ATH Bioenergy

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Report of the public consultation on April 22 at 11:00 a.m. for the registration of the Program of Activities (PoA): **"Sustainable production of biofertilizers and biogas from organic matter waste. Canary Islands"** and the Voluntary Programme of Activities (VPA): **"Sustainable production of biofertilisers and biogas from organic matter waste. Gran Canaria"**

Document prepared by ATH Bioenergy in collaboration with Off Carbon

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1. CONTEXT AND OBJECTIVE OF THE MEETING

The public consultation held on 22 April 2025 aimed to inform citizens, institutions, companies, and other interested parties about the programme of activities (PoA) that will consist of the implementation of four sustainable biofertiliser and biogas production plants, aimed at managing organic waste and reducing greenhouse gas emissions and which will be developed in Gran Canaria. Tenerife, Lanzarote and Fuerteventura, under the Gold Standard scheme. As part of this public consultation, the first VPA (Voluntary Project Activity) or activity adhered to the program, corresponding to the plant that will be installed on the island of Gran Canaria, was deepened.

This is carried out as part of the necessary actions to link stakeholders with the Project, whereby during the planning and design phase, stakeholder consultations are carried out before it goes into operation and afterwards, in order to collect inputs that will be evaluated and that could influence the original design. and subsequently, establish mechanisms for participation and feedback from the parties and from the VPA (Voluntary Project Actions) to them, achieving a link throughout the duration of the project.

To this end, prior to the participation rounds, ATH Bioenergy has carried out an analysis and mapping of the internal and external stakeholders that could be impacted by it, both at the level of the Programme of Activities (POA) and at the level of the project in Gran Canaria, taking into special consideration the concurrence of the groups and agents indicated by Gold Standard.

This meeting is part of the mandatory participatory process for obtaining carbon credits and includes open channels to receive suggestions and ensure a real adaptation of the project to the local community. The evaluation of these, the adoption, where appropriate, of preventive, corrective and remedial actions and the mechanisms of continuous feedback in a bidirectional manner.

As a result of these participatory processes and consultations, the proponent will establish active communication according to the different types of stakeholders, without prejudice to the channels of communication open on an ongoing basis.

2. PROJECT DESCRIPTION

ATH Bioenergy is promoting the implementation of four organic waste recovery plants in the Canary Islands with the aim of transforming the waste generated in the hotel, commercial and agri-food sectors into biomethane and high-quality organic fertilisers with the use of CO2. This initiative represents a firm step towards the energy transition, the decarbonization of the territory, the promotion of a real circular economy in the archipelago, and the contribution to the achievement of the Sustainable Development Goals to which the Company is committed, positively impacting the local community.

The Programme of Activities will have an initial duration of 20 years. The first plant, located in the municipality of Agüimes, in Gran Canaria, is expected to come

into operation in October 2025, at which time a three-month operational test phase will be carried out to guarantee the efficiency and safety of the process. The implementation to obtain emission reductions is estimated in the first quarter of 2026.

This first plant will be located next to the Southeast treatment plant, in the port free zone of Gran Canaria, which will facilitate its logistical integration and connectivity with distribution channels. It will be designed to manage up to 31,000 tonnes of organic waste per year, from which approximately 2,242 tonnes of biomethane per year will be produced, equivalent to 31,141 MWh of energy. This production of this energy vector represents a sustainable alternative to about 2,832 tons of propane gas or more than 3,090,000 liters of diesel per year, which will allow a significant reduction in the use of fossil fuels and polluting gas emissions and contribute to local climate and energy governance. Similarly, the facility on the island of Tenerife will be of the same size, will also handle 31,000 tonnes/year and the same amount of biomethane will be produced. It is estimated that it will come into operation at the end of 2026. As for the two facilities to be built on the islands of Fuerteventura and Lanzarote, these will be slightly smaller in terms of management capacity, estimated at about 25,000 tonnes/year, and proportionally each will produce about 1,800 tonnes of biomethane annually. It is estimated that the Fuerteventura facility will be completed and operational by the end of 2027 and the Lanzarote facility by 2028.

As for the size and scope of the activity of the Gran Canaria facility, it is estimated that it can serve some 45-65 hotels since the capacity of the digester, as mentioned, is 31,000 t/y of organic waste.

Among the key components of the project, the production of biomethane as a renewable substitute for propane gas and diesel stands out, as well as the generation of liquid and solid fertilizers with high agronomic value, as well as bio CO_2. In addition, the project has the collaboration of scientific and technological entities such as the Technological Institute of the Canary Islands (ITC) and the Canary Islands Institute of Agricultural Research (ICIA), with whom trials will be carried out to evaluate the effectiveness of the fertilizers generated.

The plant will also incorporate an advanced digitalisation and intelligent traceability system for waste, which will allow real-time monitoring of the entire recovery cycle, ensuring transparency, efficiency and regulatory compliance.

This project has not benefited from any ODA (Official Development Assistance mechanism).

3. TECHNICAL PROCESS: BIOMETHANIZATION

The technological process that underpins this plant is based on **anaerobic digestion**, an advanced biological technique that allows organic waste to be transformed into high-value resources. In this stage, organic **waste** is introduced into **airtight digesters with gas-impermeable membranes**, where a **specialized microbial flora** acts in the absence of oxygen, decomposing the organic matter in a controlled manner.

