



energía real

Sustainability Report 2023

A MESSAGE FROM OUR CEO



As we present our annual Environmental, Social, and Governance (ESG) report, I want to address you directly and honestly. Yes, we are a solar energy company.

Yes, we significantly contribute to reducing carbon emissions. However, I firmly believe that being in the renewable energy sector does not automatically crown us as ESG champions. Quite the opposite. I hate “greenwashing” and the complacency it breeds. The fact that our core business is environmentally friendly does not mean our work stops there. This report is not a self-congratulatory pat on the back; it’s a sincere reflection on where we stand and the substantial work that still needs to be done. This year, the “desire to do the right thing” that lives within our culture began to materialize in a more institutional manner and was reflected in several company initiatives that are steps towards where we envision ESG excellence.

Environmental responsibility is more than our product; it’s our practice. Increasingly, we scrutinize our operations, supply chains, and partnerships through a rigorous ESG lens. Our goal is sustainable practices that go beyond just our energy production.

On the social front, we are deeply committed to fair labor practices, diversity and inclusion, and community engagement. We don’t just want to be a company that does good things; we want to be a good company, period.

In terms of governance: transparency and accountability are our guiding principles. We are not here to hide behind corporate jargon and initiatives that sound impressive but have no real value. Our actions, strategies, and objectives are presented with clarity and honesty.

This report is not just a recounting of what we have done. It is a roadmap of where we need to go. It highlights not just our achievements but our shortcomings and the challenges we face. We are not perfect, and we don’t claim to be. But we are committed to improving, always guided by our values and the real needs of our planet and its people.

Thank you for your continued support. Together, let’s redefine what true commitment to ESG means in the renewable energy sector.

Santiago Villagómez
Chief Executive Officer

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WHO IS ENERGÍA REAL?



We are a company dedicated to the development, financing, operation, and commercialization of renewable energy projects.

We offer energy solutions for all types of businesses. Our financing schemes are designed to help companies align their environmental objectives with their business goals.

We provide the commercial and industrial sector with clean energy at economical rates, without any investment required from the client and without the need to own the properties where they operate. Our long-term vision allows us to generate a profitable business and enable our clients to focus on their market while having access to affordable clean energy solutions.

Distributed Generation

We own the largest portfolio of distributed generation assets in the country and have more than 7 years of experience.

Energy-as-a-Service

We offer comprehensive clean energy solutions to the commercial and industrial sector, which includes generation, storage, and energy optimization, through financial schemes. This allows clients to focus on their core operations.

RIVER STONE

We are part of the Riverstone portfolio focused on decarbonization.

We are backed by Riverstone, the energy fund that supports the transition towards low-carbon energy forms.



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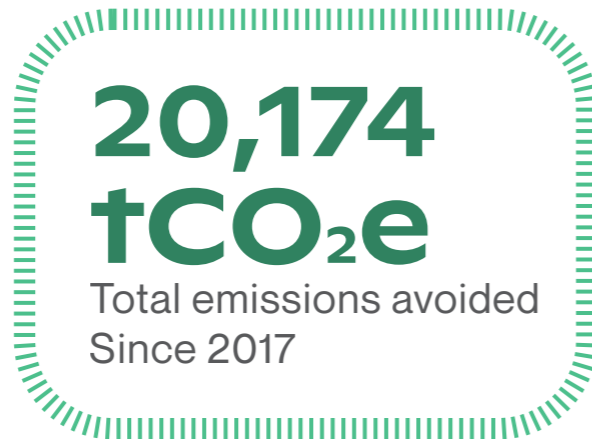
GOVERNANCE



DECARBONIZATION AND ENVIRONMENT

AVOIDED EMISSIONS

We support our clients on their path to decarbonization through the generation of renewable energy.



EMISSIONS: ENERGÍA REAL

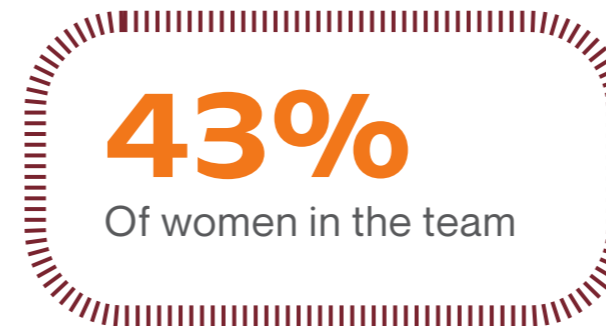
We quantify our Greenhouse Gas emissions (Scope 1, 2, and 3) because we understand the importance of measuring and taking action.




SOCIAL AND COMMUNITY

DIVERSITY AND EQUALITY

Diversity and equality are fundamental in our team, as they drive innovation, improve decision-making, and strengthen our work culture.



HEALTH AND SAFETY

We have health programs and safety policies which we monitor with metrics that show their results.



tCO₂e: Tons of carbon dioxide equivalent



ETHICS AND TRANSPARENCY

ANTI-CORRUPTION

We ensure the integrity of our operations through anti-corruption workshops.



TRANSPARENCY

Transparency is our priority, which is why we rely on various ESG standards to convey information. We also respect the principles of the United Nations Global Compact.



OUR ACTIVITIES



What do we need?

We depend on the effort of our team, ensuring legal compliance, maintaining financial stability, retaining a loyal customer base, managing risks effectively, and achieving operational proficiency. This includes collaborating with Engineering, Procurement, and Construction suppliers.

What do we do?

We focus on the development, financing, operation, and marketing of renewable energy projects.

Our activities include:

ORIGINATION

Discovering business opportunities for the development of on-site renewable energy projects.

COMMERCIALIZATION

Negotiating contracts with clients who wish to acquire long-term energy solutions.

ENGINEERING AND CONSTRUCTION

Designing projects and constructing assets, whether for on-site renewable energy generation or for battery storage.

OPERATION AND MAINTENANCE

Ongoing management of preventive and corrective maintenance to ensure optimal operation of the facilities.

ENERGY SALES AND MANAGEMENT

Monitoring electrical consumption patterns and renewable energy generation to promote energy efficiency initiatives.

47
Team members

221
Facilities - total PV

2
Power plants - BESS

25
EPCs

52
Clients



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OUR ACTIVITIES

How do we do it?

We generate energy on our clients' properties with solar panels and storage systems, selling that energy at competitive fixed prices to help them save and meet decarbonization goals. As the owner and operator, Energía Real aims to install "best in class" systems and adhere to top operation and maintenance practices, providing more value to customers and investors.

Our services include

SOLAR PPA

We provide access to solar energy with no upfront investment through a Power Purchase Agreement (PPA).

SOLAR SYSTEM AND BESS LEASING

We offer solar panel leasing and Battery Energy Storage Systems (BESS) for backup and peak shaving, enabling tax and sustainability benefits without an upfront investment.

MEASUREMENT AND REPORTING

We help control energy consumption and CO₂ emissions to facilitate informed decision-making and promote energy efficiency.

RECS

We offer Renewable Energy Certificates (RECs) to our clients, enabling them to reinforce their dedication to sustainability and achieve their emission reduction targets.



65.087
MWp
Installed capacity

20,174
TCo₂e
Avoided emissions

46,377.024
MWh
Annual generation

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IMPACTS OF OUR ACTIVITIES

We sold clean energy to the commercial and industrial sector without requiring any investment from the client. Throughout the process, we generated impacts on our community and the environment. Our mission is not only to identify and measure these impacts but also to promote positive changes that contribute to the achievement of the Sustainable Development Goals (SDGs), focusing on areas where we can make a significant difference.

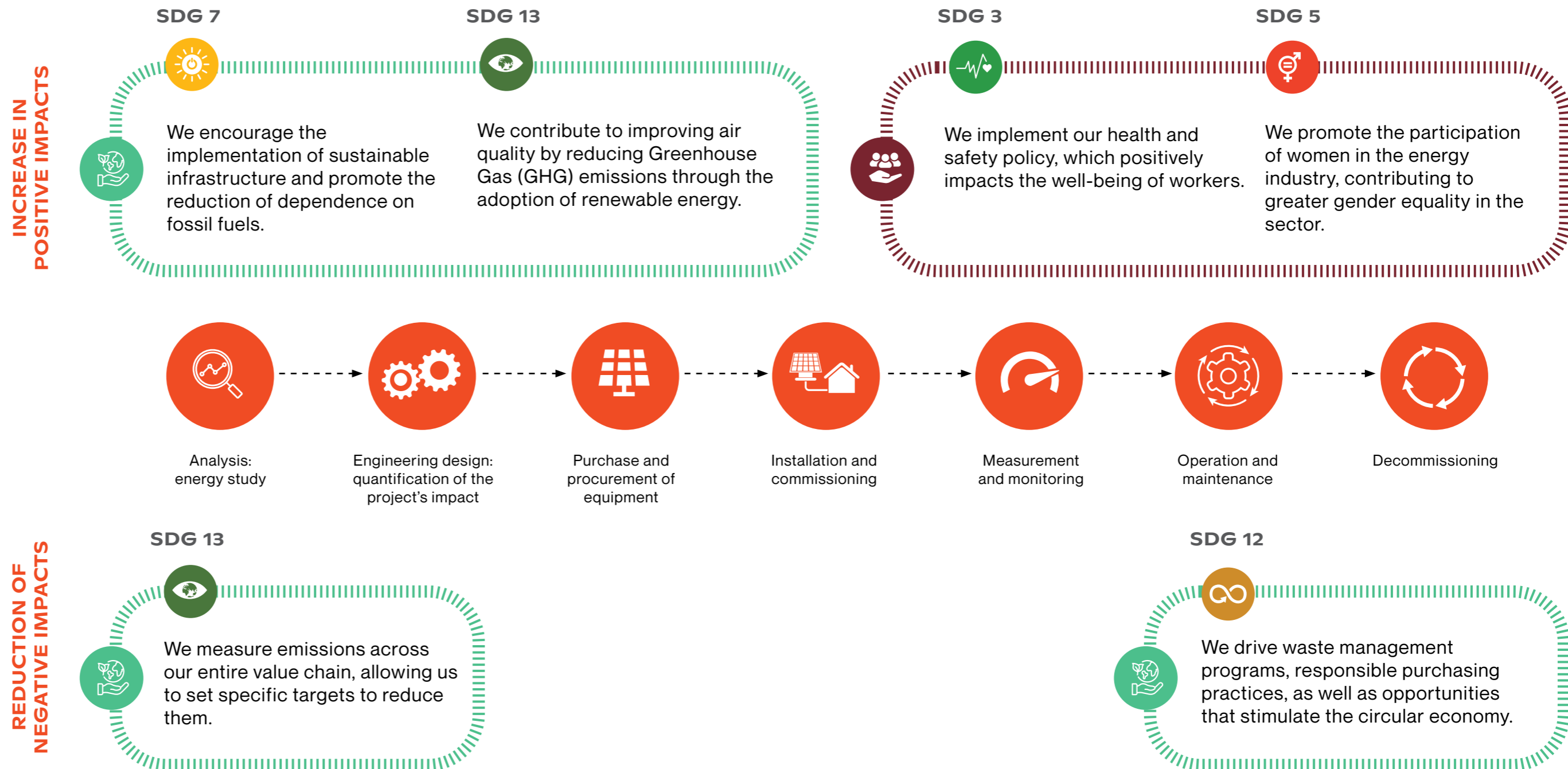
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UNDERSTANDING AND ADDRESSING THE NEEDS OF OUR STAKEHOLDERS

In our business process, we carefully identify the groups with whom we maintain relationships and on whom we have a significant impact in areas such as the economy, society, environment, politics, and ethics. Once these stakeholder groups are identified, we strive to deeply understand their needs, expectations, and concerns.

