

Welcome to your CDP Water Security Questionnaire 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Atlantica's purpose is to support the transition towards a more sustainable world by investing in and managing sustainable infrastructure assets, while creating long-term value for our stakeholders. We are a sustainable infrastructure company with a majority of our business in renewable energy assets. In 2022, our renewable sector represented 75% of our revenue with solar energy representing 64%. We complement our portfolio of renewable assets with storage, efficient natural gas and transmission infrastructure assets, as enablers of the transition towards a clean energy mix. We also hold water assets, a relevant sector for sustainable development.

Atlantica is a U.K. company listed on Nasdaq Global Select Market under the ticker symbol "AY". In 2022 our assets generated a revenue of \$1,102 million and an Adjusted EBITDA of \$797 million.

As of December 31, 2022, we own or have an interest in a portfolio of assets and new projects under development diversified in terms of business sector and geographic footprint. Our operating portfolio consists of 41 assets with 2,121 MW of aggregate renewable energy installed generation capacity (of which 73% is solar), 343 MW of efficient natural gas-fired power generation capacity, 55 MWt of district heating capacity, 1,229 miles of electric transmission lines and 17.5 M ft³ per day of water desalination. As of December 31, 2022, our assets had a weighted average remaining contract life of ~14 years.

We currently own and manage operating facilities and projects under development in North America (United States, Canada, and Mexico), South America (Peru, Chile, Colombia, and Uruguay) and EMEA (Spain, Italy, Algeria, and South Africa). We intend to expand our portfolio, while maintaining North America, Europe and South America as our core geographies.

We have a Science Based Target (SBT) approved target to reduce Scope 1 and 2 GHG emissions per kWh of energy generated by 70% by 2035 from a 2020 base year. In addition, we target to maintain over 85% of our Adjusted EBITDA generated from low carbon footprint assets including renewable energy, storage, transmission infrastructure and water assets.

Following our long-term commitment to sustainability, in 2022 our Board of Directors approved a new target to reduce our water consumption per KWh of energy generated by 50% by 2035 from a 2020 base year.

In 2022, the Board also approved a climate transition plan and other climate -related targets, including to

(1) reduce our

(a) Scope 3 GHG emissions per KWh of energy generated by 70% by 2035 from a 2020 base year,

(b) Non-GHG emissions per KWh of energy generated by 50% by 2035 from a 2020 base year, and

(2) achieve net-zero GHG emissions by 2040.

Atlantica is committed to using water efficiently in its operations. This covers two main types of water use:

1. Power generation in the assets that use cycled water in the turbine circuit and in refrigeration processes.
2. Generation of drinking water for local communities and industries through the desalination of sea water.

In 2022 we finalized our climate-related scenario analysis to assess Atlantica's 2030 and 2050 key climate risk and opportunity impacts (including water-related impacts). Based on the results of the work completed, our long-term strategy and asset portfolio would be resilient to physical climate-related risks and we would be well positioned to take advantage of transition-related opportunities.

We intend to grow our business (1) through the optimization of the existing portfolio, (2) through the expansion and repowering of our current assets, (3) by developing new sustainable infrastructure projects, and (4) by investing in new assets in the business sectors where we are present. We intend to leverage our growth strategy on favorable trends in clean power generation, transmission, and water sectors. We believe that we are well positioned to benefit from the expected transition towards a more sustainable power generation mix in our markets and that we can create more value over time by investing mostly in assets that avoid GHG emissions and ensure water security.

Atlantica complies with the (1) Global Reporting Initiative and the Sustainability Accounting Standards Board Electric Utilities reporting standards, and (2) disclosure recommendations issued by the TCFD. We also voluntary report our activities based on the EU taxonomy.

In 2022, an independent third party was engaged to verify our water key performance indicators under a limited level of assurance.

Atlantica is a signatory to the United Nations Global Compact (UNGC) and has formally adopted the UNGC 10 Principles. We are committed to aligning our actions to 7 of the 17 SDG. The core goals for Atlantica include SDG 6 (Clean Water and Sanitation), where we believe we can have a significant impact. The UNGC and its principles are an integral part of our strategy, culture and day-to-day activities.

W-EU0.1a

(W-EU0.1a) Which activities in the electric utilities sector does your organization engage in?

- Electricity generation
- Transmission
- Other, please specify
- Water desalination

W-EU0.1b

(W-EU0.1b) For your electricity generation activities, provide details of your nameplate capacity and the generation for each technology.

	Nameplate capacity (MW)	% of total nameplate capacity	Gross electricity generation (GWh)
Coal – hard	0	0	0
Lignite	0	0	0
Oil	0	0	0
Gas	398	15.8	2,558
Biomass	0	0	0
Waste (non-biomass)	0	0	0
Nuclear	0	0	0
Fossil-fuel plants fitted with carbon capture and storage	0	0	0
Geothermal	135	5	1,315
Hydropower	4	0.2	27
Wind	442	18	1,287
Solar	1,540	61	3,034
Marine	0	0	0
Other renewable	0	0	0
Other non-renewable	0	0	0
Total	2,518	100	8,221.7

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2022	December 31, 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

- Algeria
- Canada
- Chile
- Colombia
- Italy
- Mexico
- Peru
- South Africa
- Spain
- United States of America
- Uruguay

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

- Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

- No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
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Yes, a CUSIP number	CUSIP number: G0751N103
Yes, a Ticker symbol	Ticker symbol: AY

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	<p>Direct use: water is required at our power generation assets that use cycled water in the turbine circuit and in refrigeration processes (mainly solar assets and efficient natural gas plants).</p> <p>The direct use of freshwater is vital because insufficient amounts of freshwater supplies could compromise the generation of electricity at some of our solar assets and efficient natural gas plants. In fact, these assets represent approximately 72% of our 2022 revenues.</p> <p>Water quality is also a vital aspect for our plants, as water quality reductions could negatively impact the performance and efficiency of our solar assets and efficient natural gas plants. These potential negative impacts include increased operational and maintenance costs due to additional water pre-treatment, and potential damages to the equipment.</p> <p>Indirect use: The water necessary to operate our efficient natural gas plant is withdrawn and supplied by our client. The water received is transformed to high pressure steam through heat recovery steam generators and delivered back to the client. Good quality water is needed to optimize the performance of our facility.</p>

			The indirect use of good quality freshwater is important as ACT, our natural gas asset, represents approximately 10% of our 2022 revenues.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Not important at all	<p>Direct use: we mainly use this type of water at the three water desalination facilities we invest in, where seawater is withdrawn to generate purified water.</p> <p>In these assets, seawater availability is not a concern. However, physical climate-related risks could impact the assets. For example, increasing water mean temperatures may contribute to the growth of algae, negatively affecting the membranes inside the water desalination plants. In addition, higher water temperatures in the Mediterranean Sea could reduce the membranes performance. As a result, the assets could face considerable rise in our operation costs to mitigate these issues.</p> <p>Indirect use: we do not consider brackish/seawater to be important for the water desalination assets' suppliers and customers/users.</p>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	<p>All our plants, with the exception of Rioglass manufacturing facilities, measure water withdrawal volumes in real time through flowmeters.</p> <p>At Rioglass manufacturing</p>	<p>Total water withdrawal volume is one of our environmental key performance indicators and is used to track improvements in water efficiency. We report this information at an internal level on a monthly basis. All our sites are</p>

			<p>facilities, water withdrawal volumes and sources data is obtained from water utility providers.</p>	<p>monitored for water withdrawal volumes.</p> <p>Note: Rioglass is a supplier of spare parts and services to the solar industry. We have control since January 1, 2021, however this subsidiary was in a restructuring process during 2021 and we did not have reliable and comparable information for the year 2021. Thus, 2022 is the first year we include water-related information for this subsidiary.</p>
<p>Water withdrawals – volumes by source</p>	<p>100%</p>	<p>Continuously</p>	<p>The water sources are known and recorded for all our sites.</p> <p>All our plants, with the exception of Rioglass manufacturing facilities, measure water withdrawal volumes in real time through flowmeters.</p> <p>At Rioglass manufacturing</p>	<p>Water withdrawal volumes by source are monitored at 100% of our operations. Measuring this aspect allows us to identify priority areas and to further refine water-related initiatives, targets and performance improvements. In addition, overall exposure to potential water risks (source dependency) can be quickly</p>

			facilities, water withdrawal volumes and sources data is obtained from water utility providers.	evaluated on a site-by-site basis with detailed information on water withdrawal volumes by source.
Water withdrawals quality	100%	Daily	<p>We measure water withdrawals quality as follows:</p> <ul style="list-style-type: none"> - Energy generation assets: Water withdrawals quality is monitored at the site level using automatic water samplers continuously. The water withdrawals quality key parameters analyzed at generating assets include pH, temperature and conductivity. - Water desalination assets: We perform laboratory tests on a daily basis. 	Water withdrawals quality is monitored on a continuously basis at our generating assets and on a daily basis at the water desalination plants.
Water discharges – total volumes	100%	Continuously	We measure water discharges volumes, with the exception of Rioglass manufacturing facilities, as	100% of our operational sites are monitored for this water aspect and this is considered part of the usual

			<p>follows:</p> <ul style="list-style-type: none"> - Energy generation assets: We use flowmeters to measure discharge volumes in real-time. - Water desalination assets: We use flowmeters to measure water withdrawal and potable water production volumes in real-time. Water discharges are calculated from water withdrawal volumes minus potable water production. 	<p>management for our sites.</p> <p>This aspect is relevant because our sites treat and discharge water volumes to freshwater bodies in the case of our energy generating assets, and to the sea in the case of the water desalination assets.</p>
Water discharges – volumes by destination	100%	Continuously	<p>We measure water discharges volumes by destination as follows:</p> <ul style="list-style-type: none"> - Energy generation assets: We use flowmeters to measure discharge volumes in real-time. - Water desalination assets: We use 	<p>100% of our operational sites are monitored for this water aspect and this is considered part of the usual management for our sites.</p> <p>This aspect is relevant because our sites treat and discharge water volumes to freshwater bodies in the case of our energy generating assets, and to the</p>

			<p>flowmeters to measure water withdrawal and potable water production volumes in real-time. Water discharges are calculated from water withdrawal volumes minus potable water production.</p> <p>The destination of the discharge is known and recorded for all sites.</p>	<p>sea in the case of the water desalination assets.</p> <p>We are committed to reducing water pollution. As part of our compliance with standards and regulations, we monitor the volumes of our discharges by destination.</p>
Water discharges – volumes by treatment method	100%	Continuously	<p>We use flowmeters to measure volumes of water discharges by treatment method in real-time at our generating assets.</p> <p>Water desalination assets do not have water discharges by treatment method.</p>	<p>"Water discharges – volumes by treatment method" is mainly related to our solar assets.</p> <p>Water discharged by water desalination assets is returned to the sea without treatment.</p> <p>At generating assets, to comply with our water permits, water discharges are continuously measured by certified automatic flowmeters at our plants, and the readings are audited by an authorized third</p>

				<p>party on a monthly basis.</p> <p>Water permits set the (1) thresholds of the quality parameters of the water to be discharged and (2) treatment method applicable in each case.</p>
<p>Water discharge quality – by standard effluent parameters</p>	<p>100%</p>	<p>Monthly</p>	<p>We measure water discharge quality by standard effluent parameters as follows:</p> <ul style="list-style-type: none"> - Energy generation assets: Water discharges quality is monitored at the site level using automatic water samplers continuously. The water discharges quality key parameters analyzed at generating assets include pH, temperature and conductivity. - Water desalination assets: We perform laboratory tests 	<p>Water discharges quality is monitored on a continuously basis at our generating assets and on a monthly basis at the water desalination plants.</p> <p>Quality monitoring is part of the management for our sites.</p> <p>This aspect is relevant because our sites treat and discharge water volumes to freshwater bodies in the case of our energy generating assets, and to the sea in the case of the water desalination assets.</p> <p>We are required to ensure that quality and quantity of</p>

			on a monthly basis.	discharged water complies with standards and regulations.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	100%	Monthly	External laboratory analysis.	<p>Benzene is the only priority substance that applies to our operations. This substance is at some solar assets.</p> <p>An authorized external entity analyses a sample of the water to be discharged and issues a report with the results, which must be within the ranges established in our water permits.</p> <p>Atlantica does not produce nitrates, phosphates or pesticides at any of its facilities.</p>
Water discharge quality – temperature	100%	Daily	<p>We measure water discharge temperature as follows:</p> <ul style="list-style-type: none"> - Energy generation assets: Water discharge temperature is monitored at the site level using automatic water samplers continuously. 	Water discharge temperature is monitored on a continuously basis at our generating assets and on a daily basis at the water desalination plants.

			- Water desalination assets: Water discharge temperature is monitored daily.	
Water consumption – total volume	100%	Continuously	We measure our water consumption continuously at all our sites by subtracting total water discharges from total water withdrawals. Withdrawals and discharges are measured with flow meters.	Total water consumption is calculated continuously from water withdrawals volumes minus water discharges at all our sites, and this is reported monthly through our internal performance reporting system.
Water recycled/reused	100%	Continuously	We use flowmeters to measure water recycled/reused volumes in real-time.	Water recycled/reused is mainly related to the water used in the cooling towers at some of our solar assets in Spain. We strive to reuse the water in as many cooling cycles as possible to reduce our water withdrawals. Our solar assets in Spain represent approximately 44% of our total solar capacity.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Continuously	We use internal tools to measure progress towards WASH services for employees.	We are committed to implementing access to safe water, sanitation and hygiene at the

				workplace at an appropriate level of standard for all employees at all sites.
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W-EU1.2a

(W-EU1.2a) For your hydropower operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations measured and monitored	Please explain
Fulfilment of downstream environmental flows	100%	<p>Our mini-hydro asset (4 MW capacity) is located midway along an artificial canal that supplies water to farming communities. The canal's water is managed by the Agricultural Users Association, the entity to which all the local agricultural communities belong. The water is filtered upstream from our plant in the Agricultural Users Association's facilities. The filtration guarantees that the water has a good quality both for the irrigation of crops and for its use in our plant for power generation.</p> <p>Once in our facilities, the water is managed in accordance with the license issued by the National Water Authority, and we are subject to frequent inspections by the Peruvian Environmental Control Agency to ensure that we strictly comply with national and local regulations.</p> <p>We constantly monitor the water flow to guarantee that the water discharged back to the canal has the same quality properties as the water withdrawn from it.</p> <p>In addition, the facility environmental management system complies with the ISO 14001 standard, providing additional assurance about the environmental best practices to which we commit.</p> <p>Furthermore, we perform annual internal audits on our assets to ensure compliance with our best</p>

		practices and to promote continuous improvement. The Operations Department audits all our assets at least every two years. The purpose of these audits is to perform an in-depth operational, maintenance, engineering, health and safety and environmental (including water) indicators assessment, as well as to assess compliance with internal corporate reporting requirements.
Sediment loading	Not relevant	<p>The water is filtered 12 km upstream from our plant in the Agricultural Users Association's facilities.</p> <p>The filtration guarantees that the water has a good quality both for the irrigation of crops and for its use in our plant for power generation.</p> <p>We do not manage sediment loadings since this scope is out of our operational control. The Agricultural Users Association monitors and manages the sediment loading and ensures that all the sediment removed from the canal's water is returned to the river that provides water to the canal by following practices that strictly comply with all the environmental regulations.</p>
Other, please specify	Not relevant	Not relevant: No other water aspects are regularly measured and monitored.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	297,785	About the same	Increase/decrease in efficiency	About the same	Mergers and acquisitions	94% of our withdrawals correspond to the seawater withdrawn by