As a result of this digestion, **biogas** is generated, a mixture rich in methane and CO2 that is subsequently subjected to a **purification** process to remove impurities and obtain **high-quality biomethane**. This biomethane is finally **bottled in metal cylinders**, which facilitates its storage, the logistics of its **distribution** and its use as **a renewable fuel**.

In addition, the **CO_2 generated during the process is also captured and purified**, reaching a **quality suitable for food applications**, which makes it a useful input for sectors such as the **carbonated beverage industry such as brewing, applications in microalgae cultures** or multiple industrial uses such as **industrial welding,** etc.

In parallel, anaerobic digestion results in an **organic digestate** that is separated into a **liquid fraction** and a **solid fraction**, both intended for the **production of agricultural fertilizers**. These fertilizers, which are sustainable and rich in primary organic nutrients, help close the resource loop and promote **regenerative agriculture**.

4. ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACTS

The project promoted by **ATH Bioenergy** generates a comprehensive set of **environmental, social and economic benefits** that make it a model of sustainable development for the region.

Environmental Impacts

From an environmental point of view, the plant will make a significant contribution to reducing **emissions**, avoiding the release of approximately **10,000 tonnes of CO_2[1] equivalent each year**. This is achieved mainly by **replacing fossil fuels** with **renewable biomethane**, thus reducing the carbon footprint of the local energy system, as well as by diverting organic matter to the ATH plant that would otherwise have been buried in landfill with the consequent avoidance of diffuse emissions due to its decomposition.

In addition, the application of the **resulting organic fertilizers** promotes the **regeneration of agricultural soils**, improving their health and structure, which favors a more resilient and sustainable agriculture. Thanks to its advanced technology, the waste recovery process reaches an **efficiency of up to 95%,** which minimizes the generation of waste and maximizes the use of resources.

Likewise, the recovery of bioCO_2 from biogas purification is intended to replace another of unsustainable origin for industrial uses and biomass production (microalgae cultivation).

Social Impacts

In the social sphere, the project has a positive impact on **air quality**, as it significantly reduces the emission of **methane, CO2, and other GHGs, from the leakage and combustion of the fossil fuels it replaces (diesel-oil, propane, ...)**, gases

[1] Indicative estimate

that affect both climate and respiratory health. In addition, as biomethane is a fuel with a high degree of purity, it mitigates the emission of microparticles (PM5, PM10), VOCs that other less clean fuels generate with their use.

Likewise, an important **educational and environmental awareness work is contemplated**, with **school visits** and pedagogical programs in the facilities, promoting a culture of sustainability from an early age, understanding the importance of the circular economy and the proper management of residual waste.

Another key social pillar of the Project is the **active inclusion of the local community**, promoting **gender equality**, access to **specialized technical training** and the **generation of employment** in the immediate vicinity of the plant.

Economic Impacts

From an economic perspective, the project as a whole (the entire PoA) that includes the construction and commissioning of the four facilities on the islands of Gran Canaria, Tenerife, Fuerteventura and Lanzarote, represents an **investment of more than 100 million euros**, consolidating itself as a driver of development in the archipelago. It is estimated that its implementation will allow the **creation of approximately 213 direct and indirect jobs**, contributing to the dynamism of the local labor market. Of these, 78 jobs will be created at the Gran Canaria plant.

In terms of production, it is expected to generate around **4,000 tonnes of solid fertiliser and 8,000 tonnes of liquid fertiliser annually in VPA of Gran Canaria**, figures that could reach between **30,000 and 35,000 tonnes per year** if the model is expanded to the four islands as a whole. Similar production figures are estimated for the VPA of the facility on the island of Tenerife. As for the VPAs of the islands of Fuerteventura and Lanzarote, the figures to be achieved are estimated to be 23% lower because they have a lower organic waste management capacity than that of the capital islands.

All this reinforces not only **regional energy security**, but also structural **support to the agricultural sector**, offering sustainable inputs and reducing dependence on external products.

The following table assesses the safeguarding principles, according to the requirements and principles of the Gold Standard:

Safeguarding principles	Evaluation
Human Rights	The project respects internationally proclaimed human rights and is not complicit in acts of violence or human rights abuses of any kind, as defined in the Universal Declaration of Human Rights. The project will not discriminate in terms of participation and inclusion.
Gender Equality and Women's Rightss	Another key social pillar of the Project is the **active inclusion of the local community**, promoting **gender equality**,