We establish strong and effective relationships with them, recognizing that the impact of our decisions can significantly affect their interests. We are fully aware of the influence that our decisions can have on these groups and work to maintain a mutually beneficial and respectful relationship with them.

A movement that connects us all

How and when do we engage?

INVESTORS

- **Investment Memorandum presentations (variable)**
- **Board meetings (4 times a year)**
- **Milestone events (2 times a year)**

These interactions play a fundamental role in the review and monitoring process of our objectives. Keeping active and effective communication with the Board members about the established goals.

These meetings allow us to evaluate and refine the path towards the achievement of strategic objectives, thus maintaining a constant alignment with the vision and standards of our investors.

GOVERNMENT

- **Meetings with commissioners of the CRE (x1 per quarter) once a quarter.**
- **Interconnection procedures (variable).**

We maintain constant communication with the Federal Electricity Commission (CFE) with the goal of ensuring efficient management of all interconnections.

Simultaneously, we cultivate a close relationship with the Energy Regulatory Commission (CRE) to stay informed about current regulations and excel in this area.

COMMUNITY

- **Social Responsibility Committee (monthly)**
- **Donations of PV plants (2 times a year)**
- **Social media (24/7)**
- **Discussion forums and specific events (6 times a year)**

Commitment to the community is a fundamental pillar in the identity of Energía Real. For us, it is of vital importance to continue generating a positive impact in our surroundings. We had two main initiatives in this direction, including the donation of two photovoltaic plants, one to Fundación Arena, in Apodaca, N.L., and another to APAC, in Mexico City.

These efforts reflect a constant commitment to contribute positively to the surrounding community.

OUR STAKEHOLDERS

How and when do we engage?

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TEAM MEMBERS

- Biweekly update meetings
- Training (4 times a year)
- Workshops (2 times a year)
- Internal newsletters (monthly)
- Off-site (annual)
- Specific surveys (4 times a year)
- Performance evaluations (semi-annual)

These activities allow us to create a strong organizational culture and promote transparency. By generating a significant sense of belonging, we can improve our employees' well-being and productivity.



CLIENTS

- Generation and savings reports (monthly)
- Monitoring platform (24/7)
- Satisfaction survey (semi-annual)
- Customer service email (24/7)
- Regular meetings (variable)
- Social media (24/7)

With this interaction, we can guarantee a high level of customer service. We promote transparency and seek to accompany the customer throughout the life of the contract so that they can get the most out of the services offered by Energía Real.

We build lasting relationships with all our customers. Some of the most important companies and real estate developers in Mexico have trusted Energía Real to execute large-scale projects across Mexico.



SUPPLIERS

- Channel Partner Event (annual)
- Discussion forums and shared events (6 times a year)
- Regular meetings (variable)
- Periodic audits (variable)

Suppliers are a key element in Energía Real's business model. In terms of installation materials, we use equipment that meets the highest quality standards (Tier 1).

Regarding installation companies, our link with them is extremely relevant because, in addition to trusting and relying on them for installations, they constitute an important sales channel, which represents almost 30% of our annual closures.



OUR PRIORITIES: CLIMATE CHANGE, WORKPLACE WELL-BEING, AND ANTI-CORRUPTION

We identified the most relevant and significant issues for our operations and stakeholders. This helped us prioritize the most critical issues we needed to address, allowing us to focus resources and efforts on areas that have a significant impact on our operation and performance. The process was as follows:

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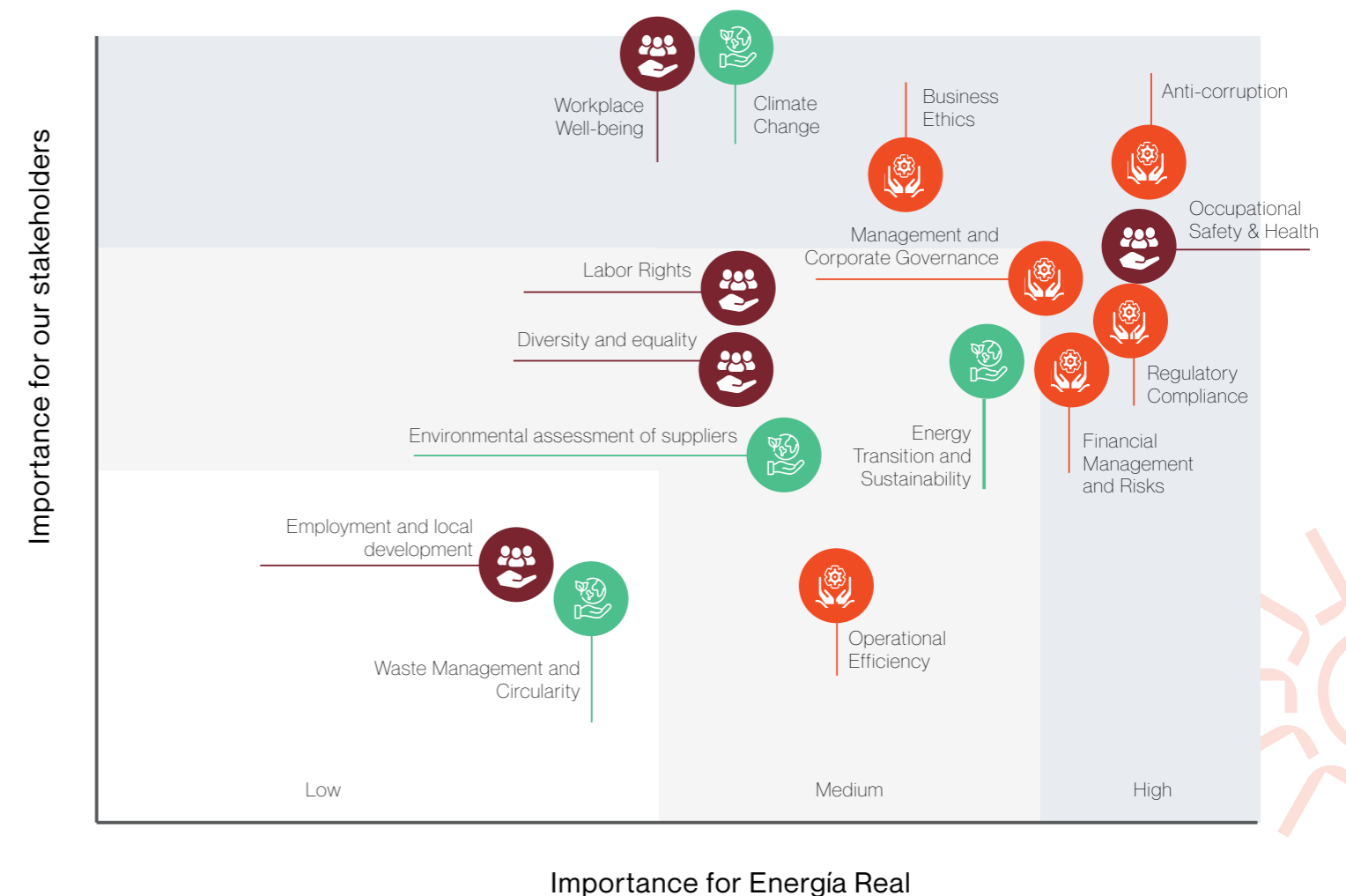
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- 1 We collected information from stakeholders, sector reports, and peer reviews to identify potential issues.
- 2 We classified the issues based on their impact on Energía Real and their importance to stakeholders, using surveys and assessments.
- 3 We communicated the results to stakeholders and used the outcomes as a foundation to develop strategies and action plans that address the relevant issues.

Energía Real carried out a detailed analysis of how the company contributes to sustainability from the Environmental, Social, and Governance (ESG) perspective, drawing on the guidelines of the SDG Compass that show how operations impact the Sustainable Development Goals (SDGs). This approach and the materiality analysis highlighted three important areas detailed below.

For its monitoring, an ESG strategy was created where objectives and indicators were established to measure the results, considering two key dimensions: the impact they have on Energía Real and the importance they have for our stakeholders.



OUR OBJECTIVES AND COMMITMENT TO THE SUSTAINABLE DEVELOPMENT GOALS









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MATERIAL TOPIC	SDG	INITIATIVES
<p>Decarbonization and environment</p> <p>Climate change Energy transition and sustainability Environmental assessment of suppliers Waste management</p>	<p> 7 Affordable and clean energy</p> <p> 12 Responsible production & consumption</p> <p> 13 Climate action</p>	<ul style="list-style-type: none"> • We measure our Scope 1, 2, and 3 emissions according to the GHG Protocol. • We increase investment in renewable energy projects. • We contribute to the community's renewable energy systems by donating 3 USD per installed kWp to support the transition to clean and sustainable energies.
<p>Social welfare and community</p> <p>Workplace well-being Diversity and equality Employment and local development Health and safety</p>	<p> 3 Health and well-being</p> <p> 5 Gender equality</p> <p> 8 Decent work and economic growth</p>	<ul style="list-style-type: none"> • We carry out job satisfaction surveys and take action to improve working conditions based on the results. • We promote equal opportunities and pay equity. • We implement wellness and mental health programs for all employees.
<p>Ethics and transparency</p> <p>Business ethics and anti-corruption Operational efficiency Regulatory compliance Corporate governance</p>	<p> 16 Peace, justice & strong Institutions</p> <p> 17 Partnership for the goals</p>	<ul style="list-style-type: none"> • We encourage transparent communication with all stakeholders. • We uphold a zero-tolerance policy against corruption and conduct annual ethics and anti-corruption training. • We assess climate risk and will publish our first report according to TCFD and GRI recommendations.

OUR POLICIES AND ALLIANCES STRENGTHEN OUR SUSTAINABILITY STRATEGY

We are committed to responsible business conduct, which is reflected in our key commitments and policies.

COMMITMENTS AND POLICIES FOR RESPONSIBLE BUSINESS CONDUCT

Energía Real’s commitments represent a solid foundation for our responsible business conduct and are aligned with two international compliance agreements.

- United Nations Sustainable Development Goals (SDGs)
- United Nations Universal Declaration of Human Rights

Our commitments also emphasize the importance of conducting environmental and social due diligence, which involves assessing and addressing potential impacts of our activities on human rights and the environment. Moreover, we have incorporated the precautionary principle into our commitments, meaning that we take proactive measures to prevent and mitigate potential negative impacts. A fundamental component is the firm commitment to respect human rights in all our operations.

Energía Real has joined the United Nations Global Compact. This affiliation commits us to follow 10 principles related to the SDGs, particularly in the areas of human rights, labor, environment, and anti-corruption. Additionally, we participate in the AMPIP’s Social Responsibility initiative, which aims to foster activities that have a positive impact on communities.

