

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## ESG Risk Rating

# 11.6

Updated Jan 24, 2022

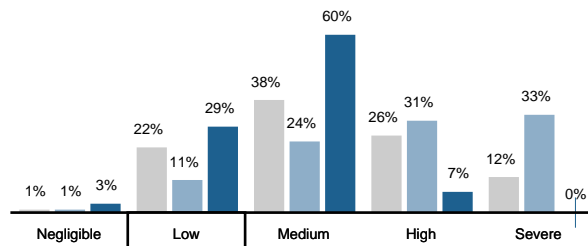
Not  
available

Momentum

## Low Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 <sup>st</sup> = lowest risk)	(1 <sup>st</sup> = lowest risk)
Global Universe	424/14786	4th
Utilities INDUSTRY	7/675	2nd
Renewable Power Production SUBINDUSTRY	4/86	4th

## Peers Table

Peers (Market cap \$1.0 - \$1.0bn)

Peers (Market cap \$1.0 - \$1.0bn)	Exposure	Management	ESG Risk Rating
1. Solarpack Corporación Tecnológica SA	31.2 Low	66.8 Strong	11.6 Low
2. Grenergy Renovables SA	34.2 Low	63.7 Strong	13.6 Low
3. Absolute Clean Energy PCL	30.1 Low	34.9 Average	20.1 Medium
4. Omega Geração SA	34.7 Low	40.8 Average	21.2 Medium
5. BCPG Public Co., Ltd.	30.9 Low	31.9 Average	21.6 Medium

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

### ESG Risk Exposure

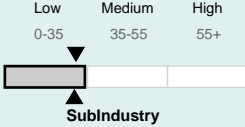
**31.2**

Not available

**Low**

Momentum

Beta = 1.00



Solarpack's operations may contribute to local communities by creating job opportunities, but also exposes the company to community-related issues around land acquisition and operational safety. Related risks include community conflicts and protests which can disrupt or halt operations. The risks inherent in the company's operations expose its employees to workplace hazards. Health and safety incidents can lead to operations delays, fines or even criminal charges for specific managers. Solarpack's assets, often located in remote areas, are also exposed to potential issues around service quality and safe operation of its assets.

The company's overall exposure is low and is similar to subindustry average. Community Relations, Occupational Health and Safety and Product Governance are notable material ESG issues.

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

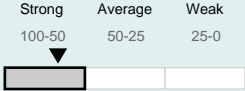
### ESG Risk Management

**66.8**

Not available

**Strong**

Momentum



The company published its first standalone sustainability report in 2020, which references GRI reporting standards but it is unclear what the application level is and the report is not externally verified. ESG issues have been incorporated into the company's strategy and is overseen by the Board of Directors. Solarpack has a detailed occupational health and safety programme and a strong community engagement program with consultations and grievance collection mechanisms. Solarpack also reports an adequate asset integrity management programme.

The company's overall management of material ESG issues is strong.

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Material ESG Issues

These are the Material ESG Issues driving the ESG Risk Rating.

Issue Name	ESG Risk Exposure	ESG Risk Management	ESG Risk Rating	Contribution to ESG Risk Rating
	Score   Category	Score   Category	Score   Category	
Product Governance	5.0 Medium	45.2 Average	3.0 Low	25.5%
Occupational Health and Safety	4.0 Medium	56.3 Strong	2.0 Negligible	17.0%
Community Relations	6.0 Medium	80.0 Strong	1.7 Negligible	14.5%
Corporate Governance	5.0 Medium	71.0 Strong	1.5 Negligible	12.5%
Human Capital	4.0 Medium	67.5 Strong	1.4 Negligible	12.3%
Business Ethics	4.0 Medium	71.3 Strong	1.3 Negligible	11.1%
Land Use and Biodiversity	3.2 Low	73.8 Strong	0.8 Negligible	7.1%
<b>Overall</b>	<b>31.2 Low</b>	<b>66.8 Strong</b>	<b>11.6 Low</b>	<b>100.0%</b>

## Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

### Category (Events)

**5 Severe (0)**

**4 High (0)**

**3 Significant (0)**

**2 Moderate (0)**

**1 Low (0)**

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

## Category (Events)

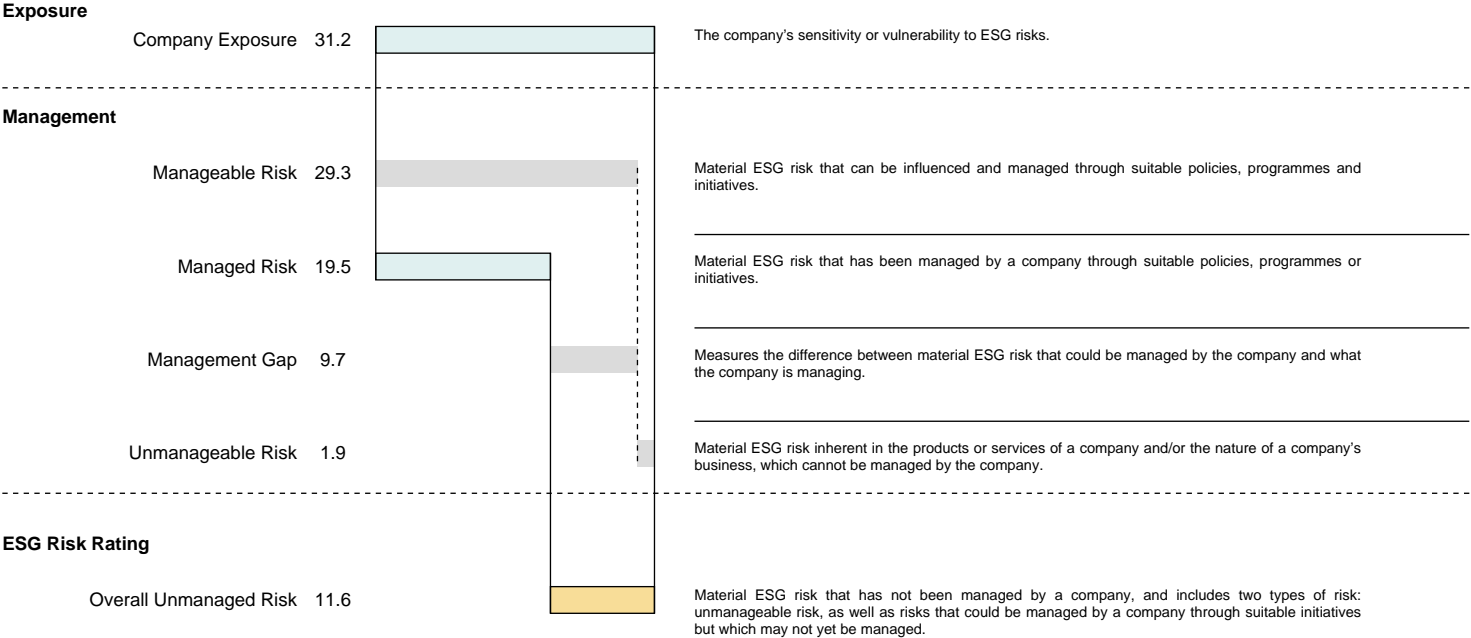
**⚠ None (16)**

- Access to Basic Services
- Accounting and Taxation
- Anti-Competitive Practices
- Bribery and Corruption
- Business Ethics
- Community Relations
- Data Privacy and Security
- Intellectual Property
- Labour Relations
- Land Use and Biodiversity
- Lobbying and Public Policy
- Marketing Practices
- Occupational Health and Safety
- Quality and Safety
- Sanctions
- Society - Human Rights

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Risk Decomposition



## Momentum Details

Not available due to a lack of comparable historical information.

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Issue

Contribution 25.5 %



## Product Governance

Product Governance focuses on how companies manage responsibilities to their clients. Emphasis is put on quality management systems, marketing practices, fair billing and post-sales responsibility.

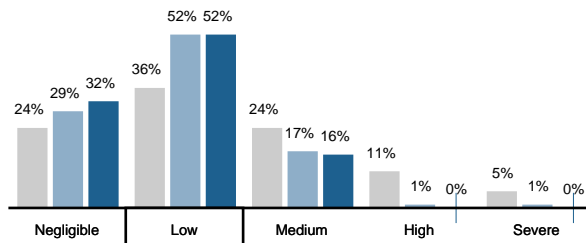
## ESG Risk Rating

# 3.0

## Low Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK (1 <sup>st</sup> = lowest risk)	PERCENTILE (1 <sup>st</sup> = lowest risk)
Global Universe	1737/3940	45th
Utilities INDUSTRY	151/250	61st
Renewable Power SUBINDUSTRY	12/25	46th

## Peers Table

Peers (Market cap \$0.2 - \$2.0bn)

Peers (Market cap \$0.2 - \$2.0bn)	Exposure	Management	ESG Risk Rating
1. Greenergy Renovables SA	4.0 Medium	70.7 Strong	1.5 Negligible
2. Voltaia	4.0 Medium	55.7 Strong	2.0 Negligible
3. Statkraft AS	3.4 Low	21.6 Weak	2.7 Low
4. Solarpack Corporación Tecnológica SA	5.0 Medium	45.2 Average	3.0 Low
5. Arise AB	5.5 Medium	12.0 Weak	4.9 Medium

# Solarpack Corporación Tecnológica SA

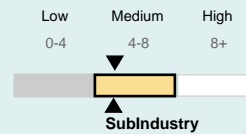
Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

## ESG Risk Exposure

**5.0**  
Medium



Solarpack, as a renewable power producer, faces operational risks related to reliability of power supply and the quality and safety of the infrastructure. Service interruptions at generation facilities may result in companies having to purchase more expensive electricity from the spot market to honour supply contracts with utility customers, which can decrease profit margins. Further, as a power generator, the company also faces risks from cyber-attacks.

The company's exposure to Product Governance issues is medium and similar to the subindustry exposure.

