well as with the rest of the mercentitle law in force.

The consolidated annual accounts have been approved by the Directors of the Company and will be submitted for approval at the General Shareholders' Meeting, it being foreseen that they will be approved without any modification.

The figures included in the consolidated annual accounts are expressed in euros, unless otherwise indicated.

#### 2.1 True and fair view

The financial statements have been prepared on the basis of the Company's auxiliary accounting records, and the legal provisions in force on accounting matters have been applied in order to present a true and fair view of the Company's equity, financial position and results. The statement of cash flows has been prepared in order to provide accurate information on the origin and use of the monetary assets representative of cash and other equivalent liquid assets belonging to the Company.

#### 2.2 Information comparison

in accordance with mercantile law and for comparative purposes, for each item in the balance sheet, in the profit and loss account, the statement of changes in equity, and the cash flow statement, we present the figures corresponding to the balances for the 2021 financial year, as well as the amounts for the year ended on December 31, 2020. Quantitative information for the previous financial year is also included in the report, except when an accounting standard specifically states that this is not necessary.

On January 30, 2011, Royal Decree 1/2021 of January 12 was published, modifying the General Accounting Plan approved by Royal Decree 1514/2007 of November 16. The changes to the General Accounting Plan are applicable to the financial years starting from January 1, 2021, and are mainly focused on the recognition, valuation, and breakdown criteria for income and financial instruments.

This modification to the Plan has not brought about the need to account for any impact in terms of the transition as of January 1, 2021, nor is it necessary to undertake detailed reconciliation of the line items for financial assets and liabilities that had been included in the consolidated balance sheet in previous years.

Specifically, the modification to the Plan notes that the categories of financial instruments that exist are:

#### Financial assets

- 1. Financial assets at fair value through profit or loss account.
- 2. Financial assets at amortized cost.
- 3. Financial assets at fair value through changes in equity.
- Financial assets at cost.

10

#### GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet +34 901 402 100 - Fox +34 901 400 800 - Postoode: 15001 - A Coruña - Spain Errait enemocra@greenela.m - www.preenala.es



#### Financial liabilities

- 1. Financial liabilities at amortized cost.
- 2. Financial liabilities at fair value through profit or loss.

With regard to the modification of recognition and valuation rules for the recognition of income, this modification has not had any impact on the way in which the Company had been recognizing its income on the income statement.

#### 2.3 Effects of the COVID-19 pandemic on the Company's activity

The international pandemic officially declared by the World Health Organization (WHO) on March 11, 2020, has given rise to 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 raw material and energy prices, and shortages in the supply of certain components. The evolution of the pandemic is having consequences for the economy in general and for the group's operations, and the effects thereof in the coming months are uncertain and will depend to a large extent on the evolution and extension of the disease.

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 significant effects are foreseen in the 2022 financial year.

#### 2.4 Going concern

In 2021 the Company had positive results for the year amounting to 1,754,825 euros (901 thousand euros of losses in 2020) and has a positive working capital.

The Company's directors have prepared the financial statements on a going concern basis as they consider that they have sufficient financial capacity to continue with the investment process initiated in energy projects through the various subsidiaries and guarantees granted during the next twelve months.

#### 2.5 Critical valuation issues and estimation of uncertainty

When preparing the Company's consolidated annual accounts, the Directors made estimates to determine the carrying amount of some of the assets, liabilities, income, and expenses and in relationship with the breakdowns for the contingent liabilities. These estimates were made based on the best information available at the end of the financial year. However, given the uncertainty inherent thereto, future events could arise that force the estimates to be modified in the coming years — something which would be done, if necessary, prospectively.

The key assumptions about the future, as well as other relevant data on the estimation of uncertainty at the closing date of the year, which are associated with a risk of assuming changes in the value of the assets or liabilities in the next financial year, are the following:

11

**GREENALIA, S.A.** 

Plaza de Maria Pita, 10 - 1 = Tet +34 501 402 100 = Fax: +34 501 400 000 = Postcode: 15001 = A Coruña = Spain Email: inversorin@greenalia.es — sww.greenalia.es



#### Impairment losses on investments in group companies

For investments in group companies, the Company's Directors examine whether there are indications of impairment for the group companies in which significant shareholdings or credits are held. In particular for those investee companies that are in the development or operation phase of different projects for the electricity generation and sale:

- Compliance with the milestones set in Royal Decree-Law 23-2020 has been analyzed
- For operating assets, the existence of external factors that may affect their profitability has been analyzed, such as law changes and modifications in the price of energy.
- The capacity thereof to obtain the necessary financing to develop the projects has been analyzed.
- Additionally, the valuations of the group's projects (obtained from both internal and external sources) have been analyzed.

In cases where signs of impairment have been detected, the valuation of non-current assets would require estimates to be made in order to determine their recoverable value for the purpose of evaluating possible impairment. To determine this recoverable value, the Company's Directors estimate the future cash flows expected from the assets or cash-generating units of which they are a part and use an appropriate discount rate to calculate the present value of these cash flows. Future cash flows are contingent on projected financial year budgets being met.

In their analysis of investment recoverability, the Directors currently feel that to date there are no indications of impairment on any of the investments in renewable energy projects. The only impairment identified corresponds to the company Greenalia Industry S.L., which has a minority shareholding in the company Blomasa Forestall S.L., which has had losses in recent years.

#### Income tax

The legal situation of the tax regulations applicable to the Group implies that there are estimates and an uncertain ultimate tax quantification. The tax is calculated on the basis of management's best estimates based on the current tax regulations and taking into account the foreseeable evolution thereof (Note 12).

When the final tax result differs from the amounts which were initially recognized, such differences will have an effect on income tax and the provisions for deferred taxes in the year in which they are deemed to arise.

12

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I - Tel: +34 981 402 900 - Fox +34 981 400 000 - Postcode: 15001 - A Conafa - Spain Emait intercores@greenalis.es - www.greenalis.es



#### DISTRIBUTION OF RESULTS

The proposal for the distribution of results from the 2021 financial year, formulated by the Directors and expected to be approved by the General Shareholders' Meeting, is as follows:

(Euros)	2021
Available for distribution	
Balance of the profit and loss account (profits)	1.754.825
	1.754.825
Application	
To profitloss brought forward	1,464,150
To legal reserves	8.430
To voluntary reserves	282 245
	1.754.825

#### 3.1 Limitations on dividend distribution

The Company is obliged to allocate 10% of the profits from the financial year to the establishment of the legally required reserve — until reaching at least 20% of the share capital. This reserve, as long as it does not exceed 20% of the share capital, is not distributable to shareholders (Note 10.3%).

Once the requirements of the Law and of the bylaws have been covered, dividends can only be distributed from the profit of the financial year or from freely available reserves if the value of the net assets is not less than the share capital (or, as a result of the distribution, it does not turn out to be less than the share capital). For these purposes, the profits directly attributed to the equity cannot be distributed either directly or indirectly. If there are losses from previous financial years that make the value of the Company's net worth less than the share capital, the profit will be used to compensate for said losses.

The publication of the Consolidated Text of Law 27/2014, of November 27, on Corporate Income Tax, implemented certain amendments to tax incentives, including the introduction of a new tax incentive related to the increase in equity of the companies to which the general tax regime is applicable. In this regard, the Company maintains a Capitalization Reserve amounting to 36,594 euros on December 31, 2021 (same amount on December 31, 2020) (Note 10, 2021).

#### 4. ACCOUNTING AND VALUATION STANDARDS

The main recognition and valuation criteria used by the group in the preparation of these annual accounts are as follows:

#### 4.1 Intangible fixed assets

Intangible fixed assets have been initially valued at their cost, whether this is the purchase price or the cost of production. The cost of intangible fixed assets acquired through business combinations is their fair value at the purchase date.

After initial recognition, intangible fixed assets are valued at their cost less the accumulated amortization and, as applicable, the accumulated amount of recognized impairment corrections.

13

 OREENALIA. S.A.

 Plaza de Marta Pita, 10 - 1 = Tel: +34 981 482 900 = Fox +34 981 483 800 = Postcode: 15001 = A Coruña = Spain Email: intercores@greeniala.m. — www.greeniala.m.



The life of intangible assets life is systematically amortized based on the estimated useful life of the goods and their residual value. The methods and amortization periods applied are reviewed at each year end and, if applicable, adjusted prospectively. At the end of the financial year (at minimum), the existence of signs of impairment is evaluated, in which case the recoverable amounts are estimated, making the appropriate value adjustments.

#### Computer applications

This item includes the costs of computer applications purchased from third parties, its amortization is carried out linearly over its estimated useful life of 6 years.

Repairs that do not represent an extension of the useful life and maintenance costs are charged to the profit and loss account in the year in which they occur.

#### 4.2 Tangible fixed assets

Tangible fixed assets have been initially valued at their cost, whether this is the purchase price or the cost of production.

After initial recognition, tangible fixed assets are valued at their cost less the accumulated amortization and, as applicable, the accumulated amount of recognized impairment corrections.

The cost of any assets acquired or produced after October 1, 2008, which need more than one year to be in usable condition includes financial expenses accrued before the commissioning of the fixed assets that meet the requirements for capitalization.

Likewise, the value of the tangible fixed assets includes the initial estimate of the current value of any obligations assumed stemming from dismantling or withdrawal thereof, as well as other obligations associated with the asset, such as rehabilitation costs, if these obligations give rise to the recognition of provisions.

Repairs that do not represent an extension of the useful life and maintenance costs are charged to the profit and loss account in the year in which they occur. The costs of renovation, expansion, or improvement that give rise to an increase in the production capacity or an extension of the useful life of the goods are incorporated into the asset as a greater value thereof — derecognizing, where appropriate, the book value of the replaced elements.

Costs related to major repairs of tangible fixed assets, whether or not the affected items are replaced, are identified as a component of the cost of the asset on the date on which the asset is included in the company's equity and are depreciated over the period until the next major repair.

The amortization of tangible fixed assets is carried out from the moment they are available for commissioning in a linear fashion over their estimated useful life.

. .

14

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tet +34 981 402 100 = Fox +34 981 402 800 = Postoode: 15001 = A Consta = Spain Emait intercores@greensis.es = \_ sww.greensis.es = \_ sww.greensis.es



The years of estimated useful life for the various tangible fixed assets are as follows:

	Estimated years of useful life
Other installations	10 - 4
Data-processing equipment	4

At each financial year end, the Company reviews the residual values, useful lives, and amortization methods of the tangible fixed assets and, if applicable, they are adjusted prospectively.

#### 4.3 Impairment of the value of non-financial assets

At least at the end of the fiscal year, the Company evaluates whether there are indications that any non-current assets or, if applicable, any cash-generating unit may be impaired. If this is the case, recoverable amounts are estimated.

The recoverable amount is the higher amount between the fair value less selling costs and the value in use. When the book value is greater than the recoverable amount, an impairment loss occurs. The value in use is the present value of the expected future cash flows, using risk-free market interest rates, adjusted for the specific risks associated with the asset. For those assets that do not generate cash inflows (largely independent from those of other assets or groups of assets) the recoverable amount is determined for the cash-generating unit to which the asset belongs, with those cash-generating units being understood to be the minimum group of elements that generate cash inflows (largely independent from those of other assets or groups of assets).

The valuation adjustments for impairment and reversal are recorded in the profit and loss account. Value adjustments for impairment are reversed when the circumstances that gave rise to them cause to exist, except for those corresponding to goodwill. The reversal of impairment is limited to the book value of the asset that would appear if the corresponding impairment had not been previously recognized.

#### 4.4 Leases

Contracts are classified as financial leases when it is deduced from their economic conditions that materially all the risks and benefits inherent to the ownership of the asset subject to the contract are transferred to the lesses. Otherwise, the contracts are classified as operating leases.

#### Company as lessee

Payments for operating leases are recognized as expenses in the profit and loss account when accrued.

15

 OREENALIA, S.A.

 Plaza de Maria Pita, 10 - 1 = Tet: +34 981 402 100 = Fax +34 981 40 800 = Postcode: 15001 = A Coruña = Spain Emait (resectores@greenala as a wav prevalea as.)



#### 4.5 Financial assets

#### Classification and valuation

At the time of initial recognition, the Company classifies all financial assets into one of the categories listed below, thus determining the applicable initial and subsequent valuation method:

- Financial assets at fair value through profit or loss
- Financial assets at amortized cost.
- Financial assets at fair value through changes in equity
- Financial assets at cost.

Financial assets at fair value through profit or loss

The Company classifies a financial asset in this category unless it is to be classified in one of the other categories.

In any case, financial assets held for trading are included in this category. The Company considers that a financial asset is held for trading when at least one of the following three circumstances is met:

- a) It appears or is acquired with the purpose of selling it in the short term.
- b) At the time of its initial recognition, it is part of a portfolio of financial instruments identified and managed jointly for which there is evidence of recent actions to obtain short-term profits.
- It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

In addition to the foregoing, the Company has the possibility at the time of initial recognition to irrevocably designate a financial asset as measured at fair value through consolidated profit or loss, even if said asset otherwise would have been included in another category (assalty referred to as a "fair value option"). This option can be chosen if, by doing so, a valuation inconsistency or accounting asymmetry that would otherwise arise from the valuation of assets or liabilities on different bases is eliminated or significantly reduced.

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration given. Directly attributable transaction costs are recognized in the consolidated profit and loss account for the financial year (i.e., they are not capitalized).

Subsequent to the initial recognition, the Company values the financial assets included in this category at fair value through consolidated profit and loss (financial result).

Financial assets at amortized cost.

The Company classifies a financial asset in this category even when it is admitted to trading on an organized market if the following conditions are met:

 The Company maintains the investment under a management model whose objective is to receive the cash flows stamming from the execution of the contract.

Management of a portfolio with financial assets to obtain contractual cash flows does not mean that all instruments must necessarily be held until maturity; financial assets may be

16

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet +34 901 402 100 - Fox +34 901 400 800 - Postcode: 15001 - A Coruña - Spain Errait enemocra@greenela.ms - www.greenala.ms.



considered to be managed for that purpose even if sales have occurred or are expected to occur in the future. To that end, the Company considers the frequency, amount, and timing of sales in previous financial years, the reasons for such sales, and the expectations in terms of future sales activity.

- The contractual characteristics of the financial asset give rise, on specified dates, to cash flows that are only collections of principal and interest on the amount of outstanding principal. That is, cash flows are inherent in an agreement that has the nature of an ordinary or common loan, notwithstanding the fact that the transaction is agreed at a zero or below- market interest rate.

