

SUSTAINABILITY REPORT 2022

Environmental, Social and Governance (ESG) performance

BUILDING FROM OUR VALUES

Sustainability, People and Evolution reflected in our ESG strategy.



2022 saw us take the next step on our ESG journey, with the creation of a dedicated team to build on the solid foundations created in previous years. The ESG team allows Ventient to monitor, analyse, and better understand a far greater level of data, including our scope 3 greenhouse gas emissions. This is already feeding into our business plans, and the way we act on a daily basis, through a newly developed strategy based on our 4 ESG pillars of Sustainability, People, Process, Evolution, and is reflected in the scope of data presented in this report.

We continued to build on our previous successes too, achieving a score of 100 in the 2022 GRESB ratings and ranking first overall for all 3 categories: GRESB Score, Management Score, and Performance Score. We also received a 5-star GRESB rating and were recognised for the fourth year in a row as Sector Leader in the categories of Renewable Power and Wind Power Generation – a testament to the hard work of our employees, motivated by our shared vision.

We have a responsibility as a company to reduce our potential negative impacts and pursue opportunities to look after people and the planet. The effects of the war in Ukraine spilled across Europe and further afield, affecting energy prices and forcing authorities to rethink their approaches to both energy supply and security. Ventient responded to those exceptional circumstances by donating to charitable organisations offering both economic and volunteering support to the humanitarian effort for Ukraine, and to several fuel and food poverty charities across the European countries where we are present.

The impacts on the energy markets in Europe can still be felt but, supported by our management teams and Board, we have created a platform from which we can continue to deliver returns to our shareholders, and the evolution and consolidation of our business and people.

Kevin McCullough
CEO, Ventient Energy

VENTIENT ENERGY OVERVIEW

Ventient Energy is a dynamic, pan-European renewable energy business. With 140 onshore wind farms and 2.8GW of installed capacity, Ventient Energy is one of the leading generators of renewable energy in Europe.

We exist to achieve one overriding goal: generate renewable energy to secure the future of people and the planet. To enable this, our purpose goes wider and deeper as we strive to be a positive force to the communities we work in, and to society in general.

We aim to maintain an open and transparent relationship with all of our stakeholders, and we encourage our communities to reach out to us whenever they need to.

We believe that our business can and should be done sustainably by ensuring stable energy generation, while taking care of the environment and people.

Sustainability is the key to the future stability, security and wellbeing of people and the planet. Our approach to conducting our business focuses on four key areas, our ESG pillars, which guide our sustainability efforts every day, across everything we do, to help us lead the energy transition the Ventient Way.

Our sustained growth is based on operational excellence, efficient asset development, technical innovation and digitalisation. Underpinning everything is the commitment of those who invest their future in our vision.

We are currently adding solar PV assets alongside our existing wind farms, as well as exploring opportunities and different renewable technologies in the other geographies where we operate to keep Ventient at the leading edge of the clean energy transition.



KEY STATS

230
people

5 offices
across Europe

140
onshore wind farms

2.8GW
installed capacity

1GW PV
pipeline projects

WHO WE ARE



Our Values

People.
Sustainability.
Evolution.

Our values come from within, felt, owned and defined by our team, guiding the way we behave as a business every day.

When we come together as people, we generate the power to protect and preserve our planet, and when peoples' best interests are nurtured, we become a transformative force for good. To us, sustainability represents the utmost respect and responsibility we have for the environment and the global ecosystem we're part of. This drives us to embrace evolution so we can outpace climate change, expand our potential and remain open to exciting opportunities.

Our Mission

We pursue sustainable growth, integrating diverse expertise and technologies to lead the energy transition, and caring for those who invest their future in our vision.

This means carefully developing our assets, tightly monitoring market evolution and pursuing targeted opportunities for acquisitions. Our collective operational experience, and tailored approaches allow us to safely and efficiently operate any type of asset technology across Europe. Teamwork is how we'll achieve our mission, collaborating, listening, and advancing our knowledge by being flexible, innovative, and always open-minded.

Our Vision

Our vision is to generate renewable energy to secure the future of people and the planet.

Everything we do is designed to maximise the efficiency of our renewable energy generation. Producing clean energy is beneficial for the future of all society and the planet. We are here to stay, to pursue our mission and achieve our long-term vision through sustainable growth that can provide stable renewable power for the global community, stable value for our own employees and stakeholders and stable return to all those people who invest in the pension funds that support us.

The Ventient Way

The Ventient Way is our way of doing things. It takes care of people, it's collaborative, inclusive, progressive, honest, and high performing.

The Ventient Way is an expression of our culture and how we do things. It's about making big strides, innovating, and investing in a sustainable future, championing inclusivity, prioritising wellbeing, and promoting education. It's the power to ask for help as well as offer help. And it's how we will achieve our vision, no matter what challenges we face along the way.

OUR APPROACH TO ESG

This report describes our 2022 ESG journey and our recently updated ESG strategy which outlines how we will work to secure the future of people and the planet while delivering our company mission between 2023 and 2026.

Our approach

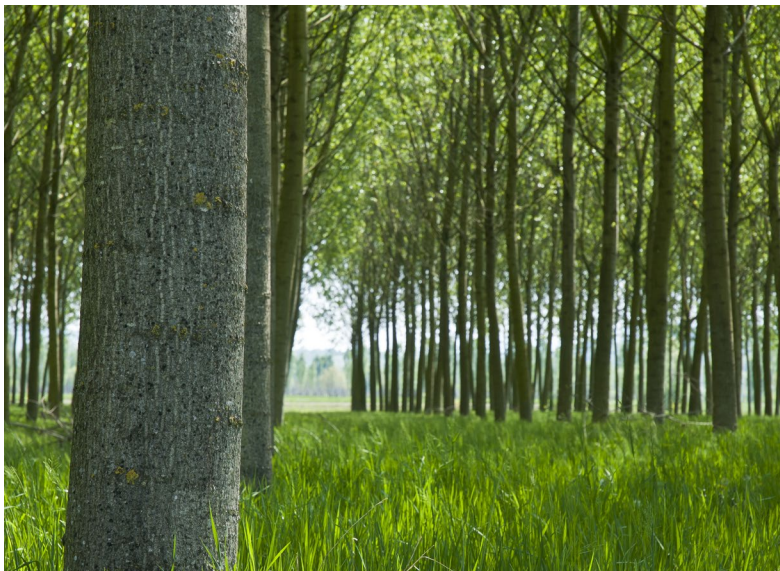
Our Environmental, Social and Governance strategy guides the operations, actions, and decisions of our international business. ESG is at the centre of everything we do and our strong commitment has seen us awarded a top score of 100 in the GRESB Infrastructure Asset Assessment in 2022. It's grounded in the values we hold dear and empowers each and every one of us to deliver our shared vision to secure the future of people and the planet.

Led by our experienced ESG team, our ESG strategy is aligned with internationally recognised standards and is informed by industry benchmarking conducted by GRESB and external advisors.

It has been shaped using scenario analysis to be robust in times of change and ensure we can adapt and keep our commitments on-track.

The pillars of our ESG approach are **Sustainability, People, Process, and Evolution**. Within each area of focus, we'll work to reduce the negative impacts of our operations and increase the positive impact wherever possible, ensuring that our company mission continues to support those around us to thrive in harmony with people and planet.

The data presented in this report has been internally reviewed and is accurate to the best of our knowledge as we do not have direct control over all data sources, and some assumptions and extrapolations have been made. We are, however, working hard to continuously improve our ESG data and we are currently preparing it for limited assurance with support from an external advisor.



G R E S B
★★★★★ 2022

GRESB Benchmark Report Summary

GRESB is an internationally recognised benchmark assessing the ESG performance of assets and funds.



G R E S B
INFRASTRUCTURE
sector leader 2022



Infrastructure sector leader
for Wind Power

Infrastructure sector leader
within Renewable Power

OUR APPROACH TO ESG

Our Pillars & Material Topics

Our ESG strategy is informed by materiality analysis, it focuses on the ESG topics that are most important to the company and our stakeholders, and the areas of highest impact and opportunity.



