

**AUDIT AND SUSTAINABILITY COMMITTEE  
REGULATIONS**

**CORPORACIÓN ACCIONA ENERGÍAS  
RENOVABLES, S.A.**

26 May 2021

## Article 1. Nature and object.

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1. The Board of Directors of Corporación Acciona Energías Renovables, S.A. (the "**Company**" or "**CAER**"), has established the Audit and Sustainability Committee (the "**Committee**"), in the terms envisaged by law and governed by the rules set out in the Articles of Association, the Board of Directors Regulations and these Audit and Sustainability Committee Regulations (the "**Regulations**").
2. These Regulations are designed to favour the independence of the Committee and establish its guiding principles and system of internal operation.
3. These Regulations have been prepared taking into account the recommendations of the Code of good governance of listed companies and technical guidelines 1/2017 from the Spanish Securities Market Commission (the "**CNMV**") on Audit Committees and the terms of the framework agreement on relations signed by the Company and Acciona, S.A. (the "**Majority Shareholder**") on 26 May 2021, the "**Framework Agreement**".
4. For the purposes of these Regulations, Group will be understood in consonance with the definition envisaged in article 42 of the Commercial Code
5. For those matters not specifically covered by these Regulations, the operating rules established in the Board of Directors Regulations will apply to the Commission, in particular in relation to the conduct of meetings and the process for the adoption of resolutions.
6. These regulations will enter into force on the date the Company's shares are admitted for trading on the Spanish Securities Markets. They are valid indefinitely.

## Article 2. Approval, amendment and precedence.

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1. These Regulations and their amendments will be approved by a resolution of the Board of Directors acting on a proposal from its Chairperson, the Chairperson of the Committee, or from three directors.
2. These Regulations implement and supplement the rules set out in the Articles of Association and the Board of Directors Regulations applicable to the Committee, the latter taking precedence in the event of a contradiction with these Regulations.

## Article 3. Composition.

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1. In accordance with the terms of the Articles of Association, the Committee will be comprised of between three and five directors, appointed by the Board of Directors, all external, and at least the majority of whom will be independent directors.
2. The Chairperson of the Audit and Sustainability Committee will be chosen by the Board of Directors from among the independent directors belonging to the Committee and will be replaced every four years, with the possibility of being re-elected after a year has passed since he/she steps down.
3. The duties of Secretary of the Committee shall be performed by the Secretary of the Board of Directors and, in his/her absence, by the Deputy Secretary of this body.
4. The members of the Committee in general, and its Chairperson in particular, shall be appointed on the basis of their knowledge and experience in the areas of accounting, auditing, internal control, risk management, whether financial or non-financial, in addition to economic, financial, business and ESG (environmental, social and governance) risks, which all Directors will have.

A director will be considered to have knowledge and experience in the field of accounting and auditing when he/she has:

- a) knowledge of accounting and auditing regulations;
  - b) the ability to assess and interpret the application of the accounting rules;
  - c) experience in drafting, auditing, analysing or assessing financial statements with a certain degree of complexity, similar to those of the Company, or experience in supervising persons involved in such tasks; and
  - d) an understanding of the internal control mechanisms related to the process for obtaining financial and non-financial information.
5. The members of the Committee will leave their positions:
- a) when they cease to be directors of the Company.
  - b) when, even if they are still Company directors, they cease to be external directors.
  - c) when the term for which they were appointed expires and they are not re-elected.
  - d) due to a resolution of the Board of Directors.

#### **Article 4. Operation.**

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1. The Audit and Sustainability Committee shall meet whenever called by its Chairperson, either at his/her own initiative or at the request of any of its members.
2. In the absence or incapacity of the Chairperson, it shall be called by the Secretary at the request of any of its members.  

The meetings will be held on the dates set by the Committee in its meeting schedule and whenever convened by its Chairperson, acting on his/her own initiative or at the request of any of its members.
3. The Audit and Sustainability Committee will meet periodically depending on its needs. It will meet at least quarterly and it will always do so prior to the public dissemination of the regulated non-financial information by the Company.
4. The Committee meeting shall be validly constituted when at least one half of its members attend the meeting either in person or by proxy.  

It will be possible to attend via videoconference, telephone or other means of telecommunication, with those members attending via such means being considered present and other conditions for the Committee applying accordingly.
5. The resolutions of the Committee will be adopted by an absolute majority of those attending the meeting, either in person or represented, and the Chairperson will have a casting vote.
6. The Committee may request the presence of the directors it considers necessary, and of the external auditor of any company in the group, at its meetings. It may also obtain advice from external experts.

