

Environmental, Social, and Governance Policy

The BNZ logo is located in the bottom left corner of the page. It consists of the letters "BNZ" in a bold, black, sans-serif typeface. The background of the entire page is white, featuring large, soft, light-grey curved shapes that sweep across the upper and middle portions of the frame, creating a sense of movement and depth.

BNZ

Environmental, Social, and Governance Policy

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1. About BNZ

BNZ is an independent renewable energy power producer, with strong local expertise in Europe. The company is part of the portfolio managed by Nuveen Infrastructure Clean Energy Fund Europe III, one of Europe's largest renewable energy fund managers.

BNZ is managing the whole lifecycle of its plants from securing land and grid connections, through construction and continuing into operation. We have strong proven expertise and strive to work closely with local communities through development and into operations. Our professional team actively develops and manages a diverse pipeline of projects spread across Italy, Portugal and Spain.

The rationale for having a dedicated Environmental, Social, and Governance (“ESG”) policy is that BNZ has accountability for the end-to-end activities occurring across our pipeline of projects and throughout the lifecycles of our individual projects. We believe that our responsibilities include managing long-term risks through active ownership practices that are sensitive to ESG considerations.

The scope of this policy covers all clean energy infrastructure that BNZ develops or manages. The objectives and values of our ESG policy are applicable throughout our development, management, and operational processes.



2. ESG Policy Objective

The objective of this policy is to set transparent Environmental, Social and Governance guidelines that drive project analysis, decision-making, and asset management processes, as well as to communicate and explain our ESG vision and approach to all our stakeholders.



This ESG policy enables us to drive and communicate our commitment to responsible investing principles in a transparent and consistent way to all of our stakeholders. It is part of a broader package of policies at BNZ to become a leader in integration of ESG in our company's governance.

When incorporating ESG criteria into its portfolio lifecycle BNZ has taken as a framework the six Principles for Responsible Investment ("UNPRI"), developed by an international group of institutional investors and convened by the United Nations. These are:

1. We will incorporate ESG issues into investment analysis and decision-making processes
2. We will be active owners and incorporate ESG into our ownership policies and practices
3. We will seek appropriate disclosures on ESG issues by the entities in which we invest
4. We will promote acceptance and implementation of the Principles within the investment industry
5. We will work together to enhance our effectiveness in implementing the Principles
6. We will each report on our activities and progress towards implementing the Principles.

BNZ will identify and assess ESG risks and opportunities in all projects taking appropriate measures to mitigate these risks.

BNZ will certify and score the ESG performance collaborating with relevant independent international ESG scoring organizations.

3. ESG Vision

Climate change and energy transition are not only affecting our daily behaviors but is also leading us to reconsider the way we manage our business, to reach a higher level of resource efficiency and sustainability that future generations will inherit.

BNZ is committed to both applying and, where possible and reasonable, exceeding laws and regulation regarding environmental, social, and governance activities. Through the dedication of the team, BNZ will strive to analyze and implement solutions to positively affect the surrounding communities and projects under our management.

BNZ believes that renewable and sustainable energies are a key component of the solution for actual changes and therefore, well-measured ESG factors are key for BNZ to materially contribute towards the global quest for Net Zero emissions.



As a renewable energy producer, BNZ aims to:

1. Invest in clean energy technologies and enablers that contribute to the reduction of global GHG emissions through the development, construction, management, and operation of clean energy projects.
2. Deliver best-in-class environmental management through legal and regulatory compliance, local and national stakeholder engagement, internal and third-party expertise and knowledge, and through the implementation of additional environmental measures, benefiting both flora and fauna tailored to the location of each project in the BNZ portfolio.
3. Monitor the use of water, electricity, and other natural resources to avoid waste, and to encourage reduction, reusing and recycling where possible.
4. Deliver positive social outcome through supporting local community projects, establishing recurrent pedagogic site visits in partnership with local educational institutions, participating in educational forums and centers like universities to promote awareness of the importance of renewable energy.
5. Engage with suppliers, contractors, and subcontractors through dialogue in order to limit events and activities with negative ESG effects. In such a way, BNZ strongly condemns, among other things and in no particular order, all activities related to human trafficking, child labor, forced labor, tax fraud, certification fraud, racial and gender discrimination, corruption, and bribery.
6. Beside respecting local cultural heritage in our projects, also having a long-term vision, not only for the life of our investments, but also for their social return and benefits for the future generations.
7. Implement robust governance controls through the establishment of clear roles and responsibilities, the implementation of strong business ethics, and transparency and swiftness in reporting.