	access to **specialized technical training** and the **generation of employment** in the immediate vicinity of the plant.
Community Health, Safety and Working Conditions	The project has a positive impact on **air quality**, as it significantly reduces the emission of **methane, CO2, and other GHGs, from the leaks and combustion of the fossil fuels it replaces (gas-oil, propane, ...)**, gases that affect both climate and respiratory health. In addition, as biomethane is a fuel with a high degree of purity, it mitigates the emission of microparticles (PM5, PM10), VOC's that other less clean fuels generate with its use.
Cultural Heritage, Indigenous Peoples, Displacement and Resettlement	The VPA plant in Gran Canaria will be located next to the Southeast treatment plant, in the free port zone of Gran Canaria, which will not have an impact on cultural heritage, indigenous peoples, nor will it imply the displacement or resettlement of people. On the other islands, it is in the study phases of the definitive location.
Corruption	The project does not involve, nor is it complicit in, nor does it inadvertently contribute to corruption or corrupt projects.
Economic Impact	From an economic perspective, the project as a whole (the entire PoA) represents an **investment of more than 100 million euros**, consolidating itself as an engine of development in the archipelago. It is estimated that its implementation will allow the **creation of approximately 78 direct and indirect jobs in Gran Canaria**, contributing to the dynamism of the local labour market.
Climate & Energy	From an environmental point of view, the plant will contribute significantly to the **reduction of emissions**, avoiding the release of approximately **10,000 tonnes of CO_2-eq each year on the larger islands, approximately 7,000 CO_2-eq based on estimated calculations**. This is achieved mainly by **replacing fossil fuels** with **renewable biomethane**, thus reducing the

	carbon footprint of the local energy system, as well as by diverting organic matter that would otherwise have been buried in landfill to the ATH plant with the consequent avoidance of diffuse emissions due to its decomposition.
Water	Positive impact, through the **generation of reclaimed water** during the anaerobic digestion process, which can be reused in agricultural or industrial uses, reducing the pressure on natural water resources.
Environment, Ecology and Land Use	The application of the **resulting organic fertilizers** promotes the **regeneration of agricultural soils**, improving their health and structure, which favors a more resilient and sustainable agriculture. Thanks to its advanced technology, the waste recovery process reaches an **efficiency of up to 95%,** which minimizes waste generation and maximizes the use of resources.

5. CARBON CREDITS – GOLD STANDARD

The project developed by **ATH Bioenergy** will be registered in the **Gold Standard for the Global Goals**, one of the most recognized and rigorous mechanisms globally for the certification of emission reductions with a positive impact on sustainable development and the local community.

Eligibility Criteria

The project must meet a number of **strict eligibility criteria**, including:

1. The **real and verifiable reduction of greenhouse gas emissions**, either by **direct avoidance** or by the **substitution of fossil sources with renewable energy**.
2. Project additionality: Additionality means that reductions or removals of greenhouse gas (GHG) emissions generated by a project **would not have occurred in the absence of financing from carbon credits**.
3. The **demonstrable contribution to at least three Sustainable Development Goals (SDGs),** ensuring that the project's impact is not limited to the environmental level, but also encompasses social and economic dimensions.
4. The existence of **transparency and traceability in the process**, supported by independent audits carried out by **third-party verifiers**, which ensure the validity and credibility of the results.

5. ATH Bioenergy has the undisputed ownership of the carbon credits to be registered under the PoA and of each of the Voluntary Project Actions (VPA) of the four projected plants, since as the proponent of the Project, the ownership of the Carbon Credits will belong to the developer, ATH Bioenergy, so they could not be claimed by other agents participating in the VPA to avoid double counting of these. this point being contractually reflected with the clients.

Operating Mechanism

The operation of this standard requires the initial registration and **validation of the project by an independent entity**, followed by **annual verifications** that allow the issuance of **carbon credits associated with the mitigation of emissions derived from the project**. It should be noted that the **credits will be generated once the first operational year has elapsed**, and supported by **real data that supports the effective reduction of emissions**.

In addition, the project is subject to **periodic renewals every five years**, accompanied by **mandatory interim audits**, ensuring **continuity in compliance with environmental and social criteria** throughout its useful life.

Use of Carbon Credits

The **carbon credits generated** by the project can be acquired by **companies that, on a voluntary basis, seek to offset the emissions that they have not been able to reduce endogenously in their entirety, and wish to reduce the residual**, thus offering a concrete tool to advance in the fulfillment of their climate commitments.

The ownership of the Carbon Credits will belong to the promoter, ATH Bioenergy, so they could not be claimed by other agents participating in the VPA (Voluntary Project Actions) to avoid double accounting of these, this being contractually reflected with the customers. The ownership of the Carbon Credits will belong to the promoter, ATH Bioenergy, so they could not be claimed by other agents participating in the VPA (Voluntary Project Actions) to avoid double accounting of these, this being contractually reflected with the customers.

In no case will they serve to promote or maintain activities based on fossil fuels.

The project is an innovative activity for the region, which implies both operational and financial result uncertainty that guarantees the long-term continuity of the initiative.

In the risk analysis of the investments, for the calculation of the IRR of the Project, it should be considered that without the existence of Credits, it would not be enough if it did not have the Income from the Carbon Credits.

6. IMPACT ON THE SDGS

The project promoted by **ATH Bioenergy** is fully aligned with the **2030 Agenda** and contributes directly and indirectly to the fulfilment of several **Sustainable**

Development Goals (SDGs) established by the United Nations, consolidating itself as an initiative with a positive impact in the environmental, economic and social spheres.