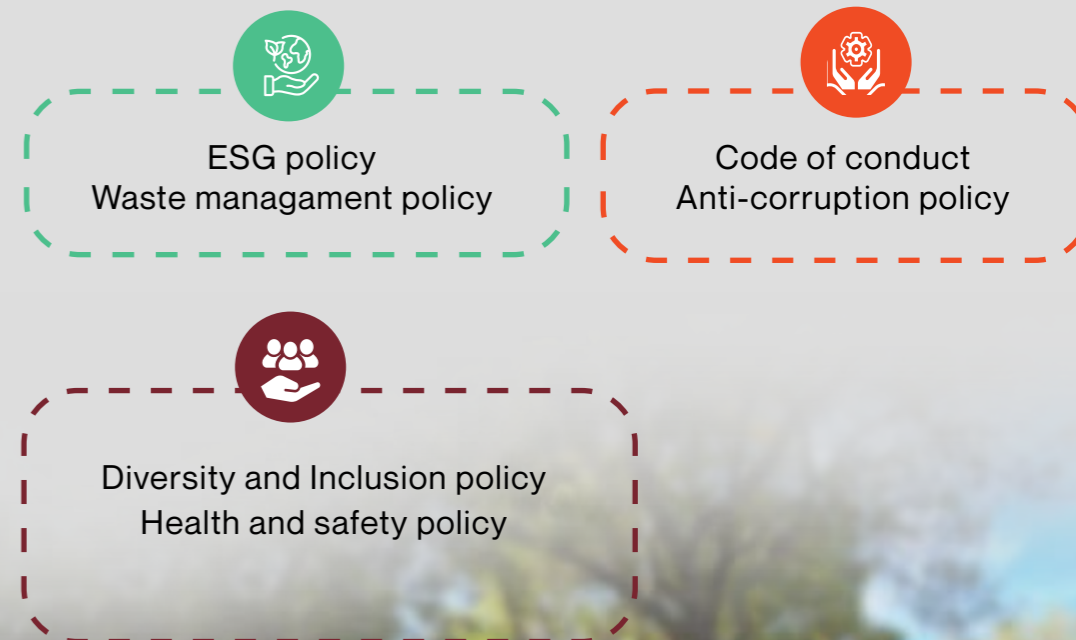


GRI2-23, 2-24, 2-28, 402-1

Our commitments and policies, backed by the highest governing body, are applicable to all our activities and are communicated through bimonthly publications in our newsletter **“People, Culture, and ESG,”** as well as through internal training for our employees.

The recently updated policies are communicated bimonthly through our newsletter and, if necessary, outside of this scheduled period. Additionally, a two-month transition period is granted during which we are open to receiving and considering suggestions. Once feedback is collected and evaluated, the policy implementation process begins.

OUR POLICIES



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- Solar energy generation
- Energy consumption
- Decarbonization of our customers' supply chain
- GHG emissions
- Decarbonization of our operations

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"What I like the most is the culture of innovation in renewable energies that we experience here. I think it's an example of what, as a society, we have to do for Mexico."

Oskar Rojas, Accounting Analyst



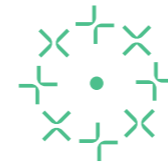
SOLAR ENERGY GENERATION

of our clients

It is necessary to accelerate the adoption of clean energy sources. Mexico has a privileged geographical position, which translates into optimal levels of solar radiation throughout the country. This makes photovoltaic solar energy a highly effective and sustainable option to boost clean energy generation.

Our commitment lies in leading this advancement and working closely with our clients to increase the production of clean energy. **We are proud to play a significant role in the transition towards a low-carbon future.** By joining forces with our clients, we are actively contributing to the reduction of greenhouse gas emissions and promoting a more sustainable environment for future generations.

Starting in 2022, in collaboration with the consultancy Environmental Resources Management (ERM), we strengthened our ESG initiative. Furthermore, we quantified our baseline emissions with PERSEFONI.



ENERGY CONSUMPTION

from our operations

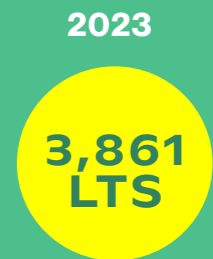
The analysis of the energy consumption of Energía Real covers our facilities, as well as the gasoline consumption derived from vehicle rentals.



ENERGY CONSUMPTION



GASOLINE CONSUMPTION



The emissions generated by our operation represent 3% of the emissions we have managed to avoid for our clients through the solar power plants we operate.

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SOLAR ENERGY GENERATION: PV PLANTS

	2022	2023	Total (2022 + 2023)
Annual solar generation (MWh)	13,643	32,733	46,376
No. of power plants installed	90	131	221
Emissions avoided (tCO ₂ e)	5,934	14,239	20,173

GRI 302-1, 302-2, 302-3 | TCFD: Metrics and goals

DECARBONIZING OUR CLIENTS' SUPPLY CHAIN

We have launched an initiative with a clear goal: to invite our clients to take immediate action to reduce their emissions and energy consumption. Our mission is to raise awareness and lead the way towards sustainability in our clients' supply chain, through workshops focused on crucial ESG and decarbonization topics taught to their suppliers, from their own needs to their supply chain.

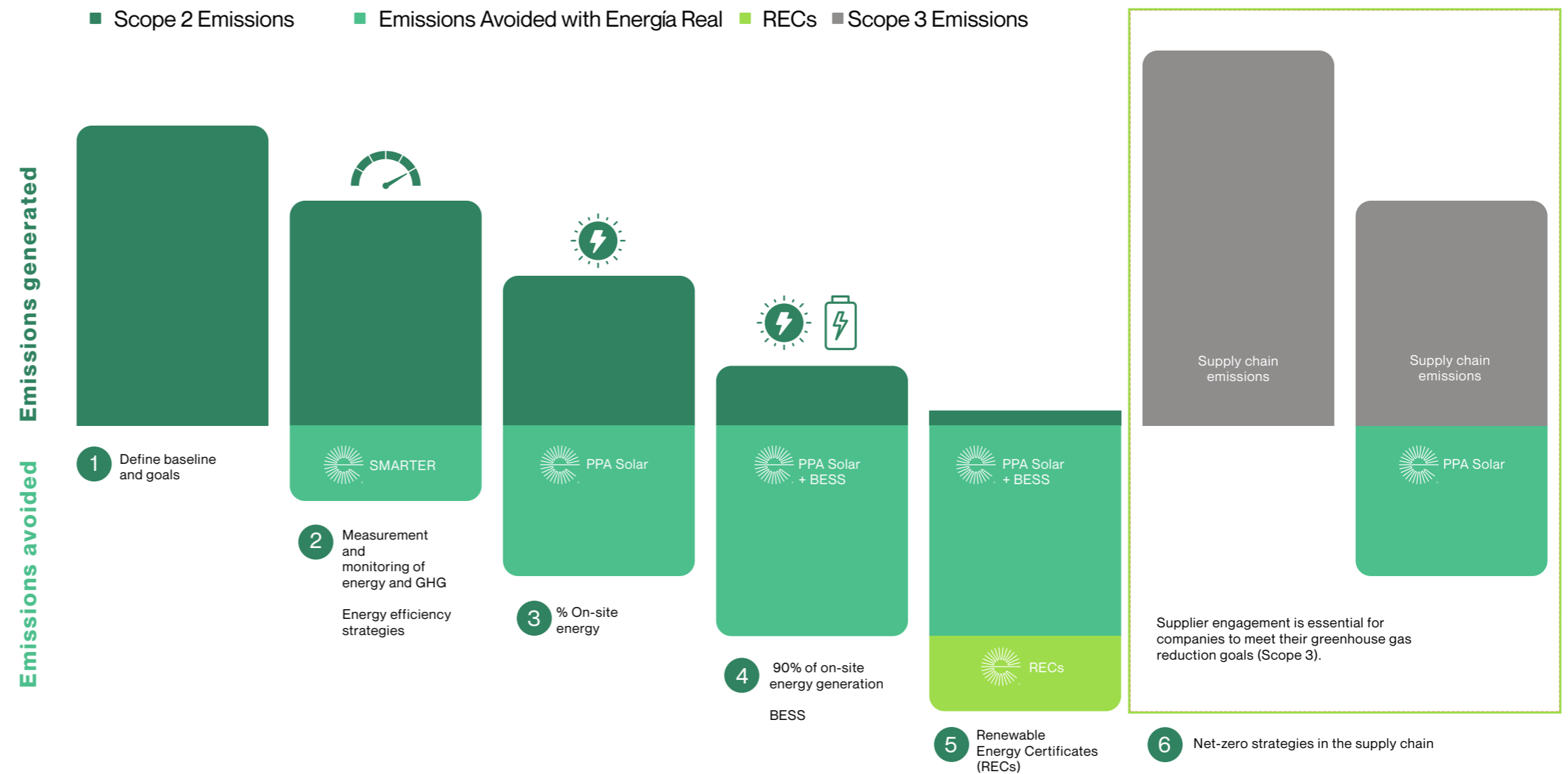
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Discover how to decarbonize your supply chain, send us an email at: hola@energiareal.mx

Net-zero

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GHG EMISSIONS

At Energía Real, we are committed to addressing and reducing our Greenhouse Gas (GHG) emissions. We have calculated our CO₂e emissions following the methodology of the GHG Protocol.

The strategy for decarbonizing these emissions includes a thorough assessment of our operations and supply chain. This year, we have conducted detailed calculations of our carbon emissions (Scope 3) related to the purchase of goods and services, applying the GHG Protocol's expenditure method. This will allow us to set specific emission reduction targets and develop initiatives to achieve them.

We recognize the responsibility we have in reducing Scope 2 emissions. In this context, we have undertaken the acquisition of Renewable Energy Certificates (RECs) as a key strategy to offset our emissions associated with electricity consumption.

CARBON INTENSITY OF THE INSTALLATION OF OUR SOLAR PLANTS

The carbon intensity of our power plants refers to the amount of carbon dioxide equivalent (CO₂e) emitted per unit of capacity installed. Carbon intensity is essential for assessing the environmental efficiency of our facilities. In line with our commitment to sustainability, we work continuously to reduce this intensity, aiming to minimize emissions linked to capacity additions.



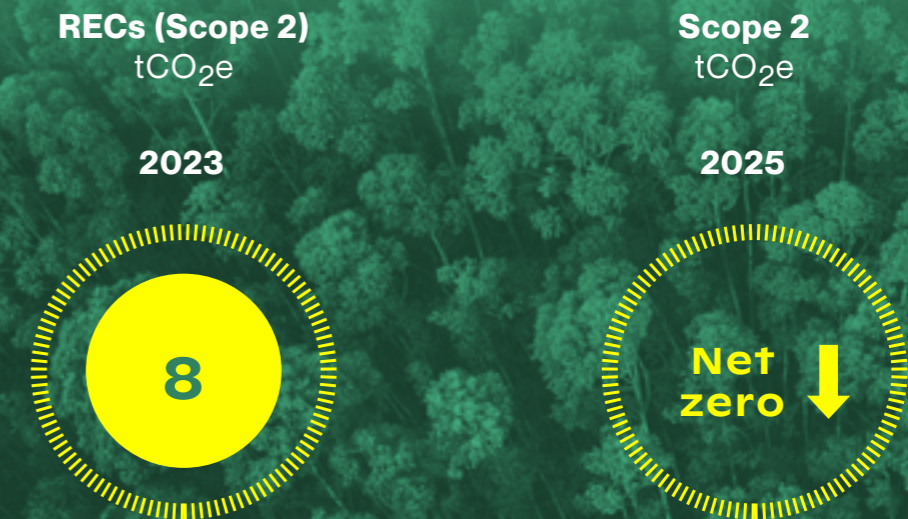
73.43
tCO₂e/MWp
installed

DECARBONIZATION OF OUR OPERATIONS

EMISSIONS GENERATED IN 2023



EMISSIONS COMPENSATED IN 2023 AND LONG-TERM GOALS



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WHERE ARE WE TODAY?

EMISSIONS QUANTIFICATION

We quantify our emissions covering Scope 1, 2, and 3, demonstrating our commitment to transparency and the responsible management of our carbon footprint.

EMISSIONS REDUCTION

Our 2023 emissions assessment included quantification and setting long-term goals. This approach not only provided us with a clear understanding of our environmental impact but also laid the groundwork for setting long-term objectives.