					<p>the water desalination facilities. The remaining 6% is mainly related to our generation assets.</p> <p>In 2022, the water desalination plants withdrew 280.1 million cubic meters of water, compared to 284.7 million cubic meters in 2021*.</p> <p>This difference (-2%) is mainly due to a higher efficiency in the production of potable water in 2022.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p> <p>*We revised 2021 figures</p>
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					<p>following the updated 2022 classification (i.e., account for water at Honaine, a non-controlling investment, based on our percentage of economic interest in the project)</p> <p>5-year forecast: We intend to grow our business through the optimization / expansion of the existing portfolio and by developing / investing in sustainable assets. We believe that we are well positioned to benefit from the expected transition towards a more sustainable power generation mix in our markets and that we can create more</p>
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					<p>value over time by investing mostly in assets that avoid GHG emissions and ensure water security.</p> <p>At 2022 year-end we have a pipeline of assets under development and construction in North America, Europe, and South America with ~2.0 GW of renewable energy projects (~40% of the projects are in PV, 40% in storage and 19% in wind) and ~5.6 GWh of storage projects under development. All these technologies withdraw extremely low water amounts of water. Thus, we expect</p>
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						our water withdrawals to be about the same over the next 5 years.
Total discharges	158,942	Lower	Increase/decrease in efficiency	About the same	Mergers and acquisitions	<p>99% of our discharges correspond to the water discharged by water desalination facilities. The remaining 1% is mainly related to our generation assets.</p> <p>In 2022, the water desalination plants returned 156.9 million cubic meters back to the sea, compared to 169.0 million cubic meters in 2021*. This difference is mainly due to a higher efficiency in the production of potable water in 2022.</p> <p>Our definition for change:</p>

					<p>Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p> <p>*We have revised 2021 figures following the updated 2022 classification (i.e., account for water at Honaine, a non-controlling investment, based on our percentage of economic interest in the project).</p> <p>5-year forecast: We intend to grow our business through the optimization / expansion of the existing portfolio and by developing / investing in sustainable assets. We believe that we are well</p>
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					<p>positioned to benefit from the expected transition towards a more sustainable power generation mix in our markets and that we can create more value over time by investing mostly in assets that avoid GHG emissions and ensure water security.</p> <p>At 2022 year-end we have a pipeline of assets under development and construction in North America, Europe and South America with ~2.0 GW of renewable energy projects (~40% of the projects are in PV, 40% in storage and 19% in wind) and ~5.6</p>
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						GWh of storage projects under development. All these technologies discharge extremely low water amounts of water. Thus, we expect our water discharges to be about the same over the next 5 years.
Total consumption	138,843	Higher	Increase/decrease in efficiency	Higher	Mergers and acquisitions	<p>89% of potable water produced by the desalination water assets and the 11% corresponds to water consumption at our generation assets.</p> <p>Water desalination: 89%</p> <p>We invest in water desalination plants that generate purified seawater to meet the</p>

					<p>water needs of approximately 3 million people.</p> <p>It is important to clarify that at the desalination assets we consider "total consumption" the difference between total water withdrawals and total water discharges from the water desalination plants. This "consumption" is "production" of fresh water as a result of the desalination process.</p> <p>In 2022, the water desalination plants withdrew 280.1 million cubic meters of water. The difference between water withdrawn</p>
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					<p>from and returned to the sea is the desalinated potable water delivered to the water utility. In 2022, the plants produced 123.3 million cubic meters of desalinated water and returned 156.9 million cubic meters (56%) back to the sea.</p> <p>In 2021**, the assets withdrew 284.7 million cubic meters of desalinated water and returned 169.0 million cubic meters (58%) back to the sea.</p> <p>The difference is explained by a higher efficiency in the production of potable water in 2022.</p>
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					<p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p> <p>*We have revised 2021 figures following the updated 2022 classification (i.e., account for water at Honaine, a non-controlling investment, based on our percentage of economic interest in the project).</p> <p>Five-year forecast: We refer to the explanation provided in the total withdrawal and total discharges sections.</p>
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W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
R o w 1	Yes	Less than 1%	Lower	Increase/decrease in business activity	Lower	Mergers and acquisitions	WRI Aqueduct	<p>We are committed to using water efficiently in our operations. This covers two main types of water use:</p> <ol style="list-style-type: none"> 1. Power generation in the assets that use cycled water in the turbine circuit and in refrigeration processes. 2. Generation of drinking water for local communities and industries through the desalination of sea water. <p>We are also committed to:</p> <ul style="list-style-type: none"> (i) calculating and monitoring our water usage and promoting rational and sustainable use of water in compliance with our internal policies, (ii) limiting water consumption as much as possible and operating our assets using an amount of water well below legal limits, and (iii) continuing to improve our water management beyond compliance. We aim to reduce the water consumption of our plants over time.

							<p>At Atlantica, we have a company-wide (1) Water Policy and (2) an Environmental Policy. Through these policies we aim to make clear that the environment and water-related matters are core to our strategy. The Policies apply to the Company and each of its subsidiaries, including all directors, officers and employees, and in all geographic locations, regardless of the local practices. The policies are available at https://www.atlantica.com/web/en/policies/</p> <p>The water desalination facilities account for 94% of our total withdrawals, with the remaining 6% intended for use in power generation assets.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p> <p>Water withdrawn at power generation assets. Regarding the power generation assets, 9 out of 34 are located in extremely high or high baseline water stress areas as classified by the World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool. Eight of them are solar plants (2 located in the U.S. and 6 in Spain), and the remaining</p>
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							<p>asset is a geothermal facility in the U.S.</p> <p>All water withdrawals intended for use in generation are generally strictly regulated by government authorities, which issue the permits and determine the maximum permitted withdrawal volumes, to ensure that no significant negative effects occur.</p> <p>We always strive to operate our assets well below these limits, as reflected by the fact that 2022 has been the 4th consecutive year withdrawing in average less than 60% of water available under existing permits.</p> <p>After use in cooling and other auxiliary processes, approximately 17% of the water withdrawn at solar facilities is returned to the environment.</p> <p>At ACT, our main efficient natural gas asset in Mexico, the water we receive from our offtaker is transformed into high pressure steam through heat recovery steam generators and delivered back to the client.</p> <p>Water withdrawn at water desalination assets. Regarding the water desalination assets, the water withdrawn from the sea is treated to make it</p>
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							<p>suitable for human consumption. Two out of the three water desalination facilities are located in “extremely-high” and one is located in “medium-high” baseline water stress areas as classified by the WRI Aqueduct Water Risk Atlas Tool. Nevertheless, since 100% of the water withdrawn is seawater, areas of water stress are not negatively affected. In fact, water desalination plants help ease the burden on water-stressed areas by providing safe, fresh water to meet the needs of communities that depend on this essential service, helping pave the way to achieving one of the most important UN Sustainable Development Goals (SDG 6 - Clean water and sanitation).</p> <p>In 2022, we withdrew 297.8 million cubic meters of water. The difference between water withdrawn from and returned to the sea is the desalinated potable water delivered to the water utility, as specified by our take-or-pay agreements for the consumption needs of approximately 3 million people. In 2022, the water desalination plants produced 123.3 million cubic meters of desalinated water and returned 156.9 million cubic meters (56%) back to the sea.</p>
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								<p>5-year forecast: We intend to grow our business through the optimization / expansion of the existing portfolio and by developing / investing in sustainable assets. We believe that we are well positioned to benefit from the expected transition towards a more sustainable power generation mix in our markets and that we can create more value over time by investing mostly in assets that avoid GHG emissions and ensure water security.</p> <p>At 2022 year-end we have a pipeline of assets under development and construction in North America, Europe and South America with ~2.0 GW of renewable energy projects (~40% of the projects are in PV, 40% in storage and 19% in wind) and ~5.6 GWh of storage projects under development. All these technologies withdraw extremely low water amounts of water. Thus, we expect our water withdraws to be about the same over the next 5 years.</p>
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W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous	Primary reason for comparison	Please explain
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			reporting year	with previous reporting year	
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	5,122	Lower	Increase/decrease in business activity	<p>Our power generation assets account for 100% of the fresh surface water withdrawals. These withdrawals are generally strictly regulated by government authorities, which issue the permits and determine the maximum permitted withdrawal volumes, to ensure that no significant negative effects occur.</p> <p>We always strive to operate our assets well below these limits, as reflected by the fact that 2022 has been the 4th consecutive year withdrawing in average</p>

					<p>less than 60% of water available under existing permits.</p> <p>Most of this water is used in cooling and other auxiliary processes at some of our solar facilities in Spain and South Africa. A very small portion is used by our mini-hydro plant (4 MW capacity).</p> <p>In 2022, we withdrew 5,122 megaliters vs 5,744 megaliters in 2021 (-10.8%).</p> <p>The decrease is mainly explained by the lower production at our solar assets in Spain.</p> <p>Our definition for change:</p>
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					Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.
Brackish surface water/Seawater	Relevant	281,309	About the same	Increase/decrease in efficiency	99.6% of this withdrawal category corresponds to the seawater withdrawn by the water desalination facilities. The remaining 0.4%, which we consider immaterial, relates to some of generating assets. In 2022, the water desalination plants withdrew 280.1 million cubic meters of water. In 2022, these plants produced 123.3 million cubic meters of desalinated water and returned

					<p>156.9 million cubic meters (56%) back to the sea.</p> <p>In 2021*, the assets withdrew 284.7 million cubic meters of desalinated water and returned 169.0 million cubic meters (58%) back to the sea.</p> <p>The difference is explained by a higher efficiency in the production of potable water in 2022.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p> <p>*We have revised 2021 figures following the</p>
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					updated 2022 classification (i.e., account for water at Honaine, a non-controlling investment, based on our percentage of economic interest in the project).
Groundwater – renewable	Relevant	5,795	About the same	Other, please specify Please see the explanation box.	<p>The groundwater-renewable withdrawal increase is mainly explained by:</p> <ol style="list-style-type: none"> 1. In 2022, the water quality of the intakes at one of our solar assets in the U.S. was lower than in 2021. Therefore, we had to use a higher volume of water in the cooling tower, as efficiency decreases as water quality worsens. 2. In 2022, our

					<p>groundwater-renewable withdrawal also increased due to Coso, as this asset was fully consolidated for the entire year 2022 while only for 8 months in 2021 (i.e., we closed the acquisition of Coso in April 2021).</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p>
Groundwater – non-renewable	Not relevant				We do not withdraw water from non-renewable ground sources.
Produced/Entrained water	Not relevant				In 2022, we produced no water.
Third party sources	Relevant	5,558	Higher	Increase/decrease in business activity	99.7%* of this withdrawal category

					<p>corresponds to the water withdrawn by Pemex, our client at ACT, our efficient natural gas cogeneration facility in Mexico. ACT produces electricity and steam.</p> <p>The water necessary to operate the plant is withdrawn and supplied by our client. The water received is transformed to high pressure steam through heat recovery steam generators and delivered back to the client.</p> <p>In 2022, water withdrawn was 0.7 million cubic metres higher because of higher</p>
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					<p>production per the client request, which resulted in higher water withdrawal.</p> <p>Our definition for change: Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p> <p>*The remaining 0.3%, which we consider immaterial, relates to the municipal water withdrawn by Rioglass, a supplier of spare parts and services to the solar industry that we acquired in 2021. In 2022, Rioglass used 14 megaliters of municipal water for its activities.</p>
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W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	1,483	Lower	Increase/decrease in business activity	<p>Our power generation assets account for 100% of the fresh surface water withdrawals. These withdrawals are generally strictly regulated by government authorities, which issue the permits and determine the maximum permitted withdrawal volumes, to ensure that no significant negative effects occur.</p> <p>We always strive to operate our assets well below these limits, as reflected by the fact that 2022 has been the 4th consecutive year withdrawing in average less than 60% of water available under existing</p>

					<p>permits.</p> <p>Most of this water is used in cooling and other auxiliary processes at some of our solar facilities in Spain and South Africa. A very small portion is used by our mini-hydro plant (4 MW capacity).</p> <p>In 2022, we discharged 1,483 megaliters (-12.6%) vs 1,698 megaliters in 2021.</p> <p>The decrease is mainly explained by the lower production at our solar assets in Spain.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p>
Brackish surface water/seawater	Relevant	157,257	Lower	Increase/decrease in efficiency	99.7% of this discharge category

					<p>corresponds to the water discharged by water desalination facilities. The remaining 0.3%, which we consider immaterial, is related to some of our generation assets.</p> <p>In 2022, the water desalination plants withdrew 280.1 million cubic meters of water. In 2022, the plants produced 123.3 million cubic meters of desalinated water and returned 156.9 million cubic meters (56%) back to the sea.</p> <p>In 2021*, the assets withdrew 284.7 million cubic meters of desalinated water and returned 169.0 million cubic meters (58%) back to the sea.</p> <p>The difference is explained by</p>
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					<p>a higher efficiency in the production of potable water in 2022.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/- 5%, Lower: >-5%, Much lower: >-15%.</p> <p>*We have revised 2021 figures following the updated 2022 classification (i.e., account for water at Honaine, a non-controlling investment, based on our percentage of economic interest in the project).</p>
Groundwater	Relevant	187	About the same	Increase/decrease in business activity	<p>100% of this category corresponds to one solar facility in Spain.</p> <p>The total volume discharged in 2022 amounted to 187 megaliters vs 186 megaliters</p>

					<p>in 2021, resulting in a slight increase of 0.57%.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/- 5%, Lower: >-5%, Much lower: >-15%.</p>
Third-party destinations	Relevant	14	This is our first year of measurement	Increase/decrease in business activity	<p>In 2022, we included Rioglass in our water indicators. Rioglass is a supplier of spare parts and services to the solar industry that we acquired in 2021*.</p> <p>In 2022, Rioglass used 14 megaliters of municipal water for its activities.</p> <p>14 megaliters represents 0.009% of our total water discharges. Thus, represents an immaterial amount. No further analysis required.</p>

					<p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p> <p>*Key performance indicators for Rioglass have been included from January 1, 2022. Atlantica has control of Rioglass since January 1, 2021; however, this subsidiary was in a restructuring process during 2021 and we did not have reliable and comparable information for the year 2021.</p>
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W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain

Tertiary treatment	Not relevant					Not relevant: Since we strictly follow our water permit treatment procedures , which include primary and secondary treatment processes, but not tertiary. Tertiary treatment is not applicable in our case.
Secondary treatment	Relevant	2,077	Lower	Increase/decrease in business activity	100%	Relevant: In 2022, all our discharge volumes (mainly solar assets in Spain) relate to secondary treatment. We monitor water discharge quality (e.g., pH, conductivity , harmful substances , etc.)

						<p>based on applicable regulations. Our facilities have implemented water effluent standards that meet or are more strict than applicable government standards.</p> <p>The water discharged corresponds mainly to our solar assets and include:</p> <ul style="list-style-type: none"> - Wastewater from the production of demineralized water to be used in the steam cycle (1). - Purges from the cooling circuits (2). - Sanitary wastewater from the facilities' toilets and wastewater from cleaning
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						<p>processes (3).</p> <p>For water discharges (1) and (2), there is no primary treatment, and the secondary treatment involves the addition of sodium bisulphite to neutralize residual free chlorine and/or the addition of soda or acid to adjust pH.</p> <p>Regarding sanitary wastewater from the facilities' toilets and wastewater from cleaning processes (3), as a primary treatment, the water is filtered to remove particles up to 10 mm in size.</p>
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						<p>Thereafter, a secondary treatment in biological reactors is performed.</p> <p>The sludge generated in the treatment of wastewater is periodically removed and disposed of by authorized companies at authorized areas.</p> <p>All these procedures strictly comply with our water permits.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/- 5%, Lower: >-5%, Much</p>
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						lower: >-15%.
Primary treatment only	Not relevant					Not relevant: Since all wastewater from our operations goes through both primary and secondary treatment processes, we have included the total volume of water treated only in the "secondary treatment" section.
Discharge to the natural environment without treatment	Relevant	156,851	Lower	Increase/decrease in efficiency	100%	Relevant: 100% of this section is related to the water desalination assets in Algeria. After the seawater is desalinated, the remaining brine is returned to the sea through diffusers to

						<p>minimize the impact of high salt concentrations on the environment. It does not need any additional treatment prior to discharge to reduce potential negative impacts as no harmful substances have been added during the desalination process.</p> <p>The procedure strictly complies with all the local environmental regulations.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/- 5%, Lower:</p>
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						>-5%, Much lower: >- 15%.
Discharge to a third party without treatment	Relevant	14	This is our first year of measurement	Other, please specify Inclusion of Rioglass in our water indicators.	100%	<p>Relevant: In 2022, we included Rioglass in our water indicators. Rioglass is a supplier of spare parts and services to the solar industry that we acquired in 2021.*</p> <p>Rioglass manufacturing facilities are located in Spain.</p> <p>In 2022, Rioglass used 14 megaliters of municipal water for its activities. This water is withdrawn from and discharged to a water utility provider following local</p>

						<p>environmental regulations (i.e., Spain).</p> <p>14 megaliters represents 0.009% of our total water discharges. Thus, represents an immaterial amount. No further analysis required.</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/- 5%, Lower: >-5%, Much lower: >-15%.</p> <p>*Key performance indicators for Rioglass have been included from</p>
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						<p>January 1, 2022. Atlantica has control of Rioglass since January 1, 2021; however, this subsidiary was in a restructuring process during 2021 and we did not have reliable and comparable information for the year 2021.</p>
Other	Not relevant					<p>Not relevant: No other treatment procedures are necessary to treat wastewater from our operations.</p>

W1.2k

(W1.2k) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
Row 1	0.01	Priority substances listed under the EU	Benzene is the only priority substances	The water permits for two of our solar assets in Spain set a

		Water Framework Directive	applicable to some of our operations.	<p>maximum discharge threshold for benzene, the only priority substance that applies to our operations.</p> <p>We are required to stay below certain limits of benzene at all times. We are in compliance with this requirement.</p> <p>Atlantica does not produce nitrates, phosphates or pesticides at any of its facilities.</p>
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W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	1,102,029,000	297,785	3,700.7538996256	<p>If we only consider our generating assets or water desalination plants, water withdrawal efficiency would be 52,893 or 192, respectively</p> <p>We have a pipeline of assets under development and construction in North and South America and Europe with ~2.0 GW of renewable energy projects and ~5.6 GWh of storage projects under development</p> <p>All these technologies withdraw very low amounts of water. Thus, we expect our total water withdrawal efficiency to stay about the same in the short and medium term.</p>

W-EU1.3

(W-EU1.3) Do you calculate water intensity for your electricity generation activities?