It is assumed that this condition is met in the case of a bond or a simple loan with a certain maturity date and for which the Company charges a variable market interest rate, being able to be subject to a limit. On the contrary, it is assumed that this condition is not met in the case of instruments that are convertible into net equity instruments for the issuer, loans with inverse floating interest rates (that is, a rate that has an inverse relationship with market interest rates), and loans in which the issuer may defer the payment of interest if such payment would affect its solvency, doing so without the deferred interest accruing additional interest.

In general, this category includes trade receivables ("commercial customers") and non-trade receivables ("other debtors").

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration given plus the transaction costs directly attributable thereto. That is, the inherent transaction costs are capitalized.

However, trade receivables falling due in no more than one year without a contractual interest rate. as well as staff credits, dividends to be collected, and disbursements required by third parties on shares (whose amount is expected to be paid in the short term) are valued at their nominal value if the effect of not updating the cash flows is not significant.

For subsequent valuation, the amortized cost method is used. Accrued interest is accounted for in the profit and loss account (financial income) by applying the effective interest rate method.

Credits with a maturity of not more than one year that, as stated above, are initially valued at their nominal value, will continue to be valued at that amount unless they have deteriorated.

in general, if the contractual cash flows for a financial asset at amortized cost are changed due to the issuer's financial difficulties, the Company analyses whether an impairment loss should be accounted for.

17

**GREENALIA, S.A.** Plaza de Maria Pita, 10 - 1 - Tet +34 901 482 100 - Fax: +34 901 480 900 - Postcode: 15001 - A Coruña - Spain Email: inversorin@greenalia.es - sww.greenalia.es.



# Financial assets at fair value through changes in equity

Financial assets that meet the following conditions are included:

- The financial instrument is not held for trading and should not be classified at amortized
- The contractual characteristics of the financial asset give rise, on specified dates, to cash flows that are only collections of principal and interest on the amount of outstanding

In addition, the Company has the option of (irrevocably) classifying investments in equity instruments in this category, provided that they are not held for trading and should not be valued at cost (see cost category below).

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration given, plus the transaction costs directly attributable thereto. That is, the inherent transaction costs are capitalized.

The subsequent valuation is at fair value, without deducting the transaction costs that could be incurred upon disposal. The changes that occur in the fair value are recognized directly in the equity until the financial asset is derecognized in the balance or becomes impaired, at which point the amount recognized as mentioned above is charged to the profit and loss account.

Impairment value adjustments and profit and losses resulting from exchange differences in monetary financial assets in foreign currencies are recognized in the consolidated profit and loss account and not in consolidated equity.

The amount of interest (calculated in accordance with to the effective interest rate method) and accrued dividends (financial income) are also recorded in the profit and loss account.

Financial assets at cost.

The Company includes in this category:

- d) Investments in the equity of the Group, multi-group and associated companies (in the individual financial statements).
- e) The remaining investments in equity instruments whose fair value cannot be determined by reference to a price quoted on an active market for an identical instrument, or which cannot be estimated reliably, and derivative investments which have these investments as underlying assets.
- f) Hybrid financial assets whose fair value cannot be estimated reliably, unless the requirements for their accounting at amortized cost are met.
- g) Contributions made as a result of a joint venture agreement and the like.
- h) Equity loans whose interest is contingent either because a fixed interest rate or a variable rate has been agreed upon, conditioned on the fulfillment of a milestone in the borrowing company (for example, the obtaining of profits), or because interest is calculated solely by reference to the evolution of said company's activity.

18

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tet: +34 981 492 100 - Fax: +34 981 493 900 - Postcode: 15001 - A Coruña - Spain Email investmen@geecala.es - www.geenala.es



 Any other financial esset that should initially be included in the fair value portfolio through the profit and loss account when it is not possible to obtain a reliable estimate of its fair value.

Investments included in this category are initially valued at cost, which is equivalent to the fair value of the consideration provided plus the transaction costs directly attributable thereto. That is, the inherent fransaction costs are capitalized.

In the case of investments in Group companies, if there was an investment prior to qualification as a group company, multi-group company, or associate, the cost of said investment will be considered as the book value immediately before the Group company took on said qualification.

Subsequent valuation is also at cost less, as appropriate, accumulated value adjustments for impairment.

Contributions made as a result of a joint venture agreement and the like are valued at the cost, increased or decreased by the profit or loss, respectively, corresponding to the company as a non-managing unitholder and less, as appropriate, accumulated value adjustments for impairment

This same criteria is applied for equity loans whose interest is contingent either because a fixed interest rate or a variable rate has been agreed upon, conditioned on the fulfillment of a milestone in the borrowing company (for example, the obtaining of profits), or because interest is calculated solely by reference to the evolution of said company's activity. If, in addition to contingent interest, invevcable fixed interest is also agreed upon, the letter is accounted for as financial income based on its accrual. Transaction costs are charged to the profit and loss account on a straight-line basis over the life of the equity loan.

# Derecognition of financial assets

The Company derecognizes a financial asset when:

- Contractual rights to the asset's cash flows expire. In this sense, a financial asset is written
  off when it has metured, and the Company has received the corresponding amount.
- The contractual rights to the financial asset's cash flows have been transferred. In this case, the financial asset is written off when the risks and benefits inherent to its ownership have been transferred materially. In particular, in sales transactions with repurchase agreements, factoring, and securitizations, the financial asset is written off once the Company's exposure (before and after the transfer) to variation in amounts and in the schedule of the net cash flows for the transferred asset has been compared and it is decided that the risks and benefits have been transferred.

After analysis of the risks and benefits, the Company recognizes the write-off of financial assets in accordance with the following situations:

- a) The risks and benefits inherent to ownership of the asset have been transferred materially. The asset transferred is written off from the balance and the Company recognizes the results from the transaction: the difference between the consideration received net of attributable transaction costs (considering any new assets obtained, less any liabilities assumed) and the carrying value of the financial asset plus any accrued amounts that have been recombed directly in equity.
- b) The risks and benefits inherent to the ownership of the asset have been retained materially by the Company. The financial asset is not written off and a financial liability is recognized for the same amount at the consideration received.

19

Plaza de Maria Pita, 10 - I = Tet: +34 981 492 900 - Esc: +34 981 493 900 - Postcode: 16031 - A Coruña - Spais Ernal: <u>reservores@greenfalum</u> - www.greenfalum. .



- c) The risks and benefits inherent to ownership of the asset have not been transferred or retained materially. In this case, there are two possible situations:
  - Control is transferred (the transferee has the practical ability to re-transfer the asset to a third party); the asset is written off from the balance sheet.
  - Control is not transferred (the transferred does not have the practical ability to retransfer the asset to a third party); the Company continues to recognize the asset for the amount to which it is exposed to changes in the transferred asset's value; i.e., for its continued involvement, and it is necessary to recognize an associated lability.

# Impairment of the value of financial assets

Debt instruments at amortized cost or fair value through changes in equity

At the close of the financial year (at minimum), the Company assesses whether there is objective widence that the value of a financial asset or of a group of financial assets with similar risk characteristics valued collectively has deteriorated as a result of one or more events that occurred after initial recognition, resulting in a reduction or delay in the estimated future cash flows, which may be brought on by the insolvency of the debtor.

in the event that there is such evidence, the impairment loss is calculated as the difference between the book value and the current value of the future cash flows, including, as applicable, flows stemming from the execution of the collateral-backed and personally-backed guarantees, less the effective interest rate calculated at the time of initial recognition. For variable interest rate financial assets, the effective interest rate corresponding to the closing date of the annual accounts is used in accordance with the contractual conditions. When calculating impairment losses on a group of financial assets, the Company uses models based on formulas or statistical methods.

Impairment value corrections (as well as their reversal when the amount of such loss decreases due to reasons related to a subsequent event) are recognized as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the carrying amount of the asset that would be recognized at the date of reversal if the impairment had not been recognized.

As a substitute for the current value of future cash flows, the Company uses the market value of the instrument — provided that it is sufficiently reliable to consider it representative of the value that the Company could recover.

In the case of assets at fair value through equity, the accumulated losses recognized in equity due to a decrease in fair value are recognized in the profit and loss account, provided that there is objective evidence of impairment in terms of the asset's value.

20

GREENALIA, S.A.

Plaza de Morta Pita, 10 - 1 = Tel: +34 981 402 100 = Fax: +34 981 403 000 = Postocór: 15001 = A Coruña = Spain E-mail: enercores@greenzia.es. — www.greenzia.es.



### Equity instruments at fair value through changes in equity

In this type of investment, the Company assumes that the instrument has deteriorated due to a one-and-a-half-year or forty percent drop in its price, without the recovery of its value having occurred — not-vithetanding the fact that it may be necessary to recognize an imment loss before said period has elapsed or the price has decreased by the aforementioned percentage.

Impairment adjustments are recognized as an expense in the profit and loss account.

In the event that the fair value increases, the valuation correction recognized in previous years is not reversed with a credit to the profit and loss statement and the increase in fair value is recognized directly against the equity.

#### Financial assets at cost.

In this case, the amount of the value correction is the difference between its carrying amount and the recoverable amount, defined as the highest amount of its fair value less costs to sell and the present value of the future cash flows resulting from the investment. This, in the case of equity instruments, is calculated either by the estimation of flows expected to be received as a result of dividend distribution by the subsidiary company and the disposal or write-off of the investment in the accounts or by estimating the participated in the cash flows expected to be generated by the investee company from its ordinary activities and from its disposal or derecognition. Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the impairment loss of this asset class is calculated based on the net equity of the investee company and the tacit capital gains existing all the valuation date, not of the tax effect.

The recognition of impairment value adjustments and, where appropriate, their reversal, is recognized as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the carrying amount of the asset that would be recognized at the date of reversal if the impairment had not been recognized.

# Interest and dividends received on financial assets

Interest and dividends on financial assets accrued after the time of acquisition are recognized as income in the profit and loss account. Interest is recognized using the effective interest rate method, and dividends are recognized when the right to receive them arises.

If the dividends distributed unequivocally come from results generated prior to the acquisition date because amounts greater than the profits generated by the investee company since acquisition have been distributed, they will not be recognized as income and will reduce the carrying value of the investment, Judgment in terms of whether profits have been generated by the investme will be made based exclusively on the profits accounted for in the individual profit and loss account from the date of acquisition, unless distribution from said profits should undoubtedly be classified as a recovery of the investment from the perspective of the entity receiving the dividend.

21

GREENALIA, S.A.

Plaza de Moria Pita, 10 - 1 = Tel: +34 981 492 100 = Fax: +34 981 492 800 = Postoode: 15001 = A Consha = Spain Email: intercores@greensia.es — www.greensia.es



### 4.6 Financial liabilities

At the time of initial recognition, the Company classifies all financial liabilities into one of the categories listed below:

- Financial liabilities at amortized cost.
- Financial liabilities at fair value through profit or loss

# Financial liabilities at amortized cost.

The Company classifies all financial liabilities in this category except when they should be measured at fair value through profit or loss account.

In general, this category includes trade payables ("suppliers") and non-trade payables ("other creditors").

Equity loans that have the characteristics of an ordinary or common loan are also included in this category, notwithstanding the fact that the transaction is agreed at a zero or below-market interest rate.

The financial liabilities included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration received, adjusted for the transaction costs directly attributable thereto. That is, the inherent transaction costs are capitalized.

Trade payables falling due in no more than one year without a contractual interest rate, as well as the disbursements required by third parties on shares (whose amount is expected to be paid in the short term) are valued at their nominal value if the affect of not updating the cash flows is not significant.

For subsequent valuation, the amortized cost method is used. Accrued interest is accounted for in the profit and loss account (financial expense) by applying the effective interest rate method.

However, debits with a maturity of not more than one year that, as stated above, are initially valued at their nominal value, will continue to be valued at that amount.

Contributions received as a result of a joint venture agreement and the like are valued at the cost, increased or decreased by the profit or loss, respectively, to be attributed to non-managing unitholders.

This same criteria is applied for equity loans whose interest is contingent either because a fixed interest rate or a variable rate has been agreed upon, conditioned on the fulfillment of a milestone in the borrowing company (for example, the obtaining of profits), or because interest is calculated solely by reference to the evolution of said company's activity. Finance expenses are recognized in the profit and loss statement on an accrual basis, and transaction costs are charged to the profit and loss statement on a financial basis or, if not applicable, on a straight-line basis over the life of the equity loan.

22

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet +34 981 402 100 - Fox +34 981 400 800 - Postoode: 15001 - A Coruña - Spain Ernalt investoren@creenda.ms - www.preenda.ms.



Financial liabilities at fair value through profit or loss account

In this category, the Company includes financial liabilities that meet any of the following conditions:

- They are liabilities that are held for trading. A financial liability is considered to be held for trading if it meets one of the following conditions:
  - It is issued or assumed primarily for the purpose of repurchasing it over the short term (for example, debt instruments and other marketable securities that the company may purchase over the short term based on changes in value).
  - It is an obligation that a short seller has to deliver financial assets that have been lent to them ("short sale").
  - At the time of its initial recognition, it is part of a portfolio of financial instruments identified and managed jointly for which there is evidence of recent actions to obtain short-term profits.
  - 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 the time of initial recognition, it has been irrevocably designated to be accounted for at fair value through the profit and loss statement ("fair value option"), because:
  - An inconsistency or "accounting asymmetry" with other instruments at fair value through profit or loss is eliminated or reduced significantly; or,
  - A group of financial liabilities or financial assets and liabilities that is managed and whose performance is assessed on the basis of its fair value in accordance with a documented risk management or investment strategy and group information is also provided on the basis of fair value to key management personnel.
- Optionally and irrevocably, hybrid financial liabilities with separable embedded derivatives may be included in their entirety in this category.

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the price of the transaction, which is equivalent to the fair value of the consideration received. Directly attributable transaction costs are recognized in the profit and loss statement for the financial year.

Subsequent to the initial recognition, the Company values the financial liabilities included in this category at fair value through profit and loss.

23

 GREENALIA, S.A.

 Plaza de Maria Pita, 10 - 1 = Tet +34 981 402 100 = Fax +34 981 40 800 = Postoode: 15001 = A Coruña = Spain Errad: reservoera@green/la ara — www.presnala.es.



## Derecognition of financial liabilities

The Company derecognizes a previously recognized financial liability when one of the following circumstances occurs:

- The obligation has been extinguished because payment has been made to the creditor to cancel the debt (through cash payments or other goods or services), or because the debtor is legally relieved of any responsibility over the liability.
- Own financial liabilities are acquired, even if it is with the intention of relocating them in the future.
- An exchange of debt instruments takes place between a lender and a borrower, provided that they have materially different conditions, recognizing the new financial liability that arises; likewise, a substantial modification of the current conditions for a financial liability is recorded as indicated for debt restructurings.