### Exposure Analysis

Subindustry Issue Exposure	5.0
Issue Beta	x <b>1.00</b>
Company Issue Exposure	5.0

### Beta Indicators

### Beta Signal

Access to Basic Services	0.00
Marketing Practices	0.00
Data Privacy and Security	0.00
Quality and Safety	0.00
Operating Performance	-0.03
Solvency	-0.03
Financial Flexibility	0.03
Asset Performance	0.02
Headquarters Location	0.00
Sales Location	0.00
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
<b>Total Beta Signal</b>	<b>0.00</b>
Baseline	+1.00
<b>Overall Beta</b>	<b>1.00</b>

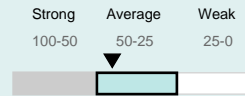
# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

## ESG Risk Management

**45.2**  
Average



Solarpack has an adequate asset integrity management programme, with risk assessments, monitoring and audits. However, the programme is not certified externally to ISO 55001, as per best practices. An undisclosed number of its operations have quality management programmes certified ISO 9001. However, the company's disclosure of its cyber security programme indicates gaps, namely regular external audits and vulnerability assessments and employee training for IT security.

In our view, the company's management of the issue is average.

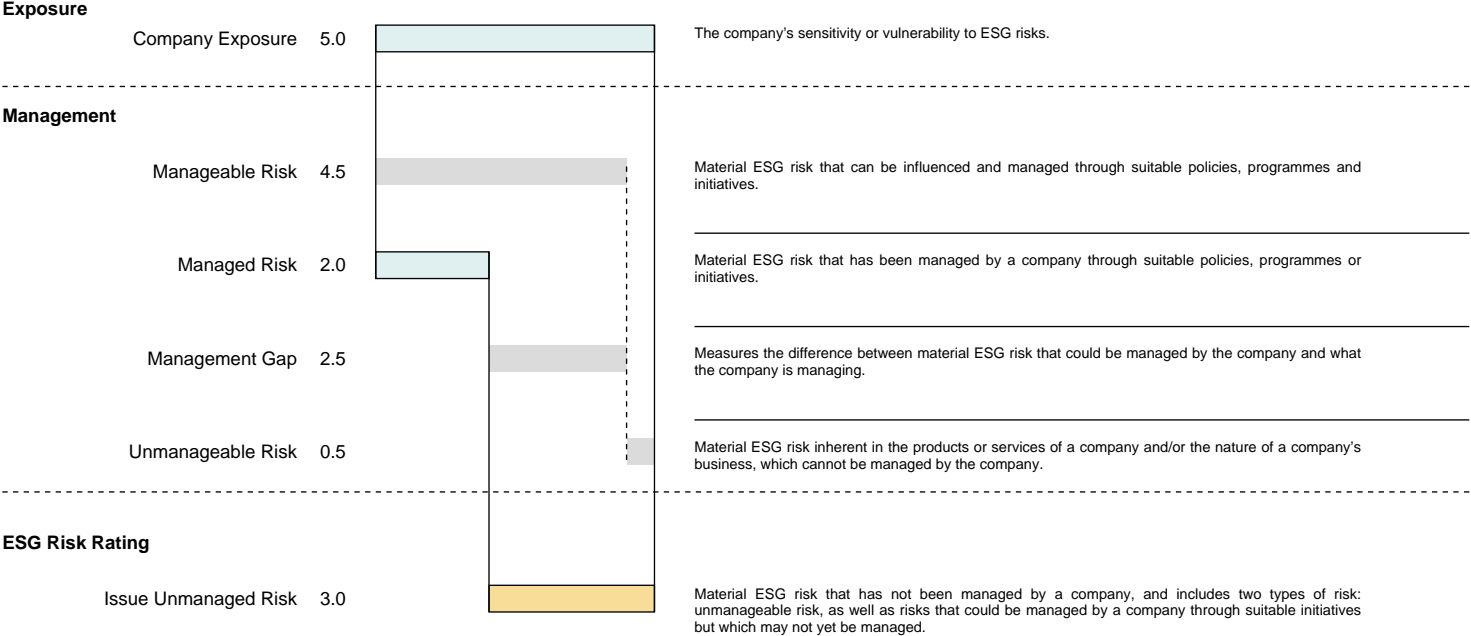
Management Indicators	Raw Score	Weight	Weighted Score
Emergency Response Programme	75	25.0%	18.8
Asset Integrity Management	50	25.0%	12.5
Physical Climate Risk Management	33	17.5%	5.8
Cybersecurity Programme	25	25.0%	6.3
QMS Certifications	25	7.5%	1.9
Access to Basic Services	Category 0	0%	0.0
Data Privacy and Security	Category 0	0%	0.0
Marketing Practices	Category 0	0%	0.0
Quality and Safety	Category 0	0%	0.0
<b>Weighted Sum</b>			<b>45.2</b>



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Risk Decomposition



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Issue

Contribution 17.0 %



## Occupational Health and Safety

Occupational Health and Safety focuses on the management of workplace hazards affecting a company's own employees and on-site contractors. Where relevant, it may also include HIV/AIDS programmes.

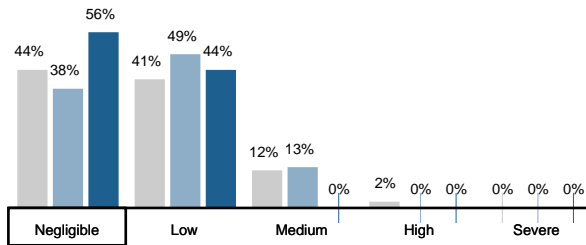
## ESG Risk Rating

# 2.0

## Negligible Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK (1 <sup>st</sup> = lowest risk)	PERCENTILE (1 <sup>st</sup> = lowest risk)
Global Universe	887/2075	43rd
Utilities INDUSTRY	92/247	38th
Renewable Power SUBINDUSTRY	14/25	55th

## Peers Table

Peers (Market cap \$0.2 - \$2.0bn)

	Exposure	Management	ESG Risk Rating
1. Voltalia	4.0 Medium	87.3 Strong	0.9 Negligible
2. Statkraft AS	3.4 Low	58.1 Strong	1.6 Negligible
3. Grenergy Renovables SA	4.0 Medium	64.5 Strong	1.7 Negligible
4. Solarpack Corporación Tecnológica SA	4.0 Medium	56.3 Strong	2.0 Negligible
5. Arise AB	4.0 Medium	19.0 Weak	3.3 Low

# Solarpack Corporación Tecnológica SA

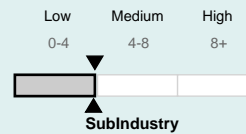
Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

## ESG Risk Exposure

**4.0**  
Medium



Renewables producers employ a large number of people to perform tasks in potentially difficult occupational conditions, including working in remote areas and on high voltage substations. Compliance with regulatory safety standards and maintaining safety records are usually required to maintain licences. While penalties and costs usually become significant only in the aggregate, and over a longer time scale, recent developments show a trend toward substantial increases in fines for safety incidents in some jurisdictions.

The company's exposure to Occupational Health and Safety issues is medium and similar to the subindustry exposure.

### Exposure Analysis

Subindustry Issue Exposure	4.0
Issue Beta	x <b>1.00</b>
Company Issue Exposure	4.0

### Beta Indicators

### Beta Signal

Occupational Health and Safety	0.00
Operating Performance	-0.03
Solvency	-0.03
Financial Flexibility	0.03
Asset Performance	0.02
Headquarters Location	0.00
Assets Location	0.00
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	0.00
Baseline	+1.00
Overall Beta	<b>1.00</b>

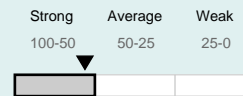
# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.


## ESG Risk Management

**56.3**  
Strong



Solarpack's health and safety management system is strong, with managerial responsibility for the same, risk assessment, regular audits and training. As of 2020, the company is currently in the process of implementing ISO 45001, in accordance with best practices, but it is unclear how many of its operations this covers. The company reported accident frequency rates for 2020, and zero fatalities for the same period but lack of disclosure of historic data for the same makes it difficult to ascertain a year-on-year performance trend.

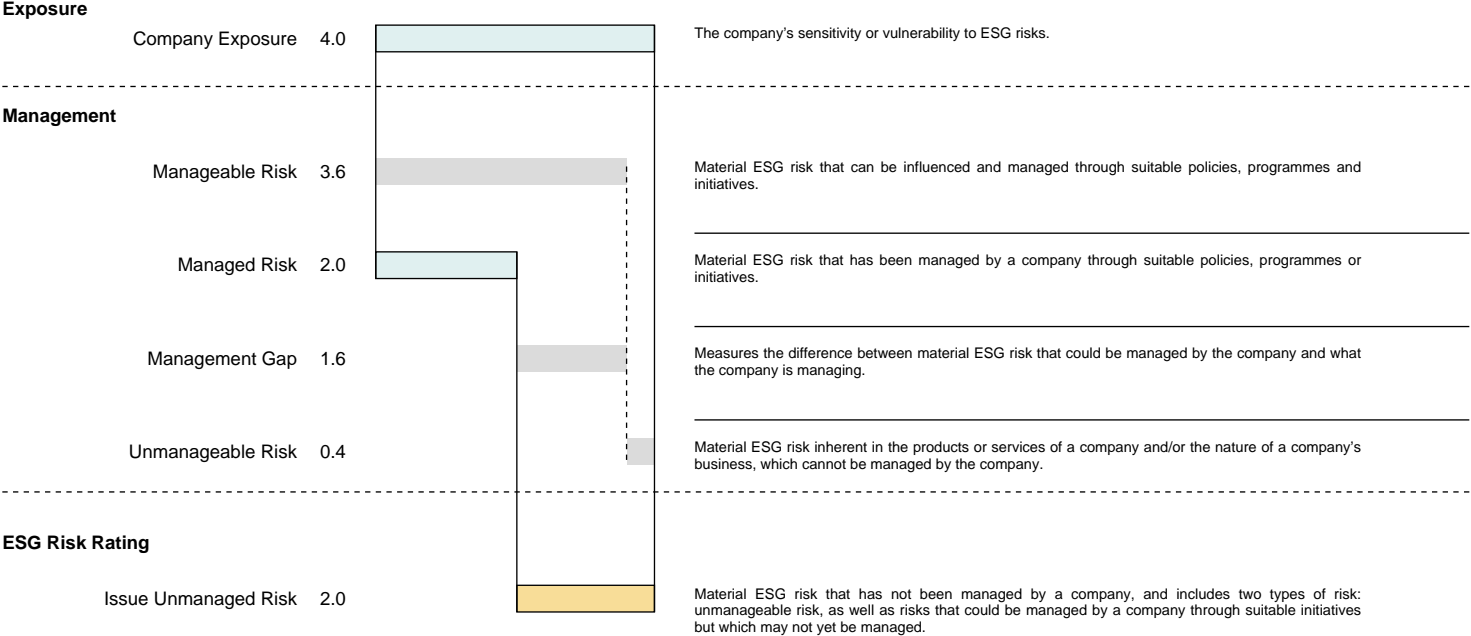
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Contractor Safety Programme	100	15.0%	15.0
Health and Safety Management	100	25.0%	25.0
LTIR Trend	40	17.5%	7.0
Health & Safety Certifications	25	15.0%	3.8
Contractor Fatalities	20	15.0%	3.0
Employee Fatality Rate	20	12.5%	2.5
 Occupational Health and Safety	Category 0	0%	0.0
<b>Weighted Sum</b>			<b>56.3</b>