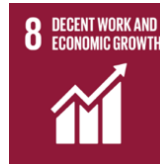
4. The UN Sustainable Development Goals

The EU aims to be climate-neutral by 2050, which requires an economy with net-zero greenhouse gas emissions on an EU wide basis. EU Member States are required to develop national long-term strategies on how they plan to achieve the greenhouse gas emissions reductions needed to meet their commitments under the Paris Agreement and EU objectives.

BNZ is contributing towards these goals through the application of parameters from the UN SDGs:



Ensure access to affordable, reliable, sustainable, and modern energy for all.



Provide a safe working environment and promote the economic growth of local communities.



Build resilient renewable plants, promote inclusive and sustainable industrialization, and foster innovation.



Carefully monitor our water consumption and try our best to recycle key components.



Produce renewable energy and increase avoided grid emissions.

5. BNZ ESG Objectives

At BNZ, commitment to ESG principles is integrated through specific, actionable strategies across all areas of our operations. This section outlines our multifaceted approach to ensuring that we not only meet but exceed our ESG objectives.

Environmental Initiatives:

- Compliance: Adhere to all legal and regulatory frameworks.
- Management Systems: Implement effective management and reporting systems.
- ESG Integration: Integrate ESG criteria in procurement and investment decisions, including conducting rigorous Environmental Impact Assessments (EIAs).
- Biodiversity Protection: Ensure biodiversity is protected and promote coexistence with wildlife. Minimize adverse impacts on species of concern and their habitats.
- Land Use: Avoid disturbing natural habitats. Ensure that projects are not located in areas identified as important natural habitats.

Social Responsibility:

Health and Safety:

- Implement and uphold Health and Safety policies and procedures.
- Aim for zero lost-time incidents.

Community Engagement and Development:

- Support local communities through educational and economic development projects.
- Enhance communication strategies for transparency with community stakeholders.

Employee Well-being and Development:

- Offer comprehensive wellness programs.
- Provide opportunities for skill development and training in sustainable practices.

- Encourage staff to actively manage and improve their ESG impacts.
- Provide incentives for contributions to ESG goals.

Innovation and Industry Collaboration:

- Engage in industry events and collaborate with universities and tech firms.

Governance and Ethics:

- Maintain robust governance structures.
- Foster a culture of integrity and accountability.
- Regularly update governance practices.
- Uphold high standards of business ethics.
- Uphold human rights protections throughout our supply chain.

Diversity and Inclusion:

- Promote diversity across all organizational levels.
- Implement strategies for recruitment and retention of diverse talent.
- Foster an environment where all employees feel valued and included.
- Support professional development for underrepresented groups.



6. Environmental Activities

BNZ intends to implement environmental mitigation activities, and, in doing so, to minimize the environmental footprint of its projects:



6.1 Light / Noise pollution

As part of the Environmental Impact Assessments carried out by the BNZ team, BNZ engages with third-party experts who measure the existing light and noise pollution in the immediate and surrounding areas of project sites. The neighboring parties, residential, commercial, or others, who may be affected by such pollution are referenced and the impact on them will, to the extent practicable, be monitored during the development, construction, and operational stages of the projects. BNZ will aim for the final activity levels, once construction is completed, to not exceed the pre-existing measured pollution levels.

6.2 Air / Water / Soil quality

All the projects under BNZ's management will be studied and analyzed for any impact on air, water or soil quality and mitigation measures will be considered in accordance with regulation and best industry practices. The primary disruptive effect of BNZ's projects, in relation to air, water and soil, is caused during the construction phase. Among the mitigation measures, BNZ will aim to minimize removal or alteration of the topsoil from any site, substantially reducing the dust generation in the process. The added advantage resides in the proper filtering of any water before it reaches deeper substrates and groundwater sources. Where earth movements are required, BNZ will aim to ensure that those areas are replanted correctly.

