



# Sustainability report

---

SOLEK HOLDING SE  
2022



# Contents

<b>1. Message from the CEO.....</b>	<b>3</b>
<b>2. Our business.....</b>	<b>4</b>
2.1. Overview.....	4
2.2. How we do business .....	4
2.3. Our governance structure .....	6
2.4. Our focus on sustainability.....	10
2.5. Looking ahead .....	12
<b>3. Our approach to sustainability reporting .....</b>	<b>14</b>
3.1. Sustainability reporting.....	14
3.2. Stakeholder approach .....	16
3.3. Materiality assessment.....	16
<b>4. Environment .....</b>	<b>19</b>
4.1. Clean and affordable energy.....	20
4.2. Resource efficiency and waste management .....	23
4.3. Biodiversity protection and conservation .....	25
4.4. Climate change.....	27
4.5. GHG emissions.....	29
<b>5. Social .....</b>	<b>32</b>
5.1. Employees .....	32
5.2. Human and labor rights .....	32
5.3. Health and safety .....	34
5.4. Community impact.....	35
<b>6. Governance.....</b>	<b>40</b>
6.1. Business ethics .....	43
6.2. Risk management .....	44
6.3. Compliance with laws and regulations .....	44
6.4. Innovation and digitalization .....	44
6.5. Sustainable supply chain.....	45
<b>7. Annex.....</b>	<b>46</b>
7.1. List of tables, figures and graphs .....	46
7.2. Abbreviations .....	48
7.3. Units .....	48
7.4. Glossary .....	48
7.5. Methodology notes.....	49
7.6. Data Tables.....	54
7.7. GRI Content Index.....	67



## 1. Message from the CEO

### Dear readers,

I appreciate you taking a moment out of your daily rush to read SOLEK's Sustainability Report. The energy crisis and the war in Ukraine have shown in full scale how important renewable energy sources, respect for our planet, and energy independence are. SOLEK is in the solar energy business. Our activity is "green" and leads to a healthy future. There is no doubt about it.

It is all the more important to me that our own behavior, and SOLEK's behavior as a company, is also responsible and that we set an example, just like our business mission. We are expanding more and more around the world, and this also brings with it a certain amount of responsibility. We want to work on building resources that support self-sufficiency and sustainability with an approach that is respectful of our surroundings.

We want to lead by example and share our values with others. We have power plants in Chile, Romania, Czechia, Cyprus, and Slovakia. We have more business in Colombia, Greece, Spain, France, and Serbia, and we plan to keep growing. Our goal is to build a more sustainable future by providing clean and affordable energy solutions to the communities where we operate. And not leaving a large carbon footprint in the process.

Our green values guide every action we take, but we're always striving for more progress and setting ambitious targets in our ESG areas. We want to achieve carbon neutrality as early as 2040 and continue to invest in research and development or support community projects.

We are looking ahead and want to push the boundaries of what photovoltaics means today. We are launching projects in the field of agrovoltaics. Farmland protection is obviously in place, but it does not have to be mutually exclusive with photovoltaics, and the two can work comfortably together and prosper on multiple levels. We are also interested in projects like floating solar power plants so that we can start using even still areas of water to harvest renewable energy from the sun.

At the same time, we are not limiting ourselves to solar energy. We see great potential in green hydrogen and wind energy. By 2025, we will have an investment plan that includes investments in biodiversity and environmental protection.

All types of renewables can complement each other with the right and intelligent approach. SOLEK and I will be looking for ways to get there. I hope the following lines will show that SOLEK is not just solar panels. There is much more behind the energy from the sun that we offer.

Thank you for your attention and have a pleasant reading,

Zdeněk Sobotka

## 2. Our business

### 2.1. Overview



**300**  
professionals



**13** years  
on  
the market



**21 %**  
women in  
management



**257** MW  
Current capacity  
of connected power plants\*



**31**  
nationalities



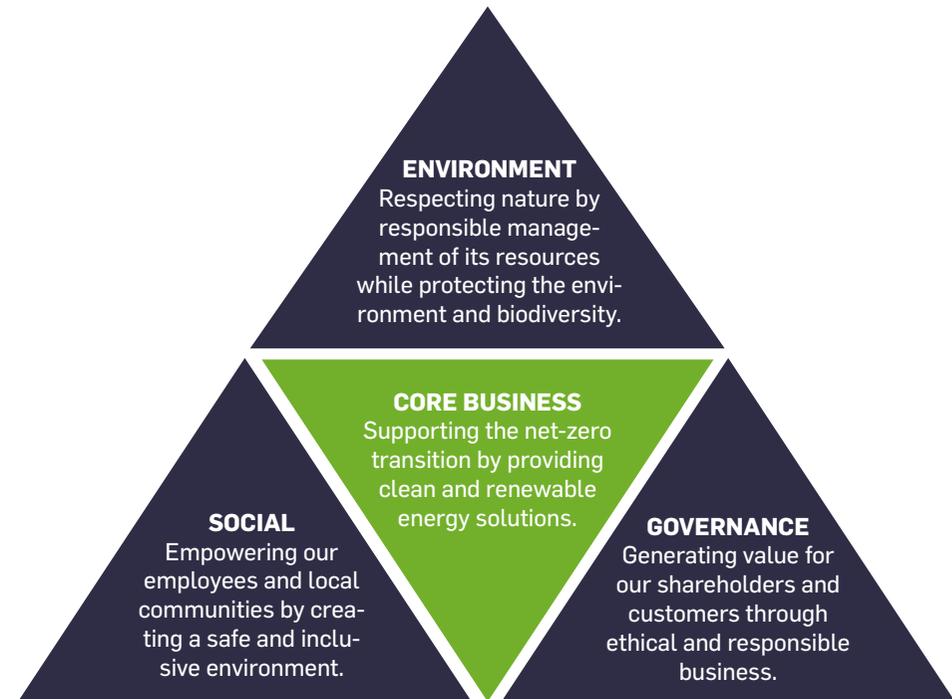
**360** mil. \$  
Estimated market value  
of connected power plants

The data are valid as of 1 May 2023.

Established in 2010, SOLEK specializes in renewable and sustainable energy. SOLEK develops, builds, operates, owns, and maintains numerous power plants throughout Europe & Latin America, primarily in Chile.

### 2.2. How we do business

SOLEK promotes the net-zero transition by providing affordable, reliable, and modern energy services supported by research and technology. As a company whose business is based on clean and renewable solar energy, our core business is inherently linked to the environment, governance, and social matters.



**OUR MISSION: Make renewable energy accessible and more affordable while protecting the environment and bringing prosperity to our customers and investors.**

**Activities, products, and services:**

The SOLEK Group provides turnkey photovoltaic projects and offers four lines of business activity:



**DEVELOPMENT**

We select the ideal technologies, secure all permits, and prepare project documentation in accordance with local legislation. Before construction begins, we carry out a detailed analysis of the investment plan and its effectiveness. We also evaluate the suitability and long-term stability of local conditions.



**EPC (Engineering, Procurement and Construction)**

With many years of experience with large solar park projects, we design, purchase materials, and build solar power plants. Construction includes test operation, bringing the plant to full capacity, and connection to the distribution grid.



**O&M (Operation and Maintenance Service)**

We efficiently manage, monitor, and maintain solar power plants to ensure reliability of energy supply and add value for our investors. We maintain our own plant portfolio and provide service to other plant owners. O&M can include facility monitoring, solar glass cleaning, repair work, and warranty management.



**ROOFTOP POWER PLANTS**

We build new photovoltaic power plants for commercial buildings and households. We can help with the selection of a subsidy program. We also offer solutions when the sun is not shining for storing excess energy with an electric battery or hot water storage tank.

### Entities:

The SOLEK Group comprises 122 entities across 12 countries as of the end of the reporting period. The full list of entities is available in the [Annex of this Report](#).

### Where we do business:

SOLEK has business activities in numerous countries throughout Europe and Latin America, with headquarters in the Czech Republic. Our main market is Chile, where there is high potential for solar power due to its unique solar radiation levels. As Chile has very little oil, gas, or coal resources, the government has fostered market conditions and energy policies that emphasize the development of renewable energy. By prioritizing solar energy, Chile has become a Latin American leader in solar power.

SOLEK has also developed photovoltaic parks in Slovakia, Romania, and Cyprus, as well as in the Czech Republic, where enthusiasm for higher energy self-sufficiency is increasing. Rising energy prices in conjunction with the availability of subsidies are encouraging citizens, corporations, and municipalities to purchase solar power plants.

Going forward, SOLEK plans to focus on new markets in Latin America, especially in Colombia. In Europe, the business is expanding mainly in Hungary, Greece, France, and Spain.

### Value chain:

In our operations, we seek to develop a supply chain that is sustainable. We explore this topic in detail in the [Sustainable supply chain](#) section of this Report.

Upstream activities in SOLEK's value chain include manufacturing, material transportation, and installation activities as well as activities typical in the solar energy sector, such as specialized technical consulting, contracting, and construction. SOLEK's suppliers include brokers, such as Czech ocean shipping and logistic companies; manufacturers and producers of commodities; and distributors, including those for small amounts of commodities, in rare cases. We deal with 7 first-tier suppliers and 2 second-tier suppliers located mainly in China, Europe, and South America. SOLEK's relationships with suppliers are generally based on long-term contractual projects or groups of projects.

Downstream activities in our value chain consist of:

- Physical installation: this phase ends with the act of commissioning when the facility is handed over to the operator.

- Operation and maintenance: this phase includes activities such as facility monitoring, cleaning solar glass, breakdown management, repair work, and warranty management.
- Decommissioning: after 20 to 25 years, the systems have to be decommissioned and, where possible, recycled.

## 2.3. Our governance structure

SOLEK's governance structure consists of the Board of Directors, the Supervisory Board, and the senior executive management team. SOLEK is led by executives with experience in project engineering and operations, financing and asset management, and a strong legal background in mergers and acquisitions.

### Board of Directors:

Zdeněk Sobotka, CEO, Chairman of the Board of Directors, sole shareholder

Francisco José Carvalho De Queirós, Deputy of Group Chief of Strategy & Business Development Officer, Member of the Board of Directors

Jan Kotous, General Counsel, Vice-Chairman of the Board of Directors,

Petr Sedláček, Group Chief Operational Officer, Vice-Chairman of the Board of Directors,

All members of the **Board of Directors** are executives who are responsible for the day-to-day management of activities that underpin the organization's objectives. The Board is composed of members who represent the appropriate skillsets needed to support SOLEK's strategy. They oversee the organization's performance and the execution of strategic plans, and they offer reliable decision-making and objective advice.

Members of the Board of Directors are selected based on their skills and knowledge, accountability, and credibility. They must meet the following shareholder criteria: Act for the good of the organization; act in good faith and in the best interests of the organization rather than pursuing a personal agenda; exercise independent judgement; exercise reasonable care, skill, and diligence; avoid conflicts of interest; and reject benefits from third parties. The board is expected to play a significant role in establishing and maintaining a strong ESG focus within the organization. The standard term length for board members is 6 years.

# SOLAR POWER PLANTS OF THE SOLEK GROUP

Meet the SOLEK projects that bring us closer to a safe world and clean energy.

## PLAN FOR 2023

### LATAM

248 MW  
ready to build

### EU

42 MW  
ready to build



### LATAM

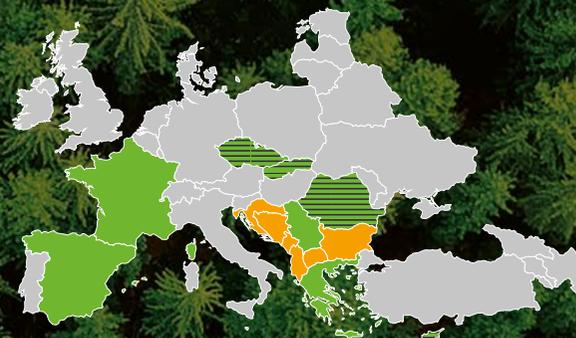
**POWER PLANTS CONNECTED:**  
• Chile 231 MW

**ACTIVE PROJECTS:**  
Chile, Colombia

**OPPORTUNITIES:**  
Ecuador, Peru

1  
countries

32  
projects



### EUROPE

**CONNECTED POWER PLANTS:**  
Czech Republic 1.6 MWp  
Slovakia 1 MWp  
Romania 21.7 MWp  
Cyprus 0.81 MWp

**ACTIVE PROJECTS:**  
Czech Republic, Slovakia,  
Romania, Cyprus, Greece, France,  
Spain, Serbia

**OPPORTUNITIES:**  
Croatia, Bulgaria, Kosovo,  
Bosnia and Herzegovina, North  
Macedonia, Montenegro, Albania

4  
countries

18  
projects

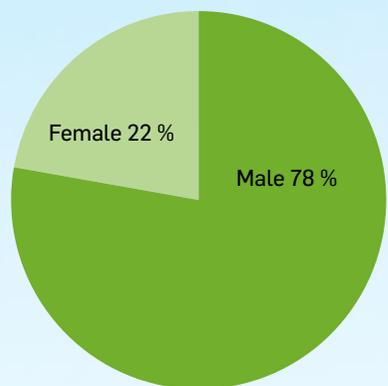


Figure 3: Composition of the Senior Executive Management Team by gender

Currently, executive directors receive basic remuneration in the form of fixed remuneration, a bonus of short-term performance-linked remuneration, and medium- to long-term performance-linked equity remuneration. However, a new internal policy on the remuneration of executive directors is under preparation. Based on this policy, executives would be evaluated based on SOLEK's core values published in the Sustainability Strategy.

The Group CEO is the sole shareholder and also the **Chairman of the Board**. He provides leadership to the Board and to the senior executive team. He facilitates the executive team interaction, undertakes performance reviews, supports the senior executive team, and ensures that the organization is managed effectively. The Group CEO is obliged to disclose any potential conflicts of interest on an annual basis.

#### **Supervisory Board:**

Zdeněk Sobotka (senior), Member of the Supervisory Board

The **Supervisory Board** serves as a non-executive, controlling body. Its role is to supervise the Board of Directors on an ongoing basis.



**Senior Executive Management Team:**



**Zdeněk Sobotka**  
Founder, owner & CEO



**Petr Sedláček**  
Group Chief Operating  
Officer



**Michal Nebeský**  
Group Chief Financial  
& Investment Officer



**Jan Kotous**  
Group General Counsel



**Pablo Ceppi**  
CEO Chile



**Diego Rausei**  
LATAM Chief Investment  
Officer



**Stephanie Crichton**  
LATAM Chief  
Commercial Officer



**Denisa Ptáčková**  
Group Chief  
People & Culture Officer



**Francisco Queiros**  
Deputy of Group Chief  
Strategy & BD Officer



**Petr Pěcha\***  
Group Chief  
Product Development  
Officer



**Martin Bek**  
Europe Chief Financial  
Officer



**Tatiana Gajardo**  
LATAM Chief  
Administrative Officer



**Camila Alvarez**  
LATAM General Counsel



**Rubén Escalona**  
Chief Operating Officer CL



**Petra Kůlová**  
Group Marketing Manager



**Jaroslav Kříž**  
Managing Director  
of Rooftop Systems



**Antonín Škapa**  
CEO SOLEK Energy  
Power Solutions



**Manuel Jurado**  
CEO Colombia

The **Senior Executive Team** consists of executives who provide strategic leadership and bring professional expertise in all aspects of renewable energy to drive long term value for the SOLEK Group. The team meets on a weekly and monthly basis. It has established a Business & Development Committee, Investment Committee, Cash Flow Committee, and EPC (Engineering, Procurement, and Construction) Project Follow-up Committee to effectively implement its oversight function and ensure focus on matters of strategic importance. An ESG Committee is currently under development. All committees report regularly to the full Board with respect to their activities.

SOLEK seeks to keep the Board and Senior Executive Team updated on relevant ESG-related initiatives, strategy updates, and performance. In addition to this, ad-hoc updates on emergent ESG topics are regularly presented at meetings of the Board and relevant committees.

The Board conducts all-hands meetings every 3 months, during which employees can raise questions to the members of the Board. The Board considers the input received during these meetings, decides how to respond, and delegates any matters requiring follow-up to the executive managers.

## 2.4. Our focus on sustainability

### Sustainability strategy

SOLEK has decided to play an active role in the energy transformation. The Group takes diminishing world resources as well as climate change and its consequences into account when making decisions about our business. SOLEK's **Sustainability Strategy** forms part of the Group's sustainability and risk management approach, which supports a regenerative planet, thriving local communities, and fulfilled employees and stakeholders. SOLEK's material topics reflect the actual and potential impacts of our activities on the economy, environment, and society.

Explore our [Sustainability Strategy](#).

### Managing impacts

The Group CEO, Board of Directors, and senior executive team establish the strategic direction of the SOLEK Group, monitor its sustainability performance, and guide the

management of impacts the Group has on economy, environment, and people. The Controlling Department reviews KPIs on a monthly and annual basis to monitor overall performance. The Board of Directors is regularly updated on any material regulatory risks and opportunities that arise in order to meet policy and business objectives. SOLEK has also introduced a Group Compliance Officer function and an Internal Auditor function to strengthen internal controls.

When appropriate, the Group CEO and the Board of Directors delegate responsibilities to chief officers and other senior management to leverage backgrounds and experiences and stabilize stakeholder engagement. The Group Compliance Officer is responsible for the overarching management of the identified material topics and their agendas with set targets.

### Global goals

The United Nations General Assembly has identified 17 interconnected Sustainable Development Goals to be achieved by 2030. Within its activities, SOLEK sets for itself the imperative to contribute to 10 of the 17 Sustainable Development Goals.

### Memberships

SOLEK participates in many industry **associations** and other organizations including:





Figure 4: Highlighted SDGs with which SOLEK's activities are aligned

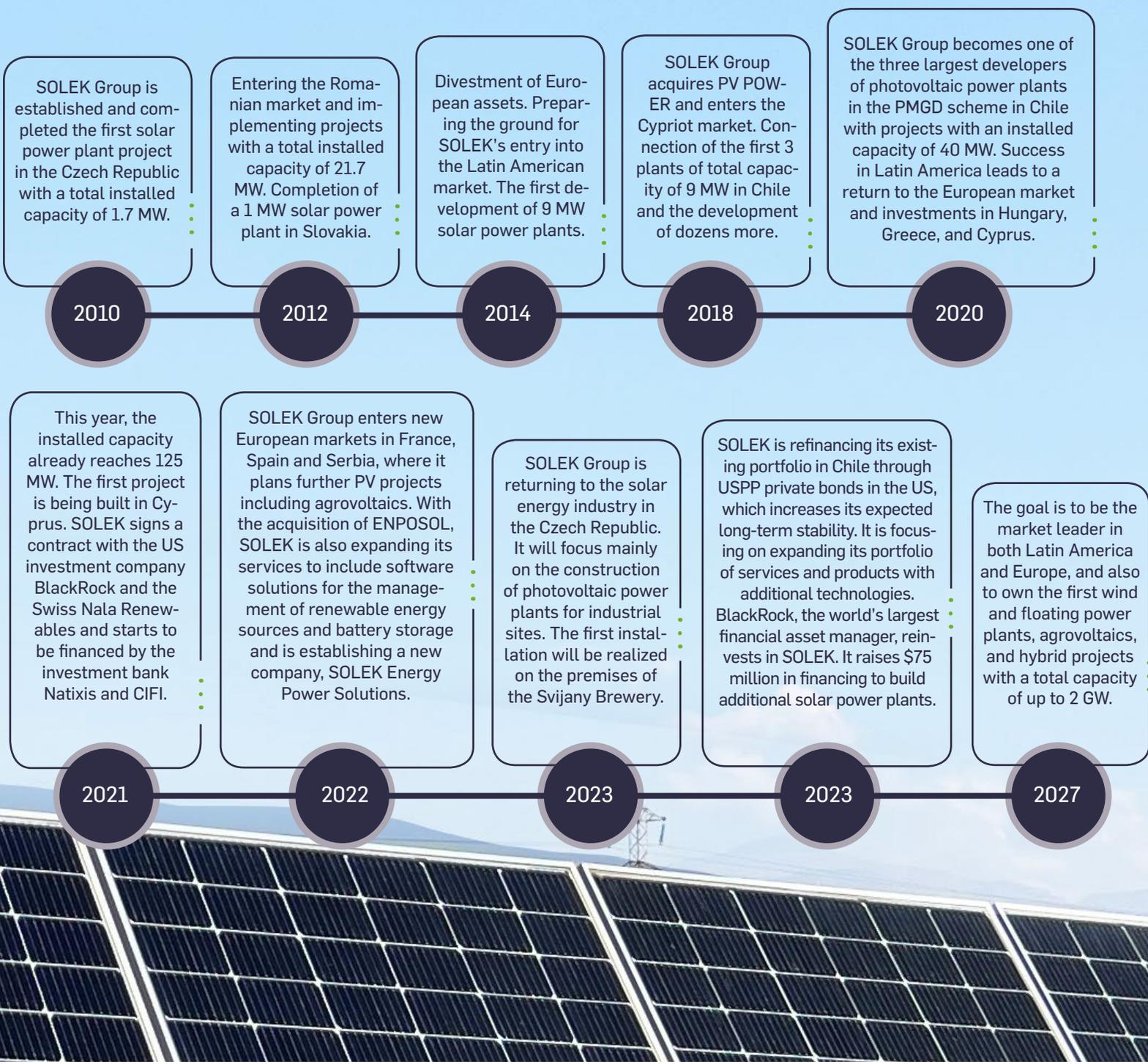
## 2.5. Looking ahead

The Group's business will continue to focus on making safe and clean energy available to the greatest extent possible. SOLEK is determined not only to be a sustainable company itself, but also to promote sustainability across the whole energy market. The steps taken towards more sustainable approach will now be measured and reported regularly, consistently and transparently. They will be put to the test in 2030 in the form of certification of environmental management systems according to ISO 14001. By 2040, SOLEK will become a carbon-neutral company and invest in biodiversity protection or resource efficiency.

**“We are not afraid to be a leader. We want to be! Our work and long-term vision are more important than ever. Especially now, when the prices of energy are rising, and the supply of traditional resources is not secure.”**

*Zdeněk Sobotka, SOLEK founder and CEO*





SOLEK Group is established and completed the first solar power plant project in the Czech Republic with a total installed capacity of 1.7 MW.

2010

Entering the Romanian market and implementing projects with a total installed capacity of 21.7 MW. Completion of a 1 MW solar power plant in Slovakia.

2012

Divestment of European assets. Preparing the ground for SOLEK's entry into the Latin American market. The first development of 9 MW solar power plants.

2014

SOLEK Group acquires PV POWER and enters the Cypriot market. Connection of the first 3 plants of total capacity of 9 MW in Chile and the development of dozens more.

2018

SOLEK Group becomes one of the three largest developers of photovoltaic power plants in the PMGD scheme in Chile with projects with an installed capacity of 40 MW. Success in Latin America leads to a return to the European market and investments in Hungary, Greece, and Cyprus.

2020

This year, the installed capacity already reaches 125 MW. The first project is being built in Cyprus. SOLEK signs a contract with the US investment company BlackRock and the Swiss Nala Renewables and starts to be financed by the investment bank Natixis and CIFI.

2021

SOLEK Group enters new European markets in France, Spain and Serbia, where it plans further PV projects including agrovoltaics. With the acquisition of ENPOSOL, SOLEK is also expanding its services to include software solutions for the management of renewable energy sources and battery storage and is establishing a new company, SOLEK Energy Power Solutions.