Yes

W-EU1.3a

(W-EU1.3a) Provide the following intensity information associated with your electricity generation activities.

Water intensity value (m3/denominator)	Numerator: water aspect	Denominator	Comparison with previous reporting year	Please explain
2.26	Total water withdrawals	MWh	Lower	<p>In 2022, we generated a total of 7,817,558 MWh of electricity and our power generation assets withdrew 17,676,506 m3 of water. Thus, the water intensity value for 2022 was $17,676,506 \text{ m}^3 / 7,817,558 \text{ MWh} = 2.26 \text{ m}^3/\text{MWh}$.</p> <p>In 2021, we generated a total of 6,889,489 MWh of electricity and our power generation assets withdrew 17,322,845 m3 of water. Thus, the water intensity value for 2021 was $17,322,845 \text{ m}^3 / 6,889,489 \text{ MWh} = 2.51 \text{ m}^3/\text{MWh}$.</p> <p>Volume change from previous reporting year (2022 vs 2021): The water intensity value decrease (-10%) is mainly due higher electricity generation from less intensive water technologies (i.e., solar PV and wind power generation).</p> <p>How metrics are used internally: The intensity metric is used to track water efficiency to identify potential improvement initiatives and review status against established internal objectives.</p> <p>Expected future trend: At 2022 year-end we have a pipeline of assets under development and construction</p>

				<p>in North and South America and Europe with ~2.0 GW of renewable energy projects (~40% of the projects are in PV, 40% in storage and 19% in wind) and ~5.6 GWh of storage projects under development.</p> <p>All these technologies withdraw very low amounts of water. Thus, we expect our water efficiency to continue improving in the short and medium term.</p> <p>Strategy to reduce water intensity: As previously stated, following our pipeline as of December 31, 2022, we plan to invest in technologies that add generation (MWh) and withdraw very low amounts of water (m3).</p> <p>Our definition for change: Much higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.</p>
1.99	Total water consumption	MWh	Lower	<p>In 2022, we generated a total of 7,817,558 MWh of electricity and our power generation assets consumed 15,585,383 m3 of water. Thus, the water intensity value for 2022 was $15,585,383 \text{ m}^3 / 7,817,558 \text{ MWh} = 1.99 \text{ m}^3/\text{MWh}$.</p> <p>In 2021, we generated a total of 6,889,489 MWh of electricity and our power generation assets consumed 14,971,981 m3 of water. Thus, the water intensity value for 2021 was $14,971,981 \text{ m}^3 / 6,889,489 \text{ MWh} = 2.17 \text{ m}^3/\text{MWh}$.</p>

			<p>Volume change from previous reporting year (2022 vs 2021): The total water consumption decrease (-8%) is mainly due higher electricity generation from less intensive water technologies (i.e., solar PV and wind power generation).</p> <p>How metrics are used internally: The intensity metric is used to track water efficiency to identify potential improvement initiatives and review status against established internal objectives.</p> <p>Expected future trend: At 2022 year-end we have a pipeline of assets under development and construction in North and South America and Europe with ~2.0 GW of renewable energy projects (~40% of the projects are in PV, 40% in storage and 19% in wind) and ~5.6 GWh of storage projects under development.</p> <p>All these technologies consume very low amounts of water. Thus, we expect our water efficiency to continue improving in the short and medium term.</p> <p>Strategy to reduce water intensity: As previously stated, following our pipeline as of December 31, 2022, we plan to invest in technologies that add generation (MWh) while consuming very low amounts of water (m3).</p> <p>Our definition for change: Much</p>
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				higher: >+15%, Higher: >+5%, About the same: <+/-5%, Lower: >-5%, Much lower: >-15%.
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W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	A majority of our business are renewable energy assets. We complement our renewable assets portfolio with storage, efficient natural gas, and transmission lines. We also hold water assets, a relevant sector for sustainable development. None of our products contain substances classified as hazardous (i.e., bioaccumulative and toxic (PBT), very persistent and very bioaccumulative (vPvB), carcinogenic, mutagenic and toxic for reproduction (CMR), or endocrine disruptors (ED)) by a regulatory authority.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement
Suppliers	Yes
Other value chain partners (e.g., customers)	Yes

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment

Procurement spend

Number of suppliers identified as having a substantive impact

0

% of total suppliers identified as having a substantive impact

None

Please explain

The Purchase, Compliance, Environmental and Risk Management teams, as well as Achilles (external evaluation provider) play a key role to identify and avoid negative impacts from our suppliers, including water-related risks. We have 6 lines of defense to mitigate supply chain risks. We refer to our 2022 Integrated Annual Report (pages. 134-138) for information on our lines of defense.

In 2022, we changed our external evaluation provider to Achilles, a company that evaluates suppliers based on water management, biodiversity, environmental management systems, and management of the vendor’s supply chain (i.e., sub-supplier environmental practices)

Achilles annual evaluation includes a scorecard (0 to 100 score) and medals (silver, gold and platinum)

In 2022, Achilles externally verified ~45% of our total procurement spend. We did not identify suppliers as having a substantive water impact.

We consider vendors to have a substantive impact if Achilles scorecard is below 25 points.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization’s purchasing process?

Suppliers have to meet specific water-related requirements	
Row 1	Yes, suppliers have to meet water-related requirements, but they are not included in our supplier contracts

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

Water-related requirement

Other, please specify

Water key performance indicators are verified as part of our suppliers external verification.

% of suppliers with a substantive impact required to comply with this water-related requirement

Less than 1%

% of suppliers with a substantive impact in compliance with this water-related requirement

Less than 1%

Mechanisms for monitoring compliance with this water-related requirement

Grievance mechanism/Whistleblowing hotline

Supplier scorecard or rating

Response to supplier non-compliance with this water-related requirement

Other, please specify

Achilles annual external evaluation includes a scorecard, medals and improvement areas. Suppliers are generally expected to improve their performance over time.

We could suspend the services if they do not improve their performance over time.

Comment

-

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement

Incentivization

Details of engagement

Water management and stewardship is featured in supplier awards scheme

% of suppliers by number

1-25

% of suppliers with a substantive impact

Less than 1%

Rationale for your engagement

The Purchase, Compliance, Environmental and Risk Management teams, as well as Achilles (external evaluation provider) play a key role to identify and avoid negative impacts from our suppliers, including environmental and water-related risks. We have 6 lines of defense to mitigate supply chain risks. We refer to our 2022 Integrated Annual Report (pages 134-138) for additional information on our lines of defense.

In 2022, we changed our external evaluation provider to Achilles, a company that evaluates suppliers based on, among others:

- Environment: water and waste management, GHG emissions, biodiversity and environmental management systems.

- Governance: adherence to the UN Sustainable Development Goals, and management of the vendor's supply chain (i.e., sub-supplier environmental and social practices).

Achilles methodology is built on international standards including ISO 26000, the U.N. Global Compact and the GRI reporting requirements.

Achilles annual evaluation process includes:

1. A scorecard (or supplier award scheme) per supplier with a zero to one hundred (0 – 100) score, and medals (silver, gold and platinum) when applicable. The scorecard also provides guidance on strengths and improvement areas for each supplier.

The following table discloses the Score (from A+ to D), the Classification (from 0 to 100) and the Category (from Excellent to Low):

A+ -> 96-100 : Excellent. "Platinum"

A -> 75-95 : High. "Gold"

B -> 50-74 : Medium-High. "Silver"

C -> 25-49 : Medium-Low

D -> 0-24 : Low

2. Actions to improve certain ESG-related areas (if necessary).

For the year 2022, we engaged with approximately 45% of our total procurement spend. Since Achilles rating is valid for one year, we monitor suppliers' progress on a yearly basis. Those suppliers that have been assessed during the year are generally expected to improve their performance in the upcoming year. If the supplier does not improve their ESG performance during several consecutive years, Atlantica could consider suspending the services with them.

We believe the external annual verification helps us to (1) incentivize our suppliers to improve their performance over time, and (2) collect and update suppliers environmental and water-related information on a yearly basis.

We provide comprehensive Supply Chain Management information in our 2022 Integrated Annual Report (available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf), pages 134 - 138.

Impact of the engagement and measures of success

In 2022, we updated our external evaluation supplier targets.

Updated 2022 target:

- External supplier evaluation: review 70% of total annual operating expenses (i.e., Tier 1 suppliers) by 2024 year-end.

2021 target:

- External supplier evaluation: review 65% of total annual operating expenses (i.e., Tier 1 suppliers) by 2022 year-end.

Measure of success: We believe that the Achilles score and medals supplier award scheme encourages companies to improve their ESG performance over time (specially those suppliers with a scorecard below 25 points). Achilles has several resources available in their webpage for suppliers to improve their performance and scores.

Considering that in 2022 we changed our external evaluation provider to Achilles, we believe that externally verifying approximately 45% of the Company's procurement spend (including water-related matters) to be a measure of success. We believe to be on-track to meet the previously mentioned 2024 target (i.e., review 70% of total annual operating expenses by 2024 year-end).

Comment

-

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder

Investors & shareholders

Type of engagement

Education / information sharing

Details of engagement

Share information about your products and relevant certification schemes

Rationale for your engagement

ESG - in particular environmental-related matters - are becoming important criteria for shareholders, investors and financial institutions, including banks. E.g., many investors have ESG in their investment analysis or have mandates to invest in clean energy and water assets, a relevant sector for sustainable development.

We have a Stakeholder Policy in-place to emphasize the importance of collaboration with our shareholders, employees, suppliers, customers, business partners, local communities, and debt investors to generate a stable and predictable business environment. The policy is available at: <https://www.atlantica.com/web/en/policies/>

We have made a two-way engagement channel available for our stakeholders to build trusting long-term relationships. E.g., we share ESG (including environmental-related information) with shareholders and debt investors through:

- (1) face-to-face meetings, video, or phone calls,
- (2) annual reports,
- (3) social media,
- (4) materiality surveys,
- (5) press releases,
- (6) website content (e.g., ESG-rating evaluation results, green finance reports),
- (7) earnings presentations (quarterly and annually),
- (8) Annual General Meetings, and
- (9) roadshows.

We also have a whistleblower channel (available on our website) to report any instances of non-compliance.

Lastly, stakeholders can submit comments to the Investor Relations Director, who is part of Atlantica's Management team. Her phone and email address are available on our website.

Impact of the engagement and measures of success

In 2022, we increased our ESG focused shareholders (vs. 2021).

Our CEO, CFO and Investor Relations Director generally hold calls and/or meetings with investors and equity analysts after quarterly earnings presentations, we believe these calls/meetings are generally a good opportunity to provide feedback and/or address questions on the company's performance, initiatives, growth, targets, etc. including environmental-related matters.

In addition, some investors share with the company their voting decisions at the Annual General Meeting and provide improvement actions in terms of ESG. Furthermore, we receive feedback regularly by e-mail. For example, in the past we received communications from investors suggesting (i) new environmental-related proposals, (ii) to respond to CDP's Water Security Questionnaire, and (iii) to disclose additional environmental-related information / key performance indicators.

Lastly, many ESG-rating entities that perform ESG evaluations on Atlantica share our scores with stakeholders, including investors (or make such scores available for investors to see).

Measure of success: We believe that by (1) increasing our ESG focused shareholders in 2022, (2) receiving environmental-related proposals from shareholders, and (3) obtaining positive feedback from different stakeholders on our ESG-rating scores, to be a measure of success on sharing ESG (including water-related matters) information with shareholders and debt investors.

Type of stakeholder

Customers

Type of engagement

Education / information sharing

Details of engagement

Share information about your products and relevant certification schemes

Rationale for your engagement

Our customers are mainly comprised of electric utilities and corporations, with which we typically have entered into PPAs with. We also have electric systems and government owned electricity and transmission companies as customers. We do not have individuals or retail clients as customers in any of our assets.

ESG - in particular environmental-related matters - are becoming important criteria for many vendors and customers. E.g., many companies are selecting their suppliers considering the environmental impact of their products, and customers are proactively improving their ESG commitments.

Our Geographic VPs and country managers are responsible for managing customers relations. Considering that most of our clients are large electric utilities and corporations in different countries, each geography has implemented its own procedures and consultation guidelines to communicate with customers efficiently and effectively. We generally have a very fluid and good rapport with all our customers.

We perform annual reviews with some of our clients to check that we comply with certain key areas (including environmental-related matters). We also share information with our customers through:

- (1) face-to-face meetings and phone calls,
- (2) annual reports,
- (3) social media,
- (4) materiality surveys,
- (5) press releases,
- (6) website content (e.g., green financing reports).

We also have a whistleblower channel (available on our website) to report any instances of non-compliance.

Impact of the engagement and measures of success

Measure of success: We believe that by (1) performing annual reviews and receiving environmental-related questions from customers, and (2) obtaining positive feedback from different stakeholders (including clients) on our ESG initiatives and rating evaluation scores, to be a measure of success on sharing ESG (including water-related matters) information with clients.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
Row 1	No	<p>Atlantica has not been subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations in 2022.</p> <p>We provide information on our environmental compliance measures in our 2022 Integrated Annual Report (publicly available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf), pages 122-123).</p>

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified
Row 1	Yes, we identify and classify our potential water pollutants	<p>The main potential water pollutants in our operations relate to the heat transfer fluid at some of our solar assets.</p> <p>Our water permits establish a maximum discharge threshold for all potential water pollutants, including benzene, as well as, biphenyl, diphenyl oxide and their degradation byproducts.</p> <p>To ensure that we stay below the limits, an authorized external entity analyzes a sample of the water to be discharged and issues a report</p>

		<p>with the results, which must be within the ranges established in our water permits. This analysis is performed at least quarterly and serves as indicators to track the presence of water pollutants.</p> <p>In addition, we promote the highest environmental and water standards and a culture of continuous improvement to minimize our environmental risks, including potential water pollution. We: (i) have certified our environmental management system under ISO 14001, (ii) regularly monitor environmental KPIs, (iii) perform annual environmental audits on our assets to ensure compliance with our best practices, identifying and mitigating risks, and sharing lessons learnt, (iv) have in-house legal and compliance teams supervising compliance with contractual and existing and/or new regulation requirements, and (v) provide regular environmental training to our employees and contractors working at our plants.</p> <p>Lastly, we refer to section 6.1a for additional information on our water policy.</p>
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W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Other synthetic organic compounds

Description of water pollutant and potential impacts

The main potential water pollutants applicable to Atlantica's operations are the ones related to the heat transfer fluid at some of our solar assets, which include primarily benzene, biphenyl, diphenyl oxide and their degradation byproducts.

These pollutants are toxic and, if released into the environment in quantities above the legal limits, pose a serious threat to the ecosystems and human health.

Value chain stage

Direct operations

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Beyond compliance with regulatory requirements

Industrial and chemical accidents prevention, preparedness, and response

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain

We are aware of the potential negative impact that the aforementioned water pollutants could have on the environment in the event of an accidental spill, and therefore we have implemented all the necessary preventive measures to minimize risks and comply with national and local regulations.