To prevent erosion and flood, stormwater management and design considerations will be applied. Examples of this are: ensuring an adequate permeable space between rows of solar panels, minimizing site compaction during construction to maintain the natural infiltration capacity of the topsoil, limiting the vertical distance between the ground and the panel drip edge to limit soil erosion, site grading and terracing to reduce runoff flow velocity, establishing native groundcover and vegetation that will help prevent erosion, promote infiltration, and support ecological function.

Should any of the BNZ sites be located above a groundwater source, local authorities and environmental experts will be informed and consulted for authorization before any wells are dug for the sites' irrigation. Any activity that may alter the quality of air or water will be registered and monitored, and reasonable efforts will be made to minimize the disruption.

In each project, BNZ evaluates to create and implement water conservation management strategies in business planning and operational practices for site irrigation. Additionally, these strategies could expand on any steps taken to improve water recycling/reclamation practices and plans to reduce consumption.

BNZ believes that solar projects allow land to recover to farming land. Soil can be improved by planting native grasses/pollinators and effectively letting the soil rest. The deep roots of the vegetation avoid soil erosion. They also help retain topsoil and improve soil health over time.

6.3 Climate change and Green-House Gas (GHG) emissions

BNZ ensures that projects are designed to effectively handle climate variability and extreme weather events. The company integrates climate risk mitigation strategies into its Environmental Impact Assessments (EIAs) and hydrology studies, which include water conservation methods and emergency protocols for managing floods and wildfires. By implementing these comprehensive measures and ongoing adaptations, BNZ not only mitigates risks but also upholds global best practices in climate risk management, ensuring the safety of its employees and communities, and enhancing the resilience of its asset portfolio.

BNZ recognizes the urgent need to transition towards net zero emissions to effectively mitigate climate change impacts. The company emphasizes renewable energy solutions at various stages including operation, construction, and development, underscoring its commitment to fostering a low-carbon economy and aligning with global net zero ambitions.

All of BNZ's renewable energy installations contribute positively to climate change mitigation. BNZ engages third parties to conduct GHG footprint analyses on its operational activities. BNZ explores strategies to reduce and compensate for its operational carbon emissions, such as acquiring carbon credits and engaging in certified reforestation efforts.

BNZ is committed to enhancing its sustainability reporting and emissions management framework. This involves detailed data collection, verification, and gap analysis to identify reduction opportunities and improve sustainability performance. The company incorporates GHG emissions reporting into its Key Performance Indicators (KPIs) and requires annual emissions reporting from contractors. Furthermore, the delivery of these commitments is actively pursued through undertaking in-house assessments, which also focus on avoiding all unnecessary travels, thereby fostering a culture of accountability and continuous improvement.

6.4 Waste / Hazardous material management

Policies and controls will be put in place with all the participating and visiting parties to eliminate where possible the presence of hazardous materials on site. When reasonable efforts do not yield a suitable replacement material, the hazard will be assessed, properly labelled, monitored, and stored in facilities designed by competent professionals. In addition, to a high level of vigilance, all people present on BNZ sites will be trained and constantly reminded of the health and safety issues that can be caused by improper handling.

When it comes to waste generated through the life of a project, awareness will be raised by the dedicated health and safety personnel on the importance of following the hierarchy illustrated in the figure below.



Where disposal is unavoidable, institutions will be contacted to provide suitable alternatives: such as PV Cycle for PV Modules. BNZ works towards mitigating the improper handling of oils, battery components, or lubricants, any waste burning, or any illegal discharge of waste – whether onsite or offsite.

BNZ validates all aspects of waste management through facility environmental audits that include records review, site inspection and personnel interviews. Additionally, BNZ evaluates the engagement of non-profit trade organizations to perform environmental audits on waste management vendors.