Accounting for the derecognition of a financial liability is undertaken in the following way: the difference between the carrying amount of the financial liability (or the part thereof derecognized) and the consideration paid —including any atributable transaction costs, also including any transferred asset other than cash or liabilities assumed— is recognized in the profit and loss statement for the financial year in which it takes place.

### Debt restructuring

The Company carries out the restructuring of its debt commitments to its creditors in certain cases. For example: extending the term for the payment of principal in exchange for a higher interest rate, not paying and adding the interest in a single "bullet" payment of principal and interest at the end of the life of the debt, etc. The ways in which such changes in the terms of a debt can be carried out are severe!:

- Immediate payment of the nominal amount (before maturity), followed by the refinancing of all or part of the nominal amount through a new debt ("debt exchange").
- Modification of the terms of the debt agreement before its maturity ("debt modification").

In these cases of "debt exchange" or "debt modification" with the same creditor, the Company analyzes whether there has been a substantial change in the conditions of the original debt. In the event that there has been a substantial change, the accounting treatment is as follows:

- The carrying amount of the original financial liability (or its corresponding part) is written off from the balance sheet;
- The new financial liability is initially recognized at fair value;
- Transaction costs are recognized against the profit and loss statement;
- The difference between the carrying amount of the original financial liability (or the part thereof that has been written off) and the fair value of the new liability is also recognized against profit or loss.

On the other hand, if, after analysis, the Company concludes that both debts do not have materially different conditions (they are, in essence, the same debt), the accounting treatment is as follows:

GREENALIA, S.A.

24

Plaza de Maria Pita, 10 - 1 – Tet +34 501 402 100 – Par: +34 501 400 000 – Postcode: 15001 – A Coruña – Spain Émail inversorin@greenalia.es – svew greenalia.es



- The original financial liability is not written off from the balance sheet (that is, it is kept on the balance sheet);
- The commissions paid in the restructuring transaction are carried as an adjustment to the book value of the debt:
- A new interest rate is calculated, effective from the date of restructuring. The amortized cost of the financial liability is determined by applying the effective interest rate, which is equal to the carrying amount of the financial liability at the modification date with the cash flows payable under the new conditions.

The terms of the contracts are deemed to be materially different, among other cases, when the current value of the cash flows for the new contract (including any fees paid net of any commissions received) differs by at least ten percent from the current value of the remaining cash flows from the original contract, with both amounts being updated at the effective interest rate of the latter.

Certain modifications in the determination of the cash flows may not pass this quantitative analysis, but they may also lead to a material modification of the liabilities, such as: a change from fixed rate to variable rate in the remuneration of the liability, the liability's restatement into a different currency, a loan at a fixed interest rate that becomes an equity loan, among other cases.

#### 4.7 Fair value

Fair value is the price that would be received for the sale of an asset or that would be paid to transfer or write off a liability through a transaction between market participants at the valuation date. The fair value is to be determined without making any deductions for any transaction costs that may be incurred due to disposal or disposition by other means. Under no circumstances can fair value be considered as the result of a forced or urgent transaction, nor can it be considered as a result from an involuntary liquidation situation.

The fair value is estimated for a certain date and, since market conditions may vary over time, that value may be inadequate for another date. In addition, when estimating the fair value, the Company takes into account the conditions of the asset or liability that market participants would take into account when pricing the asset or liability at the valuation date.

In general, fair value is calculated by reference to a reliable market value. For those items for which there is an active market, the fair value is obtained, as appropriate, through the application of valuation models and techniques. Valuation models and techniques include the use of references to recent transactions under conditions of mutual independence between interested and duly informed parties, if available, as well as references to the fair value of other assets that are materially the same, methods of discounting estimated future cash flows, and models generally used to assess options.

25

GREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tel: +34 981 492 100 = Fax: +34 981 490 800 = Postcode: 15001 = A Coruña = Spain Ernalt intersprengigmentalism - www.greensla.es.



in any event, the valuation techniques used are consistent with the methodologies accepted and used by the market for setting prices, employing, if possible, the technique that has proven to obtain the most realistic price estimates. These techniques also take into account the use of observable market data and other factors that participants would consider when setting prices. limiting as much as possible the use of subjective considerations and unobservable or unverifiable

The Company evaluates the effectiveness of the valuation techniques it uses on a periodic basis, using as a reference the observable prices of recent transactions for the same asset, being valued or using prices based on observable market data or indices that are available and applicable.

In this way, a hierarchy is established for the variables used to determine fair value and a fair value hierarchy is created that allows for the estimates to be classified into three levels:

- Level 1: Estimates that use unadjusted prices in active markets for identical assets or liabilities which the company can access at the valuation date.
- Level 2; Estimates that use prices in active markets for similar instruments, or other valuation methods in which all significant variables are based on directly or indirectly observable market data.
- Level 3: Estimates in which a significant variable is not based on observable market data.

A fair value estimate is classified at the same level of the fair value hierarchy as the lowest-level variable that is meaningful for the valuation result. For these purposes, a significant variable is one that has a decisive influence on the result of the estimate. In assessing the importance of a particular variable for the estimate, the specific conditions of the asset or liability being valued are taken into account.

# 4.8 Treasury shares

Treasury shares are recognized in net equity as less own funds when they are acquired, with no result being recorded in the profit and loss account for their sale or cancellation. Income and expenses arising from transactions with treasury shares are recognized directly in net equity as less reserves.

## 4.9 Cash and other equivalent liquid assets

This heading includes cash on hand, current accounts at banks, and certificates of deposit, and the temporary acquisition of assets, providing they meet all of the following requirements:

- They must be convertible into cash.
- At the time of their acquisition, their maturity may be no greater than three months.
- They are not subject to a significant risk of value changes.
- They are part of the Company's normal treasury/cash management policy.

For purposes of the statement of cash flows, occasional overdrafts that are part of the Company's cash management are included as less cash and cash equivalents.

# 4.10 Provisions and contingencies

26

GREENALIA, S.A. Plaza de Maria Pita, 10 - I = Tel: +34 981 492 100 = Fax: +34 981 490 800 = Postcode: 15001 = A Coruña = Spain Email: imensees@greenala.es - www.greenala.es.



Liabilities that are unspecified in terms of their amount or the date on which they will be cancelled are recognized in the balance sheet as provisions, provided the Company has a present obligation (either by a provision of law, a contractual provision, or an implied or tacit obligation) arising as a result of past events, making it likely for there to be a quantifiable outflow of resources for liquidation.

Provisions are valued at the current value for the best possible estimate of the amount necessary to cancel or transfer the obligation to a third party, recognizing any adjustments arising from updating the provision as a financial expense as it accrues. 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 carried out. The provisions are reviewed at the closing date of each balance sheet and are adjusted in order to reflect the best current estimate of the corresponding liability at any given time.

The compensation to be received from a third party at the time of liquidating the provisions is recognized 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 recognized. When there is a legal or contractual link to externalize risk, by virtue of which the Company is not obliged to answer for it, the amount of said compensation is deducted from the amount of the provision.

Additionally, possible obligations arising from past events are considered contingent liabilities; their materialization is conditioned on the occurrence of future events that are not entirely under the control of the Company, as well as present obligations that have arisen as a result of past events and for which it is not probable that there will be an outflow of resources for their liquidation, or they cannot be assessed reliably enough. These liabilities are not subject to accounting recognition, being detailed in the consolidated report — except when the chances for the outflow of resources is remote.

### 4.11 Corporate income tax

The expense for taxes on income for the fiscal year is calculated as the sum of current tax, resulting from applying the corresponding tax rate to the taxable base for the financial year and subtracting any existing discounts and deductions, as well being calculated from the variations produced during that financial year in the assets and liabilities for deferred taxes. This expense is recognized in the profit and loss account, except when it corresponds to transactions that are recognized directly in the equity, in which case the corresponding tax is also recorded in the equity—and in the initial accounting for business combinations in which it is recognized as any other equity asset of the acquired business.

Deferred taxes are recognized for temporary differences existing at the balance sheet date between the tax base for assets and liabilities and their accounting values. The amount attributed to an equity item for tax purposes is considered as the tax base thereof.

The tax effect from temporary differences is included in the corresponding headings ("Deferred tax assets" and "Deferred tax liabilities") of the balance sheet.

The Company recognizes a deferred tax liability for all taxable temporary differences except for the exceptions provided for in current law, as applicable.

27



The Company recognizes deferred tax assets for all deductible temporary differences, unused tax credits, and tax-loss carryforwards pending compensation, doing so to the extent that it is likely that the Company will have future tax gains that allow for the realization of these assets — except for the exceptions provided for in current law, as applicable.

At the closing date of each financial year, the Company evaluates the deferred tax assets recognized and those that have not been recognized previously. Based on said assessment, the Company proceeds to write off a previously recognized asset if its recovery is no longer probable, or the Company proceeds to recognize any deferred tax assets not previously recognized whenever it is probable that the Company will have future tax gains that allow for said assets' realization.

Deferred tax assets and liabilities are valued at the expected tax rates at the time of their reversal, in accordance with current regulations in force and in accordance with the way in which it is rationally expected to recover or pay for the deferred tax asset or liability.

Deferred tax assets and liabilities are not deducted and are classified as non-current assets and liabilities, regardless of the expected date of realization or liquidation.

#### 4.12 Classification of assets and liabilities into current and non-current

Assets and liabilities are presented in the balance sheet classified as current and non-current. For these purposes, assets and liabilities are classified as current when they are linked to the Company's normal operating cycle and are expected to be sold, consumed, fulfilled or liquidated during the course thereof; they are different from the previous ones and their expiration, allenation or fulfillment is expected to occur within a maximum period of one year; they are held for trading purposes or they are cash and other equivalent liquid assets whose use is not restricted for a period exceeding one year. Otherwise, they are classified as non-current assets and liabilities.

The normal exploitation cycle is less than one year for all activities.

# 4.13 Income and expenses

Revenues and expenses are recognized 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. Said income is valued at the fair value of the consideration received, not of discounts and taxes. As for the income from the provision of services, this is recognized in the period in which the services are provided.

The income stemming from the sale of energy from the biomass plant located in the town of Curtis Teixeiro (A Coruña) comes from the Decision of January 18, 2016, by the Directorate General of Energy Policy and Mines, which decides on the bidding process to assign the specific remuneration scheme to new installations of electric energy production from biomass in the Peninaular electrical system and for wind power installations, under the provisions of Royal Decree 947/2015, of October 16. Remuneration consisting of two amounts was recognized: the operating remuneration (Ro) in GMWh and governed by the aforementioned regulations, and the Designated Electricity Market Operator Market Price.

28

GREENALIA, S.A.

Plaza de Maria Pira, 10 - 1 - Tel: +34 981 402 100 - Fox +34 981 400 800 - Postocie: 16001 - A Coruña - Spain Email: inversores@greenala.es - www.greenala.es.



### 4.14 Equity elements of an environmental nature

Expenses related to the decontamination and restoration of contaminated sites, waste disposal, and other expenses stemming from compliance with environmental law are recorded as expenses for the financial year in which they occur, unless they correspond to the cost of purchasing elements that are added to the Company's equity in order to be used over time, in which case they are accounted for in the corresponding items under the heading "Tangible fixed assets," being amortized with the same criteria.

# 4.15 Related party transactions

Related party transactions are accounted for in accordance with the valuation rules detailed above. except for the following transactions:

- Non-monetary contributions from a business to a group company are valued, in general, by the book value of the equity elements contributed to the consolidated annual accounts on the date on which the transaction is carried out.
- In business merger and demerger transactions, the acquired elements are generally valued at the amount corresponding thereto once the transaction has been carried out, in the consolidated annual accounts. The differences that arise are recognized in reserves.

Related party transactions are realized at market price and are adequately supported; thus, the Company's Directors feel that there are no risks that could cause significant tax liabilities.

## 4.16 Severance pay

In accordance with current labor legislation, the Company is obliged to pay compensation to those employees with whom, under certain conditions, it terminates employment relationships. Severance payments subject to reasonable quantification are recorded as an expense for the year in which there is a valid expectation created by the Company regarding the third parties affected.

29

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tel: +34 981 402 100 - Fax: +34 981 400 800 - Postopole: 15001 - A Coruña - Spain Erral memors@grendum - was prevalues.



### INTANGIBLE FIXED ASSETS

The details and movements of the different items that make up the intangible fixed assets are as

:Error! Vinculo no válido.

### 5.1 Description of the main movements

Acquisitions in 2021 correspond to the acquisition of additional IT reporting modules (SAP, BPC) that complement those already in operation and whose use is general for the entire group.

Acquisitions in the year 2020 correspond mainly to the acquisition of reporting systems that had been initially acquired by the group company Greenalia Forest S.L.

### 5.2 Other information

As of December 31, 2021 and 2020, the Company does not have any fully depreciated assets in

As of December 31, 2021 and 2020, there are no assets subject to guarantees.

As of December 31, 2021 and 2020, no value adjustments for impairment have been recognized, there are no intangible fixed assets not subject to exploitation, nor are there intangible fixed assets located abroad.

Finally, there are no firm purchase or sale commitments in relation to the aforementioned assets.

# 6. TANGIBLE FIXED ASSETS

The details and movements of the different items that make up the tangible fixed assets are as

Error! Vinculo no válido.

## 6.1 Description of the main movements

There have been no acquisitions or disposals during the year, the breakdowns correspond to the depreciation of the assets.

The acquisitions in the year 2020 corresponded mainly to acquisitions that derived from subsidiaries and were derecognized as part of the payment in the purchase of 20% of Greenalia Forest, S.L. in 2020.

The derecognitions in 2020 corresponded to forest exploitation rights which were delivered to Greenalia Forest, S.L.

30

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet +34 981 482 100 - Fax: +34 981 480 800 - Postcode: 15001 - A Coruña - Spain Email: inventorin@greenalia.es - www.greenalia.es.



# 6.2 Other Information

The fixed assets recorded by the Company mainly correspond to the facilities where the Company

As of December 31, 2021 and 2020, the Company has no fully depreciated assets in use.

As of December 31, 2021 and 2020 the Company has no tangible fixed assets acquired from group

As of December 31, 2021 and 2020, there are no assets under finance leases.

As of December 31, 2021 and 2020, there are no firm commitments to acquire tangible fixed assets.

