

# ENERGY 2021 SUSTAINABILITY REPORT



## LETTER

ABOUT THE REPORT

COMPANY PRESENTATION

ENERGY VALUE CHAIN

RISK MANAGEMENT

MATERIAL ISSUES  
AND STAKEHOLDERSSTRATEGY, GOALS  
AND COMMITMENTSCLIMATE CHANGE AND  
RESOURCE EFFICIENCYBIODIVERSITY  
AND NATURE LOSS

RESPONSIBLE EMPLOYER

RESPONSIBLE  
CORPORATE CITIZEN

## LETTER FROM THE FOUNDERS

Dear Energy Stakeholders,

When the two of us founded Energy in 2019, we went to great lengths to define what we wanted to achieve beyond our business-related objectives. We spent more time discussing our company's vision and purpose and the type of culture we hoped to build than writing a traditional business plan. In essence, we wanted to focus on solving the right problems.

We held our first offsite with our very first employee, **Friedrich Neubrand**, who came straight from university with a fresh perspective and an infectious attitude. We explained our goals and asked him to think of a slogan that captured our vision in a single sentence. Friedrich immediately came up with **"We do the right things right"**, a simple yet powerful mission statement that defines what we want to do and how we want to do it.

For a renewable energy producer like Energy, sustainability is already part of our core business, **but we do not want to stop there.**

When we say we want to do the right things, it means we want to generate clean electricity at the lowest possible cost, make it affordable and accessible for industries and households, and **help Europe regain its competitiveness as an industrial region.** In addition, we want to continue providing safe and reliable power in **cooperation with local communities** so they can truly benefit from local green energy generation. Today, our operating capacity is 156 MW, powering almost 50,000 households annually across the region, and we are actively developing more than 3,000 MW of new green power plants to help decarbonize Central and Eastern Europe.

In addition, we also want to do the *right* things right by **enhancing natural habitats**, increasing biodiversity within and around our power plants, and promoting sustainability across our entire value chain. Some of our initiatives include **using bio grass mowers (also known as sheep)** instead of diesel tractors, transitioning our business fleet to electric vehicles, and creating **sustainable offices and supply chains** for our new construction sites. We are extremely proud to say that in 2021, we saved more than 72,000 tons of CO<sub>2</sub>-equivalent emissions (tCO<sub>2</sub>e), completed four biodiversity projects, and electrified 32% of our vehicle fleet.

Of course, we couldn't have made this progress without the help of many incredible people. Therefore, we would like to recognize and thank all of our co-shareholders, landowners, project partners, suppliers, lenders, regional representatives, and, most importantly, **our dedicated employees** for continually driving both us and Energy to do the right things right. We are incredibly proud of what we have achieved so far, and increasingly excited and optimistic about the future.

We believe our company's purpose is a powerful motivator for the rapidly growing Energy team. We work diligently to ensure all 77 of our employees stay **healthy and safe**, understand and observe our organizational policies and requirements, and **promote our best practices to external stakeholders** to maintain compliance across the value chain. Despite the challenges



From left to right: Lukas Nemeč, Partner and COO; Richard König, Partner and CEO

presented by the COVID-19 pandemic and the acquisition of many new power plants, we managed to sustain our zero Lost Time Incident (LTI) target. We are confident that conducting our business responsibly and prioritizing ESG factors will ultimately provide great benefits to our team, our company, and our business partners.

We also strive to make a **positive overall impact** on our societies and the environment. Throughout 2021, we completed 19 ESG projects, including habitat enhancements, creating pollinator-friendly fields, and health and education projects. Overall, we donated an average of EUR 0.7k to local communities for each MW of installed capacity. Most recently, we took immediate and what we hope will ultimately be impactful action in response to the Ukrainian war, which has accelerated the need for the renewable transition and energy independence across Europe. Of course, while Energy benefits from some of these short-term effects due to increased power prices in Europe, we also feel obligated to help those most in need. Therefore, as part of our three-stage support package, we have provided 36 people with accommodation, sometimes in our own homes, administrative support to many others and their families, and offered sustainable jobs in the countries where we operate.

We hope you enjoy reading about sustainability and ESG at Energy, and feel free to reach out with any comments or questions. As with everything we do in our business, we are always looking for more ways to improve!

Kind regards,  
Lukas and Richard

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

## ABOUT THIS REPORT

This report incorporates data and information from all of EneThis report incorporates data and information from all of EneTnergy's entities, business activities, and processes. There are no exclusions from the scope of this report.

The report primarily addresses data and information for the period between January 1st and December 31st, 2021 ("the Reporting Period"). However, since this is EneTnergy's first sustainability report, some information may also extend to past periods and include future intentions and strategies. Therefore, where there are deviations from the reporting period, we have specifically noted them in the relevant section of the report. Additionally, there is no data available to compare or analyze improvements so far; however, this report will provide the baseline for any future reporting.

This report was reviewed and approved by the highest governing body in EneTnergy (the Management Committee).

We value the opinions of all stakeholders and believe it is important to allow them to contribute to our long-term strategy and the way we present ourselves as a company and communicate our ESG progress. On that account, as part of the review process, we invited selected partners to share their experiences and point of view. We have incorporated the relevant inputs from internal and external parties into the final report.

We intend to continuously improve the scope and transparency of the data and information we share with our stakeholders. Therefore, we welcome any feedback regarding this report and its contents via email ([sustainability@energy.energy](mailto:sustainability@energy.energy)). We will aim to answer any questions and inquiries to the best of our abilities in a timely manner.

**“**It's amazing to see what EneTnergy has achieved in such a short time, especially considering the challenges that came with our rapid employee and operational growth. I am pleased with the opportunities our journey has created so far, and I'm very excited to see what comes next.

**Friedrich Neubrand**  
Project Developer



Planned inspection at Litenčice PV, EneTnergy, Czech Republic

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION**
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

## COMPANY PRESENTATION

**E**nergy's journey started in 2019 with three employees and one goal: to provide reliable and affordable clean energy to our customers in the most sustainable way possible.

Since then, we have successfully acquired a portfolio of photovoltaic (PV) power plants across Central and Eastern Europe and started the development of an ambitious greenfield pipeline of renewable energy power plants and storage facilities.

Our goal is to become a leader in the green energy transition across our region while maintaining the highest ethical standards throughout our activities and operations. In doing so, we will deliver long-term value to local communities and the environment.

### KEY MILESTONES



## ENERGY'S 2021 HIGHLIGHTS AT A GLANCE



<sup>1</sup> At the time of publishing, Energy had 93 employees across its sites and operations  
<sup>2</sup> Avoided emissions are calculated based on the actual production of all sites and the latest country-specific grid emission factors  
<sup>3</sup> Homes powered are calculated based on the actual production of all sites and the latest country-specific household consumption data  
<sup>4</sup> The [Three Seas Initiative Investment Fund](#) is a dedicated commercial fund investing in transport, energy and digital infrastructure across the Three Seas countries in order to close the infrastructure gap with Western European countries

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

## OUR PURPOSE AND MISSION

### Green transition

Many of our target countries have very carbon-intensive energy mixes. Therefore, prioritizing our renewable energy development in regions with the highest potential to reduce emissions enables us to have the most positive impact. Enery is actively contributing to the green energy transition through the best-in-class development, construction, and operation of large-scale renewable plants in countries where the net benefits to society and the environment are highest.

### We do the right things right

A successful company is purpose-driven, constantly learning and improving, prioritizes health and safety, acts transparently, and takes care of the world for future generations. Consequently, as a progressive and forward-thinking company, we want to invest our time and energy in solving the right problems. In Enery's context, this means providing clean, reliable, and affordable electricity to our customers while maintaining the highest health, safety, environmental, and ethical standards.

We strive to positively impact the markets and communities where we operate as well as the broader environment. At the same time, we work to maintain compliance with all applicable requirements, both internally and throughout the entire value chain.

## ORGANIZATIONAL CONTEXT

Since 2019, we have successfully entered several markets in Central and Eastern Europe (CEE) and established ourselves as a leading player in the region. We currently operate PV plants in Bulgaria, the Czech Republic, and Slovakia. In parallel with our operational portfolio, we are also developing greenfield projects in selected markets across the CEE region and looking to diversify the technologies within our renewable energy portfolio.

In the past, subsidies were often the main incentive for developing renewables in these markets, and many existing PV plants were built with direct government support. Therefore, our industry is actively working to reshape public perceptions, namely a belief that developing new solar plants will increase the price of energy; nowadays renewables have reached grid parity and no longer require subsidies. Today, Europe is swiftly moving away from carbon-intensive energy sources while at the same time working towards energy independence and self-sufficiency. Issues such as climate change and environmental degradation are gaining importance in local communities, leading to calls to impose strict environmental, social, and governance (ESG) requirements on financial institutions and other market participants.

Therefore, the appetite for renewables in the region is increasing. These unprecedented circumstances create a lot of opportunities for our sector, but also various risks and challenges. We address these in more detail in the Risk Management section of this report.

Investor interest in the renewables sector and the growing demands for green energy across the CEE region are increasing; nevertheless, there are still challenges related to community attitudes, regulatory frameworks, and energy storage. In the short term, the construction of more large-scale, subsidy-free renewable plants will improve the overall public perception. However, to produce clean, secure, and affordable energy at scale and within the EU's timelines, the sector needs streamlined and transparent zoning and permitting procedures for renewable plants and storage facilities and a clear country or regional plan of how transmission and distribution grids will be developed to accommodate new projects. In addition, we must also consider resource scarcity, nature loss, inequality, energy security, rising regional and societal differences, corruption, and fraud – all of which are further exacerbated by the COVID-19 pandemic and the Ukrainian war – while developing our overall business model and strategy.

## WHAT ESG MEANS TO US

At Enery, our core business contributes directly to the global aim of transitioning to a low-carbon future. At the same time, our company can only achieve its goals by fostering a healthy, safe, skilled workforce and resilient and sustainable communities. Environmental, social, and governance (ESG) factors are closely interrelated and have a significant impact on our day-to-day operations, and the way we manage these affects both our internal and external stakeholders. Therefore, we strive to integrate ESG principles across all of our business practices and activities.

**“ Our fast economic growth puts us at an advantage in times of severe crises, but it also creates reasonable expectations. I am confident integrating ESG across the business is the most sustainable way toward excellent financial results. ”**

**Daniele Soldati**  
CFO

Having a greater sense of purpose is a core attribute of our organizational culture. Our employees share genuine concerns for global social, environmental, and governance issues such as climate change, nature loss, social inequality, and corruption, driving them to make material contributions towards the **UN Sustainable Development Goals (SDGs)**.

### We support the Sustainable Development Goals



- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN**
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

### Environmental

We believe our holistic approach to environmental conservation gives us a competitive advantage over other renewable energy producers. While assessing our organizational footprint, we do not limit ourselves to carbon and climate but consider our company's broader implications, including our impacts on land availability and the demand for raw materials and resources. As a result, we strive to evaluate and manage both the direct and indirect effects of our business, including those related to the supply chain that are difficult to control and influence.

### Social

Being a responsible employer and good corporate citizen will support our company's long-term growth and success. Therefore, we work hard to ensure our people are healthy, safe, motivated, and highly skilled, as they are the driving force behind our organizational improvement. In addition, we support and strengthen the communities we operate in by creating sustainable local jobs, engaging and educating local residents, and investing time and resources into the projects we believe will deliver maximum overall value. As part of our efforts to achieve these goals, we insist on fair treatment and equal opportunities for all employees and business partners.

### Governance

Our robust and transparent company processes and reporting, in addition to defining clear roles and responsibilities, help us to capitalize on new opportunities and mitigate any potential risks or impacts associated with our operations. We strive to continuously improve our employees' knowledge and understanding of our internal policies and empower them to promote best practices in risk management and compliance to external stakeholders and throughout the supply chain.

