



 Photon Energy Group

Sustainability Report 2023



Contents

1. Overview	4
1.1 About Photon Energy Group	4
1.2 Market Presence	5
1.3 Our Work	6
1.4 Statement on Sustainability	8
1.5 Our Key Stakeholders	8
1.6 Prioritising Sustainability	9
1.7 Sustainability Highlights	12
1.8 ESG Key Performance Indicators	13
2. Environment	15
2.1 Environmental Commitments	15
2.2 Carbon Footprint	15
2.3 Waste Management	17
2.4 Photon Energy Group Grows Sustainably	18
2.5 Quality Control	25
2.6 Water Conservation and Management	25
2.7 Biodiversity	26
2.8 Environmental Impact	26
3. Social Conduct	29
3.1 Social Commitments	29
3.2 Our Employees, Our Core Assets	29
3.3 Corporate Social Responsibility and Employment Practices	30
3.4 Community Impact	32
3.5 Workplace Health and Safety	32
3.6 Promoting Human Rights, Our Commitment and Progress	33
3.7 Data Privacy and Security	33
4. Corporate Governance	35
4.1 Corporate Governance Commitments	35
4.2 Governance Rules and Codes of Conduct	35
4.3 Risk Assessment and Management Due to Climate Change	36
4.4 Financial and Business Records	37
4.5 Anti-corruption	38
4.6 Responsible Procurement	38
4.7 Donations	39
4.8 ESG Reporting Standards	39
5. Green Financing Report	41
5.1 Use of Proceeds from Our Green Bond	42
5.2 Impact Report	44
6. Contact Details	46
7. Annex: ESG Key Performance Indicators	47
8. GRI Content Index	48



Overview

1. Overview

Clean energy and water. The fundamentals of life.

1.1 About Photon Energy Group

Delivering the fundamentals of life

At Photon Energy Group, we are dedicated to ensuring that everyone has access to clean, affordable energy and water. We deploy technology to provide these fundamentals and help build a thriving, sustainable world.

We take a holistic approach to our work, within our companies and as a group, offering solutions that can be delivered separately or as an integrated package. This allows us to meet the complete needs of our customers and takes us closer to a world where energy and water – the fundamentals of life – are clean, safe and accessible to all.

Photon Energy N.V., the holding company for Photon Energy Group, is listed on the Warsaw, Prague and Frankfurt Stock Exchanges.

We are headquartered in Amsterdam, with offices in Australia and across Europe.

Photon Energy

Photon Energy provides comprehensive renewable energy solutions to help everyone benefit from the green transition. Our solutions range from the development, construction and operation of solar power systems to localised energy trading and flexibility programs. We are also an independent power producer with a growing portfolio of solar PV power plants.

Photon Water

Photon Water provides clean water solutions for all environments, from treatment and remediation services to the management of wells and other water resources. We also work closely with leading academic institutions and participate in governmental research programmes to develop cutting-edge water treatment and management solutions.

Photon Energy Group

							
Founded in 2008	340+ employees	Active in 15+ countries	127.3 MWp proprietary portfolio	139.8 GWh produced in 2023	58,286 t of CO₂e avoided in 2023	1.2 GWp PV project pipeline	650+ MWp O&M portfolio

Our Values



Innovation

We think creatively to deliver solutions and actualise our vision.



Safety

We prioritise the health and well-being of everyone impacted by our work.



Sustainability

We understand the importance of foresight and long-term thinking.



Community

We believe it is our responsibility to enrich every community we are a part of.



Performance

We operate with honesty and respect, and we never compromise our values.



Integrity

We operate with honesty and respect, and we never compromise our values.

What We Do



Utility-scale Solar Power

Our comprehensive solutions cover the full lifecycle of PV installations, from project development to EPC.



O&M for Photovoltaics

We provide a full range of operations and maintenance solutions for solar PV systems.



Energy Offtake and Supply

As a licensed energy trader in six countries, we purchase and supply energy from renewable sources including solar, wind and biogas.



On-site Solar Power and Energy Storage

We design, build and manage PV power and energy storage systems for rooftops and other property.



Wholesale Photovoltaic Components

Through our dedicated eShop, we supply world-class technology to PV installers across Europe.



Energy Flexibility

We offer localised Capacity Market programs and other flexibility solutions to help optimise energy use and support grid stability.



Lake Management

We help our customers make the best, most efficient use of their water resources, such as lakes, ponds and industrial water bodies.



Wells and Resources

We provide complete services for wells and water resources, from design to maintenance.



Remediation

We offer a range of remediation services to eliminate PFAS and other contaminants from water and soil.



Water Treatment and Recycling

We design and implement industrial and municipal water treatment plants and water recycling systems.

1.2 Market Presence

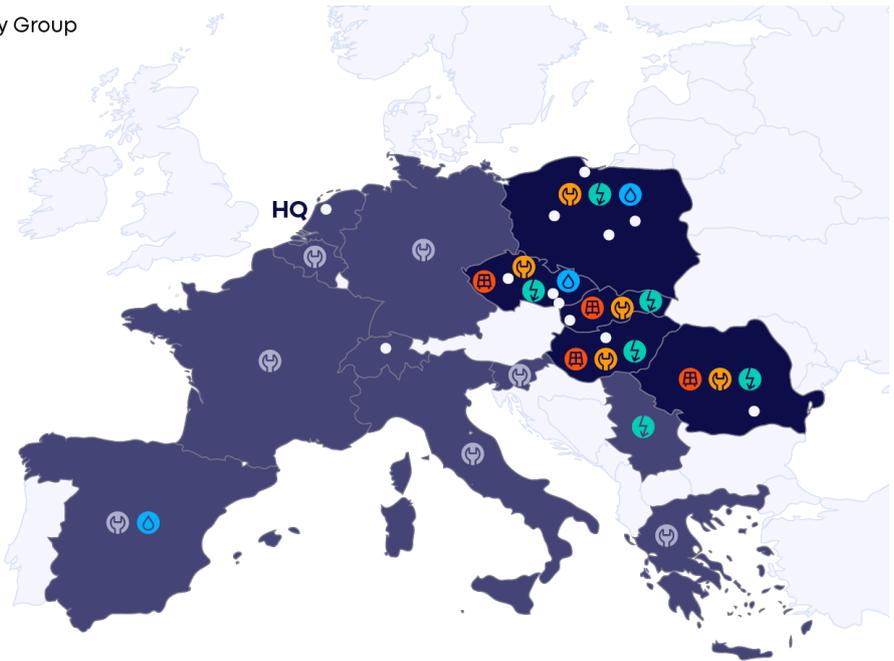
Renewable energy is the focus of Photon Energy's activities. From project development to operation and maintenance, we cover the entire life cycle of photovoltaic systems. We offer a wide range of comprehensive, customised solutions for a variety of customers. Our Project Development team develops PV projects in-house and acquires them at all stages of development. Our Engineering department designs and builds power plants and energy storage solutions with quality and durability in mind, and the Technology department procures and trades PV components. Operations and maintenance (O&M) is another key offering. We provide a wide range of O&M solutions both for customers and our proprietary PV power plants.

In addition to our work with solar power installations, we are a licensed energy trader in six countries. Through the Photon Energy Virtual Power Plant, we offer energy offtake and supply, and our energy flexibility solutions help consumers integrate

clean energy into their businesses while helping to keep the electricity grid balanced and stable. In addition to the services we provide to our clients, we also actively invest in solar power plants around the world for the sustainable energy generation and sale of renewable energy.

We believe that clean water is a human right and essential for a healthy and sustainable world. Photon Water's comprehensive services and solutions help make clean water accessible in all environments. In addition to providing comprehensive well and lake management solutions, we deliver treatment solutions around the world, including water and wastewater treatment, hazardous liquid waste, and industrial water treatment. We also offer a range of remediation services to remove contaminants from water and soil, including PFAS.

-  Power Plants Owned by Photon Energy Group
-  O&M Services for Power Plants
-  Inverter Maintenance Services
-  Energy Trading License
-  Photon Water Services
-  Photon Energy Group Offices



1.3 Our Work

Photon Energy

- ▶ **PV Project Development.** We develop or acquire photovoltaic projects at all stages of development and guide them to completion. With years of experience on a broad range of projects, and as owners and operators of our own solar power plants, we have strong expertise and a proven track record to navigate any project – from large-scale power plants to off-grid energy systems in remote communities through every stage of development.
- ▶ **EPC Solutions.** We have a proven track record of delivering engineering, procurement and construction services that can deliver any solar energy project, providing our clients with sustainable, efficient, and reliable energy as well as significant long-term cost savings.
- ▶ **Wholesale PV Components.** We procure and engineer world-class technology to fit the specific project location, design, and budget. Our services cover all aspects of the technology procurement process, including after-sales support.
- ▶ **Operations and Maintenance.** We build our assets to perform over the long term, delivering to the communities they serve. As a function of this, we provide a full range of O&M services, including monitoring and inverter maintenance. Our philosophy is to maximise environmental and financial benefits for our clients by carrying out preventative maintenance to optimise and extend the useful life of their assets. Photon Energy is an asset owner as well as a service provider; we understand our clients' needs because we provide O&M services to our own installations. The power plants we manage run with an average uptime of more than 99%.
- ▶ **Energy Offtake, Supply and Flexibility Solutions.** Through the Photon Energy Virtual Power Plant, we aggregate renewable energy resources and supply energy to consumers at competitive rates. We also provide access to energy flexibility incentives including Ancillary Services and participation in the Capacity Market.

Photon Water

- ▶ **Water Treatment.** We deliver treatment solutions around the world, including potable and wastewater treatment, hazardous liquid waste, and industrial water treatment. Our solutions are customisable and comprehensive, ranging from the treatment of drinking water to the large-scale treatment of hazardous liquid waste.
- ▶ **Remediation.** We offer a range of remediation services to eliminate contaminants from water and soil. Water and soil contamination can be harmful to local communities and the Earth itself. Through the process of remediation, we remove dangerous pollutants, leaving soil healthy and water safe to use. Different methods of remediation are available depending on the site and the type of pollutants involved. We have the expertise to assess our customers' needs and provide the safest, most effective remediation solutions.
- ▶ **Wells and Resources.** We provide complete services for wells and water resources, from design to maintenance. We have the expertise and proven track record to provide customised water well solutions using state-of-the-art technology and techniques. Our work is research-based and prioritises both safety and efficiency, grounded in our mission to ensure access to clean water for people and communities around the world.
- ▶ **Resource Management.** We help our customers make the best, most efficient use of their water resources, lakes, and ponds. Our work is research-based and prioritises both safety and efficiency, grounded in our mission to ensure access to clean water for people and communities around the world.

Economic Performance

At Photon Energy Group, we have adopted a set of values to ensure that our work provides consistent, long-term benefits to the people and communities where we operate, and the world at large. These values translate into a sustainable business model based on strong governance practises, strong social conduct and engagement with our stakeholders to achieve our mutual sustainability goals.

As for our economic performance in 2023, we admit it was a challenging year, with a turbulent macroeconomic and geopolitical situation, high inflation and high interest rates. On the energy market, we observed falling energy prices and fierce competition in PV component trading. Despite these adversities, we managed to achieve the largest increase in generation capacity in the history of Photon Energy Group, with a total capacity of 35.4 MWp commissioned within the year. An additional capacity of 16.2 MWp was technically constructed and in the commissioning process at the start of 2024. This capacity expansion resulted in a significant growth of clean energy generation up from 121.6 GWh to 139.8 GWh, +15.0% YoY and this trend shall continue this year.

Another major achievement in 2023 was securing 389 MW of contracts for DSR services, with contracted revenues of approximately EUR 26 million in 2024. DSR services, which support grid flexibility by changing the energy consumption, will contribute positively to our bottom line and are expected to become the second largest revenue pillar within the Group.

Our EPC business for commercial and industrial (C&I) clients also expanded last year, with revenues nearly doubling those of 2022. Significant ongoing contract negotiations for 2024 continue, mainly in Australia, the Czech Republic and Romania. In January 2024, we signed our first 20-year on-site Power Purchase Agreement (PPA) for the construction of a 658 kWp PV power plant. We expect behind-the-meter contracts such as this to become another significant growth driver going forward.

Our O&M segment, which has historically increased by low-double digits annually, flourished in 2023, expanding its contractual portfolio by nearly 300 MWp, 77.3% year-on-year.

Last but not least, in the segment of PFAS remediation we have seen positive developments. Our pilot trial with Australian Department of Defence demonstrated a reduction in PFAS concentration of up to 80-100% from initial levels. This proves the efficacy of our proprietary in-situ nano-remediation technology in addressing PFAS contamination and we intend to accelerate our commercialisation efforts in 2024.

To sum up, in 2023 we recorded consolidated revenues of 70.649 million EUR (-25.7% YoY) compared to 95.136 million EUR the previous year, mainly due to lower generation revenues, down by -39.3% YoY to EUR 21.407 million. Other revenues also declined by -17.8% to EUR 49.242 million, as revenues from our DSR and energy trading as well as EPC and O&M contracts were not able to compensate fully for the contraction of our PV technology trading business.

EBITDA recorded a significant decline (-84.8 % YOY), while EBIT present a loss of EUR -5.196 million. The decline in EBITDA was primarily attributed to lower electricity prices and deterioration of volumes, and margins in PV component trading business. At the bottom line, the Group recorded a net loss of -15.750 million EUR compared to a profit of 6.262 million EUR in 2022. In addition to the decline in revenues and the deterioration in profitability, this was affected by higher financial costs resulting from the increased levels of bank financing.

We expect 2024 to bring a financial turnaround from the top down to the bottom line. In order to stabilise revenues from electricity generation and mitigate the risks of further energy price fluctuations, we have taken a decision to return to feed-in tariffs in the Czech Republic and Hungary. Revenues from DSR services will triple year-on-year resulting in our New Energy division becoming profitable this year.

EPC revenues from C&I clients will increase further compared to the level achieved in 2023 thanks to a backlog of contracts already signed or under negotiations. Growth of revenues from the O&M segment will be driven by our recent capacity expansion, while the bottom line for this segment might finally turn green for the first time in our history. We also expect to monetise our project development efforts and finalise the sale of PV projects in Romania and Poland.

In other segments which include water and remediation, we can realistically expect our first commercial projects related to PFAS to be concluded in Australia and Europe during the course of 2024. We are working towards becoming a self-sustaining business based on what we sell and deliver to our external clients in a recurring manner, with the spirit that has turned Photon Energy Group and its business lines into respected brands in the markets where we operate. We aim to expand recurring stream of revenues through the combination of high-performance PV generation and storage assets, combined with the enhanced ability to access the full revenue stack available to grid-connected energy storage assets.