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Risk Decomposition



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Issue

Contribution 14.5 %



## Community Relations

Community Relations focuses on how companies engage with local communities (including indigenous peoples) through both positive initiatives and mitigation of negative impacts.

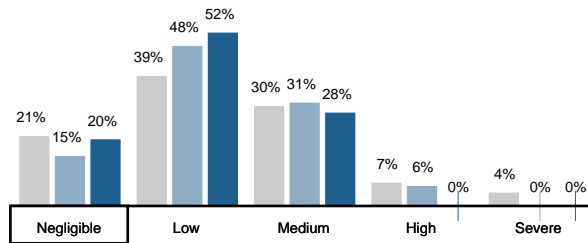
## ESG Risk Rating

# 1.7

## Negligible Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK (1 <sup>st</sup> = lowest risk)	PERCENTILE (1 <sup>st</sup> = lowest risk)
Global Universe	111/870	14th
Utilities INDUSTRY	21/247	9th
Renewable Power SUBINDUSTRY	2/25	5th

## Peers Table

Peers (Market cap \$0.2 - \$2.0bn)

	Exposure	Management	ESG Risk Rating
1. Grenergy Renovables SA	6.0 Medium	80.0 Strong	1.7 Negligible
2. Solarpack Corporación Tecnológica SA	6.0 Medium	80.0 Strong	1.7 Negligible
3. Voltalia	6.0 Medium	67.5 Strong	2.4 Low
4. Statkraft AS	5.4 Medium	36.0 Average	3.7 Low
5. Arise AB	6.3 Medium	25.0 Average	4.9 Medium

# Solarpack Corporación Tecnológica SA

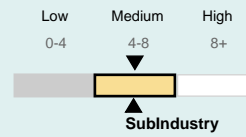
Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

## ESG Risk Exposure

**6.0**  
Medium



Renewables producers can have enormous impacts on surrounding communities through their acquisition and development of large land tracts for hydroelectric dams, solar or wind farms, as well as their use of water sources. Industry companies have had projects delayed after community protests. Because renewables projects may cost hundreds of millions of dollars, delays or difficulties in permits or licences, disruptions to operations, or project shutdowns have significant impacts on companies financially.

The company's exposure to Community Relations issues is medium and similar to the subindustry exposure.

### Exposure Analysis

Subindustry Issue Exposure	6.0
Issue Beta	x <b>1.00</b>
Company Issue Exposure	6.0

### Beta Indicators

### Beta Signal

Community Relations	0.00
Society - Human Rights	0.00
Operating Performance	-0.03
Solvency	-0.03
Financial Flexibility	0.03
Asset Performance	0.02
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
<b>Total Beta Signal</b>	<b>0.00</b>
Baseline	+1.00
<b>Overall Beta</b>	<b>1.00</b>

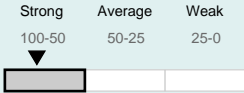
# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

## ESG Risk Management

**80.0**  
**Strong**



The company has established a strong community involvement programme, with stakeholder consultation and meetings with the local community at the early stages of the project, and reports maintaining continued dialogue during the course of project development as well. Complaints can be made through hotlines and dedicated email to contractors and local authorities. While the company reports allocation of funds to community development programs, in partnership with local organizations and funds, there are no details or disclosure of specific objectives, targets or if the programmes are developed in consultation with local communities. In our view, the company's management of the issue is above average.

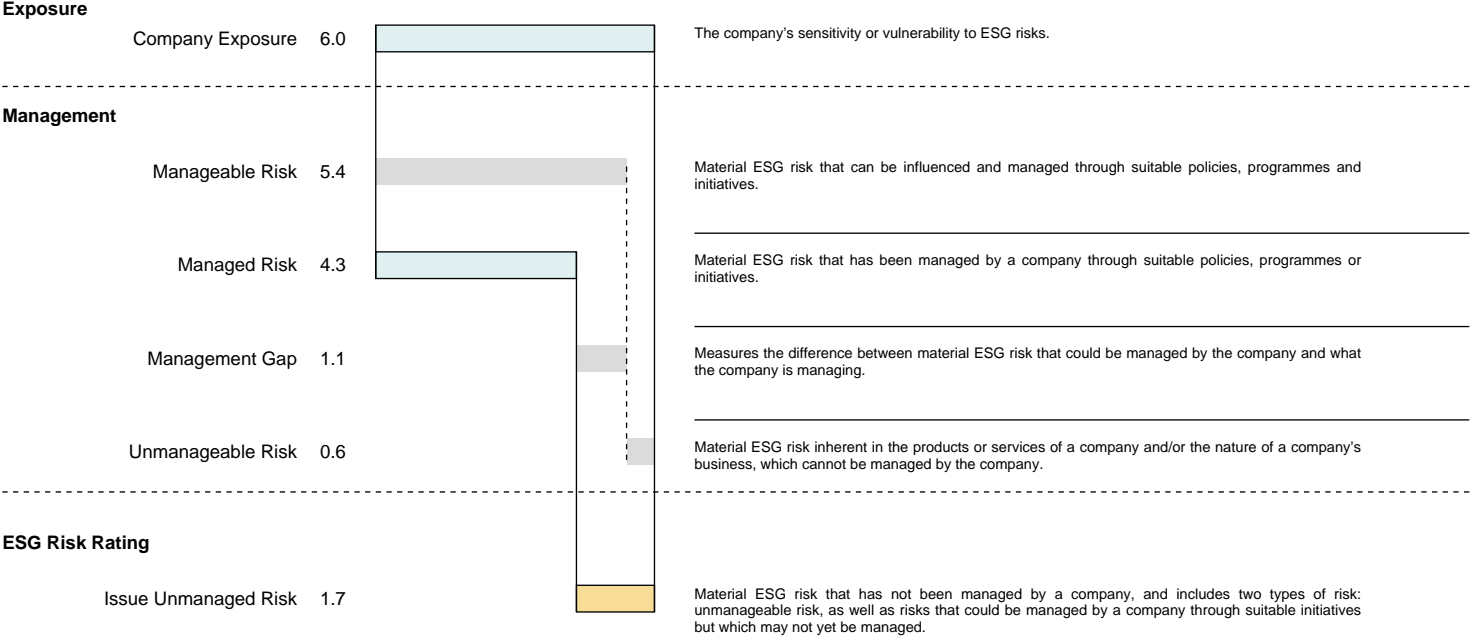
Management Indicators	Raw Score	Weight	Weighted Score
Access to Basic Services	100	20.0%	20.0
Community Involvement Programmes	100	40.0%	40.0
Community Development	50	40.0%	20.0
Community Relations	Category 0	0%	0.0
Society - Human Rights	Category 0	0%	0.0
<b>Weighted Sum</b>			<b>80.0</b>



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Risk Decomposition



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Issue

Contribution 12.5 %



## Corporate Governance

Corporate Governance represents foundational structures for the management of ESG risks.

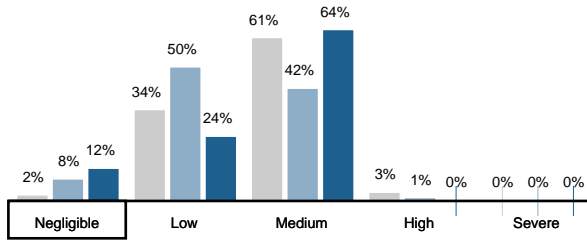
## ESG Risk Rating

# 1.5

## Negligible Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK (1 <sup>st</sup> = lowest risk)	PERCENTILE (1 <sup>st</sup> = lowest risk)
Global Universe	45/4879	2nd
Utilities INDUSTRY	11/250	5th
Renewable Power SUBINDUSTRY	1/25	1st

## Peers Table

Peers (Market cap \$0.2 - \$2.0bn)

Peers (Market cap \$0.2 - \$2.0bn)	Exposure	Management	ESG Risk Rating
1. Solarpack Corporación Tecnológica SA	5.0 Medium	71.0 Strong	1.5 Negligible
2. Statkraft AS	5.0 Medium	43.0 Average	2.9 Low
3. Greenergy Renovables SA	9.0 High	57.1 Strong	3.9 Low
4. Arise AB	9.0 High	49.7 Average	4.5 Medium
5. Voltalia	9.0 High	45.0 Average	5.0 Medium

# Solarpack Corporación Tecnológica SA

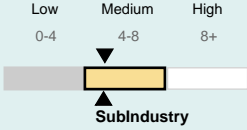
Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

### ESG Risk Exposure

**5.0**  
Medium

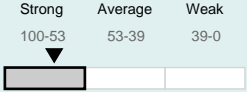


The company is not publicly traded, which positions stakeholder governance as the company's main governance area of focus. It may face decreased scrutiny of some governance practices compared to publicly traded companies. This translates into medium exposure to baseline Corporate Governance risk.