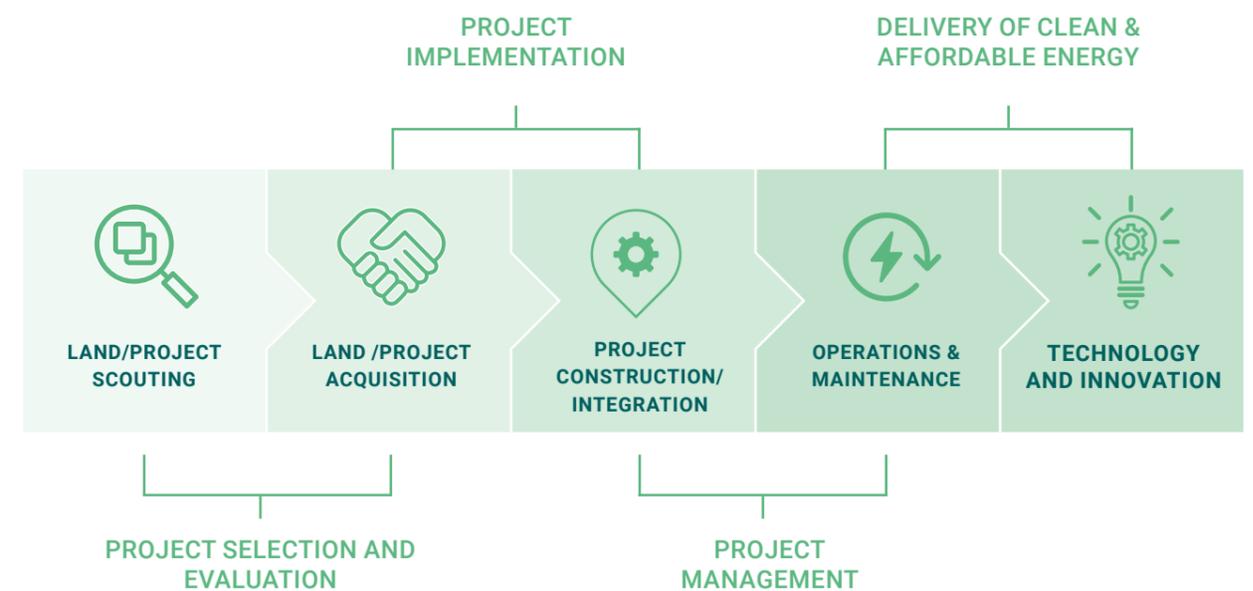


Our young operations team getting ready to identify and mark up defective PV modules at SPE Beta, Enery, Czech Republic

## ENERGY'S VALUE CHAIN

As an open and transparent company, we aim to control the entire value chain from development to operations, making us an end-to-end supplier of affordable and reliable green electricity for industrial customers, utilities, and governments.

We realize the renewable energy sector is highly competitive and continually expanding. Therefore, we are also looking beyond the development, acquisition, and operation of conventional renewable power plants to identify new sources of value creation, such as energy storage and new renewable technologies.



### Project selection and evaluation

During the initial stage of a project's development, we identify and evaluate all of its potential ESG risks, including any that may impact biodiversity or the local community.

As part of our selection criteria for newly developed projects, we look for sites with low agricultural potential that are outside of protected or sensitive areas. Our Business Development teams spend considerable time with the relevant stakeholders to ensure all of their requirements and concerns are considered during the project's development and implementation.

Our M&A processes for newly acquired projects include robust ESG due diligence, during which we consider past impacts and potential risks and plan for their effective mitigation. In addition, our M&A teams ensure detailed assessments are conducted for all projects of interest, including holding discussions on ESG issues with all relevant stakeholders.

### Project planning and implementation

Our planning phase, which includes both the development and acquisition of projects, is critical for effective ESG management as even small factors can have significant impacts later in a project's lifecycle. During this stage, we work to identify best-practice solutions, improvement areas, and suitable control measures.

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT**
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

In close collaboration with the relevant stakeholders, we identify health and safety hazards and implement appropriate and effective controls for each specific project, including for example office facility improvements for newly acquired projects and installing safety barriers and devices during the construction of a new renewable power plant and auxiliary equipment.

As part of the design and construction of new projects, we work to minimize or prevent any adverse environmental impacts, such as minimizing soil disturbances and sealing and implementing animal corridors to support local wildlife. During the integration of newly acquired projects, we seek to terminate any harmful vegetation control practices and ensure that pollinator-friendly vegetation is maintained or additionally planted.

Our business partners' code of conduct and overall compliance processes guarantee successful and transparent project implementation and avoid any unethical practices across the entire value chain.

**Project management**

The project management phase is where we have the greatest levels of influence and control over ESG impacts.

We invest significant time, effort, and resources to ensure healthy and safe working conditions for all of our employees, contractors, and partners. We also strive to attract and retain the best talent by upholding fair and equal treatment supported by learning and development opportunities to encourage professional and personal growth.

Enery aims to have a positive impact on both communities and the environment. For this reason, we invest in social and biodiversity projects that will deliver long-term benefits to their surrounding regions.

We work hard to ensure we have all the correct processes and procedures needed to support our rapid business growth and manage the challenges faced by our employees. Our drive for excellence also goes beyond our own operations and extends across our supply chain. Therefore, we carefully select our suppliers and contractors to eliminate any negative impacts relating to human rights, labor, health and safety, anti-corruption, or the environment.

**Clean and affordable energy delivery**

We currently own and operate 45 PV plants. As part of our ongoing growth strategy, and in keeping with our aim to diversify our portfolio and enhance energy security for our customers and society, we will look to maintain a 100% renewable-powered fleet.

In our efforts to support the green energy transition and increase the share of renewables across Central and Eastern Europe, we carefully select and implement the best available technical solutions throughout the lifecycle of each project. These include our initial equipment and material selections, ongoing maintenance and operations, and waste management and disposal (using the waste hierarchy principles of avoidance, minimization, reuse, and recycling). These advanced solutions help us to improve the energy yields from our PV plants, make the most efficient use of natural resources, and deliver maximum value to our customers, society, and the environment.

# RISK MANAGEMENT

At Enery, we discuss and address the risks, challenges, and opportunities related to our daily business operations within specific working groups. However, the overall responsibility for identifying and controlling business risk lies with the Management Committee. The committee regularly discusses and reviews all significant risks and opportunities to ensure we implement sufficient controls. Additionally, any specific topics we consider to have existing or potentially material impacts are communicated to the relevant stakeholders via monthly business reports and other suitable channels. We have included an overview of the main risks relevant to the business and our respective control measures in Annex I of this report.

Our multi-disciplinary, multi-stakeholder risk management strategy allows us to take proactive and timely measures and plan our operations appropriately. Considering the COVID-19 crisis and the Ukrainian war, the last two years were perhaps the most challenging in modern history and we managed to complete this period with minimum to no business interruptions.

**Victoria Corley**  
General Counsel



Tatiana Sagoyakova, Paralegal at our Vienna office

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS**
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

## MATERIAL ISSUES AND STAKEHOLDERS

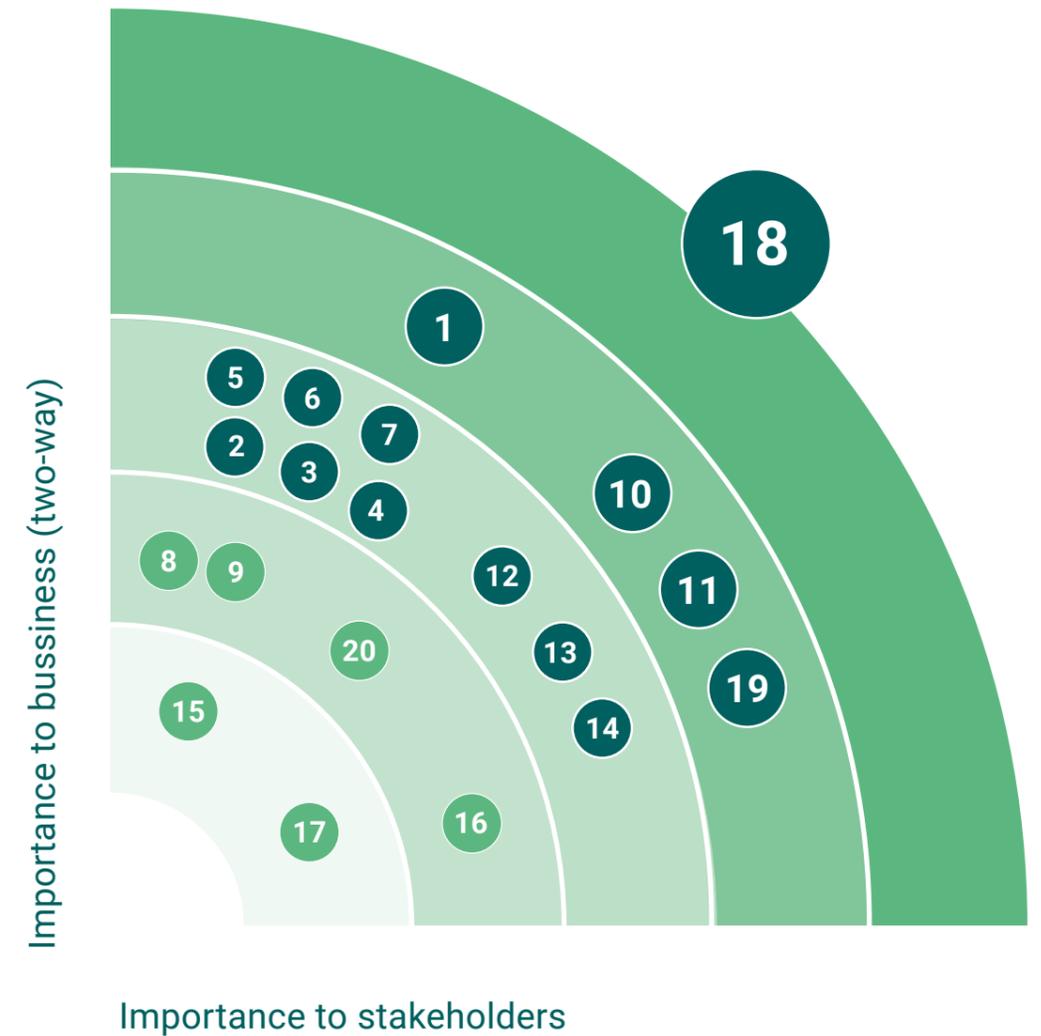
We initiated our sustainable development journey in 2019 by founding Enery, a purpose-driven renewable energy company. As a young business, we began by creating internal processes and conceptualizing our long-term strategic ESG goals. In 2021, we started a systematic and detailed review where we identified, documented, and evaluated the issues material to our company. Throughout our first materiality assessment, we analyzed the development of global risks in the past couple of years, the context in which we operate, and the views of various important stakeholders. We identified and assessed material issues based on two criteria: their importance to our business and their importance to our stakeholders. We then ranked and presented these material issues to the Management Committee for discussion and approval. The outcome of our first assessment is summarized in Figure 1. In the future, we will review and update these material issues and their relevance to our business and stakeholders on an annual basis.

Effective cooperation with internal and external stakeholders is an essential aspect of our business, as it reflects our values and priorities as a transparent and responsible company. Therefore, to ensure we consider the views and expectations of all stakeholders, we completed our first systematic review of interested parties in 2021. We included organizations across all business activities and countries, considering the impacts we may have on their operations and any effects they may have on ours. A summary of our stakeholder communication strategy is available in Annex II.



Litenčice PV, Enery, Czech Republic

FIGURE 1



- |   |  |
|---|--|
| 1 Climate change                        | 11 Biodiversity and nature loss              |
| 2 Waste management                      | 12 Pollution                                 |
| 3 Responsible and transparent behaviour | 13 Learning and training                     |
| 4 Compliance                            | 14 Stakeholder engagement                    |
| 5 Proper processes                      | 15 Resource efficiency                       |
| 6 Healthy and safe environment          | 16 Social investment                         |
| 7 Discrimination                        | 17 Minimum wages respected by subcontractors |
| 8 Inequality                            | 18 Clean and affordable energy               |
| 9 Employer reputation                   | 19 Fair competition and anti-corruption      |
| 10 Community issues                     | 20 Innovation                                |

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS**
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

# STRATEGY, GOALS, AND COMMITMENTS

There is a clear correlation between climate change, loss of biodiversity and natural ecosystems, and the growth of human societies. Unsustainable development inevitably results in a chain reaction of direct and indirect social, environmental, and economic impacts. The risks from fires, floods, and other natural disasters increase, as do the pressures on supply chains and the availability of specific resources. In addition, social and economic inequalities are intensified by global pandemics and geopolitical tensions. Therefore, these and many other factors increase the overall uncertainty for all businesses, including ours.