The Committee will have appropriate, advisable and sufficient access to information and in this regard:

- a) The Chairperson of the Committee and, if he/she sees fit or if so requested by the rest of members, will maintain regular contact with key personnel involved in the governance and management of the Company.
- b) The Chairperson of the Committee, via the Committee Secretary, will channel and supply the necessary information and documentation to the rest of Committee members, giving them sufficient time to analyse it prior to its meetings.

Members will devote sufficient time to analysing and assessing the information received before attending formal meetings of the Committee.

7. With a view to ensuring proper planning making it possible to attain the objects set in an efficient manner, the Committee will establish an annual Plan of work.

The meetings will be planned by the Chairperson of the Committee, informing the Secretary of the same, so that its members receive the documentation sufficiently in advance. Account is taken of the fact that functions of the Committee members are largely of information, supervision and advice, not intervening in execution or management, which is the responsibility of Management.

The Secretary will take the minutes of each Committee meeting. The minutes will be kept at the disposal of the members of the Board of Directors.

#### **Article 5. Functions and responsibilities.**

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1. The primordial function of the Audit and Sustainability Committee is to serve as an instrument and provide support to the Board of Directors in supervising the accounting, financial and non-financial information, best practice in sustainability of the corporate social responsibility in environmental and social matters, the internal and external audit services and risk management.

Moreover, the main function of the Committee will be to inform the General Meeting of Shareholders on issues raised by shareholders at meetings that fall within its remit and inform the Board of Directors of structural and corporate modification operations the Company plans to carry out and, in particular, the proposed exchange equation.

2. In order to perform its function, the Committee will have the following powers, notwithstanding any others established in the legislation in force and in the articles of association or entrusted to it by the Board of Directors:

- a) In relation to the information and internal control systems:
  - i. Periodically review and oversee the effectiveness of internal control systems and the management of financial and non-financial risks relating to the Company and its group, including operational, technological, legal, social, environmental, political and reputational risk or risk related to corruption, so that the main risks are identified, quantified, managed and duly publicised.
  - ii. Discuss the significant weaknesses of the internal control system detected in the course of the audit with the auditor, without compromising its independence, preparing any recommendations or proposals for the Board of Directors together with a timeframe for follow-up.

- iii. Establish and supervise a mechanism that enables employees and other persons related to the Company, such as Directors, shareholder, suppliers, contractors or subcontractors, to notify potentially significant irregularities, including financial and accounting ones, or of any other kind, related to the Company that they notice in the same or in its group. This mechanism will guarantee confidentiality and, in any event, envisage scenarios in which communications can be made anonymously, respecting the rights of the whistle-blower and the reported person.
  - iv. Ensure that the risk control and management policy identifies or determines at least:
    - a) The different types of financial and non-financial risk (operational, technological, legal, social, environmental, political and reputational, including those related to corruption, among others) faced by CAER, with the financial or economic risks including contingent liabilities and other off-balance sheet risks.
    - b) A risk control and management model based on different levels, which will include a specialist risk committee when the sector-specific rules so envisage or the company deems it advisable.
    - c) The level of risk that CAER considers acceptable.
    - d) The measures envisaged to mitigate the impact of the risks identified, in the event they materialise.
    - e) The information and internal control systems that will be used to control and manage such risks, including contingent liabilities and other off-balance sheet risks.
  - v. Ensure in general that the policies and systems established with regard to internal control are applied effectively in practice.
- b) In relation to risk control and management: under the direct supervision of the Audit and Sustainability Committee there will be an internal risk control and management function, responsible for at least the following functions:
- i. Ensuring proper operation of the risk control and management systems, in particular, that they duly identify, manage and quantify all important risks the Company is facing.
  - ii. Participating actively in the preparation of the risk strategy and in the important decisions on management of the same.
  - iii. Ensuring that the risk control and management systems mitigate the risks adequately in the context of the policy defined by the board of directors.
- c) In relation to the external auditor:
- i. To propose to the Board of Directors, for submission to the General Meeting of Shareholders, the selection, appointment, re-election or replacement of the auditors, taking responsibility for the selection process in accordance with the applicable regulations, as well as the hiring conditions and obtaining regular information from the auditor on the audit plan and execution of the same, in addition to preserving its independence in the exercise of its functions.
  - ii. To inform the General Meeting of Shareholders of the issues raised at meetings by the shareholders that fall within its remit and, in particular, on the outcome of the audit, explaining how it has contributed to the integrity of the financial information and the role played by the Audit and Sustainability Committee in this process.
  - iii. To establish the appropriate relations with the auditors in order to receive information on those issues that may jeopardise their independence, to be examined by the Audit

and Sustainability Committee, and any others related to the audit process and, where appropriate, the authorisation of services other than those prohibited, in the terms envisaged in the applicable regulations, as well as those other communications envisaged in the legislation on auditing and other audit rules. In any event, each year the Audit and Sustainability Committee will receive written confirmation from the auditors of their independence from the Company and any directly or indirectly related entities, as well as detailed and individualised information of the additional services of any kind provided and the corresponding fees received by these entities or by the external auditor or by any related entities or persons, in accordance with the provisions of the legislation on auditing.