Economic Indicators

<i>In thousands of EUR</i>	2023	2022	2021
Total revenues	70,649	95,136	36,359
EBITDA	3,706	24,309	9,584
EBIT	-5,196	16,985	-712
Profit / loss	-15,750	6,262	-6,433
Total comprehensive income	-459	9,957	2,096

Revenue Growth 2018-2023



1.4 Statement on Sustainability

At Photon Energy Group, sustainability is one of our core values. It's also central to the continual growth and success of any business. A key element of our increasing focus on sustainability is the development of strong ESG practices.

Our sustainability plans are implemented by the Sustainability department in cooperation with representatives from several business units and in close cooperation with the top management (the Management Board and the CFO).

We understand our responsibility to ensure that our work provides consistent, long-term benefits to the people and communities impacted by our work and to the world at large. This belief is fundamental to our ethical principles and is essential for our ongoing success and the growth of our business. As such, we are committed to upholding the highest environmental, social, and corporate governance (ESG) standards in all of our practices, on every scale.

This report formally expresses our commitment to delivering sustainable outcomes and provides an overview of our efforts to integrate environmental, economic, and social sustainability into our business practices, planning and decision making. It is intended to provide clarity and guidance to all our stakeholders on sustainably integrated procedures and an overall sustainable way of thinking.

1.5 Our Key Stakeholders

The Group's sustainability goals can only be achieved by working closely with our stakeholders, which include our employees, clients, suppliers, investors, and communities. Through empowering our employees, engaging with our clients and suppliers, creating an open dialogue with the communities impacted by our activities, and with the support of our investors, we can shape how we define and execute our strategy to create a sustainable future for generations to come.

Our Employees

Our employees are our most important asset, representing 26 nationalities working at more than 10 sites in 9 countries, across three continents. We aim to be a top employer and offer our employees valuable opportunities to grow personally and professionally. The health and safety, equity and inclusion of our people is our highest priority, and we aspire to provide an incident- and injury-free working environment for everyone.

Our Clients

Our clients are one of our most important external stakeholder groups. The greater number of sustainable solutions we can provide to our clients, the more sustainable our business becomes. This requires a comprehensive understanding of our clients' specific needs. Our sales teams have a well-established relationship with our clients, and industry associations provide us with markets insights.

Our Suppliers

We rely on the technology, equipment and services supplied by our key business partners. We work closely to develop and improve long-term synergies. We are aware of the environmental impact of our sourcing of raw materials as well as production processes. We clearly communicate our goals through our

We are committed to:

- ▶ The highest standards of health and safety.
- ▶ Supporting our stakeholders and their communities through the provision of renewable energy and clean water services.
- ▶ Seeking sustainable solutions and partnering with suppliers to deliver services that contribute to a more sustainable world.
- ▶ Strictly adhering to all regulatory requirements regarding policies and standards for our operations, products, and services, including all environmental, health and safety requirements.
- ▶ Improving our performance by protecting and enhancing all aspects of our environment, as the foundation for the company's success.
- ▶ An inclusive, engaging and socially responsible working environment for employees.
- ▶ Effectively communicating our policies to all employees and ensuring open channels of communication within our organisation.

Third-party Conduct Principles and expect our suppliers to reduce their potential impacts on environment and communities.

Our Investors

Our financial partners, shareholders and bondholders play a significant role in the Company's growth and success. They support us in our pursuit of a long-term-oriented strategy which aims to continually create value for shareholders while offering a low-risk environment for debt holders. With our financial instruments listed on financial markets, we provide transparent communication and share key business developments by up-keeping and continuously developing our website, providing an Investor Relations newsletter, and hosting live webcasts to present the Company's quarterly results.

Communities

We engage with communities on multiple levels, from local authorities and residents living near our PV installations to collaborations with universities and research institutes. We also engage in philanthropic and sponsorship activities, documented by our Donation and CSR Policy, including CSR Days offered to employees. As outlined in our Code of Ethics and Donation Policy, we do not make political donations. In Australia, a dedicated website is set up right from the start of a new project to provide access to all available information regarding the project, and to enable members of the public to contact the team in charge of the project's development. In addition to these regulatory requirements, and for every projected location, we engage in preliminary discussion with local authorities as a means of ensuring projects' compatibility with territorial and community policies. In 2023 we did not identify any significant actual or potential negative impacts on the communities in which we operate and conduct business.

Memberships and Associations

Photon Energy Group is a member of the following industry associations and national or international advocacy organisations:

- ▶ Solar Association Czech Republic
- ▶ Resolar
- ▶ RPIA (Romanian Photovoltaic Industry Association)
- ▶ Magyar Energiakereskedők Overseer (MEKSZ)
- ▶ Slovak Association of Photovoltaic Industry and Renewable Resources (SAPI)
- ▶ PSF (Polskie Stowarzyszenie Fotowoltaiki/Polish Photovoltaics Association)
- ▶ Solar Plaza
- ▶ Clean Energy Council
- ▶ Australian Land and Groundwater Association (ALGA)

1.6 Prioritising Sustainability

In adopting a strategic approach to sustainability, we address material external risks, helping us to become more resilient and adaptable in the face of challenges such as climate change, and creating a space for new ideas and creative responses. We foster innovative solutions that will ultimately position us as a thought leader in our industry.

Material topics are identified and prioritised to ensure that both the potential impact on the business and the impact of the business are considered. Furthermore, stakeholder expectations and internal strategic priorities form our analysis and shape our materiality areas and criteria. Each topic is defined by our policies and strategies, with our performance being evaluated and reported on periodically.

Sustainability Management

In 2020, we laid the foundation for strategic management, controlling and reporting practices that are fully geared toward sustainability. A Sustainability department was created to work closely with the Board of Directors and representatives from several business units within the Company. The objective of the department is to monitor the strategic coordination of the Company's sustainability plans.

Our sustainability strategy creates a cohesive purpose, providing a link throughout the business that employees can identify with, as can *potential* employees, who are increasingly seeking purpose-driven organisations to work with. Another core aspect of our strategy involves engaging and supporting the communities in which we operate. The human focus of our work is

an integral component of our drive to ensure the continued success and positive impact of our activities.

Our sustainability strategy defines our reputation in the market. By displaying our values, the dedication towards sustainability development is also exhibited to customers, suppliers, and shareholders.

Sustainability Rating

Independent sustainability ratings provide valuable feedback ensuring the highest standards while providing stakeholders with confidence in our genuine commitment to a sustainable business model. We foster a culture of continuous improvement throughout the Group, aligning with our sustainability commitment.

In 2023, we were awarded with a rating of ['very good' by imug rating](#), achieving a score of 77/100. This accomplishment is very good, and we are actively working to enhance our rankings with the dedicated efforts of our Sustainability department.



imug rating has been active in the fields of sustainable finance and socially responsible investment (SRI) for over 20 years. It is one of the leading sustainability rating agencies in Germany and a specialist in customised ESG research.

This rating was further followed by a [Second Party Opinion from imug rating](#), confirming that the framework for our first green bond issuance aligns with the Green Bond Principles 2021.

Sustainability Priorities

In 2023, we continued our efforts to strengthen and standardise our corporate environmental and social management systems for all projects, with a focus on the following:

- Environment**
 - ▶ Avoid or minimise our negative environmental impacts by monitoring the effects of our projects throughout all phases of development and operation and compensate for the unavoidable negative impacts.
 - ▶ Continue the data collection process related to our CO₂e emissions.
 - ▶ We aim to keep the local biodiversity intact and ideally to promote and enhance the biodiversity and mitigate any negative impact.
- Social**
 - ▶ Maintain active dialogues with key stakeholder groups in order to identify risks and impacts on environment as well as the employees and communities.
 - ▶ Ensure the health, safety and overall well-being of employees and contractors as well as other stakeholders, our assets, and the environment. No accidents were reported 2023.
 - ▶ Provide support to organisations whose vision and values align with our Donation Policy. A Donation and CSR Policy was created in 2022. In January 2023, the first year of CSR Days – giving back to community – was launched.

- ▶ We adhere to local guidelines and regulations regarding community involvement and consultation.
- ▶ We have policies and procedures to ensure that sensitive data and other information of our stakeholders is maintained and protected.

Governance

- ▶ Partner with suppliers to promote sustainable business practices and monitor compliance through regular interactions. Our procurement practices and due diligence on human rights were revised and strengthened in 2023 and our Third-party Conduct Principles were reviewed, and a continual conversation is in process with our key stakeholders.
- ▶ Implement ISO certification for all relevant business entities. As of the publication of this report, all our Australian operations have completed a successful three-year



ISO re-certification by Bureau Veritas for ISO 9001, 14001, and 45001 standards, with zero non-conformances. Our Operation and Maintenance teams in the Czech Republic, Slovakia, Hungary, Poland, and Romania has achieved ISO 9001 and 14001 re-certification by TÜV SÜD, and our Engineering team in Europe obtained ISO 9001 and 14001 in February 2024.

- ▶ Reinforce our internal policies to achieve the most efficient and effective integrated management system by utilising the following performance objectives: environment, quality, and workplace health and safety. Going forward, an executive team will conduct a regular review of our internal procedures to ensure their compliance and efficacy, and to measure sustainability actions so that our goals can be adjusted when necessary.
- ▶ Strictly adhere to our corporate anti-corruption policies and maintain a zero-tolerance policy for bribery and corruption. A misconduct policy and a whistleblowing channel were set up in February 2022.

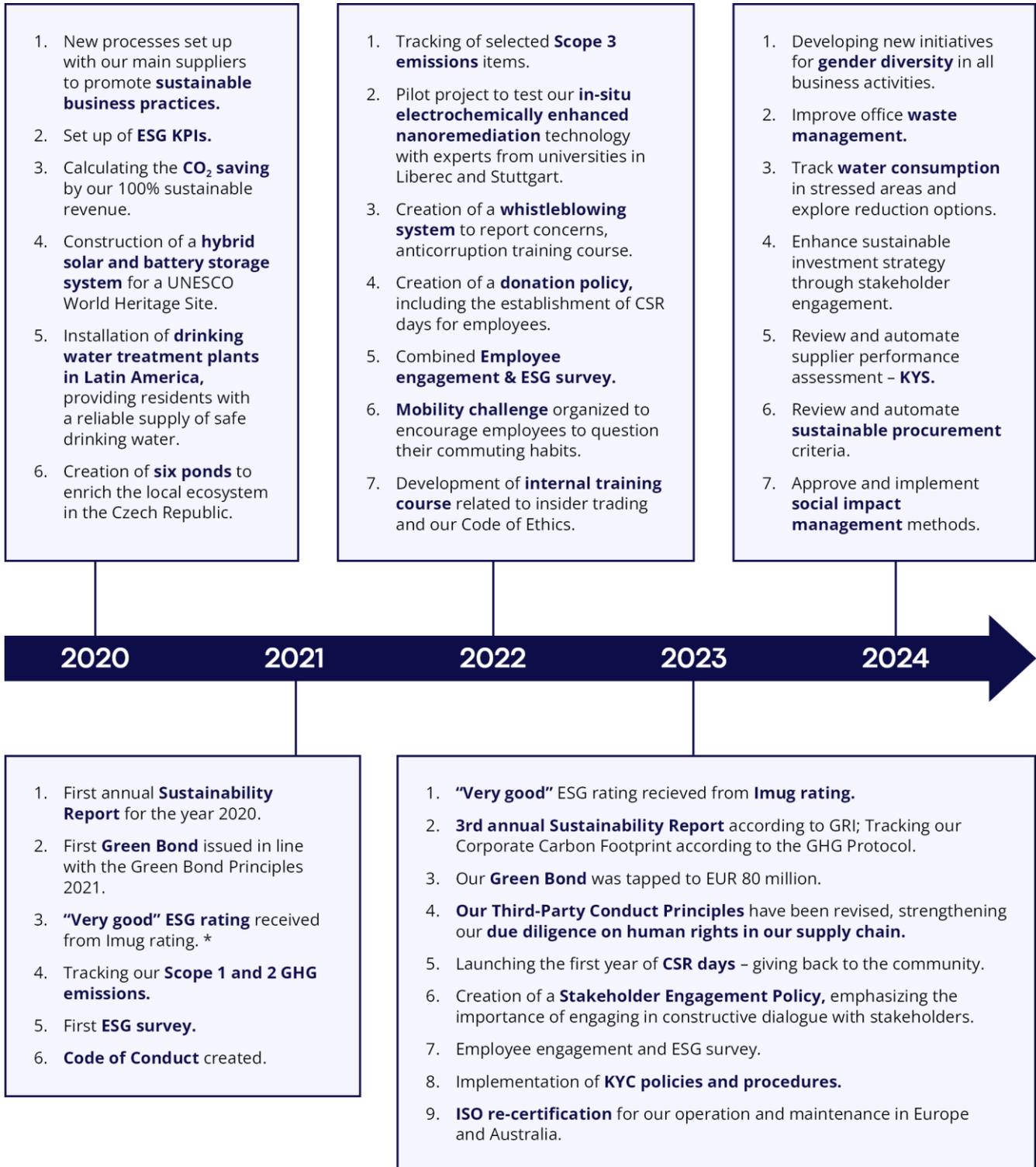


To ensure a structured approach to sustainability priorities, we have identified material ESG topics along our value chain.



1.7 Sustainability Highlights

Key Highlights



* [Summary Report](#)

1.8 ESG Key Performance Indicators

Environment



Social Conduct



Corporate Governance



Detailed table in Annex.



Environment

2. Environment

Environmental sustainability is the foundation of our business model. All our work and 100% of our revenue is connected to activities that add sustainable value to the environment.

Our Environmental Priorities

To conduct our business responsibly, we have prioritised the following long-term environmental principles, in line with various international organisations including the EU taxonomy objectives and the sustainable development goals of the United Nations:

- ▶ **Climate change mitigation** through the delivery of affordable and clean energy and the development of green energy systems including energy storage.
- ▶ **Innovation to enhance the efficiency of infrastructures** by developing new solutions and relying on partnerships with organisations such as RayGen, our new investee, as a priority.
- ▶ **Helping to make cities and communities sustainable** by developing and operating environmentally friendly and minimized emissions power plants.
- ▶ **Contribution to a healthy ecosystem** by conducting environmental impact studies prior to the installation of power plants.
- ▶ **Enhancing biodiversity** by working proactively on projects that are beneficial to local ecosystems and wildlife.
- ▶ **The sustainable use of water** through the delivery of water treatment solutions, the conservation of water, and a range of remediation services to eliminate contaminants from groundwater and the environment.

2.1 Environmental Commitments

Beyond our work developing solar energy and clean water solutions, we have various policies in place to ensure that our dedication to environmental causes is also reflected in our internal practices.



