



ESG REPORT 2023

MPC Energy Solutions N.V.



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Our solar plants and wind farms in Latin America and the Caribbean are creating jobs and supporting communities with local initiatives.

MESSAGE FROM OUR MANAGEMENT BOARD

WE ARE PART OF THE SOLUTION

Dear Readers,

As a company that delivers clean and affordable energy to developing and emerging markets through renewable sources, we often take it for granted that stakeholders see us as a “dark green” company. And, in essence, we are. But we strive to be more. And to do more.

In 2023, we continued to make excellent progress in implementing the environmental, social and governance initiatives we consider key to pair our economic success with a positive long-term impact on the communities we operate in. I am excited to share examples of this progress with you in our 2023 ESG Report.

Looking ahead, we continue to set ambitious goals to improve our work concerning, especially, social and governance matters. From ensuring that a large number of local resources are employed when developing and building our power plants, through developing robust procedures and checks and balances to ensure compliance with our policies and guidelines, to monitoring that the positive impact we create is ensured through the entire value chain of our project, MPCES is taking action and strives to be a leader in sustainability across Central America and the Caribbean.

Among the key focus areas, we believe that traceability will remain an ongoing topic in our industry. MPCES is actively working on establishing a supplier qualification procedure to include traceability mapping of all key suppliers based on the supplier’s bills of material in our standard assessment criteria.

Everything we do is guided by the principle that we do not want to do anything that can tarnish our reputation as a good corporate citizen – and a regional leader in ESG.

2 April 2024
The Management Board of MPC Energy Solutions



Stefan H.A. Meichsner
Chief Financial Officer

OUR STORY

2020

FOUNDATION

MPC Energy Solutions N.V. is founded as a global provider of sustainable energy under Dutch Law.

2021

RAISING CAPITAL

USD 100 M capital was raised through a private placement in conjunction with the IPO.

2021

GAINING GROUND

Construction start of three solar PV plants of 60MW total in Colombia and El Salvador.

2022

OPERATIONAL PERFORMANCE

Acquisition of a 15.8MW operational solar PV plant in Mexico. Achieving a 28.1 GWh production.


2023

DELIVERING MORE CLEAN AND AFFORDABLE ENERGY

New assets entered into operation: Planeta Rica and Los Girasoles in Colombia, Santa Rosa & Villasol in El Salvador and Neol in Puerto Rico.

BUSINESS HIGHLIGHTS 2023


Renewable Energy generated



89,290 MWh*

3x Times more compared to 2022

Emissions avoided



18,795 tCO₂e**

2x Times more compared to 2022

Jobs created



+468 In 4 countries

Operational Projects



4x

- + **12 MW** Los Girasoles, Colombia
- + **27 MW** Planeta Rica, Colombia
- + **3 MW** Neol, Puerto Rico
- + **21 MW** Santa Rosa & Villa Sol, El Salvador

New PPA signed



65 MW PPA Signed with IMSA Group Guatemala

New Developments



New developments started in Panama, Guatemala and El Salvador equivalent to **198 MW**

* The amount of energy invoiced to customers in 2023 was 100.8 GWh.
** Per equity share.



EXECUTIVE SUMMARY

GRI 2-2; 2-3; 2-4

EXECUTIVE SUMMARY

During the reporting year 2023, we have taken significant steps to materialise our commitments as MPC Energy Solutions with the implementation of our Environmental, Social, and Governance (ESG) strategy at the project level. During the year, we worked hard across the company and with our contractors on the implementation and integration of the Environmental and Social Management System (ESMS), creating processes for the adoption of the system, and the execution of several workshops.

One of the main achievements for 2023 is progress on our commitment to make information transparent and incorporate industry best practices. We have expanded the accounting of our carbon emissions, the screening of our Scope 3 emissions for our projects and worked to present - for the first time - a screening of our project's Scope 1 and 2 emissions. This will allow us to set future goals and better manage the impact of our projects' emissions on the environment.

Key Highlights:



Extension of GHG Emission measurement for our projects.



Extension of Scope 3 categories disclosure.



Environmental & Social Management System (ESMS) training and implementation.

PROGRESS REPORT 2023

For the reporting period CY 2023 in the areas of:



Environment and Climate Change

We are pleased to report that we achieved 18.795 tCO₂e avoided emissions through our operating projects: Los Santos I in Mexico, Los Girasoles and Planeta Rica in Colombia, Santa Rosa & Villasol in El Salvador, and Neol CHP in Puerto Rico.

Secondly, we extended the accounting of our carbon footprint, increasing in one new category the accounting of Scope 3. Specifically, we added employee commuting and, we refined and extended the accounting for Scope 1 and Scope 2 of our projects.

Due to the increase in our operations, during 2023 we have intensified the identification and management of environmental and social risks through the integration of ESMS and its adoption across the different MPCES teams and the different associated processes at different stages of our project lifecycle. We have conducted various workshops to train all our employees and contractors on our projects on ESMS.



Community Impact

Since supply and value chains produce most of our social impact, we aim to promote and improve local education, labor, and workplace standards as well as technical training and certification through partnerships and collaborations.

We target to show consideration for the local communities in which we operate and contribute to the learning and distribution of knowledge where we can. Our company seeks to establish long-term working relationships and meet public authorities and customers with insight, respect, and understanding.

In 2023, we have worked to strengthen the communities, since all our projects reported in the previous period in the construction stage have started their operation during 2023, which implies a decrease in the work created for the communities. During the last year, we have focused our efforts on developing the technical capabilities of the communities, by conducting technical certification courses on renewable energies to provide them with tools to increase their employability. We have also been working with educational centres to provide them with support with our plants for students of careers related to electricity and energy, to contribute to their professional technical training.



Corporate Governance

Being a renewable energy developer and operator, MPC Energy Solutions is committed and conscientious of its ESG goals. Our business is conducted globally and therefore adhering to local regulations and local laws is mandatory for our Company and our employees. During 2023 the development of the Corporate Social Responsibility Statement was completed. We also have conducted training across the teams involved in different project cycle stages to embed ESG compliance into our organization and we continued to reinforce the message of the Code of Conduct with all our employees, 100% of whom were trained. No incidents of corruption were recorded during the reporting period.



ABOUT THIS REPORT

This ESG report covers the reporting period from 01.01.2023 to 31.12.2023. The report is prepared in accordance with the Global Reporting Initiative (GRI), Standards 2021, and is inspired by the Euronext guidelines for sustainability reporting. For the GRI content index, please see the end of this report or visit the GRI Database.

This report has been approved by the Supervisory Board. The claims and data in this report have not been audited by a third party. The annual sustainability reporting period aligns with our financial reporting schedule. Both reports cover the same reporting period.

For information about this report and its content, please contact our investor relations department (ir@mpc-energysolutions.com).



ir@mpc-energysolutions.com

RESTATEMENTS

The 2022 ESG report presented Solec Power in Saint Kitts & Nevis as a project under development. In November 2023, MPCES, due to the unsatisfactory progress of the project, exited the project and returned USD 10.7 million in free cash from its original investment.

In the 2022 report, one of our projects under development, Acacia in Jamaica, was reported to target an installed capacity of 90 MWp. However, during 2023 and following the requirements set by the Jamaican government for a public tender the project will participate in, the maximum allowed capacity was reduced to 65 MWp.

ABOUT OUR COMPANY

GRI 2-1, 2-5, 2-6, 2-9, 2-10,2-11, 2-12, 2-13, 2-14, 2-17, 2-19, 2-20, 2-23, 2-24, 2-27, 405-1

OUR BUSINESS

MPC Energy Solutions (“MPCES”, “Company”, together with its subsidiaries “Group”, “we”) develops, builds, owns, and operates renewable energy assets, including utility-scale solar photovoltaics (PV) and onshore wind farms, energy efficiency solutions and hybrid projects, combining renewable sources and storage technologies.

We generate and deliver clean and affordable energy to public and private commercial and industrial off-takers in developing markets, accelerating and driving the energy transition. To sell the energy we produce in our plants, we usually sign long-term power purchase agreements (PPA) which help us secure predictable cash flows for our projects while simultaneously allowing off-takers to purchase energy at reliable prices that are usually lower than the applicable tariffs from public utilities.

MPC Energy Solutions N.V. is a public limited company organized under Dutch law with a governance structure based on Dutch corporate law.

Our Company has been listed on the Oslo Stock Exchange (Euro-next Growth) since January 22nd, 2021, under the ticker: MPCES.

As of December 31, 2023, we had 716 shareholders.



Solar PV

Typically larger PV plants (>20MW) connected to the (national) grids.



Wind power

Onshore wind farms with 20-100MW of capacity.



Hybrid

Typically smaller PV plants or wind farms (<25MW) coupled with batteries and/or generators.



Energy Efficiency

Other infrastructure that reduces energy consumption and carbon emissions.

Company Overview

OPERATIONS

Throughout 2023 we generated 89,290 MWh.



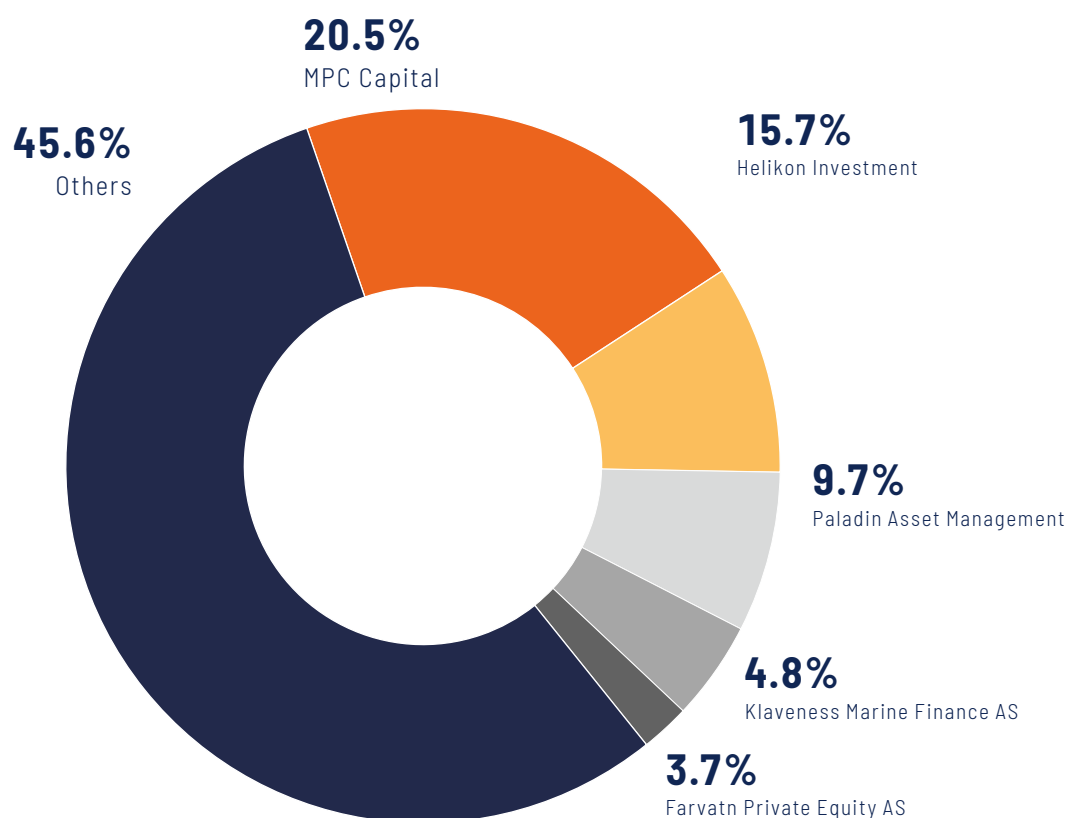
OPERATIONAL PERFORMANCE

In 2023, we started operating three projects: Planeta Rica and Los Girasoles in Colombia, and Santa Rosa & Villa Sol in El Salvador. In addition, our combined-heat-and-power plant Neol CHP in Puerto Rico commenced operations, and the development of our first project in Guatemala, the 65 MWp Solar PV plant San Patricio, commenced when we signed a long-term power purchase agreement (PPA) with the IMSA Group. The plant started construction in March 2024 and is expected to deliver the first power to the grid in mid-2025. Further details are available in our Annual Report 2023.