- iv. To issue, prior to the publication of the audit report, an annual report expressing an opinion on whether the independence of the auditors or audit companies has been compromised. This report will, in any event, address the provision of additional services to those mentioned in the foregoing paragraph, considered individually and on aggregate, other than the legal audit and in relation to the regime of independence or the regulations governing auditing.
  - v. In the event of the resignation of the external auditor, examine the circumstances behind it.
  - vi. To ensure that the remuneration of the external auditor for its work does not compromise its quality or independence.
  - vii. To ensure that the Company notifies the CNMV of a change of auditor and does so with a declaration on the potential existence of disagreements with the outgoing auditor and the content of the same, as the case may be.
  - viii. To ensure that the external auditor holds an annual meeting with the plenary session of the Board of Directors to inform it of the work carried out and the evolution of the Company' accounting and risk situation.
  - ix. To serve as a channel for communication between the Board of Directors and the external auditors, assessing the outcome of each audit and the replies of the management team to its recommendations, and mediate and arbitrate in the case of disagreements between the two in relation to the principles and criteria applied in the preparation of the financial statements;
  - x. To ensure that the Company and the external auditor respect the rules in force on the provision of services other than auditing, the limits on the concentration of the auditor's business and, in general, any other rules on the independence of auditors.
  - xi. To encourage the auditor of the group to assume responsibility for auditing the companies that comprise it.
- d) In relation to the internal audit:
- i. To supervise the internal audit that will ensure the proper operation of the information and internal control systems. In this regard, the person responsible for the internal audit function will depend functionally on the chairperson of the Audit and Sustainability Committee.
  - ii. To propose to the Board of Directors the selection, appointment and removal of the person responsible for the internal audit service, participate in determining the variable components of his/her remuneration and evaluate his/her performance annually.
  - iii. To approve and supervise the annual plan of work of the internal audit service, ensuring that its activity is mainly focussed on the relevant risks, including reputational risk; receive periodic information on its activities, including possible incidents and limits to its scope arising in the course of its execution, the results and the following-up of its

- recommendations; and receive a report on its activities at the end of each financial year and a plan of action to correct any deficiencies observed.
- iv. To verify that the management team of the Company has regard to the conclusions and recommendations of the activities reports of the internal audit services.
  - v. To supervise the internal audit services of CAER and its group, approving the annual budget for the department and scrutinising the selection and hiring processes for internal audit personnel.
  - vi. To ensure the independence of the unit that assumes the internal audit function.
- e) In relation to the Financial and non-financial information:
- i. To supervise and evaluate the preparation process, integrity and market presentation of the mandatory financial and non-financial information on CAER and its group, both annual and interim, revising compliance with regulatory requirements, the appropriate delimitation of the consolidation perimeter and the proper application of accounting criteria, and raise its reports to the Board of Directors in this regard as well as, when appropriate, present recommendations or proposals designed to safeguard its integrity, including considering the advisability of an audit or limited review by the external auditor of financial information other than the annual one.
  - ii. In those cases in which the auditor has included a qualification in the annual accounts submitted for the approval of the General Meeting of Shareholders, clearly explain the Committee's opinion at the General Meeting and ensure that a summary of that opinion is published together with the announcement of the General Meeting.
  - iii. To revise the financial and non-financial information published on the Company's corporate website, ensuring that it is permanently updated and matches that prepared by the directors.
- f) In relation to supervision of compliance with the policies and rules on sustainability in environmental, social and corporate governance terms, as well as the internal and business codes of conduct:
- i. To identify and guide the Sustainability and corporate social responsibility policies, rules, commitments, objectives, strategy and best practice of the Group on environmental and social issues, which will have the minimum content envisaged in the Code of Good Governance for Listed Companies.
  - ii. To ensure that Company practices in environmental and social matters are in line with the strategy and policies set.
  - iii. To identify and guide the policies and rules on corporate governance before they are raised to the Board of Directors.
  - iv. To supervise compliance with the policies and rules on corporate governance and the internal rules of conduct applicable to the Company and its group, ensuring that the corporate culture is in line with its purpose and values.
  - v. To inform on related-party transactions to be approved by the General Meeting the Board of Directors, and supervise the internal procedure established by the Company for those whose approval has been delegated in accordance with the law.
  - vi. To supervise the application of the general communication policy with regard to the reporting economic-financial, non-financial and corporate information, as well as communication and contact with shareholders and investors, proxy advisors and other stakeholders. In particular, communication and relations with small and medium-sized shareholders will be monitored. Evaluation of the relationship processes with the different stakeholders.
  - vii. The periodic evaluation and review of the system of corporate governance and of the policies and rules on environmental and social matters in the Company and its group, so that they perform the task of promoting the Company's interest and take into account, as appropriate, the legitimate interests of the other stakeholders.

