



ENVIROMENTAL & SOCIAL LIST OF EXCLUDED ACTIVITIES

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RESPONSIBILITIES

	DATE	NAME	FUNCTION
Elaboration	07-July-2022	Patricia Gimenez	Environmental & Social Manager
Validation	07-Jul-2022	Daniel Lancha	Head of Technical Services
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REVISION HISTORY

VERSION	DATE	AUTHOR	COMMENTS
00	07-July-2022	Patricia Gimenez	First issue
01	26-Oct-2022	Patricia Gimenez	Further alignment with investors requirements

ENVIRONMENTAL & SOCIAL LIST OF EXCLUDED ACTIVITIES

Alcazar Energy's mandate is the investment, development, execution and operation of renewable energy infrastructure assets, primarily onshore wind and solar PV utility scale plants. Nevertheless, Alcazar Energy has compiled an Environmental & Social Exclusion List, which defines the activities that the organisation will not knowingly engage in, directly or indirectly, through its investments. The Exclusion List is generally aligned with the excluded activities defined by international Development Financial Institutions (DFIs) as well as with the European Development Finance Institution (EDFI) Principles for Responsible Finance. Alcazar Energy will therefore not engage in the following activities:

- 1) Projects or activities involving harmful or exploitative forms of forced labour¹ and child labour² or any other activities that result in limiting people's individual rights and freedom, or violation of human rights.
- 2) Projects or activities that impinge on the lands owned, occupied, or claimed under adjudication, by recognised Indigenous Peoples³, without full documented consent of such peoples.
- 3) Involuntary resettlement of individuals, households or communities⁴, unless unavoidable and managed in line with best international practice⁵.
- 4) Transboundary movements or trade in waste products prohibited by international law and the underlying regulations⁶, except for non-hazardous waste destined for recycling.
- 5) Projects or activities that result in unacceptable environmental and social impacts⁷ in and within environmentally protected areas of ecological significance, critical habitats of high conservation value⁸ with rare/endangered species or cultural heritage or archaeological sites without adequate mitigation and compensation, and in contravention of national legislation or international conventions such as Bonn Convention, Ramsar Convention, Bern Convention, World Heritage Convention and Convention on Biological Diversity⁹.

¹ The [International Labour Organisation \(ILO\) Convention No.29 of 1930 on Forced Labour](#) defines forced labour as all work or service which is exacted from any person under the menace of threat of force or any penalty (such as indentured labour, bonded labour or similar labour-contracting arrangements, or labour by trafficked persons) and for which the said person has not offered himself voluntarily.

² The [ILO defines "child labour"](#) as (i) work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development, (ii) work that is mentally, physically, socially or morally dangerous and harmful to children; and/or (iii) work that interferes with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely, or requiring them to attempt to combine school attendance with excessively long and heavy work.

³ As defined in the International Finance Corporation (IFC) Guidance Note to the Performance Standard 7 on Indigenous Peoples ([IFC GN7](#))

⁴ "Involuntary resettlement" as defined by the IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement ([IFC PS5](#)) refers both to physical displacement (relocation or loss of shelter) and to economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood) as a result of project-related land acquisition and/or restrictions on land use. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in physical or economic displacement. This occurs in cases of (i) lawful expropriation or temporary or permanent restrictions on land use and (ii) negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.

⁵ Including but not limited to IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement ([IFC PS5](#)), European Bank for Reconstruction and Development (EBRD) Performance Requirement 5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement ([EBRD Environmental and Social Policy](#)), and European Investment Bank (EIB) Environmental and Social Standards ([EIB Environmental and Social Standards](#))

⁶ Basel Convention for Controlling Transboundary Movements of Hazardous Wastes and their Disposal ([www.basel.int](#)). Other reference documents are: Regulation (EC) No 1013/2006 of 14 June 2006 on shipments of waste; Decision C(2001)107/Final of the OECD Council concerning the revision of Decision C(92)39/Final on the control of transboundary movements of wastes destined for recovery operations.