Among the SDGs to which it intends to contribute are:

1. SDG 6: Clean water and sanitation, through the generation of reclaimed water during the anaerobic digestion process, which can be reused in agricultural or industrial uses, reducing the pressure on natural water resources.
2. SDG 7: Affordable and clean energy, through the production of renewable biomethane, which replaces traditional fossil fuels such as propane or diesel, reducing emissions and improving energy security.
3. SDG 8: Decent work and economic growth, through the creation of local employment both directly and indirectly, and the promotion of training and capacity building in green technologies.
4. SDG 9: Industry, innovation and infrastructure, with the incorporation of advanced anaerobic biodigestion technology, biogas purification systems and digital tools for waste traceability.
5. SDG 11: Sustainable cities and communities, by improving the management of urban organic waste and reducing the negative impacts associated with its accumulation or inadequate disposal.
6. SDG 12: Responsible production and consumption, promoting a circular economy model in which waste is converted into useful resources, such as energy or fertilizers.
7. SDG 13: Climate action, as the project is a verified source of emission reductions, which makes it a main way for the generation of carbon credits, within international schemes such as the Gold Standard.

This comprehensive approach makes ATH Bioenergy a benchmark in terms of sustainable projects that not only provide technological solutions, but also generate shared value for society and the environment.

Some measures used for project monitoring include:

#7 Affordable and clean energy: The tons of biomethane and biogas to be generated will be measured, and how much clean energy they represent

#8 Decent work and economic growth: The number of employees to be hired for the development of the project will be included in the project, as well as the way to promote gender equality and continuous training.

#13 Fight against climate change: The tCO2eq to be reduced by the project will be calculated.

7. MITIGATION MEASURES AND PARTICIPATORY PROCESS

With the aim of guaranteeing the integral sustainability of the project and its adequate integration into the environment, ATH Bioenergy has evaluated both the impacts of the environment on the project and the effects of the project on its

social, economic and environmental environment. In this framework, different stakeholders were identified, including **local and regional authorities, non-governmental organizations, private companies and citizens in general**.

Based on this analysis, a series of **mitigation measures** were taken into account aimed at preventing or minimizing the potential impacts that could arise from the start-up and operation of the plant. Among the main areas addressed are:

1. The management of possible **nuisances generated by operations**, such as noise, odours or traffic.
2. The **prevention of conflicts related to the use of land or natural resources**, through coordinated and transparent planning.
3. Integration **with other local initiatives**, such as **community composting projects**, ensuring that the project does not interfere with, but rather complements existing efforts.

In addition, during the public consultation process, it is highlighted that the project maintains an **open and flexible structure**, willing to **incorporate adjustments based on the suggestions or concerns collected**, promoting an attitude of **active listening from the earliest stages of design**.

8. MITIGATION MEASURES AND PARTICIPATORY PROCESS

To strengthen the bond with the community and ensure **informed and continuous participation**, ATH Bioenergy has enabled various **accessible and permanent communication channels**, including:

1. A **physical form** given to attendees during the initial participatory meeting, allowing opinions and questions to be collected directly.
2. A **website with information about the project** (www.athbioenergy.com) and an email box (participacion@athbioenergy.com), which facilitate interaction with interested people at any time.
3. The availability of the **ATH offices in Las Palmas** (c/ León y Castillo 248, pl. 6. 35005 Las Palmas de Gran Canaria, tel. 928 230 003) for face-to-face attention, by citizens or groups.
4. Public **access to relevant documentation**, including technical, environmental and social information of the project, as well as the certification standard in which the project will be registered.

This participatory structure reinforces the company's commitment to **transparency and dialogue,** ensuring that the project evolves in harmony with the expectations and needs of the environment in which it is developed, thus promoting active listening. Similarly, questions, comments and complaints received in relation to the project will be answered. The means of communication will preferably be via e-mail to keep a record of it. On the other hand, if telephone communications are received with interested parties, transcribed copies of the most relevant points of the conversations held would be kept. A response time of

no more than 15 days is estimated from receipt. However, should the response take longer, the interested party would be notified of the delay.

9. CONCLUSION

The ATH Bioenergy project represents a strategic commitment for the Canary Islands towards a **fair energy transition**, an **effective circular economy**, and **real environmental and social sustainability**. It meets the technical, economic, social and climate criteria necessary to generate carbon credits and contribute significantly to the island's decarbonisation commitments.

10. QUESTIONS ROUND

QUESTION 1 - Male Gender

1. **Will biogas production have a stable supply guarantee? If not, will LNG be dependent? Would this affect carbon credits?**
2. **What will be the total consolidated production of biomethane in all the facilities in the Canary Islands?**
3. **What surface area will the batteries or equipment that will manage the LNG need?**
4. **Will it be necessary to adapt the current energy installations of hotels or industries?**
5. **Who will carry out the separation of organic matter? The hotelier or ATH?**

1) **Will biogas production have a stable supply guarantee?**

Indeed, in order to cover possible specific imbalances between biogas production and customer demand, due to seasonal or biological factors, it is planned to have a stock of CNG as a backup gas to avoid tensions or supply interruptions that could undermine confidence in renewable gas as a preferred source of energy.

2) If not, will LNG be dependent?

No, obtaining biomethane does not depend on LNG sales. This is an ERR project, which aims to provide customers' fuel needs for thermal uses through a sustainable biogas alternative. Precisely to support this transition to a more sustainable model that entails lower GHG emissions, it is proposed to have a very insignificant reserve with respect to the total biogas that the plant will produce, which will allow us to overcome conceptual and demonstrative barriers to the reliability of the alternative energy source to that of the current production and consumption model.