It is our responsibility to operate in a manner that aligns with the sustainability principles of the UN Global Compact (UNGC) and places ESG at the core of our business strategy. Since 2020, Enery has been officially committed to the UN Global Compact corporate responsibility initiative and its principles regarding human rights, labor, the environment, and anti-corruption. This will not only benefit society and the environment, but support our growth as a company, help us adapt to changing global circumstances, and successfully mitigate risks. In our efforts to support and streamline sustainability reporting globally, we have also joined the UNGC Early Adopter Programme, a new digital platform aiming to improve, simplify, and align the Communication on Progress (CoP) submitted annually by companies around the world. We believe in the saying “treasure what we measure”; therefore, as part of a small group of companies trialing the new digital platform, our feedback will influence technical and content improvements and help streamline the process and enhance the overall comparability and transparency of sustainability disclosures before its official launch in 2023. We aim to submit our first [CoP](#) before the end of June 2022, and we encourage you to read the report and provide us with any feedback or comments.

In addition, we have also launched an internal campaign to align our future reporting with the requirements outlined in the EU taxonomy. The classification system defined in the taxonomy will help us to evaluate our current and future investments and business endeavors against a set of sustainability criteria. In a broader sense, it will also help us support the rapid growth of renewable energy across Central and Eastern Europe and the implementation of the European green deal. We will openly share our progress in this field in Enery’s future sustainability reports and other official communication channels.

## STRATEGIC GOALS

	CLIMATE CHANGE AND RESOURCE EFFICIENCY	BIODIVERSITY AND NATURE LOSS	RESPONSIBLE EMPLOYER	RESPONSIBLE CITIZEN
TARGETS	Increase our installed renewable production capacity  Reduce our share of non-renewable energy consumption  Reduce the emissions associated with our business activities and operations	Promote the efficient use of land  Maintain and restore natural ecosystems  Divert waste from landfill	Safeguard the health, safety, and wellbeing of our employees and partners  Retain talent and enhance employee skills and knowledge  Promote a diverse, equitable, and inclusive workplace	Create rewarding opportunities for communities and stakeholders  Conduct our business according to the highest ethical standards  Reduce negative impacts associated with supply chains
RELATED SDGS				

As a young and ambitious company, we are currently in the process of systematically defining our long-term ESG strategy. In 2021, we created the foundation for a robust and highly impactful policy, identified our company’s strategic goals and commitments, and began preparing long-term science-based targets. We will continue providing updates throughout this process, and this first sustainability report will serve as a baseline for our performance in the future.



# CLIMATE CHANGE AND RESOURCE EFFICIENCY



JLN Invest, Enery, Slovakia

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY**
  - INCREASE INSTALLED RENEWABLE PRODUCTION CAPACITY
  - REDUCE SHARE OF NON-RENEWABLE ENERGY CONSUMPTION
  - REDUCE EMISSIONS ASSOCIATED WITH BUSINESS ACTIVITIES AND OPERATIONS
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

For several years, the World Economic Forum (WEF) Global Risks Reports have highlighted climate action failure, natural resource crises, and extreme weather events as some of the most severe threats to global civilization. To some degree, the humanitarian crisis associated with COVID-19 has slowed the green transition and exacerbated natural resource shortages; however, the world is now slowly recovering, and it is vital for us to re-focus our attention on the critical problems at hand.

Our business can only succeed in the long term by promoting and prioritizing ESG issues such as climate change mitigation and adaptation, resource scarcity, and material consumption. We founded Enery with the fundamental purpose of producing clean, affordable, and reliable energy. This mission drives our core business and our contributions to the UN Sustainability Development Goals (SDGs), more specifically SDG #13, Climate Action, by helping to decarbonize the electricity sector across Central and Eastern Europe. As a responsible and transparent company, we also seek to understand the impacts associated with our industry. We acknowledge some of the raw materials needed to produce PV equipment are scarce and the pressures on supply chains and ecosystems are intensified by Europe's decarbonization targets and the Green Deal. Therefore, in addition to building a successful green energy business, we make concerted efforts to minimize waste and embrace circularity initiatives that conserve natural resources.

**“ We like Enery as an investment for several reasons, and are particularly pleased with its strong ESG credentials. Not only is solar providing cost-effective, clean energy to the regions they operate, the team at Enery understand that good ESG is more than just generating clean energy. As a responsible investor, we welcome the broader actions taken by the business to ensure ESG is fully integrated to the business strategy.**

**Daniel Watson**  
Head of ESG at Amber Infrastructure Group<sup>1</sup>

<sup>1</sup> Amber Infrastructure Group has been appointed the exclusive Investment Adviser to the 3SIIF

## INCREASING OUR INSTALLED RENEWABLE PRODUCTION CAPACITY



**Reliable and affordable clean energy production is at the core of our business**



**Our investments in the CEE region help strengthen resilience and adaptive capacity to climate-related issues in countries where it matters most**

Enery's primary mission is to produce clean and affordable energy. In 2021, 100% of our production capacity came from renewable sources, and we plan to maintain this as our portfolio grows in the future. While looking to acquire, develop, and construct new large-scale renewable energy projects, we also seek to use our knowledge and experience to increase the productivity of our existing sites. We have an ambitious pipeline of development projects in the countries where we operate power plants today, but also in selected countries across Central and Eastern Europe.

As a general principle, we integrate ESG factors into our Business Development processes from day one. For example, our multidisciplinary teams carefully analyze the characteristics and terrain of newly developed sites – sometimes in collaboration with external experts from the solar panel and equipment manufacturing industry – to ensure we apply the most advanced technology and designs across all projects. Additionally, our experienced construction and procurement team continually researches emerging and more advanced options for our solar modules, such as those with higher conversion efficiency or lower degradation rates. This ongoing search for improvement helps us install the most advanced, economical, and environmentally friendly technologies across our newly developed projects.

We also take an integrated approach to asset operation and maintenance (O&M), which enhances our control and performance across our portfolio and helps us effectively integrate ESG factors into our business processes. For example, to better understand the historical performance of our PV plants and make calculated improvements, we collect and analyze historical and current data internally via a centralized monitoring system. This allows our technology and operations team to enhance the performance of specific PV plants and our overall portfolio through a) simple cable rewiring, improving module layouts, and replacing defective or underperforming modules; and b) greater control and faster reaction times during outages or other technical faults.

Our operational teams are also continuously researching ways to increase the energy yields of our existing PV sites, including retrofitting existing solar modules with anti-reflective coatings or using biodegradable additives when cleaning modules.

**RENEWABLE CAPACITY IN OPERATION**  
**156 MW**

**RENEWABLE ENERGY GENERATED**  
**175 GWh**

**RENEWABLE CAPACITY IN OPERATION (SHARE)**  
**100%**

**AVOIDED EMISSIONS (FROM PRODUCTION)**  
**72,612 tCO<sub>2</sub>e**

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY**
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- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

## REDUCING OUR SHARE OF NON-RENEWABLE ENERGY CONSUMPTION



**Our efforts to replace non-renewable energy consumption help drive community demand for a more sustainable energy supply**



**Our contributions go beyond the production of green electricity for others to use – as a responsible consumer we aim to also reduce our own footprint**

At Enery, producing renewable energy is the core focus of our business, yet we want to go further in our efforts to combat climate change. For example, we are committed to minimizing the proportion of non-renewable energy we use in our own operations. In 2021, we reviewed multiple solutions, including directly powering our offices and operational plants with renewable energy, sourcing Guarantees of Origin (GOs) to cover our consumption and increase the overall demand for renewable energy, and electrifying our fleet of company vehicles. At present, we understand the electricity grids in our home countries are still not 100% renewable, but we strongly believe replacing fossil fuel cars with electric vehicles (EVs) is a large step in the right direction. In 2022, we will continue monitoring and recording our performance while working to define and implement specific energy reduction targets.



<sup>1</sup> Energy consumption data comprises gas heating for offices; electricity consumption from offices, operational sites, and electric vehicles; and fuel consumption from cars, machinery, and equipment

### CASE STUDY

## SUSTAINABLE OFFICES AND OPERATIONS

### Going a step further to combat climate change

We project the increasing demand for renewable energy will also drive an increase in supply, which in turn will help to accelerate the green energy transition and minimize air pollution throughout Central and Eastern Europe. Therefore, in 2021, we sourced Guarantees of Origin (GOs) for 100% of the electricity we consumed across our operations and offices. This initiative has significantly reduced our Scope 2 emissions, but beyond this, we also hope to stimulate the renewable energy markets in our operating regions and increase the share of renewables in the respective countries' energy mix.

We have already electrified segments of our vehicle fleets across our BD and O&M teams in all countries. At the end of 2021, electric vehicles made up 32% of Enery's overall fleet, and we aim to reach 100% in the future. Clearly, there are still emissions associated with both liquid fuel and electricity production, however, while there are significant exhaust emissions and air pollution associated with internal combustion vehicles, there are none with EVs.

We analyzed the 2021 data associated with the aforementioned efforts and estimate the two campaigns have cumulatively helped us save approximately 840 tCO<sub>2</sub>e, which is the equivalent of:



Our first EV in Bulgaria, at the newly installed charging station in Karadzhalovo PV, Enery, Bulgaria

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
  - INCREASE INSTALLED RENEWABLE PRODUCTION CAPACITY
  - REDUCE SHARE OF NON-RENEWABLE ENERGY CONSUMPTION
  - REDUCE EMISSIONS ASSOCIATED WITH BUSINESS ACTIVITIES AND OPERATIONS
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

## REDUCING EMISSIONS ASSOCIATED WITH OUR BUSINESS ACTIVITIES AND OPERATIONS



**Early supplier engagement programs and joint improvement campaigns will help us achieve sustainable management and efficient use of natural resources across the value chain**



**Understanding and effectively managing the whole carbon footprint of the organization will help us achieve carbon positive operations**

We understand that our carbon footprint is not limited to things we can easily control and influence, as it includes many activities across our value chains. Given the nature of our business as a renewable energy producer, our Scope 1 (direct) and Scope 2 (indirect) emissions are very limited. Under normal working conditions, there are no emissions associated with the production of electricity at our sites as they do not combust any fuels. Our Scope 1 emissions are confined to our use of fuels for office heating, fuels we use to run our vehicles, equipment, and emergency diesel generators, and the potential accidental releases of fluorinated gases from our switchgear equipment. Our Scope 2 emissions are associated only with our electricity purchases.

In 2021, we analyzed the energy consumption of our offices and operational sites to calculate the Scope 1 and 2 emissions within our defined organizational boundaries. Using these figures, we have created a baseline for our future performance. Following the assessment of our emissions, we set up control mechanisms, monitoring, and reporting processes to identify key areas for improvement. For example, we now focus on predictive and preventative maintenances to reduce equipment failures and the potential for accidental greenhouse gas releases; we review and research the best available technology, including alternative switchgear equipment containing reduced or no fluorinated gases; and we are investing in renewable electricity and EVs throughout our organization.

As a young company, we appreciate we are still at the beginning of our journey towards carbon neutrality. However, as the largest proportion of our carbon footprint lies within our Scope 3 (value chain) emissions, we want to have a clear understanding of the data. Therefore, one of our key focus areas going forward will be to map the entire carbon footprint of our company and define science-based targets in areas where we can make substantial improvements. In addition, analyzing our Scope 3 emissions will also inform our future decisions around the most efficient use of energy and resources, among other topics.