2022

SOLEK Group is returning to the solar energy industry in the Czech Republic. It will focus mainly on the construction of photovoltaic power plants for industrial sites. The first installation will be realized on the premises of the Svijany Brewery.

2023

SOLEK is refinancing its existing portfolio in Chile through USPP private bonds in the US, which increases its expected long-term stability. It is focusing on expanding its portfolio of services and products with additional technologies. BlackRock, the world's largest financial asset manager, reinvests in SOLEK. It raises \$75 million in financing to build additional solar power plants.

2023

The goal is to be the market leader in both Latin America and Europe, and also to own the first wind and floating power plants, agrovoltaics, and hybrid projects with a total capacity of up to 2 GW.

2027

## 3. Our approach to sustainability reporting

### 3.1. Sustainability reporting

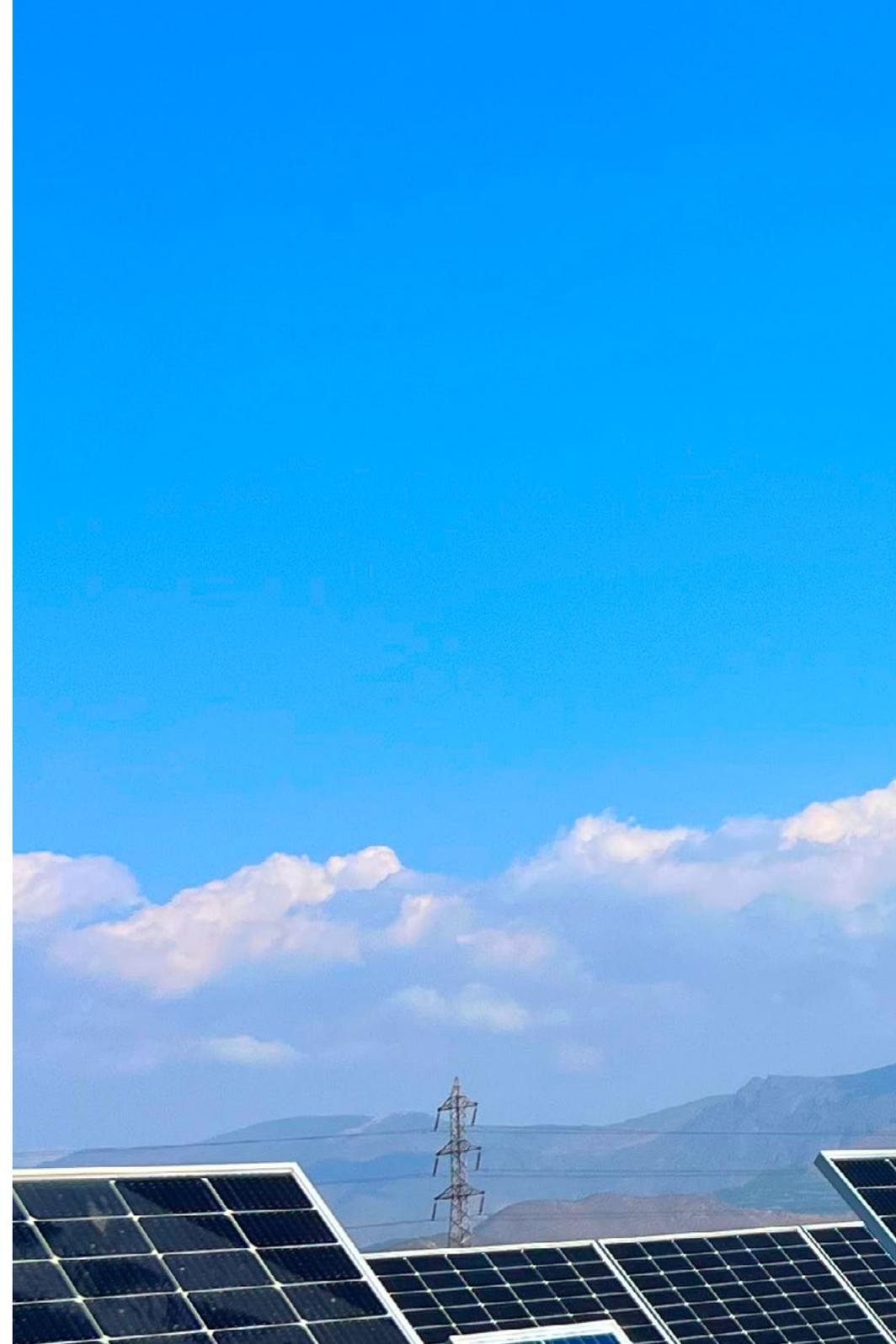
The SOLEK Sustainability Report is an annual voluntary document published for the first time in 2023. SOLEK aims to describe its performance and progress in terms of environmental, social, and governance (ESG) topics transparently and clearly. Additionally, the Report presents the company's contributions to the Sustainable Development Goals of the 2030 Agenda. The Report outlines SOLEK's role in promoting sustainability and decarbonization and highlights its [ESG strategy](#) for achieving its sustainability goals. It is designed to further strengthen relationships and collaboration with various stakeholders including citizens, institutions, local communities, media, shareholders, investors, employees, suppliers, customers, and authorities. SOLEK has reported in accordance with the GRI Standards 2021 for the period between 1<sup>st</sup> January 2022 and 31<sup>st</sup> December 2022.

#### Sustainability report preparation process

The preparation of the Sustainability Report was coordinated and managed by the ESG team of SOLEK, with the help of country-specific teams. The report was published concurrently with the Annual Report and was approved by the CEO of the SOLEK Group and the Board of Directors on July, 2023. The report includes information that is relevant to the Group's activities and selected through a materiality assessment according to the GRI 2021 methodology. The data included in the report were gathered from various sources such as the Annual Report, and directly from the process owners. The Report only includes data for year 2022, which limits its comparability. However, SOLEK is aware of the importance of providing historical data to facilitate meaningful comparisons and is taking steps to improve its data collection process. For next year, SOLEK aims to provide comparable data for 2023, with consecutive years to follow in our reporting process. Additionally, SOLEK puts emphasis on presenting both positive and negative aspects equally, and on providing accompanying commentary where appropriate.

#### Reporting scope

The information contained in the Sustainability Report covers the scope of the Consolidated Financial Statements and includes the following companies:



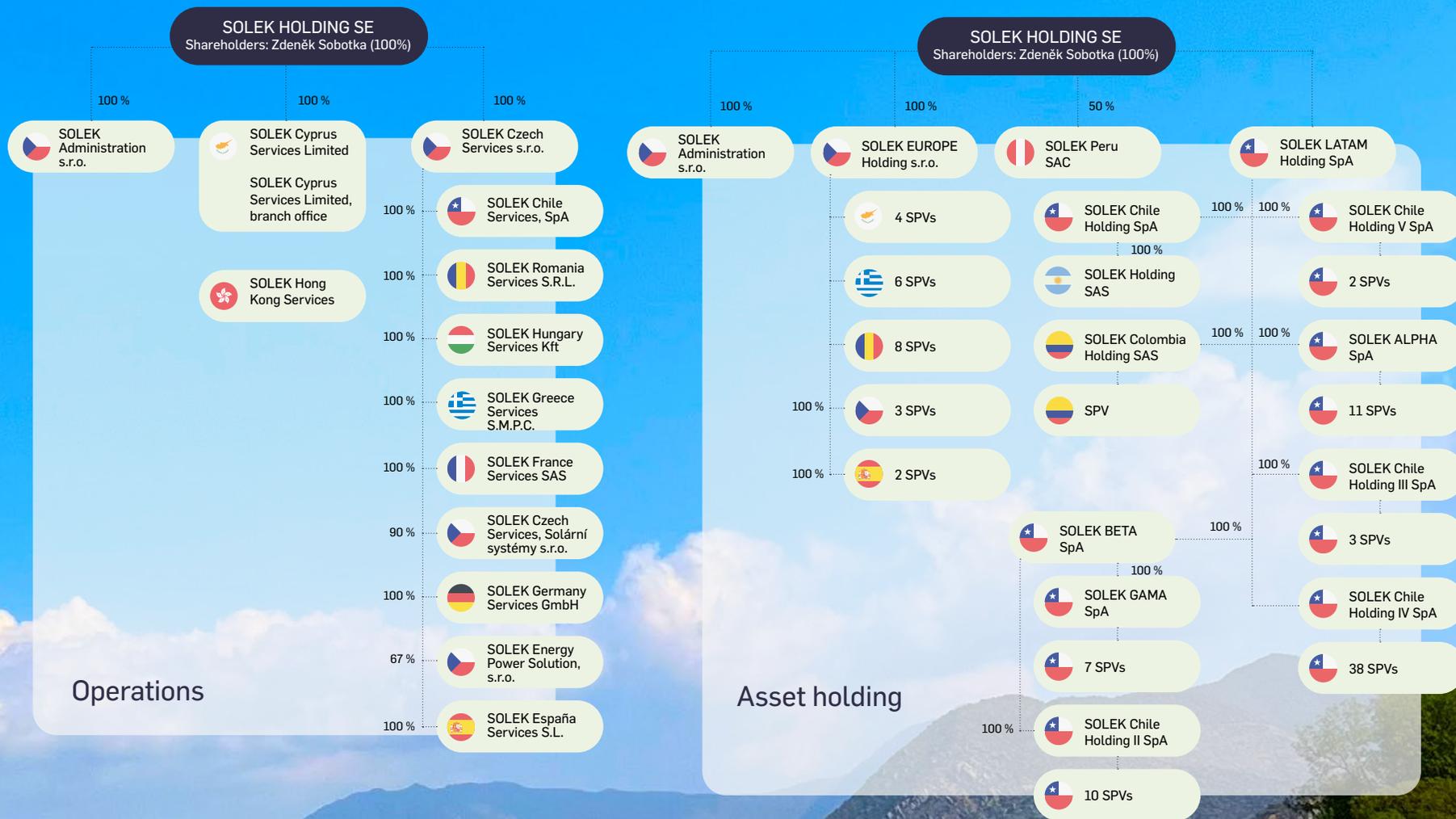


Figure 5: Organizational structure represented by our subsidiaries<sup>1</sup>

<sup>1</sup> This structure represents SOLEK entities as of 31. 12. 2022 and is consistent with our annual financial reporting.

## Our Next Steps

In the coming year, we plan to take several steps to improve our sustainability agenda. We will establish an Audit & Risk Committee and an ESG Committee to address ESG risks and opportunities. These committees will help us deliver a robust monitoring and reporting system, which will be crucial in measuring our sustainability progress. In addition, we aim to adopt a Group Procurement Policy and focus on implementing a Supply Chain Traceability Questionnaire. We will implement auditing to have a more responsible supply chain and procurement process. This will help us identify and address any ESG issues in our supply chain and ensure that our suppliers meet our sustainability standards. Furthermore, we will focus on decarbonization and decreasing our carbon footprint. We will develop a roadmap to reach Net Zero by 2040 and work to reduce our carbon emissions. Additionally, we will improve our EPC contracts by including sustainability requirements. Moreover, we plan to perform Human Rights Due Diligence and provide tailored training in the DE&I (Diversity, Equity, and Inclusion) agenda. Finally, we will invest in biodiversity and social projects. This will help us protect the environment and support the communities where we operate.

We are committed to working towards a more sustainable SOLEK and look forward to reporting on our progress in future sustainability reports.

## 3.2. Stakeholder approach

SOLEK Group regularly engages in open dialogue with its stakeholders, including investors and lenders, customers, top management, landowners, suppliers, contractors, service providers, local communities and municipalities, government regulators, employees, energy end-consumers, media, and peers and competitors. The company seeks to gather stakeholders' perceptions and opinions on the environmental and social impacts of its activities, to inform the sustainability strategy and reporting of SOLEK Group. Some of the applied stakeholder engagement tools are stakeholder mapping, semi-structured and unstructured interviews, or social media communication.

### Engaging vulnerable stakeholder groups

SOLEK Group recognizes the particular importance of cultural heritage and the connection that communities may feel to culturally significant locations, objects, and practices. If a project may affect cultural heritage, the project team must initiate a stakeholder engagement process that considers the views of any affected communities and involves the regulatory authorities responsible for protecting cultural heritage. If a project is likely to impact or involve the removal of cultural heritage, the project must appoint a com-

petent expert to assess the project's impacts on cultural heritage. The expert must also specify the control and protection measures required to comply with local and international regulations based on internationally recognized practices.

Furthermore, if there is a possibility of a project impacting indigenous peoples or lands associated with them, it is essential that the project leader notifies the ESG team before engaging with indigenous peoples. A competent person must then conduct a risk and impact assessment to any affected indigenous communities, the nature of the impact, and the likely magnitude of the impact. The assessment should also identify potential mitigation measures to avoid or minimize any negative impacts on indigenous peoples. SOLEK takes all reasonable measures necessary to prevent any adverse impact on the indigenous communities that are affected.

## 3.3. Materiality assessment

The materiality assessment was conducted by following the GRI 2021 methodology. The assessment began by defining the scope, selecting relevant sustainability topics and areas of the business. Consequently, a combination of quantitative and qualitative data gathering methods was used in order to identify a list of impacts that SOLEK's activities have or may have on the economy, environment and people. Various relevant stakeholder groups were involved in this process. The impacts were then categorized and evaluated using common risk assessment methods, and the results were presented to stakeholders. The Board of Directors, along with the members of the Senior executive team and some key functional managers ensure that their views related to the impacts of the material topics on the company is incorporated. SOLEK plans to regularly review and update the materiality assessment and its sustainability-related impacts and issues analysis. For more detailed description of the materiality assessment, see the section "Methodology notes".



### Impact assessment results

A total of 29 material impacts was identified while considering SOLEK's business activities and value chain. The production of greenhouse gas emissions was rated as the most significant negative impact during the impact assessment. Emissions are often produced during the construction, manufacturing, and recycling of solar panel systems. These activities also result in negative impacts on the use of natural resources and production of waste. SOLEK's solar power plants use an extensive amount of land which can negatively affect local biodiversity and communities, including indigenous people. The solar pow-

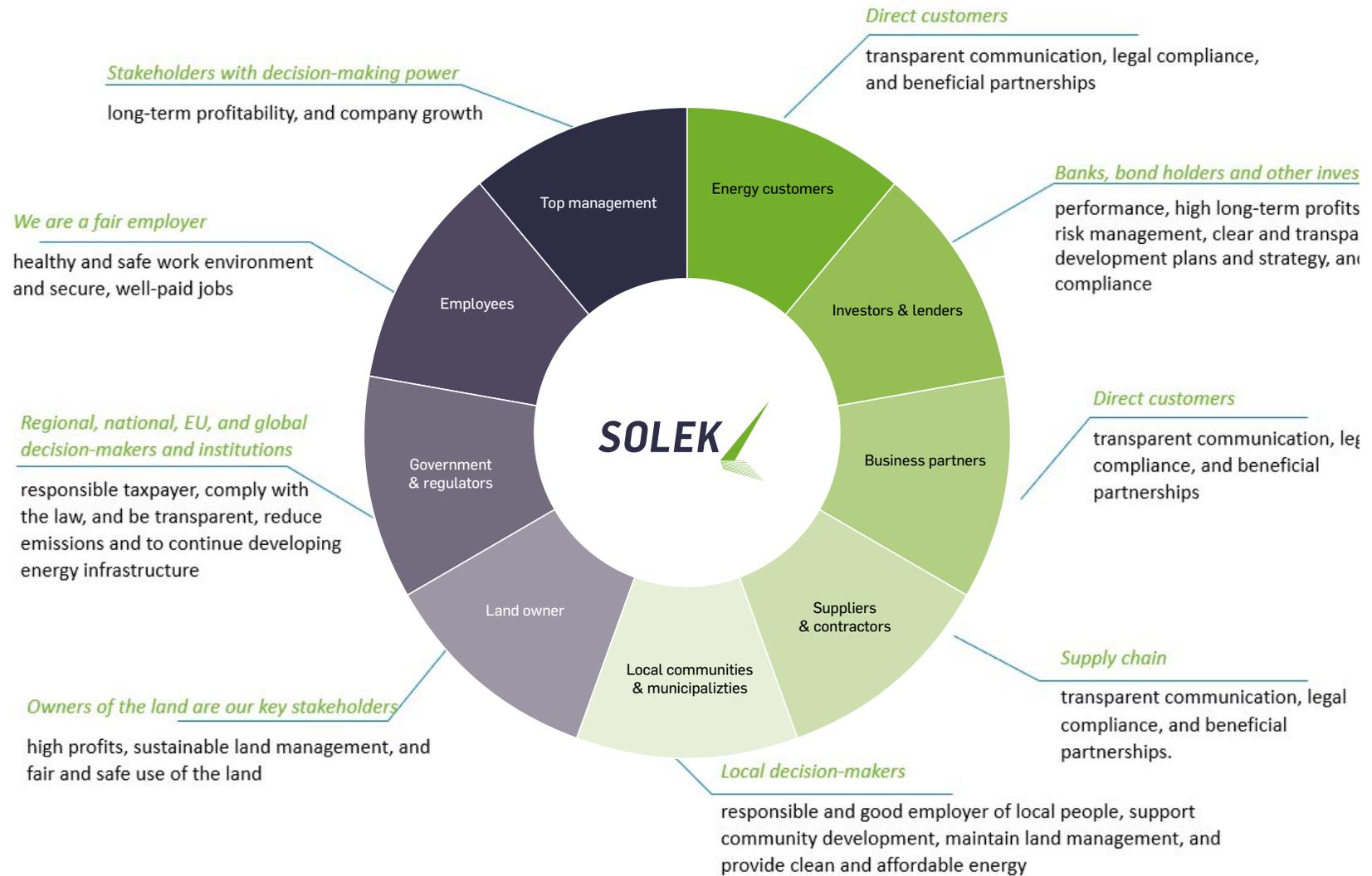


Figure 6: SOLEK's stakeholders and their expectations

er generation business does not require a large workforce. Because SOLEK's operations provide limited employment opportunities, only a narrow segment of the local community directly experiences the economic benefits. While supporting local procurement, SOLEK can unintentionally contribute to negative economic, environmental, and social impacts if its suppliers are not properly screened, monitored, and managed.

Climate change mitigation was rated as the most significant among the positive impacts of SOLEK's business activities. By increasing the capacity and availability of clean energy from renewable sources, SOLEK helps to move away from burning fossil fuels and their negative impact on air, soil, and ecosystems. SOLEK's social positive impacts include topics of employee diversity, non-discrimination, and emphasis on ethical practices such as respecting human and labor rights.

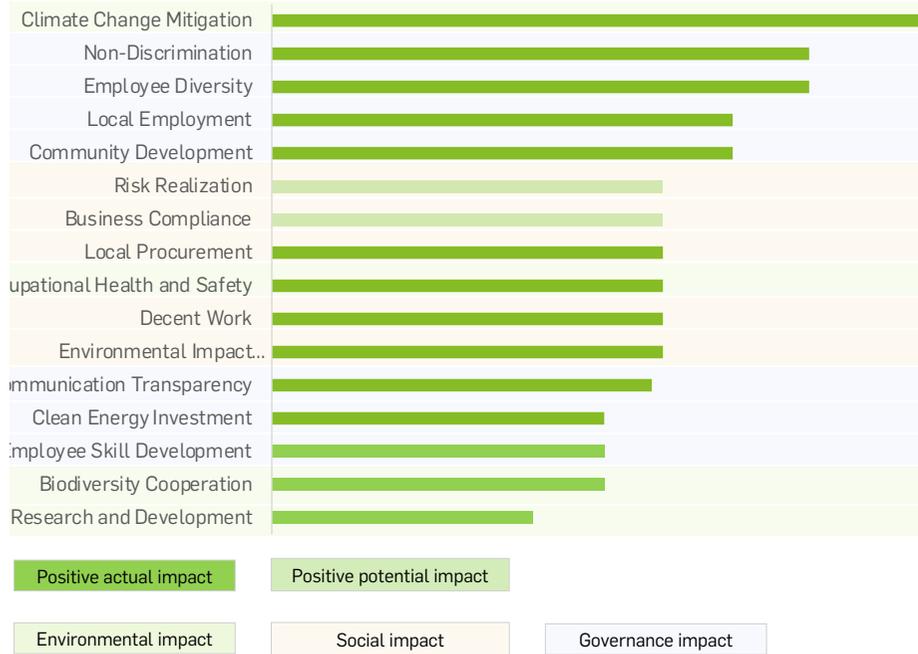


Figure 7: Table of positive impacts of the SOLEK Group

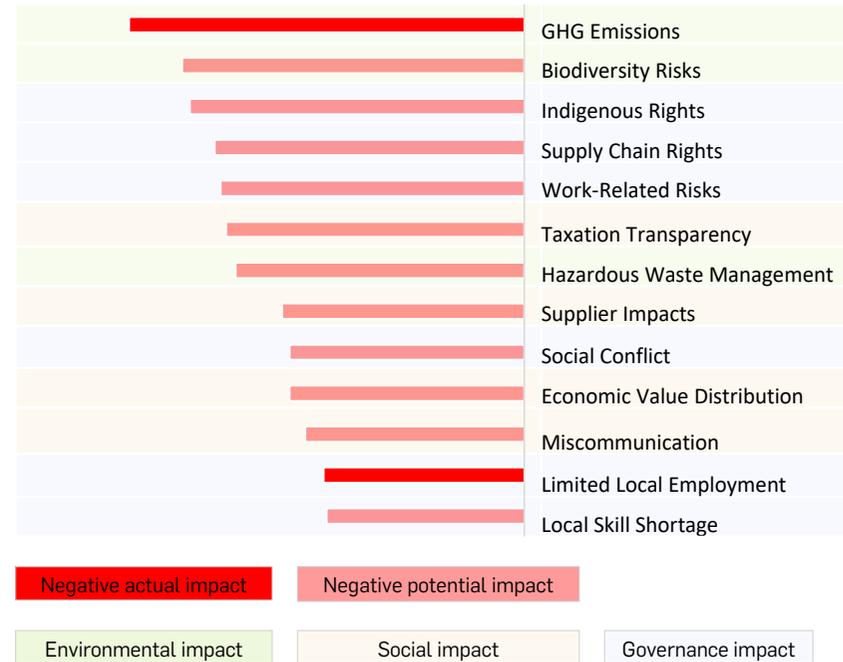


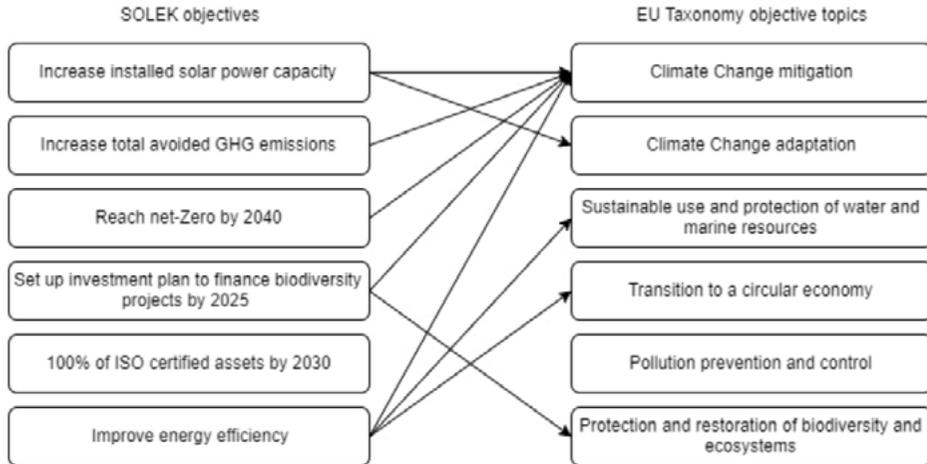
Figure 8: Table of negative impacts of the SOLEK Group

# 4. Environment

## RESPECTING NATURE BY RESPONSIBLE MANAGEMENT OF ITS RESOURCES WHILE PROTECTING THE ENVIRONMENT AND BIODIVERSITY.

It is important for us to assess and reduce our environmental impact as well as educate our employees and communities about it. We want to focus especially on Biodiversity protection and conservation, GHG emissions, Resource Efficiency and Waste management, and Climate change.