INTEGRATED WASTE MANAGEMENT

In 2023, we focused on the recovery of solar panels from projects impacted by Hurricane OTIS. These measures not only promoted sustainability through reuse but also highlight our commitment to donation initiatives.

WHERE ARE WE HEADING?

EMISSIONS QUANTIFICATION

We are heading towards an ambitious goal of advancing in the more detailed and precise quantification of our emissions. Our commitment is to quantify Scope 3 emissions with greater granularity and accuracy, thereby improving our understanding and management of environmental impact.

EMISSIONS REDUCTION

The next step is to have a specific strategy to achieve our long-term goals. We aspire not only to obtain approval but also formal recognition from the Science Based Targets initiative (SBTi).

INTEGRATED WASTE MANAGEMENT

We are committed to implementing a comprehensive waste management policy. Our strategy includes dedicated programs to ensure efficient and sustainable waste management across all our operations.

“Energía Real came to revolutionize the energy market under the distributed generation scheme by being an agent of change, always characterized by innovation and entrepreneurship. Without a doubt, Energía Real is the best option in the market, as its clear and precise business model allows you to access cleaner and cheaper energy, always with the confidence of obtaining the best economic and environmental benefits.”

Cinépolis, Global Energy and Sustainability

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- Culture Vision
- Employee Survey
- Well-being
- Professional Development Opportunities
- Strengthening our Workforce
- Diversity and Equality
- Safety Culture
- Strategies to Minimize Risks
- Risk Assessment
- Community Impact

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"I really enjoy collaborating with Energía Real because it is work that has a human, social, and environmental sense."

Lourdes Hernández, Head of Asset Management



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OUR VISION OF CULTURE



We are committed to providing professional development and well-being opportunities to our employees. We aim to empower our people to grow and reach their full potential, through training, mentoring, and a healthy work-life balance.

“I like that we don’t give up and that, in this company, they listen to you and take into account what you say.”
- Laura Pinzón, Project Manager

GRI 413-1



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WE PUT PEOPLE AND THE PLANET FIRST

Our vision is to contribute to the growth of clean energies throughout the country, and through this purpose, provide valuable and highly specialized job opportunities for the entire team.

By doing so, we are supporting the collective effort towards a sustainable future, while at the same time empowering our employees to be an active part of this positive transformation.

The characteristics of the work environment provided by Energía Real for all its employees are defined by the following six categories.



SATISFACTION SURVEY

The satisfaction report revealed total engagement, with a 100% participation rate in the survey, providing valuable insights into our team's satisfaction at Energía Real. We especially highlight that 91% of respondents expressed satisfaction and a notable pride in being part of Energía Real. People feel accepted and welcome within the team.

The report also identified essential areas for improvement, highlighting the need to enhance overall communication to optimize efficiency and performance. We are committed to addressing these challenges and implementing solutions that strengthen our work culture.

PERFORMANCE EVALUATIONS

Our commitment is to ensure fair and equitable compensation for employees through a remuneration system that integrates a base salary with a variable component linked to specific goals.

This ensures that the efforts and contributions of our employees are properly valued and rewarded, thereby aligning the company's interests with the growth and individual success of each one.

GRI 40, 401-3, 402-1

SUPPORTING THE WELL-BEING OF OUR TEAM

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HYBRID WORK MODEL

We recognize the importance of a balance between work and life. That's why we have adopted a hybrid work model. This means we go to our offices three days a week, which encourages collaboration and engagement. On the other days, we have the flexibility to work from home or elsewhere.

This has proven to be beneficial, especially for those facing challenges regarding commute times. This approach not only saves time on commuting but also supports our commitment to sustainability and quality of life.

GRI 40, 401-3, 402-1

HEALTH AND WELL-BEING

We provide healthy food options in our offices. These are offered daily to promote a healthy lifestyle among our employees.

We conducted the first anxiety workshop, which nearly 60% of the team participated in. We understand that addressing anxiety becomes easier when we do it as a community.



MATERNITY AND PATERNITY

The maternity and paternity policy demonstrates our commitment to the well-being of our employees and their families. We seek to create a work environment that respects everyone's family responsibilities.

Maternity:

4 months after childbirth.

Return to work with the option to work remotely full-time for 4.5 months.

Paternity:

Extended leave to one and a half months after childbirth.

Option to return to work with 2 months of full-time remote work.

CREATING PROFESSIONAL DEVELOPMENT OPPORTUNITIES

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PROFESSIONAL DEVELOPMENT OPPORTUNITIES

We believe in continuous growth. Our team has the opportunity to request training and development programs to enhance their skills and advance their careers. Each request is carefully evaluated, ensuring it is aligned with the organization's objectives and represents an effective investment in team development.

As part of the initiatives aimed at enhancing talent at Energía Real during the year 2023, the following actions were carried out:

Conference with Vikram Deswal:

- We invited Vikram Deswal, Co-Founder of UnDostres.
- Vikram shared insights on the company's journey, facing challenges, and strategies to overcome them.

Workshop "Effective Negotiation":

- The sales team participated in the Karrass course, accumulating 100 hours of training.
- Designed for both buyers and sellers, the team learned negotiation dynamics and techniques to achieve efficient results.

English classes:

- We offered voluntary and free English classes.
- 38% of the team actively participated, attending over 90 hours each.



STRENGTHENING OUR WORKFORCE

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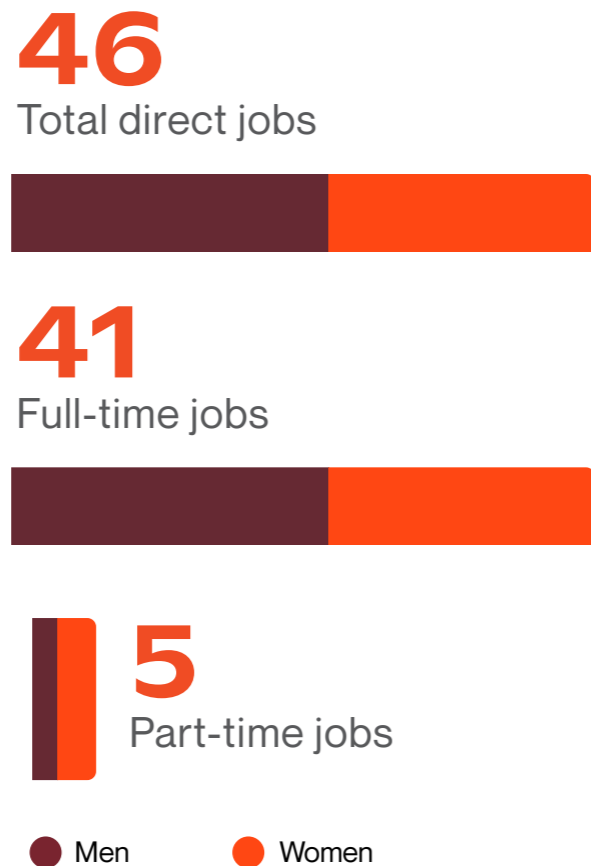
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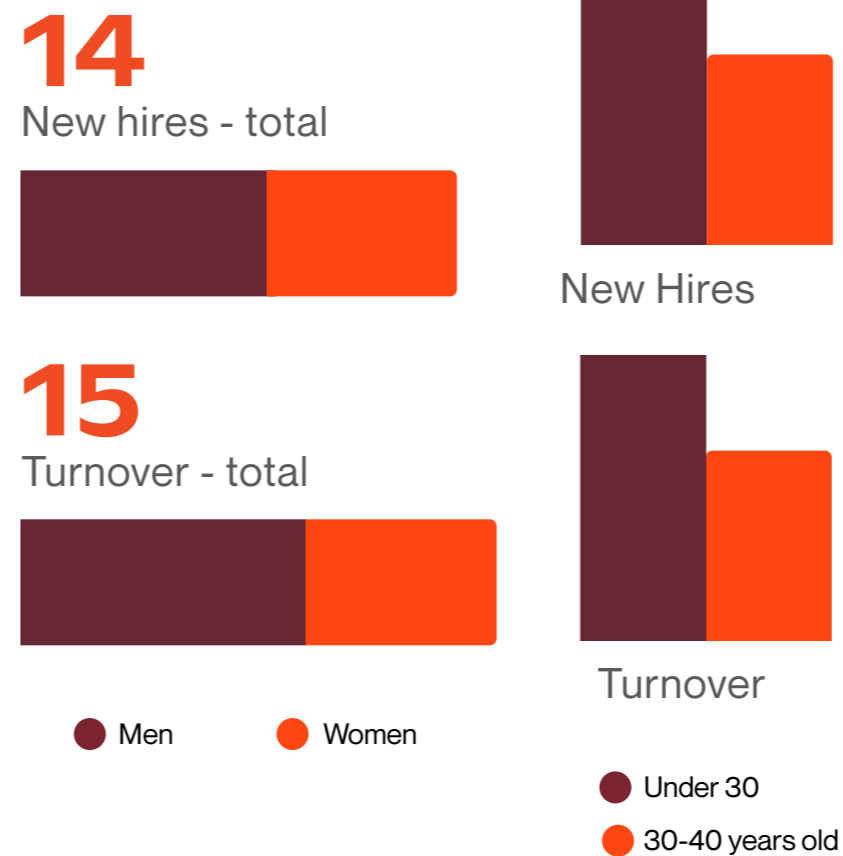
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Our operations are limited to Mexican territory. All our direct employees have permanent contracts and are distributed as follows:

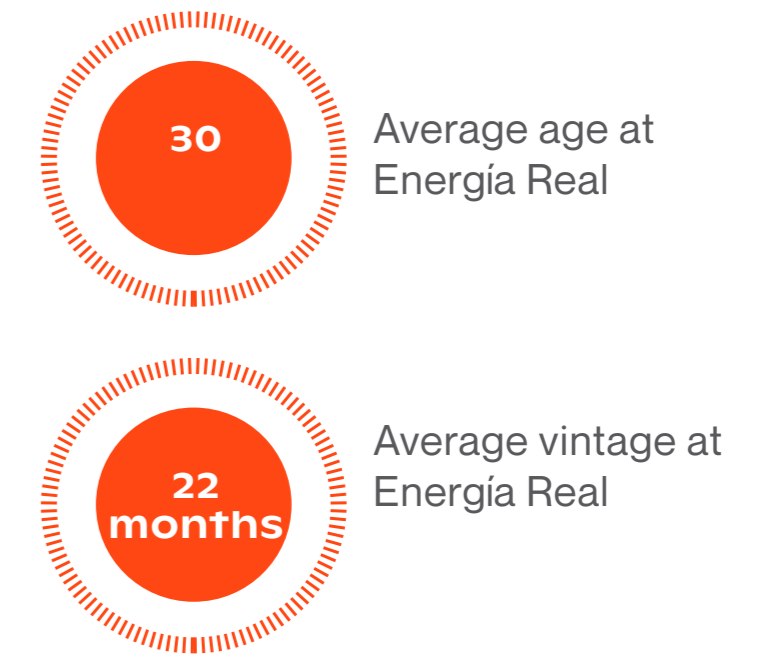


We understand the dynamics of employment and retention, which contributes to making informed decisions in human resources management and developing more effective strategies to strengthen the workforce. The total number of new hires and turnover are as follows:



We provide our employees with the opportunity to build a career in a young and leading company in the sector, with a track record of rapid growth alongside one of the largest energy funds in the world.