⁷ Unacceptable impact means (i) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (ii) modification of a habitat in such a way that the area's ability to maintain its role is lost.

⁸ High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance ([http://www.hcvnetwork.org/](#))

⁹ Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention) ([http://www.cms.int/](#)); Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention) ([http://www.ramsar.org/](#)); Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention) ([https://www.coe.int/en/web/bern-convention](#)); Convention Concerning the Protection of the World Cultural and Natural Heritage ([http://whc.unesco.org/en/conventiontext/](#)); Convention on Biological Diversity ([https://www.cbd.int/](#)).

- 6) Production of or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase outs or bans, such as pharmaceuticals, pesticides or herbicides and hazardous substances¹⁰, ozone depleting substances¹¹, products containing polychlorinated biphenyls¹², trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora¹³.
- 7) Coal related activities including prospection, exploration, mining and transportation of coal; coal-fired power plants (other than captive coal-fired power plants used for industrial applications such as mining, smelters, cement or chemical industries), or infrastructure services exclusively dedicated to support any of these activities, including construction of new and extension of any existing power plants, heating stations and cogeneration facilities essentially fired with coal as well as associated stub lines.
- 8) Construction of new and extension of Heavy fuel oil (HFO) power plants.
- 9) Production, use of, trade in, or distribution of weapons and munitions, including paramilitary materials, equipment or infrastructure.
- 10) Production, use of, trade in, or distribution of radioactive materials¹⁴.
- 11) Production, use of, trade in, or distribution of unbounded asbestos fibers or asbestos containing products¹⁵.
- 12) Other ethical or morally controversial activities such as the production of or trade in alcoholic beverages (excluding beer and wine), the production of or trade in tobacco, gambling, casinos, and equivalent enterprises, pornography and/or prostitution, racist and/or anti-democratic media.
- 13) Marine and coastal fishing practices, such as large-scale pelagic drift net fishing and fine net fishing, harmful to unwanted vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats, using nets in excess of 2.5 km in length.
- 14) Shipment of oil or other hazardous substances in tankers which do not comply with IMO requirements¹⁶.
- 15) Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest and the production or trade in wood or other forestry products other than from sustainably managed forests.
- 16) Trade in goods without required export or import licenses or other evidence of authorization of transit from the relevant countries of export, import and, if applicable, transit.
- 17) Any additional excluded activities as per the applicable requirements of our investors.

¹⁰ United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or not Approved by Governments; Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention) (<http://www.pic.int/>); Convention on Persistent Organic Pollutants (Stockholm Convention (www.pops.int); World Health Organization Recommended Classification of Pesticides by Hazard (<https://www.who.int/publications/i/item/9789240005662>).

¹¹ Ozone Depleting Substances (ODS): Chemical compounds that react with and deplete stratospheric ozone, resulting in the widely publicized ozone holes. The Montreal Protocol lists ODS and their target reduction and phase out dates. A list of the chemical compounds regulated by the Montreal Protocol—includes aerosols, refrigerants, foam blowing agents, solvents, and fire protection agents, together with details of signatory countries and phase out target dates, is available from the United Nations Environment Programme (<https://www.unep.org/ozonaction/who-we-are/about-montreal-protocol>).

¹² Polychlorinated Biphenyls (PCBs): A group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors, and switchgear dating from 1950 to 1985.

¹³ Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES): A list of CITES species is available at <https://cites.org/eng>.

¹⁴ This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded

¹⁵ This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

¹⁶ This includes: tankers which do not have all required MARPOL SOLAS certificates (including, without limitation, ISM Code compliance), tankers blacklisted by the European Union or banned by the Paris Memorandum of Understanding on Port State Control (Paris MOU) and tankers due for phase out under MARPOL regulation 13G. No single hull tanker over 25 years old should be used.