- ▶ All of our field operations are subject to local environmental regulations, which we strictly adhere to.
- ▶ When disposing of waste, all recyclable materials such as metal, wood, plastic, glass, and paper are sorted and recycled.
- ▶ We generally do not use chemical fertilisers or pesticides for landscape management.
- ▶ For the cleaning of PV panels, we use only demineralised water, no chemical agents.
- ▶ When clearing land to construct new power plants, we conduct in-depth biodiversity studies and implement measures to ensure that any unavoidable impact is minimised or reversed.

2.2 Carbon Footprint

Making a positive contribution to carbon reduction to mitigate climate change is our top priority.

The aim of our core business is to reduce carbon released during electricity generation. In 2023, our solar power plants generated **139.8 GWh of clean electricity** and **58,286 tonnes of CO₂e emissions were avoided** as compared to conventional electricity production. This figure represents carbon emissions avoided annually by replacing the equivalent quantity of electricity generated from conventional electricity generation with clean generation from PV power plants. This equivalent quantity is based on the total production of our proprietary portfolio of power plants. The calculation is updated annually and utilises a carbon emissions factor. The emission factor considers the combined margin grid emission factor for countries in which Photon Energy Group operates and owns PV power plants.

Scope 1 emissions correspond directly to emissions from sources owned or controlled by the Group. In 2023, the assessment focussed on our car fleet, comprised of 136 vehicles.

Scope 2 emissions are detailed as indirect emissions produced by electricity consumption at our offices.

Scope 3 emissions cover purchased goods and services, capital goods, fuel, and energy-related emissions which are not included in Scope 1 or 2 emissions, transport and distribution, waste, business travel, and commuting of our employees.

As part of our ESG strategy, it is important to record and reduce the carbon emissions of our own activities. To date, we have initiated the implementation of an integrated approach to calculate and monitor our carbon footprint. In the first phase of this approach, starting from 2021 we evaluated the CO₂e emissions scope 1 and 2 emissions connected to our activities.

Scope 1 and 2 Emissions

In 2023, total scope 1 and 2 emissions amounted to 670.8 tonnes of CO₂e, representing a 64% increase from 2022. This increase is consistent with our reported business growth, changes in the methodology of our carbon footprint calculation, increased number of employees (+58.2% YOY) and an expanded number of offices. Photon Energy Group aims to improve monitoring practices and the closeness at which company car fleets are examined. For example, company cars are tested regularly to eliminate excess emissions due to mechanical dysfunctions. At the time of this report's publication, this fleet includes 5 hybrid vehicles, two more than the 2022 reporting year, and two fully electric vehicles. By choosing electric vehicles over traditional combustion engine vehicles, we are reducing our carbon footprint and support a sustainable future. In total, a 34,158 kilometres of distance travelled by our electric vehicles in 2023, our adoption of electric vehicles has led to a avoided fuel consumption of approximately 2000 liter in total and reduction of 157,823 grams of CO₂e emissions, compared to traditional combustion engine vehicles.

Selected Scope 3 Areas

Photon Energy Group tracks and accounts for various sources of emissions, including business travels, commuting, and procurement-related activities. Our commitment to transparency and environmental responsibility drives us to provide information and data on our carbon footprint.

In 2023, our business travel encompassed flights, train and bus tickets, rental cars, and costs associated with the use of private vehicles for business purposes. The total distance covered amounted to 1,285,497.2 km, resulting in 260.6 tonnes of CO₂e emissions.

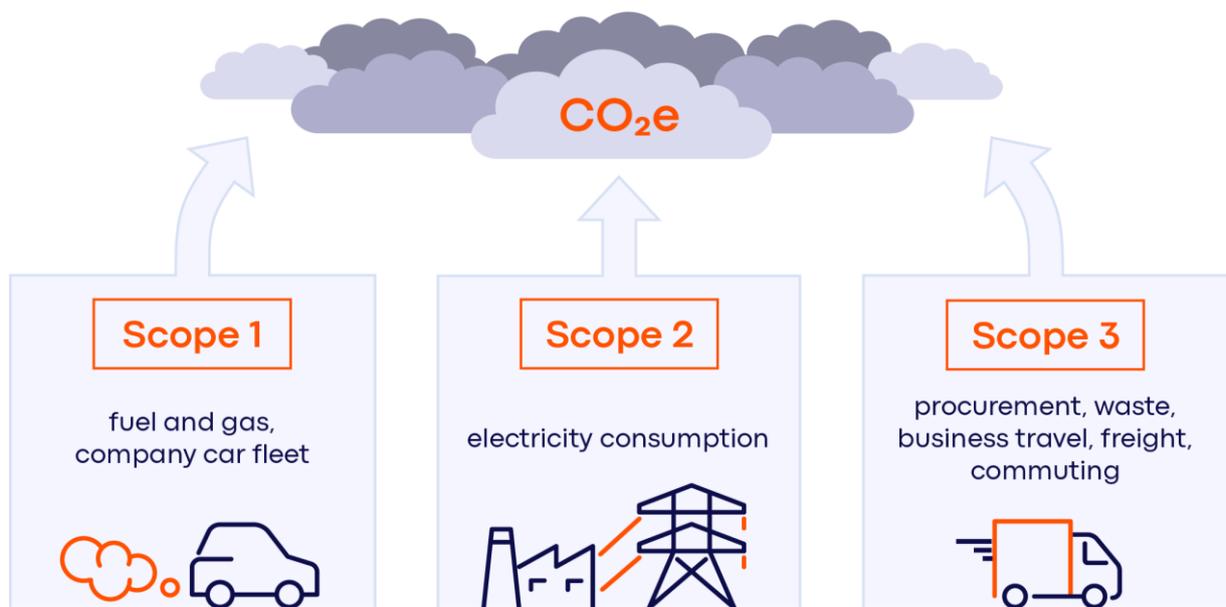
Estimation from the 2023 commuting survey, we estimated that Photon Energy Group employees travel an average distance of 14.5 kilometres per day, utilising various modes of transport including cars, foot, bike, or public transport, with 4% opting for

foot or bike travel. For the reporting year 2023, the total emission from employee commuting were estimated at 314 tonnes of CO₂e.

Procurement related emissions constitute a significant portion of our upstream value chain emissions. Specifically, freight emission attributed to the transportation of equipment purchased by our technology team for the construction of proprietary PV power plants or for our technology distribution activities. As part of emission reduction strategy, we have taken steps to reduce CO₂e emissions associated with freight by substituting heavy trucks with trains in some instances, resulting in lower emissions.

Looking ahead, we are revising our scope 3 emission calculation methodology to provide more accurate and comprehensive reporting. These efforts represent a significant step forward in our carbon reduction targets and our commitment to sustainable practices. Moving into subsequent phases of our carbon emissions reporting program, data will encapsulate complete scope 3 emission or indirect emissions. This reporting will include emissions associated the value chain, including both upstream and downstream emissions.

	2023	2022	2021	2020
CO₂e Emissions Scope 1 and 2 (in tonnes)	670.8	409.6	342.8	286.6
Number of Employees	348	220	144	136
CO₂e Emissions Scope 1 and 2 per Employee (in tonnes)	1.93	1.69	2.38	2.11
CO₂e Savings (in tonnes)	58,286	49,013	43,867	29,778



Energy Consumption

In the 2023 reporting year, Photon Energy Group conducted a comprehensive data collection effort to assess the energy consumption across our offices, on-site operations, and fuel consumption of our car fleet. The fuel consumption of 135 Photon Energy Group vehicles in 5 countries was closely monitored, amounting 94,847.2 litres for the reporting year. The breakdown by country is as follows: Czech Republic vehicles accounted for 51% of the total consumption, while vehicles in Poland, Hungary, Romania, and Slovakia account for 19%, 16%, 10%, and 3% of the total consumption, respectively. The majority of this fuel consumption is attributable to our O&M activities.

The total electricity consumption at Photon Energy Group offices in Europe and Australia amounted to 113.7 MWh in 2023. On-site electricity consumption was estimated at 495.7 MWh. In terms of electricity consumption in our offices, the Czech Republic accounted for the highest share, 49% of the total consumption, followed by our offices in Poland, which accounted for 41% of total consumption. The Company's gas consumption amounted to 63.2 MWh in 2023, essentially used for heating purposes in offices located in the Czech Republic, Poland, and Romania. Our offices in Poland accounted for 95% of the total consumed gas. The electricity consumed at our offices and power plants is sourced from national grids.

	2023	2022	2021	2020
Fuel Consumption (Liter)	94,847.2	91,147.0	115,155.1	97,437
Electricity Consumption – On Site (MWh)	495.7	469.3	402.9	102.8
Electricity Consumption – PEG Offices (MWh)	113.7	107.1	74.2	73.8
Number of Employees	348	220	144	136
Electricity Consumption per Employee (MWh)	0.33	0.49	0.52	0.54

Breakdown of fuel and electricity consumption in countries of operation is as follows:

Office Electricity Consumption Breakdown by Country (MWh)				
	2023	2022	2021	2020
Czech Republic	55.2	45.2	56.8	54.7
Poland	47.0	48.2	1.6	1.5
Hungary	4.2	3.4	3.8	3.0
Romania	7.3	0.44	0.45	0.43
Australia	-*	10.7	7.0	9.1

* Due to the utilization of solar energy systems in the new office building.

Fuel Consumption Breakdown by Country (Liter)				
	2023	2022	2021	2020
Czech Republic	48,003	48,647	74,640	68,458
Poland	18,457	6,910	8,433	491
Hungary	15,583	25,152	23,140	20,137
Romania	9,944	5,145	4,862	3,789
Slovakia	4,562	3,995	4,080	4,562

2.3 Waste Management

Both on-site and in our offices, we aim at maximising recycling and to minimising non-recyclable waste. All waste is separated and disposed of accordingly, in our installations and in our offices.

On-site Waste Management

Our field operations adhere to local environmental regulations, emphasizing the importance of responsible waste management practices. Recyclable materials such as metal, wood, plastic, glass, and paper are diligently sorted and recycled. Ecologically sound disposal methods are employed for PV components, ensuring environmental responsibility throughout our operations.

At Photon Energy Group, we recognise the critical importance of effective waste management in fostering environmental

sustainability. To this end, we have implemented an Extended Producer Responsibility (EPR) system for on-site construction waste management. This proactive approach ensures the appropriate waste collection and reusing or recycling of waste generated during the construction of our PV power plants, minimising our environmental impact and promoting the circular economy.

Our dedication to sustainable waste management not only aligns with our values but also contributes to the preservation of natural resources, the protection of ecosystems, and the promotion of a healthier environment for current and future generations.

During the construction phase of Faget, Calafat, Magureni, Auid, Teius, Siria and Sahateni PV power plants in Romania, 47.9 tonnes of waste were collected and either reused or recycled.

Through partnerships with certified waste management facilities, we strive to divert as much waste as possible from landfills.

Office Waste Management

In 2021, we conducted a comprehensive review of waste management practices across the five offices housing more than 90% of our employees. This review involved preparing an inventory of the types of waste produced by each office, along with a detailed description of current waste management, reuse, recycling, and sorting practices. The identified categories of waste and recyclable materials include organic waste, soft plastic, metal, hard plastic, glass, paper, electronic waste, and other non-recyclable materials. Through this process, areas for improvement were identified, and we are in the process of establishing revised waste prevention rules to address them.

In collaboration with our third-party supplier, we have implemented a convenient solution for the disposal of used toners and cartridges at each printer in our Prague office. Specifically, we have placed boxes for collecting used toners and cartridges,

which can also accommodate cartridges from personal home printers. The contents of these boxes are ecologically disposed of or recycled for reuse, aligning with our commitment to environmental sustainability and responsible waste management practices.

At Photon Energy Group, we are committed to sustainability and environmental stewardship. Through our collaboration with EKO-KOM, a leading packaging waste management company, we actively participate in a comprehensive system for sorting and recycling packaging waste in the Czech Republic. By partnering with EKO-KOM, we ensure that our waste is collected and utilized in accordance with legal requirements, contributing to the circular economy and reducing environmental impact. Together, we play a vital role in establishing an efficient waste management system, facilitating the recycling or energy recovery of over 80% of single-use packaging annually. Our dedication to responsible waste management aligns with our core values, and we continue to prioritise sustainable practices in all aspects of our operations.

2.4 Photon Energy Group Grows Sustainably

New Office in Romania

In October 2023, Photon Energy Romania relocated to a new office. The office is located within a building which earned a BREEAM certificate 5-star rating in 2022. Additionally, it holds a Well Health-Safety Rating from the Well Building Institute, ensuring a healthy and safe environment for occupants.

The new office embraces sustainability by incorporating renewable energy sources, including solar panels for hot water, effectively reducing the carbon footprint. The extensive natural lighting facilitated by expansive windows enhance the energy efficiency and employee's well-being. Conveniently situated near amenities such as public transportation. Tenants benefit from underground parking facilities, further enhancing its accessibility.

This move strengthens Photon Energy Group's presence in Romania, whilst supporting future growth capacity and being well aligned with our culture of sustainability.

Reducing Emissions, Fostering Community, and Enhancing Sustainability

As part of our ongoing efforts to reduce our carbon footprint, the 2023 Christmas celebration was held locally to minimise

emissions from business travels. All employees enjoyed the online all-staff meeting and local Christmas parties in their respective countries of operation. The events were organised locally, and employees attended the all-staff meeting virtually. This initiative reflects Photon Energy Group's commitment to decreasing our carbon footprint and mitigating the potential negative impact of business travels.

Promoting Reuse

In 2023, as part of our ongoing commitment to sustainability, we initiated a program to offer office furniture to our employees, free of charge. This proactive measure aimed to promote the ethos of reuse, emphasising its importance in our sustainability strategy. By providing employees with access to pre-owned office furniture, we aimed to extend the lifecycle of these resources, reducing the need for recycling and minimising waste generation. This initiative not only aligns with our corporate values of environmental responsibility but also fosters a culture of sustainability within our organization. Through encouraging reuse, we reduce our environmental impact but also contribute to the circular economy, promoting responsible resource management for a more sustainable future.

CASE STUDY

PHOTON WATER

Clean Water in the Mšeno Reservoir



OVERVIEW

Location: Jablanec nad Nisou, Czech Republic

Service: Implementation of measures to improve the water quality in the Meno Reservoir using floating vegetation islands and the ultrasound technology eliminating cyanobacteria growth. Water quality monitoring in the cascade of reservoirs and at inlet.

THE CHALLENGE

Sustainable improvement of water quality for swimming, other recreational purposes, and water management activities.

THE SOLUTION

For the sustainable water quality improvement only the environmentally friendly methods are used. Our approach does not require use of any chemicals or additives and does not create any harmful by-products.

The goal of the application was to reduce the presence of cyanobacteria and algae in the water body to an acceptable level for swimming and bathing and thus extend the swimming summer season on the reservoir.