- viii. To ensure compliance with these Regulations, the Regulations of the General Meeting of Shareholders and the Internal Code of Conduct of the Securities Markets and, in general, all CAER's rules of governance, making the necessary proposals for improvement of the same.
- g) Specifically in relation to the Framework Agreement, and notwithstanding the terms of section f) above:
- i. To inform the Board of Directors or General Meeting of Shareholders of CAER, depending which body is competent, in advance, in order to decide on related-party transactions between Acciona and the Company, or between any of the companies in their respective groups. In particular, inform on their reasonability, giving an account of the methods on which the assessment is based and the criteria used.
  - ii. To inform the Board of Directors of CAER in advance on any sections of the periodic public information and the annual corporate governance report of CAER that refer to the Framework Agreement and the related-party transactions between the Acciona Group and the Company's group.
  - iii. To inform the Board of Directors in advance of situations in which the business opportunities of Group companies and of the Acciona Group coincide and monitor compliance with the terms of the Framework Agreement in this regard.
  - iv. To periodically inform the Board of Directors on compliance with the Framework Agreement, and, occasionally, on any proposal to amend the Framework Agreement, or on any proposed settlements designed to resolve differences arising between the signatories in relation to application of the same.

The Audit and Sustainability Committee can ask the Acciona Group and the Company's group for all information necessary for the purpose of performing its duties in relation to the Framework Agreement.

- h) In relation to other functions:
- i. To be informed of structural and corporate modification operations the Company plans to carry out for analysis and prior reporting to the Board of Directors on their financial conditions and accounting impact and, in particular, on the proposed exchange equation.
  - ii. To inform in advance of the creation or acquisition of holdings in special purpose entities or entities domiciled in countries or territories that are considered tax havens, as well as any other transactions or operations of a similar nature that, due to their complexity, could undermine the transparency of the group.

#### **Article 6. Communication with the External Auditor and the Internal Auditor.**

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1. In order to properly discharge its duty of supervision, the Committee will be apprised of and understand the Management decisions on the application of the most significant criteria and the results of revisions carried out by Internal Audit. Moreover, it will maintain fluid communication with the External Auditor in order to obtain its opinion on the financial and non-financial information.
2. Communications with the Internal Auditor and the External Auditor, with the latter in particular, will respect its independence and address the following issues, among others:
  - Propriety of the consolidation perimeter;
  - Judgements, criteria, assessments and estimations carried out that have a significant impact on the related financial and non-financial statements;
  - Changes in the significant criteria applied;



- Analyse the reasons why the company needs to break down in its public information certain alternative performance measures (APM), instead of the measures directly defined by the accounting regulations, the extent to which they offer useful information to investors and the degree of compliance with the provisions of the ESMA (European Securities Market Authority) Guidelines,
  - Significant or material weaknesses in internal oversight, as the case may be;
  - Significant adjustments, or differences of judgement, identified by the External Auditor or resulting by the revisions carried out by Internal Audit and Management's position in relation thereto. Moreover, it will address, reply to and duly take into account any requests sent, in the current financial year or previous ones, by the Supervisors of financial information, ensuring that the financial statements do not repeat the same kind of incidents identified previously in such requests.
3. The Committee will verify that the head of Internal Audit has direct access to the Audit and Sustainability Committee.
  4. Likewise, the Audit and Sustainability Committee will debate with the External Auditor any circumstances that may generate a threat to its independence and assess the effectiveness of the safeguards adopted, as well as understanding and assessing the relations between the Company and its related entities and the External Auditor and its network, where they entail the provision of non-audit services or any other kind of relationship.

Communication between the Audit and Sustainability Committee and the External Auditor will be fluid and continuous.

The Committee will obtain information on the audit plan from the External Auditor on a regular basis, as well as on enforcement thereof and any other issues related to the process of auditing the accounts, in particular any disagreements that may arise between the External Auditor and Management.

Moreover, communications between the External Auditor and the Committee will be in line with the obligations established in the regulations governing the auditing of accounts and not compromise the independence of the External Auditor or the effectiveness of the audit carried out or the audit procedures executed.