6.5 Flora and Fauna commitments

BNZ believes that there is an opportunity to try to minimize the environmental impact of its projects. During the design phase, all the projects undergo an impact assessment during which a third-party expert advises on the quality of the soil, the variety of vegetation, and the prosperity of the wildlife. BNZ uses this assessment to integrate living organisms into its analysis of the project over the long-term

Where possible, reforestation and green corridors will be carried out on project sites, or on land designated by the authorities, in an effort to reduce or avoid desertification. Local and non-invasive flora will, where possible, be planted or replanted and allowed to expand, to preserve the existing root network, and filter and channel rainwater to the groundwater table. Additionally, where feasible, we will aim to have beehives on site to encourage pollination. All of these efforts are carried out to limit the use of synthetic fertilizers and pesticides. As well, the grass maintenance is undertaken by grazing animals, such as sheep, instead of machinery. In a complimentary relationship, the solar panels provide shade, protection, and shelter for these animals.

6.6 Energy saving and Resource Efficiency

BNZ and our contractors implement feasible technical measures for improving efficiency in its consumption of energy, as well as other resources.

When selecting products and contractors, additional beneficial weighting is given to those able to demonstrate efficiencies in resource use and energy reduction measures. We encourage the installation of ecological label, those derived from renewable or recycled sources, as well as energy efficient and motion sensing lighting. As examples, BNZ seeks to turn off the night security lighting during the day, install energy efficient heating and cooling devices, and adopt efficient use of fuel for mobility.

We place a strong emphasis on minimizing waste and maximizing resource reuse and recycling across all our operations. This approach is integrated into our procurement processes and operational practices to ensure that every resource—be it material, water, or energy—is used as efficiently as possible.

7. Social Activities

BNZ believes that its relationship with society can be a mutually beneficial one. BNZ will aim to form close relationships with local stakeholders such as educational centers, communities, and municipalities, through invitations to visit sites and also through local community funding initiatives.

7.1 Local engagement

All projects developed, built, and operated by BNZ will pay attention to local stakeholder engagement through achievable commitments delivered in cooperation with the present community. Expectations will be managed through discussions with local authorities that represent the interests of the communities located near the projects.

BNZ tries to increase awareness of locals from positive benefits of living near a solar plant, including protection from future development of residential developments or other intrusive uses, reduced dust, odor, and chemicals from other activities, protection from light pollution at night, the lack of noise once operational, and minimal traffic from the maintenance of the plant.

Downstream benefits from O&M have lasting positive community impact. Moreover, BNZ promotes local suppliers to develop projects by constructing and maintaining the plant and creating jobs for local communities.

7.2 Educational engagement

As part of its social activities, BNZ will provide educational opportunities covering a wide spectrum of benefits, from introducing the world of renewable energy and climate change to the schoolchildren, all the way to offering early professional experiences to promising students and to improve socio-economic development in the communities. BNZ aims to engage the local communities by raising awareness and

improving their knowledge of low carbon energy production facilities, as well as the tangible benefits and opportunities provided. Depending on the geographies, emphasis will also be given on the importance of preserving the environment with relatable examples.

BNZ, by assisting in academic centers like universities, participates in seminars and educational forums, supports the next generation understanding opportunities and challenges presented by renewable energy and overcoming the problems of climate change.

Moreover, by collaborating and consulting with local academic centers, BNZ tries to find best solution and proposal for mitigation of environmental and social risks in the communities.

Additionally, BNZ provides training for employees on managing and mitigating environmental risks and raise awareness about environmental, climate change and energy consumption issues.



Photo: BNZ educational chat with students in UPC university



7.3 Contractor / Provider engagement

Wherever reasonable and possible, BNZ will ask its contractors to make an effort to hire local workforce or subcontractors. Aside from creating jobs, this can help to ensure that useful skills are developed, and maintained locally, which can contribute to the community and to the project. BNZ will encourage the use of locally sourced knowhow and supplies throughout the lifetime of the projects.

Additionally, all contractors and providers are urged to consider the use of sustainable, non-toxic, and recyclable materials in their procurement processes. The impact of such request might not exclusively have a local benefit but is intended to contribute to not only reducing the global carbon footprint but also ameliorating the other element of the climate change, biodiversity collapse.