Sustainability

We'll reduce negative environmental impact and have a positive impact wherever possible across our operations and growth, working to identify opportunities to reduce greenhouse gas (GHG) emissions and water consumption, and increase waste recovery. We'll focus on integrating newly acquired and organically grown assets and implementing minimum requirements that go beyond compliance. We'll work to understand any risks to nature on our sites, whilst working to reduce them and enhance biodiversity.

MATERIAL TOPICS:

- Greenhouse Gas Emissions
- Water & Waste
- Nature & Biodiversity



People

We aim to be a transformative force for good by bringing people together to nurture their best interests and preserve our planet. Across the renewable energy industry, we will collaborate towards achieving industry-wide ESG objectives, and internally we will support employees to embed ESG values into all levels of decision-making. In partnership with our supply chain, we'll work together to achieve our ESG objectives, and we'll educate and empower the communities we operate in and the wider societies we're part of to drive positive change.

MATERIAL TOPICS:

- Industry
- Supply Chain
- Employees
- Community



Process

We'll build and maintain good governance and embed ESG through our business processes so that it informs strategic decision-making. Assessment of ESG and climate risks and opportunities will continue to be embedded in our corporate risk management and due diligence processes, and we'll do everything we can to ensure data and reporting is reliable, transparent, and financially integrated. Our aim is nothing less than full compliance with ESG regulations and internal policies.

MATERIAL TOPICS:

- Risk Management
- Compliance
- Data & Reporting
- Governance



Evolution

Across the three supporting pillars of our ESG strategy, we will embrace evolution to ensure that our approach remains open to exciting opportunities. Our growth has been one continuous evolution, enabling us to outpace climate change, keep innovating, and expand our potential. By anchoring our ESG commitment in our core mission, values and vision, we empower our people to deliver on it every day.



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★★★★★ 2022

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UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



The UN's 17 Sustainable Development Goals (SDG's) represent a call to action for all countries around the globe to create a sustainable and fair global society, set in a protected and healthy environment where everyone has the opportunity to thrive.

In line with our ESG pillars of **Sustainability, People, Process, and Evolution**, we believe that our business has an impact on 10 of the UN SDG's. In order to ensure we leave a positive and lasting impact, we have worked hard to align our ESG commitment to the selected SDG's below.

“Aligning our ESG commitments to the UN SDG's provides the framework for us to ensure we leave a positive and enduring impact on people and the planet.”



3 Good health and well-being

Ensure healthy lives and promote well-being for all at all ages.

5 Gender equality

Achieve gender equality and empower all women and girls.

7 Affordable and clean energy

Ensure access to affordable, reliable, sustainable and modern energy for all.

8 Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

9 Industry, innovation and infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

10 Reducing inequalities

Reduce inequality within and among countries.

11 Sustainable cities and communities

Make cities and human settlements inclusive, safe, resilient and sustainable.

12 Responsible consumption and production

Ensure sustainable consumption and production patterns.

13 Climate action

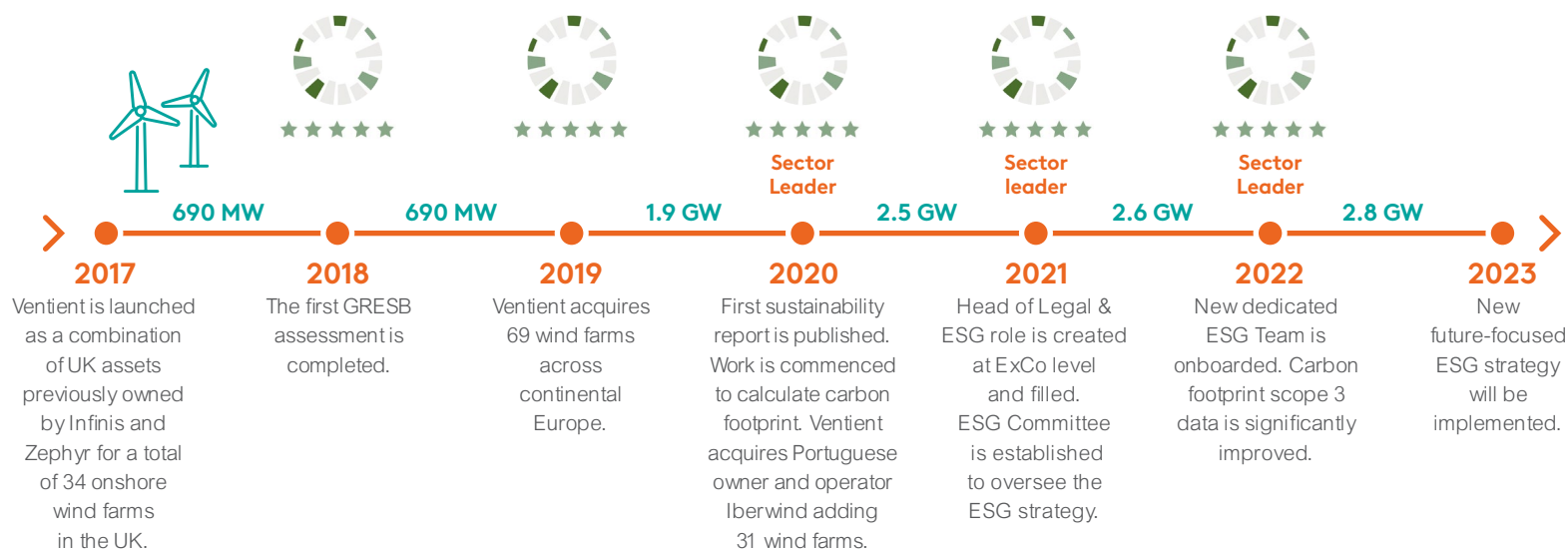
Take urgent action to combat climate change and its impacts.

15 Life on Land

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

ESG OVERVIEW

From the beginning of our journey, ESG has been at the forefront of everything we do. We have taken many positive steps in this journey, and we have seen both our ESG performance and commitment evolve as our operations have grown.



GRESB

Ventient Energy was launched in 2017 and we became GRESB participants shortly afterwards in 2018. GRESB has been fundamental to helping us navigate the complexities of ESG as we have grown as a company and our GRESB score has seen steady improvement over the last five years. Ventient Energy achieved a top score of 100 in the Infrastructure Asset Assessment in 2022, one of just five participants to receive this score in the GRESB Infrastructure Fund and Asset Assessments, and we are proud to have received this recognition.

We understand that ESG is a journey, hence why 'evolution' is a central pillar of our ESG strategy. There is still a lot of work to be done to quantify the financial implications of ESG and embed it into all areas of our decision-making.

In the face of immense global challenges on the scale of climate change and biodiversity loss, it is more important than ever that we keep working to continuously strengthen our ESG commitment. The GRESB assessment is evolving to continue challenging participants to drive towards ambitious ESG targets, and Ventient is pursuing an ambitious growth strategy, requiring us to regularly reassess our ESG materiality.



2022 GRESB Highlights

Overall GRESB Score of
100/100



1st
in sector



Infrastructure sector leader for Wind Power
Infrastructure sector leader within Renewable Power

ENVIRONMENTAL OVERVIEW

2022 was a year of significant improvement across our environmental performance. Reducing the environmental impact of our operations is fundamentally tied to our core company values.

Renewable Energy Generation

In 2022 we generated 6,010.75 GWH of renewable electricity, providing clean energy to consumers across Europe. This is the equivalent to satisfying the annual electricity consumption of over 2 million UK homes*.

Greenhouse Gas (GHG) Emissions

We recalculated our base year footprint covering scopes 1, 2 and material scope 3 categories in order to accurately capture the emissions from our growing portfolio. We included 4 new scope 3 categories and collected more data than ever before, improving our data management processes and procedures along the way. This has led to our most comprehensive and accurate carbon footprint yet.

Our Position on Net Zero

We clearly defined our position on net zero and set in motion our plans to do everything we can to reduce our GHG emissions as we grow. Without making compromises, we maintain transparency and confidence in our approach, following best practice and international guidelines.

Sustainable Procurement

We introduced a new Supplier Onboarding Policy integrating key ESG considerations into our procurement process, focusing on accessing supplier data for our scope 3 emissions and promoting alignment with our decarbonisation ambitions across our supply chain.