To further enhance our understanding of our carbon footprint, we have also started early engagement campaigns with leading product suppliers we project will make significant contributions to our Scope 3 emissions. These efforts will help us build invaluable partnerships towards achieving the [UN's Sustainability Development Goals](#).

**SCOPE 1 GHG EMISSIONS**<sup>1</sup>  
**90**  
tCO<sub>2</sub>e

**SCOPE 2 GHG EMISSIONS (LOCATION-BASED)**<sup>2</sup>  
**815**  
tCO<sub>2</sub>e

**SCOPE 2 GHG EMISSIONS (MARKET-BASED)**<sup>2</sup>  
**0**  
tCO<sub>2</sub>e

**GHG (SCOPE 1 AND 2) EMISSIONS INTENSITY (LOCATION BASED)**<sup>3</sup>  
**0.005**  
tCO<sub>2</sub>e/MWh

**GHG (SCOPE 1 AND 2) EMISSIONS INTENSITY (MARKET BASED)**<sup>3</sup>  
**0.001**  
tCO<sub>2</sub>e/MWh

### CASE STUDY

## ENERGY'S "HEALING NATURE" PROJECT

Inspired by our love of our planet

In the past few years, we have observed the worrying increase of devastating and widespread forest fires around the world. Today, wildfires no longer affect only southern parts of Europe; they are now spreading across Central and Northern Europe as well.

There are many contributing factors to this worrying trend, including forest management practices and land-use changes. However, there is overwhelming evidence that changing climatic conditions such as rising temperatures and prolonged droughts also play a large role.

At Enery, wildfires were the driving inspiration behind the "Healing Nature" project our [team](#) conceived during an all-company event. It is a long-term project that goes hand-in-hand with our ESG strategy and underscores our overall efforts to reduce the amount of carbon dioxide entering the atmosphere, enhance natural habitats, and give back to the communities where we live and work. As part of this project, we will dedicate our time and resources to replanting and replacing some of the carbon sinks lost in recent wildfires and educating young members of society about nature and sustainable development.

In November 2021, we ran a successful trial project in Slovakia where we planted several native trees in cooperation with local primary and high schools. We have now dedicated a specific budget to increase the scale of this project and execute similar campaigns throughout the countries where we operate in 2022.



Lenka Adamus, Head of HR at the tree planting site in Slovakia

<sup>1</sup> Scope 1 emissions are based on fuel and gas consumption for all Enery entities

<sup>2</sup> Scope 2 emissions are calculated based on electricity consumption for all Enery entities and methodologies defined in the GHG protocols

<sup>3</sup> Emission intensity represents total emissions normalized against actual electricity production



**BIODIVERSITY  
AND NATURE  
LOSS**

Karadzhalovo PV, Eney, Bulgaria

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS**
  - PROMOTING THE EFFICIENT USE OF LAND**
  - MAINTAINING AND RESTORING NATURAL ECOSYSTEMS
  - DIVERTING WASTE FROM LANDFILL
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

**B**iodiversity and nature conservation are crucial for virtually all aspects of human existence. Healthy natural ecosystems provide clean air to breathe and water to drink, nutritious food, vital medicines, and spaces for us to live, develop, and work. Across the EU, habitat loss, degradation and fragmentation, unsustainable agriculture, and climate change are the leading causes of biodiversity and nature loss. These factors are also heavily intensified by human activities and the expansion of our societies, as confirmed in the Convention on Biological Diversity.

As detailed in the previous chapter, large-scale PV developments across Europe will accelerate the green energy transition and positively impact climate mitigation. At the same time, our industry also has a responsibility to consider and manage its overall impacts on wildlife, land use, and biodiversity.

As a growing company, we understand that land is a finite resource. However, when managed sustainably, our business can have a positive influence on biodiversity and nature conservation. Therefore, we are working to solidify our commitments to protecting, restoring, and promoting sustainable land use while halting or reversing land degradation and biodiversity loss (SDG #15). These efforts include implementing various measures to limit our land-use footprint, promote the efficient use of land (e.g., multipurpose projects), enrich natural habitats in and around our power plants, and support the populations of various pollinators.

**With the green energy transition across the CEE region naturally comes the question of efficient land use. I strongly believe photovoltaic power plants can successfully combine climate protection, agriculture, biodiversity, and nature conservation. When built responsibly, PV parks can create extensive habitats for many plant and animal species, promote the abundance of pollinating insects, and help the formation and regeneration of fertile soil.**

**Ferdinand Trauttenberg**  
Head of Business Development Austria

## PROMOTING THE EFFICIENT USE OF LAND



**Our responsibility extends beyond managing selected ESG impacts and towards encompassing the full organizational footprint**



**We integrate ecosystem and biodiversity values across all business activities through careful project planning and implementation**

As land use is becoming an increasingly contentious topic in both public and political arenas, we acknowledge that our operations take up land that could otherwise be utilized differently. Therefore, it is our responsibility to find the most efficient and beneficial use of the land available to us, such as considering areas that are already developed or industrialized, including rooftops and parking lots.

We understand, however, that the EU's decarbonization targets may also necessitate certain compromises. For example, the large-scale developments needed to meet Europe's green targets and the broader community's energy needs require larger areas than are available across rooftops and industrialized land. Therefore, we have identified potential long-term solutions in our home countries, such as evaluating and lobbying for multipurpose solutions including Agri-PV and Floating PV. Nonetheless, options like these are still contingent on upcoming changes in legislation and community perception.

In the meantime, as a rule for our new developments, we focus on areas with low soil quality that sit outside of sensitive or protected regions. Further to this, our PV developments do not require the land to be sealed in any way, making it available for various plant and animal species including insects, reptiles, birds, and other small creatures. Additionally, compared to traditional farming practices, especially intensive agriculture, solar plants allow for longer periods of land recovery and regeneration. This extended timeframe supports the natural build-up of nutrients, the development of thicker hummus (fertile) layers, and the enhanced ability to retain water and nutrients, which improves the soil's overall resilience and prevents erosion. To help us better understand the long-term benefits PV plants have on soil health and quality, we are launching an exciting new project that we will detail in the following section.

In 2021, we also explored and successfully trialed using sheep as a replacement for conventional vegetation control techniques. Since sheep grazing has numerous advantages beyond simply increasing the efficiency of the land plot, we are committed to expanding the scope of our trial project to other existing and newly developed PV plants. We hope that as an industry, we can ultimately eliminate mechanical vegetation control techniques in greenfield projects and rely entirely on natural and sustainable solutions such as animal grazing.



Our first bee garden at Karadzhalovo PV, Enery, Bulgaria

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS**
  - PROMOTING THE EFFICIENT USE OF LAND
  - MAINTAINING AND RESTORING NATURAL ECOSYSTEMS**
  - DIVERTING WASTE FROM LANDFILL
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

CASE STUDY

## NATURE'S LAWNMOWERS

### Solar farms can provide a perfect home for sheep

Solar plants are sometimes perceived to occupy land that could otherwise be used for agriculture or farming. To change this perception, we seek only to develop land that has a low agricultural rating. In addition, we are looking at various options for multipurpose land use initiatives to implement at our sites. One such option is to use sheep to replace conventional vegetation control methods such as diesel- or gasoline-powered mowers and trimmers. Sheep grazing is an efficient, low-cost solution that provides numerous benefits to local communities and the environment. Not only do sheep eliminate the emissions associated with mowing equipment and the travel to and from the site, but they also save our staff time they can invest in more rewarding tasks. In addition, sheep grazing allows us to double the land's functionality, increase its overall value, improve and diversify local farmer revenues, and support local dairy and wool industries.

In 2021, we successfully completed our first trial project, in which one of our Moravian (Czech Republic) PV plants was home to a small herd of sheep. After a few months of monitoring, we were very pleased with the results. Therefore, we have committed to extending this initiative to more of our operational PV plants and will continue sharing our advancements and achievements in the future.



Our first sheep herd at Určice I, Enery, Czech Republic

## MAINTAINING AND RESTORING NATURAL ECOSYSTEMS



**Our Zero Harm policy is reflected across all business operations and activities – including our project development and operation – and our focus on biodiversity and habitat campaigns ensures a long-term positive impact on the environment**

The general design of renewable power plants makes them a perfect habitat for a variety of wildlife species. For example, the structures and equipment installed at our solar plants take up only a small proportion of the overall area, and other parts of the land are left uncovered (unsealed). Therefore, our overall impact on the existing natural habitat is quite limited. However, natural ecosystems can be disrupted during the initial construction and ongoing maintenance activities. In response to this challenge, and as part of our initial assessments, we consider the various characteristics of the land we seek to secure and develop, such as its proximity to vulnerable areas. As a general rule, we aim to avoid developing or acquiring new sites within protected areas.

In 2021, an internal assessment found that three of our existing PV plants are located within protected areas. These three plants account for 32% of the total land occupied by our operational sites, whereas the corresponding figure for newly developed sites is only 3%. This vast improvement results from our ongoing efforts to avoid locating new developments in sensitive or protected areas. Unfortunately, we cannot always choose where our acquired plants are built, but we have implemented additional measures to ensure the potential for environmental accidents (and pollution) at our operational PV plants is as low as reasonably possible. For example, we have prohibited the use of herbicides for vegetation control, and we carefully manage the use and storage of other chemicals such as fuels for mowing equipment across all operational PV plants, including our biggest park in Karadzhalovo, Bulgaria. Additionally, we routinely inspect and maintain all site equipment and operational vehicles to minimize the chances of spills or any other envi-



- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS**
- PROMOTING THE EFFICIENT USE OF LAND
- MAINTAINING AND RESTORING NATURAL ECOSYSTEMS
- DIVERTING WASTE FROM LANDFILL
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

ronmental accidents. To complement these initiatives, we work hard to foster an eco-focused culture and have developed simple tools to report and proactively address hazards. As a green-minded company, one of our core aims is zero harm to people and the environment. We are pleased to report that in 2021, our teams did not record any accidents associated with environmental pollution.

At Enery, we aim to not only limit our negative environmental impacts, but turn our renewable energy plants into sanctuaries for wildlife species, including mammals, birds, insects, and reptiles. Therefore, we have worked to implement wildlife corridors to minimize habitat fragmentation and disruptions to migration routes, and planted shrubs and meadows to create new foraging grounds for vulnerable pollinators such as bees and butterflies.



Karadzhalovo PV, Enery, Bulgaria

To enhance our existing efforts, we are planning many other initiatives to reduce our business’s overall environmental impact. These include a) extending the scope of biodiversity projects at our operational sites, such as evaluating opportunities to introduce reptile and bird shelters at several PV plants; and b) proactively developing responsible construction practices through, for example, implementing strict biodiversity and nature conservation requirements in the engineering, procurement, and construction (EPC) contracts of our development projects.

Finally, we also believe partnerships between business, academia, and society are required to achieve long-term goals associated with biodiversity and nature conservation. Therefore, we are about to start an exciting new project to enhance the scientific knowledge about the effects PV plants have on wildlife, land use, soil quality, and biodiversity. Working with several reliable partners, we plan to monitor and analyze any changes in soil and wildlife development in and around our existing and newly established solar plants over the next few years. Our biggest PV park in Bulgaria, which represents 29% of Enery’s current land footprint, will be one of the first subjects in this project. Throughout this project we will share our progress with relevant stakeholders to help others benefit from our findings, best practices, and recommendations.

CASE STUDY

**BEE AN AMBASSADOR OF CHANGE**

Investing in the youngest members of our society

It is no secret that PV plants have a negligible environmental impact compared to traditional coal or gas power stations. Additionally, when operated and maintained in a sustainable manner, they can become biodiversity havens that provide refuge for many different animal and plant species. At Enery, we take various measures to safeguard and enhance local biodiversity at the sites we operate, such as leaving corridors for animals to pass through freely. One area we are very passionate about is combating biodiversity loss and pollinator decline, and we are trying to encourage diverse and clean food supplies by planting pollinator-friendly gardens or meadows across our operational PV plants. We also share areas of our existing and in-development sites with local beekeepers where they can locate and care for their beehives.