MPC Energy Solutions
www.mpc-energysolutions.com

MPCES MAIN SHAREHOLDERS¹



¹Our shareholder register can be found on our website: www.mpc-energysolutions.com.

VALUE AND SUPPLY CHAIN

MPCES aims to implement low-carbon and renewable energy infrastructure projects with a general focus on medium-sized projects with a capacity of less than 75 MW while emphasizing projects with limited adverse impact on their environment, greater resilience, and faster implementation.

Our main customers are Private Utilities & Traders, Private Corporates, and state-owned utilities, and the focus of our portfolio is in Latin America and the Caribbean Region.

MPCES Energy Solutions covers the full life cycle of a project by implementing an integrated business model. The company serves as the owner, developer, and operator of the project, helping to ensure these meet the highest possible standards.

Our main suppliers are manufacturers of solar panels, power inverters, and solar trackers, as well as EPC and O&M contractors with whom we attempt to establish long-term relationships. For each of our projects, especially in the construction and operation stage, we seek to prioritize the use of local suppliers.

All our direct suppliers of goods and services go through a qualification and due diligence process, where the environmental and social aspects that we require for their contracting are assessed and certified, a procedure that also extends throughout the contractual relationship with the respective supplier.

Our requirements for suppliers are contained in our Business Partner Guideline, a document that is provided to all our suppliers for their signature and adherence. Based on this guideline, our contractors are required to always act in compliance with state, national, and international laws, rules, and other applicable regulations regarding ethical conduct and standards of responsible behaviour, including but not limited to those relating to human rights, environmental protection, corruption, fraud, money laundering, applicable penalty regimes, and other economic crimes.



Origination: Before acquiring projects, there is an initial "origination" phase to evaluate the acquisition and further development of the contemplated projects. The origination consists of a review of the project to verify whether it complies with the requirements to be part of MPCES. Before acquiring any project, a complete and comprehensive evaluation is performed to verify that it complies with all legal, technical, financial, and environmental and social (E&S) requirements, among others, established by MPCES.



Development: Includes several steps such as land selection, funding, design, permits, review, and selection of contractors. One of the key environmental and social activities that occur during this stage is the ESIA, where risks and impacts are identified, the environmental and social management plans are developed; and the occupational health and safety plan is created. All of which serve to identify and promote positive impact while concurrently avoiding, reducing and mitigating negative impacts.



Construction: We supervise construction activities performed by Engineering, Procurement, and Construction (EPC) companies. EPCs are responsible for the final design, procurement, construction, commissioning, and handover of MPCES projects in a state where they are ready to operate. In the role of developer, we monitor the project construction activities with internal or external staff, depending on the size and complexity of the project and its location.



Operation: MPCES operates the projects alone or altogether with its partners and contractors. MPCES also supervises the operation and maintenance activities, in the case that the operation is performed by an operations & maintenance company (O&MC). The O&MC is responsible for all the activities related to operations and maintenance of the project, which typically includes the day-to-day activities necessary for the systems and equipment to perform their regular activities related to power generation.

During the year 2023, we have strengthened the control of our requirements to our contractors through the inclusion of these standards in the contracts with our main suppliers. Contractual requirements are reviewed by our teams during the construction and operation phases of our projects through on-site audits, requesting documentation that allows us to verify legal compliance status both nationally and internationally, and through the delivery of monthly reports. Our contractors shall ensure that all their employees, representatives, and affiliates comply with the requirements mentioned in this clause. Implementing a holistic and comprehensive control system

will take more time, but MPCES has taken significant steps in 2023 to enhance its supervision and ensure accountability of its suppliers and subcontractors.

Last year we started mapping our key suppliers to identify the risk and impact of our supply chain and propose action-specific measures in case if any potential risk is identified.

By 2024, we aim to strengthen our mapping and screening assessment by performance auditing processes and contracting provisions.

Supplier Characterization as of 2023 ²	
Main Brands	Trina Solar, Suntech, Canadian Solar, Artech Solar, Huawei, Schneider Electric, Soltec, Mota-Engil, Socolco, Ingeteam, Enerland
Main Products	Solar modules, power inverters, solar trackers, civil construction installations and electric materials
Main Services	Civil Works, Operation and Maintenance Services
Countries of Origin	China, Spain, USA, Colombia, Portugal

²Main suppliers for our projects in construction and operation stage.



CORPORATE GOVERNANCE AND SUSTAINABILITY SUPERVISION

Our company is managed through our executive bodies, namely the General Meeting, the Supervisory Board, and the Management Board. MPC Energy Solutions is subject to the corporate governance and corporate social responsibility requirements as set out in our policies.

These bodies implement and supervise the sustainability strategy, its processes, and communication, which includes the goals and activities related to climate, environmental, social, and human rights action, as well as those related to the supply chain for all operations of the Company.

The corporate governance principles of the Company are adopted by the Supervisory Board. MPC Energy Solutions' articles of association as well as other policies and frameworks can be found on our website.



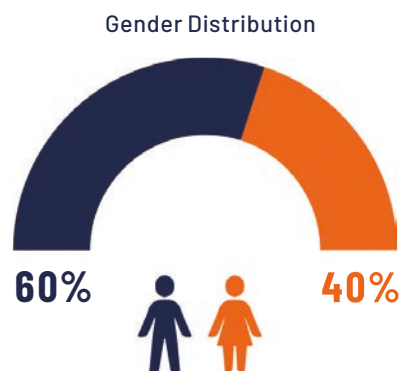
MPC Energy Solutions

www.mpc-energysolutions.com

Board of Directors

The Supervisory Board meets at least once a quarter and on an ad-hoc basis if needed. In 2023, the Supervisory Board met 10 times with the Management Board. These meetings include topics related to ongoing project developments, investment decisions, the performance of operational power plants, and corporate governance matters, among others. As of 31 December 2023, the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are the only members of the Management Board. The former CEO, Martin Vogt, resigned his position in mid-2023 and his contract officially ended on 31 December 2023.

Since mid-2023, the CFO has taken over the role of interim-CEO. The Supervisory Board of the Company intends to announce changes to the Management Board in due course. A Nomination and Compensation Committee was created since the beginning of the business operation in 2021. The Nomination and Compensation Committee nominates the Managing Directors and determines the remuneration in accordance with the remuneration policy adopted in 2021. Ms. Kathryn Baker, Ms. Ellen Hanetho, and Mr. Ulf Holländer (Chairman) formed this Committee in 2023. This committee is also responsible for decision-making and oversight of the organization's impact management on the economy, the environment, and the people.



The Board of Directors represents the company's stakeholders				
Name	Position	Executive or Non Executive Member	Independence ³	Gender
Ulf Holländer	Chairman of the Supervisory Board	Non-Executive members	Not Fully Independent	Male
Ellen Hanetho	Supervisory Director	Non-Executive members	Independent	Female
Dr. John Benjamin Schroeder	Supervisory Director	Non-Executive members	Not Fully Independent	Male
Kathryn Baker	Supervisory Director	Non-Executive members	Independent	Female
Kjell Roland	Supervisory Director	Non-Executive members	Independent	Male

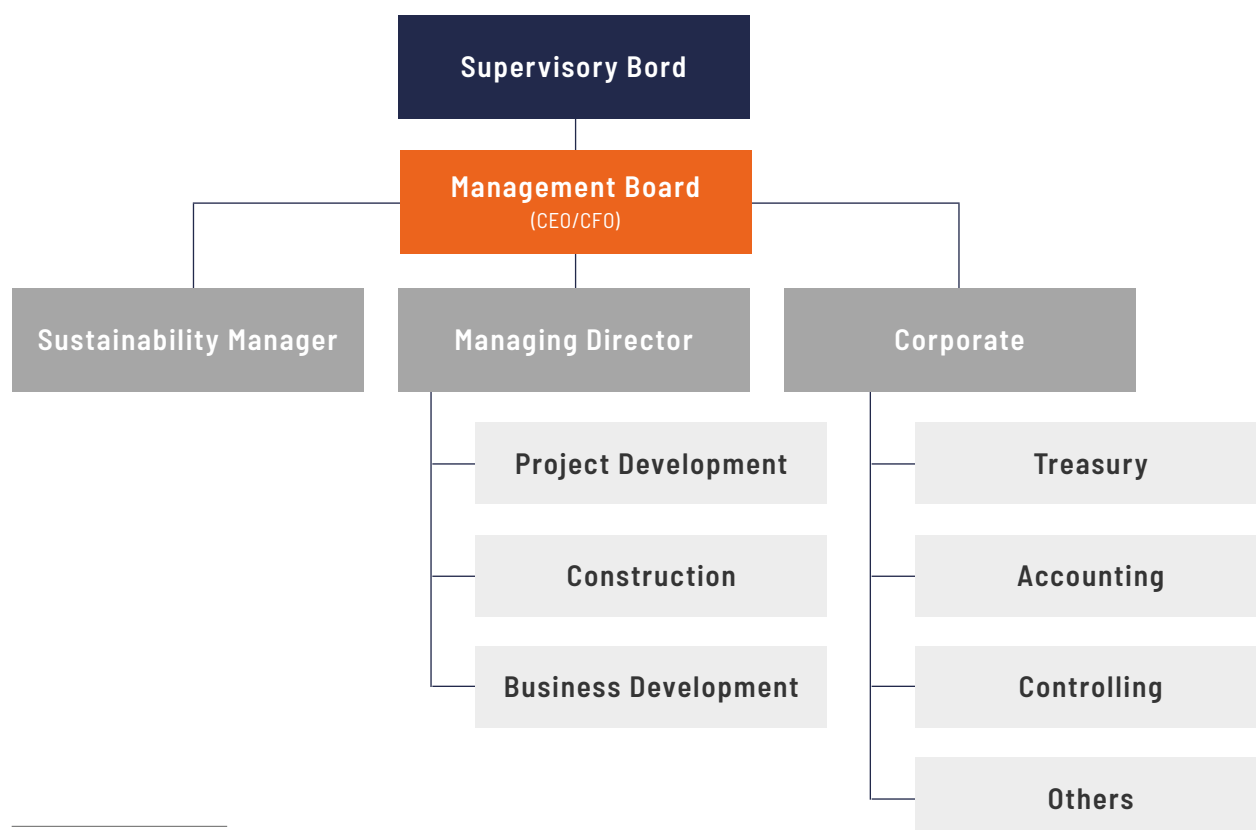
³ Ulf Holländer and Dr. John Benjamin Schroeder are also direct or indirect shareholders representatives and therefore not fully independent.