3) **On the separation of organic waste at source:**

ATH manages the entire chain: collection, treatment and recovery. This ensures a competitive advantage, as the collection is integrated into the same operating circuit. The plant's operating model entails a system for separating improper

waste in values aligned with the requirements of Law 07/2022 on waste in force, encouraging prevention in the generation, correct separation at source and segregation at the biowaste production site itself. Likewise, a protocol and the conditions of admissibility of the material in the plant are established.

4) Total biomethane production:

The plants on the two capital islands will generate about 2,200 tons of biomethane each. In Fuerteventura and Lanzarote, production will be approximately half. Supply is guaranteed by contract, including backing with LNG to cover peak demand.

5) Storage systems and surface:

The system is different from the usual one in the Canary Islands: CNG (compressed natural gas) blocks will be used, each of approximately 1 m^2. The number of blocks will depend on the customer's consumption, which allows it to adapt to small spaces.

6) Adaptation of facilities:

It will depend on the customer's current situation and the type of fuel to be replaced (liquid or gaseous) and the existing facilities themselves. Hotels with modern gas boilers will hardly require modifications. In other cases, they may need minimal adaptations to burners or pipes.

7) Impact on carbon credits:

The number of credits depends on the actual use of biomethane versus LNG. If less biomethane is used than planned, fewer credits are generated. The greater or lesser use of LNG over the total energy generated impacts on the global net emissions attributable to the VPA, and therefore on the Carbon Footprint of Activity and product.

QUESTION 2 - Female Gender

a) How is the project compatible with the new regulations on the reduction of food waste? What percentage of the input comes from hotels?

(b) What studies have been carried out on the marketing of the resulting fertilizers?

c) Are you studying the improvement in the CO_2 sink capacity of the soil thanks to the fertilizers generated? Are you doing it in collaboration with the ICIA?

a) The waste received comes directly from food waste from hotels and large producers in the food distribution chain and agricultural remains: food remains, food preparations, spoiled food; in short, waste from the food sector and its production (peels and peelings, uneaten remains, expired food, etc.). Hotels already implement measures to reduce waste through control software, efficient menus and preparation in kitchens adjusted to the forecast of consumption according to guests.

ATH's model or project design does not contribute in any way to promoting or perpetuating unsustainable waste production, consumption and generation habits in hotels and other large producers, but offering an efficient solution for

improved management to its customers for the organic waste they inevitably generate.

In fact, the plant has a limited capacity to admit biowaste, which only accommodates material from a certain number of hotels and agro-waste with a prior management agreement. For example, if the endogenous measures to reduce the generation of waste in hotels produce a smaller amount of waste than expected, it could be considered to accommodate more hotels in the plant, but totaling the same amount of annual organic matter to be treated since it is limited by the capacity of the plant. which would allow other hotels to join the model, with the aim of carrying out improved voluntary management of their waste.

b) Pilot tests are being carried out in collaboration with public research bodies such as the Canary Islands Institute of Agricultural Research, to evaluate different alternatives for the use of fertiliser. Likewise, the provisions of the regulations on sustainable soil nutrition and the prescriptions for the preparation and registration of fertilising products in Europe and Spain will be followed. Fertiliser products have been assessed as compatible for use in organic farming. For the commercialization of fertilizers, in the case of solid organic amendments, in the Canary Islands, despite being cultivated soils characterized by a low level of organic matter, there is some reluctance in areas of the agricultural sector due to some bad experiences with industrial compost that is not properly processed and low attractive, so ATH wants to reverse this perception through real demonstration tests with farmers.

c) Regarding the improvement of the soil as a carbon sink, initiatives are being developed together with the ICIA. In fact, a recent European Regulation encourages the creation of national or community reference schemes that allow the certification of permanent fixations of organic carbon in soils. The substitution of conventional fertilization, based on synthetic products, by organic fertilization such as the one proposed by ATH with its products, not only represents a paradigm shift in soil use, but combined with improved agricultural management practices, contributes to the increase of total carbon in the soil. The latter fact can be verified by means of evidentiary schemes and could, if all the rigorous requirements are met, lead to the issuance of carbon credits by nature-based solutions. Likewise, the lower carbon footprint associated with ATH fertilizers will help reduce the carbon footprint of farms that use it.

QUESTION 3 - Male Gender

1. Why have you sized the plant at 30,000 tonnes? What technical or logistical criteria justify this?
1. Will door-to-door collection be free for large producers?
2. Are you taking into account aspects of smart taxation in coordination with the municipalities? Currently, municipal taxes do not discriminate according to the volume of waste or treatment model.

1) Capacity of 30,000 tons. Why hotels?

The figure is part of a range (between 25,000 and more than 30,000 t/year) determined by economic-financial feasibility studies. The engineering companies involved consider that this is the right threshold to guarantee the efficiency and profitability of the project, using an innovative semi-dry technology.

Currently, hotels are paying for the public and or private service of managing their waste, with a very poor result. The service offered by ATH replaces the option of the public system, which will result in savings on this side, a better recovery of organic waste and the substitution of one energy source for another (biomethane with propane). The service is comprehensive, and the cost of alternative management to the current one entails operating expenses on the part of ATH that must be covered.