These and other measures are positive things we can do as a company. However, to really make a lasting impact, businesses should also invest in sharing their knowledge, experience, and best practices with the youngest members of society: our children. By doing this, we can help them learn to appreciate nature’s true value and instill a sense of responsibility in the context of sustainable development.

In 2021, we planted two “bee gardens” and hosted several bee families at two of our sites, including our largest solar PV park to date in Karadzhalovo, Bulgaria. In addition, we also organized a bee workshop for our Austrian development team; conducted a kindergarten visit where our employees talked about renewable energy and our ESG initiatives; and hosted children from the Karadzhalovo school where our operations team spoke about how PV plants work and help to enhance natural habitats. As a nice side bonus, we also used the honey produced at our sites in the Christmas presents we prepared for our employees and business partners.



Our first beehives at Karadzhalovo PV, Enery, Bulgaria

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS**
- PROMOTING THE EFFICIENT USE OF LAND
- MAINTAINING AND RESTORING NATURAL ECOSYSTEMS
- DIVERTING WASTE FROM LANDFILL**
- RESPONSIBLE EMPLOYER
- RESPONSIBLE CORPORATE CITIZEN

## DIVERTING WASTE FROM LANDFILL



**We focus on effective and efficient maintenance campaigns to extend the lifetime of our equipment and prevent unnecessary waste**



**Early planning and proactively implementing robust waste management processes help us prepare for any emerging waste management and resource scarcity issues**

Global warming, climate change, and accelerating environmental degradation have rapidly expanded the renewable energy industry across Europe. While this growth presents numerous benefits to society and the environment, it inevitably comes with its own challenges. As an industry, we have to find sustainable and practical solutions to several mounting issues, ranging from the depletion of natural resources to the management of new and unique waste streams. While operational PV plants generate very little waste, we are still proactively researching and implementing effective and scalable waste management systems to ensure we are ready for the challenges ahead.

In 2021, we analyzed and defined the waste streams generated across our business, including our offices and operational solar plants. Then, using the waste hierarchy as a framework, we began implementing simple processes and controls to minimize waste generation across our business and maximize the percentage of waste we reuse and recycle.

We also believe the time and effort we put into solving problems should reflect the significance of their impact. Therefore, we have placed considerable emphasis on the short- and long-term effects associated with the end-of-life of our solar PV panels and other electrical and electronic equipment. So far, we have developed an O&M strategy based on insourcing operational PV plants which, among other benefits, helps us ensure timely and reliable maintenance and increases the overall lifespan of each project, including its PV modules. Even though insourcing requires additional investment to improve our technicians' knowledge and skills, it is quickly returned through opportunities for on-site repairs, which help to extend the lifespan of PV equipment and reduce the amount of waste we produce. In 2021, we started a "Second life for panels" campaign where our experienced operational team identified defective PV modules that were suitable for repair.

### CASE STUDY

## GIVING SOLAR PANELS A SECOND LIFE

### A resource efficiency initiative

With solar panel waste streams set to grow throughout Europe over the next ten years, we feel it is our responsibility to create effective solutions to manage this looming environmental problem. Therefore, using the waste hierarchy as a framework, we have set up internal processes and operations to reduce the number of defective or damaged solar panels entering the waste stream. Our operations team has started assessing faulty modules, and our skilled technicians are repairing certain defects while continually evaluating emerging repair solutions. These efforts will help to increase the number of solar panels we repair, reduce the demand for new panels and their virgin materials, and decrease the overall volume of waste generated at our sites. As part of our endeavors to enhance the circularity of PV panels, we are also looking to develop collaborative partnerships with stakeholders across the entire value chain.

In 2021, our operations and maintenance team completed its first trial project, successfully repairing 75 defective PV modules and giving them a new life. The repaired panels were re-installed and continue to produce clean electricity. Our team



**Our Operations team getting ready to dismantle defective modules**

worked to identify and analyze other repairable defects throughout the year, and we have now ordered additional tools and materials to significantly expand this project.

We are proud of our efforts to become a more sustainable company, but we appreciate there is still a long road ahead. Therefore, in the next few years, we will also focus on some specific areas of improvement: a) we will enhance the availability of waste data to enable more accurate monitoring and reporting and allow us to develop science-based improvement targets; and b) we will establish long-term collaborations with research and academic institutions, industry associations, and waste management companies to find practical and effective solutions to this growing industry problem.

Finally, we understand that the impacts of our office activities, including waste-related impacts, are negligible compared to the rest of our business. Nevertheless, for us even small steps can generate positive results. Therefore, in 2021, we began using a digital signature platform to replace our paper-based systems and introduced recycling facilities across Energy offices. In addition, at the beginning of 2022, we launched the "Sustainable office" initiative which will not only divert a significant amount of office waste from landfills, but help us consistently apply ESG requirements throughout our entire organization.



# ENERGY AS A RESPONSIBLE EMPLOYER

From left to right: Victoria Corley, Legal Counsel; Eva Alexyova, BD Assistant; Sheryl Farag, BD Intern; Diana Klimkova, HR Intern; Jerca Podrzaj, Junior Legal Counsel; Lenka Adamus, Head of HR; Alisa Kuznetsova, Executive Assistant; Tatiana Sagoyakova, Paralegal; Beata Marton, Executive Assistant

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
  - SAFEGUARDING THE HEALTH, SAFETY, AND WELLBEING OF OUR EMPLOYEES AND PARTNERS
  - RETAINING TALENT AND ENHANCING EMPLOYEE KNOWLEDGE AND SKILLS
  - PROMOTING A DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE
- RESPONSIBLE CORPORATE CITIZEN

In Enery, people are our most important asset, and we prioritize the health, safety, and wellbeing of our employees throughout all areas of our business. We currently operate in four different countries, and while we acknowledge there can be varying social and cultural norms, we apply the same ESG rules and requirements across the organization, regardless of the local context. Additionally, in a world where inequality takes many different forms - including social, economic, and environmental - we aim to maintain a diverse, equitable, and motivated workforce. In the past few years, while COVID-19, political tensions, and other humanitarian crises have widened existing disparities, we have strived to attract and retain talent, support and nurture our employees, and further cultivate their skills. In the long term, fostering a healthy, driven, and diverse workforce will ensure excellence and innovation across our business activities, sustain our rapid growth, and safeguard our future successes.

 **77 EMPLOYEES**

 **4 HOURS OF TRAINING<sup>1</sup>**

 **26% WOMEN ACROSS THE ENTIRE WORKFORCE**

 **7 INCIDENTS ACROSS THE GROUP<sup>2</sup>**

**“** I'm very confident that ingraining ESG factors such as human rights, climate change mitigation, and nature conservation into our core business practices gives us an incredible opportunity to live and breathe our Zero Harm policy. At the same time, it will also ensure we grow and sustain a successful company that really makes a difference.

**Krasimira Petkova**  
ESG Manager

<sup>1</sup> The average number of monthly training hours per employee, including seminars, learning corners, and HSE training  
<sup>2</sup> Incidents include near-misses and accidents reported across all Enery sites. The incidents reported involved only equipment or property damage and did not result in injury, illness, or environmental damage

## SAFEGUARDING THE HEALTH, SAFETY, AND WELLBEING OF OUR EMPLOYEES AND PARTNERS



**Our approach to health and safety is based on strong management leadership and shared responsibility and accountability across the workforce**

Regardless of the company or industry, everyone has the fundamental right to a healthy and safe working environment. Therefore, we are committed to a goal of Zero Harm, to ensure all of our employees and business partners return home safely at the end of each working day. Even though Enery is still a young company and some of our internal processes are still evolving, we have made health and safety our highest priority from day one. Despite our expanding workforce and rapid business growth, we are proud to have never recorded a single “Lost Time Incident” (LTI), a benchmark we will continue working tirelessly to maintain.

At the beginning of 2021, we started a holistic analysis of all Enery activities coupled with a preliminary risk assessment. We reviewed existing local risk assessments, best practice guides, and analyzed specific activities throughout the company to identify high-level corporate ESG risks and rate them against perceived levels of awareness across the organization or within particular groups and functions. This initial assessment helped us define focus areas and create targeted awareness campaigns. Since then, we have developed a corporate hazard identification and risk assessment procedure, which aims to identify and eliminate hazards arising from our operations systematically and proactively. This initiative has helped us improve our consistency across sites and operations, prioritize urgent tasks, and plan more effective long-term strategies. For example, in 2021, we launched a safe driving campaign, which started with a targeted training session organized by a specialized external provider who showed our employees how to recognize and avoid hazardous road situations. Since then, we have initiated the development and rollout of a long-term company-wide safe driving policy.

Of course, we look to experienced health and safety professionals for help and guidance, but we can only maintain exceptional health and safety practices when they are championed by Enery's leadership and supported by the entire workforce. Therefore, we foster a robust safety culture by actively training our employees, encouraging them to proactively track and report health and safety performance, and empowering them to immediately cease any hazardous work activities. As part of our ongoing safety efforts, we also begin every business interaction with a health and safety review, including short briefings at internal company seminars and specific induction sessions during site visits. To maintain a clear message and reinforce our Zero Harm policy, our two founders recently recorded an HSE induction video to remind visitors of the critical importance of safety for our staff and partners, highlight common hazards, and outline our expectations and individual responsibilities.

In 2021, we also invested considerable effort into the early detection and resolution of hazards and incidents. We encouraged operational and office employees to regularly inspect existing sites and report any relevant health, safety, and environmental issues. In addition, our tailor-made identification and reporting tools enable local teams to quickly address any hazards and significantly reduce the potential for serious incidents. Throughout the year, this approach helped us maintain our ambitious Zero Harm target, and we completed 2021 without any serious injuries, health-related incidents, or internal COVID-19 transmissions.

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
  - SAFEGUARDING THE HEALTH, SAFETY, AND WELLBEING OF OUR EMPLOYEES AND PARTNERS
  - RETAINING TALENT AND ENHANCING EMPLOYEE KNOWLEDGE AND SKILLS
  - PROMOTING A DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE
- RESPONSIBLE CORPORATE CITIZEN

 **0** LTIR AND TRIR <sup>1</sup>

 **309** HAZARDS REPORTED <sup>2</sup>

 **16** HSE INSPECTIONS (PER SITE)

 **2.8** HOURS OF HSE TRAINING <sup>3</sup>

<sup>1</sup> LTIR (Lost Time Incident Rate) and TRIR (Total Recordable Incident Rate) are commonly used HSE performance indicators that represent the number of lost time incidents and total recordable incidents, respectively, per 100 full-time employees

<sup>2</sup> The hazards reported disclosure is based on reports from all Enery sites. On average, six hazards were reported at each site, including operational plants and offices. As of the end of March 2022, 96% of all hazards reported were closed

<sup>3</sup> Overall training hours for all staff are disclosed separately; hours of HSE training represent dedicated HSE training per employee per month (for operational staff)

CASE STUDY

## COVID-19: HOW WE MANAGED AN UNPRECEDENTED H&S RISK ACROSS OUR ORGANIZATION

### Health and safety is our highest priority

The COVID-19 pandemic made 2020 and 2021 exceptional years, highlighting the critical need for effective risk assessments and emergency response strategies. As a company, we invested substantial time and effort to arrange our business activities and interactions in ways that protected the health of our employees and business partners while minimizing business disruptions.

Since the beginning of the crisis, we have developed, implemented, and regularly updated strict company-wide COVID-19 policies. For example, we prioritized working from home whenever possible and enacted local emergency response plans for our operational teams that could not fully switch to remote working. In addition, we ensured our people always had access to sanitation, disinfection, and personal protective equipment, even when they were difficult to supply.

We also made a conscious effort to go above and beyond the local safety requirements enforced in our home coun-

tries. For example, throughout the pandemic, we ensured all employees had access to free self and laboratory COVID-19 tests. For an extended period in 2021, we enforced weekly tests for all staff and conducted on-site tests of partners visiting our offices and sites. For shorter periods, when our teams returned to regular work practices, we enforced daily testing to catch any infections as early as possible and minimize the risk of internal transmission.