The Company has contracted insurance policies that cover the net book value of the tangible fixed

On December 31, 2021 and 2020 there are no significant tangible assets subject to ownership restrictions or pledged to secure liabilities.

As of December 31, 2021 and 2020, no value adjustments for impairment have been recognized. there are no tangible fixed assets not subject to exploitation, nor are there tangible fixed assets located abroad.

# 6.3 Operating leases

The Company mainly has operating leases related to the offices where it undertakes its activity. The lease expenses in the 2021 financial year amounted to 48,000 euros (39,600 euros in the 2020 financial year).

The minimum future non-cancellable lease payments as of December 31, 2021 and 2020 amount

(Buros)	2021 Puture minimum payments	Puture minimum payments	
Up to a year	48.000	39.600	
Between one and five years	28.000	23.100	
	76.000	62,700	

# INVESTMENTS IN THE EQUITY OF COMPANIES IN THE GROUP, MULTI-GROUP COMPANIES, AND ASSOCIATES

The details and movements of the different items that make up this heading are as follows:

31

GREENALIA, S.A. Plaza de Maria Pita, 10 - I - Tel: +34 981 492 100 - Fax: +34 981 490 800 - Postcode: 15001 - A Coruña - Spain Email: intersteen@greenala.es. - www.greenala.es.



(Buros)	Initial balance	Acquisitions/ Impairment	Transfers	Closing balance
Year 2021				
Equity instruments				
Cost	25.191.847	6.849		25.198.696
Value adjustments	-	(725.023)	440	(725.023
	25.191.847	(718.174)	-	24.473.673
Year 2020				
Equity instruments				
Cost	21.456.320	3.735.527		25.191.847
	21.456.320	3.735.527	- 14	25,191,847

# Description of the main movements

Movements in 2021 are due to the following transactions:

- On January 1, 2021, Greenalia, S.A. has incorporated the companies Greenalia Power Portugal LDA and Greenalia Solar Portugal, LDA for an amount of 3,000 euros each.
- On July 30, 2021, Greenalia, S.A. incorporated Greenalia Power US, INC for the amount of 849 euros.

In 2021, the shareholding in Greenalia Industry S.L. was impaired by 725 thousand euros, as its investee Biomasa Forestal S.L. has had losses in recent years and no other unrealized gains have been identified.

Movements in 2020 are due to the following transactions:

- On July 30, 2020, the Company acquired 20% of Greenalia Forest, S.L. for an amount of 3,628,018 euros. With this transaction, the Company held 100% of said company as of December 31, 2020.
- On September 8, 2020, Greenalia, S.A. subscribed a capital increase in its subsidiary Greenalia Industry, S.L.U. by offsetting receivables in the amount of 107,509 euros.
- On September 8, 2020, the merger by absorption of Heating & Cooling, S.L.U. as the absorbed company and Greenalia Industry, S.L.U. as the absorbing company took place, whereby the shareholding of 3,000 euros was transferred from one entity to the other.



# 7.2 Description of investments

The information relating to group, multi-group and associated companies as of December 31 is as follows:

(Bares)	Notitions:	N direct percentagement	Castlet	Married melitrar presiden	Profit,fero brengte forward	A redisplaces her pain	broots Bulletin	tonomics.	Petitions. squity	Districting providing
Trac BED	7.00.00	22.50	N 1785.			100/00			22.55	55 - 671-7
Element result 4.49	4700.400		365,949			1071/10		10.71	4,90,167	MARK
Emma belagistics, \$1,8120	365.78		9.549	180.90		222490		(90.48)	18040	351
Emmahabasers, Esta dilli	10540		1,508,508	4,554	(9,100)	80			ETH/MP	
Construction County State (CD)	\$545.8K		M.Melice	900.004	0.000 0.000 979	9.799.200	0.88700		PHIC? 846	1,8104 (u/m pos (1,844
Emmals Fower Fertigal, (Matomaticke, III)	1,000		3.504	-	0.800	1796				(1/79)
Creared a Late Purposition con at 1841. (C)	144	80,000	1000	-	(878)	(1.00)		-		2004
Connector Court Off, Inc.	**	80,676	640			0.166		- 3	410	0.00
	94,475,679	Na.								
Total MESS										
Grosswater Factors, N. S. 18	400048		190,240	Membra		188475		40,386	100946	365.00
Crises for Laufetter, \$4, 8 (2)	36.78	BLAY.	4.549	830				1877369	1286,271	262.00
Communication (Co. 2 & co. 2)	110030	90.6%	1,569,599	4.104	(94.792)	11740			890.00	4140
Control of our Early \$1.0.00	9.545.80	90,00	BL 818.004	800.004	(8.8%)	-			8/09/15	
	75.091.041			7.7						
(\$1 Arigoniya edilikeli tu 17										

(\$1 to decide regarded )

The results of the group, multigroup and associated companies indicated in the above table correspond entirely to continuing operations. None of the companies are listed on the stock exchange.

Greenalia Forest, S.L.U. is a limited liability company, based in A Coruña, whose main activity is the purchase and sale and handling of timber.

Greenalia Logistics, S.L.U. is a single-member limited liability company based in A Coruña, whose main activity is the provision of forestry services.

Greenalia Industry, S.L.U. is a single-member limited liability company based in A Coruña, whose main activity is the acquisition and disposal of shares and other equity investments.

Greenalia Power Spain, S.L.U. is a single-member limited liability company based in A Corufia, whose main activity is the acquisition and disposal of shares and other equity investments.

Greenalia Power Portugal Unipessoal. LDA. It is a single-member limited liability company, headquartered in Porto (Portugal), whose main activity is the acquisition and sale of shares and other equity investments.

Greenalia Sciar Portugal Unipessoal, LDA. It is a single-member limited liability company, headquartered in Porto (Portugal), whose main activity is the acquisition and sale of shares and other equily investments.

Greenalia Power US, INC. It is a single-member limited liability company, headquartered in Wilmington (USA), whose main activity is the acquisition and sale of shares and other equity investments.

In 2021, 3,128,704 euros have been received as dividends from the company Greenalla Power Spain, S.L.U.

33



### 8. FINANCIAL ASSETS

The breakdown of financial assets by category, except for investments in the equity of group, multigroup and associated companies (Note 7), as of December 31, is as follows:

	Loans, derhostves, and		Tot	
(furos)	2671	2601	3621	2636
Long-term financial stooth				
Financial assets at amortized cost.	46.613.299	12.067.043	46 613 299	12.867.043
Financial assets at fair value though profit or loss.	431,000		431,000	
	47,044,293	12.867.643	47 044 259	12.867.043
Short-form financial assets				
Financial as sists at amortized sout.	5.129.611	2 530 962	5.529.811	2.633.962
	5125611	2 533 552	5 (29 5))	2 533 562
	52,173,918	15.896.395	52,173,316	15,400,395

These amounts are included in the following items of the balance sheet:

0000	Loans, dorle	solves, and	Tel	al
furn)	2621	2626	NH	3636
Other non-particularity access				
Investments in group companies and associates				
Loans to-companies (Note 14.1)	46.603.755	12.867.043	45 603 755	12.867.043
Long-term Brunesal investments	440,544		440.544	
	47,044,299	12 867 543	47 644 239	12 867 043
Other current financial assets				
Trade receivables for sales and services	2.182	129.512	2.182	120,892
Trade receivables, group companies and associates (Note 14.1)	1.114.413	1351.036	1.594.413	1.951.036
Personnel	35,000	35,000	35,000	35,000
leventments in group companies and associates (Note 14.1)	3.901.374	422.048	3 501 374	422,048
Shot tern Snandal investments	6.642	4.576	6.542	4,976
	5.129.611	2130312	5.09311	2 533 902
	52,173,910	15.666.395	52 173.910	55,480,595

# 8.1 Financial assets at amortized cost

The details of the financial assets classified in this category as of December 31 are as follows:

	Loans, deck	Total		
(Euron)	2021	7621	2027	2626
Long-term Snumsial assets, Louis to group companies Louis to third parties	46,603,756 9,644	12.067.049	46 603.756 9.544	12.867.040
	46.613.299	12 867 043	45.613.239	12 867 043
Other comment financial assets. Learn and other financial assets to group compunies. Learn to third parties. Trade and other reconables.	3,901,374 6,642 1,221,536 6,129,611	422.548 4.576 2.806.528 2.530.962	3 901 374 6 542 1 221 595 5 329 511	422.048 4.576 2.106.108 2.600.962
	51,742,911	15.698.395	51742310	15.499.595

34

GREENALIA, S.A.

Phana de María Pita, 10 - 1 = Tel: +34 981 402 100 = Fax: +34 981 400 800 = Postocide: 15001 = A Coruña = Spain Email: inversores@greenala.es = www.greenala.es



### Long-term loans to group companies

As of December 31, 2021 and 2020 the Company records under "Long-term loans to group companies" a subordinated loan granted to the group company Greenalia Biomass Curtis Teixeiro. S.L.U. on July 25, 2018 amounting to 7,324,190 euros to cover certain investment costs related to the construction, start-up and operation of a biomass plant with an installed capacity of 49.9 MW and the evacuation lines, substations and other facilities required for its connection to the distribution network in the municipality of Curtis (A Coruña). This loan accrues a fixed annual interest rate, and its payment is related to the evolution of the borrower's activity, i.e., when the conditions for making distributions set forth in the Common Terms Agreement are evidenced and the rules of priority of payments set forth in said agreement are met. On December 31, 2021, the principal amount of the loan amounted to 7,324,190 euros and capitalized interest amounted to 2.788.479 euros (1.982.822 euros on December 31, 2020).

This loan shall be due at the request of the lender, together with all the accrued interest once all the guaranteed obligations stipulated in the financing contract for the project carried out by Greenalia Biomass Curtis Teixeiro, S.L.U., which matures on June 30, 2034, have been extinguished. The financial income accrued on this loan in 2021 amounted to 805,658 euros (814.613 euros in 2020).

On September 30, 2021, the Company granted a subordinated loan to Greenalia Power Spain. S.L.U. amounting to 31,688,957 euros, bearing interest at 7% per year and maturing in 2026.

In addition, on December 31, 2021, the Company records in this heading the amount resulting from the Value Added Tax (VAT) for the year to be reimbursed by the parent company of the tax group (SMARTTIA SPAIN, S.L.U.) amounting to 22,536 euros (103,663 euros on December 31, 2020).

In addition, on December 31, 2021 and 2020 the Company recorded in this heading the balances receivable from group companies in respect of the joint current account held with them amounting to 4,779,591 and 3,456,388 euros, respectively.

For balances receivable from group companies, the Company's management evaluated the moment in which it expects to sell, consume, realize or settle the current accounts held with them considering that it was not probable that they would be converted into cash in the short term and therefore proceeded to classify them as non-current assets.

Other short-term financial assets with group companies

On December 31, 2021, the Company records in this heading a dividend receivable of 3,128,704 euros for its shareholding in the group company Greenalia Power Spain, S.L.U. The remainder of the amount corresponds to an advance made to the investee Greenalia Power US, INC, for a fixed asset payment made on behalf of the investee.

All these loans and current accounts bear interest at market rates equivalent to Euribor plus a market differential.

35

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 = Tel: +34 981 492 100 = Fax: +34 981 490 800 = Postopole: 15001 = A Coruña = Spain Erral memors@grendum - was prevalues.



### Trade and other receivables

The composition of this heading as of December 31 is as follows:

(thousand euros)	2021	2029	
Trade receivables for sales and services	2.182	277.942	
Trade receivables, group companies and associates (Note 14.1)	1.184.413	1.170.571	
Personnel	35.003	35,000	
*****	1,221,586	1,480,513	

The fair value of these financial assets, calculated based on the discounted cash flow method, did not differ significantly from their carrying amount.

#### Value adjustments

On December 31, 2021 and 2020 there is no provision for impairment losses on accounts

### 8.2 Financial assets at fair value through profit or loss.

The company has a fixed-income mutual fund in this category amounting to 431 thousand euros. It was subscribed on dates close to the end of the year, so there is no difference between its cost value and fair value calculated in accordance with level 1 (quoted market prices).

## 8.3 Financial asset offsets

For presentation purposes, no financial assets have been offset against the Company's other

# CASH AND OTHER EQUIVALENT LIQUID ASSETS

The composition of this heading is as follows:

(Euros)	2021	2020
Cesh	16.790.036	36.677.995
Other equivalent liquid assets	13.566.972 30.385.808	205.535 37.083.530

Current accounts accrue the market interest rate for this type of account.

As of December 31, 2021, the heading "Other equivalent liquid assets" includes a deposit in dollars equivalent to 13,234 thousand euros, of which the company has availability to liquidate but due to the requirements to carry out the start-up of the projects in the USA, it is not possible to liquidate it. This deposit has generated a positive exchange rate difference of 495,289 euros during the year.

In addition, this caption includes the current account with Santander for the funds contributed to the liquidity provider in the amount of 307 thousand euros, as established in the MaB regulations. These funds are the property of Greenalia S.A., although they are made available to said provider so that it can attend to the orders for the sale of shares on behalf of Greenatia S.A. Therefore, the amount of this current account has restrictions on availability.

36

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tet +34 901 482 100 - Fax: +34 901 480 900 - Postcode: 15001 - A Conufa - Spain Email: inventores@greenalia.es - www.greenalia.es.



## NET EQUITY - OWN FUNDS

#### 10.1 Authorized capital

On December 31, 2021, the Parent Company's share capital is represented by 22,170,972 fully paid-up shares with a par value of 0.02 euros each.

On November 26, 2021, the Company approved a capital increase by issuing 937,500 shares with a par value of 0.02 euros each, at a premium of 15.98 euros per share. Therefore, the total amount of the increase came to 18 thousand euros of capital and 14,981 thousand euros of issue premium. The capital increase was fully signed by the existing shareholders at that date, and the share premium, as required by current legislation, was paid in full at the time of subscription. The costs of the capital increase amounted to 683,088 euros and were recorded in "other movements" under voluntary reserves heading. (Note 10.3).

	2021	2020
Share capital	443.419	424.669
	443,419	424,669

All the shares making up the share capital enjoy the same rights, there being no statutory restrictions on their transferability.

On December 31, 2021 and 2020 the Company has all its shares admitted to trading on the Alternative Stock Market (MAB).

The composition of the shareholders is as follows:

	2021	2020
Smertie Spein, S.L.U.	01.21%	84,26%
Alazady España, S.L.	5,19%	5,18%
Treasury	0.30%	0.32%
Vinority shareholders	13,30%	10,24%
	190%	100%

### 10.2 Issue premium

The issue premium comes to:

	2021	2020
Issue premium	18.361.239	3.379.989
	18.361.239	3.379.989

The Capital Companies Act expressly allows the use of the balance of the issue premium to increase capital and it does not establish any specific restrictions on the availability of said balance.