We trust our employees and value teamwork, diversity, and a culture of learning. Our workforce is distributed by age as follows:



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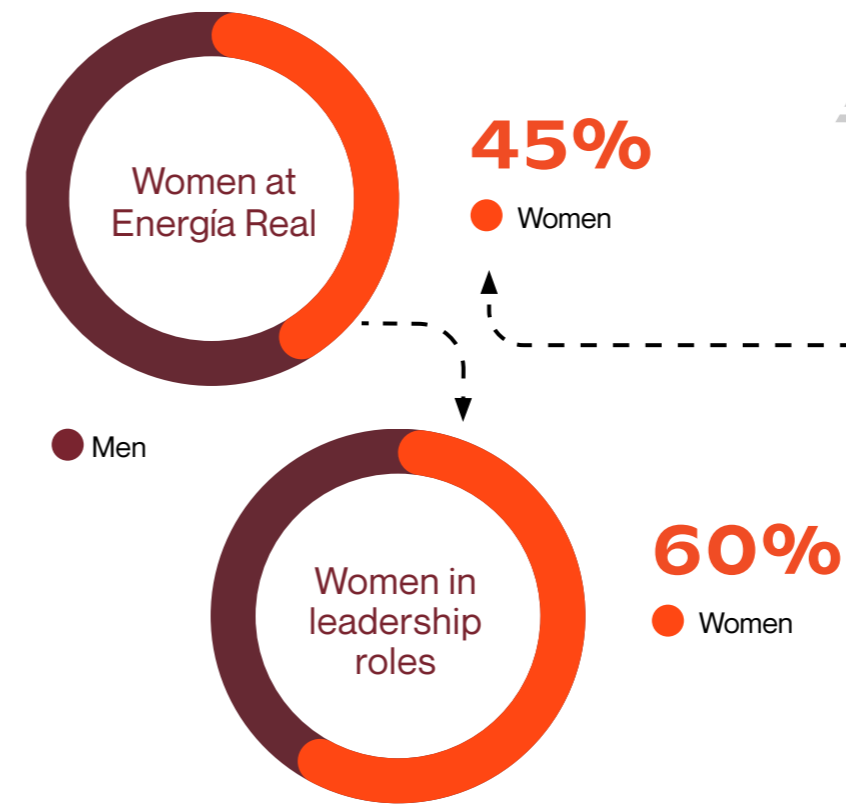
OUR COMMITMENT TO DIVERSITY AND EQUALITY

In the selection process for filling new positions, we give priority to members of our internal team. Whenever we publish a job vacancy, we emphasize our firm commitment to equal opportunities.

At Energía Real, we are strong advocates for fostering a diverse and inclusive work environment, and we encourage individuals from all backgrounds and experiences to apply.

The percentage of women in Energía Real is a goal that directly affects the team's variable compensation. To meet this goal, the company must have at least 40% of women in its workforce.

Currently, 45% of Energía Real's workforce is composed by women. Within this group of women, 60% of them hold leadership positions.



In the framework of Women's History Month, in March, we welcomed the Dalia Empower team to Energía Real's offices. They conducted a seminar on the topic "Breaking the Glass Ceiling" and shared tools to promote gender equality. Women in the office also had the opportunity to participate in a workshop on female empowerment, focusing on self-awareness and the consolidation of inner power.

With these practices, we aim to raise awareness within our team and continue promoting gender equality both inside and outside the professional sphere



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SAFETY CULTURE: TRAINING, EVALUATION, AND CONTINUOUS IMPROVEMENT

Our goal is to anticipate and prevent failures before they occur.

Risk management is an essential part of our work, as it relates to the potential and likelihood of harm, injuries, liability, losses, or any negative occurrence that may result from external or internal vulnerabilities and can be prevented through proactive actions.

REVIEW AND EVALUATION OF OPERATIONAL RISKS

Our Operations Team is responsible for regularly reviewing risks and implementing lessons learned as necessary to mitigate them.

To effectively manage these contingencies, we analyze risk exposure. This process involves identifying the risks at stake, measuring their potential impact and likelihood of occurrence, and assessing them accordingly.

GRI 403-1, 403-2,

OUR HEALTH & SAFETY POLICY

Our health and safety policy applies to the design, construction, operation, and maintenance of power plants. These policies apply to:



**TEAM,
SUPPLY CHAIN
Y CLIENTS**

The goal is to maintain a safe environment in compliance with regulations, ensuring the integrity of all individuals involved in Energía Real's operations. It establishes the requirements and working conditions for employees, clients, and third parties related to a power plant, which include three aspects:

1

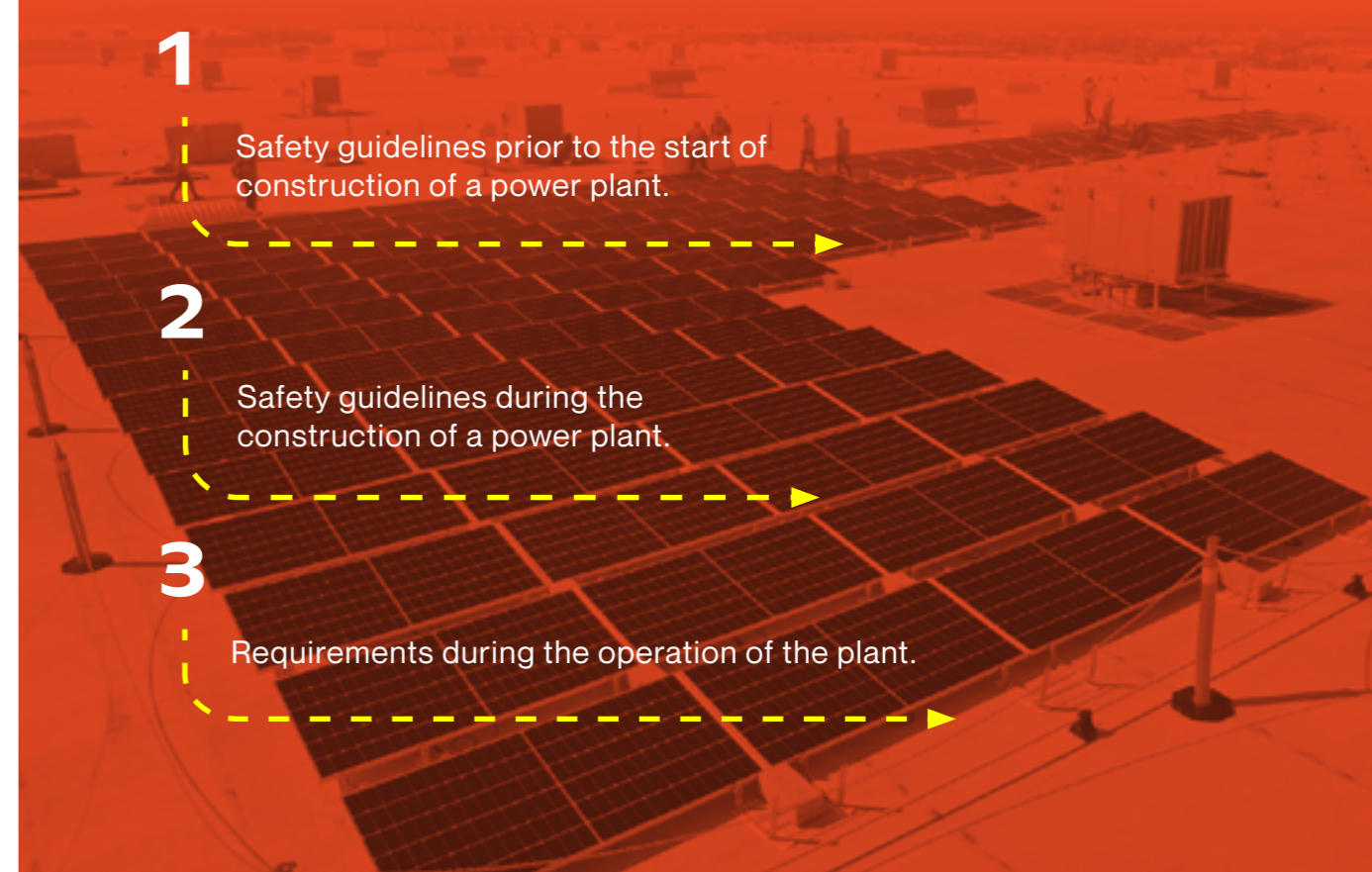
Safety guidelines prior to the start of construction of a power plant.

2

Safety guidelines during the construction of a power plant.

3

Requirements during the operation of the plant.



