

# Environmental, Social and Governance Report

## Cubico Sustainable Investments

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**2020**

**Cubico**  
SUSTAINABLE INVESTMENTS



## About this report

This is the inaugural sustainability report published by Cubico Sustainable Investments (Cubico). The report provides information on our corporate approach to environmental, social and governance (ESG) factors and includes commentary on corporate initiatives as well as data from our global portfolio.

Performance data reflects all global operational renewable energy assets that were fully or partially owned by Cubico in 2020. It excludes assets under development and our recently purchased transmission network business in Colombia, unless otherwise stated. In cases where Cubico is a partial owner, performance data reflects the entire asset and is not prorated based on Cubico's ownership share.

This report focuses on activities undertaken or completed in calendar year 2020 (January 1st – December 31st), unless otherwise noted. Where available, performance data prior to 2020 is included to demonstrate year-over-year comparisons.

The content in this report was informed by and references the Global Reporting Initiative (GRI). Please refer to the appendices for a list of GRI-referenced claims.

Questions about this report?  
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Committed to supporting the



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# Introduction and about Cubico

## Message from the CEO

### Leading the world's transition to clean energy

Welcome to our first sustainability report. This report includes a summary of our approach to managing environmental, social and governance (ESG) performance.

Our long-term investment in large-scale, renewable energy projects supports the transition to a low-carbon energy future.

Our growth ambition is driven by our belief that long-term investments in renewable energy are a source of shareholder and wider community value. In 2020, we continued to expand our operations, adding around 1.5 gigawatts (GW) of capacity across 38 new facilities. This includes operational assets and assets under development.

We are one of the world's largest privately-owned renewable energy companies, jointly owned by Ontario Teachers' Pension Plan (OTPP) and the Public Sector Pension Investment Board (PSP Investments). Both shareholders support us in our mission to integrate ESG considerations across all elements of our business.

This inaugural report marks a significant step forward for us. The 2020 data and metrics reported here will serve as our baseline for future reports. As our portfolio continues to grow and our sustainability efforts continue to evolve, we expect to expand our disclosures in future years.

This report and the achievements we are sharing would not be possible without the commitment of our employees. A Cubico person is one who strongly believes in the purpose of our company, who takes full account of the impact we have in the places in which we operate, and is motivated and driven by the desire to make a positive impact for current and future generations.

We invite you to explore this report to learn how we are embedding and implementing best practices for environmental, social and governance oversight throughout our business. And please, do reach out to us if you have any questions or would like further information.



Stephen Riley  
Chief Executive Officer  
Cubico Sustainable Investments



# About Cubico

4 GW+  
installed  
capacity

13  
countries

121  
assets

250+  
employees

## Cubico is one of the world’s leading renewable energy companies

Founded in 2015, Cubico is a global renewable energy company headquartered in the UK. We have offices in Australia (Sydney), Brazil (São Paulo and Fortaleza), Colombia (Bogotá), France (Bordeaux), Greece (Athens), Italy (Milan), Mexico (Mexico City), Spain (Madrid), the UK (London), Uruguay (Montevideo) and the USA (Stamford).

Cubico is jointly owned by Ontario Teachers’ Pension Plan (OTPP) and the Public Sector Pension Investment Board (PSP Investments).

With an operational capacity of over 2.8 gigawatts (GW)\*, plus more than 1.4 GW\* under development, across 121 wind and solar assets\*, we are one of the world’s leading renewable energy infrastructure companies.

Operating across 13 countries and employing over 250 people globally, we are passionate about shaping the future of energy with a long-term investment philosophy that generates stable and sustainable returns. By generating energy from solar and wind, we provide clean energy thus reducing the need for more carbon-intensive energy produced by fossil fuels.