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

### ESG Risk Management

**71.0**  
Strong



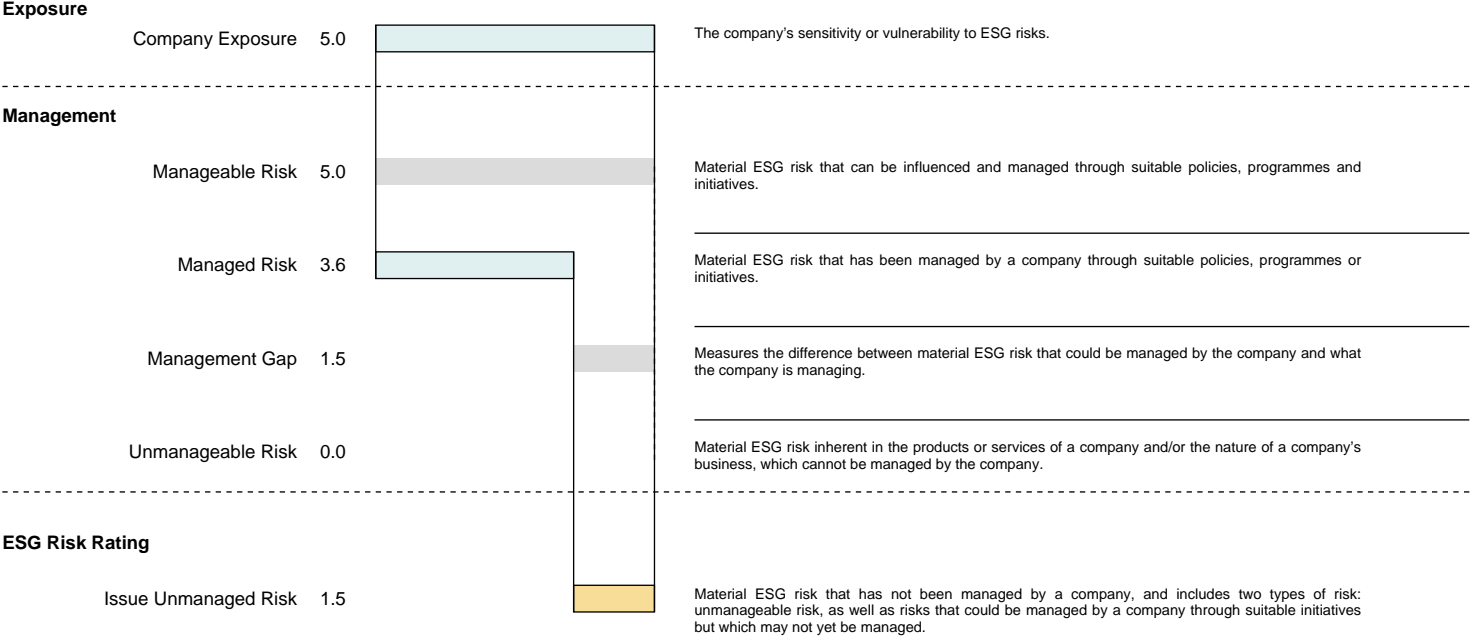
Overall, we rate the company's corporate governance management as strong.

Corporate Governance Pillars	Raw Score	Weight	Weighted Score
Stakeholder Governance	71	100.0%	71.0
<b>Totals</b>		<b>100.0%</b>	<b>71.0</b>

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Risk Decomposition



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Issue



### Human Capital

Contribution 12.3 %

Human Capital focuses on the management of risks related to scarcity of skilled labour as well as labour relations, such as non-discrimination, working hours and minimum wages.

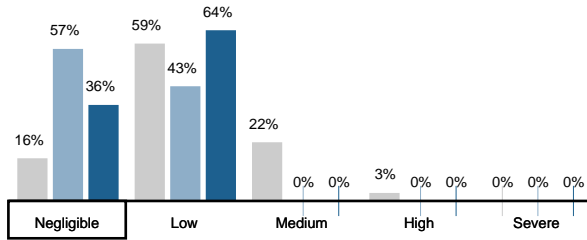
## ESG Risk Rating

# 1.4

## Negligible Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 <sup>st</sup> = lowest risk)	(1 <sup>st</sup> = lowest risk)
Global Universe	241/4610	6th
Utilities INDUSTRY	77/250	31st
Renewable Power SUBINDUSTRY	3/25	9th

## Peers Table

Peers (Market cap \$0.2 - \$2.0bn)

	Exposure	Management	ESG Risk Rating
1. <a href="#">Voltaia</a>	4.0 Medium	72.5 Strong	1.2 Negligible
2. <a href="#">Solarpack Corporación Tecnológica SA</a>	4.0 Medium	67.5 Strong	1.4 Negligible
3. <a href="#">Statkraft AS</a>	3.6 Low	57.5 Strong	1.6 Negligible
4. <a href="#">Greenergy Renovables SA</a>	4.0 Medium	57.5 Strong	1.8 Negligible
5. <a href="#">Arise AB</a>	4.2 Medium	20.4 Weak	3.4 Low

# Solarpack Corporación Tecnológica SA

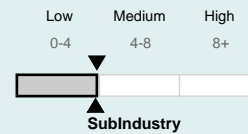
Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

## ESG Risk Exposure

**4.0**  
Medium



Unlike most of the utilities sector, the renewables industry is burgeoning, with a rapidly increasing workforce. According to the International Renewable Energy Agency (Irena), approximately eight million people worked in the renewable energy business in 2015. Renewables companies also tend to have greater gender diversity than the rest of the industry, with an estimated 35% of women in renewable energy jobs. Within this booming industry, the main challenge for employers is to recruit, onboard and train new talent to enable continued expansion. Additionally, employers that are able to limit employee turnover can avoid repeat training and onboarding expenses.

The company's exposure to Human Capital issues is medium and similar to the subindustry exposure.

### Exposure Analysis

Subindustry Issue Exposure	4.0
Issue Beta	x <b>1.00</b>
Company Issue Exposure	4.0

### Beta Indicators

### Beta Signal

Labour Relations	0.00
Operating Performance	-0.03
Solvency	-0.03
Financial Flexibility	0.03
Asset Performance	0.02
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	0.00
Baseline	+1.00
Overall Beta	<b>1.00</b>

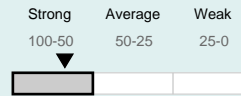
# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain


Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

## ESG Risk Management

**67.5**  
Strong



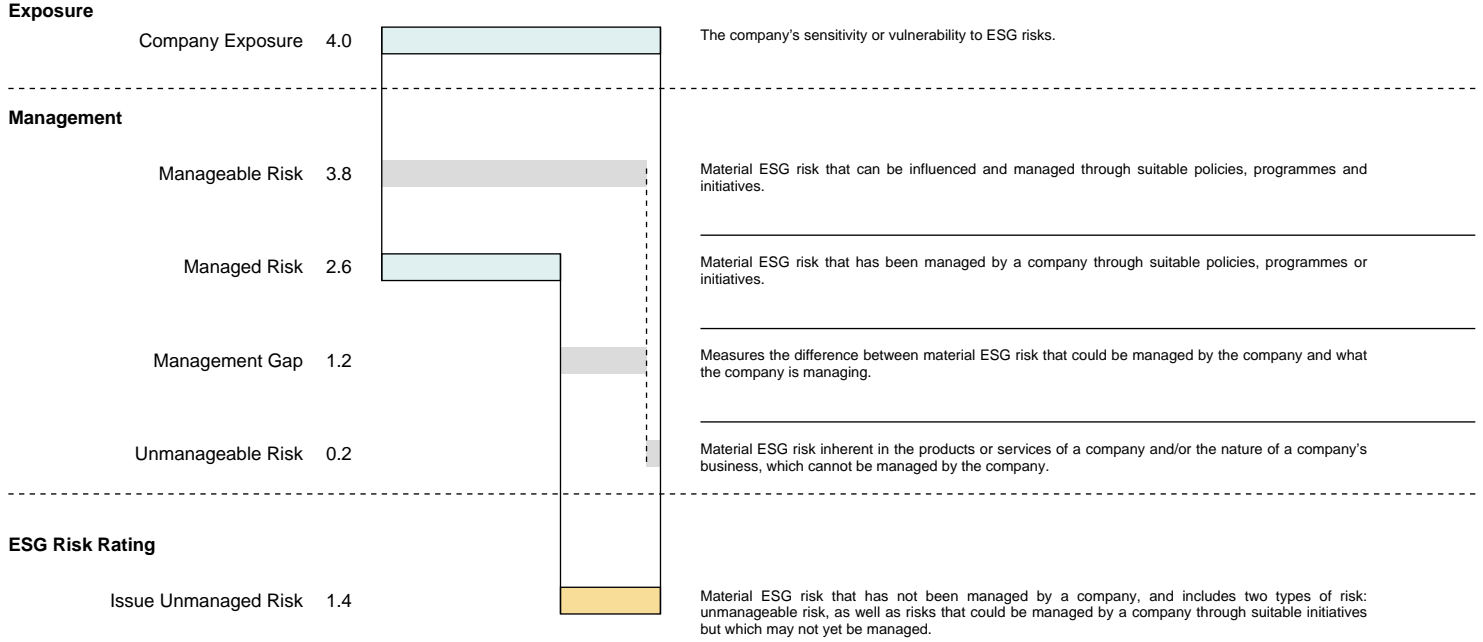
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Discrimination Policy	100	15.0%	15.0
Freedom of Association Policy	100	17.5%	17.5
Collective Bargaining Agreements	75	12.5%	9.4
Human Capital Development	75	25.0%	18.8
Diversity Programmes	25	17.5%	4.4
Employee Turnover Rate	20	12.5%	2.5
 Labour Relations	Category 0	0%	0.0
<b>Weighted Sum</b>			<b>67.5</b>

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Risk Decomposition





# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Issue

Contribution 11.1 %



## Business Ethics

Business Ethics focuses on the management of ethical considerations applicable to most or all sectors, such as taxation and accounting, anti-competitive practices and intellectual property issues.