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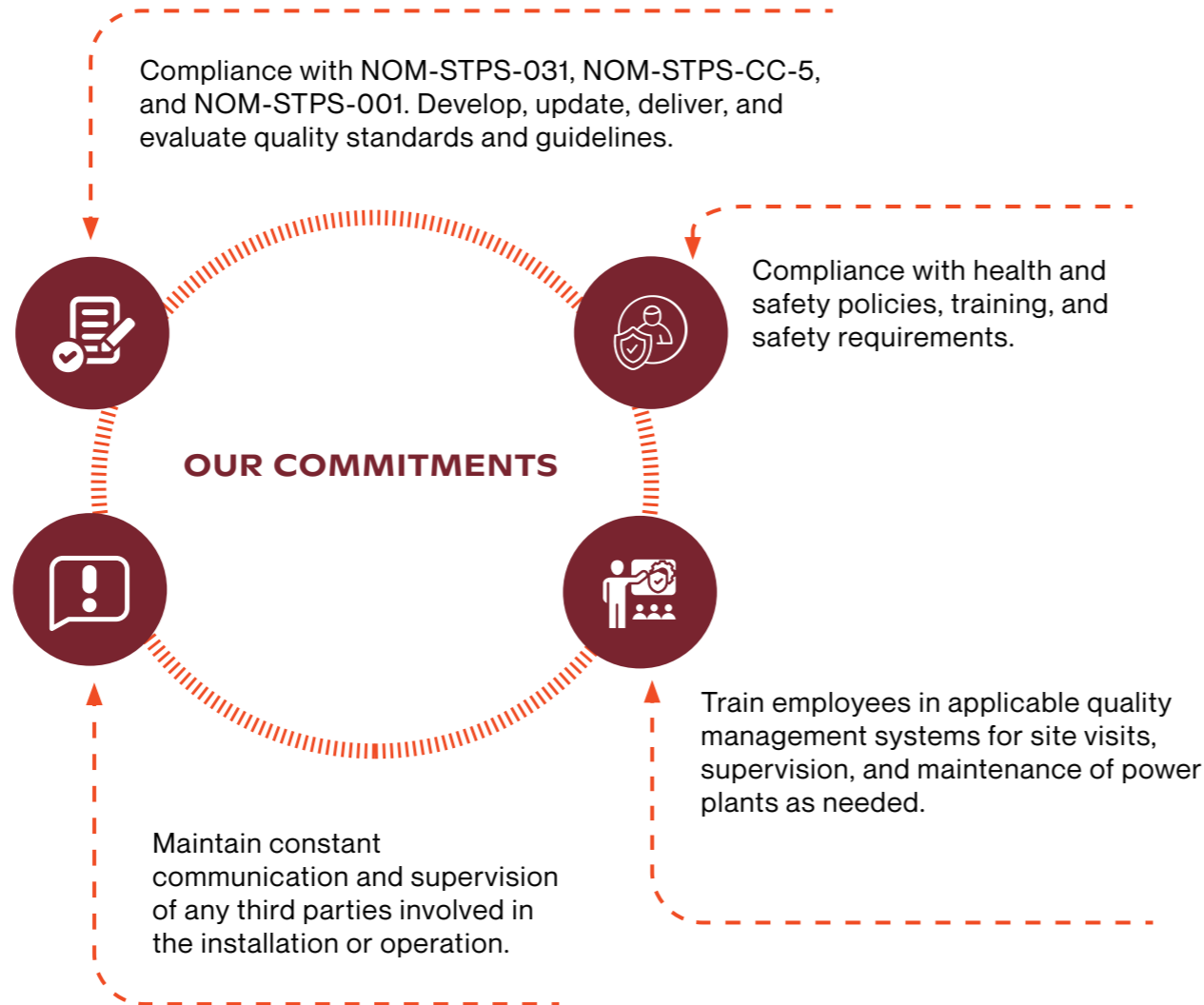
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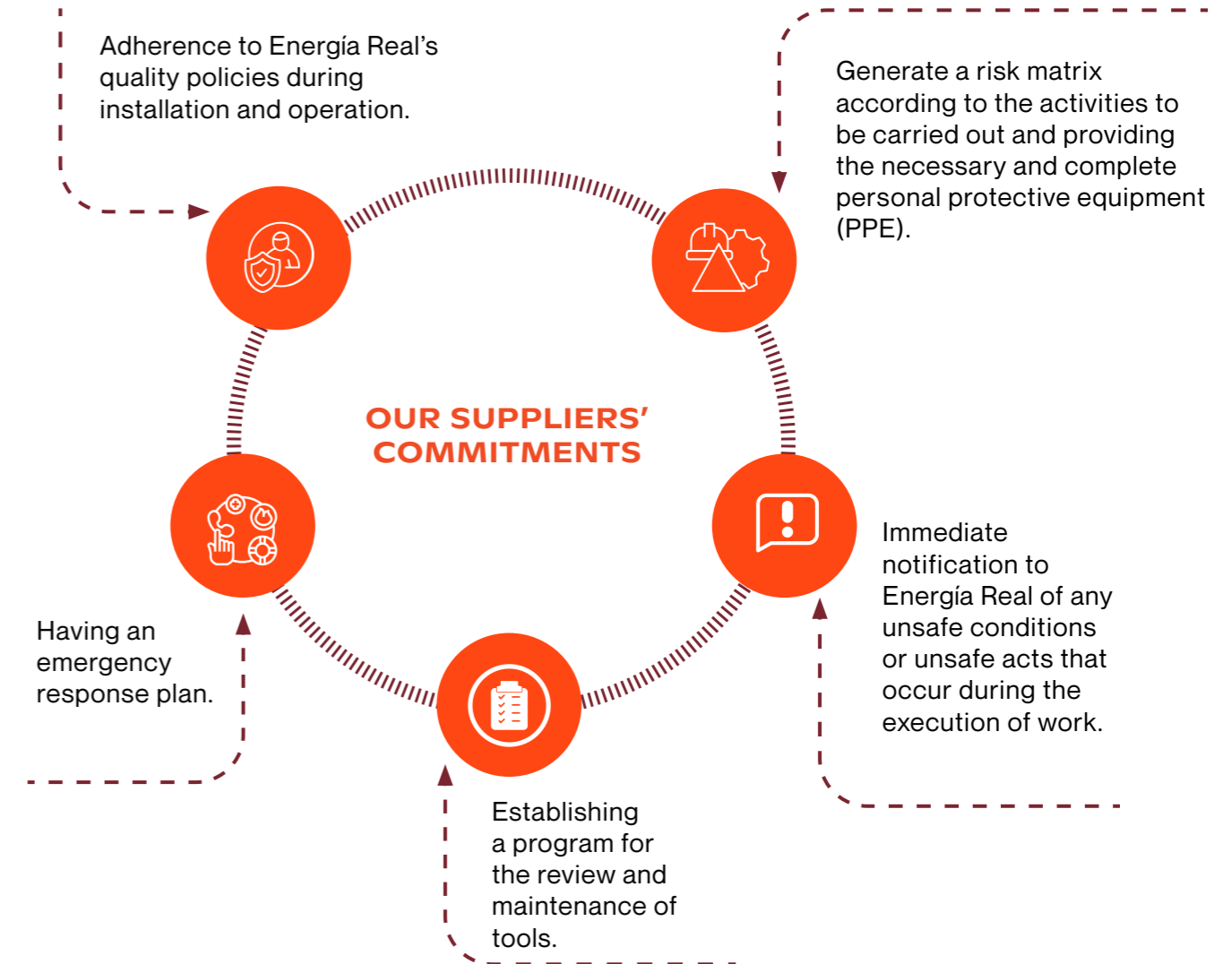
STRATEGIES TO MINIMIZE RISKS DURING INSTALLATION AND OPERATION



GRI 403-1, 403-2,

Solar plants are electricity-generating stations that pose significant risks. We mitigate these risks through proper hazard identification, careful work planning, instructions on procedures to follow, and detailed documentation of inspections and maintenance.

Health and safety risks are closely monitored, and any deviations are notified and reported. For this purpose, the main Key Performance Indicator (KPI) established is 0 incidents with workers involved in installation and maintenance activities. Additionally, all incidents must be classified according to the safety pyramid and reported monthly.



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RISK ASSESSMENT



Before starting construction, it is essential for any contracting company, subcontractor, or project collaborator to ensure compliance with safety standards. This involves strict adherence to established policies and the implementation of specific procedures aimed at safeguarding workplace safety. This commitment to safety is of vital importance for the success of the project and the protection of all involved parties.



“One of the most important aspects of my role is to identify the risks that could directly affect the success of the project and collaborate with the team to address each of these issues. I also work closely with the client and our suppliers to ensure the timely implementation of each system..”
- Jairo Chávez, Project Manager

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7 Kilometers of Environmental Commitment

We conducted a cleaning campaign in the Valle de las Monjas forest in Mexico City.

GOAL AND IMPACT:

- To contribute to environmental conservation and raise awareness about the importance of keeping our natural spaces clean.
- A 7-kilometer cleanup in Valle de las Monjas.
- Collection of 6 sacks of garbage, totaling 390 kilograms of waste, including other items such as cables and tires.



OUR IMPACT ON THE COMMUNITY

Celebrating Hope: Christmas Posada

Together with the social organization La Cana, we organized a Christmas posada with incarcerated women at the Chiconautla Prison in Ecatepec. La Cana is a social project that seeks to create job opportunities for incarcerated women by implementing programs and workshops aimed at their personal development, with the goal of promoting a reintegration process that contributes to reducing recidivism and crime rates in the country.

GOAL AND IMPACT:

- The intention of the visit was to provide a space for the women to celebrate the holiday season, share a morning with them, and, above all, raise awareness among the Energía Real team about the situation in which people deprived of their liberty live.



Transforming Spaces, Transforming Lives

The Association for People with Cerebral Palsy (APAC) is a social assistance institution focused on improving the quality of life for people with cerebral palsy and their families.

GOAL AND IMPACT:

- The intention of painting a mural by the Energía Real team is to improve the mood and well-being of patients through the colors and images of the mural.
- We donated 7 gallons of paint to the Rehabilitation Center and Medical Services of APAC.
- We took the opportunity to greet the children and share sweets with them for Halloween.

OUR COMMUNITY IMPACT

Fair, Clean, Accessible, and Renewable Energy

We donated a 23.8 kWp solar power plant to the Rehabilitation Center and Medical Services of APAC, located in Mexico City. In this center, APAC beneficiaries receive different types of therapies and courses to improve their quality of life (language, motor skills, nutrition, etc.).

With this solar plant, the association will receive both economic and environmental benefits.

- The solar plant will generate approximately **36 MWh of electricity per year, covering 60% of the center's consumption.**
- We estimate that the economic savings generated by the plant will be MXN \$360,000.00 annually. This will allow the association to hire a new orthopedic doctor to provide care to children using exoskeletons to improve their motor skills.
- The plant will be installed on the rooftop of the building in the form of a carport, as part of a landscaping project to improve the facilities. The panels will provide shade to a new basketball court and different recreational areas where beneficiaries can engage in outdoor activities.

Generating Change: Solar Plant Donated to Promote Sustainability at ARENA Foundation

ARENA has various specialized programs in psychoeducational care designed to develop skills that improve the quality of life for children and young people with Autism Spectrum Disorder (ASD).

OUR CONTRIBUTION INCLUDED:

- **Donation of a 20.5 kWp solar power plant to Arena** school in Guadalupe, Nuevo León.
- Estimated generation of approximately 33 MWh of electricity per year, covering 60% of the school's energy consumption.
- Notable environmental impacts, with a projected reduction of 14 tons of CO₂ annually, equivalent to the annual consumption of 20 Mexican households or capturing the CO₂ from 26 hectares of forest for one year.
- Direct economic benefits and capacity to **provide additional support to 2 families each year**, highlighting our commitment to the community.



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WHERE ARE WE TODAY?



DIVERSITY AND EQUALITY

By the end of 2023, we had a diverse team where 45% of our workforce was composed of women.



PROFESSIONAL DEVELOPMENT

In 2023, we implemented educational initiatives such as English classes, conferences, and negotiation courses. These activities not only strengthened our professional skills but also supported a culture of continuous learning.



WORKPLACE WELL-BEING

We value the voices of our employees, and to ensure we meet their needs, we conducted regular surveys. These surveys provided valuable insights into the well-being and concerns of our team, allowing us to continuously adjust and improve our internal policies and practices.

WHERE ARE WE HEADING?



DIVERSITY AND EQUALITY

We are heading towards a future where our workplace will be even more inclusive in all aspects. This commitment extends to our Board of Directors, ensuring equitable representation that reflects the wealth of perspectives and experience



PROFESSIONAL DEVELOPMENT

Our goal involves the implementation of a tailored professional development program. This approach, tailored to the individual needs of each team member, will ensure comprehensive growth, fostering specific skills, and developing the potential of each person.



WORKPLACE WELL-BEING

We strive to be market leaders in terms of working conditions. We aim to offer competitive compensation, attract and retain talent, and create a work environment where every team member feels valued and motivated.

“We have been collaborating with Energía Real since October 2021. The service is excellent, the attention from the executives and operational staff is very friendly, they are always willing to address any doubts that arise during the process and to share the requested information. For us, it is a completely new topic, we were not familiar with the process, and we feel very supported at all times.”

Hilos Delgados. Finance and Administration Director

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"A high level of governance entails making decisions with context, responsibility, transparency, fairness, ethics, and accountability. This is the case at Energía Real, and coupled with a very humane approach, it creates an atmosphere of professionalism and high quality of work within the company."

Pablo Linares
Chief Financial Officer



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GOVERNANCE STRATEGIES FOR SUSTAINABILITY

The role of the highest governing body and senior executives in the development and promotion of sustainability at Energía Real is essential to advance in accordance with our values, mission, and objectives related to sustainable development, as well as to comply with ESG standards and regulations.

BOARD OF DIRECTORS



TEAM OF ENERGÍA REAL

MANAGEMENT FOR SUSTAINABLE DEVELOPMENT

BOARD OF DIRECTORS

In all sessions, issues related to environmental, social, and governance management are addressed. In addition to assuming responsibility for leading Energía Real as a whole, it is also responsible for ensuring control and oversight of senior management, specifically encompassing all operations.

TECHNICAL COMMITTEE

It is responsible for making decisions on how Riverstone channels capital to companies in Energía Real and manages the trust. It is important to note that this committee does not have a chairman or senior members in the organization.