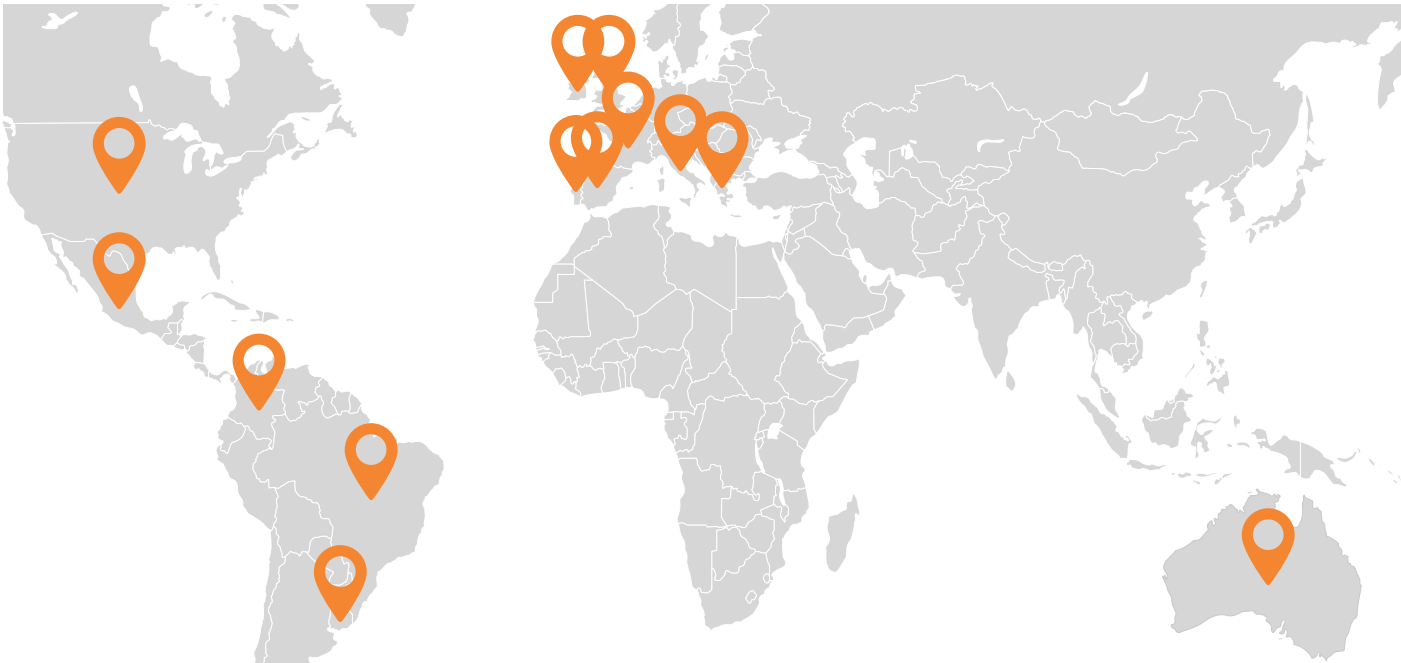
Our operating portfolio covers the whole lifecycle from development to construction and operation and includes onshore wind, solar photovoltaic, concentrated solar power and electricity transmission assets.

We are continually growing our portfolio. In 2020, we acquired 38 new facilities, 23 of which are under development. In addition to building new solar PV in Colombia we also created Caoba Inversiones (Caoba), which added approximately 1,500 km of transmission lines and 85 substations to our portfolio, thereby facilitating the transport of more energy.

Political and market forces around the world are pushing us towards a cleaner energy future. National pledges to become net zero, corporate renewable energy commitments, public demand for swift climate action and investor focus on climate-proofed investments through frameworks like the Task Force on Climate-related Financial Disclosures (TCFD) are all driving the transition to a low-carbon economy. As a major renewable energy company, we are driving the change to clean energy and enabling our shareholders’ ambitious carbon commitments, including OTPP’s goal of net zero by 2050.

We are committed to playing a significant role in that transition. In delivering this commitment, we will continue our focus of being an excellent employer, a strategic business partner and a leading environmental steward.

\*Figures as of December 31, 2020



Countries in which Cubico was active as of December 31, 2020

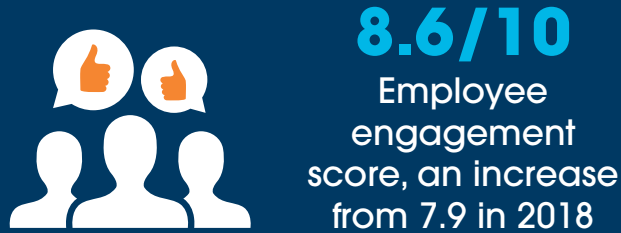
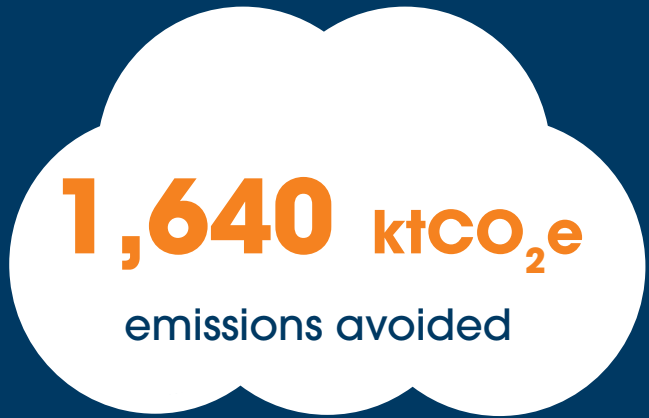
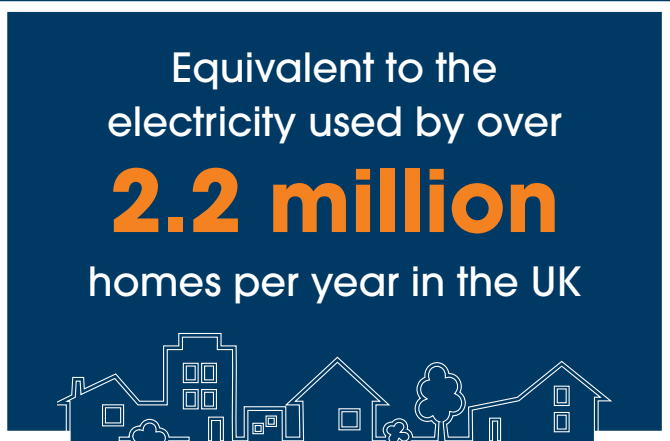
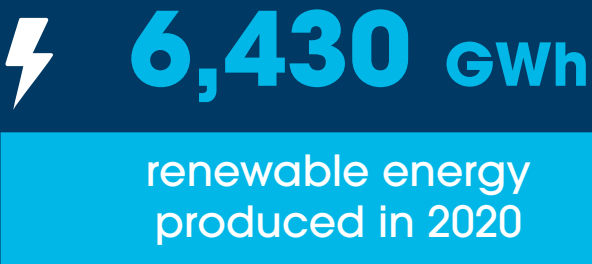
Asset type	Capacity (MW)
Operational	2,840
Under development	1,451
Total	4,291