2) Municipal taxation:

Pay-as-you-throw is a mandate of the current Waste Law that especially affects large waste producers and should introduce incentives that lead to less waste generation, as well as the preparation of waste for reuse and/or recycling. The various municipal ordinances must adopt mechanisms in this regard.

3) On the free collection by ATH:

It's not. ATH works with an added service cost that includes collection, management, recovery, containerization and supply of biomethane. All of this is part of a comprehensive package. The public system is not free either, municipal taxes are paid, but the distribution of costs has another approach, whereby the costs of the municipal service are either assumed collectively or through direct contracting.

Currently, hotels are paying for the public and or private service of managing their waste, with a very poor result. The service offered by ATH replaces the option of the public system, which will result in savings on that side and the substitution of one energy source for another (biomethane with propane). The service is comprehensive, and the cost of alternative management to the current one entails operating expenses on the part of ATH that must be covered.

There are some customers who have been interested only in ATH's management service of their organic waste.

The service offered by ATH replaces the option of the public waste management system, which will lead to a better recovery of organic waste and the replacement of an energy source with a renewable and sustainable one (biomethane for propane). The service is comprehensive, and the cost of alternative management to the current one entails operating expenses on the part of ATH that must be covered. ATH's model is transparent and realistic.

QUESTION 4 - Male Gender

1. Has it been taken into account that Gran Canaria generates more than 300,000 tonnes of organic waste per year? What does this mean for environmental complexes?

2. How are the 10,000 tonnes of CO_2 avoided calculated if biomethane is also burned?
3. Will the plant be energy self-sufficient or will conventional energy be needed?
4. How is the water contained in waste recovered?

a) Reduction of pressure on landfills:

Yes, one of the indirect benefits of the project is to reduce the load on environmental complexes, which improves system efficiency and reduces diffuse emissions. This also contributes positively to the island's environmental image and its sustainability as a tourist destination. This voluntary initiative constitutes a private infrastructure for the management of organic matter that contributes to improving the environmental results of the VPA of Gran Canaria and the four Canary Islands as a whole.

b) Calculation of avoided emissions:

The data offered is a basic estimate, as the sum of the avoidance of emissions by two CO2-eq mitigation pathways: one derived from the avoidance of the tonnes of organic matter sent to landfill and the other by the substitution of fossil fuel by biomethane. It is calculated on the treatment of a mix of organic municipal waste in the amount of 30,000 Tn / year, compared to its associated emissions called diffuse emissions, and another fraction from the Tn CO2-eq by the substitution of fossil fuel with biomethane, approximately in equal parts.

To do this, the methodologies and values of the IPCC are used, which considers that 1 ton of methane is equivalent to 28 tons of CO_2. By preventing waste from going to landfill and replacing fossil fuels, the emission of methane and CO_2 into fossil fuels is avoided

c) Energy consumption of the process:

Electricity consumption will be 100% from renewable sources through a PPA (Power Purchase Agreement). In the design of the project, maximum heat recovery has been sought. The consumption of fossil fuel in the plant is estimated at 1095.4 MWh/year, out of the total. As a modification in the design of the project, a redesign is being evaluated in this aspect, so that a part of the biomethane generated for the provision of thermal services is consumed in the plant. In this way, engineering is considering two alternative consumption points, mainly to meet the thermal demand of the digester.

d) Water recovery:

Regarding water management, its use and responsible consumption, it should be noted that the ATH process has been designed to be capable of producing 25,000 m3/year, of which approximately half is reintroduced into the process and the other part is available with irrigation water quality (reclaimed irrigation water according to RD 1084/2024). Not surprisingly, the Company is committed to SDG 6 Clean Water and sanitation.

After a process of separation and reverse osmosis, a part will be reintroduced into the process, avoiding the consumption of input water and the rest will be made available to the community, for irrigation, gardening or industrial uses.

QUESTION 5 - Male Gender

1. What percentage of biomethane must be contained in the hotel's energy mix to be considered "neutral emissions"? Is 80% required?

For the biomethane produced by ATH to be classified as "sustainable" and of a renewable origin, the entire process must generate savings of at least 80% compared to the reference value (e.g. 90 g of CO_2-eq per Mj) and be produced only from organic municipal public waste. This includes all stages of the process.

As for physical mixing, this project does not contemplate physical mixing of molecules of different origins. Each unit of measurement of the gas (Nm3, Mwh or Tn) is traced and identified individually. If a customer receives 99 units of biomethane and 1 of LNG, their marketing and consumption are reported separately, and only the renewable consumption of biomethane is certified. Confusion or greenwashing is not possible. Traceability is guaranteed by a system of blockchain-based digital certificates according to the national renewable gas system that is audited by third parties.

From a technical point of view, the modulation nozzles of the burners of DHW boilers and water heaters, for example in a hotel, do not perceive differences between biomethane and CNG, since, after the purification of the biogas to biomethane in the installation, both have identical molecular compositions (CH4 = methane).

QUESTION 6 - Male Gender

Why has a concession on port land been chosen for this project?

The choice of location responds to a principle of proximity in the treatment of the waste to be treated and its place of generation, as well as to the logistics of distribution of the co-products to be obtained, close to their place of use and consumption. The existence of the Arinaga Industrial Estate in the municipality of Agüimes, and land owned by the Port Authority of Las Palmas de Gran Canaria, made the choice fall on this place.