Waste

We tracked the waste generated across our operations in more detail than ever before, allowing us to better understand what type of waste we generate and how it is treated. The waste produced during production, installation, use and end of life, was monitored and evaluated in order to select possibilities to reduce, reuse and recycle wherever possible. In 2022, the rate of waste recovered was well in excess of the rate of waste disposed of.

Water

Water is not only a resource to be saved and properly managed. Water consumption also produces greenhouse gas emissions, due to the energy required to supply, treat and use it. To limit this, 98% of wind farm control buildings in Portugal and 61% in the UK are equipped with rainwater harvesting (RWH) systems. All RWH systems have meters which allow us to measure the positive environmental impacts of these features, namely the volume of water saved and the volume of rainwater that is reused.

Industry Engagement

We exhibited at the 2022 WindEnergy Hamburg conference and participated in discussions and presentations with key supply chain partners, promoting the importance of collaboration to create a sustainable wind energy industry.



KEY STATS

98%

of wind farm control buildings in Portugal and

61%

in the UK are equipped with rainwater harvesting (RWH) systems.



* Based on average UK home electricity consumption of 2,900 kWh (Source – Ofgem).

ANTARCTICA EXPEDITION

Antarctica is the key indicator of the environment's health.



If Antarctica keeps melting at its current rate, sea levels will rise, global warming will accelerate, and the disastrous effects will be felt by everyone on earth. Global warming will devastate Antarctica and that devastation will be mirrored across the world, leading to more unstable, unpredictable, and violent weather. This means that the very essence of our business – sustainable energy through wind and sun – is affected, and that in turn affects our support to stakeholders and our capacity to contribute to a greener future by producing renewable energy for people and the planet.

Climate change is a collective issue that demands collective action. We have to work together, and we have to act now.

The best way to create a climate of change is to lead by example. To develop the know-how through experiential learning and, crucially, to use that direct experience to educate others and drive collective action. That was the reason behind our 2022 Antarctica expedition.

In January 2022, Ventient sent a team of three people to Antarctica together with the 2041 Foundation led by Robert Swan, the first man to trek to both the North and South Poles and a man on a 50-year mission to inspire and build leaders to help preserve Antarctica and our planet. Setting off from Ushuaia in Argentina, the 12-day expedition took the team from the Martial Glacier, where they carried out a beach clean, across the Drake Passage to Antarctic. They took in Brown Station in Paradise Bay – home to Argentina's main Antarctic scientific base, the glaciers and icebergs of Cierva Cove, the volcano on Deception Island, and the stark reminder of the Antarctic whaling industry of the 19th and 20th centuries at Whaler's Bay.

The trip had a profound effect on our team, and the importance of sharing what they had seen, heard, and learnt on the trip was a key focus of the rest of the year.

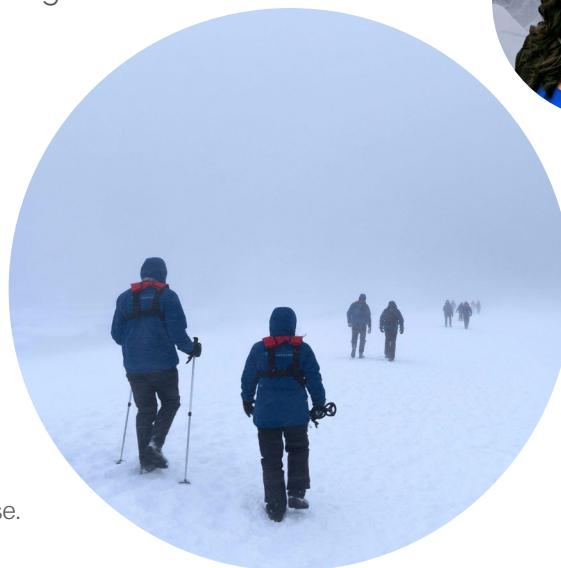
ANTARCTICA EXPEDITION

We met some incredible people from different countries and backgrounds, all united by one common objective: to stop climate change.

We have learnt from them and built on that learning to strengthen our commitment to our values: People. Sustainability. Evolution. This expedition has formed the basis of our Sustainability Campaign across the whole of 2022.

From climate activist and entrepreneur Avinash Narayanaswamy and his work in promoting individual sustainability, encouraging discussion and promoting climate education across India, to Dr. Flavia Maia, CEO and founder of Filha do Sol, a women-led and community-centred non-profit organisation on a mission to regenerate nature across the Tropics and restore climate justice, and Danielle Kehler, a Plains Cree woman from the Kawacatoose First Nation and Manager at SevenGen supporting Indigenous youth, there is a clear message: We are one ecosystem, and the sustainability choices we make as people, businesses and governments in our corner of the world impact the entire planet, for better or worse.

Since their return, our team have taken this learning forward, conducting numerous school visits across the UK and Portugal teaching children about the devastating impact of climate change and the way we can all make a difference. We have organised forest clean-ups, fed-in to sustainable practice initiatives in the workplace, held internal Wisdom Session meetings where activists from the expedition provided unique insights to the Ventient team, and even dedicated an entire area of our stand at WindEnergy Hamburg to the Climate of Change, where we also held a 'Sustainability in the Supply Chain' talk, sharing the stage with suppliers Nordex and Vestas. We have published numerous in-depth articles and interviews, creating an entire website to pass on our learning from the expedition, and you can read those articles and learnings in full here <https://ventientclimateofchange.com/articles/>



Danielle Kehler



Avinash Narayanaswamy



Flavia Maia

We acknowledge that our expedition to Antarctica in itself produced emissions, and we take ownership of these. While the 2041 Foundation takes accountability of the emissions produced whilst on the vessel, we calculated the emissions associated with our travel to and from the expedition. We engaged with industry leading providers of carbon credits to ensure that we compensated the impact of our trip with real positive change.

In collaboration with Forest Carbon, we have funded the Forestal el Arriero afforestation project in Uruguay which is an international ex-post carbon removal project, certified by the Verified Carbon Standard (VCS). The carbon removal credits* purchased match the emissions that were produced as a result of our team travelling to Antarctica.

*In line with GHG Protocol and ISO Net Zero best practice, our position is to only utilise carbon offsets on residual emissions when all other reduction opportunities have been exhausted. The carbon credits purchased for the 2022 Antarctica expedition are an outlier to this as they were committed prior to the formalisation of our offsetting approach. We have not, however, discounted the offset emissions from our 2022 footprint as we wish to retain ownership and responsibility of these emissions within our scope 3 footprint.

CLIMATE IMPACT



It is clear from our expedition to Antarctica that the climate is already changing. What has also become clear is that this shift in climate presents both financial risks and opportunities to the global economy.

It is crucial that we understand these, assess their potential impact, and put the appropriate measures in place to mitigate the risks and enhance the opportunities. In 2022, we began the process of aligning with the Task force on Climate-related Financial Disclosures (TCFD).

Following TCFD guidance closely we established and mapped several scenarios that are tailored to Ventient's core business functions and the geographical regions in which we operate. We undertook our first climate risk and opportunities assessment, highlighting key short, medium and long-term risks and opportunities across each of the recommended categories specified in the TCFD guidance. We also assessed the mitigants and controls in place to reduce residual climate risks.

Climate risks are financial risks and are therefore integrated into our Corporate Risk Management Register to be assessed and managed alongside other important business risks. This is our first step in this process and in 2023 we plan to further integrate these risks and opportunities into our financial reporting, placing the deserved emphasis on the financial implications of climate change to our business.

As an operator of tangible renewable energy assets across Europe, we are susceptible to the extreme weather caused by the changing climate. As global warming increases, extreme weather events such as floods, fires and storms will present an increasingly material challenge to our operations. Aligning our business with the TCFD recommendations enables us to better understand the impact that these challenges may have, and ultimately leaves us more resilient to future climactic conditions.

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



"Climate change is a tragedy on the horizon which imposes a cost on future generations that the current one has no direct incentive to fix."

Mark Carney,
Special Envoy on Climate Action and Finance



GREENHOUSE GAS EMISSIONS – OUR APPROACH

As we grow and continue to supplement the availability of clean, renewable energy, our operations naturally increase in scale. As a result of this we expect our GHG emissions to also increase in certain areas.

We take ownership of this challenge, and in 2022 we built on the foundations laid in 2021, taking further steps to understanding and reducing our impact on the natural world around us.