Country	2020 energy capacity (MW)	Percentage of total capacity
Australia	450	11%
Brazil	613	14%
Colombia	463	11%
France	226	5%
Greece	58	1%
Ireland	90	2%
Italy	248	6%
Mexico	598	14%
Portugal	36	1%
Spain	236	6%
United Kingdom	252	6%
United States	921	21%
Uruguay	100	2%
Total	4,291	100%



# Sustainability highlights

We are proud of our sustainability accomplishments



# Sustainability is embedded in our strategy

We recognise that sustainability means more than producing clean energy

Sustainability is a broad topic that covers every aspect of the way we manage our business. It encompasses the way we produce energy, consume resources and treat the land and communities where we operate and the people we employ.

We develop, finance, construct and operate renewable energy projects. We acquire projects at any stage of the project lifecycle and manage many corporate functions in-house, including

business development, operations, finance, legal, commercial and technical.

Internal collaboration allows us to make better decisions on our investments and provides better oversight of our operations. It also gives us greater control over the development and operation of an asset, including managing performance related to ESG factors such as health and safety, energy, emissions, water and waste.

At the corporate level, Cubico formally identifies and assesses material issues affecting the business. This includes ESG risks such as the environment, health and safety, natural disasters, adverse weather, people and compliance.







At a project level, we undertake a detailed assessment of the environmental and social impacts before seeking planning permission from the relevant regulator/planner. As part of this, we engage with local communities. The assessment allows us to uncover any material concerns and to propose ways to mitigate any issues. We continually monitor ESG issues to ensure any imposed planning conditions are met and mitigations are implemented.

We believe in building long-term relationships with our stakeholders. As we expand our operations into new geographies, we emphasise building our local teams. Our local presence in the countries where we operate gives us greater knowledge and insight into those markets and positions us to access new investment opportunities around the world.

As an employer, we know we can positively influence the communities where we operate by providing stable jobs and a safe workplace.

Through our Corporate Social Responsibility (CSR) Framework, we also partner with local organisations to improve social outcomes.

Our people underpin all our efforts. By investing in our people, we ensure that we maintain cutting-edge leadership and a broad range of technical, engineering, operational, financial and legal skills. This combination equips us for success – that is, for making long-term investments which benefit all of our stakeholders.

Over 2020 and 2021 we are collecting more information and expanding our reporting systems to capture a greater scope of environmental data. This will help us identify improvement opportunities and prepare for increasingly stringent regulations around environmental disclosures.

# Our values

DIVERSITY

RESPECT

INTEGRITY

VALUE CREATION

EXCELLENCE

DRIVE

## Our values guide our strategic decisions

We are a purpose-driven organisation guided by our core values: Diversity, Respect, Integrity, Value Creation, Excellence and DRIVE. Developed by our employees, these “DRIVE” values encourage us to take pride in our work, to achieve our goals and to push for outstanding results.



## Our values

### Diversity of thought, skills and capabilities

- encourage healthy debate and differences of opinion
- listen carefully with an open mind
- promote equality
- be yourself

### Respect for people, communities and the environment

- show compassion and flexibility towards the needs of others
- look beyond the economic return

### Integrity and determination to build a better future

- keep commitments
- act consistently and honestly
- do the right thing

### Value Creation for our shareholders

- be a market leading innovator
- find new ways to optimise our portfolio and improve returns
- practice win-win partnerships with sponsors, clients and internal stakeholders

### Excellence in everything we do

- have high standards and pride in our work
- think progressively and creatively
- strive for continuous improvement

### DRIVE and ambition to achieve our goals

- take pride and satisfaction from our work
- show determination to achieve our goal
- go the extra mile





# Environment

## Our approach

### We are dedicated to curbing emissions and producing cleaner energy

Our approach to managing environmental performance is guided first and foremost by our Environmental & Social Policy. This outlines our specific environmental objectives and principles and includes compliance with the Equator Principles, a risk management framework for financial investments that provides minimum standards for identifying and monitoring environmental and social risks.

We also have an internal environmental management system (EMS) which outlines specific operating requirements for material factors such as water quality and chemical storage.

In addition, we conduct environmental site assessments for all development projects. This allows us to evaluate environmental risks and to work with project stakeholders to mitigate those risks.

Our sustainability efforts are supported by other internal policies and practices. These include our Health and Safety Policy, Anti-Bribery and Corruption Policy, Anti-Slavery Policy, Code of Conduct, Supplier Code of Conduct and Company Handbook.