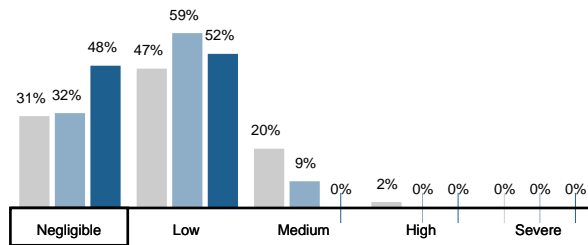
## ESG Risk Rating

# 1.3

## Negligible Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 <sup>st</sup> = lowest risk)	(1 <sup>st</sup> = lowest risk)
Global Universe	545/4470	13th
Utilities INDUSTRY	26/250	11th
Renewable Power SUBINDUSTRY	6/25	22nd

## Peers Table

Peers (Market cap \$0.2 - \$2.0bn)

	Exposure	Management	ESG Risk Rating
1. <a href="#">Voltaia</a>	4.0 Medium	73.7 Strong	1.2 Negligible
2. <a href="#">Solarpack Corporación Tecnológica SA</a>	4.0 Medium	71.3 Strong	1.3 Negligible
3. <a href="#">Greenergy Renovables SA</a>	4.0 Medium	52.5 Strong	2.0 Low
4. <a href="#">Statkraft AS</a>	3.6 Low	46.3 Average	2.0 Low
5. <a href="#">Arise AB</a>	4.2 Medium	10.0 Weak	3.8 Low

# Solarpack Corporación Tecnológica SA

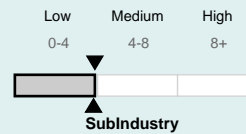
Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

## ESG Risk Exposure

**4.0**  
Medium



Renewables producers have close relationships with government officials, as well as relationships with suppliers, third-party contractors and utility customers. Any one of these relationships can be exploited by employees for financial gain. The utilities sector generally has historically experienced a range of incidents related to ethical misconduct, including procurement fraud (e.g. bid rigging, false invoices or collusion with vendors) and bribery. There is a growing global trend toward tougher national anti-corruption laws, as well as new procurement rules in the EU in April 2016; however, the impacts on these laws on businesses will depend on detection and enforcement. As renewable energy becomes mainstream and lower cost, government subsidies and grants may be withdrawn, which could raise the incentive to lobby or bribe government officials to extend these incentives longer to maintain/increase profitability. The IEA estimates that more than USD 100 billion in subsidies for renewable energy was available worldwide in 2014. Company exposure to Business Ethics issues depends greatly on the regulatory environment where the utility operates. Utilities operating in regions that score poorly on the Corruption Perceptions Index may be more exposed to bribery and procurement fraud, for example. Companies in developed markets such as the EU or US, however, may be more exposed to lawsuits and investigations related to renewables subsidies. Best practice for utilities includes strong anti-corruption policies and whistleblower programmes, as well as due diligence on third-party transactions.

The company's exposure to Business Ethics issues is medium and similar to the subindustry exposure.

### Exposure Analysis

Subindustry Issue Exposure	4.0
Issue Beta	x <b>1.00</b>
Company Issue Exposure	4.0

### Beta Indicators

### Beta Signal

Accounting and Taxation	0.00
Anti-Competitive Practices	0.00
Bribery and Corruption	0.00
Business Ethics	0.00
Intellectual Property	0.00
Lobbying and Public Policy	0.00
Sanctions	0.00
Operating Performance	-0.03
Solvency	-0.03
Financial Flexibility	0.03
Asset Performance	0.02
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00

# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. Our exposure score takes into consideration subindustry and company-specific factors such as its business model.

Beta Indicators	Beta Signal
Total Beta Signal	0.00
Baseline	+1.00
Overall Beta	<b>1.00</b>

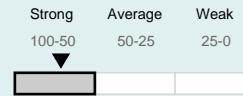
# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain








Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

## ESG Risk Management

**71.3**  
**Strong**



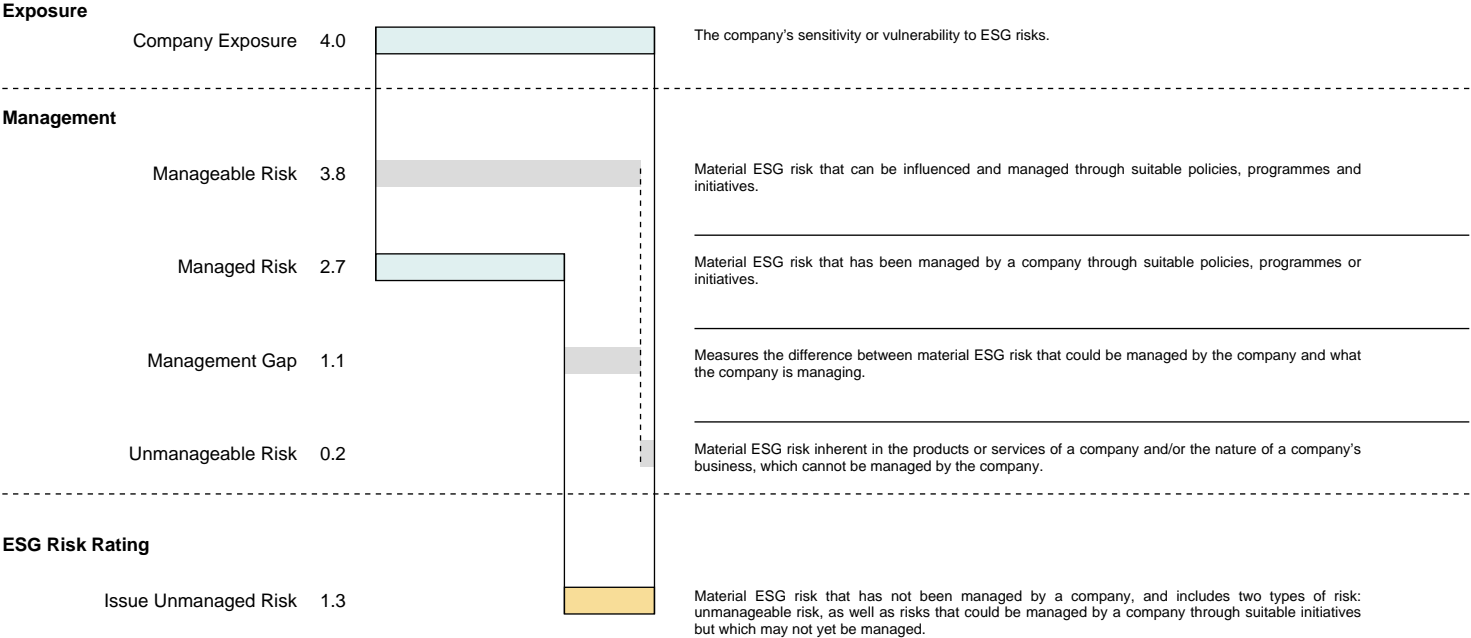
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Lobbying and Political Expenses	100	5.0%	5.0
Bribery & Corruption Programmes	75	25.0%	18.8
Business Ethics Programme	75	25.0%	18.8
Political Involvement Policy	75	10.0%	7.5
Whistleblower Programmes	75	25.0%	18.8
Bribery & Corruption Policy	25	10.0%	2.5
 Accounting and Taxation	Category 0	0%	0.0
 Anti-Competitive Practices	Category 0	0%	0.0
 Bribery and Corruption	Category 0	0%	0.0
 Business Ethics	Category 0	0%	0.0
 Intellectual Property	Category 0	0%	0.0
 Lobbying and Public Policy	Category 0	0%	0.0
 Sanctions	Category 0	0%	0.0
<b>Weighted Sum</b>			<b>71.3</b>

# Solarpack Corporación Tecnológica SA


Renewable Power Production Spain

## Risk Decomposition



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

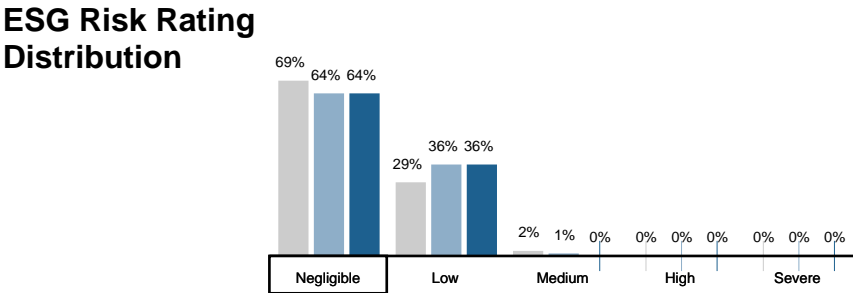
**Issue**  **Land Use and Biodiversity**

Contribution 7.1 %

Land Use and Biodiversity focuses on how companies' manage their impact on land, ecosystems and wildlife. Topics include land conversion, land rehabilitation and forest management.

