



**Sustainability  
Report  
2017**

# 03

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# Independent Review Report



## INDEPENDENT REVIEW REPORT ON ELAWAN ENERGY 2017 SUSTAINABILITY REPORT

To the Management of Elawan Energy, S.L.:

### Scope

We have reviewed the contents of Elawan Energy, S.L. (hereinafter called Elawan or "Society") 2017 Sustainability Report and in the "GRI Content Index" included as an Annex.

The scope determined by Elawan for the preparation of this report is defined in Annex, inside Section "List of consolidated subsidiaries compaes" of the 2017 Sustainability Report (hereinafter, the Report).

The Report was prepared based on GRI Sustainability Reporting Standards (GRI Standards).

The preparation of the Report, as well as the information contained therein, is the responsibility of the management of the Company, who is also responsible for defining, adapting, and maintaining the management and internal control systems from which the information is obtained. Our responsibility is to issue an independent report based on the procedures applied in our review.

### Criteria

Our review was carried out based on:

- The Guidelines for reviewing Corporate Responsibility Reports, issued by the Official Register of Auditors of Accounts (ICJCE).
- Standard ISAE 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information," issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC), with a limited level of assurance.

### Applied Procedures

Our review consisted in requesting information from Elawan's corporate managers and the various managers of business units involved in preparing the Report, and applying certain analytical procedures and sampling review tests, including:

- Interviews with the staff in charge of the preparation of the sustainability information, in order to gain an understanding of how the objectives and Sustainability policies are considered and put into practice and integrated in Elawan group strategy.
- Reviewing the processes for the compilation and validation of the sustainability information included in the attached Report.
- Checking the processes held by Elawan in order to define the material aspects and stakeholder participation.
- Reviewing the adaptation of the structure and content of the sustainability information as indicated in the GRI Sustainability Reporting Standards (GRI Standards), in accordance with comprehensive option.

- Checking, through review tests based on a selection of both qualitative and quantitative information samples of the indicators included in the "GRI Content Index" in the Annex, and its adequate compilation from the data provided from different information sources. The review tests have been defined to provide assurance levels in line with the criteria described in this report
- Verification on the fact that the financial information included in the Report has been audited by independent third parties.

These procedures were performed on information published in Elawan's 2017 Sustainability Report and in the "GRI Content Index" in Appendices, with the above mentioned perimeter and scope.

The scope of this review is considerably lower than in a reasonable assurance report. Therefore, the degree of assurance is also less extensive.

This report in no case should be considered an audit report.

### Independence & QA

We have met the independence requirements and other ethical requirements of the Code of Ethics for Accounting Practitioners issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies the International Quality Control Standard 1 (NICC 1) and maintains, therefore, a global quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

### Conclusions

As a result of our review of Elawan's 2017 Sustainability Report, within the previously described scope, we conclude that no matter came to our attention that would lead us to believe that the Report was not prepared, in all its significant aspects, according to GRI Sustainability Reporting Standards (GRI Standards), as it is stated in the Report, having reviewed the GRI Content Index included as an Annex.

This report has been prepared solely for the Management of Elawan, in accordance with the terms set out in our engagement letter.

ERNST & YOUNG, S.L.

(Free translation from the Original Report on Independent Review in Spanish dated July 24<sup>th</sup>, 2018. In case of any discrepancy, the Spanish version always prevails.)

# GRI Content Index

102-55

**EXTERNAL VERIFICATION:** The contents of this index have been externally verified by the independent entity EY. The related independent review report for verification can be found in the Annex of this document. Information omissions are included as a note in italics on appropriate indicators.

## GRI Content Index

GRI Standards	Content	Page/ Omission	Review
GRI 101: Foundation			
GRI 102: General Content			
Organizational profile	102-1 Name of the organization	10	√
	102-2 Activities, brands, products, and services	10	√
	102-3 Location of headquarters	10	√
	102-4 Location of operations	12	√
	102-5 Ownership and legal form	17	√
	102-6 Markets served	11, 12	√
	102-7 Scale of the organization	13	√
	102-8 Information on employees and other workers	13, 36 - 38	√
	102-9 Supply chain	33	√
	102-10 Significant changes to the organization and its supply chain	23	√
	102-11 Precautionary Principle or approach	16	√
	102-12 External initiatives	47	√
	102-13 Membership of associations	47	√
Strategy	102-14 Statement from senior decision-maker	4 - 7	√
	102-15 Key impacts, risks, and opportunities	14 - 16	√
Ethics and integrity	102-16 Values, principles, standards, and norms of behavior	10, 34	√
	102-17 Mechanisms for advice and concerns about ethics	34-35	√