To enable this, we have developed 3 governing principles for our GHG emissions reporting which align both to Ventient's core company values, and GHG Protocol best practice.

- **Transparency** – Addressing and disclosing all relevant issue in a factual and cohesive manner.
- **Accuracy** – Ensuring GHG emissions quantification and reporting is accurate by reducing uncertainties and reliance on assumptions wherever possible.
- **Evolution** – Recognising the journey we are on as a growing business, facing challenges head on and remaining flexible to ongoing developments.

We firmly believe that in order to make reasonable and achievable long term emissions reduction commitments, we first had to better understand our emission profile across our value chain, covering Scope 1, 2 and 3 of the GHG Protocol as well as have a representative base year footprint.

In 2022 we made significant progress in this journey by refining our internal data collection processes and implementing controls and procedures across the business to ensure improved data coverage and accuracy.

We took control and responsibility for our emissions in-house, with a dedicated team of experienced professionals leading the development of a new 2022 base year footprint which represents our current portfolio of renewable energy assets.



2022 Highlights*

Scope 1+2

Increased scope 1 and 2 data coverage to include continental Europe

Scope 3

Total of **6** scope 3 categories included with the addition of **4** new categories

Centralised data collection and refined calculation methodologies

100%

Transitioned our remaining German assets to 100% renewable import tariffs

Scope 3

Engaged with our supply chain on scope 3

* Based off target areas from 2021 and achievement of those targets this year.

GREENHOUSE GAS EMISSIONS – 2022 PERFORMANCE

Though we recognise that the road ahead is long and the challenge of quantifying emissions, in particular scope 3, is significant, in 2022 we achieved some great things.

- In 2022 we took an **Operational Control** approach to calculating our emissions, and closely followed the GHG Protocol Corporate Standard.
- We re-established organisational boundaries to include all Ventient entities and subsidiaries within which we retain operational control, and set a temporal boundary of **1 January 2022 – 31 December 2022** for calculation of this footprint.
- We undertook a new materiality assessment, identifying all emission drivers that are pertinent to our business, with the aim of including as many as possible.
- We calculated our emissions on this basis across five offices and 140 assets located across six European countries including the UK, France, Spain, Portugal, Germany and Belgium.



Results: 2021 - 2022

Scope 1: In line with our growth as well as increased data capture and accuracy across all scope 1 categories, our direct scope 1 emissions increased to **354 tCO₂e** in 2022.

***Scope 2:** This year we conducted a review of the energy supply contracts across our portfolio of assets and offices. The findings of this, alongside the integration of new assets led to an increase in market-based scope 2 emissions to **809 tCO₂e** and the decrease of location-based scope 2 emissions to **2,567 tCO₂e** in 2022.

Scope 3: This was a big focus for us this year. We improved the data coverage and accuracy across all existing data channels and introduced **4 new scope 3 categories** to our footprint.

This year we also calculated the embedded emissions from major acquisitions completed during the reporting year and included these within our scope 3 capital goods. This, following GHG Protocol guidance and best practice, enables us to take responsibility for these emissions as owners and operators of these assets and we will continue to integrate new acquisitions on this basis.

The evolution of our scope 3 data capture and calculation methodologies led to an increase of scope 3 emissions to **83,516 tCO₂e** in 2022.

Our scope 3 emissions have seen a significant increase this year, however, our improved understanding of scope 3 now enables us to identify and set actionable emissions reduction objectives on drivers under our control.



KEY STATS

6,010.75 GWH

Total Energy produced

354 tCO₂e

Scope 1 emissions

2,567 tCO₂e

*Scope 2 emissions

83,516 tCO₂e**

**Scope 3 emissions

*Location-based

**Location-based, including acquisitions

Market-based scope 2 emissions reflect emissions from purchased electricity that companies have purposefully chosen, using emission factors derived from contractual instruments. Location-based scope 2 emissions reflect the average emissions intensity of electricity grids on which energy consumption occurs, and use local grid-average emission factors.

GREENHOUSE GAS EMISSIONS – 2022 PERFORMANCE

In 2022 we took steps to improve our understanding of our GHG emissions data which meant we collected, calculated and analysed more data than ever before. The improvement of our GHG inventory, the evolution and growth of our business, as well as returning to normality after the COVID-19 pandemic, meant our 2022 emissions were higher than those in 2021.

Table of 2022 results

	2021 (tCO ₂ e)		2022 (tCO ₂ e)	
Scope 1	296.14		353.88	
*Scope 2	Market-based	Location-based	Market-based	Location-based
	333.65	3,152.00	809.34	2,567.46
Scope 3				
Business Travel	38.33		252.95	
Water Consumption	0.04		0.16	
Waste Disposal	-		1,083.53	
Employee Commuting and Homeworking	-		165.35	
Upstream Transportation and Distribution	-		24.54	
Capital Goods	-		81,724.62	
Transmission and Distribution	293.58		264.44	
	Market-based	Location-based	Market-based	Location-based
TOTAL (tCO₂e)	961.75	3,795.33	84,678.83	86,436.95

*Market-based scope 2 emissions reflect emissions from purchased electricity that companies have purposefully chosen, using emission factors derived from contractual instruments. Location-based scope 2 emissions reflect the average emissions intensity of electricity grids on which energy consumption occurs, and use local grid-average emission factors.

Emissions figures presented in this report were updated in July 2023 following the completion of an external review.



“Gaining a complete understanding of our emission profile is a fundamental first step in our decarbonisation journey.”



KEY STATS

86,437
tCO₂e

**Total emissions

1,064,937
tCO₂e

Emissions avoided



**Location-based, including acquisitions

GREENHOUSE GAS EMISSIONS – REDUCTIONS



Embracing Evolution

Throughout 2020 and 2021, we worked hard to quantify and understand our scope 1 and 2 emissions and proposed interim science-based targets to reduce these. In 2022 we took time to reassess and re-calculate our base year footprint, including more of scope 3 than ever before. With enhanced data coverage and new procedures and processes in place, we re-evaluated proposed targets and began developing new, more refined emissions reduction objectives. In 2023 we look to further develop these, align with the Science-based Targets Initiative (SBTi) wherever possible and announce our new emission reduction targets.

Net Zero

The climate crisis is the greatest challenge of our time, and we recognise the need for urgent and ambitious net zero commitments. With **Sustainability** as a core company value, we are committed to enabling the net zero economy as a generator of renewable power, providing clean energy to consumers across Europe. Facilitating this transition requires growth of our business, which brings inherent challenges with developing absolute net zero targets.

At this point in time, we do not believe we are in a position to set a net zero target, given our plans for continued growth and the current maturity of our scope 3 understanding. In line with best practice guidance and our core GHG emission reporting principles, **Transparency**, and **Accuracy**, we believe that it is critical that net zero targets represent achievable goals that are backed by comprehensive decarbonisation road maps.

Whilst we are not currently in a position to set a net zero target inclusive of scopes 1, 2 and 3, we will continually strive to reduce our impact wherever possible with robust and ambitious reduction objectives. To be developed in 2023, these will be targeted at specific emission drivers across our operations and value chain.

We will also work to reduce the impact of new acquisitions as part of integration plans. This is not a compromise; it is a point in time decision based on where we can have the most positive impact as a company at present.

Looking ahead, our ESG strategy will embrace evolution. In 2023 and beyond, we will continually review our position and will look to set a robust and ambitious net zero commitment at the earliest point possible. To accommodate our growth, this will likely take the form of a dynamic commitment, which will be regularly reviewed and updated in line with our base year footprint at that time. More information on our position on net zero can be found via our **Net Zero Policy**.

“With Sustainability as a core company value, we are committed to enabling the net zero economy as a generator of renewable power, providing clean energy to consumers across Europe.”

Forward Plan for Emissions Reductions

In 2023, we are taking a number of steps to further understand our emission profile and ultimately reduce our impact. These include:

- Develop a comprehensive emission reduction plan, covering all scopes, evidenced by an actionable and achievable road map.
- Set updated science-based targets for scope 1 and 2 emissions, committing to ambitious reductions and continuing to migrate energy supply contracts to 100% renewable tariffs.
- Target GHG Protocol scope 3 categories where data gaps exist (in particular, purchased goods and services and capital goods) and work to increase data coverage.
- Develop and introduce an ambitious Business Travel Policy, reducing company travel wherever possible and promote sustainable travel alternatives.
- Develop and implement initiatives to encourage sustainable practices across the business.
- Continue to collaborate with industry bodies, stakeholders and peers across industry to champion sustainability and lead by example.