We will regularly educate our employees in matters of environment and appropriate principles in practice. We also aim to apply the same principles to our suppliers and regularly inform stakeholders about the SOLEK Group's commitments and key principles to reach our goals. Furthermore, the SOLEK Group's objectives established within the Sustainability Strategy contribute to 5 out of 6 EU Taxonomy objectives as shown in the scheme below.



### Our commitments



We aim to increase the installed capacity of the solar power plants in our global portfolio.



Through this we aim to increase our total avoided GHG emissions due to production of clean energy.



SOLEK will reach net zero emissions by 2040.



By 2025, we will set up an investment plan which will include investments in biodiversity protection and ecosystem conservation.

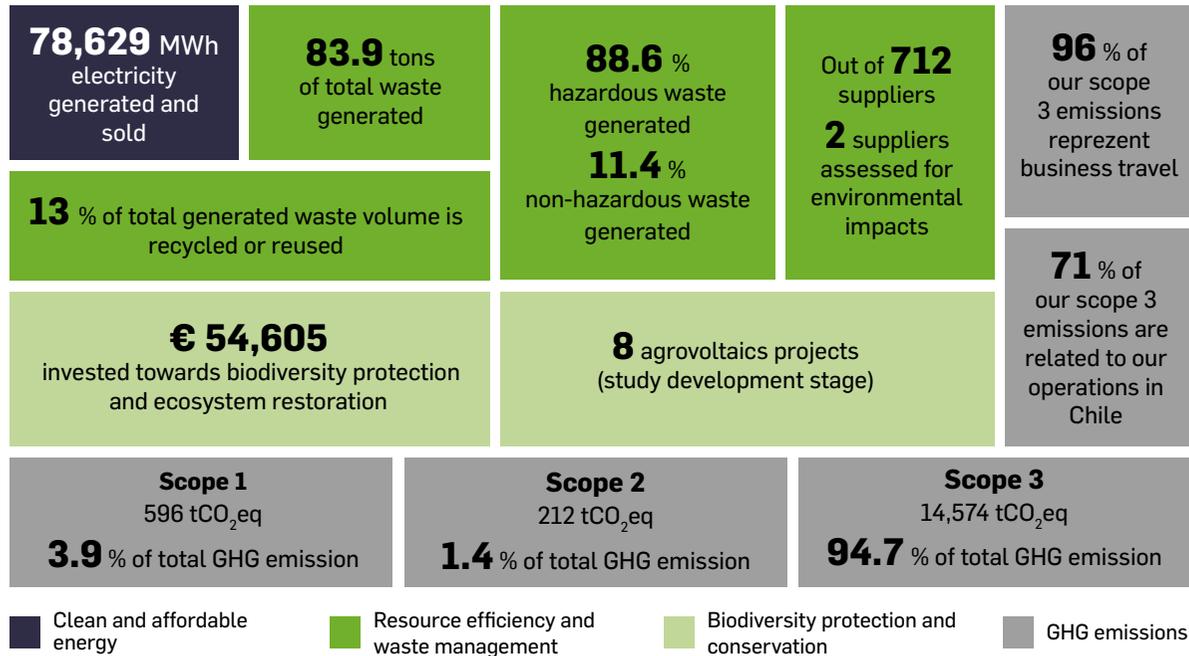


We aim to have 100% of our assets certified with ISO 14001 by 2030.



We will improve our resource efficiency.

## 2022 Environmental highlights



## Environmental impacts

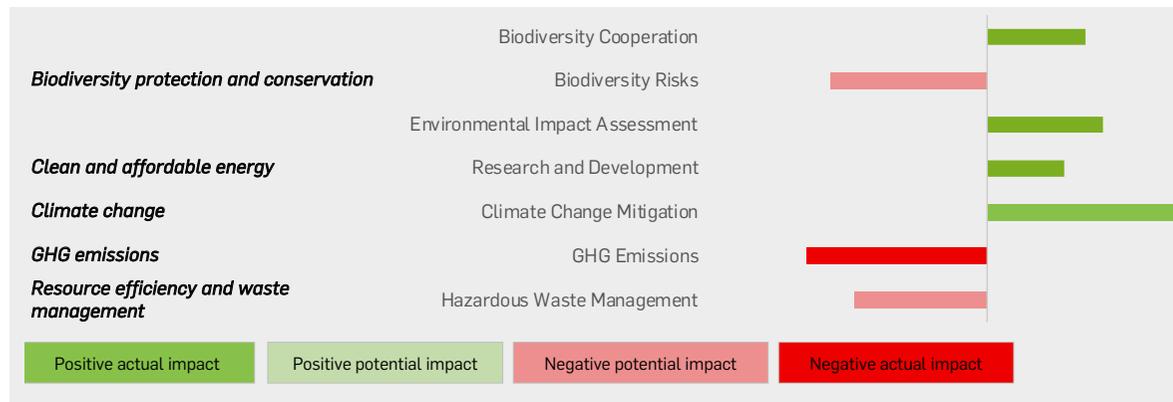


Figure 9: SOLEK's Environmental potential and actual negative and positive impacts

## 4.1. Clean and affordable energy

At SOLEK, we are dedicated to the production of renewable energy and mitigation of climate change through sustainable practices. Our mission is to provide affordable, reliable, and modern energy services by leveraging cutting-edge research and technology. While energy production is a central focus of our operations, we are committed to promoting innovation in this field by exploring carbon-free sources of energy and ensuring the stability of power supply. Our aim is to build a more sustainable future by providing clean and affordable energy solutions for communities where we operate.

### Managing our impact

Our commitment to clean and affordable energy is a fundamental part of our sustainability strategy. We want to provide clean and affordable energy in a way that supports local economy and communities. Our aim is to support domestic manufacturing in renewable energy sector and develop partnerships with local solar energy sector participants. SOLEK Group is a member of the Solar Energy Industries Association (SEIA) to stay well-informed about current innovations and technologies in its core business. Additionally, the SEIA shares our values within low-income solar access and climate change solutions.

Newly, we include floating photovoltaics, agrovoltaics, wind energy, hydrogen, and battery storage in our operations.

## SOLEK innovative solutions in solar energy

### FLOATOVOLTAICS

Floating photovoltaics, or solar panels mounted on structures that float on bodies of water, have many advantages over land-based PVs. They are less expensive than land-based PVs, have lower energy payback times, and produce fewer greenhouse gas emissions. They are also more efficient due to the cooling effect of the water, can be hidden from public view, and have a special coating to prevent rust or corrosion.

### GREEN HYDROGEN

Hydrogen is a promising technology within the solar energy sector, as it can be used to store excess energy produced by solar panels. This stored hydrogen can then be used to produce electricity when sunlight is not available, ensuring a reliable source of energy. Additionally, the use of hydrogen as a fuel in transportation is becoming increasingly popular, as it produces no emissions.

## SOLEK investments 2025

### AGROVOLTAICS

Agrovoltaics, or the practice of combining agriculture with solar energy production, has many benefits. It allows for more efficient use of land, as the same area can be used for both farming and solar energy production. Additionally, the shade provided by the solar panels can help to protect crops from harsh sunlight and reduce evaporation, leading to increased yields. Agrovoltaics can also help to reduce water usage, as the panels can help to prevent excess evaporation.

### WIND ENERGY

Wind energy can be used to supplement solar energy production during periods of low sunlight, ensuring a reliable source of renewable energy. Additionally, wind turbines can be installed alongside solar panels, allowing for more efficient use of land and infrastructure.

## CASE STUDY: Agrovoltaism in Cyprus

Agrovoltaism has been adopted in many EU countries. It is quickly becoming a new Global Sector that promises to increase the wealth of agricultural communities by combining production of electricity with agricultural production, such as growing fruit trees or market vegetables under the panels. Notably, solar panels located on elevated structures that can move, bend or rotate additionally offer protection from hail or frost.

In efforts to preserve agricultural land, the Cyprus Ministry of Agriculture issued guidelines according to which agrovoltaism is allowed. These guidelines restrict the use of photovoltaic panels for covered and open cultivations. Covered cultivations, such as greenhouses, are restricted to less than 15% of the green house roof, while open cultivations are restricted to less than 33% of the total used area. In open cultivations the use of three types of structures is encouraged: fixed structures, single axis trackers, and bed structures.

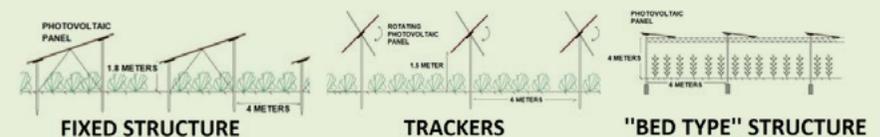


Figure 10: Typical presentations of the 3 main photovoltaic panel structures encouraged for use in open cultivation



**CASE STUDY:** Planned agrovoltaic projects in the Pachna area of Cyprus

In June 2021, SOLEK revised the planned projects in the Pachna area to incorporate agrovoltaic parks throughout expected operations. This revision came after consultations with the Department of Town Planning, who issued the favorable preliminary opinions for SOLEK’s projects after considering the opinion of the Ministry of Agriculture. The aim is to ensure that the land occupied by the photovoltaic parks will be used intensively alongside agricultural crops. Expected projects and their planned net area used for agrovoltaic activities are as follows:

**Project 1:** 0.75 ha with expected 518.5 kW

**Project 2:** 0.38 ha with expected 205 kW

**Project 3:** 0.4 ha with expected 205.4 kW

More specifically, agrovoltaic designs were planned for the Pachna area to help with carob tree preservation inside the plots. Overall, carob and olive trees are the most common trees that are found on our leased plots. Carob has been a traditional product of Cyprus and historically, it was referred to as Black Gold. Recently, there has been renewed interest in carob production due to its growing demand, especially by health-focused stores (e.g. carob-based sugar and chocolate). Therefore, the Ministry of Agriculture protects these trees and typically finds a compromise when investors undertake to plant young trees, as these can be replanted only when very small. Olive trees are more easily replanted. Therefore, we have proposed to the Ministry of Agriculture to keep part of the land clear of photovoltaic panels and move any olive trees into this part.

Picture 1: Carob trees in the Pachna alongside a potential agrovoltaic design for the area



**CASE STUDY:** Comparison study of agrovoltaic designs

In a study conducted by SOLEK CYPRUS SERVICES LTD, a conventional design was compared to two alternative agrovoltaic designs, where the study was initiated for the Pyrgos project, located in East Limassol. The study aimed to include carob trees in symbiosis with photovoltaic panels, the purpose of which was to determine whether the project can have an income from the production and sale of electricity, and supplementary income from the production and sale of carobs. The project will demonstrate that agricultural land is not sacrificed. An additional finding is that the photovoltaic park will be decommissioned after 25 years, while the carob trees will have reached their peak production, thereby continuing to provide income to the farmer.

Using a conventional design with fixed structures as the benchmark, the following results were determined when compared to a bed type (elevated by 4m) structure with south oriented panels and east-west panels.

Design	Capacity	Production	Productivity
Conventional design: fixed structure *assume 100% (benchmark)	0.495 MW	844.1 MWh/year	1705 kWh/kWp
Agrovoltaic design: Bed-type (elevated by 4m)	0.246 MW	419.5 MWh/year	1705 kWh/kWp
Orientation of panels: south 	Capacity was 50% of the benchmark.	Production was 50% of the benchmark.	Same productivity as the benchmark.
Agrovoltaic design: Bed-type (elevated by 4m)	0.457 MW	639.7 MWh/year	1400 kWh/kWp
Orientation of panels: east-west 	Capacity was 7.7% lower than the benchmark.	Production was 24% lower than the benchmark.	Productivity was 18% lower than the benchmark.

Table 1: Results of the study conducted by SOLEK CYPRUS SERVICES LTD

## 4.2. Resource efficiency and waste management

At SOLEK we are committed to promoting resource efficiency and waste management, which are critical components of our [Environmental Policy](#). We are aware that the efficient use of resources such as water and energy, as well as raw materials, can significantly reduce our environmental footprint.

The PV energy sector, in which SOLEK operates, has made significant progress in improving resource efficiency and waste management through generating electricity without using fuel and through recycling valuable materials from end-of-life panels. However, the manufacturing process and end-of-life management require careful attention to minimize negative environmental impacts. SOLEK is addressing these challenges to continue supporting sustainability and contributing to improved energy security.

### Waste

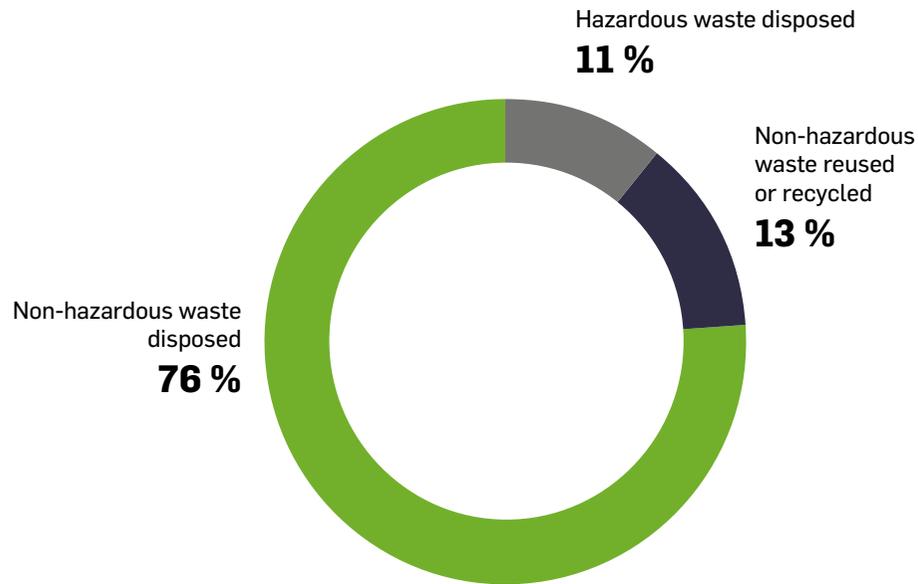


Figure 11: Waste production and management

SOLEK generated 83.9 tons of waste to the end of the reporting period. We manage our waste by implementing the waste hierarchy, working first to prevent waste generation, minimize, reuse, recycle, recover energy, and then dispose of waste responsibly, avoiding landfills as much as practically possible. Even though most of our waste landed in landfill in 2022 (87 %), there were already recycling initiatives in planning to reduce this amount significantly. SOLEK avoids using hazardous or dangerous substances as much as possible and develops plans for hazardous substance and waste management for construction and operations. SOLEK follows a circular, cradle to cradle, and/or recycling approach for used products and materials. Materials used for generating solar energy are a subject to a closed-loop approach. Upon the end of their service life, significant constituents, such as photovoltaic panels, undergo refurbishment or recycling, thereby limiting their disposal and maximizing resource efficiency. SOLEK invests in R&D on waste management and disposal and educates its employees and local communities. During the community relations activities of 2022, we used presentations with main commitments and environmental permits of each project, in addition we developed a brochure, which briefly mentions our guidelines on environmental matters.

### CASE STUDY: Waste management of decommissioned PV parks in Cyprus

Under the REPowerEU plan, the new proposed EU 2030 target increases the share of energy from renewable sources to 45%, which is expected to increase the total renewable energy generation capacity to 1 236 GW by 2030.

The Solar Strategy of EU is targeting to bring 320 GW of solar photovoltaic by 2025 and almost of 600 GW by 2030.

Overall, these commitments of the EU have posed a large responsibility on energy producers.

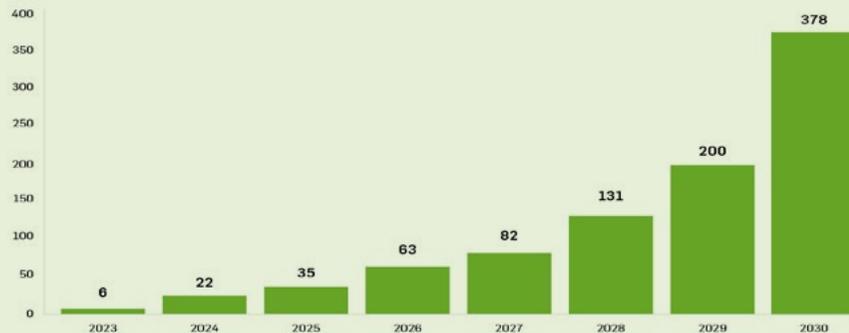
Notably, importers and contractors must undertake the responsibility of financing the infrastructure that will allow consumers to return photovoltaic waste for proper disposal treatment. Under EU rules, a collective system of managing Waste from Electrical and Electronic Equipment (WEEE) should secure:

- organization of a network of collection points,
- transport of WEEE to licensed treatment areas,
- recovery of collected WEEE,
- cooperation with local authorities and other systems, and
- a "one-time" producer financial burden for the product placed on the market.

In Cyprus, waste generated from decommissioned photovoltaic parks has been the subject of recent seminars, which are aimed at addressing new government policies. Two policies are currently under consideration:

1. **Pay as you go**, where waste generated each year is paid to the company responsible for the recycling.
2. **Pay as you put**, where waste of the current year's sales is prepaid to the responsible company for recycling, even if it will be generated in the future.

Below, the graph represents the expected growth of waste in Cyprus over the next 7 years. For purposes of comparison with other markets, in Cyprus, a population of approximately 1 million people was considered. To further put the graph into perspective, 1 kW of PV panels is about 60 kg, which does not include cables, structures, and other waste.



Graph 1: Anticipated generation of waste in Cyprus from PV panels (in tons)

## Water

SOLEK aims to reduce its water consumption and preserve water in its natural water cycle using alternative water resources, greywater concepts, and landscape retention elements. We also invest in smart technologies for water management and aim to increase resource efficiency by reducing annual water consumption in all SOLEK Group facilities. During the reporting period, SOLEK also focused on reducing water intensity,

particularly for panel cleaning, using soiling and meteorological data and prioritizing dry cleaning over wet cleaning.

## CASE STUDY: Implications of projects located near the sea in Cyprus

In Cyprus, when any of SOLEK's projects are near the sea, we require a permit from the Ports Authority and Fisheries Department. Currently, we have an industrial area by the sea, known as Vasilikos Industrial Zone. We investigated the possibility of having a floating photovoltaic park located in this area, but the cost of such floating systems made the project non-profitable. Overall, land near the sea is quite expensive, making most projects non-profitable; however, the Town Planning Department of the Ministry of the Interior, which is responsible for defining Zoning Legislation, will also not allow for such projects. These projects are decided on based on the Environmental Assessment reports from the Department of the Environment.

## Energy

At SOLEK we continuously work on reducing our energy consumption through efficiency enhancements and regularly monitor the progress of our reduction actions. We strive to enhance the efficiency of our owned buildings by implementing smart building management systems, installing efficient energy-saving elements and minimizing energy loss. SOLEK also invests in R&D on battery storage to enable optimal energy conservation and flexible usage (see Clean and affordable energy).

## Suppliers

We recognize the significant environmental impact SOLEK has through our 712 suppliers, with 53% of them being new this year. Therefore, we have prepared a Supplier's Declaration outlining the company's values and ethics approach, as well as its requirements for all business partners to conduct themselves as trusted partners. The environmental policy section of the Supplier's declaration focuses e.g., on compliance with environmental legislation, reduction of their environmental footprint, resource efficiency and waste management, or protection of biodiversity and ecosystems. Suppliers are to conduct business in an environmentally responsible way, offer environmentally responsible products and services, and set goals and implement activities to achieve them in the areas of their biggest impact. Based on our understanding, we did not identify any major actual or potential adverse environmental impacts within our supply chain this year.

### **CASE STUDY:** Green building certifications in SOLEK's Prague office

In August 2021, SOLEK relocated its Prague office to the Myhive building in Palmovka. When deciding on the relocation, there were several important factors that SOLEK considered when choosing a new office space, which included the types of green building certificates that would be held by the new space.

For 2022, the Myhive building obtained a certificate for 100% electricity generated from renewable energy sources. Additionally, in February 2022, the building obtained BREEAM certification, which will be valid until 2025.

### **4.3. Biodiversity protection and conservation**

Our PV parks have a positive impact on biodiversity by not producing greenhouse gas emissions or air pollution, which can harm wildlife and their habitats. Biodiversity protection and conservation are important values for SOLEK. Therefore, we invest in measures to protect ecosystems and prevent land degradation, biodiversity loss, and extinction of threatened species.

The construction of PV parks may cause land use changes and habitat fragmentation, which can affect the populations of certain species. This is especially true if the PV parks are located in an area that is rich in biodiversity or home to threatened or endangered species. Additionally, construction and maintenance activities, such as vegetation removal, can disturb wildlife and their habitats.

#### **Managing our impact:**

We are continually developing technologies and operational management strategies to prevent the release of any pollutants into the environment. Additionally, we actively promote the use of environmentally friendly agrovoltatics, which involves utilizing the same land to harvest both solar energy and agricultural products. This approach helps us to maximize the use of resources while minimizing any negative impacts on the environment.

### **CASE STUDY:** Sheep grazing at Palmilla Cruz PV project in Chile

At SOLEK's Palmilla Cruz PV project, located in the district of Santa Cruz in the Region of General Bernardo O'Higgins, we currently promote and support sheep grazing.

In November 2022, we signed an agreement with the landowner, who is a local farmer, to allow for his sheep to graze on the project land area. As a result of this agreement, his sheep are exposed to more nutritious food and shaded rest under our solar panels. Additionally, it appears that these sheep experience less heat stress compared to the nearby sheep who graze in empty fields. For SOLEK, this also helps with controlling the vegetation on the project area, as the sheep eat the weeds and other unwanted plants. Overall, this agreement has brought benefits to both SOLEK and the local farmer.



*Picture 2: Sheep grazing at Palmilla Cruz PV project*

We are committed to minimizing the impact on trees and forestry areas across all of our operations. When developing and constructing new solar plants, we acknowledge the potential for adverse impacts on the surrounding trees and habitats. As part of our policy, deforestation is strictly avoided, and measures are taken to minimize it, whenever possible. To enhance and restore biodiversity net gain, we undertake initiatives such as planting trees in other suitable areas, according to specific deforestation legislation in the region where we operate.

SOLEK has established a biodiversity-related objective within its Sustainability Strategy. Our goal is to set up an investment plan to finance **biodiversity projects** by 2025, specifically for the protection and restoration of ecosystems. To measure our progress towards this objective, we will annually track our investments in biodiversity and ecosystem protection. As of the end of 2022, we have invested over 54,600 EUR towards biodiversity protection and ecosystem restoration.