Two floating units equipped with ultrasonic transmitters and solar panels were operated on the main lake. On the middle reservoir, floating vegetation islands acting as a root treatment plant help with the water quality. Monitoring of the surface water quality in reservoirs during whole season was part of the solution.

CASE STUDY

PHOTON WATER

Reconstruction of Bubec pond (Design)



OVERVIEW

Location: Bubec pond - Řeporyje, Praha, Czech Republic

Service: Preparation of project documentation of the Bube pond reconstruction. Author's supervision during implementation.

THE CHALLENGE

Revitalisation of a pond in a poor structural and technical condition. Providing new access to the water for the public.

THE SOLUTION

Project documentation for the overall reconstruction of the pond was prepared. It included a project of desilting of the pond, demolition of existing objects within the flooded area and reconstruction of the reservoir's fortifications and functional objects. Design also included a new pier making pond accessible to the public.

Under our author's supervision more than 700 m³ of sediment was excavated and the eroded banks of the reservoir were repaired, especially the right bank wall adjacent to the road. The right bank was realised as a pre-cast wall with a stone face. The left bank was fortified by a heavy boulder. A new reinforced concrete wall of the dam and discharge pipe were built. Our work will continue with the construction of a fountain safety spillway, a descent ramp into the reservoir and a new pier.

CASE STUDY

PHOTON WATER

Water Retention in Dubnice



OVERVIEW

Location: Dubnice, Northern Bohemia, Czech Republic

Service: Construction of a system of pools to retain water, create new habitats and provide a relaxation zone for the residents of the village and visitors.

THE CHALLENGE

Technically demanding digging of ponds on permanently wet and swampy area with grown vegetation, requiring continuous water pumping. Removal of mature trees from hard-to-reach waterlogged places. Construction of wooden walkways on piles, mechanically driven into the bottom of the pond.

THE SOLUTION

A system of 5 water pools of different depth and size was built on a waterlogged and overgrown plot within the village. It supports the accumulation of water in the landscape and create suitable conditions and habitats for plants and animals bound to water. Part of the solution was the construction of a wooden walkway on piles across the largest pool and accompanying paths made of natural materials. Residents and visitors of the village thus gained a pleasant place for rest and relaxation.

CASE STUDY

PHOTON WATER

Eutrophication Remediation of Jordan Reservoir



OVERVIEW

Location: City of Tábor / Stoklasná Lhota, Czech Republic

Service: Continuous automated chemical precipitation of nutrients on the Košínský potok stream in order to improve the quality of bathing water in the Velký Jordán reservoir, in the city centre of Tábor.

THE CHALLENGE

Reducing the nutrient load which is brought by surface waters into the Velký Jordán reservoir and causes eutrophication and the development of water bloom in the summer seasons. Optimisation of the operation of the island system and tuning the coagulant dosage in relation to the changing parameters of the flow.

THE SOLUTION

The solution consisted in the delivery, installation and operation of a mobile automated precipitation station and continuous monitoring of the physical and chemical parameters of water in the stream.

Advanced remote control of the operation of the precipitation station in conjunction with on-line monitoring enabled real-time optimisation of the amount of applied coagulant dose based on automatic flow measurement in the selected profile. Correct operation of the station was remotely monitored and during the year the operation of installed power train (combustion engine powered generator, recharging units and set of traction batteries) was optimised.

CASE STUDY

PHOTON WATER

PFAS Remediation



OVERVIEW

Location: Separate localities in Czech Republic and Australia

Service: The PFAS_Tech Project is a project focused on the development and verification of technologies for the remediation of per- and polyfluorinated substances (PFAS) from the environment. The project is subsidised by the TREND program of subprogramme 1, "Technological leaders" of the Technology Agency of the Czech Republic, which supports enterprises and research organisations from the Czech Republic in the research and development of new products, production processes and services.

THE CHALLENGE

The development of innovative remediation methods for the in-situ elimination of PFAS and advanced technologies for water treatment. The solution directly addresses a current urgent threat to the environment and public health.

THE SOLUTION

The project develops and validates technologies for the remediation of PFAS, which are persistent organic pollutants known for their adverse effects on health and the environment. The solution focuses on drinking water treatment and in-situ groundwater remediation.

The developed small and medium-sized drinking water treatment plants combine the function of specific ionex with electrochemical and sorption mechanisms.

For the in-situ remediation technologies, the research is focused on the use of modern remediation methods with electrokinetic support, the description of mechanisms, and the design of technologies that will enable the controlled application of an electric field to optimize the remediation process. In the first phase of the project, the selection of filter materials targeted at PFAS, the selection of pilot sites in the Czech Republic and Australia, and laboratory testing of technologies were carried out. The project will make it possible to establish operational, technological, and economic parameters of technologies and to optimize both the individual components and technology as a whole.

CASE STUDY

PHOTON WATER

Hydrogeological Services for a Water Utility Company



OVERVIEW

Location: Water source areas of Poděbrady-Kluk and Písty, Czech Republic

Service: Repairs and regeneration of existing water wells, construction of new wells, overall hydrogeological service of two large water source areas

THE CHALLENGE

Restoration of the yield of water sources (wells) that are more than 50 years old. Building new boreholes to supply the population with drinking water.

THE SOLUTION

Hydrogeological services were implemented for the water utility company Vodovody a kanalizace Nymburk, which operates several water source areas and supplies approx. 60,000 inhabitants with drinking water.

Aging water wells, 50 years old or more, were regenerated and thus their capacities were either improved or restored. For wells that could not be regenerated, the life of wells was extended by inserting new PVC equipment into the original corroded steel equipment. Three new wells with a large diameter were built, from which a total of 30 l/s of groundwater can be pumped.

A hydrogeological assessment was prepared for the extension of the permit for the groundwater use, including an assessment of the increase in the total volumes of pumping in relation to the circulation and reserves of underground and surface water in the catchment area.

2.5 Quality Control

The highest standards of quality in our products and services are vital not only to our business, but to managing the environmental impact of our work. In addition to our own standards and practices, we strictly adhere to all relevant laws and regulations concerning product quality and safety.

Practices during the development and construction of power plants:

- ▶ Our assets and operations are subject to various environmental laws and regulations in the jurisdictions in which we operate. These environmental requirements include ecologically responsible disposal of PV components. Waste record keeping and the transfer of waste to specialist companies with practising management permits in accordance with local environmental law also features in our quality control procedures.
- ▶ Regular checks are made with subcontractors, including a Work Completion Test (WCC), Preliminary acceptance Test (PAC) and a Final Acceptance Test (FAC). The WCC consists visual inspection of all components, while the PAC and FAC mainly focuses on the functionality of major components, such as the emergency off switch, switchboards, bus bar, circuit breakers and modules.

The PAC test is done after commissioning and FAC test is done for PVPs in operation for defined period.

Practices during the operation and maintenance of power plants:

- ▶ Preventative maintenance as the central component of our approach. This includes targeted inspections and testing to ensure that any potential problems are identified and resolved before they become a fault, minimising downtime.
- ▶ Regular technical audits, aligned with a continuous improvement culture, which consist of in-depth inspections and data analysis in order to assess performance, identify problems and implement solutions.
- ▶ Online monitoring and analysis services for all types of PV projects, ensuring that system abnormalities are identified and rectified, and that sites run at optimal performance.

Our approach to quality control allows for optimal performance of components by minimising operational and energy losses, and to ensure compliance with local government and environmental regulations, thanks to our forecasting tools.

2.6 Water Conservation and Management

The conservation and the quality of water is foundational to life on Earth. Ensuring sufficient and consistent water supply, regardless of climate and anthropogenic requirements, supports sustainable practice and acknowledges clean water as essential for a healthy world.

We manage water consumption both in our office buildings and during the operation of our PV power plants. In office settings, water usage is minimal. Similarly, our PV power plants operate with low water consumption requirements. Water plays a crucial role in cleaning solar modules to prevent yield reductions and potential damage caused by soiling. On average, approximately 738.9 liters of water per MWp was used for this purpose in 2023. Notably, no cleaning agents been utilised in the cleaning process.

Wastewater generated in office facilities is directed to local centralised wastewater systems, complying with relevant regulations for treatment and disposal.

Photon Water's Sustainable Solution

On a global scale, emerging hazardous contamination threatens the quality of valuable water supplies, making it imperative to adopt sustainable water management practices. Urgent action is required to meet current water needs without compromising the well-being of future generations. Photon Water addresses this demand by offering reliable remediation solutions with a long-term vision.

Photon Water specialises in managing water resources for clients, providing treatment for drinking water and wastewater. As a subsidiary of Photon Energy Group, Photon Water leverages both innovative and traditional water treatment solutions, integrating them with renewable energy.

Our approach is characterised by a considered, scientific, and holistic perspective, taking into account the complete project cycle and downstream consequences. From lake management to remediation, our solutions are designed to minimise environmental impact and waste. For example, our ultrasonic algae control target toxic algae without negative impact on environment, without use of chemicals and harmful by-products, maintaining natural ecosystem equilibrium.

Transitioning from conventional pump and treat filtration to mobile off-grid systems to in-situ methods promote sustainability, while electrochemically enhanced remediation techniques offer energy-neutral control and elimination of contamination.

Through our comprehensive solutions and services, we ensure access to clean water for all. This includes large- and small-scale water treatment units, recycling of industrial wastewater, and treatment of liquid waste.

Through the process of remediation, we remove harmful pollutants, ensuring soil health and safe water usage. We tailor remediation methods to the site and pollutants involved, guiding customers through every stage for the safest, most effective solutions.

PFAS and Photon Water's Pioneering Remediation

Per- and polyfluoroalkyl substances (PFAS) pose a significant environmental and human health challenge due to their persistent and bioaccumulative nature. Photon Water is pioneering in-situ groundwater remediation targeting PFAS contamination through collaboration with researchers from the Technical University of Liberec (TUL). By developing and applying electrochemically enhanced nanoremediation technology, Photon Water prioritises sustainability, community well-being, and safety.

In collaboration with laboratories at the Institute for Nano-material Advance Technologies, and Innovation at TUL, Photon Water established the world's first in-situ electrochemically enhanced nanoremediation trial site in Australia in November 2020 for PFAS contamination. Initial results from this small contamination hotspot align with laboratory findings, with the Australian Department of Defence advocating for the technology. The site has demonstrated a reduction in PFAS concentration of up to 80% -100% from the initial levels. While the study focused on proving the efficiency and safety of the technology, ongoing research at TUL and the Enhanced in Situ Bioremediation for Contaminated Land Remediation (EiCLaR) consortium,

2.7 Biodiversity

Installing PV power plants often involves land clearing, which can disrupt biodiversity and lead to habitat loss for local wildlife. At Photon Energy Group, biodiversity considerations are integral to our environmental due diligence processes. We conduct baseline studies to assess potential impacts, and if unavoidable, we implement measures to minimise and mitigate them.

During site clearance, we prioritise sensitive methods to minimise disruption to fauna. This includes directional clearing and avoiding clearance during bird nesting season. Additionally, we take measures during construction and operation phases such as fencing off storage areas and minimising lighting to reduce disturbance to wildlife.

When the impact cannot be fully mitigated, we explore options for habitat enhancement and the creation of new conservation areas to restore biodiversity levels.

Photon Water's Contribution to Wetland Preservation

Awareness of wetland importance is growing globally, and Photon Water is actively involved in wetland preservation efforts. In collaboration with an international consortium, we are developing Wetland+ technology at Jaworzno, Poland, as part of the EU-funded LIFEPOPWAT project. This innovative technology based on constructed wetlands for treatment of pesticide contaminated waters, aims to reduce levels of HCH, a persistent organic pollutant, in stream water. A form of HCH, was widely used in the EU as a pesticide and a treatment for lice and scabies until its production and application were banned in 2004. Nevertheless, this persistent organic pollutant still poses serious health risks for the residents of affected areas.

The consortium includes partners such as the Central Mining Institute and city of Jaworzno (pl. Główny Instytut Górnictwa), Photon Water, along with Technical University of Liberec (Czech Republic), Aarhus University (Denmark), as well as SERPOL France and Czech state-owned company DIAMO. The project, initiated in 2020, focuses on demonstrating the effectiveness of

2.8 Environmental Impact

We strive to avoid or minimise any detrimental changes to local landscapes. The potential negative environmental impact of our projects is identified during the development stage, and corresponding investigations are carried out for small-scale projects. For larger projects, environmental impact assessments (EIS) are carried out. For the company's major projects in Australia, EIS's are conducted at the outset. During the first year of

including the VEGAS Research Facility for Subsurface Remediation at the University of Stuttgart, continues to augment finding.

Current experiments utilising in-situ technology for polychlorinated ethylene (PCE) and planned experiments for PFAS contamination validate the versatility of Photon Water's solution across various hazardous contamination types. With the increasing urgency of remediation action, more projects are being deployed across Europe and Australia to address PFAS and other chlorinated and fluorinated hydrocarbon contamination using this innovative in-situ remediation approach.

wetland systems and establishing replicable process, planned termination in December 2023.

In addition to LIFEPOPWAT, Photon Water is involved in another EU-funded project to map and address HCH contamination in the EU. Photon Water sub-contracted by Tauw BV, a leading company to help with the inventorisation of HCH-contaminated sites in the Czech Republic and to assist one of the site owners with HCH-contaminated site management. This includes inventory contaminated sites in the Czech Republic and assisting with site management.

Partnership with Czech University of Life Sciences Prague

Biodiversity projects are in the works at four of our power plants in the Czech Republic, as part of an agreement with the Department of Ecology of the Czech University of Life Sciences Prague. Currently underway is the initial phase of this long-term endeavor, which involves studying biodiversity characteristics unique to each location. Experts in insect and crop sciences are actively involved in identifying suitable crops for cultivation around the panels.

Initiatives such as the biodiversity project we've undertaken in collaboration with the Czech University of Life Sciences Prague offer a several benefits that extend well beyond mere environmental conservation. They serve as vital instruments in nurturing sustainable ecosystems and fostering the well-being of both wildlife and human communities.

By thoughtfully selecting plant species and nurturing diverse ecosystems around our power plants, we contribute to the preservation and restoration of natural habitats. This proactive approach not only strengthens the survival of native species but also helps counteract the adverse effects of habitat fragmentation and loss. By promoting biodiversity, we fortify the resilience of ecosystem services, thereby safeguarding our planet's capacity to sustain life. Integrating biodiversity into our operations underscores our dedication to combating climate change and transitioning towards a low-carbon future.

development, a large amount of information on the environmental impact of each project is documented and then published as part of the approval process. Our projects are very often large-scale and long-term (the life cycle of a PV installation is generally at least 25 to 30 years), and as such we take great care assessing, managing, and monitoring any possible impacts on local communities.