“Good corporate governance is a key factor in underpinning the integrity and effectiveness of MPC Energy Solutions.”

Corporate Structure and Sustainability Supervision

Our CEO⁴ oversees the overall business operations and reports to the Supervisory Board. This includes the responsibility of managing the impacts that MPCES has on the economy, environment, and people.

At MPC Energy Solutions, we aim to create value for our investors and all stakeholders through the responsible management of our business. Following our commitments, our sustainability efforts are led by our Sustainability Manager, who leads a full-time dedicated ESG team. The team is composed of MPCES' own resources, as well as resources from our major sponsor, MPC Capital to maximize synergies and best practice sharing for project-related day-to-day matters. The sustainability team is leading the implementation of our Sustainable Value Strategy and ESMS at corporate and project levels.



⁴Since mid-2023, Stefan H.A. Meichsner has been acting as Interim-CEO and the sole member of the Management Board.

OUR APPROACH TO SUSTAINABILITY

GRI 2-25, 2-29; 3-1; 3-2; 3-3

INVESTED IN THE FUTURE

As an owner, developer, operator of clean energy assets, MPC Energy Solutions is a committed and conscientious adopter of environmental, social and governance principles in all phases of the investment process, as well as the life cycle of each asset.

By integrating environmental, social and governance issues into our investment process we assume responsibility for the societal and environmental challenges of the century. At the same time, we ensure the future of our Company and create long-term value for owners and other stakeholders, making a valuable contribution towards the global aims of transition to a net zero-emission future.

Before starting a new project, we review and categorize alternatives based on the location, sensitivity, and scale and the nature and magnitude of the potential environmental and social impacts. The categories are based on the requirements of the International Finance Corporation (IFC). Our Company invests mainly in category B and C projects (see table below).

E

ENVIRONMENT RESPONSIBILITY FOR THE ENVIRONMENT

Reducing the environmental impact of investments we manage and of our own business processes

S

RESPONSIBILITY FOR SOCIETY

Positive contribution to communities and individual well-being

G

GOVERNANCE RESPONSIBILITY FOR THE COMPANY

Maintenance and development of first class governance, compliance and risk management standards

SVS and Frameworks

Our Sustainable Value Strategy (SVS) is designed as a strategic framework guiding the short- and medium-term operational implementation of our environmental, social, and governance policies and guidelines. The implementation into our daily activities is reflected in our management system, policies, and processes and by defining tangible, concrete aspirations for sustainable value programs and the measure of the results, with quantitative performance targets, which reflect the Company's competitive position, consumer's expectations, and shareholder's demands.

The SVS sets out our objectives and efforts to positively contribute to environmental, social, and good governance societal well-being as a responsible business. The SVS strategy aims to generate and protect business benefits through effective handling of sustainability issues and follows an approach that is intended to yield business opportunities as well as respond to changing regulatory and stakeholder requirements.

We at MPCES pay attention to environmental, social, and governance (ESG) issues to produce:

- + Reduction in greenhouse gas (GHG) emissions and other egregious climate effects
- + Positive contributions to the UN Sustainable Development Goals (SDG) related to affordable and clean energy, decent work and economic

growth, industry innovation and infrastructure, gender equality, climate action, and sustainable cities and communities.

- + Mutually beneficial relationships with stakeholders guided by ethical and sound practices.

The SVS has been developed at the corporate level and approved by our Management Board. The strategy applies to developers and managers at every level of the company and across all phases of the value chain, serving as a policy for project implementation and day-to-day activities.

The SVS requires extensive collaboration and engagement with stakeholders. These vary from employees to community members in the locations where infrastructure investments are made. In some instances, we seek to influence sustainable value enhancement by forming coalitions with industry peers and working together on setting new standards, promoting technological innovation, or advocating for policy shifts.

As an owner, developer, and operator of clean energy assets, MPC Energy Solutions is a committed and conscientious adopter of ESG principles in all phases of the investment process, as well as the life cycle of each asset. We have developed tools that complement our work to fulfil our sustainability goals and that allow us to implement our SVS through the different areas and the different phases of the projects in practice, which include an ESMS, a community shared value strategy, environmental and social policies as well as environmental and social reporting systems.



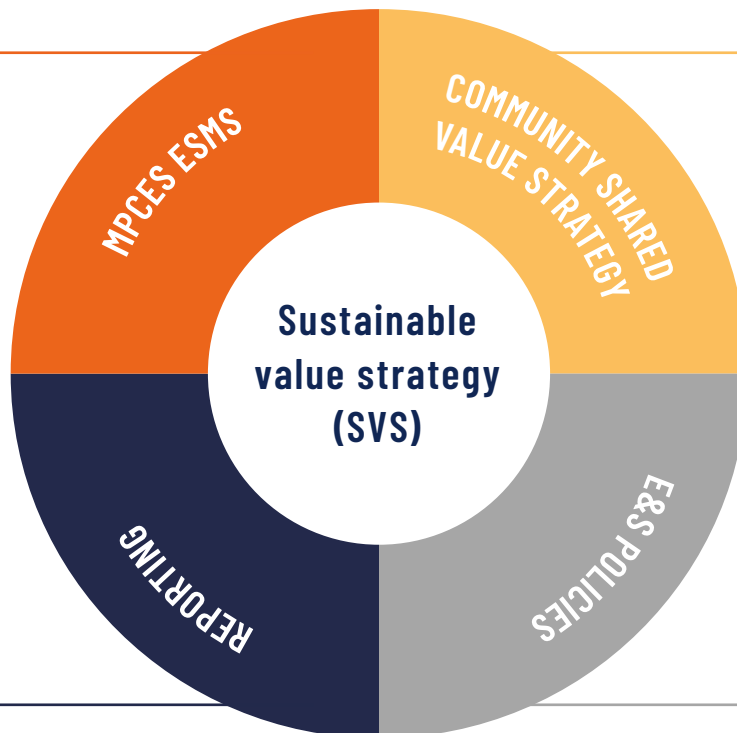
To ensure compliance with the SVS, MPCES is constantly training its employees and contractors in the different tools so that everyone shares and implements the Company’s vision and guidelines on sustainability.

We lead our management to prevent and anticipate possible impacts, such as atmospheric emissions, waste generation, biodiversity, and land acquisition.

The ESMS serves as a tool to improve and manage the environmental performance of our operations and thereby improve performance over time by managing risks and securing positive impacts.

To guide our actions to create value in the communities where we operate, we have created a shared value strategy that allows us to guide and prioritize our actions in terms of community engagement and social investment.

All our actions are aligned to the sustainable development objectives which are prioritized by MPCES



We developed and measured our ESG KPIs. These environmental and social indicators allow tracking the success or improvement areas towards sustainable value creation in MPCES. Two types of indicators are defined for MPC Energy Solutions:

- + **Functional performance indicators:** which measure the functional performance of assets/projects for asset management purposes. In this category, IFC performance standards were used as guidance.
- + **Regulatory compliance indicators:** which monitor the regulatory compliance of projects/assets against international standards such as GRI standards.

As a company, we have developed different policies and guidelines to guide and regulate the behaviour of our employees and suppliers in order to operate our business in a responsible and sustainable way.

- + Code of Conduct
- + Business Partner Guideline
- + H&S Policy
- + Corporate Social Responsibility
- + Project Specific Framework's such as Gender equity, Indigenous people, among others

International Principles and Standards

Our core business of providing clean energy must be achieved through our business practices. As a company we are committed to the UN Principles of Responsible Investment (UN PRI) and recognize the United Nations Sustainable Development Goals (SDG)

We adhere to global principles, values, and standards such as the environmental and social sustainability guidelines of the International Finance Corporation (IFC), the Equator Principles, the Human Rights Pact, and the OECD Guideline to Multinational Enterprises.

We consider it fundamental to continuously search for better business practices that ensure the sustainability of the business and the well-being of the people who participate in it. Our work is based on the adoption of high standards in terms of healthy and safe work, care for the environment, ethical behaviour, and respect for human rights, which is reflected in all our operations and activities. In this way, we contribute to the fulfilment of the global development agenda, and the Sustainable Development Goals (SDGs).



As MPCES we prioritize to contribute to the following SDG's

Our Mission: To provide solutions that drive and accelerate the transition towards clean energy is our company mission. The energy transition is a pathway toward the transformation of the global energy sector from fossil-based to zero-carbon, having at its heart the need to reduce energy-related CO₂ emissions to limit climate change.



Our Business: MPC Energy Solutions' main objective is to build an renewable operational asset base as a leading independent power producer (IPP) with a highly diversified portfolio and attractive returns. Through our investments in developing countries, MPCES is fostering the entry of new technologies and knowledge, and helping to build sustainable cities, communities, and industries in Latin America and the Caribbean.



Our Way Work: To Our standards for the development of our work are based on building a safe working environment in which we promote equal opportunities and encourage greater inclusion of women in the energy industry.



Engagement with our Stakeholders

We believe that keeping an active dialogue with stakeholders strengthens our relationship with the society we operate within. It also benefits our Company by allowing us to detect, investigate, and manage potential risks arising in our surroundings. The stakeholder dialogue is both a means and an end, as an ongoing systematic stakeholder dialogue is a key objective in both the Euronext ESG guidelines and the GRI Standards.

To ensure a strategic approach to sustainability reporting and to adhere to the intent of the GRI Standards Management Approach, MPC Energy Solutions has from July to September 2021 undertaken a systematic stakeholder dialogue where key stakeholder groups were invited to give their opinion on how they perceive our company and relevant sustainability topics.

MPCES Stakeholder Groups



Our approach to sustainability

As an owner, developer, and operator of clean energy assets, MPC Energy Solutions is a committed and conscientious adopter of environmental, social, and governance principles in all phases of the investment process, as well as the life cycle of each asset.