We exercise extensive oversight of environmental and social risks through our dedicated Health, Safety and Environment (HSE) department, which includes a team of HSE staff with regional expertise. This team is focused on implementing environmental improvement initiatives across our portfolio and ensuring our operating partners comply with our environmental policies and procedures.

Our HSE team has also been instrumental in expanding our data management system. As an environmentally focused business, we know we have a responsibility to monitor our impact and identify opportunities for improvement. But this cannot be done without good data.

Therefore, we have significantly expanded our data management system to include environmental metrics related to water consumption, waste generation, fuel consumption and greenhouse gas (GHG) emissions. This allows us to track both the impact of our operations as well as the emissions avoided from our renewable energy generation.

This is critical to Cubico, as we know we have a significant role to play in reducing global greenhouse gas emissions and slowing climate change. Ultimately, we aim to be leaders in creating a safer and healthier environment, not only for the local communities where we operate, but also for the wider global community.



# Environmental performance

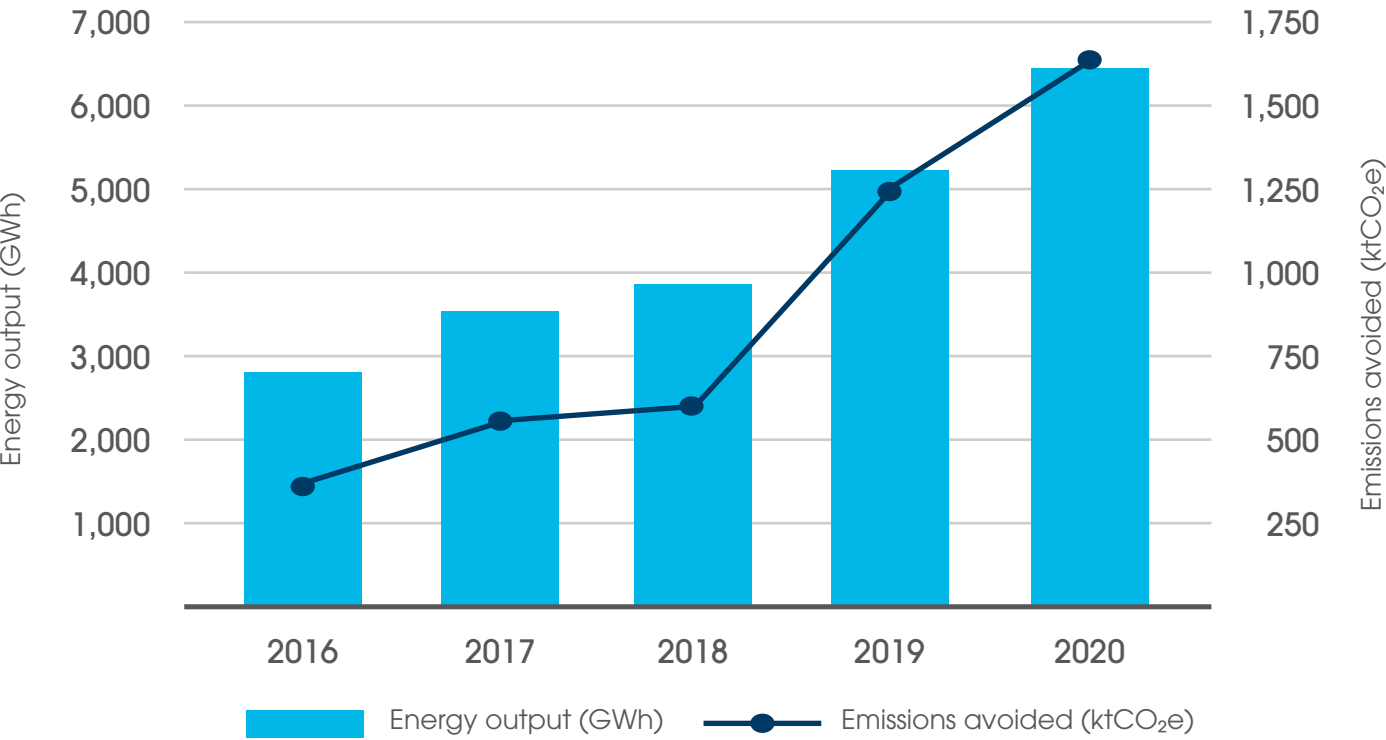
Energy generation: **6,430 GWh** in 2020 vs. 5,200 GWh in 2019

Added **15** new operational facilities to grow our operational capacity from 2.2 GW to **2.8 GW**

**23%**

Emissions avoided: **1.6 million tonnes** of carbon dioxide equivalent (tCO<sub>2</sub>e) in 2020 vs. 1.2 million in 2019

**33%**



Compound annual growth rate (2016-20)	
Energy output (GWh)	23%
Emissions avoided (ktCO <sub>2</sub> e)	45%



Energy consumption: **106 GWh** of energy consumed with **50%** of energy from renewable sources

The energy we consume in our facilities is minimal compared to the energy that we generate. In most of our facilities we consume a mix of purchased electricity and electricity generated by our renewable assets.



Water consumption: **1.6 billion litres** of water used

The majority of our water consumption (84%) is from groundwater related to our concentrated solar power (CSP) facilities. CSP facilities use water to power steam turbines and to condense steam back into water. Consumption at these locations is restricted by regulatory limits which are set with sustainability and the needs of other users in mind; we monitor consumption to ensure we do not exceed those limits.