We strive to avoid operating in geographic locations such as protected areas and areas of high biodiversity value. While most of our photovoltaic projects operate in non-protected areas, we operate one PV project at Periochi Farsalon, Greece, which is listed in [NATURA 200 site](#) under Birds Directive 2009/147/EC (SPA). This project is in the Mediterranean biogeographical region, and its biodiversity value is characterized by 21 bird species and their natural habitats. The total size of the operational site in the protected area is 55 hectares. It is operated with solar panels while strictly adhering to the Nature Directives and local rules and legislation. In this area, The Forest Directorate of Fthiotida and the Forest Directorate of Larisa are responsible for site management.

Overall, SOLEK is committed to promoting principles and activities that will allow for us to reach the biodiversity goals we set in our Sustainability Strategy in the [SOLEK Group Environmental Policy](#).



Our mission to make renewable energy accessible and more affordable while protecting the environment and bringing prosperity to our customers and investors aligns with the European Green Deal. This comprehensive package of “green” measures includes cutting emissions, increasing the removal of greenhouse gases from the atmosphere, and ensuring a fair, healthy, and prosperous society for future generations.

### **CASE STUDY:** *Biodiversity cooperation in SOLEK's Prague office*

In June 2022, our Czech Republic office headquarters building (Myhive, Libeň) partnered with “Pražská včela,” a program that cooperates with companies to rent and implement beehives on to office buildings. Through this program, an ideal location for the beehives was identified and implemented, where currently the hives are regularly monitored under the care of a specialized beekeeper. Benefits of such a partnership are not only sweet (physical honey production), but lectures and workshops are also offered to bring greater insight to bees and their interaction with humans.



*Picture 3: Installation of beehives at the Myhive Libeň office building*

#### 4.4. Climate change

Our PV parks are a clean and renewable source of energy, which can significantly reduce greenhouse gas emissions and help mitigate the effects of climate change. Solar energy can also help to reduce air and water pollution, which can have a positive impact on human health and the environment. We recognize negative impacts related to our operations such as land use and the use of toxic materials in the manufacturing process of PV panels.

##### Managing our impact:

Climate change is one of the most pressing challenges that the world faces today. As a company specializing in renewable and sustainable energy, we recognize the urgent need to address climate change and promote the use of renewable energy sources.

Renewable energy, such as solar power, can help reduce carbon emissions, promote cleaner air, and contribute to a more sustainable future. By investing in PV power stations in regions where we operate, the SOLEK is contributing to reducing society's dependence on imported resources, creating new green jobs, improving competitiveness, and economic growth. In SOLEK, we understand the complexity behind the term "climate change" and we recognize that mitigating the effects of climate change involves more than producing clean energy. Therefore, we promote education and awareness-raising. Furthermore, we will monitor our climate risk exposure, carry out regular scenario analysis, and mitigate identified risks.

#### 4.5. GHG emissions

Our main positive impact related to GHG emissions is the reduction of the overall carbon footprint of the energy sector, which is a critical step towards mitigating climate change. On the other hand, the manufacturing process of solar panels and other equipment requires energy and resources, which can lead to GHG emissions. Transportation of materials and components to construction sites also contributes to GHG emissions.

##### Managing our impact:

The impacts related to GHG emissions are for us, as a renewable energy company, of critical importance. We have taken significant steps to minimize the negative impacts of our PV systems by using environmentally friendly materials and optimizing the supply chain to reduce GHG emissions. Additionally, we educate our employees and communities on the importance of reducing GHG emissions and continuously seek to improve our practices in line with the Paris Agreement and the European Green Deal.

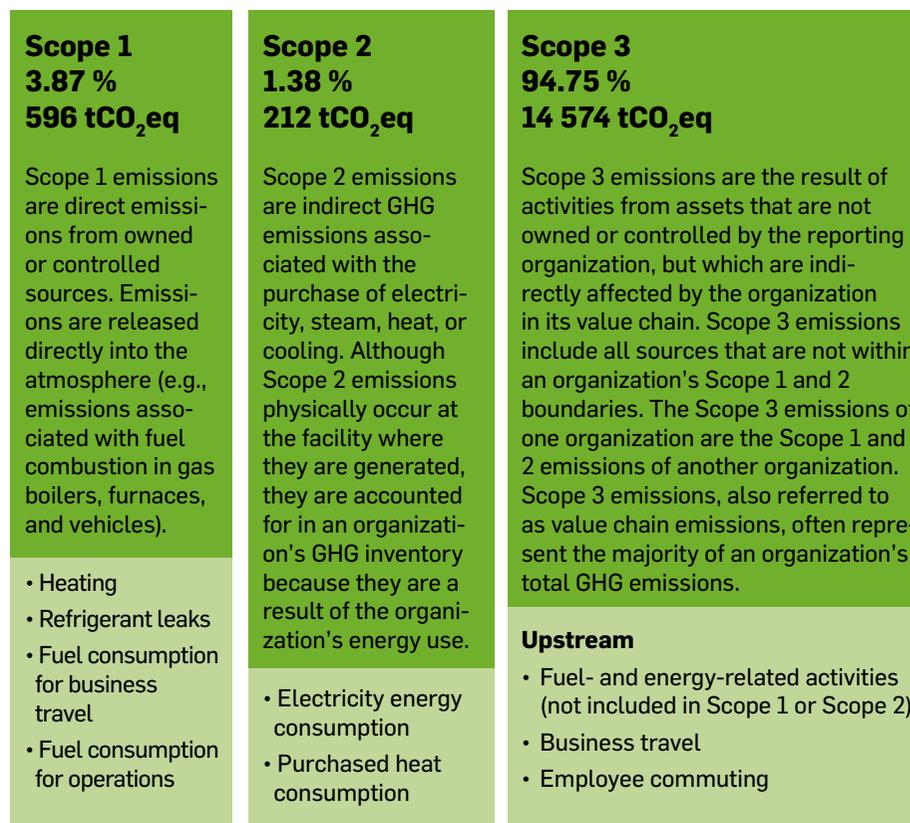
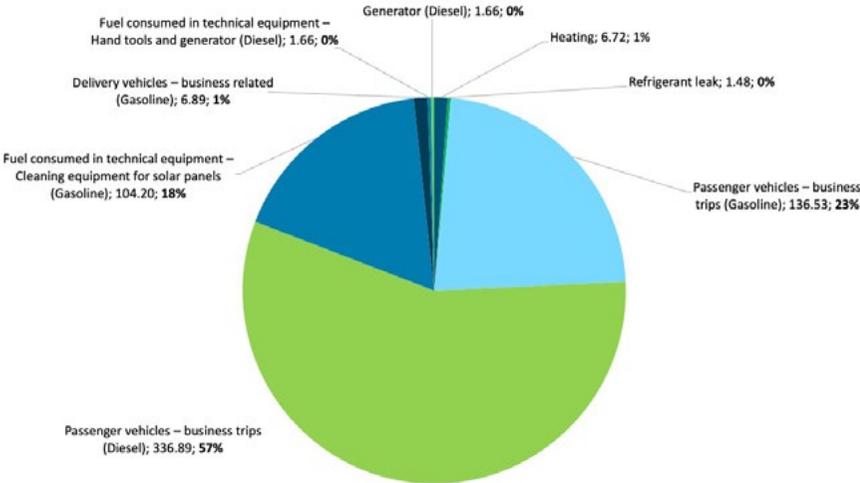


Figure 12: GHG emissions overview with relevance of categories

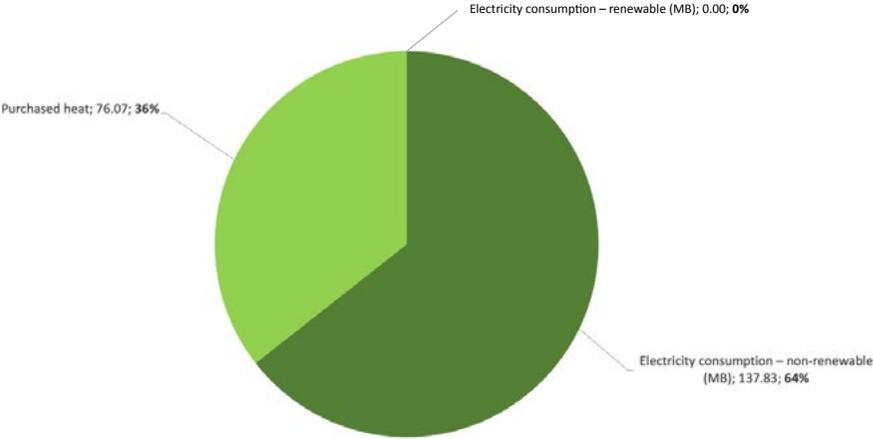
Scope 1 emissions account for 3.87% of the total carbon footprint and are mainly due to burned fuel in SOLEK's vehicles, with 81% of emissions coming from this source. Additionally, 18% of the scope 1 emissions produced can be attributed to the gasoline consumption for technical equipment of solar panels. Natural gas consumption for heating in Romania, Greece, and Hungary is responsible for the remaining 1% of Scope 1 emissions.

Scope 2 emissions, which are indirect emissions, account for 1.38% of the total carbon footprint and come from purchased electricity and heat. Chilean electricity is responsible for 97% of emissions in this category, while the Czech Republic is the only country using purchased heat, responsible for all 36% of the emissions within Scope 2.

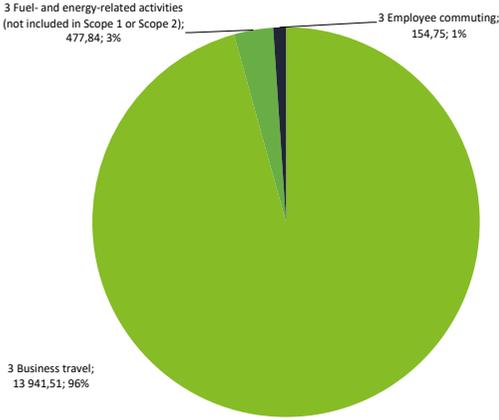
Scope 3 emissions, which are other indirect emissions, account for 94.75% of the total carbon footprint and come from various sources, with business travel having the highest contribution. SOLEK's growing business in Chile and Czech republic contribute the most to emissions within this category. Even categories with small shares in Scope 3 emissions play a significant role, and SOLEK needs to pay attention to them to reduce its carbon footprint in the future. For the first carbon footprint calculation, GHG emissions were identified and counted for following categories: Business travel, Fuel- and energy-related activities (not included in Scope 1 or Scope 2) and Employee commuting.



Graph 2: Scope 1 – Share of emission sources in tCO<sub>2</sub>e



Graph 3: Scope 2 – Share of emission sources in tCO<sub>2</sub>e



Graph 4: Scope 3 – Share of emission sources in tCO<sub>2</sub>e

## 5. Social

### EMPOWERING OUR EMPLOYEES AND LOCAL COMMUNITIES BY CREATING A SAFE AND INCLUSIVE ENVIRONMENT.

At SOLEK, we want to take care of the people around us—both our employees and people in our local communities. We operate on two continents with very different cultural heritages and therefore it is crucial for us to approach the social aspect of our business with the utmost care. We want to create a solid systematic base for our decisions which can be adjusted to local customs related to employment or local community standards.

#### Our commitments



We will set up an investment plan which will include social investments to support local communities by 2025.



We aim to have 100% of our operations certified with ISO 45001 by 2030.



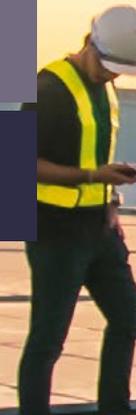
We will maintain no labor harassment issues.



We want to have diverse personnel and an inclusive work environment.



2022 Social highlights



**Social impacts**



## 5.1. Employees

The material topic of employees encompasses providing stable and decent work, supporting local economies through local employment, and investing in employee skill development. Providing good quality benefits and trainings to retain talent is also covered.

### Managing our impact

The solar energy industry is a source of many career opportunities. The Group's philosophy is to make those positions attractive, safe, and fair while responsibly managing our identified material impacts related to employees.

Employment at SOLEK comes with **benefits** as required by law, such as healthcare, family leave, and retirement plans in all our locations. In Czech Republic and Chile, additional benefits, such as home office, are aligned with our Group Remote Work Policy and Group Performance Policy.

#### **CASE STUDY:** *Employment benefits in the Czech Republic*

All employees in the Czech Republic receive health care by law. SOLEK covers 2/3 of the cost while the employee covers 1/3. We also provide disability and invalidity coverage in the amount of 1 year's base salary in cases caused by occupational injury. Employees are entitled to parental leave. By Czech labor legislation, employees in the Czech Republic are entitled to paid paternity leave of 2 weeks, and 28 weeks of paid maternity leave, followed by parental leave paid for by the government up to four years age of the child. By law, each SOLEK employee receives retirement benefits to which both the Group and the employee contribute. SOLEK's social security contribution, which also includes unemployment and sickness coverage, amounts to 24.8% of the employee's earnings paid by the employer while the employees contributes 6.5% of their earnings.

SOLEK offers parental leave as a benefit of employment. The return-to-work rate for employees who took parental leave in 2022 was 50%, all of whom were male employees in Chile; no female employees returned to work after parental leave ended during the period.

At SOLEK, we always try to hire **local employees** in order to support local communities and overall local economic environment. However, our business currently does not require a large workforce and consequently our impact on supporting the

local economic environment through local employment is not as significant as we would hope it to be in the future.

We strive to maintain **decent working conditions** for all our employees. The SOLEK Group supports employees' rights of association and collective bargaining. Our employee in France is covered by a collective bargaining agreement.

Currently, the Czech Republic and Chile are popular markets for renewable energy. With SOLEK still being a relatively young company, our well-trained and expert professionals may be attracted by more stable employers with a longer history, both in the European and Chilean labor markets. Currently, SOLEK is one of relatively few companies in these regions that focuses on green energy and competes for experienced talent in this sector.

SOLEK offers a variety of programs for **employee skill development**. The Group invests in trainings to provide employees with new and relevant skill sets, especially those that will support the future of energy. In the Czech Republic, cross-cultural trainings are provided for managers, project managers, and operations technicians. In Chile, leadership trainings are provided for managers, where other trainings in 2022 included Internal Auditing (ISO standards), emergency response, first aid, electrical safety, root cause analysis, and defensive driving. In Cyprus, employees received training on managing waste generated by the future decommissioning of photovoltaic parks. Also, all SOLEK employees receive regular performance and career development reviews. In accordance with our Sustainability Strategy, 128 employees were also trained on our Code of Conduct, GDPR compliance, and combating corruption and bribery.

## 5.2. Human and labor rights

Human and labor rights means ensuring fair wages for all employees, gender equality, and the rights of children, indigenous people, and disabled persons. It also includes following international labor standards and ensuring employees' freedom of association and right to collective bargaining through trade unions.

### Managing our impact

For our international business operations to thrive, we understand that our employees must feel welcomed, safe, and included, regardless of their gender, ethnicity, sexual ori-

entation, religion or other beliefs, indigenous ethnicity or age. **Discrimination** of any kind, including xenophobia, homophobia, racism or sexism, is not tolerated. As we have a diverse workforce, it is in line with our Sustainability Strategy to ensure that this policy is implemented to the best of our ability.

The Group supports **employee diversity** through business practices such as hiring practices and processes. SOLEK has a friendly, start-up atmosphere and an international mindset. The Group already boasts a high level of diversity, which we intend to continue to promote. We created a Group Diversity Policy in 2022 to govern our management of diversity, equity, and inclusion in line with our Sustainability Strategy as well as our Group Human Rights and Local Communities Policy. We will implement the policy across the Group in the first quarter of 2023.

In 2022, we joined Energía más Mujer (Energy and Women), a voluntary public-private initiative to incorporate more women into the energy sector in Chile by systematically addressing gender gaps and promoting **gender equality**. We will continue to build on this good practice in the future.

Explore our **[Group Diversity Policy](#)**.

### **CASE STUDY:** Diversity, equity and inclusion at SOLEK

At SOLEK, diversity, equity and inclusion are at the core of our business operations, as we value the multinational employee base of our Group. For us, diversity, equity and inclusion means maintaining an environment that is respectful of all identities and creating opportunities that support the success of all our employees. Our goal is to ensure that, regardless of one's identity, all employees feel comfortable bringing their authentic selves to work every day, as SOLEK continuously strives to make work environments a safe place for everyone.

To further highlight our efforts, in November 2022, we established a Diversity, Equity and Inclusion (DEI) Committee for our operations in Chile.

This committee is part of our commitment to further supporting the Energy and Women program under the Ministry of Energy, which we signed in May 2022. This initiative is focused on introducing more women into the Chilean energy industry and its supply chain by implementing an Action Plan, and making it more diverse and inclusive. It also reinforces compliance with the Chilean Labor Inclusion Law that is already in force.



Picture 4: SOLEK's DEI Committee in Chile

No labor harassment issues were identified in 2022. SOLEK encourages all employees who have experienced or witnessed discrimination or harassment to report it via the **whistleblowing channel**, notify a supervisor, or report it to the Legal and Compliance Department for investigation. More information about whistleblowing procedures is available in the **[Business Ethics](#)** section of this report.

SOLEK is dedicated to upholding the principles of the UN Global Compact on the elimination of all forms of forced and compulsory labor and the effective abolition of child labor in both our businesses and across our **supply chain** per the Group Sustainability Strategy. The SOLEK Group Human Rights and Local Communities Policy, approved in 2022 and effective from the first quarter of 2023, lays out SOLEK's approach to human rights, labor rights, and the concern for local communities in detail. It also sets out the necessary steps and checks for implementing our pledges in accordance with the Group Sustainability Strategy.

Explore our **[Group Human Rights and Local Communities Policy](#)**.

Our business activities require suppliers from diverse environments and contexts; therefore, potential violations of human and labor rights can arise in the supply chain if not properly managed. All of our Chinese suppliers of PV modules and trackers, as well as 33% of our suppliers of inverters (Sungrow), have signed a declaration affirming that they align with our code of conduct against child labor and forced labor. Of our total suppliers, 50% have signed the SEIA Solar Industry Forced Labor Prevention Pledge. More information on the management of impacts in our supply chain can be found in the **[Sustainable supply chain](#)** section of this Report.

### 5.3. Health and safety

Health and safety is about ensuring safe workplace conditions for employees, providing OHS trainings including risk identification, prevention, and mitigation, and minimizing injuries, fatalities, and work-related illnesses.

#### Managing our impact

SOLEK proactively manages **occupational health and safety (OHS)** by implementing preventative measures, promoting employee health, and providing relevant trainings. SOLEK's Health and Safety Management System is based on ISO 45001 standards in accordance with the SOLEK Sustainability Strategy, and as well as legal requirements. In 2022, SOLEK developed the Group Integrated Policy of Health, Safety, Environment, Quality and Social Responsibility, effective from the first quarter of 2023. This policy sets forth our commitment to continuously identify, evaluate, and ensure compliance with the applicable legal requirements for health and safety. More specific health and safety plans and procedures are in place at both the corporate and project levels to ensure adequate management control. The scope of our health and safety management system covers all offices, warehouses, and PV projects. SOLEK expects all employees and others working on our behalf, including contractors, to comply with these policies, standards, plans, and procedures.

Explore our [Group Integrated Policy of Health, Safety, Environment, Quality and Social Responsibility](#).

Construction and maintenance carry a higher risk for OHS concerns, and proper management is needed to avoid **work-related injuries and fatalities**. SOLEK has therefore established procedures for hazard identification, risk assessment, and incident investigation. All employees can raise concerns (also referred to as "whistleblowing") as defined by the Group Code of Business Conduct and Ethics and the [Group Whistleblowing & Investigation Policy](#) (Reporting of Concerns Policy). Workers are encouraged to report situations that they believe jeopardize health and safety. Any concerns employees may have regarding emergency procedures should be immediately reported to a responsible person, who will then take the necessary measures to investigate and remedy the situation.

Explore our policy on the [Reporting of Concerns \(Whistleblowing\)](#), where a phone line is also made available for reporting concerns.

For all employees, SOLEK recorded no incidents of work-related injury during the period. For contractors, SOLEK recorded 6 incidents of work-related injury, for a rate of 3.44 per 200,000 hours worked. Of those, 1 was categorized as a high-consequence injury, meaning that full recovery to pre-injury health status within 6 months was not expected, for a rate of 0.57 per 200,000 hours worked. The types of work-related injuries were:

- physical (temperature, loud)
- ergonomic (manual loads handling)
- biological (COVID)
- psychosocial
- related to work-organization (fatigue and drowsiness from driving)
- due to contractor scope-of-work definition

All of the incidents occurred in SOLEK's operations in Chile, where the hazards were determined through the application of a hazard identification and risk assessment procedure, in addition to the application of health protocols required by the Ministry of Health and Ministry of Labor. More specifically, hazard identification and risk assessment procedures are job safety analyses that are performed daily by employees before starting work. More detailed information about our management of OHS in Chile can be found in the case study *Focus on OHS processes implemented in our Chilean operations*. Subsequently, local management took action to eliminate these hazards and minimize risks, mainly through work procedures that establish equipment, competence, verification, and authorization requirements for critical tasks. Other actions underway to eliminate work-related hazards and minimize risks include setting up the scope of functions, responsibilities, and coordination between own teams and contractors.

#### **CASE STUDY:** *Focus on OHS processes implemented in our Chilean operations*

In Chile, OHS systems are implemented according to the national OHS regulatory framework, Law 16744, Supreme Decree 594. Additionally, our systems are based on the requirements of ISO 45001:2018 standard, which specifies requirements for an OHS management system. Overall, our OHS system covers all our offices, warehouses, and PV projects (which includes our contractors).

Based on the requirements of the ISO 45001:2018 standard, and as a key aspect of our health and safety management system, we have developed a process which establishes the methodology for hazard identification and risk assessment. The quality of this process is ensured by engaging the entire line of operational area leaders, where training on hazard identification and risk assessment established by the structural procedure of our integrated management system are provided, as well as professional support from our Health, Safety, Environment and Community (HSEC) team. Internally, this process has been used to define action plans required for risk control.

The Group Integrated Policy of Health, Safety, Environment, Quality and Social Responsibility includes a commitment to the safety of our workers and the continuous identification of hazard and risk assessments. Prior to starting work, workers perform a daily hazard identification and risk assessment (Job Safety Analysis). A booklet is made available at all our work areas and can be used to anonymously report near misses and hazards. Managers and supervisors are trained on the appropriate management of submitted reports and our policy of no retaliation for those who report, which is part of our Code of Conduct, and Group Whistleblowing and Investigation Policy. Overall, our procedures for reporting and investigating incidents are based on the requirements of local legal regulations and the ISO 45001:2018 standard.

In Chile, we developed a procedure that ensures consultation and participation in health and safety matters, which is mainly accomplished through committees, focus groups, and surveys. This is based on the requirements of local legal regulations and the ISO 45001:2018 standard. Additionally, in accordance with local legal regulation, Supreme Decree 54, we established a joint committee that consists of representatives of the company and the workers. This committee meets once a month and oversees safety and health conditions.

Based on legal regulation and requirements of the ISO 45001:2018 standard, we have developed a procedure that detects internal training needs and defines an annual training plan, as it relates to health and safety matters. This plan includes requirements based on risks that have been identified.

#### 5.4. Community impact

Community impact is about focusing on further developing community relations, involving community in decision making, cooperating with local governments, and using local suppliers and workforce. Assessing impacts on local communities and educating the communities in key ESG areas is also important. Part of community impact is ensuring meaningful donations to support local cultural heritage and becoming a socially responsible company toward local communities.