WATER AND WASTE



As part of our wider commitment to sustainability we are conscious of the natural resources we consume and the waste that we generate as a result of our operations. Over the course of 2022, we tracked water and waste data carefully and will continue to do so in 2023 and beyond. We are committed to improving our resource efficiency and reducing our water consumption and generation of waste.

Water

In order for us to generate the renewable electricity that we do, our assets and offices require water for various reasons, including for cleaning and maintenance, drinking water, and site toilets. We understand the value of this natural resource and we are always searching for ways to reduce our water consumption across our assets and offices.

22 of our wind farm sites across the UK and 24 across Portugal utilise Rainwater Harvesting (RWH) systems which capture and reuse this precious natural resource, reducing our consumption of mains water across our UK & Portugal sites. Our UK RWH systems have combined capacity of over 20,000 litres (L) of rainwater at any time. In addition to this, 8 of the UK wind farms have water filtration systems installed alongside the RWH which enables the water captured by the RWH system to be used for drinking.

In 2022 we focused on better understanding our water consumption, and in 2023, we will explore reduction opportunities in more detail.

2022 Waste Generated During Operations*

Waste Disposal Method	Hazardous Waste	Non-Hazardous Waste	Total Waste Disposed (tonnes)
Landfill	0.00	0.07	0.07
Recycling	144.61	35.68	181.51
Waste to Energy	21.02	1.29	22.31
Unknown	4.92	2.44	7.36
TOTAL	170.55	40.69	211.24

“16 of our wind farm sites across the UK utilise Rainwater Harvesting (RWH) systems which capture and reuse this precious natural resource, reducing our consumption of mains water across our UK sites.”



Waste

The waste that we produce across our assets and offices is tracked carefully so that we understand the type of waste we are generating and how we can better dispose of it. The vast majority of our waste is either re-used or recycled, though we acknowledge that there is still work to be done to ensure we limit waste going to landfill wherever we can.

In 2023 we are tightening our office waste management by introducing working instructions for the proper management of all waste produced, with a focus on the waste hierarchy of **Reduce, Reuse and Recycle**. Our HSE team will also be looking to establish targets relating to our waste management, intended to divert waste away from landfill and subsequently reduce our GHG emissions footprint.

* Inclusive of available data for all Ventient owned and operated assets and offices. Waste generated by offices includes estimations.

BIODIVERSITY & NATURE



Leaving a Positive Legacy

In 2022 we took steps to improve and protect the biodiversity at sites across our portfolio, aiming to ensure that we leave a positive impact on the local environment, even after our assets have been decommissioned. In an example of this, we installed a 1 hectare (ha) fenced compound as part of the site decommissioning program at our Kirkby Moor wind farm in the UK. The compound is now being used to prevent sheep from grazing the sphagnum moss, heather, grasses and other protected species to ensure that we can harvest the seeds for restorative purposes post extraction of key infrastructure such as foundations and trackways.

Invasive Species Control

Volunteering activities have a direct impact on our communities and the planet. Our team in Portugal were busy this year using their volunteering days to clear acacia trees from a forest in Buçaco and Sintra mountains. Acacia trees are non-native species that are harmful to the ecosystem and spread rapidly which increases the risk of wildfires.

“Between photos, lots of fun and some rest in between, we gave our mission 100%.”

Invasive Species Control initiative



Wildflower Planting

In 2022 we made efforts to honour our commitment to biodiversity by increasing the abundance of wild and diverse plant life across our sites. At our Blackstone Edge wind farm in the UK, we transformed a lifeless patch of soil surrounding our control room compound with wildflower meadow seeds. These flowers, of which there are 12 different species*, will not only improve the soil around the compound, but will also attract insects and pollinators such as bees. Pollinating insects will transfer the pollen, allowing the flowers to develop seeds that produce more flowers across the local area.



* Wildflower species include: Borage, Iberis amara hyacinthiflora, Hyacinth, Calendula officinalis, Phacelia, Red and White Clover, Chicory, California Poppy, Cornflower, Chamomile officinalis, Blue Lupin, Birdsfoot Trefoil.

GENERAL SUSTAINABILITY



Increased Use of Sustainable Fuels

Assets across our portfolio use standby generators to supply additional power to the site when necessary. These generators typically run on fossil-derived fuels such as diesel, and therefore contribute to our scope 1 emissions. We have identified opportunities and began the process of transitioning these generators to run on sustainable fuel alternatives, such as Hydrotreated Vegetable Oil (HVO), and even self-sufficient renewable energy. One such example of this is at our Blackstone Edge wind farm in the UK, where we have converted the standby generator to run on HVO as well as introduced a new 1,000L external fuel tank, increased from the previous 200L diesel tank. The new HVO fuel will significantly reduce the scope 1 emissions when operation of the standby generator is required, and the 1,000L tank reduces the need for refuelling lorry deliveries by 80%. In 2023 we will look to replicate similar initiatives across our portfolio.

Sustainable Events Stand – WindEnergy Hamburg

Our stand at WindEnergy Hamburg was built with sustainability in mind. The furniture was made from recycled, recyclable cardboard, as were the standout features of the stand: two replica 5m tall wind turbines. The structural elements were made from wood, which was repurposed by the stand builder for future events, and the video screens and lighting were all LEDs for low energy consumption. Even our coffee was served in recyclable paper cups!



The Portuguese team being shepherds for the day.

Sustainable Vegetation Clearing

Innovation is not always technological – it can be biological too! In November 2022 our team in Portugal had the opportunity to experience 'being a shepherd for the day' thanks to Cooperativa Terra Cha, a community run non-profit organisation. In an effort to reduce our environmental impact, we are trialling more sustainable ways of clearing vegetation, using community herds of goats instead of machinery on one of our wind farms in Serra dos Candeeiros. As well as reducing our dependency on machinery, this project is also promoting the creation of local jobs, investment in the village of Chãos, and creating local produce such as cheese. At the end of the trial we will quantify the positive impacts of this project, which include a possible reduction in greenhouse gas emissions, and we will explore rolling this out to other windfarms if successful.



SOCIAL AND WELLBEING

A talented and diverse group of people working together can make incredible things happen; they can bring a vision to life and truly make a positive difference to the planet.

Our social and wellbeing initiatives span our activities to support and strengthen the relationship with all our stakeholders, including local communities, service providers, suppliers, and partners.

Critically, they also cover our efforts to ensure our own colleagues stay well, benefit from the best development opportunities, and play a full part in the direction of the business.

As detailed under the section on ESG Compliance, we are conscious that ESG-related legislation is rapidly evolving, and we are mindful of this insofar as it relates to our social initiatives. Together with the HR team, the ESG Team will implement actions to ensure continued compliance with applicable legislation and are working to prepare for upcoming ESG requirements.

Knowledge Sharing

In 2022 we held three Wisdom Session meetings as part of our internal knowledge share. These sessions enable team members to share expertise, experience, and insight with colleagues. The aim is to leverage knowledge, create more informed employees, and inspire positive action.

These covered our 2022 Antarctica expedition (see page 11 for more details), pension schemes and advice, and Pride Month awareness.

Cost of Living

Our values guide the way Ventient behaves as a business every day, and 'People' are one of our core values. In 2022 Ventient donated directly to organisations providing aid to the refugees generated by the war in Ukraine, also matching employees' donations and offering volunteering days for those wanting to offer personal support.



We implemented a series of initiatives aimed at supporting our employees and recognising the impact of the economic climate, in particular the increases to inflation and sharp rises in food and fuel prices, contributing to fuel and food poverty organisations and charities in Belgium, France, Germany, Portugal, Spain and the UK in support of our local communities.

HR Platform

In 2022 we continued to solidify our foundations with the implementation of HR systems to dramatically improve reporting and analytics, make compliance easier, and manage employee engagement surveys more effectively.

The development of our policies and handbooks across all countries of operation is well underway to ensure alignment with our ESG and DEI (Diversity, Equity & Inclusion) values.