Throughout 2021, we also invested in targeted vaccination campaigns featuring educational sessions with medical professionals and regular awareness and communication briefs with relevant staff. As a result, our internal vaccination rates were much higher than country averages, both individual and EU-wide. Overall, more than 83% of our staff were fully vaccinated at the end of 2021, significantly higher than the EU average at the time of 69%. This, along with other measures, helped Enery complete the year with zero internal transmissions of the infection.

CASE STUDY

## ENERGY'S CORPORATE HEALTH CHALLENGES

### Staying healthy during the pandemic

We introduced our corporate health challenges during the first wave of the COVID-19 pandemic. We wanted to raise morale, encourage employees to get away from their devices, promote healthy competition, and motivate our staff to maintain healthy lifestyles. The COVID-19 crisis, lockdowns, and subsequent economic pressures created stress and anxiety for many people, and we believed sports and outdoor hobbies would positively impact both the physical and mental wellbeing of our employees.

Since then, these health challenges have become an integral part of Enery's Zero Harm policy and company culture. We have also expanded our philosophy beyond improving the health and safety of employees via site operations and office activities to a focus on overall mental and physical health.

In 2021, we concluded two month-long health

challenges with ambitious yet realistic targets across various sporting categories, including running, cycling, walking, yoga, and others. In one of the challenges, we also included reading a book as we wanted to help everyone find a suitable and enjoyable way to participate. To further motivate our employees, we presented awards to individual category winners and donated the money raised from our running and cycling challenges to a charitable cause.

For us, individually and collectively, these health challenges provide many different advantages, including physical and mental health benefits, opportunities to support good causes, relief from electronic devices, and a distraction from work. We have now ingrained these challenges into Enery's company culture and will continue reporting our progress in this area.



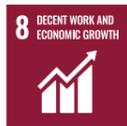
Lenka Adamus, Head of HR at JLN Invest PV, Enery, Slovakia

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER**
  - SAFEGUARDING THE HEALTH, SAFETY, AND WELLBEING OF OUR EMPLOYEES AND PARTNERS
  - RETAINING TALENT AND ENHANCING EMPLOYEE KNOWLEDGE AND SKILLS**
  - PROMOTING A DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE
- RESPONSIBLE CORPORATE CITIZEN

## RETAINING TALENT AND ENHANCING EMPLOYEE KNOWLEDGE AND SKILLS



**Having educated, skilled, and highly motivated staff is the key to achieving our ambitious long-term goals**



**Technological development and innovation are the next steps in our journey towards stable economic growth**

At Enery, learning is one of our core values. Even though 2021 was a challenging year for our teams, due to the ongoing COVID-19 pandemic and the acquisition of an entirely new portfolio of PV plants, we never lost focus on learning and improving. As an ambitious young organization, we want to make sure we hire and retain intelligent people who share our culture and values. Therefore, we invest a lot of time and resources to provide sufficient training to ensure our teams have the skills and knowledge to excel at their tasks. Overall, our ambition to be a learning organization is a foundation for our ongoing success. It helps us avoid frustration and complacency, but also fosters greater productivity, ideas, improvements, employee satisfaction, and, ultimately, individual and organizational growth.

With the COVID-19 pandemic and its associated travel and office restrictions, we have a newfound appreciation for personal meetings and collaborative exercises. This is one of the reasons we insist on conducting company and functional offsites and dedicated learning corners; it is essential to bring our teams together to enhance their strengths and address any weaknesses. We encourage our employees to take the time to discuss relevant issues, exchange knowledge and ideas, and solve problems by working together. Despite the ongoing restrictions in 2021, we managed to complete 12 internal seminars, including offsites and dedicated learning corners. Combined with the dedicated HSE training sessions we regularly hold with operational staff, our employees averaged more than four hours of dedicated learning time each month.

However, our efforts to motivate and educate our employees did not stop there. We have also introduced specific ESG onboarding sessions for all new staff, we encourage all personnel to attend industry-specific functions, webinars, conferences, and training courses, and we challenge employees to participate in at least two Root Cause Analysis (RCA)<sup>1</sup> sessions per year. These RCAs require considerable time and effort, but are extremely valuable as they teach intelligent ways to analyze problems (or potential problems), address and resolve the underlying issues, and prevent them from reoccurring. As every problem presents an opportunity to learn, RCAs will not only save us future time and money by

preventing costly mistakes, but they are also a terrific source of knowledge for our employees, particularly those that are younger and less experienced. For these reasons, in 2021, we ran numerous educational campaigns on the topic, analyzed previous RCAs, and completely revamped our RCA process to make it easier for employees to understand and conduct their own RCA sessions with other staff members. While our initial progress was slow, we have since made excellent improvements and, at the end of 2021, almost 30% of our employees had achieved their annual RCA target. We will continue monitoring our progress and share any developments.

Curating a team of educated, skilled, cooperative, and highly motivated people will accelerate our company's growth and help us achieve our ambitious long-term goals. Therefore, we will continue focusing on talent acquisition and development and will not only work to refine our existing processes, but introduce exciting new opportunities for all employees. In 2022, Enery is launching several projects to enhance individual and organizational knowledge: a) we are introducing targeted HSE training campaigns, starting in high-risk areas such as working with electricity and driving, and then expanding to cover office and administrative activities; and b) we are introducing the Young Influencers Board and Enery Innovation Day, two campaigns we hope will help us find creative solutions to business and industry challenges and practical ways to improve our current processes and working methods.

“ Even though I started as a part-time intern, I received a lot of encouragement from my colleagues and management from day one. I'm really grateful for the lessons I've learned and the hands-on project management experience I've gained. I am thrilled to explore the new opportunities that lie ahead and continue employing innovation and efficiency in our day-to-day operations.

**Manuel Maier**  
Project Manager

**EMPLOYEE GROWTH**<sup>1</sup>  
**67%**

**EMPLOYEE TURNOVER**<sup>1</sup>  
**18%**

**EMPLOYEE ENGAGEMENT INDEX**<sup>2</sup>  
**74%**

**EMPLOYEE NET PROMOTER SCORE**<sup>3</sup>  
**19%**

**12 INTERNAL SEMINARS**

**29% RCA TARGET COMPLETION**<sup>4</sup>

**4 HOURS OF TRAINING**<sup>5</sup>

<sup>1</sup> An RCA aims to systematically and effectively analyze a problem (or a potential problem), ultimately addressing the underlying issue and preventing it from reoccurring, rather than focusing on treating ad-hoc symptoms

<sup>1</sup> Growth and turnover figures are based on the number of employees who joined or left the company during the reporting period  
<sup>2</sup> The employee engagement index is calculated based on a specific set of questions from our annual employee engagement survey, considering the % of engaged or disengaged employees  
<sup>3</sup> Employee Net Promoter Score is a matrix commonly used to measure and track promoters and detractors within the company  
<sup>4</sup> The RCA target completion rate represents the % of employees who completed the annual target for participating in RCAs  
<sup>5</sup> Training hours represent a weighted average monthly figure per employee, including all internal seminars and specific HSE training for operational staff

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE EMPLOYER
  - SAFEGUARDING THE HEALTH, SAFETY, AND WELLBEING OF OUR EMPLOYEES AND PARTNERS
  - RETAINING TALENT AND ENHANCING EMPLOYEE KNOWLEDGE AND SKILLS
  - PROMOTING A DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE
- RESPONSIBLE CORPORATE CITIZEN

## PROMOTING A DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE



**Our existing practices and ongoing efforts ensure women's full and effective participation and equal opportunities for various roles across the organization (including management)**



**We work in a diverse team where everyone has the same opportunities for professional growth and development**

Energy is a multinational company successfully operating in various countries across the CEE region. Therefore, we understand the critical importance of a positive corporate culture, and we believe instilling equality and inclusiveness in our values will help sustain our long-term growth. We foster this culture by making continual efforts to attract and retain professionals from various nationalities and age groups across all management and operational units. Our commitment to equality, inclusion, and diversity is supported by our robust human resources policies: we select and hire people based on their competency and cultural fit, and we evaluate and reward them based on their performance and results, with zero tolerance for discrimination. Our implementation of these principles across all levels of the organization can be observed in Energy's 2021 results: at the end of the year, we were actively present in four countries, yet our workforce consisted of 17 different nationalities. Similarly, our Management Committee comprises 11 members of six different nationalities.

We strongly believe that people should be valued based on their professional skills and knowledge and not their personal background. This belief is one of the reasons why since the beginning of the Ukrainian war, we have committed to making our existing and new positions available to people affected by the crisis. We have published more information about our continued efforts in this area on our [website](#) and [LinkedIn](#) page.

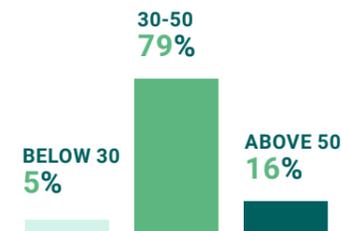
**I am confident a diverse and inclusive workforce will boost innovation, creativity, and productivity across the company and empower employees to truly contribute to the integration of ESG factors. Different experiences and perspectives will help us find effective solutions to operational challenges and workplace issues and ensure long-term success.**

**Lenka Adamus**  
Head of HR

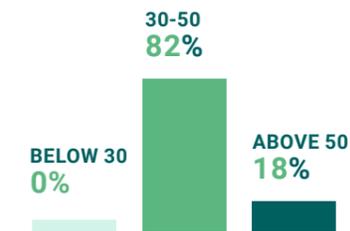
### ALL EMPLOYEES



### LEADERSHIP ROLE (MANAGER)



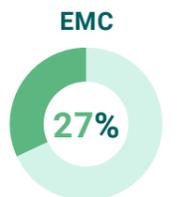
### EMC



We also consider gender equality to be a fundamental issue within the renewable energy industry. Therefore, we work hard to provide equal opportunities to women at all levels of our organization. At the end of 2021, female professionals represented more than a quarter of Energy's workforce; however, we recognize that we still have a long way to go as an industry. We also understand the societal limitations young women often face in this field, and therefore, we make concerted efforts to encourage them to develop and work within technical and operational teams. For example, to improve women's skills and create rewarding career opportunities in the renewable energy sector, we partner with universities and other academic institutions. To promote female talent and accelerate the green energy transition across the CEE region, we are collaborating with TU Wien to offer two partial scholarships in the MSc Renewable Energy Systems program for female students with CEE country citizenship. Additionally, to support those affected by the crisis in Ukraine, in 2022, we introduced a full-time scholarship to be awarded to a Ukrainian female student in a master's program.

Like all other leading employers in our industry, we often face challenges associated with access to human capital. Our need for talented, experienced, and skilled people has been exacerbated by our rapid company growth; in 2021 alone, our workforce grew by 67%. On the other hand, our unique company structure gives us access to diverse labor markets, helping us find the smart, knowledgeable, and motivated people we need to grow sustainably. In addition, our efforts to build a responsible employer brand will continue to help us find the right people for our business. To date, the steps we have taken to promote diversity, equality, and inclusion are proportionate to the size and age of our company, and providing equal opportunities across the workforce is at the heart of our strategy and business practices. However, we also recognize the need to create formal policies that can grow and evolve with our business. Therefore, we will continue developing internal processes to streamline our efforts and address any existing gaps.

### FEMALE EMPLOYEES



### LEADERSHIP ROLE<sup>2</sup>



### ALL



### CULTURAL DIVERSITY

### UNIQUE NATIONALITIES<sup>3</sup>



<sup>1</sup> This figure comprises the average board gender diversity for all Energy entities  
<sup>2</sup> Leadership roles include all managers across the organization with direct reporting lines  
<sup>3</sup> The number of unique nationalities across the workforce (17) as a percentage of the total number of employees



# ENERGY AS A RESPONSIBLE CORPORATE CITIZEN

An Omama working with children from the local community (refer to Omama project case study for more information)

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE CORPORATE CITIZEN**
  - CREATING REWARDING OPPORTUNITIES FOR COMMUNITIES AND STAKEHOLDERS
  - CONDUCTING OUR BUSINESS ACCORDING TO THE HIGHEST ETHICAL STANDARDS
  - REDUCING THE NEGATIVE IMPACTS ASSOCIATED WITH SUPPLY CHAINS

**W**e recognize the importance of including all relevant parties when developing a long-term sustainability vision. Maintaining open communication with stakeholders provides invaluable insights that can enhance our business strategy and approach. We have included a summary of our stakeholder assessment and communication policy in the Materiality assessment and Stakeholders section of this report.