#### Managing our impact

SOLEK aims to support the social and economic **development of communities** in our operations. The Group Sustainability Strategy includes a commitment to set up an investment plan which will include social investments to support local communities by 2025.

We operate in areas inhabited by **indigenous peoples**; therefore, without proper management, there is potential for violating their rights. To the best of our knowledge, no confirmed incidents of violations involving the rights of indigenous people occurred during the period.

Operating in new areas can cause social resistance and therefore potential for **social conflict** if not properly managed. In 2022, SOLEK identified two potential negative impacts on local communities in Chile that resulted in invalid and therefore dismissed claims that were reported to the state authority (Resolución de Calificación Ambiental). The first claim, at our Palqui project site, came from a family that argued to be the original owners of the land. The second claim, at our Arica project site, stemmed from indigenous communities that reject all kinds of industrial development and communities that illegally take over land. To help manage the Palqui project claim, we developed a collaborative relationship with the family, offering support and legal advice in the review of their property deeds. To manage the claims at our Arica project site, we hired an external consultant specialized in the management of indigenous communities. As a result, we are in the process of establishing relationships with most of the neighborhood associations and the local authority. Our operations in Chile have implemented local community relationship strategies, as represented by the infographic below. SOLEK identified one potential negative impact on local communities in Atheniou, Cyprus. This stems from SOLEK's interest in developing a cluster of photovoltaic parks in Athienou, which remains an agricultural community. Most of the new plots must be designed on the concept of agrovoltatics and due to the large size of these plots, cooperation from local farmers is required. Local community leaders with whom the company built good relations during the pilot project have provided reassurance that there is sufficient interest from local farmers to cooperate. SOLEK is also building a relationship with an expert agronomist who consultants for a University in Limassol. The expert agronomist will assist in selecting optimum symbiotic projects.

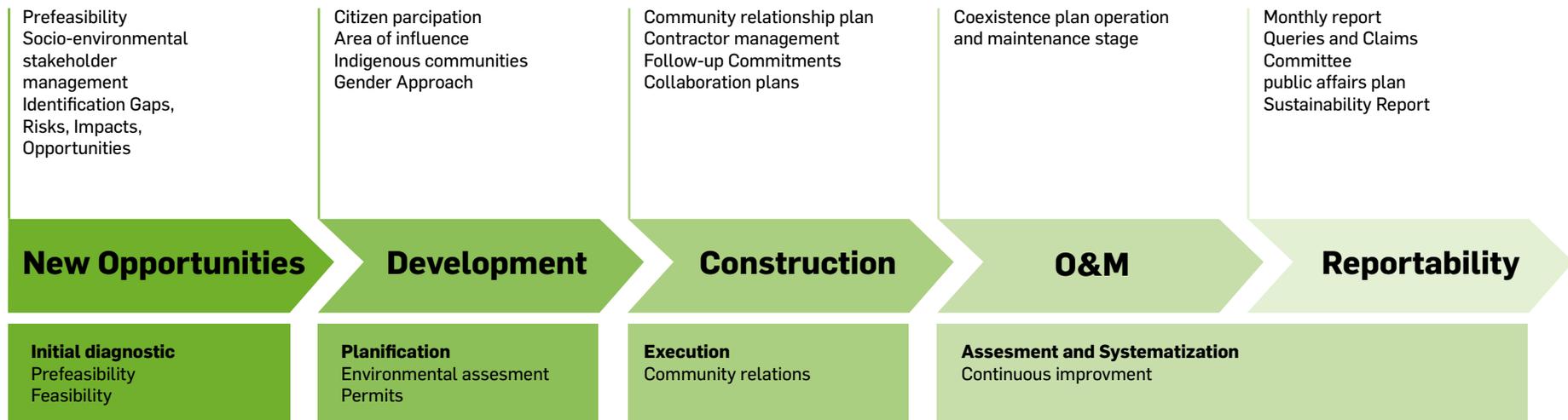


Figure 14: Community engagement program implemented at our operations in Chile

Among SOLEK’s core values are “Responsibility” and “Respect.” SOLEK has also implemented a [Group Human Rights and Local Communities Policy](#), which states our commitments to avoid or minimize adverse impacts on our stakeholders, particularly local communities. To meet this commitment, SOLEK identifies and investigates potential adverse impacts and critical concerns reported by individuals within SOLEK or by third parties. Learn more about the reporting of concerns in the [Business Ethics section](#) of this Report.

### **CASE STUDY:** *Social and environmental assessment procedures in Chile*

During the preparatory phase for construction of our sites El Huaso and Don Flavio, we implemented 5 concrete steps in our community engagement plan. These steps were as follows:

1. held community meetings in El Huaso and Don Flavio,
2. implemented a brochure that highlighted relevant information on the projects, as well as provided information for relevant SOLEK contacts (consultation) and raising complaints,
3. applied mitigation measures against environmental impacts that could affect local communities,
4. contributed to community activities and events, and
5. monitored and tracked the compliance of activities, as well as the status of progress in obtaining permits for construction.

These steps highlight SOLEK's efforts in ensuring that the communities impacted by our operations are well informed and have the means to raise any concerns. It also ensures that at SOLEK, we have a process that not only ensures regulatory compliance, but that also continues to uphold our commitments to our local stakeholders through all phases of our operations.



*Picture 5: Community outreach meeting*

### **CASE STUDY:** *Guided visits at our PV projects in Chile*

After receiving several requests from local schools and universities, SOLEK agreed to host guided visits at our Pehuenhue and Meco Chillán PV projects for Inacap and Universidad de Los Lagos students.

The tour occurred in November 2022 and hosted approximately fifty students. The tours that occur are planned by academic semester and are part of SOLEK's initiative to the O&M Community Engagement Plan. Overall, our aim is to provide hands-on learning to further educate students on projects related to renewable solar energy. As a result, one of SOLEK's goals is to further collaborate with schools and communities.



*Picture 6: Guided visit to photovoltaic plants Meco Chillán and Pehuenhue*

**CASE STUDY:** Supporting social activities of local Chilean communities

SOLEK supports the local children’s football club near our Valparaíso PV project in Las Vegas, Llay Llay, Valparaíso district. In December 2022, we visited the local football club “Club Deportivo Unión Esperanza” and made a donation to help improve their football field. Overall, we continue to maintain dialogue with locals, and we plan to further provide support and assistance to local children looking to participate in sports.



Picture 7: SOLEK's visit to Valparaíso and the local football club

**CASE STUDY:** Archeological works at the Alsol PV project in Chile

At SOLEK’s Alsol PV project, located in the district of Huertos Familiares in the Santiago region, we found archeological remains during our environmental assessment in February 2021. These remains represent ancient civilizations and have since been subjected to excavations reported to the National Council of Monuments. It is important to note that these works have been developed in permanent coordination and monitoring with the authority, ensuring that our projects are carried out while respecting our cultural heritage, and with the corresponding permissions. In the beginning of November 2022, excavating activities commenced to retrieve the materials found during the environmental assessment. This resulted in ceramics and lithics associated with an ancestral quarry. Excavating activities concluded in February 2023, where executive reports from the excavations are being submitted to the Monuments Council for final approval.



Picture 8: Archeological works at the Alsol PV project

**CASE STUDY:** *Noise and dust reduction measures at the El Ingenio PV project in Chile*

To minimize noise pollution at SOLEK's El Ingenio PV project, located in the district of La Ligua of the Region of Valparaiso, sound protection barriers were installed. These barriers were installed before work commenced on the project to and they work to protect the community from noise created during the construction stage of the project.

To minimize dust pollution, we laid down gravel onto the main, and where gravel was not implemented, a water truck periodically dampens the road to suppress the dust.

Overall, during the entire construction period of this project, noise and dust are monitored and appropriately controlled by SOLEK.



*Picture 9: Sound protection barriers at SOLEK's El Ingenio PV project*

## 6. Governance

### Generating value for our shareholders and customers through ethical and responsible business

Governance is the key to creating a systematic approach to ESG. At SOLEK, many different departments participate in the management of our material topics. The Group Compliance Officer is the person responsible for the overarching management of the identified topics and their agendas with set targets.

We want to be innovative in our business, but also make sure to uphold business ethics, comply with laws and regulations, and have solid risk management processes in place. In our operations, we also want to develop a supply chain that is sustainable.

#### Our commitments



We will create action plans with policies to successfully manage the agendas of material topics by 2024.



We will train 100% of our employees in business ethics matters annually.



We will maintain no incidents of non-compliance with laws and regulations.



By 2025 SOLEK will set up an investment plan which will include investments into innovations.



By 2025 SOLEK will establish a managerial body which will be responsible for innovation and R&D.



By 2025 SOLEK will establish and document a robust risk management process.



By 2030 the proportion of SOLEK's spending on suppliers that are committed to sustainability initiatives will reach 50% on a yearly basis.



## 2022 Governance highlights

**4**

critical concerns communicated to the highest governance body

Number of policies developed in 2022:

**5**

### Policies developed in 2022:

- Code of Business Conduct and Ethics
- Group Environment Policy
- Group Human Rights and Local Communities Policy
- Group Diversity Policy
- Group Innovation and Digitalization Policy

**0**

significant non-compliance with laws and regulations recorded in 2022

In Chile,

**26%**

of our spending is on suppliers that are committed to sustainability initiatives

### Policies adopted in 2022:

- Group Whistleblowing & Investigation Policy
- Group Conflict of Interest Policy
- Group ICT Policy
- Group Clean Desk Policy
- Group Integrated Health, Safety, Environment, Quality, and Social Responsibility Policy

**2**

of our suppliers are certified by the SEIA pledge

All SOLEK suppliers sign a declaration that confirms their alignment with our Code of Conduct against child labor and forced labor

Proportion of spending on local suppliers in SOLEK's relevant countries of operation (running projects):

**Cyprus: 66%**

**Chile: 99%**

**Greece: 100%**

**Governance impacts**

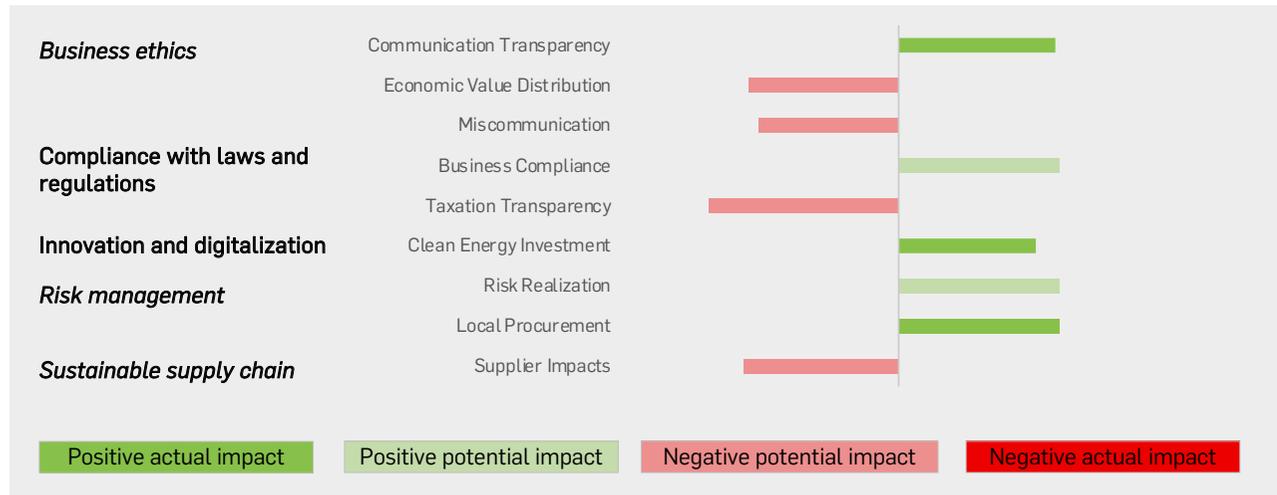


Figure 15: SOLEK’s Governance potential and actual negative and positive impacts

**Policies**

The SOLEK Group has adopted the following ESG policies to cover our material topics: [Code of Business Conduct and Ethics](#), [Group Environment Policy](#), [Group Human Rights and Local Communities Policy](#), [Group Diversity Policy](#), and [Group Innovation and Digitalization Policy](#). These ESG policies and standards contain our commitments to conducting due diligence. They support the fulfillment of the Group’s commitments in daily operations as well as in strategic, financial, and long-term decision matters. SOLEK established or improved several other policies such as the [Group Whistleblowing & Investigation Policy](#), [Group Conflict of Interest Policy](#) and [Group Integrated Health, Safety, Environment, Quality, and Social Responsibility Policy](#). At the moment, SOLEK is also finalizing the Group Procurement Policy, which will implement the disclosure process of the Supply Chain Traceability Questionnaire and Supplier’s Declaration form.

The [Code of Business Conduct and Ethics](#) is our core business standard and values document. The Code and all ESG policies apply to the whole SOLEK Group and all our subsidiaries, employees, and projects. SOLEK’s top management is responsible for internal procedures related to ESG policies, including informing and educating all our employees, who are regularly notified about any policy commitments and updates via dedicated internal channels, especially by email and in person. Education and trainings are provided,

when relevant. The ESG policies are also communicated to our business partners and other relevant parties via our website, social media, or other marketing channels. We also communicate our approach directly to our business partners at the beginning of our cooperation.

Every policy commitment is approved by the senior executive manager and signed by the Group CEO. The SOLEK Group’s senior executive management team is responsible for monitoring and reporting the KPIs set in the SOLEK Group Sustainability Strategy. The ESG Committee together with the senior management team will develop action plans in 2023 to meet the defined goals and provide sufficient financial and personnel capacity to establish and constantly develop processes needed to fulfil the SOLEK Group Sustainability Strategy commitments, especially supporting environmental and risk management, promoting an innovative approach, and managing the area of investments in innovations.

We at SOLEK believe that the successful implementation of internal policies goes hand in hand with the education of our employees in related areas. SOLEK provides training on topics such as conflicts of interest, ethics, and compliance. In 2023, we are also planning to provide mandatory online ESG trainings, DEI trainings, and other relevant education to all employees.

We appreciate reporting any violation of our business principles. All employees, business partners, or third parties can raise concerns or report any witnessed conflicts with our policies. The reporting can be addressed through our whistleblowing mechanism in accordance with SOLEK's Reporting of Concerns, [Code of Business Conduct and Ethics](#) and the Group Whistleblowing and Investigation Policy.

### 6.1. Business ethics

At SOLEK we focus on business ethics by implementing norms and policies, maintaining an up-to-date [Code of Business Conduct and Ethics](#) and having designated ethics officer. Strong corporate governance and properly assigned responsibilities are crucial for upholding our values and preventing unethical behavior such as bribery, discrimination, or insider trading. Business ethics also means protecting intellectual property rights, employees' right to form trade unions, and having whistleblowing channels in place.

#### Managing our impact

SOLEK's impact in the area of business ethics depends on open and **transparent communication**. Apart from informing about our policies through various channels, at SOLEK we are also strengthening our communication by publishing the Annual Report on our website. We recognize that insufficient or non-transparent communication can lead to **miscommunication**, especially on the local level, and we believe that being open and honest in business dealings is essential for maintaining good relationships with stakeholders. Within the Group, the Board of Directors shares the company's vision with the whole team. We have regular "All hands" meetings on a quarterly basis, where all employees can obtain relevant information on our business situation and future plan, so everybody is on the same page. For the public, we have created a "Sustainability and Ethics" section on our website where we openly share our ESG policies and commitments. Our membership in several associations also allows us to share relevant information with our peers and other stakeholders.

SOLEK mitigates negative impacts in the area of business ethics with mechanisms for individuals to raise concerns about the organization's business conduct. Within the Code, SOLEK commits to taking corrective actions based on the findings from reports received via established whistleblowing channels. We provide our employees and other external cooperating parties with a mechanism to enable them to voice concerns if they discover information that they believe shows wrongdoing. Our Whistleblowing (Speak-up) Channel provides a method for properly addressing concerns that individuals within SOLEK may have about risks, misconduct, malpractice, or wrongdoing while also providing

proper protection for the whistleblower. No confirmed incidents or legal actions were recorded through the Speak-up program during the reporting period.

Explore our [Reporting of Concerns \(Whistleblowing\) policy](#).



We also have a grievance mechanism which allows third parties such as community members and other external stakeholders to raise concerns directly on our projects. Grievances can be submitted to our website or directly to our projects through project-specific grievance mechanisms. The details of these are displayed on a notice board close to the main project entrance or access road. Any disclosed concerns are then shared with stakeholders as part of the stakeholder engagement process.

SOLEK's grievance mechanisms typically include:



Figure 16: Components of grievance mechanisms at local SOLEK sites

A Central Grievance Register is maintained and updated by the local SOLEK ESG teams. Minor grievances may be addressed immediately by the project team if full and final resolution of the issue within a very short time is possible, while more significant issues should be brought to the attention of the ESG team (Compliance, HR, HSE, Social Coordinator) for discussion and agreement. Reported concerns are generally communicated to the executive team and the Board on a quarterly basis; critical material concerns are communicated immediately. A total of 4 critical concerns were communicated to the highest governance body during the reporting period through the Whistleblowing (Speak-up) Channel. These critical concerns were of the following nature: conflict of interest, protection of personal data concern, and two cases of potential workplace harassment complaint.

SOLEK has a complex group structure with business activities in different countries and regions; therefore, there is potential for unequal distribution of economic value back to local governments and respective communities. For example, in 2022, 97% of the Group's revenues came from Chile, but only 62% of economic value distributed went to Chile. This discrepancy is mainly due to the cost of the headquarters in the Czech Republic, which provides services for SOLEK's Chilean entities, with a focus on improving procedures, efficiency, and profitability. The Group expects that as the Chilean market stabilizes, the economic value returned to Chile will grow. We also strive to engage mainly local suppliers in every region where we operate.

## 6.2. Risk management

Governance and risk management processes lead to preventing, identifying, evaluating, and prioritizing risks. It is important to avoid reputational, financial, social, and environmental risks. Insurance policies are also a part of SOLEK's risk management process.

### Managing our impact

The company's risk governance is facilitated through a top-down and bottom-up communication structure. The Board is regularly updated by the Legal & Compliance Team on any material regulatory risks and opportunities that arise, and on constructive engagements that are undertaken to deliver policy and business objectives. The Operations Team reports on a weekly basis on material operational risks that arise. SOLEK also maintains an umbrella Property and Casualty insurance policy for its operational assets.

The Group is currently implementing a Risk & Audit Committee, whose role will be:

- Responsibility for risk oversight and risk management
- Managing internal audits and periodic internal investigations
- Comprehensively monitoring the various types of risk, including reviewing the

macroeconomic context and its impact on the Group given the Group's risk tolerance

- Providing independent and objective assurance on the robustness and application of the risk management framework
- Determining the appropriateness and effectiveness of internal controls and processes
- Regularly assessing the organization for risk and suggesting areas of improvement

Another key to risk management at SOLEK is addressing any conflicts of interest presented to the business. Our new joiners are asked to complete a 'Conflict of Interest Disclosure' within the first two weeks of employment and existing employees and directors are also requested to update their disclosure at the start of the year. SOLEK provided mandatory training to all employees regarding conflicts of interest in 2022. Any significant conflict would be communicated and disclosed to stakeholders. We also adopted [Group Conflict of Interest Policy](#) to support the proper conflict of interest management.

## 6.3. Compliance with laws and regulations

It is essential to adhere to laws and regulations, including local and international laws as well as European Union law. Management is responsible for and plays key role in maintaining a good reputation. It is important to follow best practices such as ISO and to prevent fines and monetary or non-monetary sanctions.

### Managing our impact

SOLEK aligns with relevant laws and regulations in order to engage in fair and **competitive business practices**. We have established clear guidelines for relationships with competitors, which are included in our Code of Business Conduct and Ethics. These guidelines also extend to our business partners. No significant confirmed incidents of non-compliance with laws and regulations were recorded during the reporting period.

SOLEK recognizes that a lack of **taxation transparency** could lead to the deceleration of country development. To ensure transparency around taxation, the group discloses corporate income tax payment information in our annual financial reports.

## 6.4. Innovation and digitalization

Innovation means constantly upgrading our technological capabilities, investing in research and development, and automating and optimizing our processes. Our main focus areas are AI, Data management, GI, and remote sensing.

## Managing our impact

SOLEK makes a positive impact in the area of innovation by investing in new clean energy projects that help to meet the global demand for green energy. SOLEK developed a Group Innovations and Digitalization Policy in 2022, which is effective from the first quarter of 2023. In it, SOLEK commits to set up an investment plan by 2025 which will include investments into innovations, in line with the Group Sustainability Strategy. In 2022, the Group invested EUR 170 213 in innovation in the area of battery research to optimize energy conservation and flexible usage, as well as EUR 8 671 in IT investments.

Explore our Group [Innovations and Digitalization Policy](#).

## 6.5. Sustainable supply chain

For a sustainable supply chain, we focus on prioritizing transparent and local suppliers, and those compliant with ESG standards such as the UN Global Goals (SDGs) and SBTi. We also plan to incorporate sustainability criteria into our supplier selection process and due diligence.

### Managing our impact

SOLEK promotes sustainability in the supply chain by supporting **local procurement**. A large proportion of our spending goes to local suppliers. In 2022, 99% of spending in Chile, 66% in Cyprus, and 100% in Greece went to suppliers within each respective country.

SOLEK does not systematically apply social or environmental criteria to screen new suppliers or assess suppliers' social impacts. Two local suppliers of SOLEK's operations in Cyprus were assessed for environmental impacts on an ad-hoc basis. The Group is currently developing its due diligence procedures and plans to improve its ability to respond to such cases in the future.

The Group does, however, already prioritize suppliers that are committed to sustainability. In 2022, the share of SOLEK's spending on suppliers that are committed to sustainability initiatives was 26%. The Group Sustainability Strategy includes a commitment to increase this share to 50% by 2050. Two new suppliers of the Group's operations in the Czech Republic have signed the Forced Labor Prevention Pledge of the Solar Energy Industry Association (SEIA) opposing the use of forced labor within the solar supply chain. SOLEK itself is also a signatory.

Through the **supply chain**, SOLEK faces the risk of contributing to negative economic, environmental, and social impacts if suppliers are not properly screened, monitored, and managed. Our Chinese suppliers of PV modules and trackers as well as one supplier of inverters are considered to have risk for incidents of forced or compulsory labor. To address this risk, SOLEK implemented a new procedure in June 2022 which requires all new suppliers to sign the Supplier's Declaration in which they acknowledge their acceptance of the Group's conditions regarding transparent, honest, and ethical conduct, including compliance with our Code of Business Conduct and laws against child labor and forced labor. All of our suppliers have signed the Declaration, and any violations may result in the termination of business relations. None of the Group's suppliers are considered to have significant risk for incidents of child labor or young workers exposed to hazardous work.

In 2023, SOLEK plans to develop a new Group Procurement Policy, which will be valid starting in May 2023, and implement a new Supply Chain Traceability Questionnaire. The Group also plans to implement more controls and internal audits. SOLEK has joined the Business & Human Rights Accelerator for participants of the United Nations Global Compact, which would help us establish an ongoing human rights due diligence process and better evaluate the sustainability performance of our supply chain.