KEY STATS

In 2022, we recruited

**90
new
employees**

with 50 of them
being new roles
(up from 54 new employees
and 28 new roles in 2021)



SOCIAL AND WELLBEING



DEI

In 2022 as part of our People Initiatives, we continued our DEI journey through the implementation of a number of initiatives that actively promoted DEI, including recognition of International Days (such as International Women's Day, World Day for Cultural Diversity for Dialogue and Development, and Pride Month), Ventient recipe books where all employees had an opportunity to share a recipe that was related to their cultural background, our first LGBTQ+ wisdom session, sharing an interactive map that detailed the rights and laws of each country on LGBTQ+ and attendance of the DEI Summit hosted by fellow IIF Portfolio company, Sonnedix.

Inclusive Committee

Involving our people – from the setting of our vision and strategy to the ways in which we implement our plans – is the only way we can truly harness their ideas, skills, and contribution to our success, so 2022 saw the launch of the Inclusive Committee, with members acting as our DEI champions by helping us foster an inclusive environment.

The Inclusive Committee is a group of champions who are passionate about this topic and actively promote DEI and are responsible for recommending strategic initiatives and in the promotion of DEI initiatives. As part of the Inclusive Committee, our champions share experiences and knowledge, whether through personal journeys or from being a part of external diversity networks, help us to understand inclusion, allyship, anti-racism and more, and participate in external diversity networks and forums that bring thought provoking leadership, initiatives, and challenge to Ventient.



Health & Safety

Protecting the health and safety of our employees and other people using our premises and the communities in which we operate is fundamental to our values as a company. We aim always to conduct our activities in such a way as to minimise any possibility of danger, in line with our Health & Safety Policy.

Ventient Energy is certified by ISO 14001 – Environmental Management System, ISO 45001 – Occupational Health and Safety Management System and ISO 9001 – Quality Management System (UK only). ISO 14001 allows for an effective management of the environmental aspects of the activities carried out, taking into account environmental protection, pollution prevention, legal compliance and socio-economic needs, strengthening its institutional image and monitoring market developments. ISO 45001 allows us to identify the health and safety risks associated with our business activities, and to establish a safer environment for employees and stakeholders, increasing their confidence, satisfaction, involvement and consequently the competitiveness of the company.



KEY STATS

Total number of High Fives¹
in 2022 was

807

(up from 445 in 2021)

The total number of
Perkbox² benefits used was

1,259

¹ Our 15/5 performance management system allows people to show their teammates appreciation whenever they do something awesome by giving them a virtual High Five.

² Perkbox is a platform giving employees access to hundreds of big brand discounts, plus other surprises and freebies throughout the year.

³ Our EAP is a confidential service offering help in balancing everyday life with the requirements of work and home.

SOCIAL AND WELLBEING

The Quality Management System allow us to define policies, processes, and procedures to ensure that our services consistently meet customer and regulatory requirements. The new group HSQE Policy was approved in 2022.

Employee Engagement Survey

Listening to our employees and taking feedback is key to fostering a positive working environment. Our engagement survey is conducted using our HR Information System, Bamboo HR. It opens for six working days and consists of one rating question: How likely are you to recommend Ventient Energy as a place to work? The aim is to measure how invested and satisfied Ventient employees are at work. The survey also helps us understand what factors support or suppress engagement, while giving us an insight into how we can improve the overall employee experience.

In 2022, 91% of our employees participated in the survey (195 of 214) and our employee net promoter score (eNPS) was 57. This is calculated as % of promoters minus % of detractors. Global eNPS benchmarking suggests that 50-80 is deemed as an excellent score, and our result is testament to the strong, collaborative and supportive working culture that has been nurtured at Ventient.

The results are presented across the company and we carry out a 'pulse check' after six months. This check allows focus groups to define action plans in order to prepare and carry out the 2023 Engagement Survey at the end of the year.



Internship Programme

Our internship programme commenced in January 2022, enrolling one intern in our Edinburgh office and one in our Lisbon office with more roles being sourced in 2023. Both interns were in our Technical Department, one in Mechanical Engineering (Asset Integrity) and the second in Predictive Maintenance.

The aim of the internship programme is to invite students to be part of our team, both to learn and to teach. The theory side of their learning is fresh, and they can apply this to practical situations. They are invited to participate in team presentations, and this includes teaching our teams about what they are learning and providing a fresh set of eyes on various projects.

This is part of our Inspiring Futures Programme, designed in house to create a talent pipeline, develop careers and attract people into the renewable energy industry, covering internships at both graduate and PHD levels, as well as providing an opportunity for people from areas outside of renewable energy to repower their skills into valuable competences within the renewables business.



KEY STATS

Our Employee Assistance Programme (EAP)³ usage increased to **27.52%** in 2022 from 18% in 2021

Our offer acceptance rate is **98%**

¹ Our 15/5 performance management system allows people to show their teammates appreciation whenever they do something awesome by giving them a virtual High Five.

² Perkbox is a platform giving employees access to hundreds of big brand discounts, plus other surprises and freebies throughout the year.

³ Our EAP is a confidential service offering help in balancing everyday life with the requirements of work and home.

COMMUNITY VALUE

We are committed to creating value in all communities in which we operate by promoting the wellbeing of local people and protecting and enhancing the environment. Our support takes the form of Community Benefit Funds in the UK and Taxation-Based Contributions in Continental Europe.

We are committed to creating value in all communities in which we operate by promoting the wellbeing of local people and protecting and enhancing the environment. Our support takes the form of Community Benefit Funds in the UK and Taxation-Based Contributions in Continental Europe.

Community Benefit Funds and Taxation-Based Contributions

Ventient Energy contributed across the UK and Continental Europe through community benefit funds and Continental European taxation-based community contributions. Within the UK, the funds that we provided were used to support 122 community benefit projects:

Community Benefit Fund (support by category)	Number of projects
Additional Support (Fees / Wages / Utility Bills)	15
Administration & Activities	3
Advertising / Printing	2
Biodiversity	1
Education & Training	5
Equipment/Furniture	35
Group Events / Workshops / Meet up's Transport	24
IT & Equipment	4
Maintenance & Repair	16
Medical Services / Equipment	3
Sports and Recreation	14
Total	122

Community ESG Fund

Ventient Energy supports the communities around our wind farms through an ESG Fund dedicated to local initiatives that are aligned with our ESG pillars.

We commenced this initiative in the UK and for a selection of Continental European assets by providing £2,000 or €2,000 per windfarm to nearby communities, in addition to our established Community Benefit Funds. A total of 18 projects were supported in 2022, and we will be expanding this initiative to all windfarms in Continental Europe in 2023 in an effort to increase our level of support for communities.

ESG Benefit Fund (support by category)	Number of projects
Inclusive Leadership	6
Climate Change Impact & Awareness	1
Business Performance & Innovation	1
Promote & Support Educational Initiatives	10
Total	18



KEY STATS

€9,353,434

Total taxes paid for communities across our Continental Europe Portfolio

£2,240,321

Total of UK Community Benefit Fund

122

UK Community Benefit projects

€26,200

Total of Community ESG Funding

COMMUNITY STORIES



Defibrillator Installation

A new life-saving defibrillator has been installed at the Halkirk Heritage and Vintage Motor Centre, close to Causeymire wind farm, thanks to funding from the Halkirk District Benefit Fund. Due to the village's rural location, ambulances can take a long time to arrive on scene in the event of an emergency, and every minute lost lessens the chance of survival from a heart attack. The defibrillator allows emergency treatment to be given by anyone in the community should it be needed.

University Engagement

In 2022, we hosted a group of 41 Renewable Energy Engineering MSc Students from Coventry University and their Professor at Low Spinney Wind Farm. Our Asset Managers and Community Engagement Manager explained their roles and the part they play in maintaining the operational performance of the wind farms and engaging with local communities. The students were able to get up close to the turbines, ask questions and learn more about Wind Energy Generation, providing them with valuable information to further their studies.



“An enormous thank you to Gavin and the team at Ventient Energy for the fabulous donation made to Cardenden Community Fridge.”