**ESG Risk Rating** 0.8 **Negligible Risk**

NEGL	LOW	MED	HIGH	SEVERE
0-2	2-4	4-6	6-8	8+



**ESG Risk Rating Ranking**

UNIVERSE	RANK	PERCENTILE
	(1 <sup>st</sup> = lowest risk)	(1 <sup>st</sup> = lowest risk)
Global Universe	125/662	20th
Utilities INDUSTRY	41/247	17th
Renewable Power SUBINDUSTRY	4/25	13th

**Peers Table**

Peers (Market cap \$0.2 - \$2.0bn)	Exposure	Management	ESG Risk Rating
1. Solarpack Corporación Tecnológica SA	3.2 Low	73.8 Strong	<b>0.8 Negligible</b>
2. Greenergy Renovables SA	3.2 Low	66.2 Strong	<b>1.1 Negligible</b>
3. Voltalia	3.2 Low	53.7 Strong	<b>1.5 Negligible</b>
4. Statkraft AS	2.9 Low	45.6 Average	<b>1.6 Negligible</b>
5. Arise AB	3.0 Low	10.0 Weak	<b>2.7 Low</b>

# Solarpack Corporación Tecnológica SA

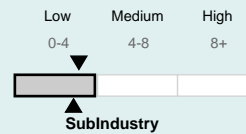
Renewable Power Production Spain

## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

## ESG Risk Exposure

**3.2**  
Low



Renewables producers' infrastructure projects, such as hydroelectric dams, wind and solar farms, affect large tracts of land and critical bodies of water, and may have negative impacts through habitat fragmentation and ecosystem disruption. Because renewables mostly depend on natural forces (sun, wind and water) for energy production, promising locations for facilities are often in protected land areas. In developed markets in particular, companies are required to comply with conservation laws protecting natural habitats. Permitting for large projects is a lengthy process that requires environmental impact assessments, and project designs that are assessed as having potentially harmful impacts on aquatic, forest or other natural ecosystems may be delayed or even denied, particularly in ecologically sensitive areas. Additionally, disruption of natural environments without sufficient mitigation measures may raise community tensions as well as scrutiny from NGOs and regulators. However, regulatory penalties on biodiversity mismanagement may be weak or unenforced in some regions, particularly in emerging markets. Best practice within the industry comprises publishing a biodiversity statement and reporting on specific programmes, as well as cooperating with environmental agencies, stakeholders and expert organizations such as the International Union for Conservation of Nature or the Wildlife Habitat Council.

The company's exposure to Land Use and Biodiversity issues is low and similar to the subindustry exposure.

### Exposure Analysis

Subindustry Issue Exposure	3.0
Issue Beta	x <b>1.05</b>
Company Issue Exposure	3.2

### Beta Indicators

### Beta Signal

Land Use and Biodiversity	0.00
Operating Performance	-0.03
Solvency	-0.03
Financial Flexibility	0.03
Asset Performance	0.02
Headquarters Location	0.00
Assets Location	0.00
Qualitative Overlay	0.00
Subindustry Correction Factor	0.07
Exceptional Event Adjustment	0.00
Total Beta Signal	0.05
Baseline	+1.00
Overall Beta	<b>1.05</b>

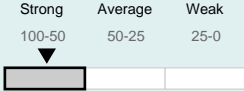
# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain


Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

## ESG Risk Management

**73.8**  
**Strong**



In our view, the company's management of the issue is above average.

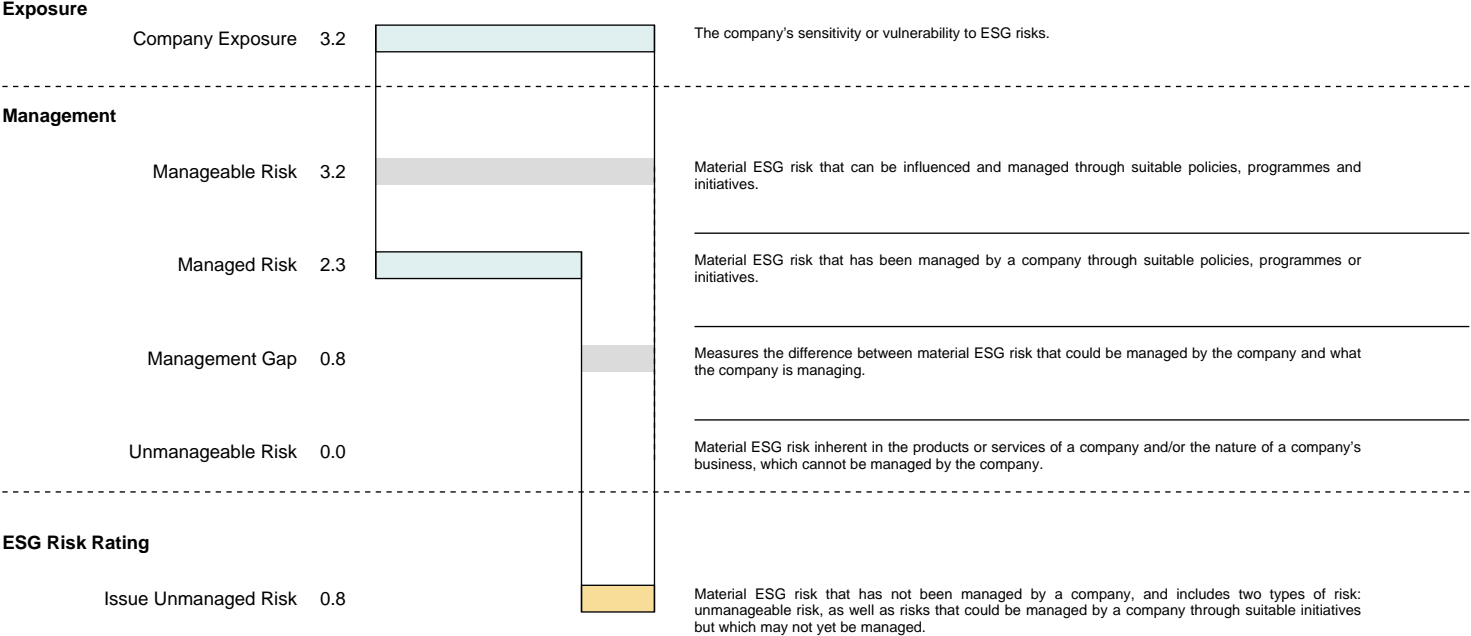
Management Indicators	Raw Score	Weight	Weighted Score
Environmental Management System	80	35.3%	28.2
Biodiversity Programmes	75	47.1%	35.3
Environmental Policy	75	11.8%	8.8
EMS Certification	25	5.9%	1.5
 Land Use and Biodiversity	Category 0	0%	0.0
<b>Weighted Sum</b>			<b>73.8</b>



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## Risk Decomposition



# Appendix



## Management Details



### Corporate Governance

#### Stakeholder Governance

71 Leader

Raw Score



In reviewing the company's practices regarding ESG stakeholder governance, points of attention for Solarpack Corporación Tecnológica SA are: ESG Governance, Discrimination Policy and ESG Performance Targets.

- ESG Governance: A board member or a board committee is responsible for overseeing ESG issues
- Discrimination Policy: The company has a strong policy
- ESG Performance Targets: Executive compensation is explicitly tied to ESG performance targets

Indicators	Score
ESG Governance	100
Environmental Policy	75
Whistleblower Programmes	75
Tax Disclosure	100
Discrimination Policy	100
Scope of Social Supplier Standards	100
GHG Reduction Programme	25
Green Procurement Policy	40
ESG Reporting Standards	25
Verification of ESG Reporting	0
Global Compact Signatory	100
ESG Performance Targets	100
Political Involvement Policy	75
Lobbying and Political Expenses	100
Bribery & Corruption Policy	25

# Appendix

 **Exposure Details**

 **Product Governance**

**EA.E.1 - Access to Basic Services**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.24 - Marketing Practices**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.27 - Data Privacy and Security**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.28 - Quality and Safety**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.F.1 - Operating Performance**

- 0.03  
Beta Signal

The company has a very strong net income margin.

**EA.F.2 - Solvency**

- 0.03  
Beta Signal

The company has a very strong debt-equity ratio.

**EA.F.3 - Financial Flexibility**

0.03  
Beta Signal

The company has a very weak cash flow ratio.

**EA.F.4 - Asset Performance**

0.02  
Beta Signal

The company has a weak return on assets.

**EA.G.1 - Headquarters Location**

0.00  
Beta Signal

The location of the company's headquarters does not indicate higher or lower exposure to this issue.

**EA.G.3 - Sales Location**

0.00  
Beta Signal

The location of the company's sales does not signal higher or lower exposure to this issue.

# Appendix



## Exposure Details

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### EA.S.1 - Qualitative Overlay

---

0.00  
Beta Signal

---

The analyst did not apply a qualitative overlay.

---

### EA.S.2 - Subindustry Correction Factor

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0.00  
Beta Signal

---

### EA.S.3 - Exceptional Event Adjustment

---

0.00  
Beta Signal

---

# Appendix



## Management Details

### E.1.3.1 - Emergency Response Programme

75	25.00%	18.8
Raw Score	Weight	Weighted Score

The company has a strong programme

**Criteria**

- Company-wide guidelines on how to prepare for and respond to emergencies
- Emergency training for employees or communities, including regular testing of the emergency response plans
- Identification of potential risks requiring emergency response
- Managerial responsibility for emergency preparedness, response and investigation
- Mechanisms for stakeholders to report emergencies
- Policy commitment to prepare for and respond to emergencies
- Protocols for communicating with external stakeholders
- Regional, site or unit level emergency response teams in place

**Sources**

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 1 December 2021  
 The company provided feedback on 17 December 2021

### E.1.6.2 - Physical Climate Risk Management

33	17.50%	5.8
Raw Score	Weight	Weighted Score

The company has a weak programme

**Criteria**

- Detailed reporting on physical climate change risk drivers
- Initiatives to manage or adapt to physical climate change risks
- Integration of physical climate change into regular risk assessments and business strategy
- Managerial or board level responsibility for climate change risks
- Recognition of the physical risks related to climate change

**Sources**

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

### S.3.1.3.3 - Cybersecurity Programme

25	25.00%	6.3
Raw Score	Weight	Weighted Score

The company has a weak programme

**Criteria**

- Governance structures in place for cybersecurity management
- Management system certified to ISO 27001 standards
- Operational measures to monitor and respond to data breaches and cyberattacks
- Regular employee training on cybersecurity issues
- Regular external security audits or vulnerability assessments of the company's systems, products and practices affecting user data
- Regular internal security audits or vulnerability assessments or penetration testing of the company's systems, products and practices affecting user data

**Sources**

The company provided feedback on 1 December 2021

### S.3.1.17 - Asset Integrity Management

50	25.00%	12.5
Raw Score	Weight	Weighted Score

The company has an adequate programme

**Criteria**

- Awareness and training
- Continual improvement
- Disclosure of specific asset management objectives and targets
- Formal asset management plan established
- Formal asset management policy
- Managerial responsibility
- Monitoring and measuring performance
- Preventative and corrective actions
- Regular internal or external audits
- Risk identification and mitigation disclosure
- The company has a certified asset management programme that is applied to less than 50% of its operations

**Sources**

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 1 December 2021  
 The company provided feedback on 17 December 2021

# Appendix



## Management Details

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### S.3.2.1 - QMS Certifications

Raw Score	Weight	Weighted Score
25	7.50%	1.9

Some of the company's sites have received external certification but the scope is unclear

#### Sources

The company provided feedback on 1 December 2021

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# Appendix

 **Exposure Details**



## Occupational Health and Safety

**EA.E.20 - Occupational Health and Safety**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.F.1 - Operating Performance**

- 0.03  
Beta Signal

The company has a very strong net income margin.