GRI Standards	Content	Page/ Omission	Review
Governance	102-18 Governance structure	17	√
	102-19 Delegating authority	17	√
	102-20 Executive-level responsibility for economic, environmental, and social topics	18	√
	102-21 Consulting stakeholders on economic, environmental, and social topics	18	√
	102-22 Composition of the highest governance body and its committees	19	√
	102-23 Chair of the highest governance body	17	√
	102-24 Nominating and selecting the highest governance body	19	√
	102-25 Conflicts of interest	19	√
	102-26 Role of highest governance body in setting purpose, values, and strategy	19	√
	102-27 Collective knowledge of highest governance body	19	√
	102-28 Evaluating the highest governance body's performance	20	√
	102-29 Identifying and managing economic, environmental, and social impacts	19	√
	102-30 Effectiveness of risk management processes	19	√
	102-31 Review of economic, environmental, and social topics	19	√
	102-32 Highest governance body's role in sustainability reporting	19	√
	102-33 Communicating critical concerns	18	√
	102-34 Nature and total number of critical concerns	20	√
	102-35 Remuneration policies	20	√
	102-36 Process for determining remuneration	20	√
102-37 Stakeholders' involvement in remuneration	20	√	
102-38 Annual total compensation ratio	20	√	
102-39 Percentage increase in annual total compensation ratio	20	√	
Stakeholder engagement	102-40 List of stakeholder groups	21	√
	102-41 Collective bargaining agreements	41	√
	102-42 Identifying and selecting stakeholders	21	√
	102-43 Approach to stakeholder engagement	21	√
	102-44 Key topics and concerns raised	22	√
Reporting practice	102-45 Entities included in the consolidated financial statements	68	√
	102-46 Defining report content and topic Boundaries	23	√
	102-47 List of material topics	22	√
	102-48 Restatements of information	23	√
	102-49 Changes in reporting	23	√
	102-50 Reporting period	23	√
	102-51 Date of most recent report	23	√
	102-52 Reporting cycle	23	√
	102-53 Contact point for questions regarding the report	23	√
102-54 Claims of reporting in accordance with the GRI Standards	23	√	
102-55 GRI content index	61	√	
102-56 External assurance	60	√	

GRI Standards	Content	Page/ Omission	Review
Materiality topics			
<b>ECONOMIC PERFORMANCE</b>			
<b>Management Approach</b>			
GRI 103: Management Approach. It is applicable to all indicators reported in this section Economic Dimension.	103-1 Explanation of the material topic and its Boundary	26	√
	103-2 The management approach and its components	26	√
	103-3 Evaluation of the management approach	26	√
<b>Economic Performance</b>			
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	28	√
	201-2 Financial implications and other risk and opportunities due to climate change	55-56	√
	201-3 Defined benefit plan obligations and other retirement plans	NA	√
	201-4 Financial assistance received from government	28	√
<b>Market presence</b>			
GRI 202: Market presence	202-1: Ratios of standard entry level wage by gender compared to local minimum wage	39	√
<b>Procurement Practices</b>			
GRI 204: Procurement Practices	204-1: Proportion of spending on local suppliers	33	√
<b>Anticorruption</b>			
GRI 205: Anti corruption	205-1: Operations assessed for risks related to corruption	34	√
	205-2: Communication and training about anti-corruption policies and procedures	34	√
	205-3: Confirmed incidents of corruption and actions taken	34	√
<b>Anti-competitive Behavior</b>			
GRI 206: Anti-competitive Behavior	206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	34	√