These include, among others:

- Waterproofing of the soil in all areas susceptible to spills to prevent infiltration into the soil.
- Containment basins to store possible contaminated rainwater.
- Real-time monitoring of groundwater to detect any possible leaks.

Measure of success: in 2022 we did not receive any sanction for water pollutants at our assets.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations
Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market

Enterprise risk management
International methodologies and standards

Tools and methods used

WRI Aqueduct
Enterprise Risk Management
ISO 31000 Risk Management Standard
ISO 14001 Environmental Management Standard
Other, please specify
Performed climate-scenario analysis: physical scenarios (RCP 8.5), transition scenarios (IEA SDS and STEPS). NASA Center for Climate Simulations, the Aqueduct Floods Hazard Maps and the Aqueduct Global Maps 3.0 to analyze future climate conditions

Contextual issues considered

Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Impact on human health
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers
Employees
Investors
Local communities
Regulators
Suppliers

Comment

Atlantica has developed a risk analysis methodology based on ISO 31000 standard and on common market practices. The risk analysis comprises the following steps:

- Risk Identification (ex-ante): identify causes that may turn into a risk situation.
- Risk Assessment: evaluate the risk considering its likelihood and potential impact.
- Risk Management Plan: focused on mitigating risk effects. The Head of Risk Management coordinates the risk identification, assessment, monitoring and mitigation effort primarily with the Geographic VPs. The resulting Risk Map is periodically reviewed and approved by the senior management team including Atlantica's VPs, the CFO, and the CEO and reported to the Board on a quarterly basis.

Our Environmental Management System is ISO 14001 compliant (valid until May 2024).

Our local asset management teams systematically track and monitor water availability as a key KPI. Our internal operations team performs annual audits of our assets aimed

at reviewing compliance with our best practices, identifying and mitigating risks, and promoting constant improvement. These audits cover a broad range of areas, including water management.

Regarding regulatory changes, we have local legal teams who work generally with the support of local external lawyers. Our local internal and external lawyers are in close contact with the regulation and potential regulation changes in each geography. These, together with the asset managers, monitor any potential regulatory change.

We participate in integrated watershed management initiatives in certain key asset locations. E.g., in Spain, we participate in the Drainage Commission meetings and in the Watershed Governing Board, and have regular meetings with the Hydrographic Confederations to address water matters.

We have 6 lines of defense to identify and mitigate supply chain risks (including water-related risks). We refer to our 2022 Integrated Annual Report (pages 134-138).

Lastly, in 2022 we finalized our climate-related scenario analysis to assess Atlantica's 2030 and 2050 key climate risk and opportunity impacts (including water-related impacts). Based on the results of the work completed, our long-term strategy and asset portfolio would be resilient to physical climate-related risks and we would be well positioned to take advantage of transition-related opportunities.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	<p>The Board, with the support of management, has overall responsibility for risk management.</p> <p>The Risk Management Department is responsible for risk management systems across the Company. It implements the Company's risk management policy,</p>	<p>We have a risk map that adopts a multidisciplinary approach to identify risks in different areas, assigning probability distributions and measuring economic impact in order to propose action plans to mitigate risks. Once the information is compiled, key conclusions are</p>	<p>Considering that Atlantica's Purpose is to support the transition towards a more sustainable world by investing in and managing sustainable infrastructure, while creating long-term value for our shareholders (investors), employees,</p>	<p>To mitigate risks, the Head of Risk Management assigns responsibility to each risk depending on its nature, likelihood, potential financial impact and the time horizon covered (short, medium or long-term).</p> <p>The Head of Risk Management</p>

<p>vision and purpose to ensure a strong risk management culture at all levels of our Company.</p> <p>The risk analysis led by the Head of Risk Management:</p> <ul style="list-style-type: none"> - Includes an enterprise risk management that covers all company-wide risks (i.e., risks from our direct operations and supply chain, and risks driven by operational, financial and ESG activities among others). - Is based on ISO 31000 standard and on common market practices - Uses climate and water tools and methodologies, including the (i) World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool to identify assets located in extremely high or high baseline water stress areas, (ii) the Representative Concentration Pathway (RCP) 8.5 to perform physical climate scenarios to assess medium and long-term physical risk and opportunity impacts, and (iii) the IEA Sustainable 	<p>outlined in a report that includes the risk assessment, mitigation strategies, deadlines and responsible parties.</p> <p>Risk map preparation and its communication to the Board (both on a quarterly basis):</p> <ol style="list-style-type: none"> 1) Geographic VPs, asset managers, development managers, and Corporate teams identify risks based on their daily activities, including evaluating investments and development opportunities, regulation, etc. and report them to the Head of Risk Management. 2) Regular meetings are held between the aforementioned departments to clarify potential questions. 3) The Risk Management department completes the risk map covering all our activities and geographies. 4) The Head of Risk Management shares the conclusions with the Geographic VPs and presents them to the Business Committee. 5) The risk map and 	<p>suppliers, customers, business partners, local communities and debt investors, we include these stakeholders in our risk analysis.</p> <p>We have also included regulators in the "Stakeholders Considered" section (W3.3a) due to their importance on issuing new environmental (including climate and water) related regulation.</p>	<p>coordinates the risk identification, assessment, monitoring and mitigation effort primarily with the Geographic VPs. The resulting Risk Map is periodically reviewed and approved by the senior management team including Atlantica's VPs, the CFO, and the CEO and reported to the Board along with mitigation actions on a quarterly basis.</p> <p>The decision-making process for risk response is affected by their potential impact on: (1) Cash Available for Distribution (CAFD*) pre-corporate interest expenses and asset value of the Company and (2) Health and safety and environmental accidents. We refer to section W4.1a for comprehensive information on our definitions of (a) substantive financial or strategic impact risks on our business and (b) CAFD.</p> <p>Potential decisions to manage risks include:</p> <ol style="list-style-type: none"> i) internal management and/or ii)
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<p>Development Scenario (SDS) and the IEA Stated Policies Scenario (STEPS) to perform transition scenarios to assess medium and long-term transition risk and opportunity impacts.</p> <p>- Categorizes risks depending on their potential impact on:</p> <p>(1) Cash Available for Distribution pre-corporate interest expenses and asset value of the Company, and (2) Health and safety and environmental accidents.</p>	<p>the key risks identification, assessment, monitoring and mitigation plans are presented on a quarterly basis to the Board along with mitigation actions.</p> <p>The Contextual Issues described in section W3.3a (i.e., water availability and quality at a basin, stakeholder conflicts, water regulatory frameworks, status of ecosystems and habitats, and access to safely managed WASH) are considered in the risk map preparation.</p>		<p>transfer through insurance policies.</p> <p>The implementation of the mitigation actions are followed-up by top management in different Corporate and Geographic Committees.</p>
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W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Atlantica defines a substantive impact as a real and measurable risk or opportunity that has a considerable or relatively significant effect at the corporate or asset level. This may include operational, financial or strategic (including climate-related) issues that may undermine the entire business or part of the business. At Atlantica we employ a risk map which adopts a multidisciplinary approach to identify risks in different areas, assigning probability distributions and measuring economic impacts.

Cash Available for Distribution (CAFD) is one of Atlantica’s key metrics. CAFD is defined as cash distributions received by Atlantica Sustainable Infrastructure plc from its subsidiaries

minus cash expenses of the Company, including interest and general and administrative expenses. Most of our investors consider our CAFD metric to evaluate Atlantica's performance.

CAFD pre-corporate interest expense refers to cash distributions received by Atlantica Sustainable Infrastructure plc from its subsidiaries after general and administrative expenses.

We categorize risks depending on their potential impact on:

(1) CAFD pre-corporate interest expenses and asset value (i.e., equity value) of the Company.

- (i) Extreme Impact >20%
- (ii) Major Impact: 11-20%
- (iii) Moderate Impact: 6-10%
- (iv) Minor Impact: 1-5%
- (v) Insignificant Impact <1%

(2) Health and safety and environmental accidents.

(i) Extreme Impact:

- Health and Safety: fatality.
- Environmental: irreparable environmental damage.

(ii) Major Impact:

- Health and Safety: critical injury.
- Environmental: repairable environmental damage.

(iii) Moderate Impact:

- Health and Safety: hospitalization / lost time injury (< 18 weeks).
- Environmental: one-off offsite (impact) repairable accident.

(iv) Minor Impact:

- Health and Safety: medical (professional) aid for injury / illness.
- Environmental: spill / release remains on company property (repairable).

(v) Insignificant Impact:

- Health and Safety: first aid injury / illness.
- Environmental: minor impact and repairable.

We consider a risk to have a substantive financial or strategic impact on our business when the residual risk* is considered to have an Extreme or Major impact.

From a water-related risk perspective, we also consider to have potential substantive financial or strategic impact those assets located in extremely high baseline water stress areas as classified by the World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool.

A substantive impact usually affects at least, one of these indicators:

- Health and safety.
- Environment.
- Cash Available for Distribution.
- Revenue.
- Adjusted EBITDA.
- Operational performance of our assets.
- Growth strategy.
- Ability to raise additional capital or ability to repay existing debt.
- Reputation.
- Employees (including those of our subcontractors working at our assets).

We believe that key climate and water-related substantive impacts could be mainly driven by: (i) acute or chronic physical risks, (ii) current and emerging regulation, (iii) legal risks, (iv) investments in new technologies, or (v) market (global-trend) opportunities.

(*) Residual risk is the amount of risk associated with an action or event remaining after natural or inherent risks have been reduced by mitigating actions and risk controls.

Climate and water-related risks, opportunities and scenario-analysis case study:

- Situation: Climate change is causing an increasing number of severe, chronic and extreme weather events, which are a risk to our facilities and may impact them. More aggressive and disruptive policies are required to achieve the necessary global warming temperature goals.
- Task: Analyze potential climate-related risks and opportunities and conduct a climate-related scenario analysis to analyze our 2030 and 2050 key risk and opportunity impacts (including water-related matters) and the long-term resilience of our Company.
- Action: In 2021 the ESG and the operations teams proposed to Management (including the Head of Risk Management) undertaking the climate-related analysis. We hired third-party consultants to help us with the analysis. Weekly meetings were held between internal departments (e.g., country managers and the operations, environment, insurance and ESG departments) and the external consultants to address this analysis efficiently and effectively.
- Result: The analysis was finalized in 2022. From a physical risk perspective, the results of the work completed indicate that our strategy and asset portfolio would be resilient to physical climate-related changes. From a transition perspective, the combination of market trends, including the growing demand for clean energy and the increasingly favorable economics of clean energy, creates a number of opportunities for our business.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment

Row 1	4	1-25	<p>We have considered 4 solar renewable assets in Spain as the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on our business.</p> <p>We selected these facilities based on the definition substantive financial or strategic impact on our business. I.e., water-related risks that could have an extreme or major impact on our:</p> <p>(1) CAFD pre-corporate interest expenses and asset value (i.e., equity value) of the Company, or (2) Health and safety and environmental accidents.</p> <p>In addition, from a water-related risk perspective, we also consider to have potential substantive financial or strategic impact those assets located in extremely high baseline water stress areas as classified by the World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool.</p>
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W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Spain
 Guadiana

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

% company's annual electricity generation that could be affected by these facilities

1-25

% company's total global revenue that could be affected

1-10

Comment

Solar asset: Solaben

We selected this facility because the asset is located in an extremely high baseline

water stress area as classified by the World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool (i.e., South of Spain).

Country/Area & River basin

Spain

Other, please specify

Aquifer

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

% company's annual electricity generation that could be affected by these facilities

1-25

% company's total global revenue that could be affected

1-10

Comment

Solar asset: Helios.

We selected this facility because the asset is located in an extremely high baseline water stress area as classified by the World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool (i.e., South of Spain).

Country/Area & River basin

Spain

Other, please specify

Guadamar (part of the Guadalquivir river basin)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

% company's annual electricity generation that could be affected by these facilities

1-25

% company's total global revenue that could be affected

1-10

Comment

Solar asset: Solnova and PS

We selected Solnova and PS because the assets (1) are located in an extremely high baseline water stress area as classified by the World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool (i.e., South of Spain), and (2) could have an extreme or major impact on Atlantica's CAFD pre-corporate interest expenses.

Country/Area & River basin

Spain
Guadalquivir

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

% company's annual electricity generation that could be affected by these facilities

1-25

% company's total global revenue that could be affected

1-10

Comment

Solar asset: Solacor

We selected this facility because the asset is located in an extremely high baseline water stress area as classified by the World Resources Institute's (WRI) Aqueduct Water Risk Atlas Tool (i.e., South of Spain).

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Spain
Guadiana

Type of risk & Primary risk driver

Chronic physical
Water scarcity

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Our Solaben solar asset uses water in its power generation process. This asset uses water for cooling condensers during power generation and withdraws fresh water primarily from the river Guadiana. Solaben holds long-term permits to withdraw water from these sources and adheres to regulations on water quality.

We measure the water we withdraw and return using the installed water meters on the plants' pumping equipment. The reported volumes represent the total readings measured by the water meters at all our assets without adjusting for our interest in the assets.

The water meters are sealed and are subject to audit by the inspector representing the local water authorities. We comply with the requirements and regulations of the applicable local regulatory authorities in the area in which the asset operates. We regularly report the results of our water statistics to the local water agencies.

Solaben is located in an extremely high baseline water stress area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., South of Spain).

We believe that the main impacts of droughts/water scarcity at Solaben could include:

- If there is less water available, water costs may increase and water quality could be poorer.
- If drought periods persist over time the Government of Spain may take regulatory action and may reduce the limits of water quantities that can be withdrawn under our existing permits. If water limits were reduced to a point where we could not maintain the required level of water at the plants, we would need to use more chemical products to purify water and to guarantee the performance of the plant.
- Water restrictions may occur affecting the cooling capacity of the plants.

This risk is relevant because Solaben is located in an extremely high baseline water stress area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., south of Spain) and the aggregated solar installed capacity in Spain represents approximately 25% of our total generating installed capacity. In 2022, all our assets in Spain were located in extremely high baseline water stress areas.

We have historically only withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plants working properly. This risk is disclosed in section TCFD of our "2022 Integrated Annual Report" (pages 96-106).

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

50,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

We have undertaken a 3-step approach to calculate the financial impact of this risk:

Step 1. We have analyzed changes in drought indicators to assess drought conditions in Spain in 2030: (i) meteorological droughts, including precipitation and consecutive dry days indicators, and (ii) hydrological droughts, including blue water production, snow storage and streamflow indicators.

Step 2. Considering our business activities and the location of our assets, we have used the streamflow indicator and how this indicator is expected to change in 2030.

The streamflow hydrological drought indicator projects 15% to 40% water availability reductions under RCP 8.5 in the South of Spain in 2030.

We have assumed this 15% to 40% water availability reduction could imply a 15% to 40% reduction to our existing water permits.

Step 3. Risk quantification: We have analyzed how much our estimated 2030 generation (MWh) would be reduced if we suffered a 15% to 40% reduction to existing water permits.

Considering that the water used by Solaben in Spain is withdrawn from the river Guadiana, and if no additional measures were implemented to reduce the risk of water scarcity / droughts in Spain, the annual revenue loss would be approximately \$50 thousand (assuming 40% limitation to our existing water permits).

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Mitigation actions to this risk include:

- (1) we have historically withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plant working properly,
- (2) our local asset management teams systematically track and monitor water availability as a key KPI of the asset,
- (3) identifying new measures to re-use discharged water, hence reducing water withdrawals in the area, and
- (4) revenues in Spain are mainly defined by regulation. Potential revenue decreases could be adjusted by regulator.

Case Study:

- Situation: Our solar plants in Spain (including Solaben) are located in extremely high or high baseline water stress areas as classified by the WRI Aqueduct Water Risk Atlas Tool. If drought periods persist over time, power generation process at some of these assets could be affected.
- Task: Analyze remediation plans to prevent water scarcity / droughts impacting our power generation processes at some of our renewable energy assets in Spain and analyze potential future impacts from droughts in the medium and long-term.
- Action: The country manager and the operations department identified this risk and proposed a comprehensive analysis to Management (including the Head of Risk Management). In 2021 we started to analyze several options to mitigate potential impacts from droughts, including increasing re-used discharged water. In addition, considering that climate change is causing an increasing number of chronic weather events such as water droughts, we undertook a climate-related scenario analysis to analyze Atlantica's medium and long-term risk impacts.
- Result: In 2022, the country manager and the corporate operations team increased reused water by increasing the number of cycles in the cooling towers, which avoided approximately 2.3 million cubic meters of additional withdrawals. In addition, the climate-scenario analysis completed confirmed that the impact of droughts to our assets in Spain would be immaterial in 2030 (as detailed in the explanation of financial impact figure section and based on our definition of substantive financial or strategic impacts described in section W4.1a and W4.1b).