The general expectation of good corporate citizens is that they help to create a more sustainable future for all of us. At Enery, this means looking beyond the interest of our shareholders, creating rewarding opportunities for people and the environment, adhering to well-established ethical business principles, and managing our impacts throughout the value chain. As a responsible organization, we strive to do the right things right: providing sustainable local jobs, exciting opportunities for young professionals, and renewable electricity for local communities. Additionally, we not only insist our employees comply with the highest ethical standards, but also aim to influence and improve the way our partners do business. Overall, we want to have an overwhelmingly positive impact on society and the environment. To achieve this goal, our compliance program seeks to ensure our employees and business partners do the right things right, and it helps to detect and prevent any corruption and other unethical or illegal conduct within our company and our supply chain.

Based on our stakeholder communication initiatives, internal research, and our 2021 materiality assessment, we have identified preliminary long-term projects we consider worthy of our investment. These projects focus on sustainability and renewable energy awareness in educational programs, biodiversity enhancement across existing and newly developed sites, sustainable management of the end-of-life of our PV panels, and responsible management of environmental and social impacts associated with our supply chains.

All of these projects require dedication, and none of them will be simple to accomplish. We understand that some may fail, require more work and resources than anticipated, or have a smaller impact than expected. Nevertheless, we embrace the chance to fail, as it provides a valuable new opportunity for our company to learn and improve. Therefore, we will continue monitoring the global context and ESG performance going forward to assess the ongoing suitability of our projects while transparently sharing any progress or changes we make.

**//** Being a responsible corporate citizen comes with investing in the growth of the region, both economically and socially. Our commitment to local communities extends beyond the development phase and involves integrating local resources, including human capital, into the lifetime of the projects, which could extend more than 30 years after construction.

**Alberto Martinez**  
Head of Construction

CASE STUDY

**ENERY'S RESPONSE TO THE WAR IN UKRAINE**

**Our support packages**

We prepared this report amid the tragic events that unfolded in Ukraine. While we have avoided taking a political stance in the situation, we believe all organizations and individuals across Europe can support those suffering from the war. To lead by example, we created a three-staged support package for refugees. Initially, we provided short-term accommodation for people fleeing Ukraine and ongoing visa support for those looking to relocate to our home countries, either temporarily or permanently. In the longer term, our plan includes offering job opportunities and university scholarships for people affected by the war.

At the time of concluding this report, we had already provided accommodation for 36 people, helped 15 individuals with their documents, arranged daily food and drink refreshments for 130 newly enrolled Ukrainian children in a Slovak school (in Prešov) for a period of two months, committed to fully funding a scholarship in a University in Vienna, and opened up ten jobs across the Enery Group for people affected by the war.



Igor Nachaj, Business Developer at the Ukrainian-Slovak school in Prešov, Slovakia

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE CORPORATE CITIZEN**
  - CREATING REWARDING OPPORTUNITIES FOR COMMUNITIES AND STAKEHOLDERS
  - CONDUCTING OUR BUSINESS ACCORDING TO THE HIGHEST ETHICAL STANDARDS
  - REDUCING THE NEGATIVE IMPACTS ASSOCIATED WITH SUPPLY CHAINS

## CREATING REWARDING OPPORTUNITIES FOR COMMUNITIES AND STAKEHOLDERS



**4 QUALITY EDUCATION**  
Quality education extends to all members of society and includes a focus on sustainable development



**10 REDUCED INEQUALITIES**  
We aim and work to ensure an equal start and equal treatment of every member of society



**11 SUSTAINABLE CITIES AND COMMUNITIES**  
Sustainable communities need more than formal contributions; they require active and passionate engagement

We aim to create new value in the communities where we operate, and our core business activities provide sustainable local jobs and renewable power for local households. Yet, we do not want to stop there: we strive to go beyond the minimum community requirements and invest some of our resources into developing and implementing ESG projects that can provide long-term benefits to society. In 2021, we completed 19 ESG projects and donated more than EUR 113,000 to local communities, dedicating almost 34% of these funds to ESG projects in which our employees actively participated. In partnerships with local authorities, experts, and not-for-profit organizations, we also launched educational campaigns for children of various ages. These included arranging a school visit to our biggest solar PV plant in Bulgaria to teach students about the benefits of solar energy; youth health projects such as developing a playground near one of our PV plants in Slovakia where children and families can play and relax; and environmental initiatives such as cooperating with a local beekeeper to house several bee families at one of our development sites.

**77**  
SUSTAINABLE JOBS PROVIDED<sup>1</sup>

**10**  
INTERNSHIPS SUPPORTED

**49,630**  
HOMES POWERED

<sup>1</sup> At Enery we understand 'sustainable jobs' to mean a) jobs within a purpose-driven, responsible organization, and b) jobs having value added for the employee and the organization now and in the future



**19**  
COMMUNITY INVESTMENT PROJECTS



**€ 38,507**  
COMMUNITY INVESTMENT PROJECT CONTRIBUTIONS



**€ 74,760**  
OTHER COMMUNITY CONTRIBUTIONS



**€ 113,266**  
TOTAL CONTRIBUTIONS (TO LOCAL COMMUNITIES)

/// Achieving the UN SDGs requires effective collaboration between business, academia and society, aligning vision, ideas and actions. Enery sees stakeholder partnerships as an investment in their business and the only way to implement smart and sustainable environmental, social and economically viable solutions.

**Marina Stefanova,**  
Chairperson of the Bulgarian Association of CSR Specialists<sup>1</sup>

<sup>1</sup> More information about the Association can be found [here](#)

### CASE STUDY

## THE OMAMA PROJECT IN SLOVAKIA

**A partnership for early childhood development**

The Omama project, managed by the Slovak organization [Cesta von](#), aims to overcome the challenging conditions in which children from underprivileged families grow up. It helps children born into extreme poverty grow and mature to receive suitable education, find stable employment, and become valuable members of society. The project's overall aim is to utilize the resources available in its communities to create positive long-term change. The organization, working with local professionals, selects responsible mothers in the local community (Omamas) and trains them in early childhood development methods that stimulate motor and vocabulary skills in small children to prevent further issues later in their development. Throughout 2021, Cesta von employed 25 Omamas across 16 Roma communities in Slovakia, resulting in support for 400 children up to six years of age. So far, we have directly supported one Omama, Janka, who is working with 13 children in the Huncovce community. We provided financial assistance to partially cover her salary and the costs associated with her parent clubs and community meetings with local mothers. We believe this project truly embodies the spirit of SDG #17, "Partnership for the Goals." Therefore, in 2022, we will look to expand our support for this organization while investigating new opportunities to participate in similar projects in other countries.



An Omama with children from the community

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE CORPORATE CITIZEN**
- CREATING REWARDING OPPORTUNITIES FOR COMMUNITIES AND STAKEHOLDERS
- CONDUCTING OUR BUSINESS ACCORDING TO THE HIGHEST ETHICAL STANDARDS**
- REDUCING THE NEGATIVE IMPACTS ASSOCIATED WITH SUPPLY CHAINS

As a growing renewable energy company, we feel it is our responsibility to give back to the communities where we develop, own, and operate our projects. At the same time, we have finite resources and cannot work on every project we consider worthwhile. Therefore, to better understand local contexts and inform our long-term goals, our business development teams launch communication campaigns with local authorities, farmers, beekeepers, and members of the general public. We encourage participation early in the value chain and during the project planning and implementation stages, where simple measures can significantly impact how we manage our ESG issues in the future. Over the last year, our experience with small biodiversity projects has taught us that securing the right partners early in a project's development is crucial, and that integrating sheep grazing or beekeeping into our design and construction allows us to seamlessly implement these features during our final execution and operation.

Overall, maintaining productive and beneficial multi-stakeholder partnerships will greatly assist us in achieving the United Nations' SDGs. As part of our efforts to raise community awareness, we completed two small educational projects in Austria and Bulgaria where our employees presented the benefits of our business, industry, and sustainable development to the youngest members of society. It is also our desire to extend the scope of our educational campaigns. Therefore, we are launching an apprentice program that will allow our operations teams to share their extensive knowledge of renewable energy technology and PV systems with young professionals. As part of this program, we will organize and present educational lectures in partner universities to motivate younger members of society to pursue careers in clean energy.

In the future, we will also focus on working with children in schools. Beyond our "Healing Nature" initiatives planned for 2022, we will support our employees to donate their time and energy to educate children in sustainable development and renewable energy by sharing the successful practices we have implemented so far.

## CONDUCTING OUR BUSINESS ACCORDING TO THE HIGHEST ETHICAL STANDARDS



**We promote the rule of law across Energy's entire value chain by implementing compliance policies and business partner engagement campaigns**



**We understand that we cannot achieve our goals and build a sustainable future without building sustainable partnerships**

At Energy, we pride ourselves on our integrity, professionalism, and character: we insist on always doing the right things right. To ensure we maintain ethical conduct throughout our operations and activities, we have implemented a robust framework of internal policies and guidelines outlining the behaviors we expect from both internal and external stakeholders. Our expectations include (but are not limited to) the fair treatment of people and animals, protection of human rights, and zero tolerance for corruption of any kind. We are committed to excellence in everything we do, and we strive to find the most effective and sustainable solutions to all challenges we encounter while complying with applicable legislation, laws, and best practice standards.

As part of these efforts, we have implemented an internal Code of Conduct, a powerful tool we use to enforce our ethical business behaviors across the workforce. The Code helps outline the requirements, reinforce our values, and remind employees to engage in honest and ethical conduct when performing their duties. Ultimately, ethical business conduct requires cooperation from every one of our employees. Therefore, we invest substantial time and effort into developing and implementing strong training and awareness campaigns focused on our rules and requirements supported by practical examples and guidelines. These campaigns guarantee our employees understand their roles and duties, can identify and handle potential issues, and have the systems they need to report unethical conduct if and when necessary.



From left to right: Delyana Veleva, Office manager; Valentin Valkov, Asset Manager at our Sofia office

- LETTER
- ABOUT THE REPORT
- COMPANY PRESENTATION
- ENERGY VALUE CHAIN
- RISK MANAGEMENT
- MATERIAL ISSUES AND STAKEHOLDERS
- STRATEGY, GOALS AND COMMITMENTS
- CLIMATE CHANGE AND RESOURCE EFFICIENCY
- BIODIVERSITY AND NATURE LOSS
- RESPONSIBLE CORPORATE CITIZEN**
  - CREATING REWARDING OPPORTUNITIES FOR COMMUNITIES AND STAKEHOLDERS
  - CONDUCTING OUR BUSINESS ACCORDING TO THE HIGHEST ETHICAL STANDARDS
  - REDUCING THE NEGATIVE IMPACTS ASSOCIATED WITH SUPPLY CHAINS**

**100%**  
**COMPLIANCE CHECKED**<sup>1</sup>

**0**  
**CLAIMS AND SANCTIONS**<sup>2</sup>

In our further efforts to ensure compliance, we continually review and update our relevant company policies and procedures. These reviews help to ensure we proactively monitor and address any emerging risks, investigate any potential breaches of policy, and implement additional controls for the future. We aim to continuously check the robustness of our business ethics programs, and we are pleased to report we identified no red flags during a recent review of Enery's workforce and its legal entities. Our comprehensive analysis revealed zero corruption, discrimination, or human rights claims, and zero health, safety, or environmental controversies associated with any of our companies

We ensure our employees feel empowered to report any unethical business behaviors or suggest potential improvements without fear of retaliation or unfair repercussions. In addition, to further enhance our compliance policies and procedures and ensure they remain objective, we will conduct periodic internal and external audits to maintain our systems and identify any opportunities for improvement. We also believe our stakeholders' views and expectations can provide invaluable benefits. Therefore, in 2022, we are rolling out a grievance mechanism policy that aims to establish a channel where employees and other stakeholders can safely and anonymously report any business misconduct. Issues that can be reported via the channel include market manipulation, GDPR breaches, bribery, money laundering, embezzlement, fraud, and other areas such as HSE, human rights, discrimination, and harassment.