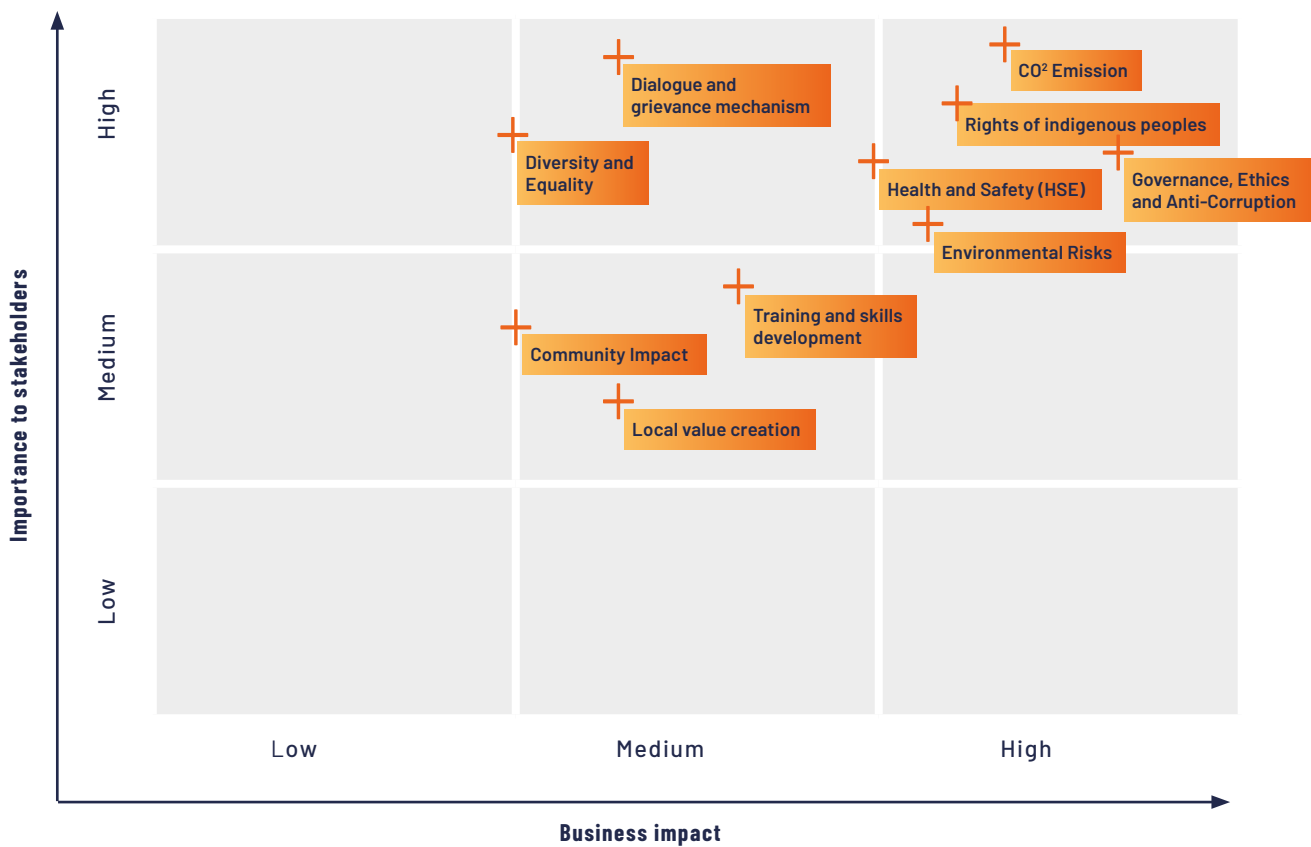
Materiality assessment

The materiality assessment conducted in 2021 established the key reporting topics for MPC Energy Solutions, reflecting the risks and opportunities associated with our Company’s business activities. There has not been any modification to our materiality assessment so far, but we expect to undertake a new assessment in the upcoming year.

These topics are summarized into the following overarching material themes:

- + Environment and Climate
- + Working Environment
- + Community Impact
- + Corporate Governance

The assessment below presents the relevant topics with those considered material displayed in the upper right section:



MPCES ESG PERFORMANCE 2023

MAKING CLEAN ENERGY HAPPEN!

ENVIRONMENT & CLIMATE	30
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ENVIRONMENT & CLIMATE



GRI: 302, 304-2, 304-4, 305-1, 305-2, 305-3, 305-4

Our Company is following a proactive approach to environmental matters and supports initiatives to promote greater environmental responsibility. Screening procedures and environmental and social standards are outlined and included in the decision-making processes before developing, constructing, or acquiring a project.

We strive to build relationships with our business partners that are characterized by implementing the best possible environmental practices.

Main goals achieved in 2023

- + Refine and extend disclosure of scope 3 categories
- + Refine & extend GHG disclosure of our assets
- + Training on the ESMS to all MPCES employees and projects
- + Implementation of Environmental tools of the ESMS

Installed Capacity 100% renewable (MW)	2021	2022	2023
Operation	0	15,8	79 ⁵
Construction	0	63,3	0

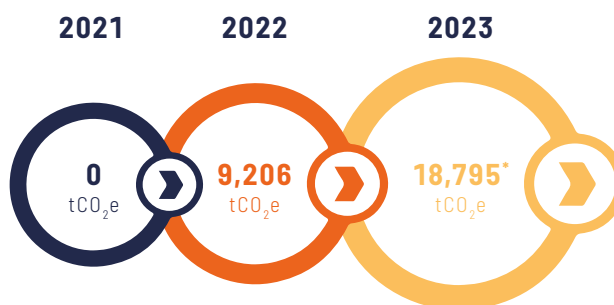
GHG EMISSIONS AVOIDED

During 2023, the operation of four of our power plants started. Joining Los Santos I in Mexico already reported in 2022, our projects Santa Rosa & Villa Sol in El Salvador, Neol CHP in Puerto Rico, and Planeta Rica and Los Girasoles in Colombia. Given this achievement, our contribution to avoiding emissions increased considerably in 2023 in relation to previous periods.

tCO ₂ eq	2021	2022	2023
Total emissions avoided ⁶	0	9,206.38	18.860
Total emission avoided by equity share	0	9,206.38	18.795

Climate Emission

As a company that generates electricity from renewable sources, we contribute clean energy to the electricity grid, which allows us to replace fossil fuels and reduce greenhouse gas (GHG) emissions.



* Per equity share

⁵ MPC Energy Solutions stake 65.35 MW of the total MW in operation Stage.

⁶ The calculations were made considering information about electricity generation provided by Global Data, using 2022 as year to determine the baseline scenario and each country's matrix to build the database of CO₂ avoidance per project.



GREENHOUSE GAS EMISSIONS (GHG)^{7,8,9}

As a company, we calculate and report our GHG emissions according to the Greenhouse Gas Protocol Initiative (GHG Protocol), which is the most important standard for measuring greenhouse gas emissions, developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). The reporting considers the following greenhouse gases, all converted into CO₂ equivalents: CO₂, CH₄ (methane), N₂O (laughing gas), SF₆, HFCs, and PFCs.

Our carbon footprint is based on the total energy consumption related to our corporate operations. The carbon footprint gives a general overview of our Company's greenhouse gas emissions, converted into CO₂ - equivalents and it is based on reported data from internal and external systems. To help us track and record our emissions, we are using a web-based tool from CEMAsys, a specialized sustainability consultancy based in Norway.

In this section of the report, we will focus on GHG emissions associated with the corporate office in Amsterdam, Panama City, and Bogota, as well as on our power plants under construction and operation.

During 2023 we have worked to gain a greater understanding and accuracy of the emissions derived from the operation of our businesses and their impact on the environment, specifically those associated with the construction and operation of our plants. We increased and unified the monitoring and reporting of our activities allowing us to expand our emissions accounting in scope 1, 2, and 3 for all our projects. In this year's report, we have incorporated, in relation to the previous report, the Scope 1 and 2 emissions associated with our projects, as well as the Employee commuting category within Scope 3 for our projects.

⁷2022 corresponds to the base year chosen, as it is the first year MCPCES included the emission generated by the projects under construction and operations in the report and included material Scope 3 emissions.

⁸The consolidation approach corresponds to financial control.

⁹For this period report, the information regarding our Project Neol is not included.

Scope 1 and 2 greenhouse gas emissions

Total GHG emissions	Unit	Actual 2021	Actual 2022	Actual 2023
Scope 1 ¹⁰	tCO ₂ e	2.1	1.9	101.95
Scope 2 ¹¹	tCO ₂ e	-	-	-
- market-based method	tCO ₂ e	3.4	11.6	5.4
- location-based method	tCO ₂ e	3.0	9.8	112.2

Scope 1 emissions is 101.95 tCO₂ in 2023, marking a considerable increase compared to 2022. This is explained in its major part cause for this year report we are adding to the natural gas consumption of our offices the emission regarding to the construction and operation of our projects. Specifically for this report we are including fuel consumption of the use of heavy machinery, vehicles, and electric generators

Scope 2 is also higher in 2023, as we are now reporting the electricity consumption of our projects in addition to the electricity consumption of all offices. In 2022, we only reported the consumption of our offices.

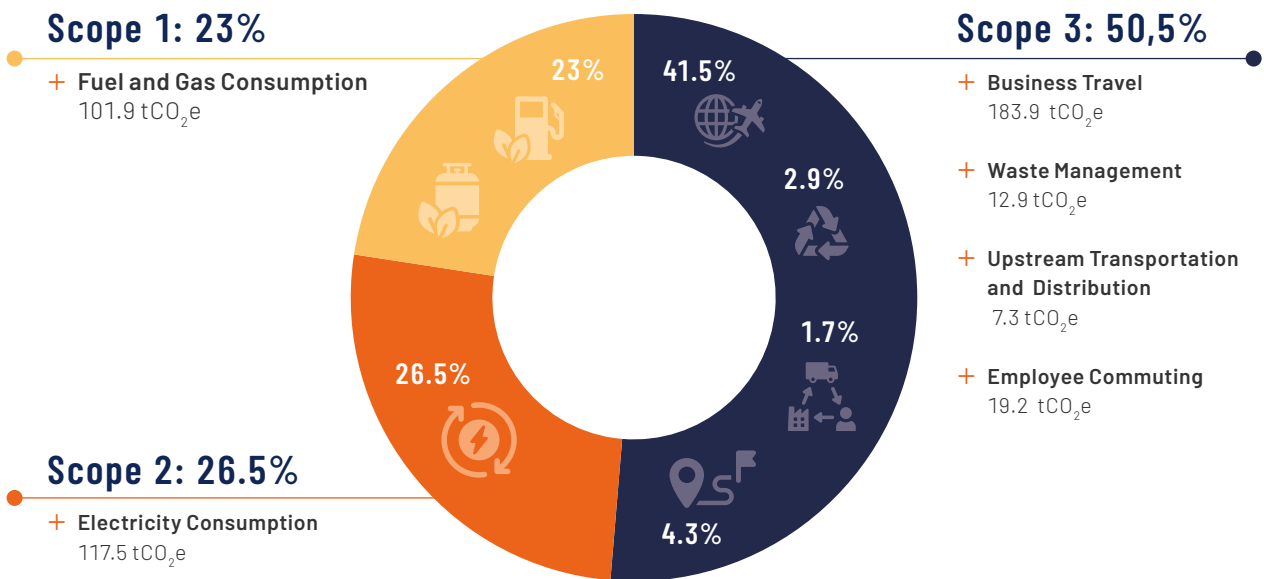
Scope 3 gas emissions

Total GHG emissions	Unit	Actual 2021	Actual 2022	Actual 2023
Business travel	tCO ₂ e	47	155	183.9
Upstream Transportation and Distribution	tCO ₂ e	-	1,131	7.25
Waste	tCO ₂ e	-	19	12.85
Employee Commuting	tCO ₂ e	-	-	19.15
Scope 3 Total	tCO₂e	47	1,305.6	223.25

For **Scope 3**, the results are significantly lower than in 2022, even though the emissions associated for Business Travel have increased which is explained by the increase of activities for our projects. Yet, the total of emissions from Scope 3 decreased from the previous reporting period since the environmental impact from upstream transportation and distribution activities was reduced considering that no major purchases associated with imported equipment were made during the year 2023.