NAME	ROLE	SINCE	GENDER	AGE
● Santiago Villagómez Martínez	CEO / President	2021	M	30-50
● Pablo María Linares Salazar	CFO	2021	M	30-50
● Juan Carlos Ostos Fulda	Original Investor	2021	M	30-50
● Francisco Javier Barrios	Original Investor	2021	M	Over 50
● Mauricio Vaca Tavera	Original Investor	2021	M	Over 50
● Juan Pablo Visoso Lomelín	Riverstone	2022	M	30-50
● Paulino Daniel Fernández Mora	Riverstone	2022	M	Less than 30
● Francisco Salas	Riverstone	2023	M	30 - 50
● John David Jones	Independent member	2021	M	Over 50
● Germán Nicanor Losada	Independent member	2021	M	30-50

● Technical Committee and Board of Directors ● Board of Directors

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MANAGEMENT FOR SUSTAINABLE DEVELOPMENT

The Executive Management Team plays a crucial role in managing sustainable development. This involves approving and overseeing progress towards established goals, as well as presenting results to the Board of Directors. In addition to defining ESG objectives, it ensures that everyone consistently works towards achieving them and regularly reviews ESG indicators at Board meetings.



Strategic oversight for sustainability

EXECUTIVE MANAGEMENT COMMITTEE

The Executive Management Committee is responsible for monitoring strategic actions and making important decisions related to:

- Financial and operational results.
- Monitoring the implementation and progress of the ESG strategy.
- Aspects related to personnel and organizational culture.
- Regulatory compliance.

ESG COMMITTEE

The ESG Committee approves the ESG strategy, which includes the development of objectives, initiatives, policies, and the monitoring of frameworks, as well as the preparation of the Annual ESG Report.

ESG OFFICER

Under the responsibility of the Chief Strategy Officer, there is the ESG Officer, who identifies and assesses ESG risks that could affect Real Energy's operation and develops strategies to mitigate these risks. Additionally, they ensure that ESG aspects are integrated into Energía Real's business strategy and decision-making processes.

ETHICAL PRACTICES

At Energía Real we value honesty, respect, and transparency. Together, we forge a path towards sustainable success, where each ethical action contributes not only to our company's growth but also to the trust placed in us by those with whom we interact.

- 1 Regulatory compliance**
We lay the groundwork for our ethical conduct by committing to respect current laws and regulations. We demonstrate our commitment by ensuring that our operations align with all existing regulations.
- 2 Anti-corruption**
We are committed to preventing and combating corrupt practices. We ensure that every action reflects honesty and transparency, thus strengthening both internal and external trust.
- 3 Suppliers and Business Partners**
We maintain ethical relationships with suppliers and business partners. We promote fair and transparent transactions, ensuring that our business partnerships reflect our values.
- 4 Human Rights**
We are committed to upholding fundamental principles in everything we do, ensuring that our actions respect and promote the fundamental rights of all individuals.

At Energía Real we support the practice of open communication and ethical conduct. Any employee wishing to report something regarding improper behaviors can reach out to the Director of Compliance (DCN) via the ethical email: **compliance@energiareal.mx**.

We understand that full collaboration from employees and stakeholders, along with honesty, is essential to address and correct any inappropriate behavior.



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TRANSPARENCY AND ETHICS: ADDRESSING CONFLICTS OF INTEREST THROUGH OUR CODE OF CONDUCT

For Energía Real, a conflict of interest arises when the personal interest or position of a team member in a given operation or situation interferes, or has the potential to interfere, with the interests of Energía Real. This is established in our Code of Conduct, which is provided to and signed by all team members.



Avoiding conflicting relationships and activities:

- We prohibit any financial, commercial, or other relationships that conflict with our interests. We strive to maintain integrity and loyalty to Energía Real.

Specific obligations:

- We commit to not taking on external employment, requesting loans, or engaging in businesses with competitors, clients, or suppliers without the approval of the Board of Directors and legal opinion.
- We avoid direct affiliations or family ties with entities that compete with Energía Real. Furthermore, we allow the hiring of family members provided it is objectively evaluated and without hierarchy among them.

Disclosure and prompt discussion:

- We recognize our obligation to disclose and discuss potential conflicts of interest with our supervisors. In situations where disclosure to the supervisor is not practical, we approach the Director of Compliance (DCN).

Communication regarding family positions:

- We commit to immediately inform the DCN about the positions held by direct family members in government or state-owned enterprises.

Termination for non-disclosure or approval:

- We acknowledge that the failure to disclose or obtain required approval may result in the termination of our employment with Energía Real.

Use of resources and communication of changes:

- If our external commitments are approved, we understand that we cannot claim to act on behalf of Energía Real or use its resources for external activities.

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ANTI-CORRUPTION

Energía Real has demonstrated its commitment to integrity and transparency by implementing an Anti-Corruption Policy. This policy prohibits the provision of anything of value for the purpose of obtaining an undue advantage and outlines permitted exceptions, along with specific requirements for expenditures on behalf of Energía Real.

As part of our strategy, **Energía Real employees and directors have received anti-corruption training facilitated by Miller & Chevalier, specialists in corruption prevention in business environments.** The training aims to raise awareness about the risks associated with corrupt practices and strengthen the culture of integrity. Additionally, we provide each new member with both the Code of Conduct and the Anti-Corruption Policy, requesting their detailed review and signature as a commitment to our ethical values and standards.

In our commitment to ethical and transparent business practices, we require all intermediaries collaborating with Energía Real to complete an Anti-Corruption Assessment Questionnaire.

If any “red flags” are identified, we conduct an assessment to determine the necessary level of specific analysis for that intermediary. For those intermediaries who may have interactions with government officials, we implement more rigorous assessment measures and establish additional monitoring obligations.

This strategy underscores our commitment to corruption prevention and strengthens our supply chain by aligning with ESG principles.

Our internal review process ensures that appropriate and impartial investigations are always conducted, following the steps described here.

Compliant review

- Analyze data with confidentiality and anonymity

Information gathering

- Review documents, agreements, emails
- Review financial records to identify irregularities

Interviews

- Identify involved individuals
- Conduct confidential interviews and avoid accusations
- Ask open-ended questions to gather information

Documentation of findings

- Draft detailed report with investigation evidence

Extent of the Infraction

- Determine the magnitude of misconduct

Findings report

- Report to CEO and Board of Directors
- Report to external authorities if necessary

Actions

- Take appropriate disciplinary measures
- Implement new procedures
- Conduct prevention training



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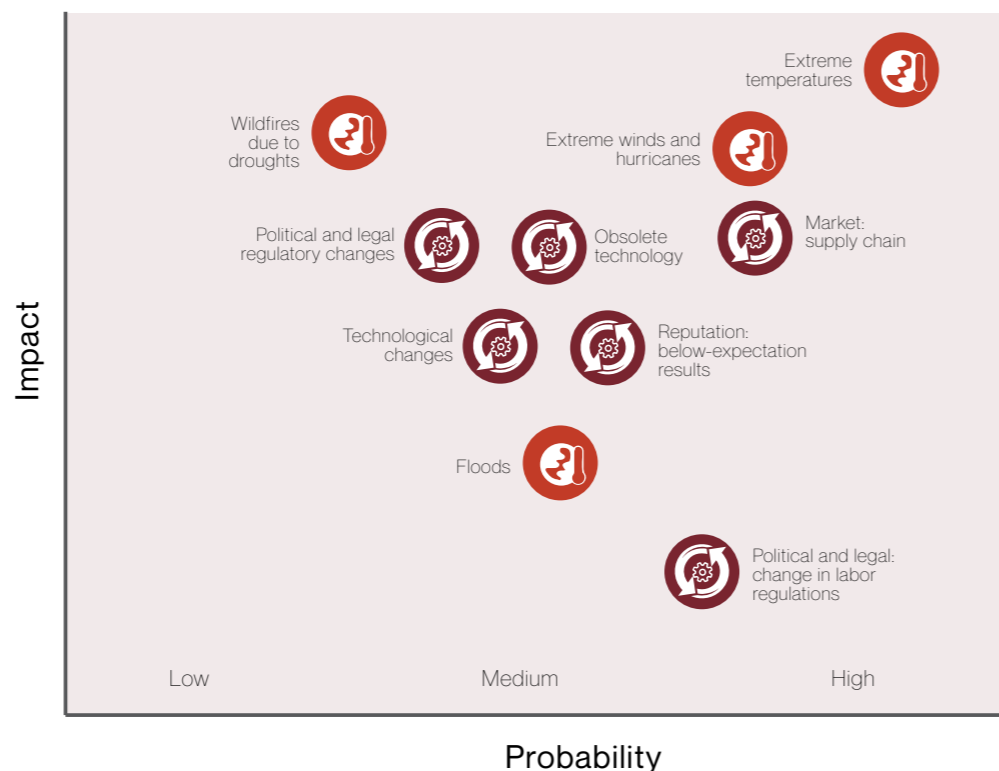
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STRATEGY AND RISK MANAGEMENT

Our risk management and mitigation plan is designed to identify, assess, and mitigate risks in order to minimize their impact. We evaluate physical and transitional risks and opportunities in accordance with TCFD recommendations as follows:

1. Identification of risks and opportunities arising from climate change.
2. Definition of short, medium, and long-term climate scenarios.
3. Development of mitigation and adaptation strategies.
4. Implementation of measures and monitoring.
5. Communication and disclosure.



GRI 2.9, 2-11, 2-12 TCFD: Strategy and Risk Management

CLIMATE SCENARIOS

We recognize the importance of defining relevant scenarios to assess the climatic impacts on our operations. This allows us to anticipate and effectively manage climate risks, ensuring our resilience against adverse weather events and facilitating informed decision-making in the short, medium, and long term.

We explore different climate scenarios encompassing a variety of possible outcomes, aiming to provide insights into the risks and opportunities that may arise.

In this regard, we consider three key periods for each Representative Concentration Pathway (RCP):

- Short: 1-5 years
- Medium: 5-10 years
- Long: over 10 years

RCP	Description	Power generation	Effort to reduce emissions	Temperature increase
2.6	Drastic reduction of emissions, ambitious global policies, limit of temperature increase to 2°C.	Renewable energy	CO ₂	1°C
8.5	Continuous emissions, lack of mitigation, warming exceeding 4°C.	Fossil fuel energy	CO ₂	3.7°C

RCP: Representative Concentration Pathway

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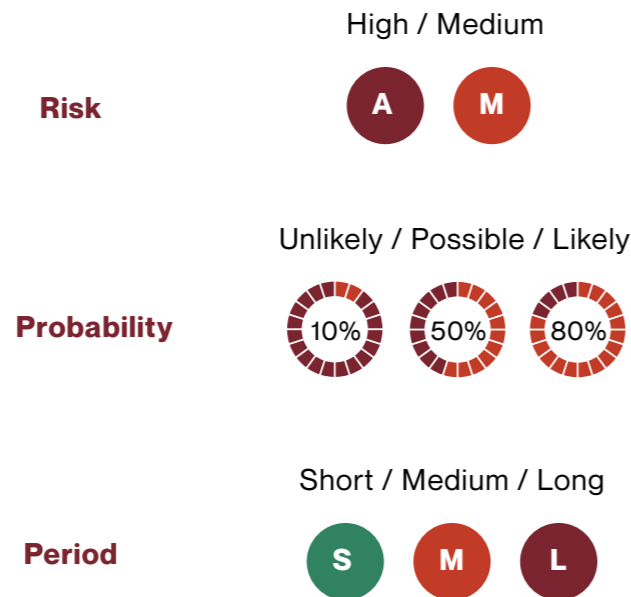
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RISKS

Given the accelerated pace of climate change, we face the task of understanding and managing associated physical and transitional risks.