Manuel Maier, Project Manager at our Vienna office

<sup>1</sup> We ran a full compliance check on all 77 Enery employees and Enery entities  
<sup>2</sup> Claims and sanctions include corruption claims, human rights breaches, discrimination claims, HSE sanctions, litigations and controversies

## REDUCING THE NEGATIVE IMPACTS ASSOCIATED WITH SUPPLY CHAINS



**Promoting human rights, fair labor practices, environmental protection, and anti-corruption policies across the supply chain is an increasing focus in our procurement procedures**



**Maintaining reliable partners who share our purpose and values is a core aspect of our overall strategy for a positive community impact**

Responsible companies should think beyond their own four walls and carefully examine the ESG impacts and risks associated with their entire value chain. Moreover, we are convinced that our supply chain's social and environmental effects are just as important as those of our own operations. Therefore, in the coming years, we are committed to prioritizing vendor engagement and capacity building to minimize the risk of disruptions to our operations while maximizing our overall ESG performance. We realize it is difficult to maintain visibility and control as we work through the extended tiers in our supply chain. However, our procurement decisions give us leverage and opportunities to influence supply chain sustainability, particularly concerning human rights, fair labor practices, environmental protection, and anti-corruption policies.

Our business partner compliance policy helps us screen and evaluate all new vendors and service providers we engage throughout our organization, from development to operations. As part of the onboarding process, our experienced legal and compliance team conducts background checks on potential business partners to identify any possible regulatory, financial, or reputational risks. This pre-emptive measure helps us better manage our business relationships and protect the organization from any unnecessary exposure. Based on a carefully designed matrix, we select business partners with whom we then undertake additional screening and assurance. As part of this process, we ask all business partners (excluding those who carry negligible risk) to formally acknowledge and comply with our Business Partners Code of Conduct. We have aligned this code with the requirements of the **Ten Principles of the UN Global Compact** to ensure compliance beyond our tier 1 suppliers. Throughout 2021, we concluded 620 business partner compliance checks, 12 of which were flagged by our legal team and were not engaged at all. We will continue to assess and improve our internal processes and procedures to minimize the overall impacts associated with our supply chain as much as reasonably possible.

Additionally, we believe early engagement with high-risk and high-spend suppliers will create rewarding collaborations and valuable ESG improvements that benefit both parties involved as well as broader society. Therefore, in 2022, as part of our commitment to enhancing our overall ESG performance, we plan to map, evaluate, and prioritize all ESG risks associated with the extended supply chain and develop a robust risk management plan we can implement going forward.

**“ We know that sustainable procurement requires strong collaboration with trusted and reliable partners, and it takes a lot of hard work. This is why our team invests considerable amounts of time into developing and maintaining the long-term partnerships we need with our suppliers, which ultimately are a win-win for both of us.**

**PingYing Zhu**  
Head of Procurement

## ANNEX I BUSINESS RISK OVERVIEW

Risk Category	Description	Control measures
<b>Regulatory</b> MEDIUM	Regulatory changes impacting return, e.g., taxes, compensation mechanisms, and regimes Slow and cumbersome permitting processes impacting development pipelines Regulatory non-compliance, including anti-bribery and corruption, human rights, labor laws, environmental, and data protection requirements	Monitoring of regulatory changes Close relationships with energy lawyers and associations, investors, and lenders Robust due diligence processes and early stakeholder engagement for new projects Stringent compliance and governance processes for existing projects and operations
<b>Political/ geo-political</b> MEDIUM	Geopolitical instability in certain regions Increased social pressures, e.g., to reduce energy prices, to address climate risk, etc. Effect of potential sanctions on various stakeholders Limited flexibility of cross-border investments	Portfolio diversification and a targeted market approach Exploration of and investment in energy storage and innovative renewable technologies Supply chain analysis and contracts management; continuous counterparty monitoring
<b>Financial</b> MEDIUM – HIGH	Higher inflation or interest rates impacting revenues and costs Currency risks, e.g., cash flow fluctuations due to investments in non-EUR countries Changes in the tax environment, e.g., higher RES taxes Failure to comply with the rapidly expanding ESG requirements impacting financing conditions Failure to properly manage contracts (e.g., failure to set up appropriate approvals) leading to loss of revenue, litigation, or loss of trust in stakeholders. Price volatility leading to cash flow uncertainties	Use of hedging instruments, e.g., cross currency swaps Production market and financing diversification Close monitoring of the tax environment and optimization of the company's tax structure Robust tax due diligence for new projects Close monitoring of upcoming ESG regulations Implementation and maintenance of robust contract management systems and processes Long-term PPAs with industrial customers and utilities
<b>Technological/ Operational</b> MEDIUM – HIGH	Deteriorating operational performance Technological breakthroughs in renewable generation and energy storage Failure to prevent major health, safety, or environmental incidents; Employee health issues and business disruptions associated with global pandemics Failure to influence negative community perceptions Project delays associated with grid connection issues Insufficient IT security systems or maintenance leading to data integrity issues and business disruptions	O&M strategies focused on preventive and predictive maintenance Investment in the latest and most efficient technologies Implementation and maintenance of suitable and sufficient management systems, and continuous monitoring and updating of internal policies and measures Core services identification and planning against worse case scenarios Robust due diligence and early stakeholder engagement for new projects and contract management Business insurance policies, including cyber security
<b>Supply chain</b> MEDIUM – HIGH	Business disruptions associated with inability to procure equipment and materials (e.g., single source supply risks, essential equipment such as photovoltaic panels) Increased costs associated with trade restrictions, limited supply, raw materials shortages, global pandemics, climate issues, etc. Failure to identify and control or influence poor practices across the supply chain impacting the company's operations and reputation Construction project delays due to procurement or transportation issues	Inventory and minimum quantity of critical spares Supply chain analysis and diversification; contract management; continuous counterparty monitoring; Supplier and subcontractor selection and (re)evaluation criteria Long-term partnerships with suppliers and subcontractors with emphasis on continuous performance improvement Business insurance policies
<b>People</b> MEDIUM	Emerging talent shortages associated with the rapid growth of the sector across Europe Departure of key people impacting the organization's ability to achieve strategic objectives Failure to properly integrate new employees, including those hired through M&A transactions, leading to cultural and performance issues Negative employer reputation associated with high turnover rates	Robust onboarding and integration processes and systems Proactive anticipation of the organization's future needs Suitable and sufficient handover protocols ensuring the effective transfer of organizational knowledge Retention policy aimed at enhancing employee satisfaction and motivation and reinforcing their commitment to the company

## ANNEX II STAKEHOLDER COMMUNICATION STRATEGY

Stakeholder group	Communication/ Engagement method(s)	Key material issues to communicate
<b>Employees</b>	Internal communication channels; Engagement surveys; Training and awareness sessions; Team building and offsite events Meetings between managers and employees; all company/ team meetings; Performance reviews Internal process development and implementation	Healthy and safe environment; Development opportunities (Learning and training); Diversity, equity, and inclusion; Proper processes
<b>Customers</b>	Business development meetings; engagement sessions External communication channels (emails, social media, company website) Contractual agreements; Tender process and criteria Partnerships and collaboration groups	Responsible and transparent behavior; Clean and affordable energy (Climate change); Social investment; Innovation
<b>Suppliers and Contractors</b>	Business meetings External communication channels (emails, social media, company website) Contractual agreements; Tender process and criteria Site HSE induction and awareness training	Fair competition and anti-corruption; Compliance; Resource efficiency and waste management; Minimum wages; Diversity, equity and inclusion
<b>Civil society and local communities</b>	Business meetings External communication channels (emails, social media, company website) Site visits	Social investment; Community issues; Biodiversity and nature loss; Climate change; Clean and affordable energy
<b>Regulators, authorities, and governments</b> <b>External auditors</b>	Business meetings External communication channels (emails, social media, company website) Regular business and other reports	Responsible and transparent behavior; Employer reputation; Compliance; Pollution; Healthy and safe environment
<b>Shareholders/ Business partners</b> <b>Capital lenders</b>	Business meetings External communication channels (emails, social media, company website) Regular business and other reports	Responsible and transparent behavior; Climate change; Social investment; Compliance; Fair competition and anti-corruption; Stakeholder engagement
<b>Media</b>	Social media accounts Website Press releases	Responsible and transparent behavior; Employer reputation; Compliance; Community issues; Climate change and pollution
<b>Research and academic institutions</b>	Business meetings; engagement sessions External communication channels (emails, social media, company website) Learning and awareness initiatives; other engagement initiatives	Resource efficiency and waste management; Learning and training; Social investment
<b>NGOs and Industry associations</b>	Business meetings; engagement sessions External communication channels (emails, social media, company website) Partnerships and collaboration groups	Biodiversity and nature loss; Climate change; Clean and affordable energy; Community issues and social investment; Stakeholder engagement

## ANNEX III DATA INDEX

Issue	Strategic goal	Indicator (KPI)	Unit	2021
Environmental	Climate Change and Resource Efficiency	Renewable capacity in operation	MW	156.49
		Renewable capacity in operation (share of total portfolio)	%	100
		Renewable energy generated	GWh	174.56
		Avoided emissions (from production)	tCO2e	72,612.76
		Energy consumption	MWh	2,374.90
		Energy consumption intensity (normalized against production)	kWh/MWh	13.61
		Electric vehicle fleet (owned/ leased)	%	32
		Scope 1 GHG emissions	tCO2e	89.92
		Scope 2 GHG emissions (Location-based)	tCO2e	815.37
		Scope 2 GHG emissions (Market-based)	tCO2e	0
		GHG (Scope 1 and 2) emissions intensity (Location-based)	tCO2e/MWh	0.005
		GHG (Scope 1 and 2) emissions intensity (Market-based)	tCO2e/MWh	0.001
		Biodiversity and Nature Loss	Land area (operational sites)	ha
	Land area (development sites)		ha	3,954.74
	Operational sites within protected areas		%	31.73
	Operational sites adjacent to protected areas		%	33.74
	Development sites within protected areas		%	3.29
	Development sites adjacent to protected areas		%	16.23
	Environmental accidents		#	0
Social	Responsible Employer	LTIR	#	0
		TRIR	#	0
		Incidents	#	7
		Hazards reported	#	309
		Hazards reported	#/site	6
		Hazards addressed	%	96.11
		HSE inspections	#	778
		HSE inspections	#/site	16
		HSE training hours	hours/employee/month	2.76
		Growth	%	67.39
		Turnover	%	18.09
		Employee engagement index	%	74
		Employee net promoter score	%	19
		Internal seminars	#	12
		Training hours	hours/employee/month	4.11
RCA target completion	Employee %	28.57		

Issue	Strategic goal	Indicator (KPI)	Unit	2021
Social	Responsible Citizen	Sustainable jobs provided	#	77
		Internships supported	#	10
		Homes powered	#	49,630
		Community investment projects	#	19
		Community investment projects contributions	€	38,506.76
		Other community contributions	€	74,759.62
		Total contributions (to local communities)	€	113,266.37
		Governance	Responsible Employer	Female employees - Boards
Female employees - EMC	%			27.27
Female employees - Leadership role	%			10.53
Female employees - all	%			25.97
Unique nationalities	%			22.08
All employees				
Below 30	%			20.78
30-50	%			64.94
Above 50	%			14.29
Leadership role (Manager)				
Below 30	%		5.26	
30-50	%		78.95	
Above 50	%		15.79	
EMC				
Below 30	%		0.00	
30-50	%		81.82	
Above 50	%		18.18	
Responsible Citizen	Employees' compliance check		%	100
	Energy entities compliance check		%	100
	Corruption claims against company		#	0
	Human rights breach claims against company	#	0	
	Discrimination claims against company	#	0	
	HSE sanctions, litigations or controversies	#	0	