With a view to facilitating communication between the Audit and Sustainability Committee and the External Auditor, it is advisable that:

- The Committee and the External Auditor notify each other of any relevant aspects detected in relation to accounting, the internal oversight system or the audit.
- The Committee ask the External Auditor for the most relevant aspects of its strategy and working plan, including the determination of its materiality or relative importance threshold; the significant risks identified; the resources assigned and the justification, where appropriate, for the use of specialists; and a schedule of tasks, indicating the monitoring tests and substantive tests planned.
- The Committee discuss with the External Auditor the judgements made with regard to the quality and applicability of the accounting principles and the significant hypotheses used in critical estimations.
- The Committee ask the External Auditor for the communications necessary to facilitate supervision of the process of preparation and drafting of the economic-financial information.
- The Committee ask the External Auditor for information on materiality thresholds for the financial statements as a whole and, if applicable, for certain transactions, balances or information to be disclosed in the report, and the consideration of qualitative aspects for determining the same.

- The Committee discuss with the External Auditor the methods and hypotheses used by Management in the significant accounting estimations, as well as the effect of the consideration of alternative methods or hypotheses.

#### **Article 7. Interaction between the Committee and the Board of Directors and the Shareholders.**

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1. The Chairperson of the Audit and Sustainability Committee will act as spokesperson in the meetings of the Board of Directors and, if applicable, at the General Meeting of Shareholders of the Company.
2. In relation thereto, if, after the revision of the financial and non-financial information, the Committee is not satisfied with a particular aspect, it will notify the Board of Directors of its opinion.

#### **Article 8. Means.**

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1. The resources needed by the Audit and Sustainability Committee will be processed via the Secretary of the Board of Directors of the Company.

Moreover, sufficient financial resources will be supplied so that, where necessary, the members of the Committee can receive external advice on legal, accounting, valuation, risk or any other issues they may require.

2. The members of the Committee and, in particular, the Chairperson, perform important work that requires a considerable amount of time. Therefore, they may receive sufficient remuneration in line with such responsibility and dedication, and the Chairperson's remuneration may be different to that of the other members of the Committee.

The level of remuneration in this regard will not compromise the independence and objectivity of the Committee members.

#### **Article 9. Committee Appraisals.**

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1. As part of the annual appraisal of the Board of Directors, the Audit and Sustainability Committee will assess its performance autonomously. In this regard, it can request the opinion of the rest of Directors and, if appropriate, enlist the assistance of an external consultant.

The Audit and Sustainability Committee will inform the Board of Directors of the aspects appraised and the result of the appraisal, so that they are taken into account in the annual assessment of the Board.

2. As part of the Internal Audit oversight process, the Committee will assess the operation of the Internal Audit and the performance of the person responsible.

3. In order to complete its oversight tasks, the Committee will carry out a final assessment of the actions of the External Auditor and how it has contributed to the quality of the audit and the integrity of the financial information. If, after the appraisal, the Committee considers that there are worrying or unresolved issues with regard to the quality of the audit, it will consider the possibility of informing the Board of Directors and, if it sees fit, apprise the Supervisory Bodies of the same.

Likewise, the Audit and Sustainability Committee and the External Auditor will consider whether the reciprocal relations have been appropriate and, if necessary, the Committee will take steps to improve them.

## **Article 10. Reports to be Issued.**

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In addition to the reports mentioned in these Regulations, the Committee will draft an Annual Report on the Operation of the Audit and Sustainability Committee, which will allow shareholders and other interested parties to understand the activities carried out by the Committee during the financial year and which will be published on the Company website sufficiently in advance of the Ordinary General Meeting of Shareholders in accordance with the terms of Recommendation 6 of the Code of Good Governance of Listed Companies.

## **Article 11. Welcome and Training Programme.**

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1. New members of the Committee will receive a welcome programme to facilitate their active participation from the outset before they attend their first meeting.

2. The programme will cover at least the following aspects:

- a) The role of the Committee, its responsibilities and objectives.
- b) The operation of the other consultative committees of the Board of Directors.
- c) The time and dedication commitment expected of each of the members of the Committee.
- d) An overall vision of the group's business and organisational model, its strategy and main activities.  
A summary of the financial information; most significant financial and non-financial risks, as well as the structure of Corporate Governance.
- e) Information obligations of the Company and its website.

3. The Committee will also have a periodic training plan to ensure knowledge is up to date in terms of new developments in accounting regulations, internal and external audit, financial and non-financial risk management, internal oversight and specific regulatory changes and technological advances relevant for the Company.

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