7.4 Human / labor rights

BNZ is engaged in making sure that all of its personnel, and any individual working on behalf of one of its providers, is given all reasonable assurances indicating that their hours of work, wages, welfare facilities, and working conditions are according to those dictated by local laws. And where local laws do not apply or are not existent, BNZ will ensure that best market practices are set up to prevent human rights violations. BNZ ensure that all members can show the best of themselves, with equal opportunities and without fear of harassment or discrimination for reasons like gender, race, religion, sexual orientation or disability.

Any misconduct or concerns can be reported through the Grievance mechanism described below.

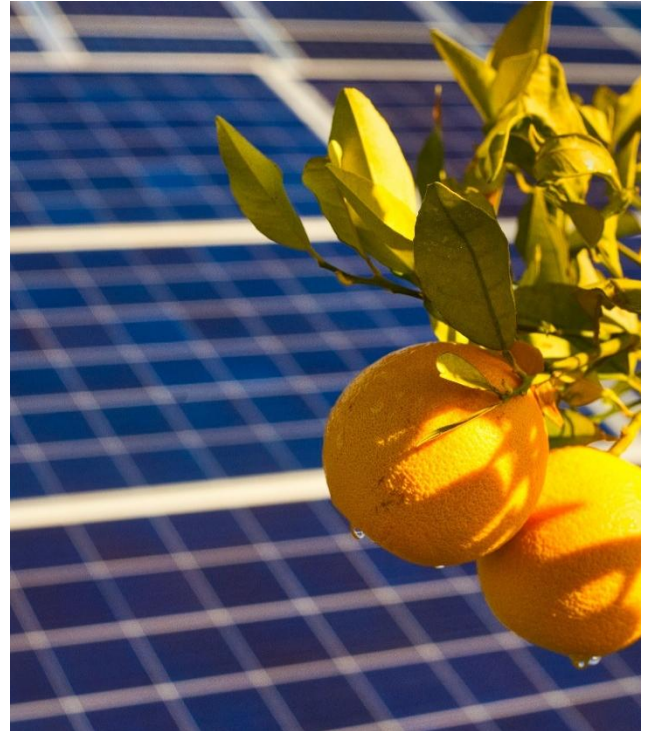
BNZ does condemn the use of any labor that is, inter alia, forced, involuntary, exploitative, underage, illegal, mentally, or morally unhealthy. Measures will be put in place to ensure that the intervening personnel, and any sourced materials and equipment, are not the product of such malpractices. Any misconduct or concern can be reported through the Grievance mechanism described below.

BNZ include rejection of modern slavery in the agreements with suppliers and contractors.

7.5 Co-location of Agricultural Activities and Solar plant

BNZ, wherever technical and commercially viable, proposes co-location of agricultural activities and solar plants and believes these two activities are not mutually exclusive. This kind of installation brings net positive benefits for both farmers, in the form of additional income, and solar facilities, through the maintenance of the land.

Among the benefits associated with this kind of sites, it is claimed to reduce the need for irrigation and water land erosion (gullies). In addition, in crops there is a decrease in evapotranspiration and greater efficiency in the use of water. As a social impact, farmers can utilize solar as a non-correlated steady revenue stream to help smooth out the impact of grain and produce market volatility.



8. Governance Activities

To be able to lead by example, BNZ will implement appropriate governance procedures. These cover all of its activities, and will allow for proper overview, definition of responsibility and ensuring accountability for actions undertaken at projects, with the aim to engender high standards and practices.

BNZ ensures applying ethical and anti-corruption management to build outstanding team with diversity, safety and ethical behavior. Furthermore, BNZ takes necessary steps to reduce and minimize security/cybersecurity risks that the company faces, including private information and data protection for employees, clients and other stakeholders.