The development and construction of PV power plants and water treatment installations can make significant impacts on local ecosystems, and as such are subject to stringent environmental regulations as well as regulatory requirements in the form of building permits. In Australia, development approvals for PV power plants are subject to public inquiry and consultation, which brings together representatives of central and local government as well as environmental and other associations. A dedicated website is set up at the commencement of an Australian project providing transparent project information to the

public and a direct contact line during the project's development.

Photon Energy Group is committed to the minimisation of our impact on the environment, and to ensuring the health and safety of communities impacted by our work, by complying with relevant state and local environmental policies as well as industry-specific legislation. During the construction, operation, and maintenance of our PV power plants, we have not encountered any incidents or injuries impacting the communities neighbouring our sites.





Social Conduct

3. Social Conduct

We are proud to have built a dynamic, diverse team of colleagues, comprised of 26 nationalities in locations around the world. We recognise this vibrant community as one of our greatest strengths, and we are dedicated to its continued enrichment.

3.1 Social Commitments



- ▶ We have stringent health and safety policies and procedures in places, and all employees are responsible for complying with applicable laws and regulations.
- ▶ We embrace all forms of diversity and provide equal employment opportunities for all, regardless to gender, race, religion, disability, sexual orientation, or age.
- ▶ We provide an open, inclusive work environment, and discrimination of any kind is not tolerated.
- ▶ We ensure that all employees are treated equally and objectively in opportunity and remuneration, using merit-based criteria.
- ▶ We understand our obligation to protect the privacy of our customers and suppliers. We have policies and procedures in place to ensure that sensitive data is protected. This includes electronic data stored in our systems.
- ▶ We follow all local guidelines and regulations regarding community involvement and consultation.
- ▶ When working with subcontractors, we prioritise local suppliers to have a positive impact on the local economy through job creation.

3.2 Our Employees, Our Core Assets

At the end of 2023, Photon Energy Group had 348 employees (compared to 220 employees at the end of 2022) translating into 338 FTE (compared to 212 FTE as of the end of 2022). This include the integration of Lerta in December 2022, when the Group’s headcount was increased to 283.

In addition to our employees, 35 contractors worked with the Photon Energy Group team in 2023. These are not reflected in the graph below.



Full-time equivalent (FTE) is a unit that indicates the workload of a person in a way that makes workloads comparable across various contexts. An FTE of 1.0 means that the person is equivalent to a full-time employee, while an FTE of 0.5 signals that the employee is only half-time.

Talent Attraction, Retention and Development

One of the key factors resulting in the continuous growth of Photon Energy Group has been the development of a culture that prioritises shared values and seeks to encourage the ongoing well-being and development of its employees. Based on this, we have a two-tiered approach in our employment practices: attracting a strong, diverse pool of talent and encouraging professional development.

Our senior managers are hired from the local communities where we operate. We support and provide ongoing training and professional development, especially in areas related to health and safety – in particular training for accreditation for electrical work – workstation training for the adoption of new tools and the development of other competencies such as linguistic skills. In 2022, we partnered with a language school who runs courses year-round and deployed at a larger scale English and Czech language lessons for Photon Energy Group employees. In March 2022, we instituted an anti-corruption training program and training courses related to our Code of Ethics and Insider Trading.

Employees are supported in the achievement of both personal and professional goals, and programs including talent development and individual development planning.

A performance review processes were initiated in 2022. The first phase of a review is conducted before the end of the trial period for new hires, and for a growing number of

departments, a performance review has been conducted annually. We introduced a new global online Performance and Development platform in 2023, to support employees and managers on their journey. We aim to enhance convenience and ensure a more efficient experience for everyone in setting goals and performance and development program. Our dedication to community extends beyond our company: one of our guiding principles is to prioritise the well-being of everyone impacted by our work.

Appropriate Remuneration

Remuneration rates are designed to attract, retain talent, and reward good performance. We offer our employees a competitive, performance-based remuneration system, including market-oriented pay, individual bonuses, a long-term incentive plan, and project-based special payments. As outlined in our Code of Conduct, we are dedicated to fostering an appreciative and unbiased working environment. The HR department is responsible for overseeing the implementation of these measures.

After the Lerta acquisition in December 2022, we continued to merge our internal processes including the remuneration system in 2023. Furthermore, in terms of compensation, we encountered continual and ongoing inflationary impact as well as increasing competitive pressures in the labour market, where there was a shortage of qualified employees in the solar sector.

Gender Pay Gap Ratio at Photon Energy Group

At Photon Energy Group, we prioritize transparency and equity in our workforce practices, including the calculation of our gender pay gap ratio (GPG). Our approach centers on the adjusted GPG, which considers factors beyond gender, such as job level and seniority, to provide a comprehensive understanding of internal remuneration disparities.

To ensure accuracy, our GPG methodology involves meticulous data selection, acknowledging regional variations, and making equivalency adjustments for part-time employees. By calculating average incomes for men and women within equivalent positions and countries, we derive country-specific gender pay gaps, ultimately averaging these to determine the Photon Energy Group adjusted GPG.

The methodology behind our adjusted GPG encompasses 11 comparable positions across 4 countries including 18 women and 17 men. The adjusted GPG ratio in 2023 amounted to 0.3%,

3.3 Corporate Social Responsibility and Employment Practices

An important part of our mission is to empower everyone across the Company to help make Photon Energy Group the best possible organisation to work for. Key achievements from the past year:

- ▶ We further improved our intranet to enable cross-border working groups, networking, and getting to know each other's expertise through personal and departmental profiles.
- ▶ Through regular business updates, such as our internal newsletter, town hall meetings and regular all-staff meetings and Q&A sessions with our CEO, we have worked hard to remain connected, open, and authentic.
- ▶ We provided more clarity on people's roles and accountabilities.

which proves that women and men are rewarded equally on comparable positions. This underscores our commitment to fostering an inclusive workplace where fairness and equality prevail. Through ongoing analysis and action, we strive to address disparities and promote a culture of diversity and inclusion at all levels of our organization.

Benefit Plan Obligation and Other Retirement Plans

Due to the continuous development of the Company (92 employees in 2018, 117 in 2019, 136 in 2021, 283 in 2022, and 348 in 2023), we have implemented some new benefits locally to support employee healthcare (medical package, sport cards, meal contribution) and company social responsibility (CSR Day).

Due to experiencing several negative market trends simultaneously impacting our financial results, Photon Energy Group had to reorganize the teams and slightly decrease the number of employees during 2023. Severance was paid accordingly to local legal frameworks.

Employee Share Purchase Programme

Our management team recognises the significant contribution of its employees to the development of the Group. We operate an Employee Share Purchase Programme both as recognition of employee value and as a motivational tool. Under the terms of the programme, the Group periodically purchases shares for participating employees equal to 10% of their gross compensation net of respective taxes.

According to the Employee Share Purchase Program Policy, starting from 1 January 2023, participants of the Employee Share Purchase Programme have the right to dispose their shares during their employment contract, after three years of holding the shares.

Compatibility of Family and Work

Family-friendly regulations are essential for achieving optimal work-life balance. This entails offering flexible job arrangements, including remote work options and digitized workplaces. Our home office policy, coupled with trust-based, flexible working hours, allows employees to work remotely, accommodating their individual needs and preferences.

Regarding parental leave, we adhere to local regulations of the countries we operate in to ensure that employees are supported during significant life events.

- ▶ We continued developing our people to help them achieve their true potential, including the launch of our Training Days initiative in Europe and Australia, and regular off-site and team-building events.
- ▶ The safety and wellbeing of our team members have continued to be a key focus.

2023 Employee Engagement and ESG Survey

The 2023 Employees Engagement and ESG Survey was conducted globally in September 2023 to gather information and insights from our diverse team of colleagues around the world. The survey ensured 100% confidentiality, with all data collected and analysed by an independent third party.

The results were shared with employees at an aggregated level, and several group discussions were organised to define action plans. The survey received responses from more than 150 employees, representing over 50% of our organization at the time.

The survey data reveals encouraging trends and areas for improvement within our organization. Collectively 98% of employees agreed and strongly agreed that working in the green industry has been motivating. A significant majority (72%) agreed, and strongly agreed that our health and safety training is adequate; we prioritise employees' safety, with the majority (55%) strongly agreeing that Occupational Health and Safety (OHS) is a key player in our operation.

At Photon Energy Group, equal opportunities and respectful treatment are valued, with 95% agreeing and strongly agreeing to both aspects. Additionally, 92% of participants believe in the company's commitment to confidentiality and 96% agreeing and strongly agreeing that appropriate response would be taken to bribery occurrences. Notably, 92% of employees agree or strongly agree that equal opportunities for women exist in pay, promotions, and leadership roles.

ESG is well-received, with over 92% of employees recognising the importance of ESG, and its potential to enhance competitiveness and how ESG and sustainability integrate into daily operations. These insights provide a roadmap for maintaining strengths like safety programs and addressing areas needing enhancement, such as environmental responsibility and training clarity. Overall, the ESG and Employee Engagement Survey offers invaluable insights, guiding our efforts to foster a positive, inclusive workplace.

Donation Policy and CSR Days

At Photon Energy Group, we have a strong awareness of our social responsibilities and strive to make positive contributions to our social and ecological environments. Our Donation Policy details the framework governing any operation of donations, corporate social responsibility activities or sponsorship. The purpose of the Donation Policy is to express our commitment

to engaging in corporate social responsibility activities that are in line with the Group's Sustainability Policy and Code of Ethics. Such activities aim to support the communities in which we operate, including those who may not directly benefit from our primary business activities. Philanthropic donations and non-commercial sponsorships do not provide Photon Energy Group with material return on investment.

This Policy applies to all Photon Energy Group entities. The managing directors are responsible for ensuring the effective implementation of this Policy. Adhering to this Policy will be the responsibility of the relevant business entity seeking to organise a Donation or a Sponsorship, and as required or requested, in consultation with the Sustainability department.

A new CSR Day program was launched in January 2023, as part of the Policy. Through this program employee can donate one working day to a charity of their choice, within the scope of the Donation Policy. Employees can use their CSR Day individually or together with a group as a team-building event. Employees are entitled to one CSR Day pre calendar year compensated by company.

Volunteering provides an opportunity to give back to our communities. It allows employees to contribute and make a positive impact, allowing to connect with people and improve our environment. Volunteer work can also help employees learn new skills and can also be a great opportunity to strengthen the bonds within teams.

Volunteer activities should support a charity or non-profit organisation that is aligned with certain areas, prioritised by Photon Energy Group:

- ▶ Organisations whose work is related to the Group's business activities.
- ▶ Education and R&D with a strong focus on engineering and technology.
- ▶ Environmental initiatives.
- ▶ Youth and educational development, including social initiatives related to sport.



CSR Day – Supporting Community

Throughout the year, employees at Photon Energy Group embraced the spirit of corporate social responsibility through various volunteer initiatives. From environmental conservation efforts in the Jizerské hory mountains to cultural preservation

activities at historic sites like the Jewish cemetery in Žižkov, our teams demonstrated their commitment to making a positive impact in their communities. These endeavours reflect our dedication to environmental sustainability, cultural heritage preservation, and individual well-being.

3.4 Community Impact

Photon Energy Group recognises the profound impact that our operations can have on local communities worldwide. As a responsible global citizen, we prioritise fostering positive relationships with the communities in which we operate. This section explores our commitment to community engagement, the tangible benefits our projects bring to local areas, and our efforts to empower and support community development initiatives. From ensuring compliance with local regulations to actively contributing to economic growth and social well-being, we are dedicated to making a meaningful and sustainable difference in the lives of those we serve.

In addition to these regulatory requirements, and for every projected location worldwide, we engage in preliminary discussion with local authorities as a means of ensuring each project's compatibility with territorial and community policies. We have local teams in place in every country we operate, allowing us to communicate with and provide information directly to local authorities and residents in order to ensure the clear, accurate presentation of a project and its challenges.

We believe local requirements are appropriately stringent in the countries where we operate, and we are not currently developing projects in any countries with a high corruption perception index. However, if we choose to develop projects in other countries in the future, notably emerging countries, we may go beyond what is required by local environmental regulations if

deemed inadequate. In such cases, we will make use of the guidelines published by the International Finance Corporation (IFC).

Our activities contribute to the supply of sustainable energy and water solutions and provide local communities the benefit of positive economic impacts from our projects and installations via taxes, the leasing of land and job creation. When possible, we always prefer to work with local subcontractors, as a contribution to the local economy. This is applicable in all our markets. We also strive to empower community groups and support intern programs to assist with our construction, technical and operational projects.

Our approach to taxation is applied across all our locations and reflects our ethical guidelines. As an international organisation, Photon Energy Group pays taxes, duties and other contributions which may be significant in the countries in which we operate. We apply tax rules rigorously and are compliant with all local requirements, international treaties and the guidance provided by international organisations. We only create foreign entities for the purpose of developing our activities or responding to operating requirements.

It is crucial for us that our facilities are integrated into nature in the best possible way, and that we engage in dialogue with members of the community.

3.5 Workplace Health and Safety

Along with sustainability and community, safety is one of our core values. We place the highest value on the safety and well-being of employees, as well as that of the communities and environments in which we operate. Our goal is for every employee and contractor to return home safely at the end of every day.

We take responsibility, set requirements, and monitor health and safety performance in the development, construction, and operations phases of our projects. We define and communicate our standards to our employees and subcontractors.

All our business activities are conducted in accordance with applicable labour standards and fundamental human rights norms as per the International Labour Organisation (ILO).

Photon Energy Group is committed to maintaining a comprehensive, effective and consistent health and safety management system across all projects. Our health and safety performance and objectives are monitored and evaluated internally as well as annual management reviews.

Leading in Quality Management and Ongoing Improvement

We utilise leading indicators for monitoring activities across various business units, including tracking incidents and

improvement ideas, closing audits, and conducting management inspections. Aligned with our strategies:

- ▶ All of our Australian operating entities are certified to ISO 9001, ISO 14001 and ISO 45001 standards.
- ▶ Our operations and maintenance entities in the Czech Republic, Slovakia, Hungary and Poland are ISO 9001 certified. Additionally, operations and maintenance in the Czech Republic and Slovakia hold ISO 14001 certification.
- ▶ We conduct annual monitoring and ISO recertification every three years to ensure alignment with industry best practices.
- ▶ Our OH&S portal for streamlining and management of documents have been enhanced in June 2023.
- ▶ Our Romanian team have obtained ISO 9001 certification in 2023.

Our Strategic Direction and Objectives

- ▶ Our main goal for 2024 is to maintain the zero fatalities and serious injuries.
- ▶ Improving the quality management, health, and safety management system.

Our location-based work, such as the construction, operation and maintenance of PV power plants prioritise addressing health and safety risks associated with machinery and electrical environment.