To this end, the project has an administrative concession of land in the industrial estate where the activity will be carried out for 30 years. This has been requested under the legislation of Puertos del Estado that gives preference to activities such as the project. The project needs, in its first phase, the supply of liquefied gas by ship, which requires intermodal port infrastructure and logistics. In addition, in the second phase, biomethane movements between islands are planned, which strengthens the link with the port of Las Palmas de Gran Canaria.

QUESTION 7 - Female Gender

1. Will renewable energy be used in the plant?
2. What use will be given to the water generated by the process?

It represents an opportunity to introduce improvements in the project in terms of energy use and the final use of water. Re-evaluation of increased use of biogas introducing changes in design, adherence to SDG 6 Clean Water and Sanitation. Electricity consumption will be 100% from renewable sources through a PPA (Power Purchase Agreement). In the design of the project, maximum heat recovery has been sought. The consumption of fossil fuel in the plant is estimated at 1095.4 MWh/year, out of the total. **As a modification in the design of the project, a redesign is being evaluated in this aspect, so that a part of the biomethane generated for the provision of thermal services is consumed in the plant.**

As for water, it comes from the waste itself. A "reverse scrubber" is performed: nitrogen (a key nutrient) is retained instead of removed, and clean water is separated by reverse osmosis. This water may be used in agricultural irrigation or industrial processes. It is expected to recover about 2,000 m^3/month — an Olympic swimming pool per month. Talks have already begun with the Port Authority and irrigation associations to channel its use.

QUESTION 8 - Female Gender

1. How do you ensure a just energy transition that also benefits the local community, and not just companies?
2. What job profiles will be needed? Will it be formed locally?
3. Will biomethane reach homes?

Just transition is an essential part of the project. Since Suma Capital entered as an investment partner, it is mandatory to generate positive social impact.

Nearby town halls and vocational training centres have already been contacted to train local staff. The plants will be visitable, educational campaigns will be carried out and gender parity has been taken care of even in this consultation.

Regarding the profiles: operators, technicians, logistics personnel, drivers, tractor drivers, etc., are being sought, and local hiring will be prioritized.

As for domestic use, for now it is not viable due to the scale. But it is seen as a future development.

QUESTION 9 - Female Gender

Will biogas be exclusive to hotels and companies that provide waste? Will citizens be able to access it in the future?

Currently, the production is aimed at those who participate in the project (hotels, supermarkets, etc.). Future expansion into households or communities is not

ruled out, but this will require more infrastructure, investment and distribution networks. The model is scalable, but now the focus is on ensuring supply to project partners.

QUESTION 10 - Male Gender

1. How do you plan to make your liquid fertilizer competitive against consolidated options?
2. How will you take advantage of the project to promote more ambitious environmental education in Gran Canaria?

The fertiliser is still pending certification and registration in the European Register of Fertilising Products, until it has its own productions. It will also have production quality assurance standards. In the meantime, samples of similar product are offered free of charge to agricultural tomato growers, for example, such as Tomás to taste. In hydroponic systems, it is not intended to completely replace synthetic fertilizers, but it is intended to reduce their use by 10—15%. This would already be a relevant advance. In addition, the research of different crops with the use of liquid fertilizers derived from digest that is being carried out jointly with the ICIA (Canary Islands Institute of Agricultural Research), allows us to share the data obtained with farmers to show them the behavior of the crops with the use of fertilizers similar to those that will be obtained, evidence that will arouse the interest of producers in substituting chemical fertilization for ATH Bioenergy products.

Education is key to the project. The plants will be visitable, and work is already underway with schools, vocational training centres and the Cabildo along these lines. Likewise, it wants to promote a more sustainable agricultural model, with zero-kilometer fertilizers, to reduce dependence on imported inputs, a goal that also requires an effort to educate and raise awareness in the agricultural sector.

QUESTION 11 - Female gender

1. Is it true that only long-term carbon sequestration can generate credits?
2. Or is it enough to reduce emissions, meet SDGs and be transparent?
3. Which entities verify these credits and are they legally recognized?

There are multiple ways to generate carbon credits: both natural sinks (forests) and emission reduction projects (such as ATH). The key is first that the project is eligible and then that it meets technical requirements and demonstrates real results.

ATH adheres to the Gold Standard, which validates projects only after verifying results. Unlike the Spanish national scheme — which only admits forest sinks — Gold Standard allows for mitigation credits. In Europe, there is a new regulation that recognises new pathways (carbon in products, soils, etc.).

Verification entities are accredited by each standard (such as Gold Standard), and their job is to audit and certify the results. Each project is registered in public

registers with data such as: location, duration, technology used and volume of credits.

11. ADDITIONAL QUESTIONS

1. Will they have a guarantee of supply?

Indeed, in order to cover possible specific imbalances between biogas production and customer demand, due to seasonal or biological factors, it is planned to have a stock of CNG as a back-up gas to avoid tensions or supply interruptions that could undermine confidence in renewable gas as a preferred source of energy. This is part of the initial design of operations.

2.- Will it depend on LNG?