Emissions: our GHG emissions represent

**less than 1%** of our emissions avoided



Waste: **575 tonnes** of non-hazardous waste

**64%** of which was recycled



GHG emissions tCO <sub>2</sub> e	
Scope 1	5,380
Scope 2	6,790
Total	12,170

Scope 1: Emissions related to fuel combustion by Cubico equipment, facilities and vehicles

Scope 2: Emissions related to electricity generated off-site and purchased by Cubico



**1,500 tonnes** of hazardous waste

In 2020, we began centrally tracking our operational waste generation. The majority of our hazardous waste is broken equipment, which we send to recycling partners where possible.

When larger components fail, we often have a substitution arrangement in place with the maintenance providers such that the failed component goes away for refurbishment while we can accept a reconditioned component in its place.

**Note:** Our energy, GHG emissions and water data include our most material sources and represent at least 90% of overall consumption. As this is the first year collecting energy, water and waste data, we are missing data from some facilities. For some regions (Uruguay, Greece), electricity consumption was estimated. Waste data is more challenging to collect and represents operational waste from the majority of our facilities.



# Case study: Partnering with London Wildlife Trust to support city wildlife

London is among the greenest capitals in the world, and in 2019, it was named the world’s first National Park City. Given that Cubico is headquartered in London, we are always keen to find ways to contribute to the city’s social and environmental wellbeing.

With this in mind, we partnered with the London Wildlife Trust, the only UK charity dedicated to the conservation of the city’s wild spaces. The Trust looks after more than 40 nature reserves, and it supports landowners and other groups in managing many others. Through its work, the Trust helps manage local ecosystems and shares knowledge on the importance of conservation.

In January 2020, team members bundled up and headed over to the Trust’s Camley Street Natural Park Reserve to participate in a range of activities such as tending to trees and vegetation, tidying meadows and woodland areas and helping upgrade the reserve’s facilities.

These types of initiatives and corporate partnerships are essential for the London Wildlife Trust’s important work to continue. We hope our efforts help ensure that future generations are given the opportunity to enjoy the wonders of nature, even in the busiest of urban centres like London.



Our volunteering team



Camley Street Natural Park Reserve.  
Photo credit: John Sturrock/King’s Cross Estate.





# Social

## Our approach

We take pride in being a great place to work

### Health and safety

At Cubico, we take seriously our responsibility to ensure the health and safety not only of our employees, but also that of others working at our sites and the community at large. Our corporate objectives include performance targets for health and safety, and all staff are encouraged to adopt specific personal health and safety goals.

Our managers and supervisors oversee health and safety practices at our sites, but it is the responsibility of all employees to practice best health and safety protocols.

We have an HSE policy and plan that applies to the entire company, as well as regional HSE plans for each country. HSE data is reported to the Board and investors through the Health and Safety sub-committee. This reporting includes a summary of any incidents as well as steps taken to avoid or mitigate the impact of similar incidents in the future.

We have a target of zero harm related to our activities. We are proud to say we have reported no lost time injuries among our employees for over three years.

Our contractors play a large role in the successful operation of our facilities and measures are in place to provide them with a safe work environment. All contractors must adhere to our Supplier Code of Conduct, which covers HSE, anti-bribery and modern slavery. Before any contractor or member of the public enters a Cubico site, they must undergo a site induction which covers HSE matters. In some regions, we have also begun holding Contractor Safety Days.

As we expand our operations, we will continue to make the health and safety of all employees and contractors a top priority.

### Employee wellbeing

We know our company’s success is due to our amazing employees. That’s why we invest in a host of family friendly benefits, allocate time and resources so employees can craft personal development plans and co-create ongoing global employee engagement initiatives.

In addition to measuring our performance and obtaining employee feedback through annual employee engagement surveys, in 2020 we launched new mentoring and coaching programmes and a global learning platform. We also established a new global peer recognition scheme to acknowledge our team and reinforce the supportive and inclusive culture that makes Cubico such a great place to work.

In response to the COVID-19 pandemic, we enhanced our flexible working options, facilitated interactive team meetings and increased wellness check-ins. We also organised global resilience training and various mental health workshops.

### Diversity and inclusion

Diversity is our first value and we strive to live this value through every one of our actions.

In 2020 we created the Cubico Diversity Network, an employee-led group to further our diversity and inclusion agenda and allow people to contribute to initiatives that are important to them.

We also support employees by offering unconscious bias and inclusion-focused training, such as how to have better inclusive conversations.

2020 also saw several improved processes to eliminate bias in our recruiting, including gender neutral job descriptions, panel interviews throughout the interview process and blind CV screening. Cubico is also aiming to expand our access to underrepresented talent pools and further improve our hiring practices through partnerships with local diversity programmes and organisations, such as the WISE Campaign.



We contribute to the wellbeing of our communities

We believe that one of Cubico’s biggest differentiators is our commitment to our communities. We have local teams in all 13 countries where we operate who are committed to building strong community relationships with local leaders and partners.