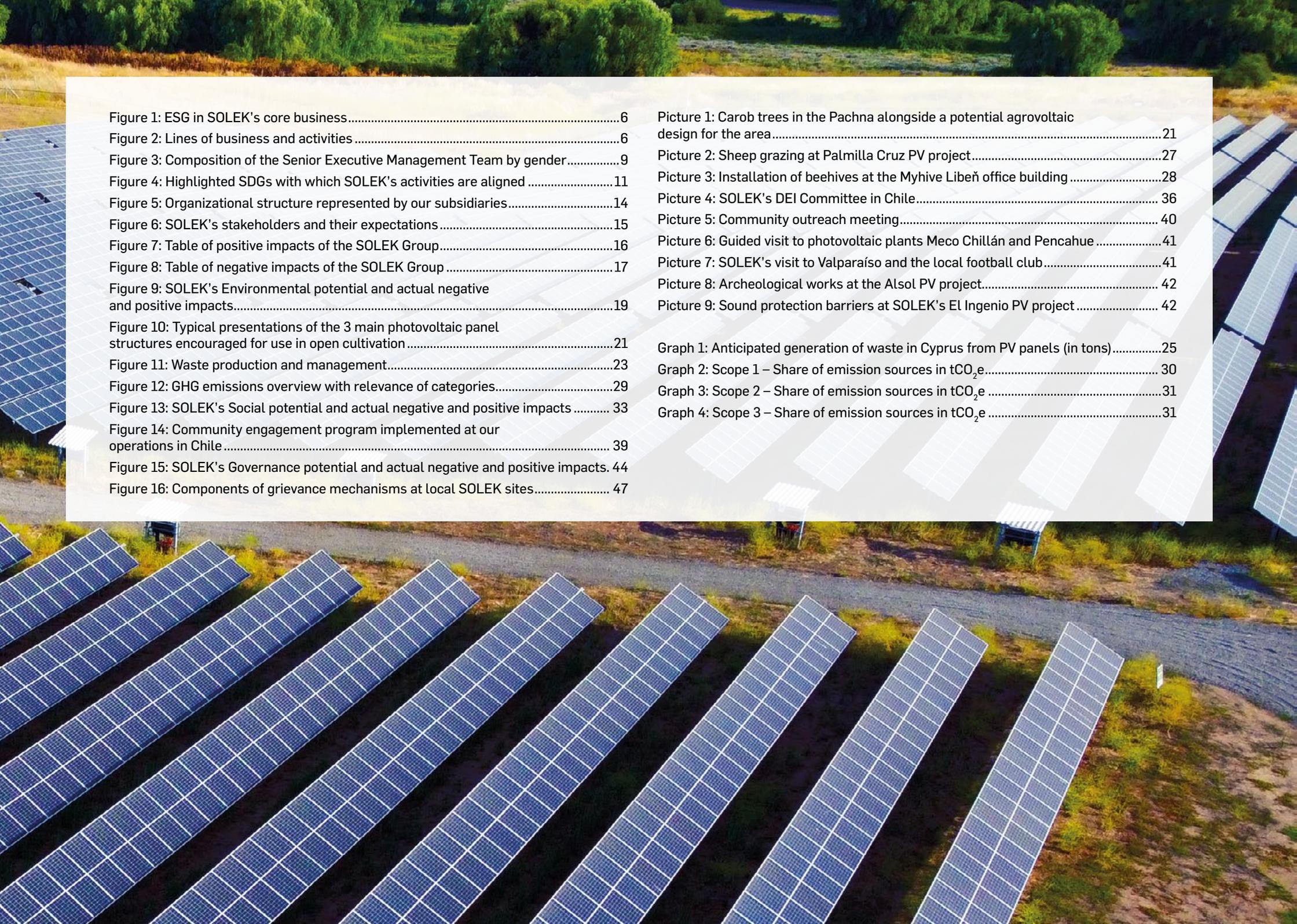


## 7. Annex

### 7.1. List of tables, figures, pictures and graphs

Table 1: Results of the study conducted by SOLEK CYPRUS SERVICES LTD.....	22
Table 2: Stakeholder expectations .....	55
Table 3: List of SOLEK's material topics in alphabetical order .....	56
Table 4: List of SOLEK's impacts by its significance, presented from the most significant impact.....	57
Table 5: Volume of waste produced [tons].....	61
Table 6: Volume of waste diverted from disposal [tons].....	61
Table 7: Treatment of non-hazardous waste diverted from disposal [tons].....	61
Table 8: Volume of waste directed to disposal [tons].....	61
Table 9: Treatment of non-hazardous waste directed to disposal [tons].....	62
Table 10: Treatment of hazardous waste directed to disposal [tons].....	62
Table 11: Generated electricity (sold) [million kWh].....	62
Table 12: Total energy consumption within the organization [MWh] .....	62
Table 13: Energy intensity ratio for the organization [MWh/EUR million].....	63
Table 14: Breakdown of Scope 1 emissions [tCO <sub>2</sub> e].....	63
Table 15: Breakdown of Scope 2 emissions [tCO <sub>2</sub> e].....	63
Table 16: Breakdown of Scope 3 emissions [tCO <sub>2</sub> e].....	64
Table 17: GHG emissions intensity ratio for the organization [tCO <sub>2</sub> e/EUR million].....	65
Table 18: Total avoided emissions [tCO <sub>2</sub> e] .....	65
Table 19: Employees by employment type [headcount] .....	65
Table 20: Employee diversity by employee level – executives [headcount].....	66
Table 21: Employee diversity by employee level – managers [headcount] .....	66
Table 22: Employee diversity by employee level – other levels [headcount].....	67
Table 23: Employee diversity by employee position – administrative [headcount] .....	68
Table 24: Employee diversity by employee position – technical positions [headcount] .....	69
Table 25: Employee diversity by employee position – manual labor positions [headcount] .....	69
Table 26: Employees with disabilities [headcount].....	70
Table 27: Employee new hires [headcount].....	70
Table 28: Employee leavers [headcount] .....	71
Table 29: Collective bargaining agreements [headcount].....	71
Table 30: Parental leave for employees [headcount] .....	71
Table 31: Workers who are not direct employees [headcount] .....	72
Table 32: Employees and workers covered by a health & safety management system [headcount] .....	72
Table 33: Hours worked [thousand hours] .....	73
Table 34: Employee work-related injuries [absolute value].....	73
Table 35: Contractor work-related injuries [absolute value] .....	73
Table 36: Employee training by gender [hours] .....	74
Table 37: Employee training by employee level [hours] .....	74
Table 38: Employee training by employee position [hours].....	75
Table 39: Employee training in combating corruption, bribery, GDPR, and SOLEK's Code of Conduct [headcount].....	75
Table 40: Employees receiving regular performance and career development reviews by employee level – executives [headcount].....	75
Table 41: Employees receiving regular performance and career development reviews by employee level – managers [headcount].....	76
Table 42: Employees receiving regular performance and career development reviews by employee level – other levels [headcount] .....	76
Table 43: Employees receiving regular performance and career development reviews by employee position – administrative positions [headcount] ..	76
Table 44: Employees receiving regular performance and career development reviews by employee position – technical positions [headcount].....	77
Table 45: Employees receiving regular performance and career development reviews by employee position – manual labor positions [headcount] .....	77
Table 46: Annual total compensation [EUR].....	78
Table 47: Critical concerns [absolute value] .....	78
Table 48: Instances of non-compliance with laws and regulations [absolute value]...78	
Table 49: Labor harassment issues [absolute value].....	78
Table 50: Incidents of violations involving rights of indigenous peoples [absolute value].....	78
Table 51: Suppliers [absolute value] .....	78
Table 52: Investments [EUR] .....	79
Table 53: Direct economic value generated and distributed [EUR].....	79

Figure 1: ESG in SOLEK's core business.....	6	Picture 1: Carob trees in the Pachna alongside a potential agrovoltaic design for the area.....	21
Figure 2: Lines of business and activities .....	6	Picture 2: Sheep grazing at Palmilla Cruz PV project.....	27
Figure 3: Composition of the Senior Executive Management Team by gender.....	9	Picture 3: Installation of beehives at the Myhive Libeň office building .....	28
Figure 4: Highlighted SDGs with which SOLEK's activities are aligned .....	11	Picture 4: SOLEK's DEI Committee in Chile.....	36
Figure 5: Organizational structure represented by our subsidiaries.....	14	Picture 5: Community outreach meeting.....	40
Figure 6: SOLEK's stakeholders and their expectations .....	15	Picture 6: Guided visit to photovoltaic plants Meco Chillán and Penciahue .....	41
Figure 7: Table of positive impacts of the SOLEK Group.....	16	Picture 7: SOLEK's visit to Valparaíso and the local football club.....	41
Figure 8: Table of negative impacts of the SOLEK Group .....	17	Picture 8: Archeological works at the Alsol PV project.....	42
Figure 9: SOLEK's Environmental potential and actual negative and positive impacts.....	19	Picture 9: Sound protection barriers at SOLEK's El Ingenio PV project .....	42
Figure 10: Typical presentations of the 3 main photovoltaic panel structures encouraged for use in open cultivation .....	21	Graph 1: Anticipated generation of waste in Cyprus from PV panels (in tons).....	25
Figure 11: Waste production and management.....	23	Graph 2: Scope 1 – Share of emission sources in tCO <sub>2</sub> e.....	30
Figure 12: GHG emissions overview with relevance of categories.....	29	Graph 3: Scope 2 – Share of emission sources in tCO <sub>2</sub> e .....	31
Figure 13: SOLEK's Social potential and actual negative and positive impacts .....	33	Graph 4: Scope 3 – Share of emission sources in tCO <sub>2</sub> e .....	31
Figure 14: Community engagement program implemented at our operations in Chile .....	39		
Figure 15: SOLEK's Governance potential and actual negative and positive impacts. 44			
Figure 16: Components of grievance mechanisms at local SOLEK sites.....	47		



## 7.2. Abbreviations

Abbreviation	Definition
AI	Artificial intelligence
BREEAM	Building Research Establishment Environmental Assessment Method
CONAF	Corporación Nacional Forestal, by Chile's National Forestry Corporation
DEI	Diversity, Equity, and Inclusion
EIA	Environmental Impact Assessment
ESG	Environmental, Social and Governance
EU	European Union
GI	Geographic Information
HSEC	Health, Safety, Environment, and Community Team
ILO	International Labour Organization
KPI	Key Performance Indicators
OHS	Occupational Health and Safety
PV	Photovoltaic
R&D	Research and Development
SEIA	Solar Energy Industries Association
UNCRPD	The United Nations Convention on the Rights of Persons with Disabilities
UNGA	The United Nations General Assembly
WEEE	Waste from Electrical and Electronic Equipment
WTT	Well-to-tank emission factor

## 7.3. Units

Unit	Definition
CO <sub>2</sub>	Carbon dioxide
GW	Gigawatt
ha	Hectare
kg	Kilogram
kg CO <sub>2e</sub>	Kilograms of CO <sub>2</sub> equivalent
kW	Kilowatt
kWh	Kilowatt-hour
kWp	Kilowatt-peak
MW	Megawatt
MWh	Megawatt-hour
tCO <sub>2e</sub>	Tons of CO <sub>2</sub> equivalent

## 7.4. Glossary

	Definition
<b>BREEAM</b>	The Building Research Establishment Environmental Assessment Method is a science-based certification system that looks at identifying the impacts of a building, and its design, on the environment.
<b>Code, Code of Ethics</b>	SOLEK's Code of Business Conduct and Ethics.
<b>Company</b>	SOLEK HOLDING SE, ID No.: 29202701, with registered seat at Voctářova 2497/18, Libeň, 180 00 Prague 8, registered Commercial Register kept by Municipal Court in Prague, file No. H218.
<b>DEI</b>	Diversity, equity, and inclusion means supporting and providing equal opportunities to individuals with different backgrounds and identities, including people of different races, ethnicities, religions, abilities, genders, and sexual orientations.

<b>EU CFR</b>	The Charter of Fundamental Rights of the European Union.
<b>GRI Standards</b>	The world's most widely used sustainability reporting standards, provided by the Global Reporting Initiative, an independent organization dedicated to improving transparency and consistency in the reporting of sustainability contributions and impacts.
<b>Group Company</b>	Any company that is part of the SOLEK Group.
<b>Indigenous people</b>	<p>Indigenous peoples are generally identified as:</p> <p>1) tribal peoples in independent countries whose social, cultural, and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations;</p> <p>2) peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural, and political institutions.</p>
<b>ISO</b>	An International Organization for Standardization that develops and publishes International Standards.
<b>LGBTQ+ rights</b>	Ensuring lesbian, gay, bisexual, transgender, queer (or sometimes questioning), and other individuals have equal rights.
<b>SEIA Pledge</b>	Solar Industry Forced Labor Prevention Pledge.
<b>SDGs</b>	17 Sustainable Development Goals defined in the 2030 Development Agenda titled "Transforming our world: the 2030 Agenda for Sustainable Development."
<b>SOLEK Group, SOLEK, the Group</b>	The Company and its subsidiaries, hereinafter referred to as "the SOLEK Group" or "the Group."
<b>Sustainability Strategy</b>	SOLEK Sustainability strategy issued in 2022.

## 7.5. Methodology notes

### Stakeholder engagement

Table 2: Stakeholder expectations

<b>INVESTORS &amp; LENDERS</b>	Investors and lenders are regarded as crucial stakeholders. From the logic of their role, their expectations are our performance, high long-term profits, strong risk management, clear and transparent development plans and strategy, and legal compliance.
<b>Banks, bond holders and other investors</b>	
<b>BUSINESS PARTNERS</b>	Our business partners in the form of electricity network operators, distributors, and energy traders mainly expect transparent communication, legal compliance, and beneficial partnerships.
<b>Direct customers</b>	
<b>TOP MANAGEMENT</b>	Since we are passionate about our work, the vision of our top management is to ensure long-term profitability and company growth. All our actions are focused on becoming the industry leader and a reliable partner to stakeholders.
<b>Stakeholders with decision-making power</b>	
<b>LANDOWNERS</b>	As landowners support the production of clean energy and the protection of the environment at the same time, besides high profits, sustainable land management, and fair and safe use of the land are their main expectations of their cooperation with SOLEK.
<b>Owners of the land are our key stakeholders</b>	
<b>SUPPLIERS &amp; CONTRACTORS</b>	Our suppliers and contractors play an important role in our business and we strive to meet their expectations, such as transparent communication, legal compliance, and beneficial partnerships.
<b>Supply chain</b>	
<b>LOCAL COMMUNITIES &amp; MUNICIPALITIES</b>	We would not be able to develop, build and maintain power plants on the energy farms of our landowners without fruitful and transparent cooperation with local communities and municipalities. Hence, we strive to be a responsible and good employer of local people, support community development, maintain land management, and provide clean and affordable energy.
<b>Local decision-makers</b>	

<b>GOVERNMENT &amp; REGULATORS</b>	We consider the European Commission and Chilean president Gabriel Boric to be our important stakeholders, who expect us to be a responsible taxpayer, comply with the law, and be transparent. Furthermore, governments and regulators expect us to reduce emissions and to continue developing energy infrastructure.
<b>Regional, national, EU, and global decision-makers and institutions</b>	
<b>EMPLOYEES</b>	As a fair employer, we strive to ensure that our commitment to sustainability is integrated into our everyday work and perceived by our employees. We ensure a healthy and safe work environment and secure, well-paid jobs.
<b>We are a fair employer</b>	
<b>ENERGY CUSTOMERS</b>	Electricity consumers are at the core of our renewable solar energy production. They need reliable, affordable, and sustainable energy. End customers also motivate us to pay attention to emissions reduction and to focus on responsible operations in terms of social and environmental accountability.
<b>Electricity end consumers</b>	

### Materiality assessment

To conduct the materiality assessment, the first step was to define its scope by selecting the relevant sustainability topics and areas of the business to be included. Relevant standards such as GRI and ESRS drafts were considered during the process to ensure a comprehensive assessment. Firstly, to gain a better understanding of SOLEK's sustainability impacts, performance, and value creation, a combination of quantitative and qualitative data gathering methods such as interviews, surveys, and financial analysis was performed in cooperation with various stakeholder groups, which were relevant to the assessment. Consequently, the data was completed by supporting information obtained through peer analysis, and industry trend analysis.

After collecting all the necessary information, we organized the identified impacts in a standardized manner to ensure comparability and effective evaluation. The impacts were sorted into four categories: negative actual, negative potential, positive actual, and positive potential. This categorization helped us to identify attributes relevant for evaluation (scale, scope, irremediable character, and likelihood). Two independent evaluators conducted separate assessments, and the results were compared and discussed. If the

two individual evaluations were not aligned, the impacts would be re-evaluated. We used a common risk assessment scale and implemented dual evaluation to enhance consistency.

The list of evaluated impacts was presented to various internal and external stakeholders, and tested against relevant reporting frameworks and standards. As the final step of impact analysis, the results were discussed, adjusted, and approved by SOLEK's Board of Directors. SOLEK intends to regularly review and update the sustainability assessment and its related impacts and issues.

### List of material topics

**Table 3: List of SOLEK's material topics in alphabetical order**

Biodiversity protection and conservation
Business ethics
Clean and affordable energy
Climate change
Community impact
Compliance with laws and regulations
Employees
GHG emissions
Health and safety
Human and labor rights
Innovation and digitalization
Resource efficiency and waste management
Risk management
Sustainable supply chain

## List of impacts

Table 4: List of SOLEK's impacts by its significance, presented from the most significant impact

Impact name	Impact description
<b>Climate Change Mitigation</b>	Our main business activity of clean energy production further supports the mitigation of climate change
<b>GHG Emissions</b>	GHG emissions are produced during the construction, manufacturing and recycling of solar panel systems
<b>Employee Diversity</b>	Support employee diversity through business practices (e.g. through hiring practices and processes)
<b>Non-Discrimination</b>	Ensure non-discrimination in hiring process and the workplace (e.g. providing equal benefits, including parental leave)
<b>Biodiversity Risks</b>	Due to the extent of land use required for our operations, there is a potential for irreversible impact on biodiversity (extinction of threatened fauna and flora)
<b>Indigenous Rights</b>	We operate in areas inhabited by indigenous peoples; therefore, potential for violating their rights if not properly managed
<b>Supply Chain Rights</b>	Our business activities require suppliers from diverse environments and contexts; therefore, potential risk of human and labor rights violations in supply chain if not properly managed
<b>Work-Related Risks</b>	Construction and maintenance have a higher risk for OHS concerns; therefore, if not properly managed, work-related injuries and fatalities can occur
<b>Taxation Transparency</b>	Decelerating country development through the lack of taxation transparency.

<b>Local Employment</b>	Local employment supports local economies
<b>Community Development</b>	Operations support the social and economic development of communities
<b>Hazardous Waste Management</b>	Hazardous waste is created through our construction activities, therefore potential to cause harm if not properly disposed of and managed
<b>Risk Realization</b>	Less realization of risk in operations (e.g. climate, operational and financial risks) as a result of sound management approach
<b>Business Compliance</b>	Fair and competitive business practice as a result of alignment with relevant laws and regulations
<b>Decent Work</b>	Providing stable and decent work
<b>Occupational Health and Safety</b>	Proactively managing OHS by implementing preventative measures (e.g. promoting employee health and providing relevant trainings)
<b>Local Procurement</b>	Support local procurement
<b>Environmental Impact Assessment</b>	Through EIA (environmental impact assessments) ensure environmentally-focused impacts are identified and that there are measures in place for their proper management
<b>Communication Transparency</b>	Open and transparent communication. (e.g. sustainability strategy and annual reporting)
<b>Supplier Impacts</b>	Potential to increase negative economic, environmental, and social impacts if suppliers are not properly screened/ assessed, monitored, and managed
<b>Economic Value Distribution</b>	Complex group structure with business activities in different countries and regions; therefore, potential for unequal distribution of economic value back to local governments and respective communities
<b>Social Conflict</b>	Operating in new areas can cause social resistance; therefore, potential for social conflict if not properly managed

<b>Miscommunication</b>	Insufficient transparent communication can lead to false perceptions (e.g. on a local level)
<b>Clean Energy Investment</b>	Investing in new clean energy innovation projects
<b>Employee Skill Development</b>	Investing in trainings to provide employees with new and relevant skill sets, especially those that will support the future of energy
<b>Biodiversity Cooperation</b>	Cooperation with local groups focused on biodiversity allows for our greater understanding of surrounding landscapes, as well, operational acceptance
<b>Limited Local Employment</b>	Our business does not require a large workforce; therefore limits the number of people that directly experience the benefits of our operations through employment (especially on a local level)
<b>Local Skill Shortage</b>	Our operations require specific skillsets; therefore, potential that there will be a lack of local job opportunities due to inadequate institutional support that provides these skills
<b>Research and Development</b>	Focus on the future of energy through research and development; to be able to ensure the availability of clean and affordable energy



## List of entities included in the Report



### SPV CHILE

#### SPV owned by SOLEK Chile Holding II SpA

1. PARQUE SOLAR OVALLE NORTE SpA
2. PARQUE SOLAR LO CHACON SpA
3. PARQUE SOLAR MECO CHILLAN SpA
4. MEMBRILLO SOLAR SpA
5. PARQUE SOLAR EL SAUCE SpA
6. FOTOVOLTAICA AVELLANO SpA
7. PARQUE SOLAR CANTILLANA SpA
8. PARQUE SOLAR COLINA SpA
9. PARQUE SOLAR TABOLANGO SpA
10. LUCIANO SOLAR SpA

#### SPV owned by SOLEK Chile Holding III SpA

1. PARQUE SOLAR DON FLAVIO SpA
2. PARQUE SOLAR ITIHUE SpA
3. PARQUE SOLAR SALAMANCA SpA

#### SPV owned by SOLEK Chile Holding IV SpA

1. PARQUE SOLAR LINARES NORTE SpA
2. PARQUE SOLAR TRUPAN SpA
3. PARQUE SOLAR EL CAQUI SpA
4. PARQUE SOLAR CAMPANAS SpA
5. LIMACHE SOLAR SpA
6. HUMBERTO SOLAR SpA
7. PARQUE SOLAR PANGUILEMO SpA
8. PARQUE SOLAR LOS PEUMOS SpA
9. SOLAR EL GULTRO SpA
10. PARQUE SOLAR COLIMAVILLA SpA
11. PARQUE SAN LORENZO SpA
12. PARQUE SOLAR KARELIA SpA
13. PARQUE SOLAR SAN ISIDRO SpA
14. PARQUE SOLAR CONTY SpA
15. PARQUE SOLAR LAJA SpA
16. PARQUE SOLAR CONCON SpA
17. PARQUE SOLAR TARA SpA
18. PARQUE SOLAR CARRIZO SpA
19. PARQUE SOLAR ATACAMA SpA
20. PARQUE SOLAR ROMA SpA
21. PARQUE SOLAR SANTA MARTA SpA
22. PARQUE SOLAR ALAGUA SpA
23. PARQUE SOLAR LA ESPERANZA SpA

#### SPV owned by SOLEK Chile Holding IV SpA

24. PARQUE SOLAR DOÑA BERTA SpA
25. PARQUE SOLAR LA CHALINGA SpA
26. PARQUE SOLAR ANDROMEDA SpA
27. PARQUE SOLAR NARCISO SpA
28. PARQUE SOLAR BADAJOZ SpA
29. PARQUE SOLAR POPETA SpA
30. PARQUE SOLAR NUMPAY SpA
31. PARQUE SOLAR EULALIA SpA
32. PARQUE SOLAR MIÑO SpA
33. PARQUE SOLAR LIRCAY SpA
34. PARQUE SOLAR LOS OLIVOS SpA
35. PARQUE SOLAR REQUEGUA SpA
36. PARQUE SOLAR PEUMO SpA
37. PARQUE SOLAR AGUAS BUENAS SpA
38. PILAR SOLAR SpA

#### SPV owned by SOLEK Chile Holding V SpA

- PARRAL SOLAR SpA  
RENATO Solar SpA

#### SPV owned by SOLEK Alpha SpA

1. CHAMPA SOLAR SpA
  2. PARQUE SOLAR DON CHACHO SpA
  3. PARQUE SOLAR KALI SpA
  4. PARQUE SOLAR SANTA CRUZ SpA
  5. FENIX SOLAR SpA
  6. PATRICIA SOLAR SpA
  7. ARMANDO SOLAR SpA
- RENATO SOLAR SpA  
PARQUE SOLAR SANTA REBECA SpA  
PARQUE SOLAR DEL SOL SpA  
PARQUE SOLAR BARRANCON SpA

#### SPV owned by SOLEK Gamma SpA

1. PARQUE SOLAR LEYDA SpA
2. PARQUE SOLAR UNIHUE SpA
3. SANTA BARBARA SpA
4. PARQUE SOLAR DOÑA CARMEN SpA
5. JOEL SOLAR SpA
6. MARGARITA SOLAR SpA
7. PARQUE SOLAR MINA DORADA SpA



### SPV ROMANIA

#### SPV owned by SOLEK EUROPE Holding s.r.o.

1. PVSR Bucharest I S.R.L.
2. PVSR Bucharest II S.R.L.
3. PVSR Bucharest III S.R.L.
4. PVSR Bucharest IV S.R.L.
5. PVSR Bucharest V S.R.L.
6. PVSR Bucharest VI S.R.L.
7. PVSR Bucharest VII S.R.L.
8. PVSR Bucharest VIII S.R.L.