37

GREENALIA, S.A. Plaza de Maria Pita, 10 - 1 - Tel: +34 981 432 100 - Fax: +34 981 430 300 - Postcode: 15001 - A Coruña - Spain Email: intersteen@greenala.es - www.greenala.es.



# 10.3 Reserves and profit and loss brought forward

The details of the heading "Reserves" in the attached consolidated balance sheet are as follows:

Initial balance	Distribution of results	Transactions with treasury shares (net)	Other movements	Closing balance
80.254	9 -	-	-	80.254
		219.439	(863,088)	(89.310)
36.594				36.594
471.187		219.439	(663,083)	27.538
(563.232)		-	1	(1.464.150)
(563.232)	(900.919)	-	1	(1,454,150
	80 254 354 339 36 594 471 187 (563 232)	80.254 - 354.339 - 36.504 - 471.187 - (563.232) (900.919)	billid   Distribution of with treasury   shares (net)	ballance   Distribution of with treasury   Other   movements

	(92.045)	(900.919)	219.439	(663.087)	(1.436.612
Year 2020					
Legal reserves	80.254	-			80.25
Voluntary resentes	172.451	_	262.815	(80.927)	354.33
Capitalization reserves	36.594	12		-	36.59
	289 299	-	262.815	(80.927)	471.18
Profitfoss brought forward	(69.650)	(493.562)			(563.232
	(69.650)	(493.582)	-		(583.232
	219.649	(493.582)	262.815	(80.927)	(92.04)

The change in reserves in 2021 is mainly due to the expenses incurred in the capital increase of the company, as well as the result obtained from the purchase and sale of treasury stock through the liquidity provider.

# Legal reserves

In accordance with the Consolidated Text of the Capital Companies Act, the legal reserve, as long as it does not exceed the limit of 20% of the share capital, is not distributable to the Partners and may only be used to compensate losses in the event that there are no other reserves available. This reserve may also be used to increase the share capital to the tune of 10% over the already increased capital.

# Capitalization reserves

In accordance with Law 27/2014 of November 27 on Corporate Income Tax, it is established that the Company will be entitled to a reduction in the taxable base equating to 10 percent of the amount of the increase of own funds -- provided that the following requirements are met:

- The amount of the increase in the entity's own funds must be maintained for a period of 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 must be provided in the amount of the reduction, and this must appear on the balance sheet with absolute separation and an appropriate title, and it will be unavailable during the period provided for in the previous point.

38

# 10.4 Treasury shares

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet: +34 981 492 900 - Fax: +34 981 493 900 - Postoode: 15001 - A Coruña - Spain Errolt inversions@greenstates - www.greenstates.



As of December 31, 2021, and 2020, the Company holds 68,166 treasury shares (67,747 shares as of December 31, 2020).

In total, during this financial year, 96,955 million shares were acquired with a purchase value of 1,428 million euros (233 thousand shares at a value of 2,483 million euros in the 2020 financial year), and 78 thousand shares were sold at a sale value of 1,294 million euros (212 thousand shares at a value of 2,249 million euros in the 2020 financial year).

The main transactions that have taken place in financial year 2021 are entirely due to the purchase and sale of treasury stock through the liquidity provider.

#### 11. FINANCIAL LIABILITIES

The composition of financial liabilities by category is as follows:

	Debts with could be			ebelelde ellera	Seriation and others Total			
Bett	2921	2606	3521	26.89	2021	2020	2621	2020
Ling arm Tempor Laurens								
Cwollers and papalities	-		54.075.340	56,216,416	39,454,824	17460.003	815,560,364	73.877.300
			54.075.340	59,316,446	34,454,821	17400.963	85.169.364	73.877,300
Stort arry francis Labilities								
Creditive and payables	1201795	1,172,571	2,650,689	217.842	712340	1827.852	4.352.804	2,476,365
	1001795	3.170.571	2 650 689	277.942	712.340	1407.852	4352804	2.476.565
	1,011,756	SATISATE.	16.715.610	H49530	32/26/05	10.608,715	81010.158	76.463.679

# 11.1 Financial liabilities at amortized cost

The breakdown of debts at amortized cost as of December 31 is as follows:

				erite and other	Derivatives and others		Total .	
Freed	9191	3999	3401	3636	9601	9134	9001	3460
Obscinos surentificames labelities Loophern payables Loophern payables to Orace companies and assissables Pilicke	-		34.076.343	55.715.445	-	0.0	04.075,040	55,710.400
94.0	-	-		-	tri ete ditri	IT BEG 465	11464 (71	12,660,600
	-	-	94,679,343	.50,710,440	31.494.601	17.8VE.MO	81.060.584	TRAFT 509
Surrect frames labilities								
Shart-form possibles Shart-form payables to group companies and associates (fitche	1.001.708	1.129,871	2.636.609	277,840	49.104	779.479	1.000,000	220140
94.91	-		1.2	-	45.413	49,460	40,460	46.400
Suppliers, group companies, and assistance (Note 14.7)	-					9,210		9.200
Sociepedes	-				897.753	201.068	017,793	221.90
American received for imparts	_	-			_	_	-	
	1801766	1.170.001	2 856 509	377.642	710.940	1,407,850	4.350.034	2,676,300
	1 801 704	1.179.021	96.7YE-802	88.794.788	52 TM 361	16.603.712	83.013.08E	THURSDAY

39



# 11.1 Debts and accounts payable - Payable to credit institutions

Loans and lines of credit from credit institutions

The breakdown of all bank borrowings is as follows:

(Euros)	2021	2020
Short-term		
Loans and lines of credit from credit institutions	1.001.795	1.170.571
	1.001.795	1.170.571
	1.001.795	1.170.571

The fair value of the debts with credit institutions, calculated based on the discounted cash flow method, did not differ significantly from their carrying amount.

Loans and lines of credit from credit institutions

The breakdown of all bank borrowings is as follows:

	202	1	20	20		
(Euros)	Long-term	Short- term	Long- term	Short- term	Maturity	
Loans - others						
Abance Popular	1	Ξ	_	28.054 65.761	2.021	
Credit policies		999.813	100	1.074.801	2022 - 2023	
Bank cards		1.982	-	1.955	_	
Procedure of the Control of the Cont	-	1.001.795		1,170,571		

The Company has the following lines of credit on December 31:

Available Drawn Limit Available
000 187 1.074.801 1.075.000 199

Regarding the loan and discount policy agreements accrue a variable interest rate, consisting of the Euribor rate plus a market premium.

40

GREENALIA, S.A.

Plaza de Moria Pita, 10 - 1 = Tel: +34 901 402 100 = Fax: +34 901 400 000 = Postocide: 16001 = A Coruña = Spain Email: inversores@greenals.es. — www.preenals.es.



### 11.2 Debts and accounts payable - Bonds and other marketable securities

This heading includes the bonds that the Company has issued as debt, and which are listed on the stock exchange:

		2021		2020			
(Euros)	Long-term	Short-term	Financial expenses	Long-term	Short-term	Financial expenses	
Bond I			(4.638)	-	100,000	(537,398)	
flond II	-	-	_	-	_	(267.441)	
Bond III		2,400,000	(132,000)	2.400.000		6451,146	
Bond IV	55,000,000	200000000000000000000000000000000000000	(2.722.500)	55,000,000		(111.804)	
Formalization expenses - Bond I	2000	-	(5.015)		(5.015)	(113.246)	
Formalization expenses - Bond II	-		1000		2004	(162,600)	
Formalization expenses - Bond III	44	(9.495)	(89.855)	(37.414)	(60.927)	(33.015)	
Formalization expenses - Bond M	(923.657)	2	(215.149)	(1.046.140)			
Interest accrued and not paid		247.175	- 1	-	243.004		
Total	54.076.343	2.635.689	(3.169.207)	56.316.446	277.942	(1.766.738)	

On December 15, 2020, the Parent Company issued a senior bond for an amount of 55,000,000 euros that has been fully subscribed and disbursed on the Alternative Fixed Bond Market (MARF). That bond matures in the year 2025 and accrues annual interest at the fixed rate of 4.95%. The destination of the funds obtained was:

- Substitution of bonds in MTF Lux for a total amount of up to 15 million euros meant to finance the biomass plant.
- Replacement of the Mast Investment loan in the amount of 18 million euros for the financing of the first wind farms developed and photovoltaic licenses
- Financing of Eligible Green Projects in accordance with the Green Bond Principles (GBPs), published by the International Capital Markets Association (ICMA).

Consequently, the Company proceeded to cancel bonds I, II and partially bond III, as well as the amortized costs linked to these bonds, which were recorded as a financial expense in the income statement.

This bond has the following specific conditions, among others:

- i. Obligations of the issuer:
- Semi-annual reporting obligations consisting of the publication of a limited review of the Group's semi-annual financial statements and the unaudited Adjusted Debt to Equity Ratio for that semister.
- Annual reporting obligations consisting of the publication of the consolidated annual accounts and the Adjusted Debt to Equity Ratio (both audited) for that year.
- c) Pari passu ranking, which means that the rights of the bondholders before the issuer will have at least the same priority rank (pari passu) in terms of preference or privilege as the rights corresponding to the rest of the unsubordinated creditors not guaranteed by the issuer.
- d) Debt limit: The issuer agrees not to increase indebtedness when, at the Group level, the Net Financial Debt/Adjusted EBITDA ratio exceeds the following limits:

41

 ORDERALIA, S.A.

 Plaza de Moria Pita, 10 - 1 - Tet: +34 981 482 100 - Fox: +34 981 400 800 - Postoode: 15001 - A Coruña - Spain.

 Email: reservores@greenida.m.

 amour preciola.m.



	2021	2022	2023	2024	2025
Ratio≤	5x	5x	4.5x	4x	3.50

Additionally, the issuer agrees to not increase indebtedness if the debt service coverage ratio is below 1.5x during the 5-year term of the bond.

- Limitations on structural modifications: The issuer undertakes not to sell assets and/or subsidiary companies, unless the destination of the resources is the cancellation of debt or reinvestment in new projects.
- f) Limitations on the distribution of dividends: Maximum pay-out of 25% provided that the Net Recourse Debt/Adjusted EBITDA ratio is below 4x and provided that 100% of the note has been covered in the Guarantee Account corresponding to the current year.
- g) Early maturity in the event of a change of control in the company and/or the sale of the business.
- ii. Guarantees:

Issuance is to have the following guarantees to be granted by SMARTTIA SPAIN, 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 note, in which the cash flows generated by the company's activity are deposited until the amount of 100% of the annual note is reached - until at least the debt service coverage ratio for the note for the financial year is covered.

The Company also maintains a short-term balance corresponding to Bond III, issued on January 31, 2021, and maturing in 2022 for an amount of Ps. 2,400,000, bearing interest at a fixed annual rate of 5.5%. This bond has the following specific conditions:

- Restriction on the distribution of dividends at 20%, provided that the Net Financial Debt/EBITOA ratio is greater than 1.5x and that 100% of the note has been covered in the Guarantee Account.
- Early maturity in the event of a change in control in the company and/or the sale of the business.
- Early maturity of issuance in the event of capital increase (after payment of the Call Option).
- iv. The same order of priority (pari passu) as the current and future receivables of others (unsubordinated and non-guaranteed creditors), with the expiration of lines of credit that enjoy preferential status in accordance with the law.

42

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 – Tet +34 501 403 100 – Fax: +34 501 400 000 – Postcode: 15001 – A Coruña – Spain Email: invencins@greenalia.es — www.greenalia.es



#### v. Guarantees:

- a) Pledge of 20-22% of the shares of capital stock of Greenalia, S.A. The shares subject to the pladge will correspond to the holding companies of the holding company, currently held by SMARTTIA SPAIN, S.L.U. (formerly Noroeste Inversión y Desarrollo I, S.L.U. and Noroeste Inversión y Desarrollo II, S.L.U.) In this way, the pledged shares will be adjusted depending on the final amount of the bond and the price of the share at the close of placement, determining the debt/guarantee ratio at 100% Loan to Value levels.
- Bondholders will have the right to preferential subscription in the next capital increase that the company carries out.
- c) Call option at 101.25% in 2020 and 100.75% in 2021.
- d) Commitment of the parent company to go on the continuous market in the next 24/36 months.

In 2020, this heading included basically the same items, including the amount corresponding to the long-term Bond III.

### 11.3 Debits and payables - Derivatives and others

The details of the financial liabilities classified in this category are as follows:

(Euros)	2021	2020
Long-term	entertainment of the second	-0.000 A 0.000 A
Amounts payable to Group companies and associates Note (14.1	31.484.021	17.660.863
Other financial liabilities	-	
	31.484.021	17.660.863
Short-term		
Amounts payable to Group companies and associates Note (14.1	45.453	45.453
Other financial liabilities	49.104	775.178
Trade and other payables	617.783	207.221
	712.340	1.027.852
	32.196.361	18.688.715

The fair value of these debts, calculated based on the discounted cash flow method, is similar to their carrying amount.

### Long-term payables to Group companies and associates

As of December 31, 2021 and 2020, the Company records in the long term the outstending balances payable to group companies as a result of the joint current account it maintains with them. For balances payable to group companies, the Company's management has evaluated, in accordance with the conditions agreed with the group entities, the time at which it expects to repay the current accounts held with them, considering that the Company does not have the obligation to pay them in the short term.

Trade and other payables

GREENALIA, S.A.

43

Plaza de Maria Pita, 10 - 1 = Tel: +34 901 402 100 = Fox +34 101 402 000 = Postcode: 15001 = A Coruña = Spain Ernal: arrespora Spreezala as ... www.preezala.es.



The composition of this heading is as follows:

(Euros)	2021	2020
Suppliers, group companies, and associates (Note 14.1)	-	5.235
Sundry creditors	617.783	201.988
	617.783	207.221

# 11.4 Financial liabilities offsets

For presentation purposes, no financial liabilities have been offset against the Company's other assets.