Bowhill Community Centre

“Today it was great to meet up with the hard-working volunteers at Alnwick District Food Bank and help restock the shelves. All supplies provided by Ventient Energy owned Wingates Wind Farm.”

Simon Kelly, Asset Manager



Food Banks and Warm Hubs

With the cost of living crisis experienced in 2022 and the impact that it had on people, it was important for us at Ventient to help where we could. Our funding supported food banks and warm hubs that provided vital support to vulnerable community members by helping them access heat, food, and other essentials in the face of the rising cost of living. A large proportion of this was donated as a direct response to the high energy prices experienced throughout 2022.

The Pulteneytown Peoples Project near Causeymire Wind Farm used Ventient Energy funding to develop a warm hub project. Twice a week, vulnerable families are invited to attend the community centre in Pulteneytown, identified as one of the top five most deprived areas in Scotland. Participants are shown how to cook highly nutritious meals from low-cost natural ingredients which they are then served, and children are invited to participate in activities or games.

CHARITY DONATIONS

As a multinational, pan-European company, we believe that the successful delivery of our company mission is dependent on our interactions with wider society.

We have a responsibility as a company to reduce our potential negative impacts and pursue opportunities to have a positive impact wherever possible.

2022 was a challenging year for many of us, marked by the invasion of Ukraine, the cost-of-living crisis, worsening impacts of climate change, and the lasting effects of the COVID-19 pandemic. In response to these exceptional circumstances, we donated to charitable organisations who we feel are best placed to protect vulnerable people and our increasingly threatened planet. A large proportion of this was donated as a direct response to the high energy prices experienced throughout 2022.

Cost-of-Living Crisis Support

The rapid increase in the cost of living across Europe in 2022 placed significant pressure on communities where Ventient Energy is present. We donated to charities supporting vulnerable households to access essentials during the cost-of-living crisis, including food banks, energy efficiency charities, and energy poverty charities.

Ukraine Humanitarian Aid

We donated to organisations providing vital humanitarian support to people affected by the invasion of Ukraine, and we matched the generous donations made by Ventient Energy employees.

Preservation of Antarctica

Following our expedition to Antarctica, we donated to the 2041 Foundation to continue our commitment to the preservation of the continent. The 2041 Foundation was founded by polar explorer and environmentalist Robert Swan with a mission to engage businesses and communities on climate science, personal leadership, and the promotion of sustainable practices.



“Following our expedition to Antarctica, we donated to the 2041 Foundation to continue our commitment to the preservation of the continent.”

Health & Safety Reporting

In support of our ESG pillars and to foster a sustainable safety reporting culture, we make a donation of **25 £/€** to our nominated charities for each validated report of an accident or incident, dangerous occurrence or near miss, no matter how small.

The safety reports received in 2022 were transformed into a total of **£7,875 of donations** split between our selected ESG charities, which our ESG Committee consider to be important causes:

- **She Changes Climate** – a global campaign, driving awareness of the crucial role of women in accelerating just climate action.
- **The Ocean Clean Up** – a non-profit organisation developing and scaling technologies to rid the oceans of plastic.
- **Renewable World** – a charity developing and deploying effective solutions that bring renewable energy to scale for poor communities.
- **Avinash Narayanaswamy** – an environmentalist and entrepreneur implementing grassroots initiatives in India to address and mitigate climate change.

Forward Plan for People:

In 2023, we have several social objectives designed to bring people together to protect and preserve our planet and nurture their best interests.

These include:

- Expanding our community ESG fund of £2,000 per windfarm to all assets across the European portfolio and developing a wider plan to enhance community value.
- Donating our full annual corporate donation budget to important causes related to our ESG pillars, geographies, or industry.
- Increasing employee volunteering hours by arranging group volunteering events to encourage people to utilise their 2 days of paid annual leave for volunteering.
- Engaging with top operations and maintenance (O&M) contractors and professional services suppliers in relation to greenhouse gas emissions.



GOVERNANCE STRUCTURE



We are committed to upholding the highest standards of corporate governance to ensure effective management oversight, accountability, and transparency. Strong governance is the foundational cornerstone of effective delivery on our company mission and vision to secure the future of people and the planet.

Board of Directors

The Board of Directors (Board) has responsibility for the management of the company and its long-term success, and provides critical governance, experience, and insight as we evolve. It has clear terms of reference and delegates authority appropriately to the Executive Committee. The Board meets at least once every quarter and is led by a chairperson who is elected by the shareholder.

Throughout 2022, the Board was comprised of seven members, including the chairperson, five independent non-executive members and one shareholder representative member.

Sub-Committees

The Board has established the following sub-committees which act as detailed discussion forums and make recommendations to the Board for approval.

- **Audit & Risk** – to assist and advise the Board on the integrity and effectiveness of our financial reporting processes, accounting practices, systems of internal controls and risk identification and management, and regulatory and legal compliance.

- **Investment & Financial Development** – to assist and advise the Board on the application of matters of governance, strategy, and policy, as set at overall level by the board in more detail in their respective areas.
- **People, Remuneration & ESG (RemCo)** – to assist and advise the Board on the remuneration and other human resources policies, as well as the ESG practices of the company.*

Executive Committee

The Executive Committee (ExCo) is accountable for implementing Ventient's strategy, policies, and budgets as agreed by the Board. It also holds responsibility for developing operational plans and procedures, monitoring operating and financial performance, assessing and controlling risk, prioritising and allocating resources, addressing matters relating to personnel, and monitoring competitive forces. Throughout 2022, the ExCo was comprised of 5 members, including the CEO, CFO, COO, General Counsel and HR Director.

We have also established several focus committees, including the Senior Leadership Team, ESG & GRESB Committee, People Forum, and Inclusive Committee. Each committee has a cross-functional agenda, mandate to act and a membership extending to all parts of the business to facilitate a strong employee participation and voice.



*ESG is moving to the Audit & Risk committee agenda from 2023

GOVERNANCE STRUCTURE (CONTINUED)



We are committed to upholding the highest standards of corporate governance to ensure effective management oversight, accountability, and transparency. Strong governance is the foundational cornerstone of effective delivery on our company mission and vision to secure the future of people and the planet.

Board of Directors / RemCo

Drives and monitors the company's strategic direction. Reviews the ESG strategy annually and monitors performance quarterly against ESG objectives.

2023+

ESG will be moved from the RemCo agenda to the Risk & Audit Committee agenda to recognise ESG as a financial risk and opportunity.

Board education is planned to sustain leadership of ESG in the rapidly evolving landscape.



Board ESG Representative

2023+

Representative Board member assigned to provide additional Board-level oversight and guidance on the ESG strategy.



General Counsel

Executive sponsor for ESG responsible for providing oversight and guidance to the ESG Team and reporting ESG matters to the ExCo.



ESG Team

Dedicated team responsible for developing and delivering on the ESG strategy and providing regular updates to the Board and General Counsel.



ESG & GRESB Committee

Cross-functional team to support the ESG Team in delivering the ESG strategy and preparing the GRESB submission.

ESG governance

ESG informs the strategic decision-making of our Board and ExCo, who understand its importance in supporting the long-term success of the business. We have established strong governance structures to drive our ESG strategy from the highest levels while upholding the principles of transparency and accountability.

We believe that the most effective ESG strategies are driven from both the top-down and bottom-up, and we are working to ensure that our company values inform all levels of decision-making, in line with the 'Ventient way'. Delivering strong ESG performance is a company wide effort and our GRESB score is a key component of our company scorecard which influences employee remuneration.

"We will roll out company wide ESG awareness and policy training in 2023 to increase employee engagement and understanding."