In our work with local communities, we are guided by our Corporate Social Responsibility (CSR) Framework. This framework goes beyond regulatory requirements: it adds value to our organisation by defining our identity, motivating and attracting employees, attracting like-minded partners and strengthening our reputation.

The CSR framework guides our community focused initiatives to create significant social impact in the communities where we operate. Since we implemented our CSR programme in 2016, we have donated over \$5.6 million USD to regional charities.



We have also contributed to many other education and social development initiatives. For example, in the last two years we have provided solar kits to rural communities; helped build or refurbish community infrastructure such as schools and sports centres; donated school supplies; sponsored scholarship programmes; and participated in the Social Mobility Foundation, providing mentorship to underprivileged students. In addition, in 2020 we entered a special new partnership with From Babies with Love, a social enterprise which funds the care of orphaned and abandoned children around the world.

Cubico’s General Counsel & Head of Corporate Affairs leads the CSR Committee and the overall programme. Country level CSR policies are in place to ensure initiatives are appropriate for the local context.

Please visit our website to learn more about our CSR programme and to see examples of where and how we’ve made a difference.

Social performance

Health and safety



lost time injuries for employees since 2018



lost time injuries for contractors in 2020 – an increase from 3 in 2019

LTIFR (per 100,000 hours)	2018	2019	2020
Employees	0	0	0
Contractors	0.53	0.11	0.49

Diversity



100%

of employees participated in diversity and inclusion training



30%

of people on our governance bodies (Executive Committee and Board of Directors) are women



28%

of employees are women



15

different nationalities represented among our employees

Employee engagement

8.6/10

Average employee satisfaction score, increased in 2020 from 7.9/10 in 2018



Community support



\$5.6m USD

Amount donated through our CSR programme since 2016

2

new scholarship programmes (USA and Colombia)





# Case study: Running for renewables

On February 8, 2020, over 500 runners, aged 9 to 78, toed the line for the inaugural Cubico Wind Race, a community event to mark the operational start of our Mezquite wind farm in Nuevo León, Mexico.

Situated among 6,000 hectares of open grassland, our Mezquite wind farm in Nuevo León is the perfect place to stage a race.

It's also an area of Mexico that faces a number of challenges: limited electricity, lack of quality education and health problems such as obesity. Understanding this, we created the Cubico Wind Race as a way to collaborate with and give back to the local community, raise awareness about sustainability and – hopefully – inspire people to embrace healthier habits.

With three different distances – 5, 10 and 21 kilometres – participation was open to runners of all ages and experience levels. The event was supported by sponsorships from our partners and peers in the energy and finance sectors, including Banorte, GE Renewable Energy and Ritch Mueller, as well as a number of local businesses and government organisations. In addition, 200 volunteers from the military high schools of Nuevo León were on hand to ensure a safe race and help our Mexican team and representatives with event logistics.

The money raised from the event went to Enseña por Mexico, a member of Teach for All, a global network tackling the complex challenges faced by children in disadvantaged communities.

The funds will be used to improve quality of life for 5,400 students in Nuevo León, including in small towns such as Mina. With a population of roughly 5,000, Mina has limited educational offerings; many students must commute several hours each day to neighbouring towns and cities to continue their studies.

In recognition of the socially and environmentally responsible way the Cubico Wind Race was carried out, the Council for Responsible Sport granted the event Evergreen certification. This is the highest level available and makes our race only the second event in Mexico to receive such an honour. The other event is the annual Mexico City Marathon, which attracts around 30,000 runners and has been taking place since 1983.

This may have been the first ever running race on a wind farm in Latin America, but it won't be the last. With such a positive reception from the local community, we've already begun planning the next one. It's great way to collaborate with local stakeholders and ensure the Mezquite project continues to provide lasting social and environmental value to local communities.





# Case study: COVID relief efforts

Throughout 2020, the COVID-19 pandemic had a heavy impact on people, businesses and communities around the world. As a company with environmentally and socially responsible principles, we took action to help those affected by the virus.

By shifting the focus of our well-established CSR programme, we were able to support a range of important initiatives globally.



**Brazil:** Delivered food baskets with rice, beans, flour and sugar to families in need.

**Colombia:** Partnered with the Association of Food Banks of Colombia (ABACO) to support rural residents.



**Mexico:** Donated food provisions and cleaning and sanitiser kits to underprivileged people and low-income families.



**Uruguay:** As a member of the Private Electric Generators Association (AUGPEE), provided six breathing monitors and six respirators to the public health system and retrofitted some existing respirators. We also worked with AUGPEE to deliver over 6,000 meals to families in need.

**Greece:** Supported a local company dedicated to offering help to those in need by covering the cost of essential medical equipment and consumables for its beneficiaries.



**Ireland:** Through our Cordal wind farm’s community fund, helped vulnerable local residents with essential weekly tasks like shopping, laundry and collecting medicine. Purchased laptops and iPads for a local school to loan to families in need during its closure period.

**Italy:** Joined with the Italian electricity system manager to purchase personal protective equipment (PPE) and medical equipment for hospitals and surgeries. Food donations were also made to people struggling financially during the pandemic.



**Spain:** Made donations to organisations helping families, those with disabilities and schools, as well as a social food distribution initiative in Madrid.