#### 12. TAX SITUATION

The details of the balances related to tax assets and tax liabilities are as follows:

(Euros)	2021	2020
Deferred tax assets	147.231	143.513
Current tax as sets	34.153	34.153
Other receivables from Public Authorities		
VAT	38.691	38.690
Social security	473	-
Subsidies granted	21.585	21,586
	241.460	237.942
Other payables to Public Authorities		
Personal income tax	(92.521)	(42.056)
Social security	(15.549)	(14.812)
(A)	(108.070)	(57.668)

The company Greenalia, S.L., incorporated during 2013, applied to the Tax Authorities for the registration as from January 1, 2015, of the tax group headed by the Parent Company and the subsidiaries Greenalia Forest, S.L., Greenalia Logistics, S.L.U., García Forestal Transportes, S.L., Greenalia Heating, S.L.U., García Forestal Gestión del Patrimonio, S.L. On January 16, 2016, the tax agency informed that the group number is 67174.

In addition, with effect from January 1, 2019, and with the approval of the Board of Directors of Greenalia, S.A., it was agreed to approve the Company's acceptance of the tax consolidation scheme governed in Chapter VI of the Consolidated Text of Law 27/2014, of November 27, on Corporate Income Tax.

In this regard, it was agreed that the Company SMARTTIA SPAIN, SLUL, holder of a direct shareholding of more than 70% in the capital of Greenalia, S.A., would constitute, as the parent company, said tax consolidation group. Therefore, Greenalia, S.A. is part of the tax group, with SMARTTIA SPAIN, S.L.U. being the head of the tax group formed by the Company and the other companies of the group as subsidiaries.

GREENALIA, S.A.

Plaza de Maria Pila, 10 - I = Tet +34 981 402 900 = Fax +34 981 400 800 = Postcode: 15001 = A Coruña = Spain Errait inversoren@precratia.en — www.greensta.en.



In addition, with effect from Jenuary 1, 2019, and with the approval of the Board of Directors of Greenslia, S.A., it was agreed to approve the Company's acceptance of the tax consolidation scheme for Value Added Tax, governed in articles 183 and those that follow of Law 37/1992, of December 28, or Value Added Tax. To this end, it was agreed that the company SMARRTTIA SPAIN, S.L.U would be the head of the tax group formed by the Company and the subsidients.

According to the current legal provisions, tax liquidations cannot be considered final until they have been inspected by the tax authorities or the limitation period has elapsed (currently set at four years). In the opinion of the Company's Directors, as well as its tax advisors, there are no tax contingencies of significant amounts that could arise in the event of an inspection from possible different interpretations of the tax regulations applicable to the transactions carried out by the Company.

# 12.1 Calculation of corporate income tax

Set out below is the reconciliation between net income and expense for the year and the tax assessment base for Corporate Income Tax:

54	Prof	It and loss accour	nt
(Euros)	Increases	Decreases	Total
Year 2021			
Balance of income and expenses for the year Continuing operations	-	-	100000
			1.754.825
Corporate income tax			
Continuing operations	-		(164.140)
			(164.140)
Balance of income and expenses for the year before taxes			1,590,685
Permanent differences	-	(2.247.246)	(2.247.246)
Temporary differences			
Arising during the year	127.575	-	127.575
Taxable base (tax result)	127.575	(2.247.246)	(528.986)
Year 2020			-71-1
Balance of income and expenses for the year			
Continuing operations	-	-	(900.919)
27			(900.919)
Corporate income tax  Continuing operations			(308.178)
Continuing operations	_		1
			(303.178)
Balance of income and expenses for the year before taxes			(1.209.097)
Permanent differences	550		550
Taxable base (tax result)	550	-	(1.208.547)

45



At December 31, 2021, the temporary differences reflect the limitation on the deductibility of financial expenses in the year. The permanent differences correspond to the dividend deduction of 95% of the dividend received, as well as the impairment recognized in the year related to group shareholdings.

The amount corresponding to positive permanent differences in 2020 corresponded to nondeductible expenses for tax purposes.

The reconciliation between tax expenses/income, and the result of multiplying the tax rates applicable to the total recognized income and expenses is as follows:

	2021	2020
(Buros)	Profit and loss account	Profit and loss account
Balance of income and expenses for the year before taxes	1.590.685	(1.209.097)
Tax burden (tax rate 25%) Non-deductible expens es-Non-computable income	397.671 181.256	(302.274) 138
Deductions	(743.067)	(6.042)
Effective tax expense/income	(164.140)	(308.178)

The profit tax expense/income can be broken down as follows:

2021	2020
Profit and loss account	Profit and loss account
(132.246)	(308.178)
(31.894)	-
(164.140)	(308.178)
	Profit and loss account (132.246) (31.894)

The calculation of income tax payable/(refund) is as follows:

(Euros)		
Current tax	(132.246)	(308.178)
Withholdings and payments on account	-	_
Utilization of tax group deductions	(28.176)	
Corporate income tax to pay(return) at the expense of the parent company in the tax group	(160.422)	(308.178)

46

 OREENALIA, S.A.

 Plaza de María Pita, 10 - 1 = Tet +34 981 402 100 = Fax +34 981 401 800 = Postoció: 15001 = A Coruña = Spain.

 Email: memores@greenia.m. — www.peenalia.m.



### 12.2 Deferred tax assets and liabilities

The details and movements of the different items that make up deferred taxes are as follows:

	- 6	Variations re-	flected in		
(Saros)	Initial balance	Profit and loss account	Net equity	Transfers	Closing balance
Year 2021					
Deflered tax assets Deflections pending application Tax loss carrytowards Other deterned	83.790 13.112 46.511	31.893	-	(28.175)	65.815 13.112 78.504
	143.513	31.693	-	(28.175)	147.231
	143.513	31.893		1	147.231
Year 2020					
Deferred tax assets Deductions pending application Tas-loss carrylorwards Other deferred	83,790 13,112 46,611 143,513	=	-		83.790 13.112 46.011 143.513
	143.513	-	-		143.513

### 13. INCOME AND EXPENSES

# 13.1 Net turnover

The distribution of the Company's net sales from continuing operations by category of activity and by geographic market is as follows:

	2021	2020
Segmentation by activity categories	100000000000000000000000000000000000000	
Provision of services	1.173.567	1.169.747
Dividends, holding activity (Note 14.1)	3.128.704	185.162
Interest on loans granted as a holding company (Note 14.1)	3.023.685	814.613
	7.326.156	2.169.522
Segmentation by geographical markets		
Spain	7.326.156	2.169.522
	7.326.156	2.169.522
	A ST WAY TO SELECT	

Services rendered in 2021 and 2020 correspond to the re-invoicing of personnel expenses and other costs to group companies rendered during the year to its subsidiary entities.

The balances of contracts with customers correspond entirely to the accounts receivable classified under the headings "Trade receivables for sales and services rendered" and "Trade receivables, group companies and associates", which include the rights to receive cash.

# 13.2 Personnel costs

47

GREENALIA, S.A.
Plazo de Maria Pita, 10 - 1 = Tel: +34 981 482 100 = Fax: +34 981 490 800 = Postcode: 18001 = A Coruña = Spain Email: imersores@greenata.es. - www.greenata.es.



### Details on personnel expenses are as follows:

(Euros)	2021	2020
Wages, salaries, and similar compensation		
Wages and salaries Indemnifications	549.481	455.060 33.877
	549,481	488.937
Social security contributions		
Social security Other social security expenses	115.893 715	104.047
	116,608	104,047
	666,689	592.984

# 13.3 External services

Details on external services are as follows:

(Buros)	2021	2020
Leases	93.290	72.232
Repairs and maintenance	43.533	41.192
Independent professional services	217.140	185.701
Insurance premiums	32.355	23,120
Banking services	7.242	3.623
Supplies	4.985	4.926
Other services	282.267	231,475
	680.812	562.269

# 13.4 Financial expenses

Details on financial income and expenses are as follows:

(Euros)	2021	2020
Financial organisms		
For payables to Group companies and associates Note (14.1)	(460.904)	(495.260)
Physibles to third parties	(3.233.302)	(1.901.430)
4 <sup>24</sup> = 20	(3.694.266)	(2.396.693)

48

GREENALIA, S.A.
Plaza de Maria Pita, 10 - 1 = Tet +34 981 492 100 = Fax: +34 981 499 800 = Postoode: 15001 = A Coruña = Spain Email: imenores@greenala.m. - www.greenala.es.



# 13.5. Foreign currency

The breakdown of assets and liabilities denominated in foreign currencies as of December 31 is as follows:

(Thousands of euros)	US Dollars	Total
Year 2021		
Assets		
Other liquid assets	15 000 000	15.000.000
	15.000,000	15,000,000
Lupites		
Leans and flows to pay		
Creditors for the provision of services.	38.978	18.97
	16.976	18,879

49

OREENALIA, S.A.

Pfaza de María Pita, 10 - T = Tel +34 981 482 100 - Exc +34 981 483 800 - Postacede: 15001 - A Coruña - Spain

Emai: creatores/Egyrentula as — awar greenafa as.



# 14. TRANSACTIONS WITH RELATED PARTIES

The related parties with which the Company has transactions during the 2021 and 2020 fiscal years, as well as the nature of this relationship, are as follows:

	Nature of the relationship
South Span, S.L.C. (Corney Novacle Horseliny	Sentanes servers
Decamon, S.L.U.)	
GRESWIA PONESTRALILLE.	Organization
DEDNIA SOLICIONE LL II	Group corporary Group corporary
DEBNALA BORRES PORRA ELLE	Story company
DATEMEN BOOKS SPREY STU	fraguerany
ORDINALA ROMANI FOMES CURTO TRURO, SL. III	Orașiorean
DEDMAN BONNE FOND DATE TOURS & CAU	Great corpora
DISTRICT STORES FOR THE CALLS STOLE	Street corners
GREENLA SOLITA FORMASIA, TRANSCO, S.L.S.	Group company
ORDINALA SOLDERONIE GLECKIET SUU	fragermany
DEDVIA COLFETORORORORE LELL.	Group company
OPTIMAL A SOLIKE YOMER GLACKWESS SLIV	Group company
GREATA SOUND TOMOR GRAPHIEN, SILIE.	Sense company
GREENALA SOLITATORISMISSIANIANA, SULIS	Bring-rierpany
SHEWLA SOLIKI FORMANDER, S.L.S.	frequency
SMITHALA SOLIERASHIR GURROS, N.L.O.	Orogovernovy .
STEDNER WIND FORD ACCORDAL, D.L.O.	Group company
DEDATA MAD JONGS W. JODY CHOU F ET N.	Drive company
SHEWLE REPORTED TO SECURE.	from corpora
DRIVALA WAS FORWAS LOUGHAS, SA U	Orogenzany
CHETWALK WAS POWER SCHOOL SCA. S.L. U.	Orna errony
DREWALK WIND TOWNS BOURN, S.L.Y.	Grove vorteers
DRIBNER BROYCHSKIPHIA, S.L.U.	Group consuly
DRIBALA MACHINERA STRUCTURE.	Oncurrence
DAMEN'S RING LONG CANADO 27 III	Grap-carena
SPECIAL A TRING-FORCE CAMPOS VISIL OS, SIL UI	Gross vertices
DHENNER WIND FORMS CARRALLAL, S.L.U.	Group extraony
SHEWLA WIND-TOWER GERG, SLU	Group company
CHEMICA RING YOMER COTTONING CHICK, S.L. III.	Orași cerpany
CHEMICA BIND-TOWNS COLD SENSONICE, ST. III.	Orași carpany
DREWLA WIND FORD DOWNLOS, ELLS	Group company
GREATH AND LOSS BOTH THE REST	Tring-circular
SARRANTA AND LONG BOTO DISHOUS DISHARD STORY	Group company
CHEMILA SING-POWER PROJECTS IN IN	Group company
CRETINIA WIND POWER FORCINES, T.L.U.	Grove corporar
DESIRALA BING-FORMATORIOGISE O. S.L.V.	Proprietary
DRIBNIA RING/DRIBEPHER, S.L.U.	from cereary
CORDALA WAS PLACED ALCOHOLS. L. L.	Orna corners
OVERNIA MINO POWER ON LITTING, S.L. III.	Group corporar
DRETHALA NINE/POWER ONTO SILIV.	Grove versions
CHESNIA WAS FORCE COSTS, CL.	STOLE HIPSING
SHEWALK TUNE-POWER OFMICK TILLS	Broup-company
DRITHALE BIND-PORTELLISMS, S.L.S.	Drog-circony
OPENALA WAS TOWER LICENSEE TILLS	Group company
GREENLA RIND/ONDRINGO, CLU.	Strong company
SHEWALK RIND FOR SHEETING, S.L. W.	Strong nationly
SHEWLA RING FORMANING OF CHIEFLA SALK.	Brog-circularly
DRIFFIELD ROWSE MONTH TO JOSEP 11 AL	Cross-corpora
DEDMER WAS FORESHORTS TO JUNE, SELEC	Should remove the
SHEWLA WIND TOWER MONTERO, E.L.S.	Service company
SPERMAN REPORTER MONEY, S.L.O.	fireguingary
ORBINALA SIND/OWN SORDIS, S.C.U.	Constitution
DRIBNA A NINE-YOMER O DESCRIPAL, SAID	Orosa company
CHEMIA WAS TOWN O'CHT, S.L.S.	Group company
SHERVER WHO FORGE CURCL, S.L.V.	Sense corpora
SHEEKLE TORONOMERSON SHI SALIME, S.L. U.	frequency
SMERNAL ACKNOWN PROJECT TO A SEC. TO A	One order
SPESIALA SING-FONDE FON OMBINAL CLUI.	
DEDNIA WIND TOKOT FOAD BOAD, SILV	Orosa corporar
GREWALA RING/TOWERAS FORCAS SLAR.	
	drap-corpey.
SHEWLA RIPOTOMA RETILO, S.L.S.	
CRETINAL A WARD FOWER ROSION, S.L.U.	Orași orresta
	Grove company