GRI Standards	Content	Page/ Omission	Review
Materiality topics			
<b>ENVIRONMENTAL PERFORMANCE</b>			
<b>Management Approach</b>			
GRI 103: Management Approach. It is applicable to all indicators reported in this section Environmental Dimension.	103-1 Explanation of the material topic and its Boundary	48	√
	103-2 The management approach and its components	48	√
	103-3 Evaluation of the management approach	48	√
<b>Energy (no material)</b>			
GRI 302: Energy	302-1: Energy consumption within the organization	54	√
	302-2: Energy consumption outside of the organization	54	√
	302-3: Energy intensity	54	√
	302-4: Reduction of energy consumption	51	√
	302-5: Reduction in energy requirements of products and services	Note A	√
<b>Emissions</b>			
GRI 305: Emissions	305-1: Direct (Scope 1) GHG emissions	56	√
	305-2: Energy indirect (Scope 2) GHG emissions	56	√
	305-3: Other indirect (Scope 3) GHG emissions	57	√
	305-4: GHG emissions intensity	57	√
<b>Effluents and Waste</b>			
GRI 306: Effluents and Waste	306-1: Water discharge by quality and destination	Note B	√
	306-2: Waste by type and disposal method	51	√
	306-3: Significant spills	49	√
	306-4: Transport of hazardous waste	51	√
	306-5: Water bodies affected by water discharges and/or runoff	Note B	√
<b>Biodiversity</b>			
GRI 304: Biodiversity	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	52	√
	304-2: Significant impacts of activities, products, and services on biodiversity	52	√
	304-3: Habitats protected or restored	53	√
	304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations.	53	√
<b>Environmental Compliance</b>			
GRI 307: Environmental Compliance	307-1: Non-compliance with environmental laws and regulations	34	√

NOTE A: Not applicable. Our activity is the production of renewable energy..

NOTE B: With respect to water collection and discharge, this is minimal as it only affects offices and is therefore not considered relevant.

GRI Standards	Content	Page/ Omission	Review
Materiality topics			
<b>SOCIAL PERFORMANCE</b>			
<b>Management Approach</b>			
GRI 103: Management Approach. It is applicable to all indicators reported in this section Social Dimension.	103-1 Explanation of the material topic and its Boundary	36, 42, 46	√
	103-2 The management approach and its components	36, 42, 46	√
	103-3 Evaluation of the management approach	36, 42, 46	√
<b>Employment</b>			
GRI 401: Employment	401-1: New employee hires and employee turnover	38	√
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	41	√
	401-3: Parental leave	40	√
<b>Occupational Health and Safety</b>			
GRI 403: Occupational Health and Safety	403-1: Workers representation in formal joint management-worker health and safety committees	43	√
	403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	45	√
	403-3: Workers with high incidence or high risk of diseases related to their occupation	45	√
	403-4: Health and safety topics covered in formal agreements with trade unions	NA	√
<b>Training and Education</b>			
GRI 404: Training and Education	404-1: Average hours of training per year per employee	38	√
	404-2: Programs for upgrading employee skills and transition assistance programs	37-39	√
	404-3: Percentage of employees receiving regular performance and career development reviews	39	√
<b>Diversity and Equal Opportunity (not material)</b>			
GRI 405: Diversity and Equal Opportunity	405-1: Diversity of governance bodies and employees	36, 40	√



GRI Standards	Content	Page/ Omission	Review
Materiality topics			
<b>SOCIAL PERFORMANCE</b>			
<b>Freedom of Association</b>			
GRI 407: Freedom of Association	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	33	✓
<b>Child Labor</b>			
GRI 408: Child Labor	408-1: Operations and suppliers at significant risk for incidents of child labor	33	✓
<b>Forced or Compulsory Labor</b>			
GRI 409: Forced or Compulsory Labor	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	33	✓
<b>Human Rights Assessment</b>			
GRI 412: Human Rights Assessment	412-3: Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	15	✓
<b>Local Communities</b>			
GRI 413: Local Communities	413-1: Operations with local community engagement, impact assessments, and development programs	46 - 47	✓
	413-2: Operations with significant actual and potential negative impacts on local communities	46	✓
<b>Public Policy</b>			
GRI 415: Public Policy	415-1: Political contributions	47	✓
<b>Customer Health and Safety</b>			
GRI 416: Customer Health and Safety	416-1: Assessment of the health and safety impacts of product and service categories	Note C	✓
	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	31	✓
<b>Socioeconomic Compliance</b>			
GRI 419: Socioeconomic Compliance	419-1: Non-compliance with laws and regulations in the social and economic area	31	✓

NOTE C: Not applicable due to the type of product of our company.