**United Kingdom:** Transformed many of the community funds financed by renewable energy projects across our portfolio into ‘hardship funds’. Initiatives included supporting vulnerable people with everyday tasks, providing free weekly meals to nurses and offering several small grants to local businesses struggling during the first country-wide lockdown.







# Governance

## Our approach

Since our inception, strong governance has been at the core of Cubico’s operational excellence

### Cubico Board of Directors: Overseeing business strategy

The Board’s role is to oversee the execution of our business strategy and ensure the operational and financial performance of the company. The Board aims to deliver sustainable value, foster a culture of openness and debate and promote the company’s long-term success, all in line with our values.

Board members are selected for the expertise, experience and diverse perspectives they can lend to our organisation. Three of our nine Board members are women. The Board includes three independent directors who provide an independent view on our business operations as well as governance and boardroom best practices. We have a strong committee structure supporting the Board. The Audit and Risk, HSE, Remuneration and Investment Board sub-committees help to maintain proper risk controls.

The Company Secretary is responsible for good governance at the Board level. This includes maintaining an annual board agenda to ensure that the Board and the Board committees meet all good governance requirements, such as annual declarations of conflicts of interests by the Directors or the review of succession planning for managerial roles.

We have conducted two board effectiveness reviews (2018 and 2020) to ensure that our Board continues to function effectively and set high standards for the organisation.

### Risk and Crisis Management: From the top down

Our Risk Management Committee, led by our CFO, is responsible for overseeing our risk identification practices.

The Committee regularly assesses risks, determining the level of severity for each risk as well as any changes in potential impact based on the specific, current circumstances. The Committee also reviews and assesses the need for and effectiveness of mitigants. The Risk Management Committee reports risks to the Board through the Audit and Risk committee.

We also have a company-wide Crisis Management Plan, which outlines our response to a crisis or disruptive event, as well as regional and site-level crisis management plans.

### ESG Oversight: A leadership team responsibility

Our leadership team is responsible for managing and reporting on sustainability performance, with oversight from the Board to ensure appropriate accountability. We include ESG assessments in all our investment decision-making processes. Robust governance and reporting, as well as a continued focus on risk and compliance controls and our social programme, are priorities for our senior management team.

Cubico’s Compliance Officer is responsible for implementing a compliance programme to embed Cubico’s ethical values throughout the organisation and within our supply chain. This includes ensuring compliance training is delivered to employees, preparing and updating compliance policies and assessing risks related to potential business partners.

Prior to engaging new business partners, we conduct know your customer (KYC) checks to ensure that they share our ethical values. When operating in developing regions in particular, we conduct more detailed, project level risk assessments and we further enhance our compliance checks. Our aim is to work only with those business partners which share our values.



Ethical conduct: Enabling whistleblowing

Cubico’s Code of Conduct includes a whistleblowing channel. Employees can report ESG incidents or other concerns to Cubico’s Compliance Officer or their line manager. Employees may also report confidentially using an external, independent whistleblowing hotline. Cubico’s Supplier Code of Conduct encourages business partners to also use the whistleblowing hotline to report any ESG concerns.



The Ventos do Araripe project, Brazil

Corporate statements: Aiming for transparency

On our website, we publicly share key governance documents, including our Compliance Statement, Tax Strategy and Statement on Modern Slavery. Our Modern Slavery Statement is updated annually to comply with the UK Modern Slavery Act. We also offer modern slavery training to relevant employees to help identify and report signs of modern slavery in and around our operations.

Case study:  
GRESB: Third-party validation of our efforts

For the past two years, supported by our investor partners, we have participated in the GRESB Infrastructure Assessment process to externally validate our ESG performance.



GRESB is the leading global infrastructure sustainability disclosure and benchmark tool. It was developed by a group of institutional investors seeking a better understanding of ESG practices and performance across their private investments.

The survey covers multiple sectors, including renewable and conventional energy, transportation, social infrastructure, utilities, energy transmission/distribution and telecommunications. It assesses and benchmarks a company’s overall performance with respect to managing environmental, social and governance factors, as well as performance in specific areas such as energy, greenhouse gas emissions, health and safety and employee engagement.

Since its 2016 launch, GRESB has increased its market penetration each year; in 2020, almost 550 funds and assets participated globally. We are proud to have achieved a score of 78 in 2020, relative to a peer average of 70.

This score is a great achievement for a five-year-old company and reflects our comprehensive practices, procedures and controls related to managing sustainability outcomes. And while participating in the annual GRESB assessment validates our efforts to be a global renewable energy leader, it also drives us to improve even more.



# Awards

## We are pleased to be recognised for our accomplishments

Awards are an important benchmark of our performance and success. They signal to our investors that we are on the right track, they remind our local communities that we are invested in their futures and they motivate and inspire our employees everywhere.

In 2020, we were pleased to be recognised by awards on different continents. In addition to those we won, we were also shortlisted as finalists for several awards, including ESG Investor of the Year and Renewable Energy Project of the Year at the Business Green Leaders Awards and Global In-house Team of the Year at The Lawyer European Awards.

### London Healthy Workplace Award

On November 19, 2019, Cubico attended London’s City Hall to receive a London Healthy Workplace Award. Recognising our work to improve employee wellbeing, this award represents an official accreditation for meeting a set of standards to create a healthier, happier, more productive workplace.