CO₂e Emissions Generated 2023

(Market-based method)



¹⁰ Refers to gas heating emissions reported in the Amsterdam office, other offices do not have heating demand, None of the A/C systems reported refueling of refrigerant in 2021, 2022 and 2023. It also include fuel consumption of the use of heavy machinery, vehicles, and electric generators.

¹¹ Results include electricity consumption of offices in Panama, Colombia, and Amsterdam, and electricity consumption of our assets.

Total GHG emissions	Unit	2021	2022	2023
Scope 1+2+3 Total with Market-based electricity calculations	tCO2e	52.5	1 319.2	442.8

Although we have increased our visualisation and accounting of emissions, the total annual emissions show a significant decrease, as emissions associated with Upstream Transportation and Distribution, which accounted for 87% of the total emissions reported in 2022, show a considerable decrease in 2023. This is mainly explained by the fact that no new projects were started construction during 2023 so exports of materials were not significant.

For the coming year, we expect to have an increase in our total emissions due to the start of construction of our projects, which will imply a significant increase in our Scope 3.

EMISSION INTENSITY

For 2023 the intensity ratio for MPCES corresponds to 0.0054 tCO₂e per MWh generated. This year we conducted this measurement for the first time, which allows us to have better management of our emission impact to the environment and to be able to set more accurate goals for the future.

Emission Intensity Ratio ¹²	Unit	2023
Absolute GHG emission	tCO2e	442.8
Annual energy production ¹³	MWh	88,700
Intensity Ratio	tCO2e	0.0054

¹² Absolute emissions include Scope 1, 2 and 3 for all company operations (Offices and Projects information).

¹³ Correspond to the production volume of electricity per equity share of MPCES operational project for 2023 period.

DETAILED PROJECT INFORMATION

	Los Girasoles	Planeta Rica	Santa Rosa & Villasol	Los Santos
Scope 1¹⁴	14	84,55	1.5	-
Scope 2¹⁵				
+ market-based method	-	-	-	-
+ location-based method	3.1	-	8.6	95.5
Scope 3	15.5	6.35	0.1	17.5
+ Upstream Transportation and Distribution	4.4	2.45	-	0,4
+ Waste	11.1	1.65	0.1	0.1
+ Employee Commuting	-	2.25	-	16.9

¹⁴ None of the A/C systems reported refueling of refrigerant in 2021, 2022 and 2023. It includes fuel consumption of the use of heavy machinery, vehicles, and electric generators.

¹⁵ Results include electricity consumption of our assets.

Biodiversity

Utility-scale renewable energy plants may generate negative impacts on biodiversity. For solar and onshore wind projects, land clearance processes may cause loss or fragmentation of protected areas and other areas of conservation interest. In the construction phase of solar and wind plants, there may be some impacts on habitats and species. For instance, in solar power projects, the main impact relates to the change in land usage and the effect on the landscape.

In MPCES, we work to identify possible impacts of our activities on biodiversity. During the development phase, we perform Environmental & Social Due Diligence (ESDD) and Environmental & Social Impact Assessment (ESIA)s for all our projects to identify potential risks and impacts. Biodiversity analysis is part of these studies.

In the ESDD and ESIA, official inventories of conservation status are screened to assure compliance with local legislation and requirements. Since the ESIA gives lead to recognize flora and fauna biodiversity in the area of influence, the species found are checked in the IUCN red list (International Union for Conservation of Nature) and the national conservation lists. Then, in the risk assessment stage, we identified if the protected species could be affected or not by our activities. In case there is a possible negative impact, an environmental and social management plan (ESMP) is created to avoid, reduce, and mitigate the potential negative impacts, and enhance positive impacts. The ESMP is always designed following the specific country's regulations and good practices.

In 2023, our projects in operation reported was Los Santos I in Mexico, Neol CHP in Puerto Rico, Santa Rosa & Villa Sol in El Salvador, and Planeta Rica and Los Girasoles in Colombia. None of these operating plants are within protected areas. The remaining projects of our portfolio are in the development phase, and the E&S due diligence is being performed but not yet concluded.

According to the IUCN red list:

- + No critically endangered species were identified.
- + We identified four endangered species in our projects: *Zamia melanorrhachis* in Colombia, *Swietenia humilis*, *Eugenia salamensis* and *Persea schiedeana* in El Salvador.
- + Five vulnerable species: *Pterocarpus acapulcensis*, *Tayassu pecari*, *Aotus griseimembra*, *Leopardus tigrinus*, and *Anolis Specrum* in Colombia, and *Cedrela odorata* in Colombia and El Salvador.

The species listed above were identified through the E&S due diligence and ESIA of the projects which completed the development phase.

Critically Endangered	Endangered	Vulnerable	Near Threatened	Least Concern
0	4	5	6	310

WORKING ENVIRONMENT



GRI 2-7, 205-2, 401-1, 401-2, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 405-1

Company Culture

Maintaining a professional and positive workplace is vital to achieving a high degree of employee engagement. We take great pride in our organizational build-up where we seek to create an inclusive working environment and to ensure that employees thrive and succeed, and are offered personal development, guidance, and motivation.

We are committed to promoting labor rights and fostering decent job opportunities which support responsible economic development and guarantee safe working conditions throughout the entire business phase. Our workplace should be recognized by fair treatment, non-discrimination, and equal opportunities for everyone.

Our company-wide Values, Vision and Mission statements were completed in 2022 and communicated to all stakeholders. Internally, we communicated our them during a workshop with all employees.



Vision, Mission, and Values

www.mpc-energysolutions.com/company/about-us

OUR COMPANY HIGHLIGHTS THE IMPORTANCE OF THE FOLLOWING PRINCIPLES:

- + We prioritize local employment considering gender equality in the hiring process and ensuring equal opportunities.
- + We aim to ensure that employees receive fair treatment and equal working conditions.
- + We prioritize local direct and indirect employment.
- + Employees who are performing identical or similar jobs should receive equal remuneration.
- + Employees shall be entitled to the same benefits regardless of whether they are employed full-time or part-time, including parental leave.
- + We strive to develop and implement labor management plans to promote the technical and professional skills of employees.
- + We aim to ensure that information on compensation and career advancement is made available to all employees.
- + We encourage employees to actively use the implemented grievance mechanisms.
- + We promote workplace diversity in all projects.



EMPLOYEE WELL-BEING & DEVELOPMENT

Our Company does not have any employee representatives or working environment committees today, but we are regularly communicating with employees on their well-being and personal development. This includes, for example, meetings with teams and working groups, events, and direct conversations, annual employee development reviews, as well as annual compensation reviews.

Our management is always in direct and close contact with employees and is practicing an 'open-door policy'.

We offer a market-based overall compensation that reflects employees' career level, education and responsibility, and benefits in line with market standards. We are also arranging several social activities, such as joint celebrations, team dinners, excursions, after-work gatherings, offsites and a two-week annual summit, to further strengthen the corporate culture across all offices and regions. Such measures are closely aligned with the renewable energy team of our largest shareholder, MPC Capital, to foster day-to-day collaboration and ensure a regular exchange between the different teams.

Our Company provides regular training opportunities (internal or external), forums and seminars for all employees based on the needs of their corresponding roles. We also encourage employees to make suggestions for specific training or seminars they feel they need or could benefit from.

TRAINING CONDUCTED BY OUR EMPLOYEES DURING 2023

- + Cybersecurity
- + Code of Conduct
- + Essential Phishing Awareness Course
- + Data Protection
- + Data protection
- + Conflict of Interest
- + CEO-Fraud
- + Dutch Lessons
- + English Lessons



Diversity & Equal Opportunities



6
Nationalities

At MPCES, all the people who are part of our organization are at the centre of the activities we carry out. Our goal is to create a positive work environment that fosters diversity and inclusion and thereby generate outstanding results.

Diversity and equal employment opportunities are topics on which there are increasing expectations for transparency and corporate action. We have a direct responsibility to ensure that our Company has a diverse workforce and that equal opportunities are offered to all employees, regardless of their identity or background.

We are committed to providing equal opportunities for all employees and we aspire to be a company with a professional, positive, and inclusive working environment. All employees shall contribute to a working environment free from discrimination and sexual harassment, and we do not tolerate behavior that can be perceived as degrading or threatening.

When evaluating the investment in a new project, the principles of gender equality and empowerment of women should be respected, promoted, and considered. Women and men should be provided with an equal and equitable opportunity to be fully and effectively engaged in the stakeholder engagement process, consultations, and decision-making processes.

As of December 2023, our team consisted of 13 people, 4 women and 9 men. All employees, from 6 different nationalities, have full-time contracts and 12 of them have permanent contracts.

During the year 2023, we hired 5 new employees in new roles or to replace positions due to voluntary resignations.

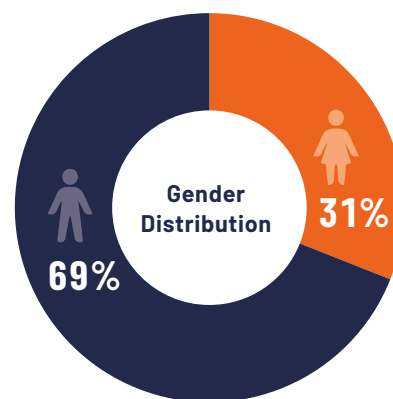
MPCES voluntary turnover rate¹⁶ was 40% for 2023. It's first time that we present this indicator, so we will continue to monitor this closely and work systematically with all factors that drive motivation, engagement and belonging. Turnover in a new, small-sized company like MPCES drives us to be more flexible and creative in our talent management, even though the market for talent, especially in Central America, is very competitive and fluctuation is strongly driven by monetary compensation. Each turnover experience gives us the opportunity to re-evaluate our practices and constantly improve. We are working to address the underlying causes of our staff turnover, which has resulted in an increase in our new hiring rates as we strive to build and maintain a strong team, where every member feels a fundamental part of our shared success.

During 2023 none of our employees took parental leave.



40.5
Years-Old as age average

13
Full-Time Employees



¹⁶Annual Turnover voluntary Rate % : Numbers of employees who left voluntary during the year/ Number of employees at the beginning of the year.

Health & Safety

‘Securing safe and healthy working conditions is one of our highest priorities’.

We develop our activities and manage our business integrating security and protection to maintain the welfare of employees and workers who are involved in our projects.