Cost of response

15,500

Explanation of cost of response

The cost of response to this risk is calculated as 5% of the budgeted internal costs (~\$130 thousand) of our operations departments and 2% (~\$70 thousand) of the EMEA department (both based on the estimated time dedicated to monitoring these types of events).

The total estimated cost amounts to: \$200 thousand.

Considering that as of December 31, 2022, we had 13 assets in our portfolio in EMEA, the cost of response to this risk is approximately \$15.5 thousand per asset (i.e., \$200 thousand / 13 assets).

Country/Area & River basin

Spain

Other, please specify

Aquifer (part of the Guadiana river basin)

Type of risk & Primary risk driver

Chronic physical

Water scarcity

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Our Helios solar asset uses water in its power generation process. This asset uses water for cooling condensers during power generation and withdraws fresh water primarily from an aquifer. Helios holds long-term permits to withdraw water from these sources and adheres to regulations on water quality.

We measure the water we withdraw and return using the installed water meters on the plants' pumping equipment. The reported volumes represent the total readings measured by the water meters at all our assets without adjusting for our interest in the assets.

The water meters are sealed and are subject to audit by the inspector representing the local water authorities. We comply with the requirements and regulations of the applicable local regulatory authorities in the area in which the asset operates. We regularly report the results of our water statistics to the local water agencies.

Helios is located in an extremely high baseline water stress area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., South of Spain).

We believe that the main impacts of droughts/water scarcity at Helios could include:

- If there is less water available, water costs may increase and water quality could be poorer.
- If drought periods persist over time the Government of Spain may take regulatory action and may reduce the limits of water quantities that can be withdrawn under our existing permits. If water limits were reduced to a point where we could not maintain the required level of water at the plants, we would need to use more chemical products to purify water and to guarantee the performance of the plant.
- Water restrictions may occur affecting the cooling capacity of the plants.

This risk is relevant because Helios is located in an extremely high baseline water stress

area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., south of Spain) and the aggregated solar installed capacity in Spain represents approximately 25% of our total generating installed capacity. In 2022, all our assets in Spain were located in extremely high baseline water stress areas.

We have historically only withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plants working properly. This risk is disclosed in section TCFD of our “2022 Integrated Annual Report” (pages 96-106).

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

50,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

We have undertaken a 3-step approach to calculate the financial impact of this risk:

Step 1. We have analyzed changes in drought indicators to assess drought conditions in Spain in 2030: (i) meteorological droughts, including precipitation and consecutive dry days indicators, and (ii) hydrological droughts, including blue water production, snow storage and streamflow indicators.

Step 2. Considering our business activities and the location of our assets, we have used the streamflow indicator and how this indicator is expected to change in 2030.

The streamflow hydrological drought indicator projects 15% to 40% water availability reductions under RCP 8.5 in the South of Spain in 2030.

We have assumed this 15% to 40% water availability reduction could imply a 15% to 40% reduction to our existing water permits.

Step 3. Risk quantification: We have analyzed how much our estimated 2030 generation (MWh) would be reduced if we suffered a 15% to 40% reduction to existing water permits.

Considering that the water used by Helios in Spain is withdrawn from an aquifer, and if no additional measures were implemented to reduce the risk of water scarcity / droughts in Spain, the annual revenue loss would be approximately \$50 thousand (assuming 40% limitation to our existing water permits).

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Mitigation actions to this risk include:

- (1) we have historically withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plant working properly,
- (2) our local asset management teams systematically track and monitor water availability as a key KPI of the asset,
- (3) identifying new measures to re-use discharged water, hence reducing water withdrawals in the area, and
- (4) revenues in Spain are mainly defined by regulation. Potential revenue decreases could be adjusted by regulator.

Case Study:

- Situation: Our solar plants in Spain (including Helios) are located in extremely high or high baseline water stress areas as classified by the WRI Aqueduct Water Risk Atlas Tool. If drought periods persist over time, power generation process at some of these assets could be affected.
- Task: Analyze remediation plans to prevent water scarcity / droughts impacting our power generation processes at some of our renewable energy assets in Spain and analyze potential future impacts from droughts in the medium and long-term.
- Action: The country manager and the operations department identified this risk and proposed a comprehensive analysis to Management (including the Head of Risk Management). In 2021 we started to analyze several options to mitigate potential impacts from droughts, including increasing re-used discharged water. In addition, considering that climate change is causing an increasing number of chronic weather events such as water droughts, we undertook a climate-related scenario analysis to analyze Atlantica's medium and long-term risk impacts.
- Result: In 2022, the country manager and the corporate operations team increased reused water by increasing the number of cycles in the cooling towers, which avoided approximately 1.4 million cubic meters of additional withdrawals. In addition, the climate-scenario analysis completed confirmed that the impact of droughts to our assets in Spain would be immaterial in 2030 (as detailed in the explanation of financial impact

figure section and based on our definition of substantive financial or strategic impacts described in section W4.1a and W4.1b).

Cost of response

15,500

Explanation of cost of response

The cost of response to this risk is calculated as 5% of the budgeted internal costs (~\$130 thousand) of our operations departments and 2% (~\$70 thousand) of the EMEA department (both based on the estimated time dedicated to monitoring these types of events).

The total estimated cost amounts to: \$200 thousand.

Considering that as of December 31, 2022, we had 13 assets in our portfolio in EMEA, the cost of response to this risk is approximately \$15.5 thousand per asset (i.e., \$200 thousand / 13 assets).

Country/Area & River basin

Spain

Other, please specify

Guadamar (part of the Guadalquivir river basin)

Type of risk & Primary risk driver

Chronic physical

Water scarcity

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Our Solnova and PS solar assets use water in its power generation process. These assets uses water for cooling condensers during power generation and withdraws fresh water primarily from the river Guadamar. Solnova and PS hold long-term permits to withdraw water from these sources and adhere to regulations on water quality.

We measure the water we withdraw and return using the installed water meters on the plants' pumping equipment. The reported volumes represent the total readings measured by the water meters at all our assets without adjusting for our interest in the assets.

The water meters are sealed and are subject to audit by the inspector representing the local water authorities. We comply with the requirements and regulations of the applicable local regulatory authorities in the area in which the assets operate. We regularly report the results of our water statistics to the local water agencies.

Solnova and PS are located in an extremely high baseline water stress area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., South of Spain).

We believe that the main impacts of droughts/water scarcity at Solnova and PS could include:

- If there is less water available, water costs may increase and water quality could be poorer.
- If drought periods persist over time the Government of Spain may take regulatory action and may reduce the limits of water quantities that can be withdrawn under our existing permits. If water limits were reduced to a point where we could not maintain the required level of water at the plants, we would need to use more chemical products to purify water and to guarantee the performance of the plant.
- Water restrictions may occur affecting the cooling capacity of the plants.

This risk is relevant because Solnova and PS are located in an extremely high baseline water stress area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., south of Spain) and the aggregated solar installed capacity in Spain represents ~25% of our total generating installed capacity. In 2022, all our assets in Spain were located in extremely high baseline water stress areas.

We have historically only withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plants working properly. This risk is disclosed in section TCFD of our "2022 Integrated Annual Report" (pages 96-106).

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,100,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

We have undertaken a 3-step approach to calculate the financial impact of this risk:

Step 1. We have analyzed changes in drought indicators to assess drought conditions in Spain in 2030: (i) meteorological droughts, including precipitation and consecutive dry days indicators, and (ii) hydrological droughts, including blue water production, snow storage and streamflow indicators.

Step 2. Considering our business activities and the location of our assets, we have used the streamflow indicator and how this indicator is expected to change in 2030.

The streamflow hydrological drought indicator projects 15% to 40% water availability reductions under RCP 8.5 in the South of Spain in 2030.

We have assumed this 15% to 40% water availability reduction could imply a 15% to 40% reduction to our existing water permits.

Step 3. Risk quantification: We have analyzed how much our estimated 2030 generation (MWh) would be reduced if we suffered a 15% to 40% reduction to existing water permits.

Considering that the water used by Solnova and PS in Spain is withdrawn from the river Guadiamar, and if no additional measures were implemented to reduce the risk of water scarcity / droughts in Spain, the annual revenue loss would be approximately \$1.1 million (assuming 40% limitation to our existing water permits).

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Mitigation actions to this risk include:

- (1) we have historically withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plant working properly,
- (2) our local asset management teams systematically track and monitor water availability as a key KPI of the asset,
- (3) identifying new measures to re-use discharged water, hence reducing water withdrawals in the area, and
- (4) revenues in Spain are mainly defined by regulation. Potential revenue decreases could be adjusted by regulator.

Case Study:

- Situation: Our solar plants in Spain (including Solnova and PS) are located in extremely high or high baseline water stress areas as classified by the WRI Aqueduct Water Risk Atlas Tool. If drought periods persist over time, power generation process at some of these assets could be affected.

- Task: Analyze remediation plans to prevent water scarcity / droughts impacting our power generation processes at some of our renewable energy assets in Spain and analyze potential future impacts from droughts in the medium and long-term.
- Action: The country manager and the operations department identified this risk and proposed a comprehensive analysis to Management (including the Head of Risk Management). In 2021 we started to analyze several options to mitigate potential impacts from droughts, including increasing re-used discharged water. In addition, considering that climate change is causing an increasing number of chronic weather events such as water droughts, we undertook a climate-related scenario analysis to analyze Atlantica's medium and long-term risk impacts.
- Result: In 2022, the country manager and the corporate operations team increased reused water by increasing the number of cycles in the cooling towers, which avoided approximately 3.8 million cubic meters of additional withdrawals. In addition, the climate-scenario analysis completed confirmed that the impact of droughts to our assets in Spain would be immaterial in 2030 (as detailed in the explanation of financial impact figure section and based on our definition of substantive financial or strategic impacts described in section W4.1a and W4.1b).

Cost of response

15,500

Explanation of cost of response

The cost of response to this risk is calculated as 5% of the budgeted internal costs (~\$130 thousand) of our operations departments and 2% (~\$70 thousand) of the EMEA department (both based on the estimated time dedicated to monitoring these types of events).

The total estimated cost amounts to: \$200 thousand.

Considering that as of December 31, 2022, we had 13 assets in our portfolio in EMEA, the cost of response to this risk is approximately \$15.5 thousand per asset (i.e., \$200 thousand / 13 assets).

Country/Area & River basin

Spain
Guadalquivir

Type of risk & Primary risk driver

Chronic physical
Water scarcity

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Our Solacor solar asset uses water in its power generation process. This asset uses water for cooling condensers during power generation and withdraws fresh water primarily from the river Guadalquivir. Solacor holds long-term permits to withdraw water from these sources and adheres to regulations on water quality.

We measure the water we withdraw and return using the installed water meters on the plants' pumping equipment. The reported volumes represent the total readings measured by the water meters at all our assets without adjusting for our interest in the assets.

The water meters are sealed and are subject to audit by the inspector representing the local water authorities. We comply with the requirements and regulations of the applicable local regulatory authorities in the area in which the asset operates. We regularly report the results of our water statistics to the local water agencies.

Solacor is located in an extremely high baseline water stress area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., South of Spain).

We believe that the main impacts of droughts/water scarcity at Solacor could include:

- If there is less water available, water costs may increase and water quality could be poorer.
- If drought periods persist over time the Government of Spain may take regulatory action and may reduce the limits of water quantities that can be withdrawn under our existing permits. If water limits were reduced to a point where we could not maintain the required level of water at the plants, we would need to use more chemical products to purify water and to guarantee the performance of the plant.
- Water restrictions may occur affecting the cooling capacity of the plants.

This risk is relevant because Solacor is located in an extremely high baseline water stress area as classified by the WRI Aqueduct Water Risk Atlas Tool (i.e., south of Spain) and the aggregated solar installed capacity in Spain represents approximately 25% of our total generating installed capacity. In 2022, all our assets in Spain were located in extremely high baseline water stress areas.

We have historically only withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plants working properly. This risk is disclosed in section TCFD of our "2022 Integrated Annual Report" (pages 96-106).

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

50,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

We have undertaken a 3-step approach to calculate the financial impact of this risk:

Step 1. We have analyzed changes in drought indicators to assess drought conditions in Spain in 2030: (i) meteorological droughts, including precipitation and consecutive dry days indicators, and (ii) hydrological droughts, including blue water production, snow storage and streamflow indicators.

Step 2. Considering our business activities and the location of our assets, we have used the streamflow indicator and how this indicator is expected to change in 2030.

The streamflow hydrological drought indicator projects 15% to 40% water availability reductions under RCP 8.5 in the South of Spain in 2030.

We have assumed this 15% to 40% water availability reduction could imply a 15% to 40% reduction to our existing water permits.

Step 3. Risk quantification: We have analyzed how much our estimated 2030 generation (MWh) would be reduced if we suffered a 15% to 40% reduction to existing water permits.

Considering that the water used by Solacor in Spain is withdrawn from the river Guadalquivir, and if no additional measures were implemented to reduce the risk of water scarcity / droughts in Spain, the annual revenue loss would be approximately \$50 thousand (assuming 40% limitation to our existing water permits).

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Mitigation actions to this risk include:

(1) we have historically withdrawn on average less than 60% of the total regulatory water limits permitted at our solar assets. Even if the water limits were reduced, we believe we have sufficient margin to withdraw enough water to keep our plant working

properly,

- (2) our local asset management teams systematically track and monitor water availability as a key KPI of the asset,
- (3) identifying new measures to re-use discharged water, hence reducing water withdrawals in the area, and
- (4) revenues in Spain are mainly defined by regulation. Potential revenue decreases could be adjusted by regulator.

Case Study:

- Situation: Several of our plants in Spain (including Solacor) are located in extremely high or high baseline water stress areas as classified by the WRI Aqueduct Water Risk Atlas Tool. If drought periods persist over time, power generation process at some of these assets could be affected.
- Task: Analyze remediation plans to prevent water scarcity / droughts impacting our power generation processes at some of our renewable energy assets in Spain and analyze potential future impacts from droughts in the medium and long-term.
- Action: The country manager and the operations department identified this risk and proposed a comprehensive analysis to Management (including the Head of Risk Management). In 2021 we started to analyze several options to mitigate potential impacts from droughts, including increasing re-used discharged water. In addition, considering that climate change is causing an increasing number of chronic weather events such as water droughts, we undertook a climate-related scenario analysis to analyze Atlantica's medium and long-term risk impacts.
- Result: In 2022, the country manager and the corporate operations team increased reused water by increasing the number of cycles in the cooling towers, which avoided approximately 1.5 million cubic meters of additional withdrawals. In addition, the climate-scenario analysis completed confirmed that the impact of droughts to our assets in Spain would be immaterial in 2030 (as detailed in the explanation of financial impact figure section and based on our definition of substantive financial or strategic impacts described in section W4.1a and W4.1b).

Cost of response

15,500

Explanation of cost of response

The cost of response to this risk is calculated as 5% of the budgeted internal costs (~\$130 thousand) of our operations departments and 2% (~\$70 thousand) of the EMEA department (both based on the estimated time dedicated to monitoring these types of events).

The total estimated cost amounts to: \$200 thousand.

Considering that as of December 31, 2022, we had 13 assets in our portfolio in EMEA, the cost of response to this risk is approximately \$15.5 thousand per asset (i.e., \$200 thousand / 13 assets).