GOVERNANCE PRINCIPLES



As a large private company with entities across continental Europe, we have chosen to align our governance practices with The X Principles of Corporate Governance of the Luxembourg Stock Exchange (the LSE Principles):

- 1** The Company shall adopt a clear and transparent corporate governance framework for which it shall provide adequate disclosure.
- 2** The Board shall be responsible for the management of the Company. As a collective body, it shall act in the corporate interest, and shall serve the Shareholder by ensuring the long-term success of the Company. They shall consider corporate social responsibility aspects and shall take into account the interests of all stakeholders in their deliberations. The Board shall regularly evaluate the way in which it operates and its relations with the management.
- 3** The Board shall be composed of competent, honest, and qualified persons. The choice of those persons shall take account of the specific features of the company. The Board shall establish the special committees necessary for the proper execution of its remit.
- 4** The Company shall establish a formal procedure for the appointment of members of the Board.
- 5** The directors must exercise the mandate with integrity and commitment. Each shall represent the Shareholder, and shall make decisions in the Company's interest, and independently of any conflict of interest.
- 6** The Board shall set up a body responsible for the effective executive management of its business. It shall clearly define the assignments and duties of the ELT and shall delegate to it the powers required for the proper discharge thereof.
- 7** The Company shall establish a fair remuneration policy for its directors and the ELT that is compatible with the long-term interests of the company.
- 8** The Board shall establish strict rules designed to protect the company's interests in the areas of financial reporting, internal control and risk management.
- 9** The Company shall define its corporate social responsibility policy with respect, including to it those responsibilities related to social and environmental aspects. It shall set out the measures taken for its implementation of that policy and shall provide for these to be adequately published.
- 10** The Company shall respect the rights of its shareholders and shall ensure that they receive equal treatment. The Company shall define a policy of active communication with its shareholders and shall establish a related structured set of practices.

“As a collective body, it shall act in the corporate interest, and shall serve the Shareholder by ensuring the long-term success of the Company.”



GOVERNANCE & RISK MANAGEMENT HIGHLIGHTS



Over the course of 2022, we have implemented several initiatives to sustain high standards of corporate governance and effectively manage business risks.

Governance Audit

Appointed a Company Secretary to conduct an internal governance audit of the company as a whole, including the Board of Directors and its sub-committees, to identify any gaps in processes and opportunities to strengthen our corporate governance further. The Company Secretary will then work to review, draft, and publish relevant documentation to begin implementing the recommendations.

Market and Regulatory Changes

We appointed a new Head of Energy Markets and a Regulatory Engagement Manager in 2022. In the context of unprecedented market and regulatory volatility, these roles will help us understand developments in the energy sector and manage and optimise our portfolio accordingly.

Growth

We hired a Head of Organic Growth and a Head of Mergers & Acquisitions (M&A) to drive forward our ambitious organic and inorganic growth strategies. We also integrated ESG due diligence into our M&A process to screen for ESG risks and opportunities when making new acquisitions.

Unified Framework Governance

The Senior Leadership Team has been working to establish governance principles for the Unified Framework. The framework was introduced by the Infrastructure Investment Fund to ensure consistent methods for managing, tracking, and reporting of strategic initiatives. The new Unified Framework governance principles will be implemented in 2023 to ensure effective delivery of strategic initiatives by defining the process and responsibilities for project planning and delivery.

Cyber Security

The IT & Security Team introduced a new Cyber Security Policy and Incident Response Procedure to improve the security maturity of the company and protect our people, data, and reputation. Ventient Energy employees completed four cyber security awareness courses throughout the year to ensure the policies and procedures are well understood. To improve security compliance, we are working with a third party to restructure the network on all managed sites and are centralising company data into a supported and controlled cloud environment.

Risk Management

Risk management is the responsibility of everyone at Ventient Energy and is integrated into all decision-making processes including strategy formulation, business planning, and investment decisions, as well as day-to-day operations. We updated the Group Risk Management Policy in 2022 to provide guidance for risk management activity across the company. We also conducted an assessment and scenario analysis of climate-related risks and opportunities and integrated material climate change risks into the Corporate Risk Management Register in preparation for alignment with the Task Force on Climate Related Financial Disclosures (TCFD).



KEY STATS 2022

Zero

cyber security accidents

65%

Employees reporting suspicious email in phishing test

4

Risk and audit committee meetings

COMPLIANCE, DATA & REPORTING HIGHLIGHTS

Over the course of 2022, we have implemented several initiatives to ensure continued legal compliance and to strengthen our understanding of evolving ESG reporting requirements.

Handbook and Policies

We updated the UK Employee Handbook and policies to outline our business practices, employment-related policies, procedures, and benefits. Work is ongoing to update the handbook and policies for all other countries in which we operate.

Legal Review

The Legal Team conducted a review of the legal governance process including Powers of Attorney and the Legal Review Process to assess compliance with and efficiency of the process. The legal review process is a fundamental component of our corporate governance by making sure the legal documents that Ventient Energy enters into have been given the appropriate level of scrutiny and approval.

Data Management

A new Microsoft Dynamics D365 finance solution was implemented to manage and automate our financial processes. The system is an important tool to implement consistent financial controls across the group to increase operational efficiency and prevent against fraudulent activity.

ESG Compliance

We recognise that ESG-related legislation is rapidly evolving, and this year we appointed a third-party to review existing and proposed ESG laws and regulations. Following this review, we developed an ESG Legislation Register to monitor our compliance on a quarterly basis. The ESG Team implement actions to ensure continued compliance with applicable legislation, and they are working to prepare for upcoming ESG requirements such as the Corporate Sustainability Reporting Directive (CSRD), Corporate Sustainability Due Diligence Directive (CSDDD), International Financial Reporting Standards (IFRS) sustainability disclosure standards, and Task Force for Climate-Related Financial Disclosures (TCFD).

ESG Leadership Group

Our success is supported by our shareholder, the Infrastructure Investment Group. We participate in quarterly ESG Leadership group calls hosted by the shareholder, which include an ESG leader from each portfolio company. This is a valuable platform for us to learn from and share best practice across the infrastructure fund and understand emerging ESG laws and regulations.

Forward Plan for Governance

In 2023, we have several governance objectives to build and maintain strong governance and embed ESG fully within business processes so that it informs strategic decision-making.

These include:

- Strengthening governance through concluding our internal governance audit and working to review, draft, and publish relevant documentation to begin implementing the recommendations.
- Preparing our ESG reporting for limited assurance through an external assessment of the readiness of our ESG data and controls, and implementation of all relevant recommendations.
- Enhancing ESG risk management through aligning with the TCFD to integrate climate risks and opportunities into our financial reporting, and screening new acquisitions for ESG risks.
- Rolling out ESG training to all employees, including the Board and Exco, to further embed ESG into all levels of decision-making and stay at the forefront of the evolving landscape.



KEY STATS 2022

Board diversity

43%

of our
Board of Directors
are women

C-suite gender diversity

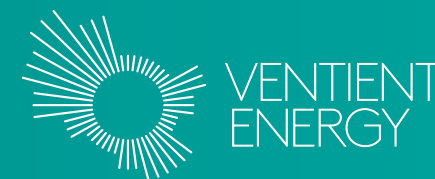
50%

of our
Executive Committee
are women



REFLECTIONS AND LOOKING FORWARD

The onboarding of a dedicated ESG Team in 2022 marked a significant step forward in the company's ESG journey.



Increased resource and expertise dedicated to ESG in-house has enabled us to make substantial progress this year, with invaluable support from across the company.

We are proud of our achievements this year, most notably our:

- Top score of 100 in the GRESB Infrastructure Asset Assessment.
- Donations to charities protecting people suffering the most from global crises such as the invasion of Ukraine, rising cost-of-living, and climate change.
- Significant improvements in ESG data and reporting, meaning we are capturing more scope 1, 2 and 3 greenhouse gas emissions data than ever before.
- Participation in the expedition to Antarctica alongside the 2041 Foundation to increase awareness and understanding of the urgency of climate change internally and in the wider community.
- Development of a Net Zero Policy outlining our current position on long-term decarbonisation targets. Acknowledging the challenge of net zero and aligning our GHG emission accounting approach to best practice, striving for achievable emission reductions in the context of our current maturity and growth strategy.

2022 was certainly not without its challenges, and we have been navigating a backdrop of significant global change and uncertainty. The invasion of Ukraine, cost-of-living crisis, worsening impacts of climate change, and the lasting effects of the COVID-19 pandemic, all served to remind us of the responsibility that we have as a company towards vulnerable people and the increasingly threatened planet.

Our future focused ESG strategy, with an emphasis on evolution, is designed to increase our resilience and adaptability in a rapidly changing world. We will remain open to exciting opportunities, mitigate emerging risks, and continuously improve our ESG commitment to maintain our strong GRESB score and upper quartile position in the industry.

“We look forward to delivering on our company mission over the coming years to continue securing the future of people and the planet.”