Our policy is to operate our business in accordance with all applicable safety laws and regulations. Additionally, we have included in our ESMS a Worker’s Health and Safety Management Framework, which is a document underlining the requirements to manage hazardous situations. Each project should adjust the procedures of its activities based on this framework and local regulations or requirements.

Our company’s ambition is to have zero accidents, loss, or damage to people, property, and the environment in our offices and in the project field.

However, if hazardous situations should occur at a project level to workers, as a part of our policies, this should be reported to the project manager for projects under construction and to the technical asset manager for operating projects. The contractors will make a detailed incident /accident report addressing the causes or probable causes, outcomes, and possible course of actions to address it, and if applicable, the plans to be taken to address them and to prevent any future similar event.

The table on the right side the occupational health and safety performance of our MPCES employees. These cover our employees in the Netherlands, Colombia, and Panama. No incidents were reported in 2023. Absence due to illness was 0.86% in the reporting period. The absences due to illness are not related to work-related ill health.


MPCES Employees	Unit	2021	2022	2023
Lost time injury frequency rate	number	0	0	0
Total recordable injury rate	number	0	0	0
High-consequence injury rate	number	0	0	0
Absence due to illness	days	8	54.5	29

No work-related ill health was reported during the reported period, however our offices undertake annual medical checks for all the employees to prevent the development of ill health issues and provide the employees with health care advice.

Project Information	Unit	2021	2022	2023
Lost time injury frequency rate ¹⁹	number	0	2.59	2.16
Total recordable injury rate ²⁰	number	0	3.75	3.46
High-consequence injury rate	number	0	0	0
Working hours ²¹	hours	0	693,713	445,251

The total number of injuries occurred in the projects that were under construction. Most were light injuries. The causes of hazards identified were low perception of the potential risks, inadequate implementation of safe work procedures, and inadequate position for the task, among others. The measurements taken to mitigate such risks were adaptations and extension of the HSE training, and updates in the risk management matrix and the HSE documentation.

No work-related ill health was reported during the reported period.



Fatalities of Employees or Workers

controlled by MPCES as a result of work-related ill health or work-related injury reported for 2023.

¹⁷ Employees: individuals who are in an employment relationship with MPC Energy Solutions. ¹⁸ Workers: individuals that perform work for the organization in our projects and have an employment relationship with our contractors and not with MPC Energy Solutions. ¹⁹ Lost Time Injury Frequency Rate: number of lost time injuries (LTI) x 200,000/work hours performed. LTIs are accidents that result in at least one lost day of work. ²⁰ Total Recordable Injury Rate: number of recordable injuries (TRI) x 200,000/work hours performed. ²¹ A rate based on 200, 000 hours is used since completing 495,251 hours would represent 468 workers working 40 hours per week, 50 weeks per year.

COMMUNITY IMPACT

GRI 2-8; 413-1; 413-2; 411-1



Local Value Creation

Since supply and value chains produce most of our social impact, we aim to promote and improve local education, labor, and workplace standards as well as technical training and certification through partnerships and collaborations.

Our corporate responsibility is reflected in the quality of our work and services, and in our entire range of activities. We target to show consideration for the local communities in which we operate and contribute to the learning and distribution of knowledge where we can. Our company seeks to establish long-term working relationships and meet public authorities and customers with insight, respect, and understanding.

Main goals achieved in 2023

- + Requiring and ensuring local job creation to all our contractors
- + Implementation of Social Tools of ESMS

COMMUNITY ENGAGEMENT

Engaging with the communities where we operate is a key element of building trust. We believe that a good relationship with the community will result in a positive impact for all concerned – stakeholders, partners, and employees alike. We strive to engage in a respectful manner that will benefit our long-term relationship with the local communities.

We are committed to considering that the activities we develop have an impact on the communities and stakeholders where we operate, for which we implement ESG strategies articulated with the communities and their environment. Our corporate guidelines establish the commitment to generate two-way communication under principles of ethics, transparency, inclusion and respect for the communities and stakeholders.

Among the communication channels, informative processes are developed during the different stages of the project (development, construction, and operation), a mechanism has been established so that the communities feel heard and can transmit their concerns and complaints, respecting principles of equality.

Although there is no public disclosure of these assessments, the results are shared with the corresponding individuals or public organizations when required, for instance during the processes to obtain construction permits.

We understand community relations as a series of activities that range from informing the communities to involving them in decisions that could impact them, generating effective communication processes. This relationship also includes social activities that we identify through periodic communication with stakeholders where, on the one hand, they express their inquiries and concerns related to the project and, on the other hand, they request support for cultural activities such as the day of the farmer and festivities such as Christmas for the children of the community. We also worked on structural issues such as the community development plan where the communities themselves, with the support of experts, build the road map of the village, identifying the different interest groups and the mechanisms to address them, in the search for synergies for future social investment projects.

EXAMPLES FOR OUR COMMUNITY ENGAGEMENT



Community Concerns & Claim Assistance

To establish different Grievance Mechanism to be able to canalize and respond to the concerns and claims of the communities in the area of influence of our projects in order to fostering a sense of cohesion and improving the overall welfare of the community.



Information & Communication Activities

To execute activities (public meeting, forums, etc) in aims to ensure that the relevant information of the project is shared, understood and acted upon by the authorities, community members, and others stakeholders. To promote transparency, collaboration and effective decision making processes.



Support Local Initiatives

This activities aim to build strong relationships, foster community empowerment and ensure the long-term sustainability and positive impact of our project on the communities.



Environmental & Social Monitoring

Environmental and social monitoring in a project involves systematically tracking and assessing the project's impact on to ensure compliance with environmental and social standards. To identify potential risk or issues, and inform adaptive management strategies.



Alliances with local Associations

Seeks to position MPCES as an partner that involves all stakeholders and not as the main actor in the promotion of local development. To generate the respective alliances that allow the sustainability and value creation in long-term of the actions that MPCES performs on the communities.



Work with Local Media

Use of local media to optimize the benefits of the investment made by MPCES.

We understand community relations as a series of activities that range from informing the communities to involving them in decisions that could impact them, generating effective communication processes.



Supporting local initiatives



CHRISTMAS EVENTS

Abrego, Norte de Santander, Colombia & Quezaltepeque, La Libertad, El Salvador

Christmas celebrations have a particularly special connotation for Latino communities because they represent religious and cultural beliefs that are framed within their values. It represents an opportunity to strengthen the relationship between the project and the families of the communities. During 2023 we supported the communities of our projects with their local celebrations, the events included the execution of recreational activities with the community families.

FARMERS DAY

Abrego Municipality, Norte de Santander, Colombia

MPCES provided support to celebrate the Farmers Day in Abrego, Norte de Santander. Farming tools were donated, aiming to facilitate and promote improvement in the efficiency of their daily work activities. With these measures we aim to strengthen the relationship between the project and Santa Rita and other surrounding communities, as well as the local authorities, promoting the agriculture.



Community of Santa Rita



Communities of Abrego Municipality

Information and Communication activities with local authorities and communities



COMMUNITIES MEETING

Abrego, Norte de Santander, Colombia
& Quezaltepeque, La Libertad, El Salvador

We carry out information processes with communities and stakeholders at the beginning and end of each phase of our projects. In addition, constant communication is maintained with our stakeholders, mainly with community leaders and governors during the execution of the projects.

CONNECTION EVENT

Abrego, Norte de Santander, Colombia

We carried out with the communities and stakeholders in the municipality of Abrego, the connecting event for Los Girasoles Solar Park it's the different stakeholders of the project" In this activity the communities were recognized and thanked for their active participation in the planning and construction of Los Girasoles Solar Park, highlighting the fulfillment of our environmental and social commitments.



SOCIAL INVESTMENT

We understand social investment as all our activities and management aimed not only at strengthening relationships with stakeholders but also at generating value, leaving a seed capital (knowledge, social cohesion, economic) that contributes to the growth and development of the communities where we operate.

The strategic investments that MPCES makes with its communities strengthen local capacities over time and create positive social and economic impacts for the communities while bringing benefits to the company by strengthening its reputation as an ESG-responsible company, and attracting investors.

Our projects have several indirect economic impacts which benefit our stakeholders. Access to clean affordable energy, promoting self-reliance of countries, and less reliance on fuel imports, and improving the skills of our workers by training in different subjects such as PV Solar Plants and wind farms.

As part of our SVS, we consider the development of the workforce with an emphasis on technical and vocational skills, and the creation of employment and wealth for the communities under de influence areas of our project.

During 2023, we have worked to strengthen the communities, since all our projects reported in the previous period in the construction stage have started their operation during 2023, which implies a decrease in the work created for the communities. During the last year, we have focused our efforts on developing the technical capabilities of the communities, by conducting technical certification courses on renewable energies to provide them with tools to increase their employability. We have also been working with educational centres to provide them with support with our plants for students of careers related to electricity and energy, to contribute to their professional technical training.

Also, with the objective of local economic development with the communities of our projects, we have worked together with them and the local authorities in the elaboration of a local development plan. MPCES prioritizes and defines the following lines of action for social investment:



Local Recruitment

We develop selection processes with local stakeholders seeking equity and transparency to promote greater local hiring by implementing local hiring policies, job fairs recruitment events, securing female work and long term employment opportunities.



Capacity Building

We support communities to strengthen their capacities, skills, knowledges and resources in order to make them more resilience and empower them to actively participate in their own development. By giving to them access to training and skills development with a them focus in renewable energy technology.



Support Local Suppliers & Entrepreneurs

We promote an ensure the process and hiring and suppliers from local and communities where the projects take place.



Support Local Productive Activities

Environmental and social monitoring in a project involves systematically tracking and assessing the project's impact to ensure compliance with environmental and social standards, identify potential risk or issues, and inform adaptive management strategies.



To positively improve the living conditions of the local communities we support the local economic development in the areas of influence where the projects will take place, by strengthening the local capacities and managing a good relationship with the local communities.

Main Social Investment Activities

Generating capabilities for the communities

We aim to support communities to improve their capabilities, resources, and overall well-being by developing joint initiatives with communities to strengthen their individual capacities and the institutions that are part of the communities.



PV TRAINING COURSE

Project: Planeta Rica, Córdoba, Colombia

In May 2023, Planeta Rica Solar Park conducted a course of Recognition of the Technical Regulation of Electrical Installations (RETIE) and a course of Design and Assembly of Photovoltaic Solar Systems, supported by the National Learning Service (SENA). The purpose was to qualify participants from the communities of Loma Azul and La Fortuna in this type of knowledge, and consequently, generate social impact for the territory during the construction stage. A total of 115 participants initially enrolled, and finally, 100 people were certified, 31 of them were women and 69 were men.

Through this training, Córdoba's regional SENA could provide job opportunities to the targeted population, and even expand their possibilities to better job offers. Above all, this initiative sought the revitalization of the economy in the municipality of Planeta Rica as such, and to contribute to men's and women's professional growth with an underlying promotion of the importance of creating enterprises that care for the environment.