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	<p>As detailed in section W4.2, we identified 4 sites in Spain with the potential to have a water substantive financial or strategic impact on our business. Based on (i) our definition of substantive financial or strategic impact on our business disclosed (W4.1a, W4.1b), and (ii) the results of the work completed (W4.1c, W4.2), none of the 4 sites have a financial or strategic substantive impact on our business (i.e., the identified potential financial impact is below our definition of substantive financial impact).</p> <p>In addition, we have several lines of defense to mitigate supply chain risks (including water-related risks:</p> <p>1st line: an internal pre-screening evaluation of new suppliers that includes among others, verifying the suppliers' experience, capabilities, management systems (e.g., ISO 9001, 14001) and the Compliance assessment based on our internal policies, procedures, including adherence to our Supplier Code of Conduct.</p> <p>In 2022, we internally pre-screened 100% new suppliers and did not identify water substantive impact risks.</p> <p>2nd line: asset managers at local level and the head of each Corporate Department manage their supplier activities as per the contracts.</p> <p>In 2022, we managed all our activities as per contracts and did not identify water substantive impact risks.</p> <p>3rd line: our corporate Risk Management Department reviews all Company risks on a quarterly basis, including those related to our supply chain. In 2022, we did not identify water substantive impact risks.</p> <p>4th line: in 2022, Achilles, an external evaluation provider, evaluated our suppliers based on among others water management, biodiversity, adherence to the U.N. SDS and management of the vendor's supply chain (i.e., sub-supplier environmental practices).</p> <p>In 2022, the external supplier evaluation was performed to 45% of our total annual operating expenses. We did not identify water substantive impact risks.</p>

		<p>5th line: our Internal Audit Department annually tests that our supply chain activities follow internal policies and procedures. In 2022, we did not identify water substantive impact risks.</p> <p>6th line: in 2022, we implemented a new supplier evaluation process to assess all suppliers every 3 years in order to verify that they continue to operate under the principles set out in our Supplier Code of Conduct. We did not identify water substantive impact risks.</p> <p>A full description of our supply chain management is described in pages 134-138 of our "2022 Integrated Annual Report".</p>
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W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Products and services

Primary water-related opportunity

Sales of new products/services

Company-specific description & strategy to realize opportunity

We intend to grow our business through the optimization / expansion of the existing portfolio and by developing / investing in sustainable assets. We intend to leverage our growth strategy on favorable trends in clean power generation, transmission, and water sectors. We believe that we are well positioned to benefit from the expected transition towards a more sustainable power generation mix in our markets and that we can create more value over time by investing mostly in assets that avoid GHG emissions and ensure water security.

In 2020, we closed a 51% stake in a water desalination asset. We believe that we can leverage on our local presence and expertise to close new investments in water desalination and transportation infrastructure in a 4 to 6 years-term.

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

30,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

We intend to invest approximately \$300 million in equity value per year during a 5-year period with a majority of these investments in renewable energy. We estimate that ~5% of the total investments would be in water assets. This 5% would represent ~\$30 million additional revenue over a 5-year period while maintaining over 85% of our Adjusted EBITDA generated by renewable assets, storage, transmission infrastructure and water assets.

We have calculated the additional revenue based on the following hypothesis and considering \$15 million in equity value per year invested in water desalination assets:

(1) Investment = Equity (33%) + Debt (66%) -> Equity (\$15 million) + Debt (\$30 million) = \$45 million.

(2) EBITDA per year = (Investment / 11.5x) -> EBITDA = \$4 million (\$45 million / 11.5).

(3) Revenue per year = (EBITDA / 70%) -> Revenue = \$6 million (\$4 million / 70%).

Additional revenue over a five-year period would represent approximately 30 million dollars (\$6 million * 5 years).

Hypothesis used are based on our business expertise and market estimations.

The cost to realize this opportunity (\$4.2 million) includes:

- \$3.0 million external costs to finance these investments (1% of \$300 million equity investments = \$3.0 million).

- \$1.2 million of the total budgeted cost of the Corporate Development department (100%).

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

Our water management strategy is focused on water availability and water balance in the ecosystems where we operate. To deliver on our strategy, we have set water-related targets, including to reduce our water consumption per unit of energy generated (KWh) by 50% by 2035, from a 2020 base year.

To deliver on our water strategy and water targets, we plan to:

- (1) reduce our water consumption at our assets, and
- (2) increase generation (KWh) from low carbon footprint assets, hence reducing our water consumption per unit of energy generated.

We have in-house departments (i.e., business transformation, operations and advance analytics departments), working on different initiatives to manage our assets more efficiently (including environmental and water-related efficiencies). We expect these initiatives to result in water consumption reductions over time.

Example of success through a case study:

Situation: The advanced analytics team consider chronic physical issues as part of their plan to improve the performance of our existing technologies. This team worked jointly with Sulzer, a global leader in fluid engineering, in the deployment of Sulzer's BLUE BOX, an advanced analytic solution on operational performance of critical water pumps. This is a substantial decision for Atlantica since BLUE BOX software solution optimizes water pump systems and processes, increasing efficiency of existing systems while reducing operational risk.

Task: Improve the performance of our existing technologies through real-time predictive maintenance.

Action: During the period 2020-2022 Sulzer's Blue Box has been deployed at some of our solar power plants in the U.S. and South Africa, and at our efficient natural gas plant. Our plan is to continue deploying this system at our solar power plants in Spain in 2023 and 2024. The programs are supervised by our corporate operations and advanced analytics teams and Sulzer.

Result: During the period 2020-2022 Sulzer's Blue Box has optimized water pump systems and processes, increased efficiency of existing systems while reducing operational risks at the assets where the Blue Box has been deployed. Thus, this technology has helped us to improve the performance of our assets through real-time predictive maintenance.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,080,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

The potential impact figure is based on the assets where Sulzer's Blue Box has been deployed as of December 31, 2022..

We estimate that in a 6-year period, the impact could amount to 1,080 thousand (180 thousand/per year * 6 years).

The cost to realize this opportunity (\$0.3 million) includes:

- 10% of the budgeted internal cost (the total budgeted internal cost amounts to approximately \$3.0 million) of our Corporate Operations, Advanced Analytics and Business Transformation departments (based on the estimated time dedicated to improving asset efficiency).

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Solaben

Country/Area & River basin

Spain
Guadiana

Latitude

39.2292

Longitude

-5.3983

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

Solar

Total water withdrawals at this facility (megaliters/year)

1,768

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

1,768

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

659

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

659

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

1,109

Comparison of total consumption with previous reporting year

Higher

Please explain

- Withdrawals: 1,768 megaliters from a river in 2022 vs. 1,691 megaliters in 2021 (+4.5%).

- Discharges: 659 megaliters to a river in 2022 vs. 676 megaliters in 2021 (-2.6%).

- Consumption: 1,109 megaliters in 2022 vs. 1,014 megaliters in 2021 (+9.3%).

In 2022, in addition to our normal operation and maintenance activities, we used water during the construction of cement containment basins, which increased our withdrawals and decreased our discharges, resulting in higher water consumption.

Facility reference number

Facility 2

Facility name (optional)

Helios

Country/Area & River basin

Spain

Other, please specify

Aquifer (part of the Guadiana river basin)

Latitude

39.2387

Longitude

-3.475

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

Solar

Total water withdrawals at this facility (megaliters/year)

701

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

701

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

187

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

187

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

515

Comparison of total consumption with previous reporting year

Lower

Please explain

- Withdrawals: 701 megaliters from an aquifer in 2022 vs 717 megaliters in 2021 (-2.2%).

- Discharges: 187 megaliters to the same aquifer in 2022 vs 186 megaliters in 2021 (+0.6%).

- Consumption: 515 megaliters in 2022 vs 531 megaliters in 2021 (-3.1%).

The differences are due to lower electricity generation in 2022.

Facility reference number

Facility 3

Facility name (optional)

Facility 3 is comprised of two sub-facilities: (1) Solnova and (2) PS

Country/Area & River basin

Spain

Other, please specify

Guadamar (part of the Guadalquivir river basin)

Latitude

37.4166

Longitude

-6.2743

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

Solar

Total water withdrawals at this facility (megaliters/year)

2,594

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

2,408

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

186

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

530

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

530

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

2,012

Comparison of total consumption with previous reporting year

Lower

Please explain

- Withdrawals:

(1) Solnova: 2,408 megaliters from a river in 2022 vs. 2,813 megaliters in 2021 (-14.4%), and

(2) PS: 186 megaliters from an aquifer in 2022 vs. 50 megaliters in 2021 (+272.9%).

(1) Solnova: The decrease is mainly due to lower electricity generation in 2022.

(2) PS: In 2022, we withdrew more water at one of our solar assets in Spain to compensate lower water withdrawals in 2021.

- Discharges (Solnova and PS): 530 megaliters to a river in 2022 vs. 702 megaliters in 2021 (-24.4%).

The decrease is mainly due to lower electricity generation in 2022.

- Consumption (Solnova and PS): 2,012 megaliters in 2022 vs 2,119 megaliters in 2021 (-5.0%).

The decrease is mainly due to lower electricity generation in 2022.

Facility reference number

Facility 4

Facility name (optional)

Solacor

Country/Area & River basin

Spain
Guadalquivir

Latitude

37.959243

Longitude

-4.502332

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

Solar

Total water withdrawals at this facility (megaliters/year)

822

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

822

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

199

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

199

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

571

Comparison of total consumption with previous reporting year

Lower

Please explain

- Withdrawals: 822 megaliters from a river in 2022 vs 1,127 megaliters in 2021 (-27.1%).
- Discharges: 199 megaliters to a river in 2022 vs 209 megaliters in 2021 (-5.1%).
- Consumption: 571 megaliters in 2022 vs 874 megaliters in 2021 (-34.7%).

The differences are mainly due to lower electricity generation in 2022.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

Verification performed by DNV in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) and the Global Reporting Initiatives (GRI) 303-3 best practices.

Water withdrawals – volume by source

% verified

76-100

Verification standard used

Verification performed by DNV in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) and the Global Reporting Initiatives (GRI) 303-3 best practices.

Water withdrawals – quality by standard water quality parameters

% verified

Not verified

Please explain

Water withdrawals are analyzed on a monthly basis by our operation teams to ensure that quality parameters are within the normal range.

Water discharges – total volumes

% verified

76-100

Verification standard used

Verification performed by DNV in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) and the Global Reporting Initiatives (GRI) 303-4 best practices.

Water discharges – volume by destination

% verified

76-100

Verification standard used

Verification performed by DNV in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) and the Global Reporting Initiatives (GRI) 303-4 best practices.

Water discharges – volume by final treatment level

% verified

76-100

Verification standard used

Verifications performed by authorized independent entities in accordance with local regulations. Both volumes and quality parameters comply with the ranges established in the water permits.

Water discharges – quality by standard water quality parameters

% verified

76-100

Verification standard used

Verifications performed by authorized independent entities in accordance with local regulations. Both volumes and quality parameters comply with the ranges established in the water permits.

Water consumption – total volume

% verified

76-100

Verification standard used

Verification performed by DNV in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) and the Global Reporting Initiatives (GRI) 303-5 best practices.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Commitment to align with international frameworks, standards, and widely-recognized water initiatives Commitment to prevent,	At Atlantica, we have a company-wide (1) Water Policy and (2) an Environmental Policy. Through these policies we aim to make clear that the environment and water-related matters are core to our strategy. The Policies apply to the Company and each of its subsidiaries, including all directors, officers and employees, and in all geographic locations, regardless of the local practices. The policies are available at https://www.atlantica.com/web/en/policies/ Our water management strategy is focused on water availability and water balance in the ecosystems where we operate. To deliver on our strategy, we have set water-related targets, including to reduce our water consumption per unit of energy generated (KWh) by 50% by 2035, from a 2020 base year.

	<p>minimize, and control pollution</p> <p>Commitment to reduce or phase-out hazardous substances</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in direct operations</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in supply chain</p> <p>Commitment to the conservation of freshwater ecosystems</p> <p>Commitments beyond regulatory compliance</p> <p>Reference to company water-related targets</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>We are committed to using water efficiently in our two main types of water use:</p> <ol style="list-style-type: none"> 1. Power generation in the assets that use cycled water in the turbine circuit and in refrigeration processes. 2. Generation of drinking water for local communities and industries through the desalination of sea water. <p>Through our Water Policy, we commit among others, to:</p> <ul style="list-style-type: none"> • Manage water responsibly and efficiently, favoring social development and ecosystem preservation. • Maintain the necessary indicators to obtain reliable and quantifiable information to (1) monitor objectives, (2) evaluate the efficient management and responsible water use in our direct operations, (3) limit water consumption at our assets as much as possible, and (4) operate our assets using an amount of water well below legal limits. • Achieve the United Nations Sustainable Development Goals (SDG), in particular SDG 6, Clean Water and Sanitation. <p>Atlantica’s senior management is responsible for ensuring and monitoring the implementation of this Policy.</p> <p>The Board of Atlantica is responsible for the oversight of environmental and water risks and opportunities. Management reports to the Board, at least twice a year, on the key environmental indicators.</p> <p>Our “2022 Integrated Annual Report” available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf, provides additional information on water-related matters: U.N. Global Compact (pages 28-30), ESG Materiality Assessment (pages 91-94), TCFD (pages 96-106), Water Management (pages 114-120) and ESG key performance indicators (279).</p>
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W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
<p>Director on board</p>	<p>The CEO, in his executive role and as Director of the Board, holds the leading position and responsibility over environment and water-related matters. The CEO is responsible for informing on and/or submitting for Board approval ESG (including water-related matters) initiatives, targets and policies.</p> <p>The Board of Directors is the highest level of responsibility for ESG and water-related matters, as it is the ultimate decision-making body.</p> <p>For example, in 2022, the CEO/Director on Board, as part of his responsibilities, proposed to the Board and the Board approved a new target to reduce our water consumption per KWh of energy generated by 50% by 2035 from a 2020 base year.</p> <p>In addition, in 2022 the CEO informed the Board on the completed climate-related scenario analysis to assess Atlantica’s 2030 and 2050 key potential risk and opportunity impacts (including water-related risks) and its conclusions.</p> <p>Furthermore, in 2022 the CEO implemented a new in-house Business Transformation department. The objective of this team is to enhance our operations processes in accordance with business priorities, including to improve asset performance and efficiency -potential actions should include water-related improvements over time-.</p> <p>Lastly, environmental-related matters are always integrated in our growth strategy.</p> <ul style="list-style-type: none"> - Investment opportunities are presented to the Board after approval by our Investment Committee, which includes the CEO. When evaluating investments, the Board considers the impact of such investments on our environmental-related targets. - The Development Committees analyze potential development opportunities. The development proposals for approval by the Committee generally include at least: (1) resource and production study per location (e.g., solar irradiation, wind speed and water resources), and (2) land, interconnection, environmental and other key permits required (including water-use permits). The CEO is a permanent member of the Development Committees.