Every employee is responsible for complying with applicable health and safety laws and following our internal policies and practices. If an unsafe situation is observed, the situation will be rectified, and we make it clear to employees that safety is our highest priority to ensure that they feel comfortable stopping unsafe work practices or assisting others in the development of safer practices.

When working with subcontractors, health and safety aspects are considered pre-contract, and contractors are also required to respect all local regulatory requirements.

During the construction of PV power plants, the project manager is responsible for ensuring compliance with health and safety requirements by the teams under the responsibility of each contractor. Risks are identified, mitigated, controlled, and monitored. Necessary actions are taken to prevent recurrence. If discrepancies are noted between the required measures and their implementation, applicable controls may be reinforced and all activity at the site could potentially be suspended. Prior to the hiring of a new team member, our subcontractors must organise training related to the working environment and safety rules, also make them aware of any potentially hazardous situations employees might encounter.

This type of monitoring ensures that working conditions are as safe as possible for employees. These parameters also have a direct impact on the quality of service we provide, in 2023 there were no serious workplace accidents.

3.6 Promoting Human Rights, Our Commitment and Progress

At Photon Energy Group, we believe in upholding the dignity and rights of every individual across our operations and supply chain. We are dedicated to continuously improving our approach to human rights management, from implementing robust risk identification in our supply chain processes to collaborating with stakeholders on critical issues.

In 2023, We have enhanced and fortified our supply chain due diligence process for third-party to integrate human rights considerations into our evaluation process effectively. Additionally, we are introducing new documentation procedures for Know Your Customer (KYC) and Know Your Supplier (KYS) to further ensure ethical and responsible business practices.

Throughout 2023, Photon Energy Group collaborated with key stakeholders to address the alleged forced labour issues in the solar PV production industry. In line with our ongoing improvements strategy:

- ▶ We strive to improve due diligence to best practice level.
- ▶ Enhance human rights risk identification and management processes in collaboration with all relevant units.
- ▶ Improving the Photon Energy Group's Environmental and Social Supply Chain Management System manual, to identify environmental and social risks, warranting a detailed human rights due diligence assessment.

3.7 Data Privacy and Security

We have implemented strict policies and procedures to ensure that sensitive data and other information valuable to the company and our stakeholders is maintained and protected. This includes electronic data stored in our systems. All employees are responsible for complying with the relevant privacy and security policies, including the General Data Protection Regulation.

Whenever we receive requests to disclose or share potentially sensitive or confidential information, any disclosure must be both appropriate and legally necessary. We understand our obligation to protect the private data of our customers and suppliers. All employees take great care to never jeopardise the security of that information.



Corporate Governance

4. Corporate Governance

Exemplary corporate governance is essential to our sustainability, fostering trust and nurturing lasting relationship with all our stakeholders, from suppliers to investors.

4.1 Corporate Governance Commitments



As Photon Energy Group continues to grow, we are committed to maintaining and strengthening our focus on the responsible management of our operations and affairs at a corporate level.

- ▶ We have an independent supervisory board and audit committee in place to provide guidance and oversight to the management board on the general affairs of the company.
- ▶ As a listed company, we apply the Dutch Corporate Governance Code 2022 and Warsaw Stock Exchange Best Practices 2021.
- ▶ We are committed to ensuring that all employees, customers, and suppliers act in an ethical manner and that stakeholders are not subject to unethical behaviours such as corruption, bribery or extortion.
- ▶ We have an anti-corruption policy and a whistleblowing system in place, and an insider trading policy is signed by all employees when they sign their contract of employment.

4.2 Governance Rules and Codes of Conduct

Photon Energy N.V., the holding company for Photon Energy Group is publicly traded on regulated markets, which leads to heightened scrutiny of its governance practices and increases the importance of governance structures practices and behaviours.

The listing of our shares on the main markets of the Warsaw and Prague stock exchanges also resulted in the adoption of the Dutch Corporate Governance Code 2022 as well as the Warsaw Stock Exchange Best Practices 2021, as guidelines for our corporate governance.

Companies in the renewables sector have the potential to develop close relationships with government officials, as well as with suppliers, third-party contractors, and utility customers. Any one of these relationships can be exploited by employees for financial gain. The utilities sector generally has historically experienced a range of incidents related to ethical misconduct, including procurement fraud (e.g., bid-rigging, false invoices, or collusion with vendors) and bribery. Best practices for utilities include strong anti-corruption policies and whistleblowing systems, as well as due diligence on third-party transactions.

A Supervisory Board and an Audit Committee were established on 4 December 2020. These changes to the Group's corporate structure were connected to the transfer of its share listings to the regulated market of the Warsaw Stock Exchange and the standard market of the Prague Stock Exchange, in order to be in full compliance with the laws and regulations imposed on public companies as well as the best practices of the regulated markets.

The Supervisory Board is responsible for supervising and advising the Management Board. In exercising its role, the

supervisory board follows applicable law, the Articles of Association of the Company, Dutch and Polish Corporate Code of Conduct, Rules of Procedure of the Supervisory Board, and the Company's interests. It is a separate body that operates independently of the management board.

Photon Energy Group's Audit Committee (and its chairman in particular) undertakes preparatory work for the Supervisory Board's decision-making regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of its internal risk management and control systems. It maintains contact with external auditors and monitors the Management Board in connection with the Company's funding, tax policy and application of IT technology, especially with respect to cybersecurity.

Both bodies are comprised of three members: Boguslawa Skowronski, Marek Skreta and Ariel Sergio Davidoff, appointed to a four-year term of office.

The three members not only possess extensive experience as entrepreneurs and executives at international institutions, but also have an in-depth knowledge about Photon Energy Group and its end-markets. The membership consists of two men and a woman.

Supervisory Board

As already mentioned in this report, the Supervisory Board is responsible for supervising and advising the Management Board. In exercising its role, the Supervisory Board follows the applicable law, the Articles of Association of the Company, Dutch Corporate Code of Conduct, Rules of Procedure of the Supervisory Board, and the Company's interests. It is a separate

body that operates independently of Photon Energy Group's Management Board.

In the financial year 2023, the Supervisory Board met six times and the Audit Committee met five times. The Supervisory Board also adopted one written resolutions. In the meetings, the Supervisory Board discussed a wide range of topics:

- ▶ Impact of the acquisition of Lerta and related challenges in the integration process into the Photon Energy Group.
- ▶ Strategy and guidance for the year 2023 at the beginning of the financial year and assessing the feasibility of the project pipeline development by the end of financial year 2024.
- ▶ The developments and trends in energy market in EU and Australia, specifically in jurisdictions where the Company is active.
- ▶ Financial results were discussed and analysed in quarterly basis, including results and margin of operational segments, maintaining liquidity and cashflow.
- ▶ The operational, financial, and legal affairs have been analysed and stabilisation of the company's finance department and dual role of CEO/CFO, which was performed by CEO.
- ▶ Development of Australian projects with Raygen technology, results of PFAS pilot project in cooperation with the Department of Defence in Australia and its extension, divestment of developed projects in Poland, development, and construction of the portfolio in Romania.
- ▶ Development of the Company share and Green Bond price, share buyback and bond buyback.
- ▶ Necessary implementation of the legislative requirements under the EU CSRD Directive (EU Taxonomy), sustainability reporting and cybersecurity were discussed.

- ▶ The chairman of Audit Committee revised the Company's internal risk management, controlling, compliance and internal audit procedures.

In 2023, there were no transactions subject to a conflict of interest with the members of the Board of Directors and members of the Supervisory Board.

Audit Committee

In 2022, the role of the head of the Audit Committee was assumed by Mr. Davidoff who was elected by the general meeting held on 31 May 2022. In the course of 2023, the Audit Committee met five times and three times with external auditor, tackled the following topics:

- ▶ The head of the Audit Committee, visited the headquarter and operation in the Czech Republic, conducted interviews with senior personnel and engaged in preparatory work for the Supervisory Board's meetings. He was instrumental in the engagement of a new Company CFO.
- ▶ The audit plan and the outcome of the audit with the external auditors.
- ▶ The Audit Committee performed a through and continues review of the internal risk management systems, internal audit function, controlling and legal compliance policies during the site visit in May, June, and September and throughout the 2023, year. The processes included the existing process in place, human resources, its competencies.

Further information on our corporate governance can be found in our 2023 Annual Report, as well as in the Corporate Governance section of our Investor Relations website.

4.3 Risk Assessment and Management Due to Climate Change

Climate change represents both strategic and operational risks to our business. These can be grouped as physical risks and transitional risks. Physical risks include greater severity of flooding, droughts or other extreme weather events which could disrupt our operations and supply chain. Transitional risks range from regulatory frameworks and the rising price of carbon to the viability and customer acceptance of emerging technologies. Another transitional risk is our ability to set and meet Paris-aligned targets.

Risk of Natural Disasters

The Group's business could be materially and adversely affected by natural disasters or other catastrophes, such as earthquakes, fires, floods, hail, windstorms, severe weather conditions or environmental accidents, which could potentially cause power loss, communication failures, explosions, or similar events. As a result of any damages to our facilities, the Group could have to temporarily suspend part or all of our facilities' operations. Furthermore, authorities could impose restrictions on transportation and implement other preventive measures in affected regions to deal with a catastrophe or emergency, which could lead to the temporary closure of our facilities and

declining economic activity at large. Moreover, if a natural disaster results in the damage of any of our PV power plants, the Group's ability to fulfil our liabilities may be considerably impaired, particularly if the damage is not covered by insurance.

Assets in each geographic area are closely assessed both for the perils such as FLEXA (fire, lightning, explosion, aircraft) damage, other natural perils (flood, earthquake, windstorm, hail, snow etc.). All our assets are insured for all-risk cover both for property damage and business interruption, including the machinery & electronic breakdown. Indemnity periods for business interruption are selected based on the long-term experience and the brokers recommendations for the respective geographic area.

All of the aforementioned circumstances would have a significantly adverse effect on the Group's financial situation, status, and results. The Group assesses the probability of risk as low, with low potential impact on our operations and financial results thanks to the geographic diversification of the Group's business.

Meteorological Risk

The performance and therefore the earning potential of the companies within the Group are often dependent upon meteorological conditions. Certain revenues for a generated kWh of energy are admittedly guaranteed on the basis of the state subsidy programs; however, the volume of energy generated depends on the period of sunshine and the sun's radiance. Our subsidiaries have used certain historically based assumptions in cash flow planning. However, it is possible that climate conditions could change in the future and that predictions regarding weather patterns and hours of sunshine could prove incorrect. In cases such as these, electricity generation at PV power plants would be below the expected level, adversely affecting the installation's liquidity and the asset, financial and earnings positions of the respective project companies and on the Group as a whole.

The earnings from PV power plants are subject to seasonal fluctuations in the weather. As such, earnings are higher in the summer months and fall off significantly in winter. The companies within the Group try to adapt their payment obligations, especially with regard to interest and loans, to incoming payments. However, it cannot be ruled out that such adaptations may not always be possible, which could result in an adverse effect on the asset, financial and earnings position of the Group. With the realisation of investment projects in Australia, the overall financial liquidity of the Group will become less seasonal due to the diversification of locations in the northern and southern hemispheres.

The Group assesses the probability of risk as low, with low potential impact on the Group's operations and financial results.

Environmental Risk

In environmental matters, the Group must comply with laws, regulations, and directives valid in the location of each PV power plant; these laws regulate such things as airborne emissions, sewage, the protection of soil and groundwater as well as

4.4 Financial and Business Records

Our books and records are prepared in regulatory detail and accurately reflect our transactions. All financial information is registered and reproduced in accordance with generally accepted accounting principles, with a system of internal accounting controls assuring that transactions are executed in compliance with management's authorisation: a controlling mechanism is used to facilitate delegation levels of authority and increase transparency with the four-eyes principles applied to every transaction.

Any accounting information is registered in accordance with applicable laws and relevant accounting standards. From the financial years 2013 to 2019 our Management Board appointed Grant Thornton Accountants en Adviseurs B.V. to serve as the auditor for Photon Energy N.V. and the group with its subsidiaries. The appointments were confirmed by the general meetings of Photon Energy N.V. The auditor's reports were part of our annual reports, which are available on our website.

Starting from the financial year 2020, the Management Board appointed PricewaterhouseCoopers Accountants N.V. to serve

health and safety. Transgressions against these environmental provisions can be pursued according to civil, criminal, and public law. In particular, temporary provisions could encourage a third party to begin a legal process or to demand costly measures to control and remove environmental pollution or to upgrade technical facilities. The properties necessary for PV power plants are partially owned by the respective SPV. It cannot be ruled out that sites may be contaminated. The respective SPV is responsible for the removal of any pollution, regardless of the cause. This could result in liability risks and costs related to administrative orders or requirements.

All of these circumstances could have a negative impact on the financial situation, status and results of the Group. The Group assesses the probability of risk as low, with low potential impact on the Group's operations and financial results.

Based on the latest environmental assessment and the internal audit we find the environmental impact from all our operations very low.

Climate Governance

At Photon Energy Group, sustainability is a core value, viewed as central to the continual growth and success of any business. As such, we are dedicated to an increasing focus on sustainability and the development of strong ESG practices. In adopting a strategic approach to sustainability, the Group addresses material external risks, to become more resilient and adaptable in the face of challenges such as climate change and creating a space for new ideas and creative responses. In 2020, we laid the foundations for strategic management, controlling and reporting practices that are fully geared toward sustainability. A sustainability department was created to work closely with the board of directors and representatives from several business units within the Company. The objective of the department is to monitor the strategic coordination of the Company's sustainability plans.

as the auditor for Photon Energy N.V. and the group with its subsidiaries. The appointment was confirmed by the Extraordinary General Meeting of Photon Energy N.V. held on 4 December 2020. PricewaterhouseCoopers Accountants N.V. also performed the audit of the Group's financial statements for the financial years 2021, 2022 and 2023.

Tax Governance Control and Risk Management.

Local accounting departments in all countries of operation have been established to provide more resilience as operations grow. Taxation is looked at locally with local advisors, with a position opened in 2024 for an international tax manager.

From a financial point of view, the Company has a four-eye principle to cross-check operations. For example, we have split compliance and legal functions in order to achieve better governance. This included the appointment of a risk manager to support internal audit functions.

4.5 Anti-corruption

Our reputation for integrity is critically important, and we are committed to ensuring that all employees, customers and suppliers act in an ethical manner and ensure that stakeholders are not the subject of unethical behaviours such as corruption, bribery, extortion or insider trading. We believe in free competition and will compete fairly, through honest business practices.

Corruption erodes trust, weakens democracy, hampers economic development, and further exacerbates inequality, poverty, social division and environmental degradation. Photon Energy Group has never been the subject of any controversies, illustrating our ability to manage our relations with stakeholders.