### SPV GREECE

#### SPV owned by SOLEK EUROPE Holding s.r.o.

1. GR ATHENS 1 SMPC
2. GR ATHENS 2 SMPC
3. GR ATHENS 3 SMPC
4. GR ATHENS 4 SMPC
5. GR ATHENS 5 SMPC
6. GR ATHENS 6 SMPC



### SPV CZECH REPUBLIC

#### SPV owned by SOLEK EUROPE Holding s.r.o.

- SOLEK FVE Popovice s.r.o.  
SOLEK FVE Stránka s.r.o.  
SOLEK Česká republika s.r.o.



### SPV CYPRUS

#### SPV owned by SOLEK EUROPE Holding s.r.o

1. SOLEK LARNAKA I LIMITED
2. SOLEK LEMESOS I LIMITED
3. SOLEK PROMITHIA LIMITED
4. SOLEK PAPHOS I LIMITED



### SPV SPAIN

#### SPV owned by SOLEK EUROPE Holding s.r.o.

1. PVSS Madrid SLU
2. PVSS Catalonia SLU



### SPV COLOMBIA

#### SPV, owned by SOLEK Colombia Holding SAS

1. PARQUE SOLAR LAS PLAYAS S.A.S.

## Reporting Principles

SOLEK adheres to and respects the reporting principles that guide the organization to ensure quality and proper presentation of reported information in accordance with the GRI standards. The reporting principles aim to provide high-quality information, allowing report users to make informed assessments and decisions about the organization's impacts and contribution to sustainable development.

The reporting principles include Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, and Timeliness. In accordance with these principles, SOLEK aims to report information that is correct, balanced, accessible, unbiased, and presented in a comparable way. Information should be complete and reported in the sustainability context, allowing an analysis of changes in the organization's impacts over time and relative to other organizations.

## 7.6. Data Tables

Table 5: Volume of waste produced [tons]

	2022
<b>Volume of waste produced, by:<sup>1</sup></b>	
Hazardous	9.57
Non-hazardous	74.32
<b>Total</b>	<b>83.88</b>

Table 6: Volume of waste diverted from disposal [tons]

	2022
<b>Volume of waste diverted from disposal, by:</b>	
Hazardous waste diverted from disposal	0
Non-hazardous waste diverted from disposal	10.50
<b>Total</b>	<b>10.50</b>

<sup>1</sup> Note Cyprus, Romania and Hungary could not provide data because missing data collection.

Table 7: Treatment of non-hazardous waste diverted from disposal [tons]

	2022
<b>Volume of non-hazardous waste produced, by:</b>	
Preparation for reuse on-site	7.20
Recycling on-site	3.30
<b>Total</b>	<b>10.50</b>

Table 8: Volume of waste directed to disposal [tons]

	2022
<b>Volume of waste directed to disposal, by:</b>	
Hazardous waste directed to disposal	9.57
Non-hazardous waste directed to disposal	63.82
<b>Total</b>	<b>73.38</b>

Table 9: Treatment of non-hazardous waste directed to disposal [tons]

	2022
<b>Volume of non-hazardous waste directed to disposal, by:</b>	
Landfilling – on site	61.62
Incineration (without energy recovery) – on site	0.20
Incineration (without energy recovery) – offsite	2
<b>Total</b>	<b>63.82</b>

Table 10: Treatment of hazardous waste directed to disposal [tons]

	2022
<b>Volume of hazardous waste directed to disposal, by:</b>	
Incineration (with energy recovery) – on site	6.80
Other disposal operations	2.77
<b>Total</b>	<b>9.57</b>

Table 11: Generated electricity (sold) [million kWh]

	2022
<b>Generated electricity (sold), by:</b>	
Solar	78.63
<b>Total</b>	<b>78.63</b>

Table 12: Total energy consumption within the organization [MWh]

	2022
<b>Energy consumption within the organization, by:</b>	
The total amount of energy produced for heating from a particular type of fuel:	
Heating:	
Natural Gas	33.23
The total amount of energy purchased for heating from a particular type of fuel:	
Type of purchased electricity:	
Non-renewable electricity	447.79
Electricity with certificate of origin / green certificate	193.59
Type of purchased heat:	
Non-renewable	445.54
<b>Total<sup>2</sup></b>	<b>1120.16</b>

Table 13: Energy intensity ratio for the organization [MWh/EUR million]

	2022
<b>Energy intensity, by:</b>	
Total energy consumption within the organization [MWh]	1120.16
Total revenue [EUR million]	51.54
<b>Total</b>	<b>21.73</b>

<sup>2</sup> Self-generated electricity, heating, cooling, and steam, which are not consumed, and Total volume of electricity generated (sold) are not presented in the table of Total energy consumption because the value in both cases is the same which means subtract one from another based on the counting formula gives zero.

Table 14: Breakdown of Scope 1 emissions [tCO<sub>2</sub>e]

	2022
<b>Scope 1 emissions, by:</b>	
Heating	6.72
Refrigerant leak	1.48
Passenger vehicles – business trips (gasoline)	136.53
Passenger vehicles – business trips (diesel)	336.89
Fuel consumed in technical equipment – cleaning equipment for solar panels (gasoline)	104.20
Delivery vehicles – business related (Gasoline)	6.89
Fuel consumed in technical equipment – Hand tools and generator (Diesel)	1.66
Generator (Diesel)	1.66
<b>Total</b>	<b>596.02</b>

Table 15: Breakdown of Scope 2 emissions [tCO<sub>2</sub>e]

	2022
<b>Scope 2 emissions, by:</b>	
Electricity consumption (market based)	136.26
Electricity consumption – renewable electricity (market based)	0.00
Purchased heat	76.07
<b>Total</b>	<b>212.33</b>

Table 16: Breakdown of Scope 3 emissions [tCO<sub>2</sub>e]

	2022
<b>Scope 3 emissions, by:</b>	
Business travel	13 941.51
Electricity consumption – Transmission and distribution losses	11.35
Electricity consumption – Transmission and distribution losses WTT	2.71
Electricity consumption – WTT	29.68
Heating – WTT	1.19
HO	31.75
Purchased heat – Transmission and distribution losses	4.01
Purchased heat – Transmission and distribution losses WTT	0.74
Purchased heat – WTT	14.05
Employees commuting by car	96.57
Employees commuting by car – WTT	25.51
Employees commuting by public transport	26.42
Employees commuting by public transport – WTT	6.83
Passenger vehicles – business trips (Diesel) – WTT	156.99
Passenger vehicles – business trips (Gasoline) – WTT	38.73
Delivery vehicles – business related (Gasoline) – WTT	1.95
Fuel consumed in technical equipment – Cleaning equipment for solar panels (Gasoline) – WTT	29.56

Fuel consumed in technical equipment – Hand tools and generator (Diesel) – WTT	77.27
Generator (Diesel) – WTT	77.27
<b>Total</b>	<b>14 574.10</b>

Table 17: GHG emissions intensity ratio for the organization [tCO<sub>2</sub>e/EUR million]

	<b>2022</b>
<b>GHG emissions intensity, by:</b>	
Total volume of GHG emissions [tCO <sub>2</sub> e]	15 382.44
Total revenue [EUR million]	51.54
<b>Total</b>	<b>298.46</b>

Table 18: Total avoided emissions [tCO<sub>2</sub>e]

	<b>2022</b>
<b>Total avoided emissions, by:</b>	
Produced solar electricity	24 154.0
<b>Total</b>	<b>24 154.0</b>

Table 19: Employees by employment type [headcount]

	<b>2022</b>
<b>Employee breakdown, by:</b>	
Employees on a temporary contract	2
Employees on a permanent contract	229
Non-guaranteed hours employees	0
Full-time employees	219
Part-time employees	12
<b>Total employees</b>	<b>231</b>

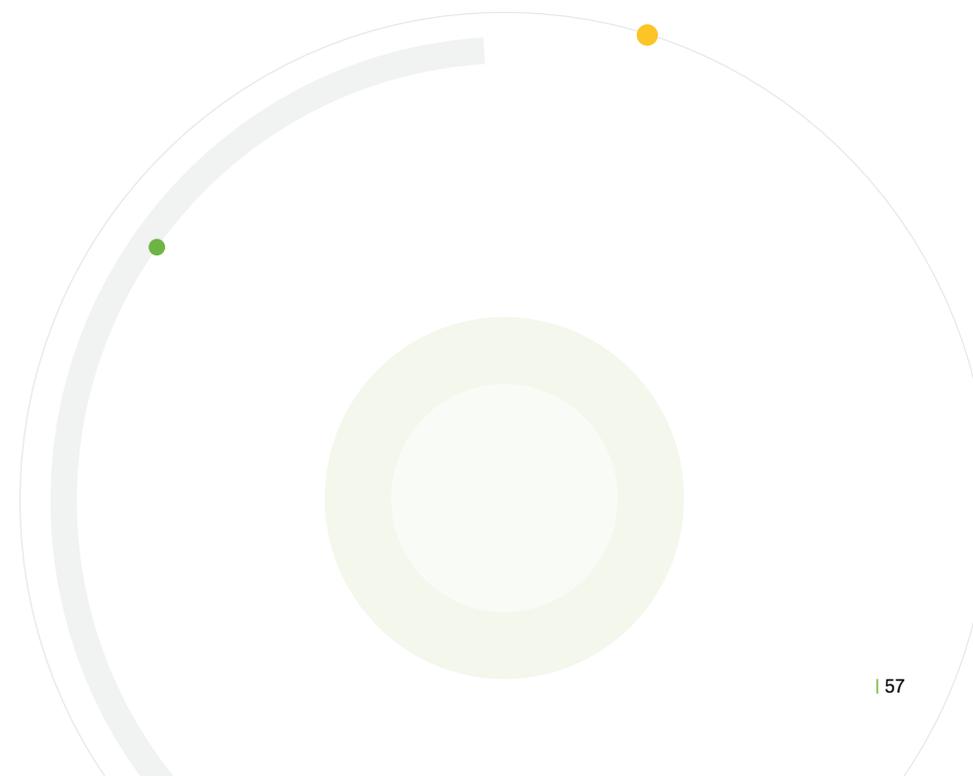


Table 20: Employee diversity by employee level – executives [headcount]

<b>Number of executives, by:</b>	
Males	10
<i>under 30 years old</i>	0
<i>30-50 years old</i>	6
<i>over 50 years old</i>	4
Females	3
<i>under 30 years old</i>	0
<i>30-50 years old</i>	2
<i>over 50 years old</i>	1
<b>Total</b>	<b>13</b>
<b>Percentage of executives, by</b>	
Males [%]	4.33
<i>under 30 years old [%]</i>	0.00
<i>30-50 years old [%]</i>	2.60
<i>over 50 years old [%]</i>	1.73
Females [%]	1.30
<i>under 30 years old [%]</i>	0.00
<i>30-50 years old [%]</i>	0.87
<i>over 50 years old [%]</i>	0.43
<b>Total percentage [%]</b>	<b>5.63</b>

Table 21: Employee diversity by employee level – managers [headcount]

<b>Number of managers, by:</b>	
Males	26
<i>under 30 years old</i>	0
<i>30-50 years old</i>	19
<i>over 50 years old</i>	7
Females	8
<i>under 30 years old</i>	0
<i>30-50 years old</i>	7
<i>over 50 years old</i>	1
<b>Total</b>	<b>34</b>
<b>Percentage of managers, by:</b>	
Males [%]	11.26
<i>under 30 years old [%]</i>	0.00
<i>30-50 years old [%]</i>	8.23
<i>over 50 years old [%]</i>	3.03
Females [%]	3.46
<i>under 30 years old [%]</i>	0.00
<i>30-50 years old [%]</i>	3.03
<i>over 50 years old [%]</i>	0.43
<b>Total percentage [%]</b>	<b>14.72</b>

Table 22: Employee diversity by employee level – other levels [headcount]

<b>Number of employees in other levels, by:</b>	
Males	132
<i>under 30 years old</i>	28
<i>30-50 years old</i>	88
<i>over 50 years old</i>	14
Females	54
<i>under 30 years old</i>	15
<i>30-50 years old</i>	36
<i>over 50 years old</i>	3
<b>Total</b>	<b>184</b>
<b>Percentage of employees in other levels, by:</b>	
Males [%]	56.28
<i>under 30 years old [%]</i>	12.12
<i>30-50 years old [%]</i>	38.10
<i>over 50 years old [%]</i>	6.06
Females [%]	23.38
<i>under 30 years old [%]</i>	6.49
<i>30-50 years old [%]</i>	15.58
<i>over 50 years old [%]</i>	1.30
<b>Total percentage [%]</b>	<b>79.65</b>

Table 23: Employee diversity by employee position – administrative [headcount]

		<b>2022</b>
<b>Number of employees in administrative positions, by:</b>		
Males		88
<i>under 30 years old</i>		17
<i>30-50 years old</i>		59
<i>over 50 years old</i>		14
Females		59
<i>under 30 years old</i>		12
<i>30-50 years old</i>		42
<i>over 50 years old</i>		5
<b>Total</b>		<b>148</b>
<b>Percentage of employees in administrative positions, by:</b>		
Males [%]		38.10
<i>under 30 years old [%]</i>		7.36
<i>30-50 years old [%]</i>		25.11
<i>over 50 years old [%]</i>		6.06
Females [%]		25.54
<i>under 30 years old [%]</i>		5.19
<i>30-50 years old [%]</i>		18.18
<i>over 50 years old [%]</i>		2.16
<b>Total percentage</b>		<b>64.07</b>

Table 24: Employee diversity by employee position – technical positions [headcount]

	2022
<b>Number of employees in technical positions, by:</b>	
Males	43
<i>under 30 years old</i>	6
<i>30-50 years old</i>	32
<i>over 50 years old</i>	5
Females	5
<i>under 30 years old</i>	3
<i>30-50 years old</i>	2
<i>over 50 years old</i>	0
<b>Total</b>	<b>48</b>
<b>Percentage of employees in technical positions, by:</b>	
Males [%]	18.61
<i>under 30 years old [%]</i>	2.60
<i>30-50 years old [%]</i>	13.85
<i>over 50 years old [%]</i>	2.16
Females [%]	2.16
<i>under 30 years old [%]</i>	1.30
<i>30-50 years old [%]</i>	0.87
<i>over 50 years old [%]</i>	0.00
<b>Total percentage</b>	<b>20.78</b>

Table 25: Employee diversity by employee position – manual labor positions [headcount]

	2022
<b>Number of employees in manual labor positions, by:</b>	
Males	35
<i>under 30 years old</i>	4
<i>30-50 years old</i>	26
<i>over 50 years old</i>	5
Females	0
<i>under 30 years old</i>	0
<i>30-50 years old</i>	0
<i>over 50 years old</i>	0
<b>Total</b>	<b>35</b>
<b>Percentage of employees in manual labor positions, by:</b>	
Males [%]	15.15
<i>under 30 years old [%]</i>	1.73
<i>30-50 years old [%]</i>	11.26
<i>over 50 years old [%]</i>	2.16
Females [%]	0.00
<i>under 30 years old [%]</i>	0.00
<i>30-50 years old [%]</i>	0.00
<i>over 50 years old [%]</i>	0.00
<b>Total percentage [%]</b>	<b>15.15</b>

Table 26: Employees with disabilities [headcount]

	2022
Total number of employees with disabilities	0
<b>Percentage of employees with disabilities [%]</b>	<b>0</b>

Table 27: Employee new hires [headcount]

	2022
<b>Number of new hires, by:</b>	
Males	80
<i>under 30 years old</i>	20
<i>30-50 years old</i>	50
<i>over 50 years old</i>	10
Females	36
<i>under 30 years old</i>	10
<i>30-50 years old</i>	24
<i>over 50 years old</i>	2
<b>Total</b>	<b>116</b>
<b>Hiring rate [%]</b>	<b>50.22</b>

Table 28: Employee leavers [headcount]

	2022
<b>Number of leavers, by:</b>	<b>119</b>
Males	90
<i>under 30 years old</i>	19
<i>30-50 years old</i>	59
<i>over 50 years old</i>	12
Females	29
<i>under 30 years old</i>	7
<i>30-50 years old</i>	18
<i>over 50 years old</i>	4
<b>Total</b>	<b>119</b>
<b>Turnover rate [%]</b>	<b>51.52</b>

Table 29: Collective bargaining agreements [headcount]

	2022
Total number of employees covered by collective bargaining agreements	1
<b>Percentage of total employees covered by collective bargaining agreements [%]</b>	<b>0.43</b>

Table 30: Parental leave for employees [headcount]

	2022
<b>Number of employees entitled to parental leave, by:</b>	
Males	5
Females	2
<b>Total</b>	<b>7</b>
<b>Number of employees that took parental leave, by:</b>	
Males	4
Females	2
<b>Total</b>	<b>6</b>
<b>Number of employees that returned to work after parental leave ended, by:</b>	
Males	3
Females	0
<b>Total</b>	<b>3</b>
<b>Return to work rates of employees that took parental leave, by:</b>	
Males [%]	75
Females [%]	0
<b>Total [%]:</b>	<b>50</b>

3 Workers here refers to those who are not employees, but whose work and/or workplace is controlled by SOLEK.

4 When consolidating the data, Chile considered the total number of employees and an average number of contract workers registered in 2022. Therefore, these totals exceed the reported 2022 value of 259 total number of SOLEK employees and workers.

5 When consolidating the data, Chile calculated the total number of contractor hours by taking the monthly average and multiplying it by 180 monthly hours per person.

Table 31: Workers who are not direct employees [headcount]<sup>3</sup>

	2022
<b>Total number of workers</b>	<b>28</b>

Table 32: Employees and workers covered by a health & safety management system [headcount]<sup>7 4</sup>

	2022
<b>Total number of employees and workers covered by a health &amp; safety management system</b>	<b>324</b>
<i>presented as a percentage [%]</i>	125
<b>Total number of employees and workers covered by an internally audited health &amp; safety management system</b>	<b>308</b>
<i>presented as a percentage [%]</i>	119
<b>Total number of employees and workers covered by an externally audited health &amp; safety management system</b>	<b>308</b>
<i>presented as a percentage [%]</i>	119

Table 33: Hours worked [thousand hours]<sup>5</sup>

	2022
<b>Number of hours worked, by:</b>	
Employees	503.66
Contractors	349.13
<b>Total</b>	<b>852.79</b>

Table 34: Employee work-related injuries [absolute value]

	2022
<b>Number of employee work-related injuries, by:</b>	
Fatalities	0
High-consequence injuries (excluding fatalities)	0
Recordable injuries	0
<b>Total number</b>	<b>0</b>
<b>Rate of employee work-related injuries [per 200,000 hours], by:</b>	
Rate of employee fatalities [rate]	0
Rate of employee high-consequence injuries (excluding fatalities) [rate]	0
Rate of employee recordable injuries [rate]	0
<b>Total rate:</b>	<b>0</b>

Table 35: Contractor work-related injuries [absolute value]

	2022
<b>Number of contractor work-related injuries, by:</b>	
Fatalities	0
High-consequence injuries (excluding fatalities)	1
Recordable injuries	6
<b>Total number:</b>	<b>6</b>
<b>Rate of contractor work-related injuries [per 200,000 hours], by:</b>	
Rate of contractor fatalities	0.00
Rate of contractor high-consequence injuries (excluding fatalities)	0.57
Rate of contractor recordable injuries	3.44
<b>Total rate</b>	<b>3.44</b>

Table 36: Employee training by gender [hours]

	2022
<b>Employee training hours, by:</b>	
Males	911
Females	283
<b>Total</b>	<b>1 194</b>
<b>Average employee training hours, by:</b>	
Males	5.46
Females	4.42
<b>Average total</b>	<b>5.17</b>

Table 37: Employee training by employee level [hours]

	2022
<b>Employee training hours, by:</b>	
Executives	21
Managers	468
Employees in other positions	705
<b>Total</b>	<b>1 194</b>
<b>Average total employee training hours, by:</b>	
Executives	1.62
Managers	13.76
Employees in other positions	3.83
<b>Average total</b>	<b>5.17</b>

Table 38: Employee training by employee position [hours]

2022	
<b>Employee training hours, by:</b>	
Employees in administrative positions	904
Employees in technical positions	173
Employees in manual labor positions	117
<b>Total</b>	<b>1 194</b>
<b>Average employee training hours, by:</b>	
Employees in administrative positions	6.11
Employees in technical positions	3.60
Employees in manual labor positions	3.34
<b>Average total</b>	<b>5.17</b>

Table 39: Employee training in combating corruption, bribery, GDPR, and SOLEK's Code of Conduct [headcount]

2022	
<b>Total number of employees that received training in combating corruption, bribery, GDPR, and SOLEK's Code of Conduct</b>	<b>128</b>

Table 40: Employees receiving regular performance and career development reviews by employee level – executives [headcount]

2022	
<b>Number of executives receiving development reviews, by:</b>	
Males	10
Females	3
<b>Total number</b>	<b>13</b>
<b>Percentage of total executives receiving development reviews, by:</b>	
Males [%]	100
Females [%]	100
<b>Total percentage [%]</b>	<b>100</b>

Table 41: Employees receiving regular performance and career development reviews by employee level – managers [headcount]

2022	
<b>Number of managers receiving development reviews, by:</b>	
Males	26
Females	8
<b>Total number</b>	<b>34</b>
<b>Percentage of managers receiving development reviews, by:</b>	
Males [%]	100
Females [%]	100
<b>Total percentage [%]</b>	<b>100</b>

Table 42: Employees receiving regular performance and career development reviews by employee level – other levels [headcount]

	2022
<b>Number of employees in other levels receiving development reviews, by:</b>	
Males	130
Females	54
<b>Total number</b>	<b>184</b>
<b>Percentage of employees in other levels receiving development reviews, by:</b>	
Males [%]	100
Females [%]	100
<b>Total percentage [%]</b>	<b>100</b>

Table 43: Employees receiving regular performance and career development reviews by employee position – administrative positions [headcount]

	2022
<b>Number of employees in administrative positions receiving development reviews, by:</b>	
Males	89
Females	59
<b>Total number</b>	<b>148</b>
<b>Percentage of employees in administrative positions receiving development reviews, by:</b>	
Males [%]	100
Females [%]	100
<b>Total percentage [%]</b>	<b>100</b>

Table 44: Employees receiving regular performance and career development reviews by employee position – technical positions [headcount]

	2022
<b>Number of employees in technical positions receiving development reviews, by:</b>	
Males	43
Females	5
<b>Total number</b>	<b>48</b>
<b>Percentage of employees in technical positions receiving development reviews, by:</b>	
Males [%]	100
Females [%]	100
<b>Total percentage [%]</b>	<b>100</b>

Table 45: Employees receiving regular performance and career development reviews by employee position – manual labor positions [headcount]

	2022
<b>Number of employees in manual labor positions receiving development reviews, by:</b>	
Males	35
Females	0
<b>Total number</b>	<b>35</b>
<b>Percentage of employees in manual labor positions receiving development reviews, by:</b>	
Males [%]	100
Females [%]	100
<b>Total percentage [%]</b>	<b>100</b>

Table 46: Annual total compensation [EUR]<sup>6</sup>

	<b>2022</b>
Highest paid individual	112 606
Median annual total compensation for all employees (excluding the highest-paid individual)	37 865
<b>Total annual compensation [ratio]</b>	<b>2.97</b>

Table 47: Critical concerns [absolute value]

	<b>2022</b>
<b>Total number of critical concerns that were communicated to the highest governance body</b>	<b>4</b>

Table 48: Instances of non-compliance with laws and regulations [absolute value]

	<b>2022</b>
Number of instances for which fines were incurred	0
Number of instances for which fines were paid	0
Number of instances for which non-monetary sanctions were incurred	0
<b>Total monetary value of fines [EUR]</b>	<b>0</b>

Table 49: Labor harassment issues [absolute value]

	<b>2022</b>
<b>Total number of labor harassment issues</b>	<b>0</b>

<sup>6</sup> Note that a conversion ratio of CZK/EUR 24.00 was applied to determine the compensation in EUR.