'We are grateful for the help given to our student community by allowing us to carry out the technical visit in their facilities, which will serve to improve the teaching and learning process of our students'.
Liceo Federico Antonio Estrada

Santa Rosa & Villasol, Quetzaltepeque, El Salvador

Santa Rosa & Villasol,
Quetzaltepeque, El Salvador



EDUCATIONALS PLANT VISIT

**Project: Santa Rosa & Villasol,
Quetzaltepeque, El Salvador**

The Santa Rosa & Villasol Solar Park has made its facilities available for visits from educational institutions, transferring knowledge related to renewable energies (solar parks) to the student communities. During the educational visits to the solar park, the students can learn about the operation of the park in a dynamic and entertaining way.

During 2023, 4 visits were made from 4 educational centres, in which a total of 90 university students participated. Thus, due to the reception of this initiative, we are seeking to formalize this activity through inter-institutional agreements that allow us to potentialize and generate value.



Santa Rita Community



Solar PV Los Girasoles, Abrego, Colombia



COMMUNITY DEVELOPMENT PLAN

Project: Los Girasoles, Abrego, Norte de Santander, Colombia

We worked during 2023 to strengthen the community of the Santa Rita village in the municipality of Abrego Norte de Santander through the development of the Community Development Plan (CDP). From a territorial approach and in a participatory manner, the strategic objectives of the communities are identified, community management is

strengthened, and social and community dynamics are initiated in a self-managed manner. With the support of resources from the national and local government to contribute to immediate, medium- and long-term solutions. It is expected to be a roadmap for community development and the execution of social investment projects.

Commitment To Local Recruitment

As MPCES, we prioritize local hiring. In our process of socialization of the projects we convene all communities in the area of influence to attract and ensure the hiring of local labour and female participation.



Project: Los Girasoles, Abrego, Norte de Santander, Colombia

During the initial socialization, the project called on the communities in the area of influence for job opportunities, committing to the hiring of local labour and achieving 100% with respect to low-skilled labour. The project also aimed to promote female participation, which resulted in some positive long-term relationship, as is the case of Yuli Angarita (former assembly worker) and her daughter, Dayana Jacome (current security guard), both members of Santa Rita Community. Both, not only contributed productively to the project but also improved her and her daughter's quality of life as a woman and as a head of the family.

This improvement came through an increase in their family income, which has enabled them to access transport and educational opportunities.

Project: Planeta Rica, Monteria, Cordoba, Colombia

Alejandro Narv ez Estrada, Construction Assistant Parque Solar Planeta Rica about working for MPCES: 'Working on the project is very important for me, I have had an improvement in my economic and social situation, since I went from having an informal job to a formal job that covers my social benefits and where I have a better job security'.



JOB CREATION

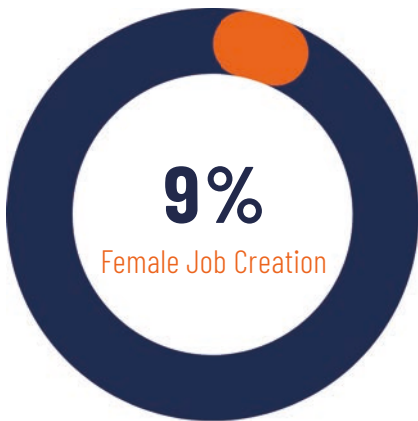
During 2023, new job positions were created by the finalization of our construction activities and entering the operational project stage.

Santa Rosa & Villa Sol located in Quezaltepeque town, El Salvador, and Los Girasoles in Abrego town, and Planeta Rica located in Planeta Rica town, both in Colombia generated a total 453 temporary jobs during the finalization of their construction phase, where 83 % of the new positions were covered by local people.

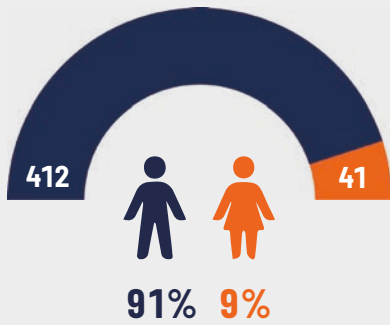
On the other hand, the project Los Santos I, located in Chihuahua, Mexico, generated a total of 7 permanent jobs, and the project "Santa Rosa & Villa Sol" located in Quezaltepeque, El Salvador, created 8 permanent jobs, for a total of 15 permanent jobs, all covered by men, 66% of them were local people.

We are aware of the challenge of incorporating the participation of female labour in the construction and operation of our projects, especially due to the local context we face. However, at MPCES we are making efforts to increase and guarantee the participation of women in our projects, from the early stages we work with the EPC and O&M companies to raise awareness and propose strategies in which gender perspectives are incorporated. Whether by hiring personnel under equal conditions, reviewing recruitment requirements that may exclude women, encouraging the participation of women in non-traditional activities during the construction phase through holding talks in the communities, guaranteeing equal salaries for men and women, and maintaining zero-tolerance policies for gender violence. All of the above follows the implementation of our Gender Equity Framework.

We still have a lot of room to improve in this aspect, and we are working on improving the implementation of our Gender Action Plan Framework for our projects to increase and guarantee female participation.



Temporary Jobs Created



Permanent Jobs



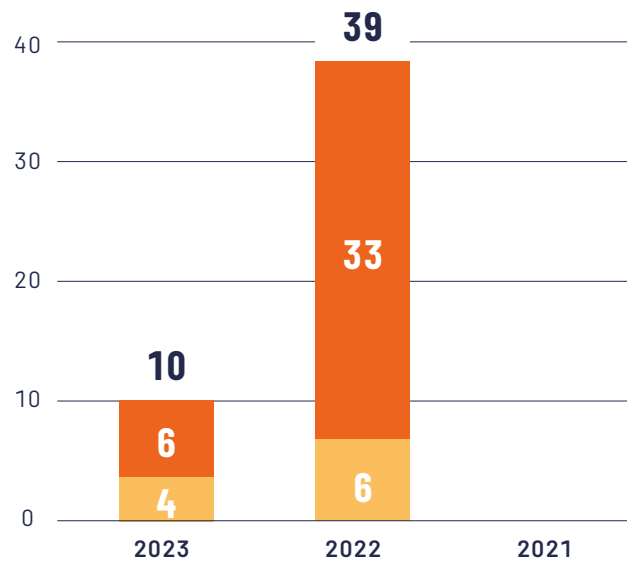
GRIEVANCES

In 2023, the total number of grievances received for our projects in construction and operation phase was 10, of which 60% were resolved.

In the construction stage, there is a high volume of activities, hiring of personnel, and intervention of the land. This is related to a greater number of grievances which comprise 5 projects, which represents an average of 8 complaints per project per year. By 2023, most projects started operations, where the volume of activities is considerably reduced. The intervention in the environment was much less, resulting in a significant reduction in complaints.

The four grievances pending closure are due to the need to undertake activities that are mostly constructive, meaning they must be scheduled according to the project times and sometimes the agenda of the claimants and interest groups involved. In some cases, there are issues associated with a lack of suitable climate conditions or additional studies required.

Grievance Management



	Received	Closed	Opened
Colombia			
+ Los Girasoles	7	5	2
+ Planeta Rica	1	1	0
El Salvador			
+ Santa Rosa & Villasol	2	0	2
Mexico			
+ Los Santos	0	0	0

Indigenous People

Indigenous people are more vulnerable to the adverse impact of any project than the non-indigenous population and need special measures to protect their rights and maintain their livelihoods. They usually participate less in consultation programs, for cultural, social, legal, and economic reasons, and they depend more on the land, natural, and cultural resources that may be affected by the project's development.

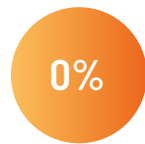
At MPCES, we developed a project framework for Indigenous Peoples (IPPF). The objectives of this IPPF are to create opportunities for the participation of indigenous communities with respect to projects and/or activities that may impact them, as well as in the identification of management measures, mitigation, compensation, etc., agreed in conjunction with the different stakeholders according to the legislation and standards established for prior consultation.

All project information provided to indigenous peoples should be in a form appropriate to local needs and should include local languages, women and members of different generations. Also, in indigenous communities, different groups may be present with various leaders and needs, and additional effort should be made to identify these groups.

The Pacande Solar Farm project (PSF), located in the region of Tolima, Colombia, is the only project of our portfolio in which there is a possible presence of indigenous communities in the area of influence. To date, one indigenous community has been ratified by the National Authority, and we are awaiting from their notification of other possible communities in the area of influence. Once the final resolution is issued, we will proceed to carry out the respective prior consultation process with the indigenous communities identified as potentially impacted by the project.

OUR INDIGENOUS PEOPLE PROJECT FRAMEWORK

- + Avoid, minimize, or compensate for adverse impacts in communities of indigenous people.
- + Respect the human rights, dignity, aspirations, culture, and natural resource-based livelihoods of the indigenous population.
- + Promote that indigenous people take advantage of projects opportunities in a culturally appropriate manner.
- + Maintain continuous communication with the indigenous people.
- + Ensure Free, Prior, and Informed Consent (FPIC) of the Affected Communities of Indigenous Peoples when applicable.
- + To respect and preserve the culture, knowledge, and practices of Indigenous Peoples.



For 2023, we reported zero incidents.



All project information provided to indigenous peoples should be in a form appropriate to local needs and should include local languages and women and members of different generations. Also, in indigenous communities, different groups may be present with various leaders and needs, and additional effort should be made to identify these groups.

GOVERNANCE

GRI 205-1; 205-2; 205-3; 2-15, 2-16; 2-26



Sustainability, the transition to a climate-responsible energy system, the reduction of our environmental impacts and the application of the precautionary principle, as well as the unrestricted respect for human and labour rights, the promotion of equality and diversity, and the fight against corruption, among other aspects, are part of the Company's commitments.

Being a renewable energy developer and operator, MPC Energy Solutions is committed and conscientious of its ESG goals. Our business is conducted globally and therefore adhering to local regulations and local laws is mandatory for our Company and our employees.

As a stock-listed company registered in the Netherlands, MPC Energy Solutions follows the provisions of Book 2 of the Dutch Civil Code including the Dutch Corporate Governance Code.

Main goals achieved in 2023

- + Training 100% of all employees in our Code of Conduct
- + Training across the teams involved in different project cycle stages to embed ESG compliance into our organization
- + Training on the Sustainable Value Strategy

MPCES Policies

CODE OF CONDUCT

Our company has established and implemented a Code of Conduct, which is our governing document outlining our ethical guidelines.

The purpose of the Code of Conduct is to create a sound corporate culture and to preserve our integrity by helping employees to promote standards of good business practice. The Code of Conduct is further intended to be a tool for self-evaluation and a vehicle for the development of the company's identity.

The Code of Conduct applies to all entities controlled by MPC Energy Solutions and all employees, directors, officers and agents. Employees are required to read the Code of Conduct as part of the onboarding process and are encouraged to ask questions regarding the application of the Code of Conduct if in doubt.

The Code of Conduct can be found in the company's internal systems as well as on our website. In 2022, signing the Code of Conduct was implemented as a requirement for all employees. During 2023, we conducted a refresher training session on the Code of Conduct for all employees. Currently, every time a new employee joins the company, signing the Code of Conduct is part of the onboarding process. Compliance training in the Code of Conduct is arranged for employees on a regular basis.