	Balance of the relatio
Data continues.	
DESIGNATION AND POWER THAT THE PARTY THAT	Ongranges
DRIBALE MAD FORM TORMOG SLU	Dog-course
DEDMOR MEDITORIO TOURNA, D.L.C.	Group company
DESIREM SECURITY TRACKING, S.C.O.	Group + or quary
SPERMUM MERCHANIST LINGUISM, S.L.M.	<b>Orași orișale</b>
DRIBNIA MEDICINE VENTO, SUIL	Ongresses
DROW-LIP WOODD-PT. T.L.U.	Group company
DESIGN FOMENDISCHMING SUM-	9704-197049
SHEWLE MEDICAGE DISCOMER, S.L.L.	Group company
DRIBALIA SOLAR FORM DIVIS OFMER, SULL	Grad-custons.
DRESWER SOLAR FORESCHALO LS LUI.	Great contains
DRESNUR SOLAR FOR PLEASURE SULU	Group company
SHEWITH IMPLANTS VESS OF HERED # 217.	guilt today
DRIBNUS BROTONIS TORROS, SULL	Brings company
Delineral Industrial House, or 7	quebrades
DRIBALIA MAGAZINIRA BARMBALA, S.L.	Ongresses
DRESMUM IMPORTATIONS SE.	Group company
DRIBNUS MEDICACI CODES, D.L. SHEMAUS MEDICANIS CHAYO, D.L.	Orași cerpani
DRIBNUS MEDICINES CONTO, EL.	Ong-man
DESIGN A MAD POWER CORPORATE OF	Orași orași
DETRI A MERCANI MENDIC, S.L.	Street or street
DESIGN A MEDICAL SERVICE SE.	String Lateral
DESIGNATION OF THE PARTY OF THE	Ongranis
DRIME IN SIND POWER PLACE CANDINGS ST.	Опротим
DROW, in see yours obook in .	Group contents
DEDALA MADITARI DARROTO SIL	trius company
DEDVLIP MED FORD SANDWIN S.L.	Group company
URBALA MACAZINA SINCE, S.L.	<b>Bringsteinung</b>
DEDALA IMPROVOTALALIL	Oraprovins
DRESNUA MADIFORM GARDON TU.	Group commen
DESMUM IMPROVIDED DUNCE SE.	Group Letters
DRIBNUS MEDICINIS SURVING S.L.	Responsible
DRIBNIA MEDICINE MOJO, S.L.	- Orași carques
DRING IN MACHINE LAURE LESS LA	Ongerman
DREMUR MAD POWER KETTSTON, S.L.U.	Group company
SPERMUM ARROYSTED CHEMISTRESS SALE	(Fragrammer)
SWINNING SOLM FORWARDS MALES, BLU.	gradioning
SWINALA SOLAR POWER SANCELAND SUIT	Ongverteg
DROWILLA POREST, S.L.	Grade Louisies
DESMUR MOVETHY, SLUI.	Great extreme
DROWLA LODE TO: S.L.U.	grown contract
DRIBNALIA SORPRO SILIV. DRIBNALIA SOLUR POWER SANDA HARA LISTA L	quirth resident
DETRACIA DOLLAR PORTE DANDA SARIA E DE SE	One-reserv
	SUP INCH
DRESMUM DOLLAR FORMULISM TO SILVE	Quick states
DESIRED SOLVE FOR COME OF SEC.	Brognesses
ORDINAL A TOLAN POWER ROMER, SL.U.	Ongranas
DEDMIN COLAR FORCE MEALS: SILL.	Other London
DESIROR SOLICE FOR PAUD AND A SALE.	Grap corpora
SPERMAN SOLAN FORMALISACIN, SALO	Gray corpus
DRIBBALD SOLER FORWARD, NAMED, SALE.	Oververse
DRIBLIA SCHAR POWER LA TRIBLIAN SALII	Ongresses
DETENTION OF TOUR POWERS THROUGH THE	Group company
SHEEDER DOLLAR FORWARDADA, SALIS	Street or the sale
SMIRHTLE SOLINE FORWARDA SOLUMENNE, SALI-	Grap corpora
DRIBALA MACADER TOROPELAS, N. D.	Orapornani
DETRACA DOLLAR FORTE DICEA, S.L.U.	Group company
DEDM A DOLAR DISTRIBUTE SAUCE SAME	Group company
CHESINA A DOLAR FORCE ACCESS DATE	String corpora
URBINAL PROMPT US. NO.	drag corpsey
DRIBALA DOLAR FORM, BC	Group contrast
DIGS. ADIAMPAGE SONYEE LLC	Group company
	Relater yearly

50

GREENALIA, S.A.
Plaza de María Pita, 10 - 1 = Tet +34 961 482 100 = Faze +34 961 486 800 = Postcode: 15001 = A Coruña = Spain final invencere@greenalia ev.



### 14.1 Affiliated companies

The breakdown of balances with affiliated companies is as follows:

(Euros)	Direct parent company	Group	Related party	Total
Year 2021				
Long-term loans (Note 8.1)	22.530	46.581.219		46.603.755
Short-term loans (Note 3.1)	160,422	3.740.952	-	3.901,374
Trade receivables (Note 8.1)	-	1.184.413		1.184.413
Long-term payables (Note 11.3)	-	(31.464.021)	-	(31,484,021)
Short-term payables (Note 11.3)	-	(45.453)		(45.453)
Year 2020				
Year 2020 Long-term loans (Note 8.1)	586.213	12.280.830		12 867.043
	586.213 422.648	12.280.830	-	12.867.043 422.048
Long-term loans (Note 8.1)				
Long-term loans (Note 8.1) Short-term loans (Note 8.1)	422.048		-	422.048
Long-lerm loans (Note 8.1) Short-term loans (Note 8.1) Trade receivables (Note 8.1)	422.048	1.951.035	-	422.048 1.951.036

Transactions with group and related/associated companies have been carried out within the ordinary course of the company's business activity and under normal market conditions.

The details of the transactions carried out with related parties are as follows:

(Euros)	Direct parent company	Group company	Total
Year 2021		NAME OF TAXABLE	Description
Provision of senices	-	1.173.567	1.173,567
Financial income (Note 13.1)		3.023.885	3.023.885
Financial expenses (Note 13.4)		(460.904)	(450.904)
Dividends received (Note 13.1)	-	3.128.704	3.128.704
Year 2020	51307924	0.025.000	
Year 2020		57225235	
Provision of senices	120.000	1.049.748	1.169,748
Reception of services	(28.194)		(28.194
	-	814.613	814.613
Financial income (Note 13.1)		(445.280)	(495.280
Financial income (Note 13.1) Financial expenses (Note 13.4)	(50.000)		

51

 OREENALIA, S.A.
 Plaza de Maria Pita, 10 - 1 = Tet +34 981 482 900 = Fax +34 981 493 900 = Postcode: 15001 = A Coruña = Spain Email: inversores@greeniala.m.
 www.greeniala.m.



### 14.2 Directors and senior management

During the 2021 and 2020 financial years, no remuneration was paid to the Board of Directors for their work as board members.

The Company considers Senior Management staff to be those persons who undertake tasks related to the general objectives of the Company, such as planning, directing, and controlling activities, carrying out their tasks with autonomy and full responsibility, only limited by the orbaria and instructions of the legal owners of the Company or the governing and administrative bodies representing said owners. The Company only considers a person who can be considered as Senior Management if that person aligns with the definition set out above. The Group companies' joint remuneration to Senior Management for all amounts in the 2021 financial year amounted to 180,000 euros (150,000 euros in the 2020 financial year)

Likewise, the Board of Directors has two executive directors who, in turn, are employees of the Group whose gross remuneration in the 2021 financial year amounted to 224,805 euros (corresponding to one executive director in the amount of 113,333 euros in the 2020 financial year).

In addition, an entity linked to an independent board member invoiced different services to the Group's entities in the 2021 financial year in the amount of 79,805.78 euros (49,000 euros in the 2020 financial year).

No pension and life insurance obligations have been incurred for the Board of Directors or senior management personnel.

On December 31, 2021 and 2020, there were no advances or loans granted to senior management personnel, nor were there any obligations assumed on their behalf by way of guarantee.

As of December 31, 2021 and 2020, there were no loans granted to executive directors.

During the 2021 financial year, Directors' liability insurance premiums for damages incurred in the performance of their duties were paid in the amount of 17,138 euros (5,573 euros in the 2020 financial year).

In relation to Article 229 of the Capital Companies Act, the directors have reported that they have no situations of conflict with the interests of the Company.

#### INFORMATION ON THE NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Risk management policies are established by the management. Based on these policies, the Financial Department has established a series of procedures and controls that allow for identifying, measuring, and managing the risks arising from activities with financial instruments.

Activities with financial instruments expose the company to credit, market, and liquidity risk.

# 15.1 Credit risk

Credit risk is caused by the possible losses caused by the breach of the contractual obligations by the counterparties from companies; that is to say, by the chance of not recovering the financial assets at their carrying amount and within the set term.

GREENALIA, S.A.

Plaza de Maria Pila, 10 - I = Tet +34 981 402 900 = Fox +34 981 402 800 = Postoode: 16001 = A Coruña = Spain Errait inversoren@greensis.es = - www.greensis.es = - www.greensis.es

234



The maximum exposure to credit risk is as follows:

(Buros)	2021	2020
Long-term loans to group companies	46.603.755	12.867.043
Trade and other receivables	1.316.497	2.201.357
Short-term loans to group companies	3.901.374	422 048
Short-term financial investments	6.642	4.976
sh and other equivalent liquid as sets	30.365.808	37.083.530
191	82.194.076	52.578.954

In general, the companies maintain their cash and cash equivalent liquid assets in financial institutions with a high credit rating.

Loans to group companies were granted mainly to finance the biomass, wind and solar projects of various group companies that are in progress.

### 15.2 Market risk

Market risk arises from possible losses caused by changes in the fair value or future cash flows for financial instruments due to changes in market prices. Market risk includes interest rate and exchange rate risks.

### Interest rate risk

Interest rate risk arises from possible losses caused by changes in the fair value or future cash flows for financial instruments due to changes in market interest rates. Exposure to the risk of changes in interest rates is mainly due to loans and lines of credits received at variable interest rates

The Company manages interest rate risk by distributing the financing received at fixed and variable

A large part of the financing received by the Company, including bonds admitted to trading and other debts with third parties, are referenced to fixed interest rates. Variable interest rate financing is referenced to the Euribor rate plus a margin, although it mainly boils down to debts with credit institutions.

# Foreign exchange rate risk

Exchange rate risk arises from possible losses caused by changes in the fair value or future cash flows for financial instruments due to changes in foreign exchange rates.

The Company's financial management considers that there are no significant exchange rate risks as the Company carries out most of its operations in euros and does not invest in foreign currencies.

# 15.3 Liquidity risk

Liquidity risk is caused by the possibility that the Company may not be able to have liquid funds or access them in sufficient amounts and at the right cost to meet its payment obligations at all times. The objective is to maintain the necessary liquid availability.

53

GREENALIA, S.A. Plaza de María Pita, 10 - 1 - Tel: +34 901 402 100 - Fox +34 901 400 000 - Postopde: 15001 - A Consta - Spain Email: imersores@greenalsa.es. - www.greenalsa.es.



The Company undertakes prudent liquidity risk management, which implies maintaining sufficient cash and ensuring the availability of funding through sufficient committed credit facilities, as well as the ability to liquidate market positions.

### 16. Guarantees, commitments, and contingencies

In relation to the guarantees that the Company has granted for the financing that the indirectly owned company Greenalia Biomass Power Curtis Teixeiro, S.L.U. has obtained from financial institutions for the construction of the biomass plant located in the municipality of Curtis (A Coruña). it is established that:

- Greenalia, S.A. will guarantee the obligations of the biomass supplier Greenalia Forest. S.L. once the biomass plant is in operation.
- Greenalia, S.A. will provide a cost overrun guaranty during the construction period.
- Greenalia, S.A. will provide a guarantee for the completion and start-up of the plant.

In addition, the Company is the guaranter of the Elecnor loan formalized by the group company Greenalia Wind Power, S.L.U. in order to finance part of the wind power projects (Epio 1 Project). where it is established:

-Greenalia S.A. is the guarantor of the financing contract and jointly and severally liable to Elecnor for all the obligations guaranteed in the financing contract.

During fiscal year 2021, as part of the project being developed in the United States:

- . The Company has entered into a bank guarantee amounting to 15,000,000 dollars (see
- A guarantee has been issued on October 29, 2021 in the amount of 1 million dollars in the framework of the purchase contract for the MISAE project, USA, effective March 31, 2022.

The Board of Directors considers that these guarantees will not generate any impact as the risk has been evaluated and limited. Therefore, they feel that no type of economic damage will turn up for the group in relation to the aforementioned guarantees.

54

GREENALIA, S.A.

Plaza de Maria Pira, 10 - 1 - Tel: +34 981 402 100 - Fox: +34 981 400 800 - Postoode: 15001 - A Coruña - Spain Email: imenores@greenala.m. - www.greenala.es.



## 17. OTHER INFORMATION

#### 17.1 Personnel structure

The breakdown of the Company's employees by category is as follows:

	Number of people employed at the end of the financial year					Average number of people with a disability > 33%	
	Men	Wo	men	Total	Average number of people employed in the financial year	out of all those employed in the financial year	
Year 2021							
Executives		4	2	6	6		
Administrative staff		3	2	5	4		
		7	- 4	11	10	104	
Year 2020							
Executives.		3	2	5	. 6		
Administrative staff		3	1	4	2	100	
Salesmen		-3	1	1	1		
		5	- 4	10	- 1	2)*	

On December 31, 2021, the Company's Board of Directors was comprised of 4 people, entirely men (same composition as of December 31, 2020).

# 17.2 Environmental information

The Company's directors declare that in the accounting for these financial statements there are no environmental items that should be included in accordance with the accounting standard.

The accompanying balance sheet does not include any environmental provision, since the Company's directors consider that at year-end there are no obligations to be settled in the future arising from actions taken by the Company to prevent, reduce or repair damage to the environment, or that, if any, such obligations would not be significant.

#### 17.3 Audit fees

The fees accrued in the financial year for the services provided by the accounts auditor were the following:

(Euros)	2021	2020
Fees for the audit	30.250	27.000
Other verification services	14.500	10.175
	44.750	37.175
	(C.00, 2010)	

The other verification services correspond to the limited review of the half-yearly financial information and the audit of a financial model.

55

 ORGENALIA, S.A.

 Plaza de Moria Pita, 10 - 1 - Tel: +34 981 492 100 - Fox +34 981 400 800 - Postoode: 15001 - A Goruña - Spain Ernal: premocres@greenia.m. - www.greenia.m.



# 18. EVENTS AFTER THE BALANCE SHEET DATE

Likewise, in the month of December, a Green Promissory Note Program worth 100 million euros was recorded on the MARF (Alternative Fixed Income Market). The Program was submitted for evaluation by Sustainalytics, a leading agency in sustainable ratings, which considered that the company's projects contribute to the energy transition process in Spain. With this, the second Green Promissory Note Program on the Spanish market, Greenalia consolidates its position as a pioneering company in the emission of green financing after qualifying as "green" with all the bonds issued up to now, the last of which (55 million) was issued in December of 2020, also being qualified with the highest score in terms of sustainability by the Standard & Pocors rating agency. On February 1, 2022, the first issue of the program was listed on the MARF (Alternative Fixed Income Market) for a total nominal amount of 20,000,000 euros, with maturities at 90, 210, and 385 days. On March 3, 2022, the second issue of the program was listed on the MARF (Alternative Fixed Income Market) for a total nominal amount of 9,400,000 euros, with maturities at 90, 210, and 385 days.