Table 50: Incidents of violations involving rights of indigenous peoples [absolute value]

	<b>2022</b>
<b>Total number of incidents of violations involving rights of indigenous peoples</b>	<b>0</b>

Table 51: Suppliers [absolute value]

	<b>2022</b>
Total number of suppliers	712
Total number of new suppliers	380

Table 52: Investments [EUR]

	<b>2022</b>
<b>Monetary value of investments, by:</b>	
Innovation	178 884.00
Social contribution	95.10
Biodiversity protection and ecosystems <sup>10</sup>	54 605.33
<b>Total</b>	<b>233 584.43</b>

Table 53: Direct economic value generated and distributed [EUR]<sup>7</sup>

	2022
<b>Revenues</b>	<b>91 347 567</b>
<b>Economic value distributed, by:</b>	
Operating costs	7 036 014
Employee wages and benefits	12 295 617
Payments to providers of capital	20 234 974
Payments to government (by country)	3 204 925
Social investments	95.10
<b>Total economic value distributed</b>	<b>42 771 625</b>
<b>Total economic value retained</b>	<b>48 575 942</b>

## 7.7. GRI Content Index

<b>Statement of use</b>	SOLEK HOLDING SE has reported in accordance with GRI Standard for the period from 1 <sup>st</sup> January 2022 to 31 <sup>st</sup> December 2022.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standards</b>	No GRI Sector Standards applicable

“SR” = Sustainability report

“SOLEK SuSt” = SOLEK Group Sustainability Strategy

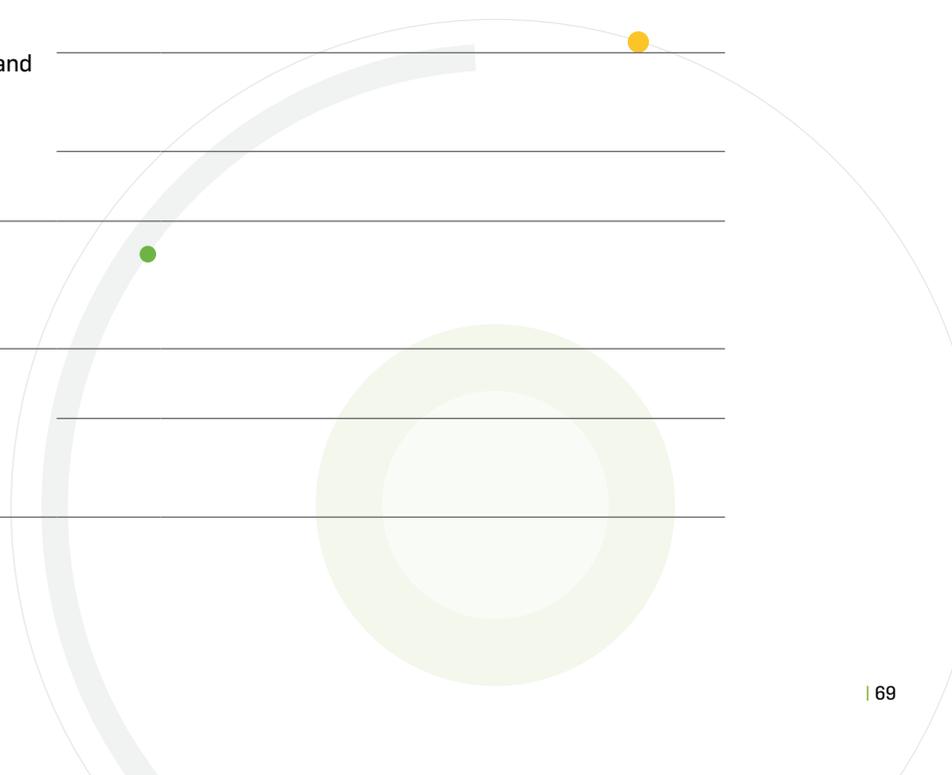
<sup>7</sup> Note that a conversion ratio of USD/EUR 0.951 was applied to Chile’s inputs (2022 average, European Central Bank).



## Clean and affordable energy

GRI Standard / Source	DISCLOSURE	LOCATION	(page)	OMISSION
		Reference	page	Requirement Reason and Explanation
<b>GRI 3: Material Topics 2021</b>	2-1 Organizational details	SR: 3.1. Sustainability reporting – Sustainability report preparation process – Figure 5: Organizational structure represented by our subsidiaries  SOLEK Group Code of Business Conduct and Ethics	15	
			6	
			8	
			15	
<b>GRI 302: Energy 2016</b>	2-2 Entities included in the organization's sustainability reporting  2-3 Reporting period, frequency and contact point  2-4 Restatements of information  2-5 External assurance  2-6 Activities, value chain and other business relationships	SR: 3.1. Sustainability reporting  SOLEK's website: www.solek.com  SR: 3.1. Sustainability reporting  External assurance not obtained  SR: 2.2 How we do business – Value chain  SOLEK Group Code of Business Conduct and Ethics	14	
				INFORMATION UNAVAILABLE  Current methodology does not provide separate data for consumption outside of the organisation
			14	
				NOT APPLICABLE  This is the first reporting year, no comparable data.

<b>GRI Standard / Source</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>	<b>(page)</b>	<b>OMISSION</b>
		<b>Reference</b>	<b>page</b>	<b>Requirement</b> Reason and Explanation
	2-7 Employees	SR: 5.1. Employees  SOLEK Group Code of Business Conduct and Ethics		
	2-8 Workers who are not employees	SR: 2.2 How we do business – Value chain  SR: 5.3. Health and safety  SR: 7.6. Data tables – Hours worked  SR: 7.6. Data tables – Workers who are not direct employees		
	2-9 Governance structure and composition	SR: 2.3. Our governance structure		
	2-10 Nomination and selection of the highest governance body	SOLEK Group Code of Business Conduct and Ethics		
	2-11 Chair of the highest governance body			
	2-12 Role of the highest governance body in overseeing the management of impacts	SR: 2.3. Our governance structure  SR: 2.4. Our focus on sustainability		
	2-13 Delegation of responsibility for managing impacts	SR: 2.3. Our governance structure		
	2-14 Role of the highest governance body in sustainability reporting			



<b>GRI Standard / Source</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>	<b>(page)</b>	<b>OMISSION</b>
		<b>Reference</b>	<b>page</b>	<b>Requirement</b> Reason and Explanation
	2-15 Conflicts of interest	6. Governance – Policies  SOLEK Group Code of Business Conduct and Ethics		
	2-16 Communication of critical concerns			
	2-17 Collective knowledge of the highest governance body	6.1. Business ethics  SOLEK Group Code of Business Conduct and Ethics		
	2-18 Evaluation of the performance of the highest governance body	SR: 2.3. Our governance structure		
	2-19 Remuneration policies			
	2-20 Process to determine remuneration			
	2-21 Annual total compensation ratio	SR: 7.6. Data tables – Annual total compensation		
	2-22 Statement on sustainable development strategy	SR: 2.4. Our focus on sustainability  SOLEK Group Sustainability strategy		
	2-23 Policy commitments	SR: 2.4. Our focus on sustainability		
	2-24 Embedding policy commitments	SR: 2.3. Our governance structure SR: 2.4. Our focus on sustainability		
	2-25 Processes to remediate negative impacts	SR: 2.4. Our focus on sustainability  SOLEK Group Sustainability strategy		

<b>GRI Standard / Source</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>	<b>(page)</b>	<b>OMISSION</b>
		<b>Reference</b>	<b>page</b>	<b>Requirement</b> Reason and Explanation
	2-26 Mechanisms for seeking advice and raising concerns	SR: 5.3. Health and safety SR: 6. Governance – Policies SOLEK Group Code of Business Conduct and Ethics SOLEK Group Reporting of Concerns		
	2-27 Compliance with laws and regulations	SOLEK Group Code of Business Conduct and Ethics		
	2-28 Membership associations	SR: 2.4. Our focus on sustainability – Memberships		
	2-29 Approach to stakeholder engagement	SR: 3.2. Stakeholder approach SR: 7.5. Methodology notes – Stakeholder engagement		
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	SR: 3.3. Materiality assessment SR: 7.5. Methodology notes – Materiality assessment		
	3-2 List of material topics	SR: 7.5. Methodology notes – List of material topics		

## Resource efficiency – Energy

GRI Standard / Source	DISCLOSURE	LOCATION	(page)	OMISSION
		Reference	page	Requirement Reason and Explanation
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR: 4.1. Clean and affordable energy	20	
		SR: 4.2. Resource efficiency and waste management – Energy	24	
		<a href="#">SOLEK Group Environmental policy</a>	8	
		<a href="#">SOLEK Group Sustainability strategy</a>	15	
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	SR: 7.6. Data tables – Energy consumption within the organization	55	
	302-2 Energy consumption outside of the organization			INFORMATION UNAVAILABLE Current methodology does not provide separate data for consumption outside of the organisation
	302-3 Energy intensity	SR: 7.6. Data tables – Energy intensity ratio for the organization	55	
	302-4 Reduction of energy consumption			NOT APPLICABLE
	302-5 Reductions in energy requirements of products and services			This is the first reporting year, no comparable data.

## Resource Efficiency – Water

GRI Standard / Source	DISCLOSURE	LOCATION	(page)	OMISSION
		Reference	page	Requirement Reason and Explanation
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR: 4.2. Resource efficiency and waste management – Water	24	
		<a href="#">SOLEK Group Environmental policy</a>	8	
		<a href="#">SOLEK Group Sustainability strategy</a>	15	
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	SR: 4.2. Resource efficiency and waste management – Water	24	
	303-2 Management of water discharge-related impacts			NOT APPLICABLE Not identified as material topic.
	303-3 Water withdrawal			
	303-4 Water discharge			
	303-5 Water consumption			NOT APPLICABLE This is the first reporting year, no comparable data.
<b>SOLEK SuSt</b>	Resource efficiency – water consumption reduction			NOT APPLICABLE This is the first reporting year, no comparable data.

## Resource efficiency – Suppliers

GRI Standard / Source	DISCLOSURE	LOCATION	(page)	OMISSION	
		Reference	page	Requirement Reason and Explanation	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR: 4.2. Resource efficiency and waste management – Suppliers	24		
		<a href="#">SOLEK Group Sustainability strategy</a>	25		
		<a href="#">SOLEK Group Code of Business Conduct and Ethics</a>	6		
<b>GRI 308: Supplier Environmental Assessment 2016</b>	3-3 Management of material topics	SR: 4.2. Resource efficiency and waste management – Suppliers	24		
		<a href="#">SOLEK Group Sustainability strategy</a>	25		
		<a href="#">SOLEK Group Code of Business Conduct and Ethics</a>	6		
		308-1 New suppliers that were screened using environmental criteria	SR: 4.2. Resource efficiency and waste management – Suppliers	24	
			SR: 7.6. Data tables – Suppliers	66	

## Waste management

GRI Standard / Source	DISCLOSURE	LOCATION	OMISSION
		Reference	Requirement Reason and Explanation
		page	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR: 4.2. Resource efficiency and waste management – Waste	23
		SOLEK Group Environmental policy	7
		SOLEK Group Sustainability strategy	15
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	SR: 4.2. Resource efficiency and waste management – Waste	23
		SR: 4.2. Resource efficiency and waste management – Waste	23
	306-2 Management of significant waste-related impacts	SOLEK Group Environmental policy	7
		SOLEK Group Sustainability strategy	15
	306-3 Waste generated	SR: 4.2. Resource efficiency and waste management – Waste	23
		SR: 7.6. Data tables – Volume of waste produced	54
	306-4 Waste diverted from disposal	SR: 4.2. Resource efficiency and waste management – Waste	23
		SR: 7.6. Data tables – Volume of waste diverted from disposal	54
	306-5 Waste directed to disposal	SR: 4.2. Resource efficiency and waste management – Waste	23
		SR: 7.6. Data tables – Volume of waste directed to disposal	54
<b>SOLEK SuSt</b>	Resource efficiency – generated landfill waste reduction		NOT APPLICABLE This is the first reporting year, no comparable data.

## Biodiversity protection and conservation

GRI Standard / Source	DISCLOSURE	LOCATION	OMISSION
		Reference	page
			Requirement Reason and Explanation
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR: 4.3. Biodiversity protection and conservation – Managing our impacts	25
		SOLEK Group Environmental policy	7
<b>RI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		INFORMATION UNAVAILABLE
	304-2 Significant impacts of activities, products and services on biodiversity		
	304-3 Habitats protected or restored		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		Quantitative information on biodiversity was not obtained for the first reporting year.
<b>SOLEK SuSt</b>	Investment in biodiversity protection and ecosystems	SR: 4.3. Biodiversity protection and conservation	25
		SR: 7.6. Data tables – Investments	66
		SOLEK Group Environmental policy	7

## Emissions and Climate change

GRI Standard / Source	DISCLOSURE	LOCATION	OMISSION
		Reference	Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 4.5. GHG emissions – Managing our impacts	27
		SR: 4.4. Climate change – Managing our impacts	
		SOLEK Group Environmental policy	6
		SOLEK Group Sustainability strategy	15
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SR: 4.5. GHG emissions	27
		SR: 7.6. Data tables – Scope 1 emissions [tCO2e]	56
	305-2 Energy indirect (Scope 2) GHG emissions	SR: 4.5. GHG emissions	27
		SR: 7.6. Data tables – Scope 2 emissions [tCO2e]	56
	305-3 Other indirect (Scope 3) GHG emissions	SR: 4.5. GHG emissions	27
		SR: 7.6. Data tables – Scope 3 emissions [tCO2e]	56
	305-4 GHG emissions intensity	SR: 7.6. Data tables – GHG emissions intensity ratio for the organization [tCO2e/EUR million EUR]	57
	305-5 Reduction of GHG emissions		● NOT APPLICABLE This is the first reporting year, no comparable data.
	305-6 Emissions of ozone-depleting substances (ODS)		NOT APPLICABLE
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		These types of emissions were not identified as a significant topic for SOLEK.

SOLEK SuSt	Company's carbon footprint [tCO2e/yr]	SR: 4.5. GHG emissions – Managing our impacts	27	
		SR: 4.4. Climate change – Managing our impacts		
	Total Avoided GHG emissions	SR: 4.5. GHG emissions – Managing our impacts		
		SR: 7.6. Data tables – Total avoided emissions [tCO2e]		
	Proportion of owned assets certified with ISO 14001	SR: 2.5. Looking ahead SOLEK Group Sustainability strategy	12 14	NOT APPLICABLE This indicator represents SOLEK's future commitment, which is not reflected in the first year's report.



## Employees

GRI Standard / Source	DISCLOSURE	LOCATION		OMISSION
		Reference	page	Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 5.1. Employees	32	
		SOLEK Group Code of Business Conduct and Ethics	9	
		SOLEK Group Diversity policy	4-9	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SR: 5.1. Employees	32	
		SR: 7.6. Data tables – Employee leavers	61	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR: 5.1. Employees	32	
		SR: 7.6. Data tables – Direct economic value generated and distributed	67	
	401-3 Parental leave	SR: 5.1. Employees	32	
		SR: 7.6. Data tables – Parental leave for employees	62	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SR: 5.1. Employees	32	
		SR: 7.6. Data tables – Employee training by employee level	63	
		SR: 7.6. Data tables – Employee training by employee position	64	
	404-2 Programs for upgrading employee skills and transition assistance programs	SR: 5.1. Employees	32	
	404-3 Percentage of employees receiving regular performance and career development reviews	SR: 7.6. Data tables – Employees receiving regular performance and career development reviews by employee level – executives	64	
	SOLEK SuSt	Number employees trained in combating corruption, bribery, GDPR, Code of conduct	SR: 7.6. Data tables – Employee training in combating corruption, bribery, GDPR, and SOLEK's Code of Conduct	64

## Human and labor rights

GRI Standard / Source	DISCLOSURE	LOCATION		OMISSION
		Reference	page	Requirement Reason and Explanation
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR: 5.2. Human and labor rights	32	
		SR: 5.4. Community impact	35	
		SOLEK Group Code of Business Conduct and Ethics	9	
		SOLEK Group human rights and local communities policy	4-9	
		SOLEK Group Diversity policy	4-9	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	SR: 7.6. Data tables – Employees by employment type	57	
		SR: 7.6. Data tables – Employee diversity by employee level – executives		
	405-2 Ratio of basic salary and remuneration of women to men			NOT APPLICABLE Risk of unequal pay was not identified as a significant topic for SOLEK.
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	SR: 5.2. Human and labor rights	32	
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	6.5. Sustainable supply chain	45	
		SOLEK Group Code of Business Conduct and Ethics	10	
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1 Incidents of violations involving rights of indigenous peoples	SR: 7.6. Data tables – Incidents of violations involving rights of indigenous peoples	66	
<b>SOLEK SuSt</b>	Number of labor harassment issues	SR: 5.2. Human and labor rights	32	
		SR: 7.6. Data tables – Labor harassment issues	66	

**Health and safety**

GRI Standard / Source	DISCLOSURE	LOCATION	OMISSION
		Reference	page Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 5.3. Health and safety	34
		SOLEK Group Integrated policy of health, safety, environment, quality and social responsibility	4-5
		SOLEK Group Code of Business Conduct and Ethics	9



GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SR: 5.3. Health and safety SOLEK Group Integrated policy of health, safety, environment, quality and social responsibility	34 4-5
	403-2 Hazard identification, risk assessment, and incident investigation	SR: 5.3. Health and safety SOLEK Group Reporting of Concerns	34
	403-3 Occupational health services	SR: 5.3. Health and safety SOLEK Group Integrated policy of health, safety, environment, quality and social responsibility	
	403-4 Worker participation, consultation, and communication on occupational health and safety		34
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		4-5
	403-8 Workers covered by an occupational health and safety management system	SR: 5.3. Health and safety SR: 7.6. Data tables – Employees and workers covered by a health & safety management system	34
	403-9 Work-related injuries	SR: 5.3. Health and safety SR: 7.6. Data tables – Employee work-related injuries SR: 7.6. Data tables – Contractor work-related injuries	34 63
	403-10 Work-related ill health		NOT APPLICABLE The risk of work-related ill health was not identified as a significant topic for SOLEK.

SOLEK SuSt	Proportion of subsidiaries certified with ISO 45001[%]	SOLEK Group Sustainability strategy	17	NOT APPLICABLE This indicator represents SOLEK's future commitment, which is not reflected in the first year's report
------------	--	-------------------------------------	----	--

## Community impact

GRI Standard / Source	DISCLOSURE	LOCATION		OMISSION
		Reference	page	Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 5.4. Community impact	35	
		SOLEK Group human rights and local communities policy	8	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SR: 5.4. Community impact	35	
	413-2 Operations with significant actual and potential negative impacts on local communities			
SOLEK SuSt	Social investments	SR: 5.4. Community impact	35	
		SR: 7.6. Data tables – Direct economic value generated and distributed	67	

## Business ethics

GRI Standard / Source	DISCLOSURE	LOCATION		OMISSION
		Reference	page	Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 6.1. Business ethics	43	
		SOLEK Group Code of Business Conduct and Ethics	5-11	

## Risk management

GRI Standard / Source	DISCLOSURE	LOCATION		OMISSION
		Reference	page	Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 6.2 Risk management	44	
		SOLEK Group Sustainability strategy	p. 20	

## Compliance with laws and regulations

GRI Standard / Source	DISCLOSURE	LOCATION		OMISSION
		Reference	page	Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 6.3. Compliance with laws and regulations	44	
		SOLEK Group Code of Business Conduct and Ethics	6	
SOLEK SuSt	Number of incidents of non-compliance with laws and regulation	SR: 7.6 Data tables – Instances of non-compliance with laws and regulations [absolute value]	66	

### Innovation and digitalization

GRI Standard / Source	DISCLOSURE	LOCATION	OMISSION
		Reference	page Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 6.4. Innovation and digitalization	44
		SOLEK Group Innovation and digitalization policy	4-5
SOLEK SuSt	Innovation investments	SR: 7.6 Data tables – Instances of non-compliance with laws and regulations [absolute value]	
		SR: 6.4. Innovation and digitalization	
		R: 7.6 Data tables – Instances of non-compliance with laws and regulations [absolute value]	
		SOLEK Group Innovation and digitalization policy	4-5



## Sustainable supply

GRI Standard / Source	DISCLOSURE	LOCATION	OMISSION	
		Reference	page	Requirement Reason and Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	SR: 6.5. Sustainable supply chain	45	
		SOLEK Group Sustainability strategy	21	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	SR: 6.5. Sustainable supply chain	45	INFORMATION UNAVAILABLE
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria			Quantitative information on suppliers was not obtained for the first reporting year.
	414-2 Negative social impacts in the supply chain and actions taken			
SOLEK SuSt	Proportion of spending on suppliers that are committed to sustainability initiatives			



**SOLEK** 