Our Management Board bears the ultimate responsibility for the enforcement of the Code of Conduct, and every manager is also responsible for administering the Code of Conduct as it applies to employees and operations within each manager's area of supervision.

Any violation of the Code of Conduct will constitute grounds for disciplinary action, including, when appropriate, termination of employment. To date, no employment was terminated following violations of the Code of Conduct.

SUPPLIERS & BUSINESS PARTNERS

Our Company places great emphasis on cooperating with business partners that promote high standards of good business practices. Our business partners must practice fair dealing, honesty, and integrity in every aspect in dealing with employees, suppliers, competitors, the public, and government authorities.

A dedicated Business Partner Guideline has been established to ensure transparency and good corporate conduct. By embedding our Company's core values into this guideline, we aim to demonstrate our strong commitment to our business standards. The Business Partner Guideline is included in all contracts with business partners and is also publicly available on our website.

A violation of the Business Partner Guideline should immediately be reported to the business partner's point of contact at MPC Energy Solutions. Breach of the Business Partner Guideline may result in actions being invoked against the business partner in addition to any contractual or legal remedies. Actions applied will depend on the nature and seriousness of the violation and on the degree of commitment shown by the business partner.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT OF MPCES:

Operate our business with integrity and respect laws, different cultures and human dignity.

Operate our business in accordance with fundamental human rights as enshrined in the United Nations Universal Declaration of Human Rights and follow the standards of the International Labour Organization, which are guiding principles encouraged and implemented by the European Union.

Show consideration for the local communities in which we are a part of the environment in which we operate and emphasize the spin-off effects of the Company's activities.

Contribute to learning and distribution of knowledge.

Establish long-term working relationships and utilize the energy sector's expertise for the further development of the industry.

Meet public authorities and customers with insight, respect and understanding, and in an open and appropriate manner and treat suppliers impartially and justly.

Anti-corruption

Our overarching goal is to develop a corporate culture characterized by good judgement and the ability to deal with difficult situations. We have zero tolerance for corruption, price-fixing agreements, market sharing or other practices that hamper free competition.

We will take necessary risk-mitigating actions to prevent independent business partners, including customers and joint venture partners, from participating in corruption or other illegal or unethical activities in connection with their business dealings with MPCES.

As a stock listed company, we have issued an inside information policy which contains rules and procedures to identify confidential or inside information and to prevent unauthorized insider trading and abuse of confidential information.

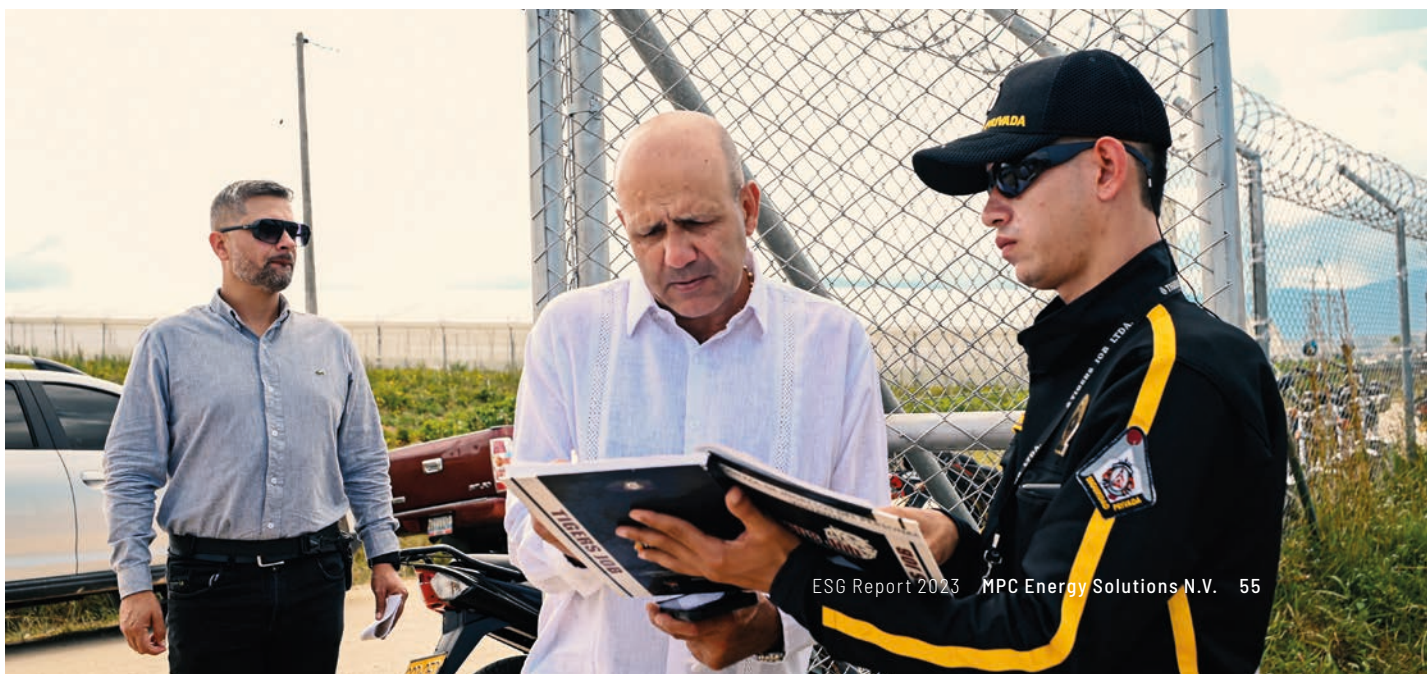
Information about the Company's anti-corruption and anti-money-laundering policies, as well as how to deal with potential conflicts of interest can be found in the Company's Code of Conduct. Anti-corruption training is part of the compliance training arranged annually, including employees of MPC Energy Solutions. Ensuring that we have a full overview of potential risks in our surroundings is important, and all operations are assessed for risks related to corruption. The risks are normally identified when the processes involve the negotiation of agreements and political relations (see below the steps). Identified potential risks related to corruption are overall government relations, negotiations of agreements (e.g., grid connection), land transfer agreements and permits. Any red flags identified during business partner checks are filed and escalated to the Management Board and Supervisory Board for consideration. Our Company monitors different key aspects of all projects, and one of the general aspects that is monitored is the incidents related to business ethics, such as corruption allegations.

No incidents of corruption were reported during 2023. No employees were dismissed or disciplined for corruption, and there were no incidents of contracts with business partners being terminated or not being renewed due to corruption. MPC Energy Solutions is not aware of any legal cases brought against the company nor our employees relating to corruption.

ANTI-CORRUPTION POLICY

Our anti-corruption policy includes the following principles:

- + We tolerate neither active (attempts to bribe others) nor passive corruption (allowing oneself to be bribed).
- + Any demands for 'facilitation payments', i.e. payment of small amounts to civil servants, for example, to have routine services carried out, must be rejected firmly and clearly.
- + Gifts must be made openly. They must not be made in the form of cash, must have a clear, legitimate basis in local business relationships and must have a minimal cash value. Gifts made or received from / to the Company or its employees more than USD 150 must immediately be reported to the employee's immediate superior to allow the Company to keep an updated gift register.
- + Expenses relating to travel, meals and events paid for customers or other persons must be clearly justified by business considerations, must be reasonable and well documented, and must be paid openly.
- + We do not tolerate acts of corruption carried out by its agents or representatives. Agents and other representatives acting on behalf of MPCES must comply with the same anti-corruption standards as the Company.
- + The Company must not make financial contributions to political campaigns or the like.



Reporting Irregularities

Our reporting guidelines are set out in our ESMS Handbook. All risks and other business practices that give raise to concern should be reported to either:

- + The employees' immediate supervisor,
- + A member of the management group,
- + The Compliance Officer, or
- + The Sustainability Manager

Examples of concerns that should be reported include:

- + Conflicts of interest,
- + Criminal activities,
- + Violations of health, safety, or the environment,
- + Violations of the Code of Conduct, or
- + Violation of generally accepted rules/regulations.

All communications are taken seriously, and if warranted, any reports of violations are investigated. Our internal notification procedure includes ensuring confidentiality and protecting the personal data of the person reporting the concern.

Since 2021 as a company, we manage an external whistleblowing channel in our website in addition to the internal notification procedures.



MPC Energy Solutions

www.mpc-energysolutions.com

We encourage our employees, stakeholders, and business partners to report or raise concerns should they suspect or witness unethical or unlawful behavior or actions that contradict our Code of Conduct, including, but not limited to fraud and corruption, harassment and discrimination, and violations of environmental and human rights laws.

All reported concerns will be handled in strict confidentiality, protecting the reporting person and related sources of information against retaliation and ensuring a fair and objective process. When critical concerns are communicated, they will be reported to the Supervisory Board. This mechanism allows external and internal stakeholders to raise their concerns. We regularly monitor the system. In 2023, we communicated the external whistleblowing channel to all our new employees as well as conducted refreshment training for all the company.

We regularly check the system for reported concerns and no irregularities were reported in 2023.



LOOKING FORWARD

MAIN GOALS 2024

During the year 2023 as MPCES, we have increased our efforts to meet our business and support our strategy.

In terms of our material issues, we highlight our progress in refining and expanding our accounting issuance at the Environment and Climate Change level. This will allow us to measure our performance and set emission targets for the future.

The implementation and adoption of the ESMS across the teams involved in different project cycle stages and contractors during 2023 have allowed us to improve the identification of risks and potential impacts for all our projects, both at an environmental and social level.

We have also developed tools to implement with our contractors to ensure local labour and gender inclusion. As many of our projects have moved into operation, our work has focused on creating shared local value by focusing our efforts on developing the technical capabilities of the communities.

Regarding to Corporate Governance issues Statement was completed. We conducted training across the teams involved in different project cycle stages to embed ESG compliance into our organization and we continued to reinforce the message of the Code of Conduct with all our employees, 100% of whom were trained. No incidents of corruption were recorded during the reporting period.

BASED ON OUR 2023 RESULTS AND IN VIEW OF THE GROWTH OF OUR PROJECTS UNDER CONSTRUCTION AND IN OPERATION, WE NEED TO CONTINUE:

Issues	Goal Description
<p>Environment & Climate</p>	<ul style="list-style-type: none"> + Establishment of emission targets related to operational projects + Improve screening tools established for the project origination process + Training on the ESMS to 100% of MPCES Employees and projects
<p>Social</p>	<ul style="list-style-type: none"> + Ensure at least 80% of unskilled local labour is hired for projects under construction + Development of impact indicators for social investment initiatives implemented + Training on Corporate Social Responsibility Disclosure (CSRD) requirements for MPCES employees + Develop a policy and procedure for the Supply Chain
<p>Governance</p>	<ul style="list-style-type: none"> + Implement a Vendor Due Diligence / KYC questionnaire + Improve existing Business Partner Checks / KYC process + Revise and strengthen our existing anti-bribery and anti-corruption policy

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