**EA.F.2 - Solvency**

- 0.03  
Beta Signal

The company has a very strong debt-equity ratio.

**EA.F.3 - Financial Flexibility**

0.03  
Beta Signal

The company has a very weak cash flow ratio.

**EA.F.4 - Asset Performance**

0.02  
Beta Signal

The company has a weak return on assets.

**EA.G.1 - Headquarters Location**

0.00  
Beta Signal

The location of the company's headquarters does not indicate higher or lower exposure to this issue.

**EA.G.2 - Assets Location**

0.00  
Beta Signal

The location of the company's assets does not signal higher or lower exposure to this issue.

**EA.S.1 - Qualitative Overlay**

0.00  
Beta Signal

The analyst did not apply a qualitative overlay.

# Appendix



## Exposure Details

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### EA.S.2 - Subindustry Correction Factor

---

0.00  
Beta Signal

### EA.S.3 - Exceptional Event Adjustment

---

0.00  
Beta Signal

---



# Appendix



## Management Details

### S.1.6.2.1 - Health and Safety Management System

100	25.00%	25.0
Raw Score	Weight	Weighted Score

The company has a very strong management system

**Criteria**

- Emergency preparedness procedures
- Formal health and safety policy commitment
- Internal or external health and safety audits conducted at least every three years
- Managerial responsibility for health and safety issues
- Operating guidelines or procedures that are relevant for the industry
- Performance monitoring and measurement
- Procedures for hazard identification and risk assessment
- Regular health and safety training programmes for employees
- Reporting on health and safety programmes and performance
- Targets to reduce health and safety incidents

**Sources**

Solarpack Corporación Tecnológica SA Health and Safety Policy, released September 2021  
 Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 1 December 2021  
 The company provided feedback on 17 December 2021

### S.1.6.4 - Health & Safety Certifications

25	15.00%	3.8
Raw Score	Weight	Weighted Score

An undisclosed percentage of the company's facilities have received external certification

**Sources**

The company provided feedback on 1 December 2021

### S.1.6.5 - LTIR Trend

40	17.50%	7.0
Raw Score	Weight	Weighted Score

The company provides data on its lost-time incident rate, but disclosure is insufficient to calculate a trend

**Sources**

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

### S.1.6.6 - Employee Fatality Rate

20	12.50%	2.5
Raw Score	Weight	Weighted Score

Disclosure on fatalities is insufficient to determine the company's performance

**Sources**

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

### S.2.2.5 - Contractor Safety Programme

100	15.00%	15.0
Raw Score	Weight	Weighted Score

The company has a very strong programme

**Criteria**

- Compliance with safety guidelines included in contractual agreements.
- Monitoring of contractor safety performance
- Objectives or targets regarding contractor safety
- Operating guidelines on contractor safety management
- Policy commitment to protect the safety of contractors
- Prescreening of contractors for safety performance and risks
- Reporting on contractor safety management

### S.2.2.6 - Contractor Fatalities

20	15.00%	3.0
Raw Score	Weight	Weighted Score

Disclosure is insufficient to assess the company's performance in this area

# Appendix



## Management Details

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- Safety training for contractors

### Sources

Solarpack Corporación Tecnológica SA Health and Safety Policy, released September 2021

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

The company provided feedback on 1 December 2021

The company provided feedback on 10 January 2022

The company provided feedback on 17 December 2021

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# Appendix

## Exposure Details

### Community Relations

#### EA.E.10 - Community Relations

0.00  
Beta Signal

The company is not involved in any controversies of this type.

#### EA.E.48 - Society - Human Rights

0.00  
Beta Signal

The company is not involved in any controversies of this type.

#### EA.F.1 - Operating Performance

- 0.03  
Beta Signal

The company has a very strong net income margin.

#### EA.F.2 - Solvency

- 0.03  
Beta Signal

The company has a very strong debt-equity ratio.

#### EA.F.3 - Financial Flexibility

0.03  
Beta Signal

The company has a very weak cash flow ratio.

#### EA.F.4 - Asset Performance

0.02  
Beta Signal

The company has a weak return on assets.

#### EA.S.1 - Qualitative Overlay

0.00  
Beta Signal

The analyst did not apply a qualitative overlay.

#### EA.S.2 - Subindustry Correction Factor

0.00  
Beta Signal

#### EA.S.3 - Exceptional Event Adjustment

0.00  
Beta Signal

# Appendix



## Management Details

### S.4.2.2 - Community Involvement Programmes

100	40.00%	40.0
Raw Score	Weight	Weighted Score

The company has a very strong programme

**Criteria**

- Accessible mechanism to collect, record and address complaints or grievances
- A formal system for identifying local stakeholders or communities of interest
- Community consultation guidelines
- Consultation conducted at early stages of a project
- Executive responsibility for community relations
- Ongoing consultation mechanisms
- Operation-specific responsibility for community relations
- Policy commitment to consult with local communities

**Sources**

Solarpack Corporación Tecnológica SA Social Action Policy, released September 2021  
 Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 17 December 2021

### S.4.2.10 - Access to Basic Services

100	20.00%	20.0
Raw Score	Weight	Weighted Score

The company has programmes and provides good quantitative details on the scope of these

**Sources**

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 10 January 2022

### S.4.2.11 - Community Development Programmes

50	40.00%	20.0
Raw Score	Weight	Weighted Score

The company has an adequate programme

**Criteria**

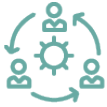
- Commitment to promote community development
- Community development initiatives
- Community development targets and deadlines
- Initiatives to promote economic development after closure
- Monitoring of community development programmes
- Reporting on community development programmes and results
- Systematic involvement of local stakeholders in community development planning and/or monitoring

**Sources**

Solarpack Corporación Tecnológica SA Social Action Policy, released September 2021  
 Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

# Appendix

 **Exposure Details**

 **Human Capital**

**EA.E.22 - Labour Relations**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.F.1 - Operating Performance**

- 0.03  
Beta Signal

The company has a very strong net income margin.

**EA.F.2 - Solvency**

- 0.03  
Beta Signal

The company has a very strong debt-equity ratio.

**EA.F.3 - Financial Flexibility**

0.03  
Beta Signal

The company has a very weak cash flow ratio.

**EA.F.4 - Asset Performance**

0.02  
Beta Signal

The company has a weak return on assets.

**EA.S.1 - Qualitative Overlay**

0.00  
Beta Signal

The analyst did not apply a qualitative overlay.

**EA.S.2 - Subindustry Correction Factor**

0.00  
Beta Signal

**EA.S.3 - Exceptional Event Adjustment**

0.00  
Beta Signal

# Appendix



## Management Details

### S.1.1 - Freedom of Association Policy

100	17.50%	17.5
Raw Score	Weight	Weighted Score

The company has a strong policy on freedom of association

#### Sources

Solarpack Corporación Tecnológica SA Code of Conduct, released September 2021

Solarpack Corporación Tecnológica SA Human Rights Policy, released September 2021

### S.1.2 - Discrimination Policy

100	15.00%	15.0
Raw Score	Weight	Weighted Score

The company has a strong policy

#### Criteria

- Commitment to ensure equal opportunity
- List of the types of discrimination the company is committed to eliminate
- Reference to the ILO conventions

#### Sources

Solarpack Corporación Tecnológica SA Code of Conduct, released September 2021

Solarpack Corporación Tecnológica SA Human Rights Policy, released September 2021

### S.1.3 - Diversity Programmes

25	17.50%	4.4
Raw Score	Weight	Weighted Score

The company has a weak programme

#### Criteria

- Diversity monitoring or audits
- Employee affinity groups, diversity councils, or networking groups
- Initiatives supporting a diverse workforce
- Initiatives to recruit from diverse talent
- Managerial or board level responsibility for diversity initiatives
- Mentorship programmes
- The company has a programme that applies to less than 50% of operations
- Training and guidance regarding diversity

#### Sources

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

The company provided feedback on 17 December 2021

### S.1.4 - Collective Bargaining Agreements

75	12.50%	9.4
Raw Score	Weight	Weighted Score

50-74% of the company's employees are covered by collective bargaining agreements

#### Sources

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

### S.1.5 - Employee Turnover Rate

20	12.50%	2.5
Raw Score	Weight	Weighted Score

The company does not disclose data about employee turnover rates

### S.1.5.2 - Human Capital Development

75	25.00%	18.8
Raw Score	Weight	Weighted Score

The company has a strong programme

#### Criteria

- Formal mechanisms to promote an open feedback culture
- Initiatives for talent development
- Initiatives for talent recruitment
- Initiatives for talent retention
- Quantitative targets related to human capital development
- Regular formal performance reviews for all permanent employees aligned with career development

# Appendix



## Management Details

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- Reporting on human capital development metrics
- Reporting on human capital risk assessment

### Sources

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

The company provided feedback on 1 December 2021

The company provided feedback on 10 January 2022

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# Appendix

 **Exposure Details**



**Business Ethics**

**EA.E.2 - Accounting and Taxation**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.4 - Anti-Competitive Practices**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.6 - Bribery and Corruption**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.7 - Business Ethics**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.21 - Intellectual Property**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.23 - Lobbying and Public Policy**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.E.30 - Sanctions**

0.00  
Beta Signal

The company is not involved in any controversies of this type.

