



2023

THE **VALOREM** MISSION



Jean-Yves GRANDIDIER
Chairman & Founder

EDITORIAL

VALOREM became a mission-led company in December 2021, and a lot has been achieved since then. In addition to a first successful assessment this year, the system introduced to monitor our Mission has found its space in the firm's organisation. Our committee, made up of employees and experts in energy and environmental matters, has been heavily involved in improving our impact towards our four stakeholders: communities, our employees, our economic partners and society.

We have fine tuned our roadmap, proposed new indicators and taken several tangible and substantial initiatives.

We were the first mid-sized enterprise in renewable energy to obtain the RFAR label (standing for responsible supplier relations and purchasing). This label acknowledges the first substantial efforts through our purchasing process - from commitment to our suppliers through to social integration clauses in our construction worksites. However, this label also constitutes a step that sets the tone for new ambitious commitments, in particular in our choice of turbines or solar panels.

Furthermore, we have consolidated our skills in a cross-disciplinary five year environment strategy, bringing together all our environmental initiatives, whether required by law or voluntary, at all levels: from internal and institutional challenges to those relating to our renewable energy projects. This cross-disciplinary approach will help us deepen our consideration of these challenges.

Finally, through Watt for Change, our endowment fund in association with the Mirova Foundation, this year we issued a major call for projects to increase support for energy renovation in the lowest income households, allotting 1.5 million euros to the cause. Seven non-profits were selected in several rural and urban areas for the quality and efficiency of their initiatives. They will receive support over three years to amplify their activities.

This work for our Mission obliges us as an organisation, but also involves all our people, and we are fully aware that it is only just a beginning.

ABOUT THE MISSION COMMITTEE

The Mission Committee is appointed by the VALOREM Group's shareholders for a two-year term. It is responsible for managing the Mission, signing the Mission report and accompanying VALOREM on the path to its transformation.

In practice, it formally meets at least three times a year to monitor the roadmap; it discusses and puts forward new indicators or actions. The Committee's proposals are then debated and decided upon by the VALOREM management.

EXTERNAL MEMBERS



AMORCE
(national network of communities committed to the green transition)

Legal entity represented by **Julie FERRY**.

Deputy Head of Energy division
Responsible for renewable energy



Cédric PHILIBERT
Associate Researcher at the Institut Français des Relations Internationales (IFRI)

Independent consultant and senior analyst on energy and climate issues



Sylvie PERRIN
Legal Adviser at De Gaulle Fleurance
Founder of La Plateforme Verte



Sylvie FERRARI
Economist, Lecturer at University of Bordeaux
Member of ACCLIMATERRA

"Being a member of the VALOREM Mission Committee means sharing one's experience and vision of best practice, finding the keys to gain buy-in from employees, and expand one's scope of thought and knowledge."
Sylvie PERRIN

INTERNAL MEMBERS

"As a staff representative, the mission-led company has enabled me to act in a different way for employee wellbeing."
Emilien STEPHAN, staff representative, Mission committee chairman.



Émilien STEPHAN
Operating Manager
Staff Delegate

MISSION COMMITTEE CHAIRMAN



Philippe ETUR
Deputy CEO of VALOREM



Mélodie KHAYAT
Head of Legal Affairs
M&A/Financing France



MEETING CALENDAR

MEETING OF 11 JANUARY 2023 BÈGLES / VIDEO LINK

Last committee meeting of 2022
(postponed from November) - Bordeaux

- Approval of Mission's 2023 roadmap
- Launch of work on 2022 Mission report

MEETING OF 20 APRIL 2023 BÈGLES / VIDEO LINK

- Review of 2022 roadmap
- Sign-off of 2022 Mission report

MEETING OF 11 JULY 2023 BÈGLES / VIDEO LINK

- Results of audit of mission report
- Work priorities for 2023-2023
- Outlook

MEETING OF 26 OCTOBER 2023 PARIS, DE GAULLE FLEURANCE OFFICES / VIDEO LINK

- Renewal of mission committee
- Environment update
Presentation of VALOREM
environment strategy



Watt for Change: a major call for projects in association with the Mirova Foundation to combat energy insecurity.

Watt for Change, the VALOREM Group's endowment fund, aims to promote access to renewable energy for local development, improved living conditions and environmental protection.

Energy insecurity, defined as the difficulty or even the inability to obtain the energy supply we need to satisfy our basic needs, is a major social issue. Watt for Change strongly believes that renewable, clean, free and inexhaustible energy sources can help combat this plague by financing the energy renovation of homes for the most vulnerable, and supports non-profit organisations working to combat energy insecurity in their communities.

This year, Watt for Change and its partner Mirova Foundation joined forces through an ambitious call for projects in an attempt to structure community-based schemes to help low-income households carry out comprehensive, high-performance energy renovation in their homes.

The two funds amassed €1.5 million to support seven non-profit organisations in several French départements over a three-year period: Alec 07 in Ardèche, GERES in Bouches du Rhône, Apremis in the Somme, