



Renewable energy generation is considered one of the key pillars of the urgently needed energy transition. At the end of 2020, the total cumulative installed photovoltaics capacity worldwide amounted to approximately 760 GWp, which means at the end of 2020, around 875 million tons of annual CO2 emissions were avoided thanks to PV. With the market continuing to grow, installed capacity is expected to reach up to 940 GW in 2027. Photovoltaics is emerging as one of the most important sustainable energy sources of the future and has been dubbed “New King of Renewables” by Fatih Birol, Executive Director of the International Energy Agency (IEA).

Greencells is proud to have contributed to this success with over 2.3 GWp of cumulated installed capacity (as of October 2021), completed in more than 135 projects in over 25 countries. To date, we have helped save more than 2.7 million tons of CO2 for the planet.

As a company, we have the reassurance that we already commercialize a green product which directly helps in the fight against climate change, but we want to make sure that this product is also produced, delivered, and maintained in a responsible and sustainable way.

We are happy to actively contribute to the UN Sustainable Development Goals 7 – Affordable and Clean Energy, 11 – Sustainable Cities and Communities, and 13 – Climate Action.

In the context of its ESG engagement, Greencells Group commits to the following criteria:



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# 10 Environmental

## 1.1 Environmental impact

The construction and operations and maintenance (O&M) activities of Greencells GmbH are certified under ISO 14001, an internationally recognized standard, which defines specific criteria and maps out a framework for a company or organization to set up an effective environmental management system. The framework can be applied to any type of organization, regardless of activity or sector, and provides assurance to company management and employees as well as external stakeholders that environmental impact is being measured and improved through annual audits. ISO 14001 is applied in over 170 countries worldwide.

When selecting suppliers, Greencells gives preference to suppliers and subcontractors who also work according to ISO 14001.

## 1.2 Emissions

Photovoltaics represent a low emissions form of energy generation. When looking at its lifecycle, photovoltaics is amongst the energy sources with lowest CO2 emissions. The energy generated by 1 panel during its lifetime sets off energy needed to produce 30 panels (Source Solar Factsheets – Sustainability – SolarPower Europe).

Greencells has set itself a target to also proactively decarbonize the construction phase of its projects by replacing diesel generators on site with a combined photovoltaic-storage solution. Implementation of this system is planned for 2022.



### 1.3 Considerate Planning and Construction Eco Impact

Any project development and construction activity will result in effects on grounds and ecosystems. While solar technology has the advantage of comparatively low ground sealing rates, Greencells is aware of its responsibility in interacting with nature and neighbouring communities during the planning, construction, and operational phase of its projects. For its greenfield and co-development projects, Greencells commits to:

- exempt naturally preserved areas from project scoping
- undertake ecological impact studies at the onset of project planning phase
- minimize adverse impact on biodiversity and ecosystems as much as feasible
- actively introduce biodiversity elements to its projects and provide re-generation measures for grounds fatigued by prior excessive usage or extreme weather phenomena
- actively scope possibilities for dual use between photovoltaics and agriculture (agrivoltaics)
- carefully plan construction logistics in order to minimize disruption to the environment and communities

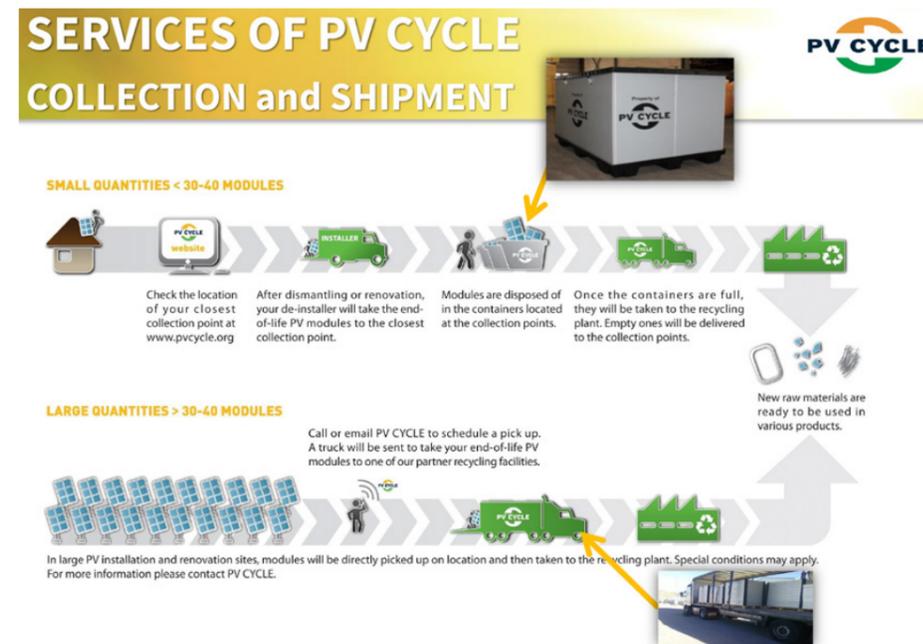
### 1.4 Components

Since procurement is a significant part of our business operations, Greencells aims to avoid any negative impact that might be caused by its supply chain.

One aspect is to ensure a maximum lifespan of components, especially solar panels. Therefore, Greencells only sources components from Tier 1 suppliers.

Furthermore, Greencells only works with PV CYCLE certified suppliers to guarantee sustainable PV waste management. In this way, we ensure that waste management throughout our supply chain follows the WEEE Directive 2012/19/EU of the European Union and the Battery Directive 2006/66/EC of the European Commission.

In the context of its procurement strategy, Greencells gives preference to suppliers audited under ISO 14001, an environmental management standard. We also undertake a yearly supplier evaluation according to ISO 9001, the standard for quality management systems.



In general, Greencells aims to sign Supplier Framework Agreements setting out, among others, the minimum standards which Greencells requires from its suppliers. To date, 50 % of our main suppliers and partners have signed these agreements. From beginning of 2022, we will introduce ESG criteria as part of our Supplier Framework Agreements and will evaluate suppliers' ESG activities via a specific questionnaire. Greencells will tend to select suppliers with good ESG performance.

### 1.5 Non-hazardous Waste Management

An individual Site Waste Management Plan (SWMP) is prepared for every worksite. While typically, photovoltaic projects necessitate less demolition and removal works than other types of construction projects, waste of categories such as wood, plastic, metal, paper and mixed waste will still be generated and needs to be appropriately disposed of.

Excavated material such as soil and stone is generally expected to be re-used in full on site.

Greencells Site Managers are instructed to ensure proper waste management on site by encouraging the minimization of waste production and by emphasizing the 3R waste management hierarchy of: Reduce, Re-use and Recycle.

Site Managers are in charge of maintaining waste management records, controlling appropriate segregation of the waste and liaising with external waste management providers and regulatory agencies. Site Managers will ensure that the permits / authorisations held by each specialist waste management subcontractor cover the specific waste type being managed.

During construction, waste containers will be provided and rotated as soon as they will be filled. Several skips (typically of 20m<sup>3</sup> volume) will be kept in a secure area adjacent the site compound. Waste will be sorted and disposed of as per waste type to the nearest recycling / treatment facilities. A permitted waste collection contractor will be retained to remove the waste to a permitted facility for recovery / recycling / disposal.

As part of Greencells' HSE Management System, trainings to address waste-management issues shall be conducted for all site employees, subcontractors and the general workforce through HSE induction training, tool-box meetings or similar as per environmental training program.

Guidelines remain the same for projects where Greencells employs subcontractors in construction phase and need to be adhered to in the same extent by these.

## 1.6 Hazardous Materials

Regulations on the control of substances hazardous to health and the environment are included and monitored as a mandatory part of all relevant contracts with external partners.

Potentially harmful chemicals which are used in the project activities shall be identified and stored in approved containers to avoid hazards to individuals and pollution, especially drainage to ground. Prior to use of a substance, its COSHH (Control of Substances Hazardous to Health) assessment is to be explained and made available to the user to clarify storage, handling, transportation, and final disposal. For each new substance, our HSE team uses its SDS (Safety Data Sheet) and considers its usage to carry out a COSHH assessment.

The disposal is managed by a certified company either directly from site or from our storage unit in Germany to which it is being transported under the appropriate safety conditions.

Health and Environment impact due to company activities are monitored through environmental impact identification procedure. Significant environmental aspects and impacts are listed in a register called the Environmental Impact Identification (EIID) Register.

The identification and regular review of environmental aspects and impacts is an on-going process that determines the past, current and potential impacts on the environment. When a new hazard is identified, it is added to a risk register, a risk assessment is carried out and the results are documented. Available and required protective measures are reviewed and employed to minimize impacts.

## 1.7 Travel Policy

As a globally active business, professional travel can impact the ecological balance sheet of our company. To minimize our CO<sub>2</sub> footprint and safeguard the work life balance of our employees, Greencells allows only business essential travel which needs to be authorized individually by line managers.

Wherever possible, train travel or other forms of public transport should be given priority over air travel or individual transport, except for cycling.

Greencells encourages bicycle usage and is part of the German JobRad initiative. Employees based in Germany have the possibility to choose their desired bike at a specialist dealer or online, all manufacturers and brands are possible. The company leases the JobRad and puts it at the disposition of the employee for all usage - work, everyday life, holiday or for sports. This results in a 40 % saving for the employee compared to a conventional purchase.

Greencells also offers employees who travel regularly by train in Germany the possibility to acquire loyalty cards at public railway provider Deutsche Bahn which can also be used privately.

Even before the COVID-19 pandemic, Greencells has employed a very flexible remote working policy which permits employees to work from home accommodating their life situation and ultimately also reduces commuting. Going forward, the company will maintain and further develop this hybrid work set-up.

## 1.8 Company Car Policy

Greencells encourages its employees to use public or emission-free transport wherever possible. For members of senior management who are eligible for a company car, only hybrid or ideally e-powered models will be considered.



# Social

## 2.1 Code of Conduct

The Greencells Code of Conduct defines ways of interacting internally and with external partners. Greencells also obliges external partners to adhere to the standards set out in the Code of Conduct, which is publicly available on the company website under Code of Conduct | Greencells Group.

## 2.2 Equality

Greencells is an equal opportunity employer and conducts its recruitments independent of gender, ethnic or cultural background. As a diverse company with employees from over 20 countries, we actively promote tolerance and a positive, inclusive working spirit. Discrimination or sexism have no place in our organization and will result in disciplinary action. All employees are made aware of this during onboarding when receiving the employee manual and code of conduct.

## 2.3 Labor Conditions

Greencells strongly believes that solar parks should not only be sustainable in their energy output but also in the way they are developed and constructed. To assure that safe and fair work conditions prevail both for production of components and construction of the actual parks, we follow the ILO Declaration on Fundamental Principles and Rights at Work and the Social Accountability International (SIA) Standard SA 8000 and demand this from suppliers and partners. This is formalized in the Greencells Code of Conduct, publicly accessible on our website and signed by partners and suppliers.

Our Employment and Labour Standards encompass the following central principles:

### No use of forced or compulsory labour

All labour must be voluntary. Modern day slavery, including forced or compulsory labour and human trafficking, are strictly prohibited. Every worker shall be free to leave their employment after reasonable notice as required by applicable law or contract and shall not be required to lodge deposits of money or identity papers with the business partner.

### Abolition of Child labour

Child labour in any form is unacceptable and use of child labour by business partners will not be tolerated at any stage of production or construction.

Freedom of association and the effective recognition of the right to collective bargaining

Every worker shall have freedom to form, to join, or not to join, trade unions or similar external representative organizations and to bargain collectively.

### Ensuring a safe workplace

Every worker is entitled to a safe and secure working environment and our Partners must provide such for their workers. This includes taking appropriate precautionary measures to protect employees from work related hazards and anticipated dangers in the workplace; establish and use a health and safety management system, which includes complaint and accident reporting; and if providing housing for its workers, ensuring such housing is safe and the living conditions meet international health and safety standards.

### Eliminating discrimination and harassment

Workers are entitled to be treated fairly and protected from harassment, whether committed by their colleagues or by management. Partners must actively work to create a workplace characterised by equality, diversity and mutual respect. Discrimination is not tolerated. Partners must not make employment-related decisions based on characteristics which are not related to merit or the inherent requirements of the job such as race, gender, disability or sexual orientation.

## 2.4 Controversial Sourcing

The solar industry is taking action to ensure a solar supply chain that is free of forced labour. One example is the Solar Industry Forced Labor Prevention Pledge initiated by the Solar Energy Industries Association, which was already signed by 175 solar companies, amongst others our trusted supplier JA Solar.

To ensure good social standards, e.g. good labour conditions, along the whole supply chain, all our suppliers have to commit to our Code of Conduct.

Furthermore, Greencells gives preference to suppliers with their own Supplier Code of Conduct to increase supply chain transparency.

In 2022, ESG criteria will be part of Greencells' Framework Agreement to be signed by our main suppliers and partners. Part of this agreement will also be social conditions, for example the boycott of forced labour or child labour. Integrating this aspect into our framework agreements, Greencells wants to actively support the development of an industry supply chain free of forced labour.

## 2.5 HSE Standards

Greencells recognizes that high standards of Health, Safety and Environmental (HSE) protection are integral for the sustainable growth of the organization, its people, and partners. Our goals are simple: no accidents, no harm to people, as little harm to the environment as possible.

We believe that health and safety as well as environmental protection are a team effort and oblige our subcontractors to follow our example when working with us.

To make our values and our goals a reality, we are committed to:

- Preventing workplace injuries and poor health through the provision of good and safe working conditions.
- Providing clients with products and services that are safe, efficient, and environmentally sound.
- Providing training and promoting good health and wellbeing as well as environmental awareness to our employees.
- Protecting the environment through minimizing waste and preventing pollution and use of hazardous substances.
- Disposing of waste correctly and recycling when possible.
- Efficiently using energy and resources.
- Fully complying with European, national, and regional laws as well as the implementation of best health and safety practices.
- Continuing to improve our HSE management, performance, and culture.
- Participating and consulting with employees and their representatives on HSE issues.

To achieve these commitments, we developed and implemented a comprehensive management system that meets the requirements of ISO 45001:2018 as well as ISO 14001:2015 and is certified accordingly.

This policy is communicated to all our employees, suppliers, and contractors. It is reviewed at least annually, to ensure it remains relevant and appropriate to Greencells GmbH.

## 2.6 Communities

Advancing the development of renewable energy generation is key to the needed energy transition, directly contributing to the fight against climate change. While this mission energizes our company every day, we understand that each new photovoltaic park needs to be planned considering the needs and legitimate interest of the individual local community around it.

Ecological aspects such as exempting protected nature areas from scoping for new projects and proactive introduction of biodiversity or ground regeneration measures have already been presented under section 1.3 Considerate Planning and Construction. In addition to these, for its greenfield and co-development projects, Greencells commits to the following principles to create a win-win situation between safeguarding our climate and the communities hosting our solar parks:

### Rightful and considerate land acquisition

Greencells will only engage in projects in which lawful land ownership has been legally proven and no physical displacement of communities and involuntary resettlement has taken place. This includes territories officially deemed as being under traditional ownership of indigenous communities. No projects adversely impacting cultural heritage sites shall be progressed.

### Dialogue with communities

In its mission to further the development of renewable energy and its acceptance, Greencells will entertain an open and proactive dialogue with communities, carefully assessing the situation at each individual site and considering surrounding communities' legitimate needs and interests.

### Citizen Participation

Where involved in the development and full ownership of a new project, Greencells will seek to propose citizen participation concepts which enable the adjacent communities to invest and financially benefit from the new solar park.

## Landscape Integration

As much as the setup of every individual project allows, Greencells will strive to visually integrate its parks into their natural surroundings as much as possible. This can be undertaken by planting bordering hedges or other natural means of screening, hence minimizing the park's visibility and respecting the interests of neighbouring communities.

## Jobcreation

Greencells will seek to employ local workforce where logistically, technically and legally possible. While this will be subject to case-to-case assessment and will largely depend on Greencells' role in a project (subcontractor / EPC / Co-Developer / Owner), this aspect will become especially relevant once the operating phase of a plant has been reached and it needs regular maintenance and repair services. In this regard, the company plans on developing a local workforce training scheme (Solar-teur Training) which will provide basic electro-engineering knowledge to local workers to create local Operations & Maintenance job opportunities in structurally deprived regions.

## 2.7 Social engagement

The Solarteur training scheme mentioned under 2.6 will be a contribution to the local community's wellbeing and further job creation with every new project making a difference.



# Governance

## 3.1 Business Ethics

### Code of Conduct

The Greencells Code of Conduct is binding both internally and in cooperation with external partners. Adherence to it is stipulated in Greencells' standard contracts. The Code of Conduct contains clear regulations on employee rights such as minimum wages and working hours, responsible dealings with contractual partners and compliance rules to combat corruption. It is based on the ILO Declaration on Fundamental Principles and Rights at Work and the Social Accountability International (SIA) Standard SA 8000.

Complaints can be filed via the Greencells website and are being taken in charge by the designated Compliance Officer in the Greencells Legal Team.

### Anti-bribery / Anti-corruption

Greencells follows a zero-tolerance anti-bribery and anti-corruption policy. No form of bribery (gifts above legal value threshold, payments, or other illegitimate favours) or behaviour to influence persons to obtain an improper advantage will be tolerated and no form of corruption on private or corporate level will be accepted.

### Respect of Law

Greencells pledges to fully comply with the laws and regulations in force in all the countries in which it operates at present and in future.

## 3.2 Legal and Regulatory Environment

Greencells Group has a diverse and experienced legal team which handles contract drafting and negotiations, coordinates with other business units on general strategic approaches, supervises general compliance matters, and advises the management in order to ensure full contractual, legal and regulatory compliance, whether it be a construction project, development project, or both. Greencells is advised by external local counsels who are handpicked based on their international and local reputation as well as experience in renewable energy work.

Legal and regulatory due diligence on each project and/or target company is undertaken before it is presented to higher management for positive approval/endorsement. The due diligence typically includes a review of compliance with local companies’ law, property law, permitting or regulatory requirements, and contracts.

The designation of country managers also drive value in key transactions with their local know how, network, and up to date knowledge and experience with the ever-changing local regulations.

### 3.3 Ownership and Control, Board

Greencells GmbH was incorporated by Andreas Hoffmann and Emil-Marius Kisauer in Germany in 2009. In 2018, Hoffmann and Kisauer incorporated Greencells Group Holdings Ltd in Abu Dhabi. Both companies were owned and managed by Hoffmann and Kisauer. Also in 2018, Zahid Group Holding (MENA) Ltd (ZGH) acquired a 50% stake in Greencells. ZGH is a member of the Zahid Group, based in Jeddah, Saudi Arabia, which is owned by the Zahid family.



## Shareholders

### Andreas Hoffmann

In 2007, following a successful career as a professional media designer, Andreas Hoffmann sold his agency to move into a more sustainable field. He partnered up with Emil-Marius Kisauer, founding Greencells GbR which in 2009 became Greencells GmbH. Ramping up the company activity, he shaped Greencells’ strategy to successfully develop one of the first “second generation” EPC companies.

Andreas Hoffmann continues to be actively involved in the company, serving as Chief Executive Officer of Greencells Group.

### Emil-Marius Kisauer

Having arrived in Germany from his native Romania at the age of 11, Emil-Marius Kisauer is a trained violinist and worked as orchestral musician following his postgraduate studies. In 2006, Kisauer decided to undertake a change in his professional life and started working as sales representative for CiC Solar in Saarbrücken. Having acquired knowledge of the then nascent solar industry, he moved on to a subsequent assignment at Mikosa Solar, also in Saarbrücken.

In 2007, he founded Greencells GbR together with Andreas Hoffmann, which in 2009 became Greencells GmbH, and henceforth focused on the design and construction of large solar plants. He served as Greencells CFO until 2018 and then left operations, retaining 25% of shares in the company.

### Zahid Group

Founded in 1943 and part of Forbes Top 10 MEA Enterprises, Zahid Group is a multi-national organization encompassing a diverse portfolio and operating across twelve sectors. It employs approximately 5,000 employees, representing more than 50 major brands as well as having strategic partnerships and joint ventures with a significant number of internationally renowned companies.

No member of the Zahid Group or Zahid family is employed by any government nor is the Zahid Group affiliated with any government or political party.

One of Zahid Group’s main sectors is its Energy Division which is actively orientated towards renewable energy generation after the recent opening of the Saudi Arabian energy market and in support of Saudi Arabia’s Vision 2030 Initiative.

The organizations in this division include:

- Altaaqa Alternative Solutions LLC (AAS KSA) and Altaaqa Alternative Solutions Global FZE located in Dubai, UAE. Both companies are leading total utility providers for mobile power generation. AAS KSA also offers clients water solutions.
- Altaaqa Renewables Energy DWC-LLC, recently created subsidiary, operates in the field of utility-scale IPP solar and green hydrogen (partnership with UK-based AFC Energy).
- Safer for Renewable Energy Co. Ltd is a joint venture with France’s TotalEnergies Group, offering photovoltaic solutions to commercial and industrial clients in the Kingdom of Saudi Arabia and Bahrain.
- Solarworld is a provider of residential and small business photovoltaic solutions as well as solar-powered product retailer, operating in Saudi Arabia.

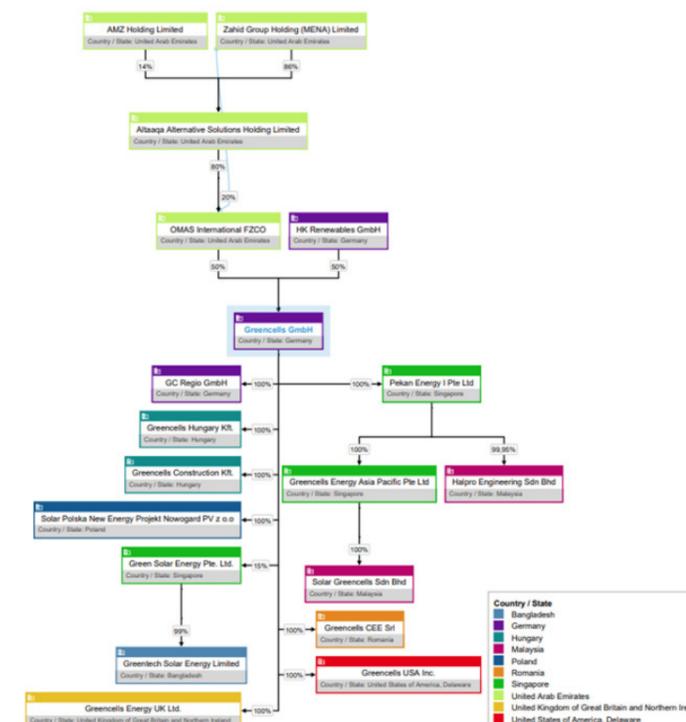
### Company Structure

To date, Greencells Group is structured under two complementary sister groups with the same shareholder structure under unified management. Greencells GmbH, the EPC arm of the group has limited subsidiaries to regional business units which undertake EPC works and legacy companies which will eventually be transferred out of its structure. Greencells Group Holdings Ltd, which is the development arm of the Group, has a growing set of subsidiaries, testament to the Group’s emerging development activities worldwide.

### Control

Despite its growth in terms of geographical reach and the number of subsidiaries, the governance of the Greencells Group remains concentrated in terms of major decision making. An Advisory Board, composed of shareholder appointees, convenes at least once each quarter, discussing key matters of the Group. Day to day business decisions and other delegated powers are exercised by the Group’s management under the leadership of its Chief Executive Officer, Andreas Hoffmann.

### Greencells GmbH as per 27.10.2021



### 3.4 Financial Structure

Greencells Group and each of its companies adheres to strict accounting standards and is transparent for tax purposes. Each Group company complies, in all respects, with applicable law.

The Group is essentially made up of two main entities – the original Greencells GmbH which captures the EPC activity and Greencells Group Holding which caters to the company’s more recent Project Development business. To date (2021), the vast majority of Greencells’ turnover still stems from its EPC activities and is realized and taxed in Germany.

In order to facilitate the entry of shareholder Zahid Group in 2018, with the objective to expand the business into Project Development, Greencells Group Holding has been set up in Abu Dhabi as this was the most common legal and fiscal environment between all shareholders. Proceeds from Project Development are taxed in the country in which the concerned holding company, and thus the main shareholder of the project company (SPV), is resident.