**EA.F.1 - Operating Performance**

- 0.03  
Beta Signal

The company has a very strong net income margin.

**EA.F.2 - Solvency**

- 0.03  
Beta Signal

The company has a very strong debt-equity ratio.

**EA.F.3 - Financial Flexibility**

0.03  
Beta Signal

The company has a very weak cash flow ratio.



# Appendix



## Exposure Details

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### EA.F.4 - Asset Performance

---

0.02  
Beta Signal

The company has a weak return on assets.

---

### EA.S.1 - Qualitative Overlay

---

0.00  
Beta Signal

The analyst did not apply a qualitative overlay.

---

### EA.S.2 - Subindustry Correction Factor

---

0.00  
Beta Signal

### EA.S.3 - Exceptional Event Adjustment

---

0.00  
Beta Signal

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# Appendix



## Management Details

### G.1.1 - Bribery & Corruption Policy

25	10.00%	2.5
Raw Score	Weight	Weighted Score

The company has a weak policy or a general statement addressing the issue

**Criteria**

- Definition and prohibition of facilitation payments
- Definition of bribery or corruption
- Definition of conflicts of interest and commitment to minimize these
- Guidelines of what is considered acceptable behaviour
- Prohibition of bribery
- There is no evidence of a formal policy but the company has a general statement addressing the issue

**Sources**

Prior to research start, the company sent documents on 3 November 2021  
 Solarpack Corporación Tecnológica SA Code of Conduct, released September 2021  
 The company provided feedback on 1 December 2021  
 The company provided feedback on 10 January 2022  
 The company provided feedback on 17 December 2021  
 The updated ESG Report was sent by email to Solarpack Corporación Tecnológica SA on 17 November 2021

### G.1.1.1 - Bribery & Corruption Programmes

75	25.00%	18.8
Raw Score	Weight	Weighted Score

The company has a strong programme

**Criteria**

- Annual signoff of the policy on bribery and corruption by employees
- Internal monitoring system to detect corruption
- Managerial responsibility for bribery and corruption
- Mechanisms for employees to consult on ethical issues
- Operating guidelines addressing record keeping, approval procedures and appropriate behaviour
- Regular bribery and corruption risk assessments
- Regular training on bribery and corruption

**Sources**

The company provided feedback on 1 December 2021  
 The company provided feedback on 17 December 2021

### G.1.2 - Whistleblower Programmes

75	25.00%	18.8
Raw Score	Weight	Weighted Score

The company has a strong programme

**Criteria**

- An independent, reporting hotline available 24/7
- Available in local languages
- Available to suppliers, customers and other third parties
- Disclosure on the number of reports received, the types of misconduct and measures taken
- Non-retaliation policy
- Possibility for anonymous reporting and reports are treated confidentially
- Proactively communicated to employees
- Structures in place to process whistleblower reports

**Sources**

Prior to research start, the company sent documents on 3 November 2021  
 Solarpack Corporación Tecnológica SA Code of Conduct, released September 2021  
 Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 1 December 2021

### G.1.2.1 - Business Ethics Programme

75	25.00%	18.8
Raw Score	Weight	Weighted Score

The company has a strong programme

**Criteria**

- Annual training of employees on the Code of Conduct
- Board responsibility for business ethics issues
- Commitment to address major business ethics risks
- Ethical risk assessments
- Incident investigation and corrective actions
- Managerial responsibility for business ethics
- Measures to deter non-compliance and reduce exposure to unethical opportunities
- Operating guidelines

**Sources**

Solarpack Corporación Tecnológica SA Code of Conduct, released September 2021  
 Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 1 December 2021  
 The company provided feedback on 17 December 2021

# Appendix



## Management Details

### G.3.1 - Political Involvement Policy

75	10.00%	7.5
Raw Score	Weight	Weighted Score

The company has an adequate policy

#### Criteria

- Approved by senior management
- Commits the company to disclose political donations and/or lobbying expenditures
- Partially prohibits political involvement
- Prohibits political involvement of any kind on the company's behalf

#### Sources

Solarpack Corporación Tecnológica SA Code of Conduct, released September 2021

### G.3.2 - Lobbying and Political Expenses

100	5.00%	5.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not make political contributions and is not involved in lobbying activities

#### Sources

Lobby Facts, [www.lobbyfacts.eu](http://www.lobbyfacts.eu); accessed 8 November 2021

# Appendix

## Exposure Details



### Land Use and Biodiversity

#### EA.E.12 - Land Use and Biodiversity

0.00  
Beta Signal

The company is not involved in any controversies of this type.

#### EA.F.1 - Operating Performance

- 0.03  
Beta Signal

The company has a very strong net income margin.

#### EA.F.2 - Solvency

- 0.03  
Beta Signal

The company has a very strong debt-equity ratio.

#### EA.F.3 - Financial Flexibility

0.03  
Beta Signal

The company has a very weak cash flow ratio.

#### EA.F.4 - Asset Performance

0.02  
Beta Signal

The company has a weak return on assets.

#### EA.G.1 - Headquarters Location

0.00  
Beta Signal

The location of the company's headquarters does not indicate higher or lower exposure to this issue.

#### EA.G.2 - Assets Location

0.00  
Beta Signal

The location of the company's assets does not signal higher or lower exposure to this issue.

#### EA.S.1 - Qualitative Overlay

0.00  
Beta Signal

The analyst did not apply a qualitative overlay.

# Appendix



## Exposure Details

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### EA.S.2 - Subindustry Correction Factor

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0.07  
Beta Signal

### EA.S.3 - Exceptional Event Adjustment

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0.00  
Beta Signal

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# Appendix



## Management Details

### E.1.1 - Environmental Policy

75	11.76%	8.8
Raw Score	Weight	Weighted Score

The company has a strong policy

**Criteria**

- Approved by senior management or the board of directors
- Commitment to consult with stakeholders on environmental issues
- Commitment to create environmental awareness
- Commitment to environmental protection
- Commitment to implement an environmental management system
- Commitment to monitor the company's environmental performance
- Commitment to reduce emissions, releases and waste
- Commitment to report regularly on environmental issues
- Commitment to use natural resources or energy more efficiently

**Sources**

Solarpack Corporación Tecnológica SA Environmental Policy, released September 2021  
 Solarpack Corporación Tecnológica SA Sustainability Policy, released September 2021

### E.1.2 - Environmental Management System

80	35.29%	28.2
Raw Score	Weight	Weighted Score

The company has a strong EMS

**Criteria**

- Assigned roles and responsibilities
- Compliance with environmental regulation
- Corrective actions to stimulate continual improvement
- Environmental performance records
- Environmental programmes
- External environmental audits
- Identification of products, activities and services that have significant impacts on the environment
- Internal and external communications on environmental management issues
- Internal environmental audits
- Managerial or board level responsibility for environmental issues
- Monitoring and measurement
- Objectives, targets and deadlines
- Training and awareness programmes for employees

**Sources**

Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)  
 The company provided feedback on 1 December 2021  
 The company provided feedback on 17 December 2021

### E.1.2.1 - Biodiversity Programmes

75	47.06%	35.3
Raw Score	Weight	Weighted Score

The company has a strong programme

**Criteria**

- Biodiversity management plans for priority areas
- Engagement with local residents or biodiversity experts
- Formal commitment to minimise impact on biodiversity or to consider biodiversity in planning
- Formal commitment to 'no net loss' or having a 'net positive impact' on biodiversity
- Formal policy commitment to avoid operating in areas with the highest biodiversity value
- Identification of biodiversity priority areas
- Implementation of best-practice mitigation hierarchy
- Managerial or board level responsibility for biodiversity issues
- Reporting on biodiversity programmes or impacts
- Systematic consideration of local threats to biodiversity beyond the company's business activities
- Targets and deadlines related to biodiversity

**Sources**

Solarpack Corporación Tecnológica SA Environmental Policy, released September 2021  
 Solarpack Corporación Tecnológica SA Sustainability Report 2020 (FY2020)

### E.1.3 - EMS Certification

25	5.88%	1.5
Raw Score	Weight	Weighted Score

Some of the company's activities have received external certification but the scope is unclear

**Sources**

The company provided feedback on 1 December 2021

# Appendix



## Management Details

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The company provided feedback on 1 December 2021

The company provided feedback on 17 December 2021

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# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

## GLOSSARY OF TERMS

### Beta (Beta, $\beta$ )






A factor that assesses the degree to which a company's exposure deviates from its **subindustry's** exposure on a **material ESG issue**. It is used to derive a company-specific issue exposure score for a material ESG issue. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

### Corporate Governance Pillar

A pillar provides a signal about a company's management of a specific Corporate Governance issue.

### ESG Risk Category

Companies' **ESG Risk Rating scores** are assigned to five ESG risk categories in the **ESG Risk Rating**:

-  **Negligible risk:** enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
-  **Low risk:** enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
-  **Medium risk:** enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors
-  **High risk:** enterprise value is considered to have a high risk of material financial impacts driven by ESG factors
-  **Severe risk:** enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

### ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the **ESG Risk Rating**; it applies the concept of **risk decomposition** to derive the level of **unmanaged risk** for a company.

### Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

### Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

### Excess Exposure

The difference between the company's **exposure** and its **subindustry exposure**.

### Exposure

A company or **subindustry's** sensitivity or vulnerability to ESG risks.

### Idiosyncratic Issue

An issue that was not deemed material at the **subindustry** level during the **consultation process** but becomes a **material ESG issue** for a company based on the occurrence of a Category 4 or 5 event.

### Manageable Risk

Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.

### Managed Risk

Material ESG Risk that has been managed by a company through suitable policies, programmes and initiatives.

### Management

A company's handling of ESG risks.

### Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

### Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

### Material ESG Issue

A core building block of the **ESG Risk Rating**. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given **subindustry**.

### Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

### Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

### Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: **unmanageable risk**, as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed (**management gap**).



# Solarpack Corporación Tecnológica SA

Renewable Power Production Spain

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