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Monitoring implementation and performance</p> <p>Monitoring progress towards corporate targets</p> <p>Overseeing acquisitions, mergers, and divestitures</p> <p>Overseeing and guiding public policy engagement</p> <p>Overseeing and guiding scenario analysis</p> <p>Overseeing major capital expenditures</p> <p>Overseeing the setting of corporate targets</p> <p>Providing employee incentives</p> <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Reviewing and guiding corporate responsibility strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p>	<p>The Board is responsible for the effective oversight of the Company's strategy, performance, financial reporting, corporate governance process, and internal control and risk management framework, including ESG and water-related risks and opportunities. It is also ultimately accountable to shareholders for the long-term performance of the Company and value creation for shareholders and other stakeholders in a sustainable manner.</p> <p>The Board oversees the implementation of environmental initiatives and the advancement of objectives. The Board receives updates on ESG: (1) at every board meeting (e.g., health and safety), (2) quarterly on ESG and environment-related risks and mitigation plans (including water-related risks), (3) at least semi-annually on environment KPIs (GHG emissions, water, and waste) and their status against established objectives, and (4) at least annually on best practices to improve ESG performance over time, results of ESG-related rating evaluations, and annual ESG KPI disclosures.</p> <p>The Audit Committee assists the Board in fulfilling its oversight responsibilities concerning the management of risks, controls and processes, including potential ESG factors that could be risk drivers, as well as compliance with ESG reporting requirements.</p> <p>The Nominating and Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities concerning compliance topics, including ESG-related policy approvals.</p> <p>For example, in 2022, the CEO proposed and the Board approved, among other targets, to reduce our water consumption per KWh of energy generated by 50% by 2035 from a 2020 base year.</p>

		<p>Reviewing and guiding strategy</p> <p>Reviewing innovation/R&D priorities</p> <p>Setting performance objectives</p>	<p>In addition, in 2022 the CEO informed the Board on the completed climate-related scenario analysis to assess Atlantica’s 2030 and 2050 key potential risk and opportunity impacts (including water-related risks) and its conclusions. The results of the work completed indicate that: (1) our strategy and asset portfolio would be resilient to physical climate and water-related changes and (2) there are a number of opportunities for our business from a transition perspective.</p> <p>Furthermore, water-related indicators were presented to the Board on a semi-annual basis.</p> <p>The achievement of our environmental targets (including water targets) is reviewed by senior management in different Corporate and Geographic Committees.</p> <p>The CEO, in his executive role and as Director of the Board, manages, supervises and has a leading position and responsibility over ESG and water-related matters, including informing on and/or submitting the following actions for Board approval or acknowledgement: (1) new and/or updated ESG-related (including water) policies and targets, (2) updating the status against established objectives, (3) implementing ESG best practices to improve environmental performance over time, (4) identifying ESG and environmental risks and opportunities (including water-related risks), and (5) disclosing annual ESG and water-related information.</p>
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W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
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<p>Row 1</p>	<p>Yes</p>	<p>The Board of Directors is the highest level of responsibility for ESG and water-related matters, as it is the ultimate decision-making body.</p> <p>We have a balanced Board structure in terms of diverse professional and industry backgrounds (i.e., financial, legal and regulatory, governance, diversity and social responsibility, energy sector, environment, etc.), gender and geographic experience (i.e., experience in international business environments), enabling making good use of complementary views, insights and opinions to assess problems from a broader point of view, and making it more likely that the Board will take into account the best interests of all stakeholders.</p> <p>Atlantica’s Board member profiles are publicly disclosed in our 2022 Integrated Annual Report available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf (pages 205 to 210).</p> <p>5 out of 9 directors (i.e., 55% of Board members) have environment-related experience. For example:</p> <ul style="list-style-type: none"> - The CEO holds over 20-years’ experience in renewable energy, water desalination, and water-related matters and, as Director of the Board, has a leading position and responsibility over water-related matters. - One of Atlantica’s non-executive, non-independent directors, is Algonquin Power & Utilities Corp current Chief Executive Officer. - One of Atlantica’s non-executive, non-independent director retired from Algonquin in April 2022, where he was most recently Chief Sustainability Officer with responsibility for leading the sustainability and government affairs functions. <p>At the management level, we have assembled several committees led by the CEO and other senior management members to address environmental and water-related matters, risks and opportunities efficiently and effectively. We refer to section W6.3. for details on management responsibility for environmental-related matters.</p>
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W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

Water-related responsibilities of this position

Assessing future trends in water demand
Assessing water-related risks and opportunities
Managing water-related risks and opportunities
Conducting water-related scenario analysis
Setting water-related corporate targets
Monitoring progress against water-related corporate targets
Managing public policy engagement that may impact water security
Integrating water-related issues into business strategy
Managing annual budgets relating to water security
Managing major capital and/or operational expenditures related to low water impact products or services (including R&D)
Managing water-related acquisitions, mergers, and divestitures
Providing water-related employee incentives

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The CEO, in his executive role and as Director of the Board, has a leading position and responsibility over water-related matters.

The CEO/Director on Board informs on and/or submits the following actions for Board approval or acknowledgement: (1) new and/or updated ESG-and water-related policies and targets, (2) updating the status against established objectives, (3) implementing environmental best practices, (4) identifying ESG-related risks and opportunities (including water-related risks), and (5) disclosing annual ESG-related information.

At the management level, we have assembled several committees with different responsibilities. These committees are led by senior management members to efficiently and effectively address ESG related matters, risks and opportunities. For example, the CEO leads among others, the Business and the Health and Safety, ESG and Operations Committees and is a permanent member of the Investment, the Development and the Geographic Committees.

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify
Geographic VPs

Water-related responsibilities of this position

Assessing future trends in water demand
Assessing water-related risks and opportunities
Managing water-related risks and opportunities
Conducting water-related scenario analysis
Integrating water-related issues into business strategy
Managing annual budgets relating to water security

Managing major capital and/or operational expenditures related to low water impact products or services (including R&D)

Managing water-related acquisitions, mergers, and divestitures

Providing water-related employee incentives

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

The Geographic VPs are part of Atlantica's key management team. The Geographic VPs report to the CEO, lead the Geographic and Development Committees, and are permanent members of the Business and the Health and Safety, ESG and Operations Committees.

The Geographic VPs: (1) are responsible for all aspects of the assets they manage, including ESG and water-related matters, and (2) lead the development activities in each geography - both internally and/or partnering with junior developers -. The Geographic VPs receive help from corporate teams to efficiently close new development projects.

Atlantica's 2022 Integrated Annual Report (available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf) provides additional information on the Geographic VPs functions and responsibilities (Section: Sustainability Governance. Pages: 191 to 195).

Name of the position(s) and/or committee(s)

Other, please specify

Head of Operations, Health and Safety, Environment and Quality

Water-related responsibilities of this position

Assessing future trends in water demand

Assessing water-related risks and opportunities

Managing water-related risks and opportunities

Conducting water-related scenario analysis

Integrating water-related issues into business strategy

Managing annual budgets relating to water security

Managing major capital and/or operational expenditures related to low water impact products or services (including R&D)

Managing water-related acquisitions, mergers, and divestitures

Providing water-related employee incentives

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The Head of Operations, Health and Safety, Environment and Quality reports to the CEO, leads the Health and Safety, ESG and Operations Committee, co-leads the Investment Committee, and is a permanent member of the Business, the Geographic and the Development Committees.

The Head of Operations, Health and Safety, Environment and Quality is responsible for all health and safety, environmental and operations aspects across all assets, including improving asset performance, KPI monitoring, regular environmental and operational audits, analyzing measures to reduce health and safety and environmental and water-related impacts, and implementing best practices.

Atlantica's 2022 Integrated Annual Report (available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf) provides additional information on the Head of Operations, Health and Safety, Environment and Quality functions and responsibilities (Section: Sustainability Governance. Pages: 191-195).

Name of the position(s) and/or committee(s)

Risk committee

Water-related responsibilities of this position

Assessing water-related risks and opportunities

Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The Head of Risk Management reports to the CEO and is a permanent member of several committees at management level, including the Risk, the Compliance, the Investment, the Development and the Geographic Committees.

The Risk Management Committee is held once a month between the CEO, the CFO and the Head of Risk Management. This committee addresses all Company risks, including those related to our operating portfolio as well as assets under development or under construction. Atlantica's risk map is reviewed and presented to the Board on a quarterly basis. ESG and water-related risks are always considered in the risk analysis process.

Atlantica's 2022 Integrated Annual Report (available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf) provides additional information on the Head of Risk Management functions and responsibilities (Section: Sustainability Governance. Pages: 191 to 195).

Name of the position(s) and/or committee(s)

Other, please specify
Head of ESG

Water-related responsibilities of this position

Assessing water-related risks and opportunities
Managing water-related risks and opportunities
Conducting water-related scenario analysis
Setting water-related corporate targets
Monitoring progress against water-related corporate targets
Providing water-related employee incentives

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The Head of ESG reports to the CFO and to the CEO and is a permanent member of several committees at management level, including the Geographic, the Health and Safety, ESG and Operations, and the Accounting and Disclosure Committees.

The Head of ESG identifies sustainability best practices, proposes sustainability-related actions to the CEO, CFO and Geographic VPs, and monitors the implementation of approved proposals.

The Head of ESG functions and responsibilities include among others: (1) proposing new and/or updating ESG and water-related policies and targets, (2) updating the status against established objectives, (3) identifying initiatives to improve environmental performance over time, (4) implementing ESG best practices, (5) identifying ESG risks and opportunities (including water -related risks), and (6) disclosing annual ESG-related information.

Name of the position(s) and/or committee(s)

Other committee, please specify
Development Committee

Water-related responsibilities of this position

Managing water-related acquisitions, mergers, and divestitures
Other, please specify
Identify and analyze low carbon footprint assets development opportunities

Frequency of reporting to the board on water-related issues

Not reported to board

Please explain

The Development Committees analyze potential development opportunities in North America, Europe and South America. Development proposals for approval by the

Committee include, at least, the following: (1) resource and production study per location (e.g., solar irradiation, wind speed and water resources), (2) partner deal structure (if needed), (3) land, interconnection, environmental and other key permits required (including water-use permits), and (4) key development milestones.

The Development Committee is held once a month and is led by the Geographic VPs and the Country Managers. Other permanent Committee members are the CEO, Head of Finance, Legal Counsel, Head of Operations and Head of Risk Management. Other employees attend meetings by invitation.

Name of the position(s) and/or committee(s)

Other committee, please specify
Investment Committee

Water-related responsibilities of this position

Managing water-related acquisitions, mergers, and divestitures

Frequency of reporting to the board on water-related issues

Not reported to board

Please explain

The Investment Committee analyzes potential growth opportunities considering: (1) impacts on our environmental-related commitments and targets and (2) environmental risks in due diligence analysis.

The Committee is held once a week and Committee members are the: CEO, CFO, Head of Finance, Legal Counsel, Head of Operations, Head of Risk Management, and Corporate Development VP. Other employees attend meetings by invitation.

Key committee member responsibilities:

- Corporate Development VP: Responsible for identifying, analyzing, and presenting potential growth opportunities to the Investment Committee. Oversees all due diligence processes.
- Head of Risk Management: Responsible for identifying and evaluating risks for potential investments, including ESG-related risks.

The growth opportunities are presented to the Board of Directors by the CEO and the Corporate Development VP.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	<p>In 2022, approximately 71% of our key management and 62% of our management have a variable compensation linked to environmental, social and governance (ESG)-related performance.</p> <p>Part of the variable compensation of the CEO, Geographic VPs and Corporate Development VP, all members of our key management, have ESG-related targets. For example, part of the CEO's short-term variable remuneration is linked to closing sustainable value accretive investments and these investments have to be aligned with our environmental-related targets (including our water consumption reduction target).</p> <p>In 2022, approximately 59% of our employees with variable remuneration have targets linked to ESG performance.</p>

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Director on board Chief Executive Officer (CEO) Other C-suite Officer Geographic VP and Head of Operations, Health and Safety, Environment and Quality	Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations	Atlantica has several environmental-related targets, including among others to reduce our water consumption per kWh of energy generated by 50% by 2035 from a 2020 base year. We intend to grow our business by investing mainly in renewable and water assets. We believe that we are well positioned to benefit from the expected transition towards a	In 2022, approximately 71% of our key management and 62% of our management have a variable compensation linked to environmental, social and governance-related performance. Example 1: part of the CEO's short-term variable remuneration is linked to closing sustainable value accretive investments and these investments have to be aligned with

			<p>more sustainable power generation mix in our markets and that we can create more value over time by investing mostly in assets that avoid GHG emissions and ensure water security.</p> <p>Part of the short-term variable remuneration of the CEO and the Geographic VPs is linked to closing new investments and new development projects and these investments and development projects have to be aligned with Atlantica's environmental-related targets.</p>	<p>our environmental-related targets (including our target to reduce our water consumption per KWh of energy generated by 50% by 2035 from a 2020 base year).</p> <p>Example 2: At Atlantica, asset managers oversee day-to-day activities of each of our assets and report to three Geographic VPs (C-Suite Officers), who have full responsibility for the assets they manage. VPs have the opportunity to address ESG-related matters in the Business, Geographic and ESG Committees. ESG management includes among others minimizing environmental impacts, and overall asset risk identification and mitigation. In addition, part of the short-term variable remuneration of one of the Geographic VPs is linked to following-up on the performance of our water desalination investments.</p> <p>Example 3: part of the short-term variable remuneration of the Head of Operations, Health and Safety, Environment and</p>
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				<p>Quality and the Head of Business Transformation is linked to improving processes, tools and systems in assets (asset efficiency improvements, including water-related matters).</p> <p>In 2022, ~59% of our employees with variable remuneration have targets linked to ESG performance.</p>
Non-monetary reward	<p>Other, please specify</p> <p>Atlantica's employees and those of our subcontractors working at our assets.</p>	Implementation of employee awareness campaign or training program on water-related issues	<p>At Atlantica, we promote the highest environmental standards and a culture of continuous improvement to minimize our environmental risks. Among others, we encourage our employees and those of our subcontractors working at our assets to propose environmental-improvements (including water-related matters) at each of our assets.</p> <p>We have mailboxes at our assets for employees to deposit their improvement actions proposals.</p> <p>On annual basis, we present an award for the best environmental proposal (including water-related matters) per plant.</p>	<p>We promote the highest environmental standards and a culture of continuous improvement to minimize our environmental risks through awareness campaigns and our mailboxes at each of our assets.</p> <p>Atlantica encourages its employees and those of our subcontractors working at our assets to propose environmental-improvements (including water-related matters) at each of our assets.</p> <p>On annual basis, we present an award for the best environmental proposal (including water-related matters) per plant.</p>

			We believe that implementing environmental practices proposed by our employees and those of our subcontractors working at our assets positively contribute to the achievement of our water commitments.	
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W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Atlantica has management policies and internal procedures in place to ensure that all activities that influence policy are consistent with its environmental (including water-related matters) strategy.

The corporate principles that Atlantica adopts with respect to water are applicable to all our businesses and countries where we are present.

Atlantica engages with trade associations or organizations* that have the same goals as Atlantica in terms of power generation, clean energy, and sustainability (including water-related matters). None of these contributions relate to trade associations with political impact (i.e., political campaigns, ballots measures, referendums, political organizations, lobbyists or lobbying organizations, nor other tax exempt groups).


If we identify any trade association with whom we are engaged that is not consistent with Atlantica's strategy and/or commitments (including water-related matters), we will put in-place measures to remediate the potential issue. These measures would be led by Country or Asset Managers, who are responsible for the relationship with the trade associations. Potential solutions could include breaking the engagement with the trade association if deemed necessary.

*Trade associations with no political impacts are the only activities we engage in to influence policy.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

 As Filed - Atlantica Sustainable Infrastructure plc - 20F - 2022.pdf

 2022 Integrated Annual Report_FV.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	<p>Our purpose is to support the transition towards a more sustainable world by investing in and managing sustainable infrastructure, while creating long-term value for our stakeholders.</p> <p>Our strategy focuses on climate change solutions in the power and water sectors.</p> <p>We invest in 3 water desalination plants with a total capacity of 17.5 Mft³/day. These assets generate purified seawater to meet the annual water needs of ~3 million people in regions with limited access to fresh water.</p> <p>We intend to grow our business through the optimisation / expansion of the existing portfolio and by developing / investing in sustainable assets. New sources of water are needed worldwide, and thus water desalination and transportation infrastructure should help make that possible.</p> <p>In 2022, our Board approved a new target to reduce our water consumption per KWh of energy generated by 50% by 2035 from a 2020 base year. In addition, we target to maintain over 85% of our Adjusted EBITDA generated from low carbon footprint assets including renewable energy, storage,</p>

			<p>transmission infrastructure and water assets.</p> <p>To deliver on our strategy, our business growth has to be aligned with our environmental targets.</p> <p>The environment (including water) will remain a priority in planning our business through the gradual reduction of water-related impacts of our activities.</p>
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	<p>The CEO, in his executive role and as Director of the Board, holds the leading position and responsibility over water-related matters. The CEO is responsible for informing on and/or submitting for Board approval water-related initiatives, targets and policies. At Management level, we have different corporate and geographic committees to address environmental-related matters, including water, efficiently and effectively.</p> <p>We intend to invest ~\$300 million in equity value per year during a 5-year period with a majority of these investments in renewable energy. We estimate that ~5% of the total investments would be in water assets. This 5% would represent ~\$30 million additional revenue over a 5-year period while maintaining over 85% of our Adjusted EBITDA generated by renewable assets, storage, transmission infrastructure and water assets.</p> <p>We also have in-house departments (i.e., the Operations, Advanced Analytics, and Business Transformation departments) to improve asset performance, reduce operating costs and manage our assets more efficiently. We expect initiatives from these departments to result in water consumption reductions over time.</p> <p>We plan to meet our long-term water-target by (a) increasing generation (KWh) through investments in renewables and storage (i.e., assets with very low water consumption), and (b) reducing water consumption at our existing assets. We believe both (a) and (b) will reduce our water consumption per unit of energy generated over time.</p>
Financial planning	Yes, water-related issues are integrated	11-15	<p>Environmental-related matters are becoming important criteria for shareholders, investors and banks. We believe stakeholders prefer sustainable products and services such as low-carbon rather than non-renewable energy. Many investors have integrated ESG in their investment analysis, numerous companies are selecting their suppliers considering the</p>

			<p>environmental impact of their products or services, and customers are proactively improving their ESG commitments.</p> <p>We have also seen funds investing in ESG and clean energy experiencing growth in recent years. Some banks and investors have mandates to invest in clean energy, including water assets.</p> <p>Atlantica relies on debt and equity capital markets to fund its growth strategy. Having access to a larger number of investors is key for our business development. We have a Green Finance Framework in-place that includes within the eligibility criteria, hydro projects (https://www.atlantica.com/documents/Atlantica-Green-Finance-Framework.pdf).</p> <p>In 2022 we leveraged on our positioning in environmental-related matters to refinance two project debts for a total amount of ~€543 million (~\$580 million). In 2022, following our Green Finance Framework, we updated our Green Finance Report with all our disbursement of funds to eligible green projects.</p> <p>We believe our access to green financing will continue to help us expand our financing options to execute on our growth strategy.</p>
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W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

100

Anticipated forward trend for CAPEX (+/- % change)

100

Water-related OPEX (+/- % change)

9.5

Anticipated forward trend for OPEX (+/- % change)

10

Please explain

Capital and operational expenditures in this section are mainly related to the water desalination assets.