Additionally, BNZ endeavors to achieve alignment with the EU Taxonomy. This will be for assets in the construction phase onwards and takes into account that the asset is making a significant contribution to climate change mitigation whilst doing no significant harm to climate change adaptation, biodiversity, circular economy, water, waste and the minimum safeguards



8.1 Grievances

Throughout its ownership of projects, BNZ monitors the impact of its activities, both onsite and offsite. All stakeholders have access to a comprehensive grievance reporting mechanism designed to ensure quick and unbiased access to a dedicated BNZ team. This team ensures that the appropriate company members are notified of any grievances. Various methods and mechanisms are established to offer privacy options to the grievance reporting parties, including:

- Direct Email Address: Stakeholders can directly send their grievances via our designated email at ethics@bnz.energy, as clearly stated in our ESG and social policies.
- BNZ Website: Our website includes a specific section for grievances, featuring a link to a detailed complaint questionnaire form.
- QR Codes: At each of our project sites, QR codes provide direct links to our grievance platform via smartphones, offering instant access for on-site stakeholders to voice their concerns.

Upon accessing the grievance mechanisms through the website or QR codes, individuals are directed to a platform that supports both anonymous and identified submissions, available in multiple languages. To aid further understanding, a flowchart diagram of our policy is also provided.

Grievances are handled by an independent external third party, the BNZ legal adviser, to ensure unbiased and fair management.

BNZ is committed to providing a timely response to all received communications, ensuring that every concern, regardless of its significance, is addressed either through a direct reply or appropriate action.



8.2 Reporting and Digitalization

BNZ maintains comprehensive records of all ongoing activities, leveraging an End-to-End Business Management Platform to enhance the accuracy and accessibility of information. This digitalized approach not only streamlines internal processes but also ensures that all data shared with local stakeholders is timely and relevant, keeping them informed of pertinent activities or news.

Through this platform, BNZ standardizes and automates reporting and bookkeeping, making these records easily accessible for internal review and continuous improvement of policies and procedures. This system supports transparent reporting and is adaptable to the specific requirements of various company areas, including addressing third-party interests or involvement.

Transparent reports and detailed bookkeeping are readily available upon duly justified requests, aligning with our commitment to fighting corruption, resolving conflicts, and fostering an environment of constructive feedback. This digital framework ensures that all stakeholders have access to a single, reliable source of truth regarding project and operational data.

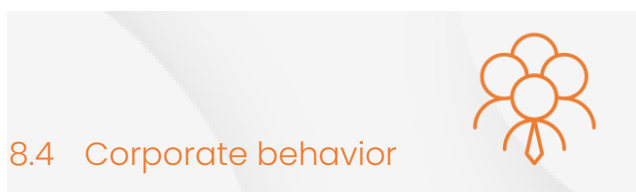


8.3 Compliance

All information contained within this ESG policy, as well as other BNZ policies, includes procedures that must be adhered to as soon as they are made known to any party. These policies encompass areas such as Anti-Bribery, Complaints, Conduct of Business, Anti-Financial Crime, and Whistleblowing. Adhering to these policies establishes a solid foundation for building a responsible and sustainable business.

BNZ enhanced these efforts by initiating the Occupational Prevention Compliance program, focusing on every phase of the asset lifecycle—from design to operation and maintenance. This program not only aims to integrate prevention seamlessly into our operations but also ensures regulatory compliance in a practical and effective manner.

Misconduct or breaches can be reported to the designated Compliance Officer, as outlined in Section 8, ensuring that all concerns are addressed promptly and thoroughly, reinforcing our commitment to legal and ethical standards.



8.4 Corporate behavior

BNZ board members, directors and employees are ultimately responsible for directing, implementing, and supervising all activities that will be carried out in the projects, as well as in the office, in accordance with applicable law, and best-in-class market standards.

8.5 Environmental and Social Management System (ESMS)

BNZ is dedicated to sustainable development and responsible business practices, demonstrated by the integration of our Environmental and Social Management System (ESMS) into our core operations. In 2023, BNZ achieved a significant milestone in environmental stewardship by obtaining three key ISO certifications, underscoring our commitment to quality, safety, and environmental management:

- ISO 9001: Focuses on quality management to enhance operations and customer satisfaction.
- ISO 14001: Targets environmental management to promote minimal environmental impact and improve energy efficiency.
- ISO 45001: Addresses occupational health and safety management, ensuring workforce well-being and compliance with legal standards.

9. Get in touch!

By electronic mail:

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Powering Europe
to a greener future

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