Anti-corruption and Anti-bribery Policy

As previously reinforced, renewable energy companies may have close ties with government officials, as well as relationships with suppliers, third-party contractors and utility customers, and these relationships could be exploited for financial gain. We have recently implemented an anti-corruption and anti-bribery policy within the company and have introduced a whistleblowing system and an ad-hoc disciplinary committee, composed representatives from our HR and Legal departments, a member of the Board and a compliance officer. This committee will be assembled to discuss any breaches of our anti-corruption and anti-bribery policy and decide on the necessary course of action.

The Anti-Bribery and Corruption Policy was updated in February 2022 to include rules on providing and receiving gifts, as well as reporting violations in accordance with the rules of the Photon Energy Group Misconduct Reporting Policy described below.

In March 2022, training sessions were conducted and adapted for all our subsidiaries in their local languages related to anti-corruption and anti-bribery.

Misconduct Reporting Policy and SpeakUp Line

In line with current regulations as well as our own values and expectations, we have developed a Misconduct reporting policy

and instituted the Photon Energy Group SpeakUp Line, a channel for employees, consultants, suppliers, and stakeholders to report misconduct related to our business and operations.

This includes activities which could be interpreted or perceived as:

- ▶ illicit or illegal
- ▶ in contradiction with the values and principles described in our Code of Ethics and other internal policies
- ▶ harmful to Photon Energy Group, our employees or contractors, or our reputation as an entrepreneur, competitor and employer

This whistleblowing channel is available through internal channels and our corporate website. The system is encrypted and administered by an independent third-party service provider. All whistleblowers have the option to remain anonymous. For employees, the SpeakUp Line is a means to report concerns through a secure, confidential channel in cases where they may be uncomfortable going through their line manager. As of this report's publication, no incidents have been reported through the SpeakUp Line.

Insider Trading Policy

An insider trading policy is signed by all employees along with their contract of employment. This policy was developed to make sure employees understand their obligations to preserve the confidentiality of undisclosed information and to protect them and the company against legal liability. Employees who have permanent access to confidential information are subject to trading restriction periods and to trading notifications. They are reminded of their obligations on a quarterly basis.

Legal Actions for Anti-competitive Behaviour, Anti-trust, and Monopoly Practices

In the reporting year 2023, there were no legal actions due to anticompetitive behaviour or violations of antitrust and monopoly law in which Photon Energy Group was an involved party. No political contributions neither cash nor non-cash contributions were made.

4.6 Responsible Procurement

Keen to engage in long-term relationships with our stakeholders, we are careful in our selection of suppliers and subcontractors, seeking responsible partners who comply with our exacting standards for responsible procurement.

We have in place both a Code of Ethics and a Procurement Policy, as well as a strengthened due diligence process. The Procurement Policy provides detailed guidelines for the selection of suppliers, and our Third-Party conduct principles were integrated to our newly concluded contracts.

Code of Ethics

The Code of Ethics contains a section with specific rules of conduct for purchasing and procurement. According to this, purchasing decisions must be strictly aligned with Photon Energy Group's interests, which exclusively concern objective criteria

such as anti-corruption, quality, price, production requirements and logistics. Employees involved with procurement are explicitly banned from seeking personal benefits in return for preferential treatment, with the acceptance of gifts and event invitations also restricted to an absolute minimum.

We have ensured that any of our individual suppliers have infringed upon human rights, in particular the right to freedom of association or collective bargaining, nor the ban on child and forced labour. If we become aware of violations of the ban on child and forced labour in accordance with International Labour Organisation (ILO) conventions, or the enforcement of statutory minimum health and safety standards through audits or notifications, this will lead us to halt all business with the supplier concerned.

Our Code of Ethics was updated in February 2022 to integrate principles regarding the prohibition of gender-based violence and harassment (GBVH). A training course on Code of Ethics was developed for all of our employees in 2022.

Due Diligence for Our Supply Chain

We created a Third-party Code of Conduct setting clear expectations for our technology suppliers with regards to ethics, human rights principles, health and safety, and environmental issues. The document has been integrated to our concluded contracts starting in 2022.

In 2023, we undertook a comprehensive revision of our Third-Party Conduct Principles to strengthen our dedication to

responsible procurement practices and to enhance human rights due diligence throughout our supply chain. This revision reflects our unwavering commitment to upholding the highest ethical standards and ensuring that our business operations align with our core values of integrity, community, sustainability, and respect for human rights. By enhancing our principles, we aim to foster transparency, accountability, and sustainable business practices across all levels of our supply chain, thereby contributing to the well-being of workers and communities.

We are not aware of any violations of our procurement principles in 2023.

4.7 Donations

Donation Policy

In order to define a relevant and structured scope of action related to charities, donations and sponsorships, a Donation Policy has been created. This policy has the following objectives:

- ▶ providing guidelines around donations
- ▶ supporting initiatives consistent with one another
- ▶ better delivering on our commitment to support organisations whose vision and values align with our own.

We believe that through donations and CSR Days we could have both social and environmental benefits. It allows us to assist some of the most vulnerable members of our local communities.

Run for Good Causes

Our team in Australia participated in a charity run, the Sydney City2Surf, which is the largest of its type in the world with over 70,000 participants. The Company sponsored our team's entry costs, supporting multiple mental health charities and others. More than a third of the Sydney office took part in the 14km run.

4.8 ESG Standards

Since one of our goals is to continually improve the quality of the services we provide, we are committed to working according to internationally recognised standards. This Sustainability Report has been prepared in accordance with GRI Standards. The content index presented in the Annex aims to provide our partners with references to appropriate sections in the body of the report. This content index has not been reviewed by a third party, nor by the GRI Material Disclosure Service. This is an important step to prepare the company for the compliance with the soon-to-be-released European Sustainability Reporting standard (ESRS).

An environmental management system is in place, which takes into consideration environmental and climate protection as well as maintaining an active dialogue with key stakeholders to identify the environmental risks and impacts of our work.

Although we have successfully met these ISO standards, we will continuously improve and develop our ESG principles and policies in order to remain a reliable partner for our customers. We

are planning to obtain ISO certification for all our relevant corporate entities.

For projects which may be developed in emerging countries in the future, we intend to perform stakeholder and engagement analyses in accordance with the International Finance Corporation's performance standards. These standards address and mitigate negative local impacts by developing and implementing resettlement and livelihood restoration plans and require the establishment of long-term monitoring mechanisms.

Our priority is to redesign our internal policies to achieve the best and most efficient integrated management system by utilising quality, workplace health and safety, and environment as performance objectives. A team of managers has now been assigned to regularly review our internal procedures to ensure they are compliant and effective, and to measure sustainability actions to adjust our goals as necessary.



Green Financing Report

5. Green Financing Report

Photon Energy N.V. issued its first green bond in November 2021, in line with the Green Bond Principles 2021.

This Green Financing Report was prepared to enable bondholders and other stakeholders to follow the development of the assets and projects funded by the proceeds from our 2021/2027 Green EUR Bond, which was issued and placed according to the following schedule:

- ▶ On 17 November 2021, we successfully placed our first EUR 50 million of 6.50% Green EUR Bond 2021/2027 (ISIN: DE000A3KWKY4), hereinafter referred as the "Green EUR Bond".
- ▶ On 24 November 2021 based on the Management Board resolution the Green EUR Bond was tapped by EUR 5 million to a total of up to EUR 55 million.
- ▶ On 25 May 2022, the Company successfully tapped the Green EUR Bond by additional EUR 10 million.
- ▶ On 1 September 2022 the Management Board resolved to tap the Green EUR Bond by an exchange offer to bondholders of the existing 2017/2022 corporate bonds and a public offer with subsequent private placement in the aggregate principal amount of up to EUR 25 million. As a result of this offer, including the exchange offer the

Company increased the total outstanding amount of Green EUR Bond to EUR 77.5 million.

- ▶ In March 2023, the Green EUR Bond was tapped by additional EUR 2.5 million to EUR 80.0 million.
- ▶ In the course of Q3 2023, the Company repurchased on the market the nominal value of EUR 0.615 million of its EUR Green Bond.

Our Green Financing Framework has obtained a second party opinion from imug rating, an independent institution in Germany, confirming that the framework for the Green EUR Bond is in line with the Green Bond Principles 2021.

This Green Financing Framework provides the basis of all allocations and impact reporting in this Green Financing Report to enable investors, bondholders and other stakeholders to follow the development of the assets and projects funded by our Green EUR Bond.

The Green EUR Bond was the first green bond issued by Photon Energy N.V. and was confirmed by imug rating with regards to its sustainability and compliance with the ICMA principles in a Second Party Opinion.

Green EUR Bond is traded on the Open Market of the Frankfurt Stock Exchange.

Bond	GREEN EUR Bond 2021/2027
Volume	EUR 79.4 million
Coupon	6.50% p.a., quarterly payment
Initial offering	23 November 2021
Ratings/Awards	<ul style="list-style-type: none"> ▶ IMUG rating – second party opinion, ▶ KFM Barometer 4 of 5 stars ▶ Best Issuer Green SME Bonds 2021
Segment	Secondary market: trading on Open Market of the Frankfurt Stock Exchange since 23 November 2021
Covenants	<ul style="list-style-type: none"> ▶ Dividend restriction (max 50% if EBITDA/ICR > 2) ▶ Group Equity ratio \geq 25%* ▶ Cross default ▶ Negative pledge ▶ Pari passu ▶ Change of Control-Clause ▶ Transparency clause
Denomination	EUR 1,000
Term / Redemption	Six years / 23 November 2027 at par
ISIN	DE 000A3KWKY4



* The Group defines and calculates adjusted equity ratio as total equity divided by the sum of interest-bearing debt and equity.

5.1 Use of Proceeds from Our Green Bond

An amount equivalent to the net proceeds from our Green EUR Bond have been used to finance or refinance, in part or in full, projects or assets providing distinct environmental benefits or financial instruments that were used to finance such projects or assets ('Green Eligible Projects').

Green Eligible Projects are more specifically defined as investments in renewable energy sources. This also includes the development and acquisition of such projects as well as investments in share capital of companies with such assets, where Photon Energy Group has significant operational influence and where the use of proceeds should be directly linked to the book value of the Green Eligible Projects owned by the acquired company, adjusted for the share of equity acquired.

Our Green EUR Bond provides funds for investment activities and related expenditures, directed towards the acquisition, development and/or construction of facilities that produce electricity from solar power or hybrid solutions, possibly combined with energy storage. Only activities that comply with the criteria below will be deemed eligible.

Net proceeds can be used for:

- ▶ The financing of new Green Eligible Projects.
- ▶ The refinancing of existing Green Eligible Projects or the refinancing of financial instruments that were used to finance such Green Eligible Projects.

In 2023, Green Eligible Projects were mainly developed and built in Romania, Hungary and Australia.

In 2023, the remaining net proceeds (not allocated in previous years and increased through an additional placement) of our first Green EUR Bond were allocated in the following manner:

- ▶ Projects in development, under construction and commissioned in Australia, Hungary, and Romania in a total of EUR 14.2 million.
- ▶ Liquid assets of EUR 4.6 million.

With our allocated Green EUR Bond proceeds, we support progress towards the Paris Agreement and aspire to have a transformative impact on the UN Sustainable Development Goals: #7 on affordable and clean energy and #13 on climate action.

<i>In thousands of EUR</i>		2022	2023
Green EUR Bond 2021/2027 Outstanding Amount as of 1 January		55,000	77,500
Increase of Net Proceeds	Placement of Green EUR Bond in the period	22,500	2,500
Decrease of Net Proceeds	Repurchase of Green EUR Bond in the Period	0	-615
Green EUR Bond 2021/2027 Outstanding Amount as of 31 December		77,500	79,385
Transaction Costs	Costs of the preparation of the Green EUR Bond incurred in the period	-1,643	-1,718
Accumulated Transaction Costs	Total costs for the preparation of the Green EUR Bond Issue and the Offer	-1,643	-1,718
Net Proceeds from Green EUR Bond as of 31 December		75,857	77,667
Net Proceeds Allocated	Amount Allocated to Green Eligible Projects, in the period	-31,943	-14,160
	Amount Allocated to the Exchange Offer of EUR Bond 2017/2022, in the period	-26,949	0
Total Allocated Net Proceeds	Accumulated, Allocated Net Proceeds	-58,892	-73,052
Liquid Assets	Accumulated Net Proceeds, still Not Allocated in the period	16,965	4,615

Summary of Net Proceeds Allocated for Green Eligible Projects in 2023

Green Eligible Projects	Green Asset Category	Capacity / Expected Capacity	Status	Amount Allocated EUR 000s
Faget 1, Romania	PV project	3.2 MWp	Commissioned in Aug. 2023	-251
Faget 2, Romania	PV project	3.9 MWp	Commissioned in Dec. 2023	-1,292
Faget 3, Romania	PV project	7.5 MWp	Under construction	-3,758
Faget 4, Romania	PV project	6.5 MWp	Development	-215
Faget 5, Romania	PV project	6.5 MWp	Development	-574
Auid, Romania	PV project	4.7 MWp	Commissioned in May 2023	-202
Ciuperceni, Romania	PV project	53 MWp	Development	-1,218
Calafat, Romania	PV project	6 MWp	Commissioned in April 2023	-554
Giulvaz, Romania	PV project	6.5 MWp	Development	-391
Bosca, Romania	PV project	3.8 MWp	Development	-125
Biharia, Romania	PV project	6.3 MWp	Development	-38
Tamadau, Romania	PV project	10.2 MWp	Development	-1,281
Sarulesti, Romania	PV project	3.2 MWp	Development	-804
Sahateni, Romania	PV project	7.1 MWp	Commissioned in Aug. 2023	-475
Teius, Romania	PV project	4.7 MWp	Commissioned in May 2023	-346
Siria, Romania	PV project	5.7 MWp	Commissioned in Feb. 2023	-336
Sannicolau Mare, Romania	PV projects	7.5 MWp	Development	-333
Magureni, Romania	PV project	1.7 MWp	Development	-246
Bradesti, Romania	PV project	57.5 MWp	Development	-3
Rovine, Romania	PV project	2.7 MWp	Development	-9
Lugoj, Romania	PV project	6.5 MWp	Development	-26
Various projects, Romania	PV projects	21.5 MWp	Development	-132
Tolna 1, Hungary	PV project	1.4 MWp	Commissioned in Dec. 2021	-1
Tolna 2, Hungary	PV project	1.4 MWp	Commissioned in May 2022	-91
Okany, Hungary	PV project	4.2 MWp	Feasibility	-0.1
Clarion, Hungary	PV project	0.6 MWp	Development	-0.6
Sarkadkeresztur, Hungary	PV project	13 MWp	Feasibility	-0.3
Szeghalom, Hungary	PV project	5.5 MWp	Feasibility	-0.2
Various Tolna projects, Hungary	PV projects	5.7 MWp	Development	-271
Faurecia, Hungary	PV project	0.6 MWp	Development	-40
Yadnarie, Australia	PV project combined with energy storage	200 MWp and 115 GWh of energy storage	Development	-580
Boggabri, Australia	PV project combined with energy storage	9.8 MWp and 10 MWh solar and battery energy storage	Development	-339
Various projects, Poland	PV projects	279.4 MWp	Development	-246
Total				-14,160
Share of Net Proceeds Used for Financing of Green Eligible Projects in the period (%)				17.8%
Liquid Assets				4,615

5.2 Impact Report

The Impact Report discloses the environmental impact of the Green Eligible Projects financed under our Green Financing Framework.