As of the date of issuance of this report, the current issued balance for the program amounts to 29,400,000 euros.

The Company's management is analyzing in detail the measures included the Royal Decree-Law 8/2022, of March 29; however, a preliminary evaluation thereof is not considered to affect significantly the profitability and liquidity of operations and, in any event, this is a type 2 subsequent event that would not affect the financial statements for the 2021 fiscal year.

56



# Greenalia, S.A. Directors' Report for the 2021 Financial Year

Taking stock of this last year, we leave behind 12 months of special relevance as far as Greenalia's business is concerned. Despite the exceptional situation in which we like as a result of the conflict between Russia and Ukraine, the post-pandemic consequences, inflation, and supply chain and transport problems. In relation to the business activity of Greenalia, we can celebrate that we are closing the year 2021 with the satisfaction of having overcome once more the objectives set for the year. In the midst of this turbulant and uncertain context, we have managed to maintain our direction and strengthen our operations. We have continued with the implementation of our renewable projects, in addition to achieving other strategic objectives such as opening up to the American market. These results show the resilience of our business model — a model with which, despite the restrictions imposed, we have managed to consolidate the growth of our business during this period.

The entry into operation of 4 of our projects during the 2021 financial year, together with those that we already had in operation, has made it possible to successfully fault the plans set in previous financial years. We have exceeded the objectives set in the COVID RESILIENCE Plan. Likewise, the figures promised in the Business Plan presented for the 2011 IPO have been reached. Currently, with 6 projects in operation (with an installed capacity of 125 MW), together with the almost 1,000 MW under construction, Greenalla has become a relevant player in the sector. The company is special because of its multi-technological nature and the high-level resources of its profeties.

The increase in the figures of the group's profit and loss account does nothing more than consolidate the Develop & Own Strategy put into place in recent years. In addition, the group is establishing new business lines in anticipation of its international expansion, which is initially planned on the 2030 horizon. With the acquisition in the second half of the year of the MISAE photovoltaic project (695 MW, in Ready to Build state, to which 170 MW of storage will be added). a very important part of the revenue obtained in 2024 will come from America. With this transaction, the company ensures the development of the objectives set out in its strategic plan and expands its technological diversification to 5 technologies (Onshore Wind, Offshore, Photovoltaic, Storage, and Biomass) — doing so in two currencies, euro (€) and dollar (USD). The US government's commitment to renewable energies has opened up a very attractive panorama for the sector, which we must take advantage of. In addition to this purchase, the group has already begun with the undertaking of new projects in America and will continue to study the purchase of other companies in the sector with the aim of advancing quickly in a growing industry in the USA. The operation of these projects, as well as the future business in the USA, will be carried out through the recently incorporated companies, Greenalia Power US, INC and Greenalia Solar Power US, INC.

 The wind energy business continues its production activity with the five EOLO MOC Projects operating at full capacity at year-end (Miñón, Ourol, Alto da Croa, Alto da Croa II, and Monte Tourado Wind Farms). It is necessary to highlight the market exploitation (merchant) of these projects, which is allowing us to obtain market prices higher than those included in the plan.

A fundamental milestone of this period has been the commissioning of our second wind project, the Ourci Wind Farm (22.5 MW). It began to contribute to the Group's consolidated profit and loss account in May of 2021.

Also noteworthy is the commissioning of three other wind farms (Alto da Cros, Alto da Cros, II, and Monte Tourado), which begin to contribute to the group's consolidated profit and loss account in September 2021.

 The biomass plant (Curtis Teixeiro) has continued to export energy and, although the Operation and Maintenance supplier has been replaced, it is currently producing at full capacity with its operations fully restored.

57

OREENALIA, S.A.

Plaza de Maria Pita, 10 - I = Tel: +34 901 432 900 = Fox +34 901 603 800 = Postcode: 15001 = A Coruña = Spain

Email: inversor=Signeralia.m. — www.greenalia.m.



The rest of the businesses continue to undertake their activities at a usual pace, without
major incidents. The insurance coverages have been reviewed and conversations have
been held with the main clients to anticipate possible changes or ceases in the demand,
and no changes in this recard have been notified.

It should be noted that, during the IPO process in the second half of 2017, the company presented a 5-year plan with a consolidated EBITDA target for 2021 of 23.3 million sures. Having completed the plan presented in 2017, it can be stated that the company has exceeded the forecasts and commitments acquired at the time of going public (IPO) in 2017. This plan can be consulted in the DMI (Incorporation to the Market Document) dated November 27, 2017.

In addition, this period has stood out for having obtained the highest remuneration for wind projects in the Ministry's auction held last January 2021. The remuneration obtained for 135 MW will allow for our financing the Eolo II Projects with much more advantageous conditions and a better financial structure. The figure obtained represents 13.5% of the power allocated by the Ministry in that auction for said technology.

Likewise, in the month of December, a Green Promissory Note Program worth 100 million surps was recorded on the MARF (Alternative Fixed Income Market). The Program was submitted for evaluation by Sustainalytics, a leading agency in sustainable ratings, which considered that the company's projects contribute to the energy transition process in Spain. With this, the second Green Promissory Note Program on the Spanish market, Greenalia consolidates its position as a pioneering company in the emission of green financing after qualifying as "green" with all the bonds issued up to now, the last of which (65 million) was issued in December of 2020, also being qualified with the highest score in terms of sustainability by the Standard & Poors rating agency. This operation is in addition to the capital increase of 15 million euros executed in the month of November (through a procedure of accelerated placement in which 4.4% of the share capital was subscribed at a price without a discount on the market price of the previous day). This demonstrates the confidence in the company by investors and the capital markets.

Also mention the signing, during the month of December, of a pre-agreement to supply renewable energy to the Alcoa aluminum plant in San Cibrao (Lugo) for 10 years. This energy will be supplied with wind farms that are being developed in Galicia, mainly in the province of Lugo, where the Alcoa plant is located. This pre-agreement is part of Greensla's commitment to Galician industry, in particular at these times of price tensions in the electricity meric. We at Creensla's feel that wind resources are an opportunity to ensure the competitiveness of Galician industry in the medium term through a PA. Rice the one agreed upon.

In the ESG (Environmental, Social, and Corporate Governance) sphere, Greenalia will present at the same time as the annual accounts its Sustainability Report corresponding to the 2021 financial year. In it, we set out and formalize our commitment to contribute to the development of a more equitable society, keeping intact the company's upholding of the 17 Sustainable Development Goals (SDGs) set by the UN 2003 Agenda. Thus, our eitherence to the global compact constitutes a pillar on which to base our management of sustainable and harmonious growth from the triple ESG perspective (Environmental, Social, and Corporate Governance), creating an organization that coexists in a complex ecosystem and in turn contributes to regenerating it. As a company with a close relationship with the communities where we conduct our activities, we support and collaborate with different organizations in projects of interest, participating with them in effective strategies to improve inclusion, diversity, and equality for vulnerable groups, as well as their access to sport.

58

GREENALIA, S.A.

Plaza de Maria Pira, 10 - 1 = Tel: +34 981 482 900 = Fox +34 981 482 800 = Postcode: 16001 = A Coruña = Spain Email: emerspren@greenalia.es = www.greenalia.es



Also, as part of our internal improvement and professionalization process, this year we have allocated more resources in the area of Digitization, Sustainability, and Business Development, among others. Proof of this is the signing of our technological alliance with Microsoft, as well as the recognition obtained from SAP with the 2021 SAP Quality Awards (in the Digital Pioneer category).

Finally, we must highlight the strengthening of our organizational and management structure. The renewal of the Board of Directors with the appointment as Chairman of Mr. José María Castellano Rios, who has an extensive business background known by all, as well as the appointments of Ms. Beatriz Mato as Executive Director and Mr. Pablo Castellano Vazquez as Director Representing Controlling Shareholders, all reinforces the capabilities and experience of the managerial body. This move also implies the incorporation of the Sustainability Directorate, represented by Ms. Beatriz Mato, so that the integration of Sustainability in management is promoted from the highest level of the company. At the organizational level, there have been new additions of senior talent such as Alberto Expósito as Director of International Business Development, Alberto Ares as Director of Engineering and Construction, and Pablo Barco as Director of the Curtis Televilro Biomass Plant, among others. In the area of long-term incentives, a Stock Options Plan for key managerial staff members was approved by the Board of Directors in the second half of the year. This Plan aims to achieve employees' maximum degree of motivation and loyalty, as well as providing them with an incentive to promote the Group's good results, aligning the interests of the beneficiaries with the value over the medium-term of shareholders. The duration of the Plan will be last until January 1, 2028, a date that will be taken as a reference to determine if the objectives for the exercise of the options have been achieved. The Plan will be submitted for approval at the next General Shareholders' Meeting.

a) Evolution of activities

The estimates provided for in the plan have been met fully. To this end, our maintenance and improvement of our business activity is reflected in the EBITDA for the 2021 financial year, amounting to 5,969,728 euros (the consolidated EBITDA of the group amounts to 38,658,856 euros). Net income after tax amounted to 1,754,825 euros (consolidated net income after tax for the group amounted to 12,035,891 euros).

Included in income is 1.2 million euros for the provision of services, 3.1 million euros of dividends from Greensia Power Spain, S.L. and 3.0 million euros of financial income granted as a holding company with subsidiaries of the group.

The main items and transactions that explain the evolution of the balance sheet were:

- There was a capital increase of 15 million euros executed in the month of November (through a procedure of accelerated placement in which 4.4% of the share capital was subscribed at a price without a discount on the market price of the previous day). Shareholders' equity shows a positive balance of 18,077 thousand euros.
- . There have been the following variations in financial and non-financial debt:
  - The loans that the company had with Abanca and Banco Santander have been fully repaid
  - The credit facility that the company had with Bankinter has been cancelled

59

| GREENALIA, S.A. |
Plaza de María Pita, 10 - 1 = Tel: +34 991 492 100 - Fox: +34 991 493 900 - Postocóe: 15001 - A Coruña - Spain - Emait inversores@greenalia.m. - www.greenalia.es.



- In relation to corporate bonds, the bond issued on December 15, 2020, for an amount of 55,000,000 euros, listed on the Alternative Fixed Income Market (MARF), remains in force. That bond metures in the year 2025 and accrues annual interest at the fixed rate of 4.95%. All previous bonuses (I, II, and III) have been cancelled. In addition, at the end of 2021, an amount of 2.4 million euros from bond III was outstanding. Said amount was fully repaid on January 24, 2025.
- Likewise, in the month of December, a Green Promissory Note Program worth 100 million euros was recorded on the MARF (Alternative Fixed Income Market).
   Although at the end of the 2021 financial year no issuance was made on that promissory note program, so the accounts do not show a debt balance from the program.
- No mortgages have been formalized during fiscal year 2021.
- The liquidity provider policy with Banco Santander has not been modified.
- b) Research and development

During 2021, no research and development activities were carried out.

c) Events after the balance sheet date

As of the date of the annual accounts, there are no post-closing events that have a significant impact on the group's equity and bring about situations that could affect the true image of the annual accounts — except those indicated in Note 18 of the consolidated report.

a) Treasury stock

The Company holds treasury stock with a market value of 1.048 million euros (66,168 titles) as of the date of preparing the annual financial statements, which can easily be converted to cash.

Part of the company's own shares have been made available to the liquidity provider (Santander Bank).

b) Environmental management

During 2021, no environmental activities were carried out.

c) Use of financial instruments

The Company does not use financial derivatives. The financial risk management objectives and policies, as well as the Company's exposure to the different risks are detailed in Note 15 of the accompanying notes to the financial statements.

d) Evolution of listing and market value

The company shares have been listed on BME Growth since their issue on December 1, 2017.

On March 19, 2018, Greenalia S.A. was included in the "IBEX BME Growth 15" index. On January 25, 2019, the BME Growth Intermediation Department reported a change in the listing scheme for Greenalia S.A. shares, from Fixing to Continuous; based on the trading volume for shares contemplated in the Market.

Being part of this category meens that the quality and transparency standards of this BME market are homogeneous with those of other Growth Markets in Europe.

GREENALIA, S.A.

Plaza de Maria Pita, 10 - 1 - Tet + 34 901 402 100 - Fox +34 901 400 800 - Postoode: 15001 - A Coruña - Spain Ernalt inventoren@greensla.es - www.preensla.es.

238



On December 31, 2021, the Greenalia listing closed at 15.85 euros/share, representing a decrease of 12.7% during the last 12 months and a revaluation of 681% since it was listed on December 1, 2017 - and a capitalization of 351,409,906 euros.

e) Completion of the business plan

On March 17, 2021, Greenalia, S.A. published its new plan for the 2020-2021 period called COVID RESILIENCE. Greenalia S.A. is pleased with the degree of general completion of the Business Plan for financial year 2021, and with the plan's correct execution.

in general, the objectives established for the budget of the year and for the end of the plan have been exceeded, with very significant improvements over the previous year.

61

**GREENALIA, S.A.**Plaza de Moria Pita, 10 - 1 – Te1 +34 981 402 100 – Fex +34 981 400 800 – Postoode: 15001 – A Coruña – Spain Erralt memores@greenala.es - www.greenala.es.



# GREENALIA, S.A. ANNUAL FINANCIAL STATEMENTS AND DIRECTOR'S REPORT For the fiscal year ending December 31, 2021

# PREPARATION OF THE ANNUAL ACCOUNTS AND DIRECTORS' REPORT

In A Coruña, on March 31, 2022, the members of the Board of Directors of the Company hereby present the annual accounts of Greenalia, S.A. for the year 2021, comprising the balance sheet, the profit and loss account, the statement of changes in equity, the cash flow statement and the notes to the financial statements for the year ended December 31, 2021, as well as the Directors' Report for the year.

Mr. José Maria Castellano Rios Chairman of the Board	Mr. Manuel Garcia Pardo Director
Mr. Antonio Fernández-Montella Rodríguez Director	Norcorporate, S.L. Represented by Mr. Antonio Couceiro Méndez
Mr. Pablo Castellano Vázquez	Mr. Eleatriz Mato Otero

62

GREENALIA, S.A.
Plaza de Maria Pita, 10 - 1 = Tet +34 581 482 100 = Fax +34 581 482 000 = Postcode: 15001 = A Coruña = Spain Email: inversores@greenalia.es - www.greenalia.es.