CAPEX based on business needs, project finance, and suppliers' similar proposals. We expect this CAPEX to improve the projects' performance and/or efficiency.

OPEX: Operational expenditures mainly include operation and maintenance expenses. The increase in 2022 vs. 2021 is explained by the high inflation rate in 2022 in the country where the assets are located.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	<p>Climate change is causing an increasing number of severe, chronic and extreme weather events, which are a risk to our facilities and may impact them. More aggressive and disruptive policies are required to achieve the necessary global warming temperature goals.</p> <p>At Atlantica, environment and water-related matters are integrated in our long-term strategy.</p> <p>In 2022 we finalized our climate-related scenario analysis to assess Atlantica's 2030 and 2050 key risk and opportunity impacts (including water-related matters), and the long-term resilience of our Company.</p> <p>From a physical risk perspective, the results of the work completed indicate that our strategy and asset portfolio would be resilient to physical climate-related changes.</p> <p>From a transition perspective, the potential impact of transition-related risks is expected to be immaterial. Furthermore, the growing demand and the increasingly favorable economics for clean energy, creates a number of opportunities for our business.</p>

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

Type of scenario	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
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	analysis used			
Row 1	Water-related Climate-related	<p>We believe that the potential physical climate risks that may impact our assets include droughts/water scarcity, increasing mean water temperatures and landslides caused by heavy precipitation.</p> <p>In 2022, we finalized our climate-related scenario analysis to assess Atlantica's 2030 and 2050 qualitative and quantitative key risk and opportunity impacts (including water-related matters), and the long-term resilience of our Company.</p> <p>The physical scenario analysis covered all our operations. We identified 14 regions and 8 different climate hazards (including acute and chronic physical climate hazards). The selection considered our key technologies, countries and assets, past events that affected our or other peers' operations</p> <p>We evaluated the potential changes in the selected risks as projected by the RCP 8.5. This scenario assumes that GHG emissions will continue rising at today's rate until the end of the century, with little mitigation efforts.</p>	<p>Some of our renewable assets use water in their power generation process. These assets use water for cooling condensers during power generation.</p> <p>We undertook a 3-step approach to calculate the financial impact:</p> <ol style="list-style-type: none"> 1. We analyzed changes in several drought indicators to assess drought conditions in Spain in 2030. 2. Considering our business activities and the location of our assets, we used the streamflow indicator and how this indicator is expected to change in 2030. This indicator projects 15% to 40% water availability reductions under RCP 8.5 in the South of Spain in 2030. We assumed this 15% to 40% water reduction could reduce our water permits by 15% to 40%. 3. We analyzed how much our estimated 2030 generation (MWh) would be reduced by 15%-40% reduction to existing water permits. If no additional measures were implemented, we estimate an annual revenue loss between \$50 thousand and \$1.1 million (assuming 40% limitation to our 	<p>Influence on business strategy:</p> <p>The droughts/water scarcity risk is relevant because: (i) 9 of our renewable assets (6 in Spain and 3 in the U.S.) are located in extremely high or high baseline water stress areas as classified by the WRI Aqueduct Water Risk Atlas Tool. These 9 assets represent ~54% of our renewable energy installed capacity as of 12.31.2022, and (ii) our renewable sector represented 75% of our 2022 revenue (with solar energy representing 64%).</p> <p>The country manager, asset managers and the operations department regularly track and monitor water availability as a key KPI. Our internal operations team performs annual audits of our assets aimed at reviewing compliance with our best practices, identifying and mitigating risks, and promoting constant improvement.</p> <p>In 2021 we started to analyze (1) remediation plans to prevent water scarcity / droughts impacting our power generation processes at</p>

		<p>By the end of the century, the RCP 8.5 scenario projects a rise of ~4°C in global mean temperature by 2100, compared to pre-industrial levels.</p> <p>Under the RCP 8.5 scenario, chronic and acute physical risks become greater and more frequent as a result of the increase in the average global temperature.</p> <p>Scientific literature such as the: (i) NASA Center for Climate Simulations, and (ii) Aqueduct Floods Hazard Maps and Aqueduct Global Maps 3.0 from the WRI were consulted to further analyze future climate conditions in the medium (2030) and long-term (2050).</p> <p>Transition risks and scenario analysis:</p> <p>The transition risks prioritized for this analysis relate to policy (current and emerging regulation), technology and market developments. The analysis considered 2 of the scenarios provided in the World Energy Outlooks (WEO) 2021 report prepared by the International Energy Agency (IEA), including the IEA Sustainable Development Scenario</p>	<p>permits).</p> <p>Based on our definition of substantive financial or strategic impact on our business (section W4.1a), we consider the water drought risk to be immaterial. Nevertheless, we have in-house departments (i.e., business transformation, operations and advance analytics departments), working on different initiatives to manage our assets more efficiently (including environmental and water-related efficiencies). We expect these initiatives to result in water consumption reductions in the medium term.</p>	<p>some of our renewable energy assets in Spain (i.e., increase re-used discharged water) and (2) potential future impacts from droughts in the medium and long-term (i.e., climate-scenario analysis).</p> <p>In 2022, the above-mentioned teams increased re-used discharged water by increasing the number of cycles in the cooling towers and managed to save approximately 10 million cubic meters of water withdrawals. In addition, in 2022 the climate-scenario analysis completed confirmed that the impact of droughts to our assets in Spain would be immaterial in 2030.</p>
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		<p>(SDS) and the IEA Stated Policies Scenario (STEPS).</p> <p>The SDS scenario assumes: (i) strong policy support and international cooperation in meeting the U.N. SDGs along with a major transformation of the global energy system, and (ii) global average temperature increase is limited to below 2°C by the end of the century.</p> <p>The IEA STEPS scenario assumes: (i) current and announced policies, plans, and trajectories and their implications for energy demand, emissions, carbon markets, and energy security, and (ii) global average temperature increases of ~3°C by the end of the century.</p>		
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W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

We do not anticipate implementing an internal price on water within the next 2 years based on:

1. Water Policy.

We have a Water Policy in-place to emphasize the importance of water-related matters on (a) our strategy, (b) all our businesses, (c) our day-to-day activities and (d) our stakeholders.

2. New investments.

We expect to grow our generating asset portfolio by investing 300 million in equity value per year during a 5-year period with most of these investments in renewable energy (i.e., solar PV and wind assets) and storage. These technologies consume very small amounts of water.

3. Scenario analysis.

In 2022 we finalized our climate-related scenario analysis. The work completed indicates that our strategy and asset portfolio would be resilient to physical climate-related changes. From a transition perspective, the potential impact of transition-related risks is expected to be immaterial, and there are a number of opportunities for our business.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	<p>The European Union (EU) Taxonomy defines economic activities that can be considered environmentally sustainable. It is aimed at investors, companies, and financial institutions, covers a wide range of industries and is intended to protect against greenwashing, help companies plan the transition to a decarbonized economic model, and help shift investments where they are most needed. Reporting is not mandatory for Atlantica, but we have decided to voluntarily provide revenue, Adjusted EBITDA and capex information from our business activities (i.e., renewable energy, storage, efficient natural gas, transmission infrastructure and water assets).</p> <p>The EU Taxonomy considers among others, sustainable use and protection of water resources (i.e., the prevention of water stress and the preservation of water quality) to classify an activity as aligned with the EU Taxonomy.</p> <p>At Atlantica, we consider activities to have low water impact if they are aligned with the European Union Taxonomy requirements.</p> <p>We have determined that wind and solar renewable energy plants, and transmission infrastructure are taxonomy aligned activities. We</p>	<p>In the period 2020-2022 Atlantica has invested approximately \$972 million in equity value (~92% in renewable energy assets). In addition, as of December 31, 2022, we have 112.5 MW installed capacity projects and a 100 MWh battery storage</p>

		<p>are currently analyzing if our geothermal and water desalination assets are taxonomy aligned.</p> <p>Based on the previous information, as of December 31, 2022, we consider our solar and wind assets, as well as our transmission infrastructure to have a low water impact.</p> <p>Our "2022 Integrated Annual Report" (available at https://www.atlantica.com/wp-content/uploads/documents/2022_Integrated_Annual_Report_FV.pdf) provides additional information of our business activities under the European Taxonomy (pages 113-114).</p>	<p>project under construction.</p> <p>At 2022 year-end we have a pipeline of assets in North and South America and Europe with ~2.0 GW of renewable energy projects (approximately 40% of the projects are in PV, 40% in storage and 19% in wind) and ~5.6 GWh of storage projects under development.</p> <p>All these technologies have a very low water impact. Furthermore, following our long-term commitment to sustainability, in 2022 our Board of Directors approved a new target to reduce our water consumption</p>
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			<p>per KWh of energy generated by 50% by 2035 from a 2020 base year.</p> <p>Based on the previous information, we expect our existing and future portfolio of assets (i.e., including new developments and/or new investments) to have a low water impact.</p>
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W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	No, and we do not plan to within the next two years	<p>We follow water pollution regulation and limits at our assets.</p> <p>We consider this an annual stabilization target.</p>
Water withdrawals	Yes	
Water, Sanitation, and Hygiene (WASH) services	No, and we do not plan to within the next two years	<p>We recognize that access to drinking water and sanitation as a universal right of all employees.</p> <p>We provide our workers and those of our subcontractors working at our assets with fresh drinking water to perform</p>

		<p>their daily functions and responsibilities.</p> <p>Our assets are generally located in remote areas with small access to fresh water. All water available for our workers and those of our subcontractors working at our assets comply with all local rules and regulations.</p>
Other	No, and we do not plan to within the next two years	Non-applicable.

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Company-wide (direct operations only)

Quantitative metric

Reduction in withdrawals per unit of production

Year target was set

2022

Base year

2020

Base year figure

1.35

Target year

2035

Target year figure

0.67

Reporting year figure

1.25

% of target achieved relative to base year

14.7058823529

Target status in reporting year

New

Please explain

Following our long-term commitment to sustainability, in 2022 our Board of Directors approved a new target to reduce our water consumption per KWh of energy generated by 50% by 2035 from a 2020 base year.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

 Atlantica_Verification Report_DNV_2022_H&S, Waste, Water.pdf

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	- GRI 303-3 Water Withdrawal [m3] - GRI 303-4 Water Discharge [m3] - GRI 303-5 Water Consumption [m3]	ISAE 3000	<p>Verification performed by DNV in accordance with the:</p> <p>(1) International Standard on Assurance Engagements (ISAE) 3000 revised - issued by the International Auditing and Assurance Standards Board, and</p> <p>(2) the Global Reporting Initiatives (GRI) 303-3, 303-4 and 303-5 reporting requirements.</p> <p>This verification encompasses the withdrawals, discharges and consumption of all our assets, including but not limited, to the facilities covered by section W5.1a.</p> <p>Generation assets:</p> <ul style="list-style-type: none"> - Total water withdrawals in 2022: 17.7 million cubic meters. - Total water discharges in 2022: 2.1 million cubic meters. - Total water consumption in 2022: 15.6 million cubic meters.

			<p>Desalination assets:</p> <ul style="list-style-type: none"> - Total water withdrawals in 2022: 280.1 million cubic meters - Total water discharges in 2022: 156.9 million cubic meters. - Total water consumption* in 2022: 123.3 million cubic meters. <p>*We would like to clarify that, although we are considering as "consumption" the difference between water withdrawals and water discharges from the desalination plants, this water is the equivalent of the total fresh water produced as a result of the desalination process. These plants have a capacity to filter 17.5 million cubic feet a day to provide drinking water for local communities. In 2022, these assets generated purified seawater to meet the water needs of approximately 3 million people.</p>
<p>W1 Current state</p>	<p>Water used in renewable power generation assets.</p>	<p>Other, please specify</p> <p>Water used in renewable power generation assets verified by local water authorities.</p>	<p>Some of our renewable assets use water in their power generation process. These plants use water for cooling condensers during power generation. We withdraw fresh water primarily from rivers and aquifers. The Company holds permits to withdraw water from these sources and adheres to regulations on water quality. The difference between water withdrawn from and returned to its source is our water consumption which occurs because of evaporation.</p> <p>We measure the water we withdraw and return using the installed water metres on the plants' pumping equipment. The reported volumes represent the total readings measured by the water metres at all our assets without adjusting for our interest in the assets.</p> <p>The water metres are sealed and are normally subject to audit by the inspector representing the local water authorities. We comply with the requirements and regulations of the applicable local regulatory authorities in the areas in which we operate. We regularly report the</p>

			results of our water statistics to the local water agencies.
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W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain	<p>We invest and manage renewable energy assets, storage, efficient natural gas and transmission infrastructure assets and water desalination plants.</p> <p>The plastics we use mainly relate to the packaging of purchased equipment and materials used by our assets.</p> <p>Considering our business activities and our definition of substantive financial or strategic impact on our business (section W4.1a), we believe the amount of plastics used in our direct operations and in those of our supply chain to be immaterial.</p>

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain	<p>The plastics we use mainly relates to the packaging of purchased equipment and materials used by our assets.</p> <p>We are aware of the potential impacts that plastics have on the environment and human health. Therefore, we strive to recycle the maximum amount possible of plastics that reach our facilities.</p> <p>Additionally, we have implemented measures to reduce the use of plastic products. For example, at Mojave, one of our solar U.S. assets, the company provided re-usable utensils to the employees to encourage them to use fewer single-use plastic utensils during 2022.</p>

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Please explain
Row 1	No, risks assessed, and none considered as substantive	<p>The plastics we use mainly relate to the packaging of purchased equipment and materials used by our assets.</p> <p>Considering our business activities, the amount of purchased equipment and materials by our assets, and our definition of substantive financial or strategic impact on our business (section W4.1a), we believe that our exposition to plastics-related risks with the potential to have a substantive financial or strategic impact on our business to be negligible.</p>

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Please explain
Row 1	No – and we do not plan to within the next two years	<p>The plastics we use mainly related to the packaging of purchased equipment and materials used by our assets.</p> <p>At Atlantica, we acknowledge the importance of a circular economy. However, considering our business activities, the amount of purchased equipment and materials by our assets during 2022, and our definition of substantive financial or strategic impact on our business (as defined in section W4.1a), we believe we should focus on other environmental and social areas where we can have a greater impact. Thus, we do not plan to set a plastics-related targets in the next two years.</p>

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	<p>We invest and manage renewable energy assets, storage, efficient natural gas and transmission infrastructure assets and water desalination plants.</p> <p>We do not produce plastic polymers.</p>

Production of durable plastic components	No	We invest and manage renewable energy assets, storage, efficient natural gas and transmission infrastructure assets and water desalination plants. We do not produce durable plastic component.
Production / commercialization of durable plastic goods (including mixed materials)	No	We invest and manage renewable energy assets, storage, efficient natural gas and transmission infrastructure assets and water desalination plants. We do not produce durable plastic component.
Production / commercialization of plastic packaging	No	We invest and manage renewable energy assets, storage, efficient natural gas and transmission infrastructure assets and water desalination plants. We do not produce / commercialize plastic packaging.
Production of goods packaged in plastics	No	We invest and manage renewable energy assets, storage, efficient natural gas and transmission infrastructure assets and water desalination plants. We do not produce goods packaged in plastics.
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	No	We invest and manage renewable energy assets, storage, efficient natural gas and transmission infrastructure assets and water desalination plants. We do not commercialize services or goods that use plastic packaging.

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Non-applicable.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Santiago Seage (CEO and Director on Board).	Director on board

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

No

Please confirm below

I have read and accept the applicable Terms