- ▶ **Annual renewable energy generation (MWh), in total and compared to plans:** for every project, an audit is conducted by an external party to determine what the output will be like on a monthly basis. Thanks to our in-house monitoring system we are able to track the annual renewable energy generation (MWh) compared to these audits. In our periodic reports, we disclose the actual energy generation of our PV power plant commissioned, including those PV power plants that represent the investments of proceeds from our 6.50% Green EUR Bond 2021/2027.
- ▶ **Capacity of renewable energy power plants constructed (MWh), in total and per renewable energy technology (solar power, concentrated solar):** we are able to track this breakdown as we are building our projects in house.
- ▶ **Estimated annual greenhouse gas emissions avoided (tCO₂e):** the CO₂e avoided connected to the green electricity generated by our proprietary portfolio are based on the International Financial Institutions Technical Working Group on Greenhouse Gas Accounting (IFI TWG) 2022 report, which can be found [here](#).
- ▶ **Energy storage and other energy solutions - capacity and technology of electricity storage installed (MWh):** the capacity associated to projects will be provided by our project development teams, which are determined based on individual project characteristics. These data are subject to evolution over the time, until the end of the construction process.

Estimated Annual Greenhouse Gas Emissions Avoided Thanks to the Actual Energy Generated by Eligible Projects in 2023.

Green Eligible Assets (Connected)	Capacity	Actual Energy Generation	Status	Estimated annual greenhouse gas emissions avoided
	<i>In MWp</i>	<i>In MWh</i>		<i>In tonnes of CO₂e</i>
Tolna 1, Hungary	1.4	2,030	Commissioned in Dec. 2021	522
Tolna 2, Hungary	1.4	2,081	Commissioned in May 2022	535
Siria, Romania	5.7	7,143	Commissioned in Feb. 2023	2,957
Calafat, Romania	6	4,917	Commissioned in April 2023	2,036
Auid, Romania	4.7	3,463	Commissioned in May 2023	1,434
Teius, Romania	4.7	3,131	Commissioned in May 2023	1,296
Faget 1, Romania	3.2	926	Commissioned in Aug. 2023	383
Sahateni, Romania	7.1	1,691	Commissioned in Aug. 2023	700
TOTAL	34.2	25,381		9,862

Estimated Annual Greenhouse Gas Emissions to be Avoided by the Expected Production Through Eligible Projects Annually.

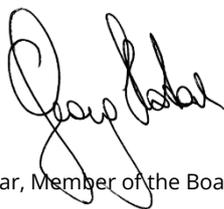
Green Eligible Projects (development / construction)	Expected Capacity	Annual Expected Production	Status	Estimated annual greenhouse gas emissions avoided
	<i>In MWp</i>	<i>In MWh</i>		<i>In tonnes of CO₂e</i>
Szeghalom, Hungary	5.5	8,168	Feasibility	2,099
Sarkadkeresztur, Hungary	13	19,175	Feasibility	4,928
Okany, Hungary	4.2	5,824	Feasibility	1,497
Clarion, Hungary	0.6	675	Development	173
Faurecia, Hungary	0.6	894	Development	230
Various Tolna projects, Hungary	7.1	10,201	Development	2,622
Total Hungary	29.6	42,807		11,001
Faget 2, Romania	3.9	5,829	Commissioned in Dec. 2023	2,413
Faget 3, Romania	7.5	10,624	Under construction	4,398
Faget 4, Romania	6.5	9,500	Development	3,933
Faget 5, Romania	6.5	9,500	Development	3,933
Ciuperceni, Romania	53	84,800	Development	35,107
Giulvaz, Romania	6.4	9,623	Development	3,984
Bosca, Romania	3.8	5,672	Commissioned in 2024	2,348
Biharia, Romania	6.3	9,063	Development	3,752
Tamadau, Romania	10.2	15,821	Development	6,550
Sarulesti, Romania	3.2	4,880	Development	2,020
Sannicolau Mare, Romania	7.5	11,100	Development	4,596
Magureni, Romania	1.7	2,206	Development	913
Rovine, Romania	2.7	3,048	Development	1,262
Bradesti, Romania	57.5	89,125	Development	36,898
Lugoj, Romania	6.5	9,588	Development	3,969
Various projects, Romania	21.5	6,731	Development	2,786
Total Romania	204.8	287,107		118,862
Various projects, Poland	279.4	358,657	Development	257,157
Total Poland	279.4	358,657		257,157
Yadnarie, Australia (115 GWh of storage capacity)	200.0	666,667	Development	442,000
Boggabri, Australia (10 MWh of energy storage)	9.8	16,464	Development	10,916
Total Australia	209.8	683,131		452,916
TOTAL	723.6	1,371,702		839,936

6. Contact Details

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Amsterdam, 30 April 2024



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors

7. Annex: ESG Key Performance Indicators

Environmental Data	2020	2021	2022	2023
Percentage of revenues connected to activities which create sustainable value	100%	100%	100%	100%
Clean energy generated by our Proprietary portfolio of PV power plants	70.0 GWh	103.3 GWh	121.6 GWh	139.8 GWh
Assessment of our carbon footprint across scope 1 and 2 emissions (CO ₂ e tonnes)	286.6	342.8	409.6	672.3
CO ₂ e savings	29,799	43,867 tonnes (+47.8%)	49,013 tonnes (+11.7%)	58,286 tonnes (+19.0)
Social Data				
Number of full-time staff / number of employees	133 / 136 (98%)	141 / 144 (98%)	212 / 220 (96%)	328 / 348 (94.3%)
Percentage of female employees	33%	37%	37%	37%
Female vs. Male employees per level				
- Board member	0.0%	0.0%	0.0%	0.0%
- Senior and mid level management	28%	26%	15%	30%
- Professionals and administrations	41%	42%	40%	39%
Number of employees who completed training courses	50 / 136 (37%)	64 / 144 (44%)	145 / 220 (66%)	230 / 348 (66%)
Turnover ratio	na	na	23%	35.4%
Gender Pay Gap between male and female employees as a % of male gross salary <i>* analysis performed based on comparable job positions</i>	na	na	2.3%	0.3%
Parental leave	na	na	182 (weeks)*	359 (weeks)
Lost time injuries	0	0	0	0
Governance Data				
Contributions to political parties as percentage of total revenues	0%	0%	0%	0%
Claims against the Company ruled by a court as a percentage of total revenues	0%	0%	0%	0%
Gender equality Board of Directors (Female/Male)	0%	0%	0%	0%
Gender equality Supervisory Board (Female/Male)	50%	50%	33%	33%
Responsible procurement, subjected to due diligence	na	95% of our technology purchases	100% of our technology purchases	100% of our technology purchases

*The number of parental leave days from 2022 report has been revised.

8. GRI Content Index

This Sustainability report has been prepared in accordance with the GRI Standards. This content index is presented to provide our partners with clear references to appropriate sections in the body of the report. This content index has not been reviewed by a Third-Party, nor by the GRI Material Disclosure Service.

GRI Standards	Disclosure	Location	Comments
GRI 2: General Disclosures 2021	2-1 Organizational details	p. 4	
	2-2 Entities included in the organization's sustainability reporting	p. 4 – 6	
	2-3 Reporting period, frequency and contact point	p. 1, 46	
	2-4 Restatements of information		Not relevant
	2-5 External assurance	p. 9	
	2-6 Activities, value chain and other business relationships	p. 4 – 6, 8, 37	
	2-7 Employees	p. 28, 46	
	2-8 Workers who are not employees	p. 28	
	2-9 Governance structure and composition	p. 34 – 35	
	2-10 Nomination and selection of the highest governance body	p. 34 – 35	
	2-11 Chair of the highest governance body	p. 35	
	2-12 Role of the highest governance body in overseeing the management of impacts	p. 8, 36	
	2-13 Delegation of responsibility for managing impacts	p. 8	
	2-14 Role of the highest governance body in sustainability reporting	p. 8	
	2-15 Conflicts of interest	p. 35	
	2-16 Communication of critical concerns	p. 34, 37	
	2-17 Collective knowledge of the highest governance body	p. 8	
	2-18 Evaluation of the performance of the highest governance body	p. 34	
	2-19 Remuneration policies	p. 29	
	2-20 Process to determine remuneration	p. 29	
	2-21 Annual total compensation ratio		This indicator is currently not measured.
	2-22 Statement on sustainable development strategy	p. 8	
	2-23 Policy commitments	p. 37 – 38	
	2-24 Embedding policy commitments	p. 29, 38 – 39	
	2-25 Processes to remediate negative impacts	p. 9	
	2-26 Mechanisms for seeking advice and raising concerns	p. 34 – 35	
	2-27 Compliance with laws and regulations	p. 31 – 32, 34, 37	
	2-28 Membership associations	p. 9	
	2-29 Approach to stakeholder engagement	p. 8	
	2-30 Collective bargaining agreements		Collective bargaining has been incorporated into the Photon Energy Group Code of Ethics and considered as employee's basic rights and a basic rule of company conduct.

Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 9	
	3-2 List of material topics	p. 11	
Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 9	
	201-1 Direct economic value generated and distributed	p. 7	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	p. 36 – 37	
	201-3 Defined benefit plan obligations and other retirement plans	p. 30	
	201-4 Financial assistance received from government		Not relevant (We are independent electricity producers and have no connection to governments. State support is limited to feed-in tariffs for some of our proprietary power plants.)
Market presence			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 9	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage		This indicator is currently not measured.
	202-2 Proportion of senior management hired from the local community	p. 29	
Indirect economic impacts			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 7, 33	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	p. 7	
	203-2 Significant indirect economic impacts	p. 32 – 33	
Procurement practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 34	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	p. 14	The proportion not disclosed, working with local subcontractor is our priority.
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 38	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	p. 38	
	205-2 Communication and training about anti-corruption policies and procedures	p. 38	
	205-3 Confirmed incidents of corruption and actions taken	p. 38	
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 38	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 38	

Tax		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 32
	207-1 Approach to tax	p. 32
	207-2 Tax governance, control, and risk management	p. 37
GRI 207: Tax 2019	207-3 Stakeholder engagement and management of concerns related to tax	p. 32, 37
	207-4 Country-by-country reporting	Not disclosed at the country level in this report
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 40
	301-1 Materials used by weight or volume	Not disclosed
GRI 301: Materials 2016	301-2 Recycled input materials used	Not applicable
	301-3 Reclaimed products and their packaging materials	p. 17 – 18
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 15
	302-1 Energy consumption within the organization	p. 17
	302-2 Energy consumption outside of the organization	This indicator is currently not measured.
GRI 302: Energy 2016	302-3 Energy intensity	p. 17
	302-4 Reduction of energy consumption	Not implemented
	302-5 Reductions in energy requirements of products and services	p. 16
Water and effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25
	303-1 Interactions with water as a shared resource	p. 25
	303-2 Management of water discharge-related impacts	p. 25
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	p. 25
	303-4 Water discharge	p. 25
	303-5 Water consumption	p. 25
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 15
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	p. 26
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	p. 26
	304-3 Habitats protected or restored	p. 26
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not encountered any endangered species in the proximity of our PV plant construction.

Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 15	
	305-1 Direct (Scope 1) GHG emissions	p. 16	
	305-2 Energy indirect (Scope 2) GHG emissions	p. 16	
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	p. 16	Procurement, Freight, Business travel, Commuting, and waste estimated so far.
	305-4 GHG emissions intensity	p. 16	
	305-5 Reduction of GHG emissions	p. 16	Actions taken
	305-6 Emissions of ozone-depleting substances (ODS)		This indicator is currently not measured
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		This indicator is currently not measured
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 15	
	306-1 Waste generation and significant waste-related impacts	p. 17 – 18	
	306-2 Management of significant waste-related impacts	p. 17 – 18	
GRI 306: Waste 2020	306-3 Waste generated	p. 17	Partially
	306-4 Waste diverted from disposal	p. 17	
	306-5 Waste directed to disposal	p. 17 – 18	Partially
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8	
	308-1 New suppliers that were screened using environmental criteria	p. 38 – 39	
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken		Not encountered any actual or potential negative impacts.
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8	
	401-1 New employee hires and employee turnover	p. 29	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 30	
GRI 401: Employment 2016	401-3 Parental leave	p. 47	
Labor/management relations			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 29	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes		According to the local regulations
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8	

	403-1 Occupational health and safety management system	p. 32 – 33	
	403-2 Hazard identification, risk assessment, and incident investigation	p. 32 – 33	
	403-3 Occupational health services	p. 32 – 33	
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 32 – 33	
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	p. 29	
	403-6 Promotion of worker health	p. 32	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 32 – 33	
	403-8 Workers covered by an occupational health and safety management system	p. 32	
	403-9 Work-related injuries	p. 47	
	403-10 Work-related ill health	p. 47	
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 29	
	404-1 Average hours of training per year per employee		Not disclosed.
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	p. 29, 38 – 39	
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 29 – 30	
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 29	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	p. 35	
	405-2 Ratio of basic salary and remuneration of women to men	p. 47	
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 35	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		Not encountered any incidents.
Freedom of association and collective bargaining			
GRI 3: Material Topics 2021	3-3 Management of material topics		The freedom of association and collective bargaining have been considered as the basic rights of employees.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	p. 38	
Child labor			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 32	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	p. 38	

Forced or compulsory labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 32
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 38
Security practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 33
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	p. 38 – 39
Rights of indigenous peoples		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not encountered any incidents.
Local communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	p. 9 – 10, 32
	413-2 Operations with significant actual and potential negative impacts on local communities	p. 32
Supplier social assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8, 33
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	p. 38
	414-2 Negative social impacts in the supply chain and actions taken	Not encountered any incidents.
Public policy		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8
GRI 415: Public Policy 2016	415-1 Political contributions	p. 47
Customer health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 8 – 9
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	p. 26 – 27
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not encountered any incidents.
Marketing and labelling		
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable.
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labelling	Not applicable.
	417-2 Incidents of non-compliance concerning product and service information and labeling	Not applicable.
	417-3 Incidents of non-compliance concerning marketing communications	Not applicable.
Customer privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 33
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 33