# Contents in relation to the Global Compact Principles

The following table shows the chapters of this report that provide the most relevant information regarding the 10 principles of the Global Compact, in addition to the one included on the management approaches of every GRI aspect. Each stakeholder can evaluate Elawan's progress concerning these principles by the following this table:

Aspect	UN Global Compact Principles	Progress included in chapter
Human Rights	<b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights.	Part I. General Standard Disclosures
	<b>Principle 2:</b> Make sure that they are not complicit in human rights abuses.	Part I. General Standard Disclosures
Labour Rights	<b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Part II. Social Dimension
	<b>Principle 4:</b> The elimination of all forms of forced and compulsory labour.	Part II. Social Dimension
	<b>Principle 5:</b> The effective abolition of child labour.	Part I. General Standard Disclosures
Environment	<b>Principle 6:</b> The elimination of discrimination in respect of employment and occupation.	Part I. General Standard Disclosures
	<b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges.	Part II. Environmental Dimension
	<b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility.	Part II. Environmental Dimension
Anti corruption	<b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies.	Part II. Environmental Dimension
	<b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.	Part II. Economic Dimension

## Scope considered of Elawan and subsidiaries

Scope consolidation. The group was composed by the following companies at the end of 2017

Subsidiary/ Associated company	Country	Subsidiary/ Associated company	Country
Elawan Energy, S.L.	Spain	Gestamp Wind Puerto Rico, INC.	USA
ELINCASIOI, S.L.	Spain	Gestamp Wind San Juan, Inc.	USA
Parques Eólicos Gestinver, S.L.	Spain	Punta Lima Holding Co., L.L.C.	USA
Parque Eólico Becerril, S.L.	Spain	Punta Lima Wind Farm, L.L.C.	USA
Gestamp Eólica Promociones, S.L.	Spain	Punta Lima Development Services, LLC.	USA
Gestamp Eólica Promociones 2, S.L.	Spain	TPW Petersburg, LLC	USA
Gestamp Eólica Promociones 3, S.L.	Spain	Gestamp Wind North America, INC.	USA
Gestamp Eólica Promociones 4, S.L.	Spain	North Buffalo Wind, L.L.C.	USA
Gestinver Gestión, S.L.	Spain	Pawnee Wind Farm	USA
KONESTICIAL, S.L.	Spain	Gestamp Wind Indiana	USA
ERGE Occidente, S.L.	Spain	GSQ, LLC	USA
Gestamp HC Eólica, S.L.	Spain	GSQ 2, LLC	USA
Gestamp Eólica Castilla La Mancha, S.L.	Spain	Gestamp Eólica Brasil, S.A.	Brazil
ERGE Aragón, S.L.	Spain	Serras Holding, S.A. (*)	Brazil
Fotovoltaica Torrijos, S.L. (antes Alternativas Eólicas, S.L.)	Spain	Gestamp Eólica Baixa Verde, S.A. (*)	Brazil
ERGE Levante, S.L.	Spain	Gestamp Eólica Moxotó, S.A. (*)	Brazil
Desarrollos Eólicos del Norte, S.L.	Spain	Eólica Pedra do Reino, S.A. (*)	Brazil
P.E. Rondavino, S.L.	Spain	Gestamp Eólica Sobradinho, S.A. (*)	Brazil
P.E. Salguero, S.L.	Spain	Eólica Gravatá-Geradora de Energia, S.A.	Brazil
Gestamp Wind Energy North America, INC.	USA	Eólica Pirauá-Geradora de Energia, S.A.	Brazil
Spring Creek Power Partners, L.L.C.	USA	Gestamp Eólica Lanchinha, S.A. (*)	Brazil
Nebraska Wind, I, LLC.	USA	Gestamp Eólica Paraiso, S.A. (*)	Brazil
Flat Water Holdings, L.L.C.	USA	Gestamp Eólica Lagoa Nova, S.A. (*)	Brazil
Flat Water Wind Farm, L.L.C.	USA	Gestamp Eólica Serra _Santana, S.A. (*)	Brazil
Flat Water Development Services, L.L.C.	USA	Gestamp Eólica Seridó, S.A. (*)	Brazil
Roth Rock Holdings, L.L.C.	USA	Gestamp Eólica Jardins, S.A.	Brazil
Roth Rock Wind Farm, L.L.C.	USA	Gestamp Eólica Alvorada, S.A.	Brazil
Roth Rock Development Services, L.L.C.	USA	Gestamp Eólica Agreste S.A.	Brazil
		Macambiras Holdings, S.A.	Brazil