### Good Work Standard

In 2020 Cubico became certified to the London Good Work Standard. This recognition from the Mayor of London identifies us as a leading employer. The Standard assesses Cubico against a range of best-in-class employment practices. It also includes a pledge to pay all UK employees and suppliers a living wage. We are now looking to evaluate wage practices in other regions to ensure all employees are paid a living wage globally. We were especially pleased to have had our commitment to employee wellbeing, career development and diversity and inclusion pointed out as highlights.

### IMPACT Project of the Year

At the Environmental Finance Impact Awards, Cubico was awarded the 2020 IMPACT Project of the Year for our 250 MW **Mezquite wind farm** in Mina, Nuevo León. The project, which became Cubico’s first operational wind farm in Mexico in 2019, provides enough energy to power approximately 120,000 homes. This is significant for a country in which more than two million people lack access to electricity. The IMPACT Project of the Year award recognises Mexico’s energy sector and Cubico in particular for our economic, social and environmental contributions to the local communities.

### Transatlantic Growth Awards

In April 2020, British American Business recognised Cubico for our successful expansion into and growth in the United States (US) market. We entered the US market in January 2019 and continued in 2020 to strengthen our presence. We currently own nearly 700 MW of renewable energy projects in the US.

### IJGlobal Awards

In July 2020, Cubico was announced as the winner of the prestigious IJGlobal Awards in the North American renewables portfolio category. The award was given for excellence in the acquisition, tax equity and debt financing of the **Palmetto Plains, Huntley** and **Wagyu** solar PV projects in the United States.



Team members collecting our London Healthy Workplace Award



The Mezquite wind farm in Mexico (left) and Palmetto Plains solar PV project (right) in the USA, which were recognised for awards by Environmental Finance and IJGlobal respectively last year



# Appendices

## Glossary

Term	Definition
CO <sub>2</sub> e	Abbreviation of carbon dioxide equivalent. This metric measures the total global warming impact of different greenhouse gases by converting them to the standard measure of carbon dioxide. It is often displayed in metric tonnes (1,000 kilograms) or tCO <sub>2</sub> e.
Environmental management system	An environmental management system is a set of processes and practices that enable an organisation to reduce its environmental impacts and increase its operating efficiency.
Global Reporting Initiative (GRI)	The Global Reporting Initiative is an international independent standards organisation that helps businesses, governments and other organisations understand and communicate their environmental and social impacts.
Greenhouse gas emissions (GHG)	Gases in the Earth’s atmosphere with “global warming potential” that are released as the result of fossil fuel combustion and other industrial processes. Greenhouse gases contribute to the greenhouse effect, by absorbing infrared radiation (net heat energy) emitted from Earth’s surface and reradiating it back to Earth’s surface.
Lost Time Injury Frequency Rate (LTIFR)	The number of lost time injuries that occurred during the reporting period. This is expressed in the report as per 100,000 hours worked.
Task Force on Climate-related Financial Disclosures (TCFD)	The Financial Stability Board created the Task Force on Climate-related Financial Disclosure to improve and increase reporting of climate-related financial information. The TCFD has developed a framework to help public companies and other organisations more effectively disclose climate-related risks and opportunities through their existing reporting processes.

## GRI-referenced claims

General disclosures		
Disclosure topic	Specific standard	Location
General disclosures	102-1 Name of organisation	About this report
General disclosures	102-2 Activities, brands, products and services	About Cubico
General disclosures	102-3 Location of headquarters	About Cubico

General disclosures continued		
Disclosure topic	Specific standard	Location
General disclosures	102-4 Location of operations	About Cubico
General disclosures	102-5 Ownership and legal form	About Cubico
General disclosures	102-6 Markets served	About Cubico
General disclosures	102-7 Scale of the organisation	About Cubico
General disclosures	102-14 Statement from senior decision-maker	Message from the CEO
General disclosures	102-15 Description of key impacts, risks and opportunities	Sustainability is embedded in our strategy
General disclosures	102-16 Values, principles and norms of behaviour	Our values
General disclosures	102-18 Governance structure	Governance – Our approach
General disclosures	102-46 Defining report content and topic boundaries	About this report
General disclosures	102-50 Reporting period	About this report
General disclosures	102-53 Contact point for questions regarding the report	About this report
General disclosures	102-55 GRI content index	GRI-referenced claims
Topic specific disclosures		
Disclosure topic	Specific standard	Location
Energy	302-1 Energy consumption within the organisation	Environmental performance
Water	303-5 Water consumption	Environmental performance
Emissions	305-1 Direct (Scope 1) GHG emissions	Environmental performance
Emissions	305-2 Energy indirect (Scope 2) GHG emissions	Environmental performance
Waste	306-3 Waste generated	Environmental performance
Occupational health and safety	403-9 Rates of injury, lost days and number of work-related fatalities	Social performance
Training and education	404-2 Programmes for upgrading employee skills and transition assistance programmes	Social performance
Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	Social performance
Local communities	413-1 Operations with local community engagement, impact assessments and development programmes	Social – Our approach, Social performance, Case studies