It does not depend on LNG. This is an ERR project, which aims to provide customers' fuel needs for thermal uses through a sustainable biogas alternative. Precisely to support this transition to a more sustainable model that entails lower GHG emissions, it is proposed to have a very insignificant reserve with respect to the total biogas that the plant will produce, which will allow us to overcome conceptual and demonstrative barriers to the reliability of the alternative energy source to that of the current production and consumption model.

3.- Will LNG affect carbon credits?

The greater or lesser use of LNG over the total energy generated impacts on global net emissions attributable to VPA,

4.- Total production of the plant?

Up to 2,200 tn/biomethane/year, equivalent to 30,669 MWh/year and 4,500 tn. of bioCO2/year for the facilities in Gran Canaria and Tenerife, and slightly lower (22%) for those in Fuerteventura and Lanzarote.

5.- Specific installation must be required at the point of consumption

It will depend on the customer's current situation, and the type of fuel to be replaced (liquid or gaseous).

6.- Surface area in the receiving plant?

A minimum surface area is required, relative to the space needed for the blocks of bioCNG cylinders demanded by the customer.

7.- Waste separation: At origin or destination?

The plant's operation system entails a system for separating improper waste, aligned with the requirements of the current Law 07/2022 and encourages prevention in the generation, correct separation at source and segregation at the place of production of the biowaste. Likewise, a protocol and the conditions of admissibility of the material in the ATH plant are established.

9.- Selective collection service? Free? Cost?

Currently, hotels are paying for the public and or private service of managing their waste, with a very poor result. The service offered by ATH replaces the option of the public system, which will result in savings on that side and the substitution of one energy source for another (biomethane with propane). The service is comprehensive, and the cost of alternative management to the current one entails operating expenses on the part of ATH that must be covered.

10.- Have you studied differentiated taxation systems?

Payment per generation is a mandate of the current Waste Law that especially affects large waste producers and must introduce incentives that lead to less waste generation, as well as the preparation of waste for reuse and/or recycling. The various municipal ordinances must adopt mechanisms in this regard.

11.- What planning do you have for the rest of the islands?

As has been explained, the proposed Programme of Activities (POA) is intended to be developed in the 4 Canary Islands with the greatest tourist activity, each of the plants located on the islands of Gran Canaria, Tenerife, Fuerteventura and Lanzarote. the four VPAs that make up this initiative.

12.- Advantages of each hotel?

The costs of transitioning and using biogas (biomethane) will depend on the starting situation and the needs of each person; However, the organic matter management and sustainable biogas supply service is carried out as a comprehensive service.

13.- What is the business model of the plant?

It is based on the collection of organic waste and its recovery in different co-products, highlighting biomethane, organic fertilizer (liquid and solid), which is mainly marketed for hotel consumption, as well as the sale of carbon credits as a co-product.

14.- Why a port concession?

The location close to the place of waste generation allows for local treatment. In addition, it offers the possibility of organising intermodal transport, so the situation in the port area is ideal. There is an administrative concession on the aforementioned plot.

15.- Is the plant scalable to collect waste other than hotels?

In the current design and considering the management capacity of the facility, the management of municipal organic waste is not contemplated. Although it is not ruled out in the future to evaluate this waste stream.

Only if long-term carbon sequestration could generate carbon credits? By avoidance and substitution?

In general, emission mitigation projects go in two ways, by mitigation and by CO2 capture. The route designed by ATH is the first; in the case of C sequestration

through nature-based and/or product-based solutions, a minimum period of permanence of the project and therefore of that sequestered carbon is required.

17.- Can it be accredited through the reduction of emissions and the contribution to 3 SDGs, and a transparent project with traceability, participation and consultation?

According to the Gold Standard reference scheme chosen for the certification of C credits, the ATH project will be evaluated in 3 aspects: contribution to the mitigation of emissions, contribution to at least 3 SDGs with SDG 13 mandatory, and the positive impacts on the community along with the avoidance of potential or actual negative ones. All this under a rigorous procedure that guarantees transparency and traceability that will be evaluated by an independent third party accredited to the standard.

18.- Is this only in Spain or in all of Europe?

Carbon credits have the technical support of international organizations of reference in the field of climate change such as IPCC (Intergovernmental Panel on Climate Change) and UNFCCC (United Nations Framework Convention on Climate Change) that provide guidelines that different private schemes have then developed and adapted according to the approved calculation and reporting methodologies. Therefore, they can be applicable to any country that complies with all the safeguards and requirements for the validation of carbon credits.

19.- Would the hotel receive any type of certificate on the management and recovery to which its organic waste is subjected and carried out by ATH Bioenergy, what advantages would these have?

Currently, it is not within the Company's dynamics to create its own Distinctive Seal, beyond the fact that reputational issues are of great interest to the Company, so at this time its efforts are aimed at the implementation of rigorous Verification and Reporting Mechanisms that allow, on the one hand, to provide transparency and on the other hand traceability of its operations to direct and indirect stakeholders.

Being aware of the voluntary commitments that hotel companies adopt and the seals demonstrating sustainable and responsible tourism, their efforts will be aimed at providing valid documentary evidence aligned with the standards and principles of the main tourism seals such as GTSC, Earth Care, Travel Life or EMAS, among other references.

Likewise, as the implementation of compliance standards is planned, the quality, service and product of the ISO family will be oriented towards the search for business excellence.