Subsidiary/ Associated company	Country
Gestamp Eólica Macambira I, S.A.	Brazil
Gestamp Eólica Macambira II, S.A.	Brazil
Gestamp Eólica Pedra do Reino IV, S.A. (*)	Brazil
Cabeço Vermelho I, S.A. (*)	Brazil
Cabeço Vermelho II, S.A. (*)	Brazil
Pedra Rajada I, S.A. (*)	Brazil
Pedra Rajada II, S.A. (*)	Brazil
Boa Esperança, S.A. (*)	Brazil
Lagoa dos Ventos Geradora de Energia, S.A.	Brazil
Coria (PKF) Investments 28 P. Ltd.	South Africa
Nobelsfontein Maintenance services (Pty) Ltd.	South Africa
Deltrade 67 Proprietary Limited	South Africa
Gestamp Wind Africa (Pty) 2td	South Africa
Modderfontein Wind Energy Project (Pty) Ltd	South Africa
Copperton Wind Farm (Pty) Ltd	South Africa
FC Enerji Elektrik Uretim Tikaret ve Sanayi, A.S.	Turkey
Sabas Elektrik Uretim, A.S.	Turkey
Sabas Elektrik Uretim, A.S.	Turkey
BAK Enerji Üretimi A.Ş.	Turkey
BAK Enerji Üretimi A.Ş.	Turkey
YGT Elektrik Üretim SAN. VE TIC. LTD. ŞTİ.	Turkey
YGT Elektrik Üretim SAN. VE TIC. LTD. ŞTİ.	Turkey
Gestamp Ruzgar Enerjisi, Ltd.	Turkey
Gestamp Wallonie, S.A.	Belgium
Gestamp Wind Feluy, S.A.	Belgium
Gestamp Wind Beaumont, S.A.	Belgium
Gestamp Wind Hannut, S.A.	Belgium
Gestamp Eólica Polska sp z.o.o.	Poland

Subsidiary/ Associated company	Country
Farma Wiatrowa Kleby Sp. zoo	Poland
Farma Wiatrowa Bukówiec Górny Sp. zoo	Poland
Gestamp Wind 13 sp zoo	Poland
Gestamp Wind 14 sp zoo	Poland
Hidroeléctrica de Tacotan, S.A. de C.V.	Mexico
Hidroeléctrica de Trigomil, S.A. de C.V.	Mexico
Tacotán Trigomil Servicios SA de CV	Mexico
Gestamp Eólica México, S.A. de C.V.	Mexico
Gestamp Eólica Dacia, S.R.L.	Romania
Gestamp Eólica Costesti S.R.L.	Romania
Gestamp Eólica Costesti S.R.L.	Romania
Gestamp Eólica Berezeni S.R.L.	Romania
Gestamp Eólica Berezeni S.R.L.	Romania
Gestamp Eólica Raducaneni S.R.L.	Romania
Gestamp Eólica Raducaneni S.R.L.	Romania
Vientos S.R.L.	Romania
Gestamp Eólica Promociones .S.L.	Spain
Gestamp Eólica Baixa Verde , S.A.	Brazil
Gestamp Eólica Moxotó, S.A.	Brazil
Eólica Pedra do Reino, S.A.	Brazil
Gestamp Eólica Sobradinho, S.A.	Brazil
Eolica Gravató-Geradora de Energia, S.A.	Brazil
Eolica Pirauá-Geradora de Energia, S.A.	Brazil
Gestamp Eólica Lanchinha, S.A.	Brazil
Gestamp Eólica Paraíso, S.A.	Brazil
Gestamp Eólica Lagoa Nova, S.A.	Brazil
Gestamp Eólica Serra _Santana, S.A.	Brazil
Gestamp Eólica Seridó, S.A.	Brazil