Below, we present the results of the analysis of various risks, highlighting their impact, probability, and management strategies. From extreme weather events to regulatory changes, we prepare to mitigate and adapt, strengthening our resilience against a constantly evolving climatic environment.

We explore different climate scenarios encompassing a variety of possible outcomes, aiming to provide insights into the risks and opportunities that may arise.



TCFD: Strategy and Risk Management

CLIMATE RISKS

TRANSITION RISKS

	CLIMATE RISKS		TRANSITION RISKS	
Risk	A	A	M	M
Description	Extreme temperatures	Extreme wind conditions / hurricanes	Supply chain	Technological changes
Description	High temperatures affect the efficiency of solar panels. Performance decreases with each 1°C increase.	Increase in the frequency and strength of hurricanes, meaning coastal areas and regions prone to such events are facing ever-greater risk.	Lack of availability or price increases for cells, silicon, aluminum, steel, copper, and lithium.	The current technology operates less efficiently at higher temperatures. Development of technologies that reduce the attractiveness of Distributed Generation.
Impact	<ul style="list-style-type: none"> • Low performance and reduced income due to lower energy production. • Degradation of photovoltaic solar panels. • Heatstroke risks for workers. 	<ul style="list-style-type: none"> • Damage requiring repairs or replacements. • Loss of income due to disruptions in power generation. • High insurance costs. 	<ul style="list-style-type: none"> • The increase in material prices can result in higher operating costs, impacting the project's profitability. • Material shortages can lead to construction delays. 	<ul style="list-style-type: none"> • Expenses associated with the modernization or replacement of old technology, resulting in a reduction in generation and consequently, in income. • Decrease in the certainty of generation projections.
Probability	80%	50%	80%	10%
Period	M, L	S, M, L	M, L	L
Risk management strategy	<ul style="list-style-type: none"> • Explore and adopt technologies more resistant to high temperatures. • Design or adapt facilities to cope with changing weather conditions. • Integrate real-time monitoring systems to assess and adjust operations continuously. 	<ul style="list-style-type: none"> • Implement designs and technologies that enhance the structural resilience of facilities against strong winds and hurricanes. • Develop detailed contingency plans to respond to damages. 	<ul style="list-style-type: none"> • Seek long-term supply agreements. • Diversify services and products to reduce dependency on a single input. • Explore alternative technologies that do not use silicon. 	<ul style="list-style-type: none"> • Implement real-time monitoring systems to assess and adjust generation according to operational conditions and market projections. • Carry out financial planning that takes into account the costs associated with technological upgrades.

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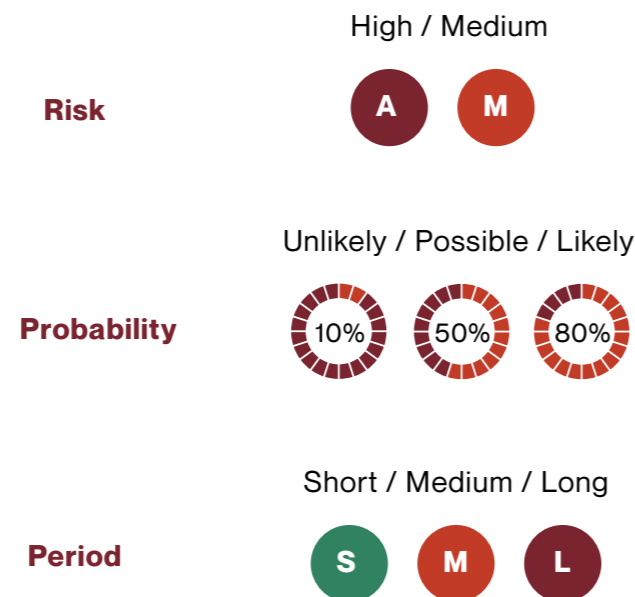
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OPPORTUNITIES

Climate change not only poses challenges but also significant opportunities. These arise from the transition to a low-carbon economy and the increasing demand for sustainable energy solutions.

For this reason, we analyze, identify, and develop a plan to identify and manage these opportunities, positively contributing to climate change mitigation.



TCFD: Strategy and Risk Management

OPPORTUNITIES

	A	A	M
Risk	Policies and regulations	Resource efficiency	Markets
Description	It is anticipated that policies will play a crucial role in the ongoing development of renewable energy and storage, which could open up opportunities for investment and market expansion.	Waste management creates opportunities to manage it more effectively, resulting in reduced operating costs, promotion of sustainable practices, and initiatives that foster the circular economy.	General investment trends and market attention towards sustainable sectors can influence investor attraction.
Impact	Increase in demand for Renewable Energy Power Purchase Agreements (PPAs).	Providing comprehensive solutions that include waste management can add value to customers, especially those seeking companies that offer sustainable and efficient services.	Access to sustainable finance options and partnerships with ESG-focused Investors.
Probability	80%	50%	80%
Period	M L	S M L	M L
Risk management strategy	<ul style="list-style-type: none"> • Revenue growth through PPAs, sale of International Renewable Energy Certificates (IRECs), batteries, and consumption monitoring. • Sale of operational data from power plants to insurers. 	<ul style="list-style-type: none"> • Collaborate with companies committed to effective waste management and promotion of circular economy models. • Participate in initiatives that promote the circular economy, where waste is considered valuable resources, and efforts are made to minimize waste generation through recycling and reutilization practices. 	<ul style="list-style-type: none"> • Explore and adopt technologies more resistant to high temperatures. • Design or adapt facilities to cope with changing weather conditions. • Integrate real-time monitoring systems to assess and adjust operations continuously.

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WORKSHOPS ON ANTI-CORRUPTION

We implemented internal anti-corruption workshops as a key measure within our anti-corruption practices. These sessions were designed with the purpose of strengthening our team's commitment to integrity, thus promoting an ethical and transparent business environment.

CLIMATE-RELATED RISK MANAGEMENT

We have made significant progress in managing climate-related risks. This approach has allowed us to comprehensively understand climate risks and quantify their impact.

CODE OF CONDUCT

We provide our Code of Conduct to all our employees and new members, which fosters the creation of an ethical work environment and promotes an organizational culture based on integrity.

WHERE ARE WE HEADING?

WORKSHOPS ON ANTI-CORRUPTION

Our objective is to implement anti-corruption workshops targeted towards our suppliers. With this initiative, we aim to extend ethical practices and integrity not only within Energía Real but also throughout our entire supply chain, strengthening transparency at all levels.

CLIMATE-RELATED RISK MANAGEMENT

Our goal is to move towards comprehensive management of climate-related risks. This will include the implementation of resilience and response plans, actions in response to climate contingencies, managing our portfolio based on climate risks, and protecting our assets against climate challenges.

CODE OF CONDUCT

Our goal is to implement code of conduct workshops targeted towards our suppliers. We aim to strengthen understanding and adherence to the ethical principles and standards that guide our operations throughout our entire supply chain.

“On our path to redefine the meaning of ESG in our sector, we acknowledge that there is still much to be done and improved. We understand that change is necessary, and this drives us to continue working on our strategy to surpass our goals. “

Ximena Cantú, ESG Officer



ABOUT OUR REPORT

Activos de Energía Real is the legal name of our organization. It operates as a Sociedad Anónima Promotora de Inversión (S.A.P.I.), headquartered in Mexico City (CDMX), and has exclusive presence in the Mexican Republic. In our sustainability reports, we highlight two key entities: Megawatts, which is in operation, and Off-Grid Solutions, which encompasses older assets.

We believe in transparency to operate responsibly. To support our commitment, we align with the following ESG frameworks and standards:

Global Reporting Initiative (GRI)
Task Force on Climate-Related Financial Disclosures (TCFD)
United Nations Global Compact (UNGC)

In our first Sustainability Report, we detail the progress, achievements, commitments, and goals regarding Environmental, Social, and Governance (ESG) issues. This report covers the period from January 1st to December 31st, 2023. Sustainability reports will be published annually. During 2023, there have been no corrections or reformulations of the provided information.

Regarding updates, no modifications have been made to the information during the reporting period. Our sustainability reports have not yet undergone external verification.

Energía Real aims to integrate ESG criteria into its processes, including the standards and strategies described. Past or projected performance is not a guarantee of future results.

Much of the information contained in this document is subject to assumptions, estimates, or evolving information and is subject to change. For example, our disclosures based on any standard may change due to revisions in framework requirements, availability of information, changes in our business policies or applicable governmental policies, or other factors, some of which may be beyond our control.

Energía Real has reported in accordance with the GRI Standards for the period Jan to Dec 2023

To obtain more information about Energía Real, please visit our website at:

- www.energiareal.mx
- [LinkedIn: Energía Real](#)

As part of our commitment to continuously improve our ESG strategy, Energía Real appreciates all feedback. Please send any comments or questions to:

- hola@energiareal.mx
- bruneandrea@energiareal.mx
- ximena@energiareal.mx

THIS REPORT IS DESIGNED TO BE READ ELECTRONICALLY.
PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING THIS REPORT.

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TCFD INDEX

GOVERNANCE

- a) Board’s oversight of climate related risks. 32-33
 The ESG Committee oversees the development of the company’s climate strategy, focusing on both the risks and opportunities presented by climate change.
- b) Management’s role in assessing and managing climate-related risks 33
 Our Executive Director and Chief Strategy Officer, along with the ESG Officer, provide updates to the Board covering a spectrum of matters, which may encompass advancements towards our environmental objectives.

STRATEGY

- a) Near, medium and long-term climate- related risks 37
 We conducted a detailed assessment specifically focusing on climate risks and opportunities. Our ESG Committee examined a wide range of factors related to climate change that could affect our operations. This involved looking at how likely these risks are and how they could impact Energía Real.
- b) Impact on business, strategy and planning 38-39
 Climate-related risks such as extreme weather events, supply chain disruptions, and regulatory changes can directly impact our business operations. Climate-related risks require us to adapt our strategic approach to anticipate and mitigate potential challenges. This may involve diversifying our supply chain, investing in resilience measures, and incorporating climate considerations into our long-term planning.
- c) Resilience of strategy using 2-degree or lower scenarios 38-39
 We conducted a thorough scenario analysis to evaluate how our business could be affected by different climate conditions. We looked at two scenarios: one where there’s aggressive action to limit global warming to 2 degrees Celsius (aligned with the RCP 2.61 scenario), and another where current trends continue leading to a 4-degree Celsius increase (aligned with the RCP 8.5 scenario).

RISK MANAGEMENT

- a) Process to assess climate-related risks 37
 We have set up a team dedicated to assessing risks associated to our operations. Using this information, they then assess the overall risks our company might encounter, including those related to climate. We carefully consider how each risk could affect us and also weigh the likelihood and severity of each impact and assess the measures we have in place to minimize risks.
- b) Process to manage climate-related risks and c) Integration of risk process into overall risk management 37-38
 We have established a process for managing climate-related risks:
 Identification: We identify climate-related risks across our operations.
 Assessment: We evaluate the potential impact and likelihood of each risk on our business.
 Prioritization: Risks are prioritized based on severity and potential consequences.
 Mitigation: We develop and implement strategies to mitigate identified risks.
 Monitoring: Risks are continuously monitored to track changes and effectiveness of mitigation efforts.
 Reporting: We transparently communicate climate-related risks and mitigation efforts.

METRICS AND TARGETS

- a) Metrics used to assess climate-related risks 14 & 16
 As part of our annual reporting, we track metrics including:
 Scope 1, 2, and 3 greenhouse gas (GHG) emissions
 GHG emissions intensity
- b) Scope 1 and Scope 2 emissions 14 & 16
- c) Describe targets used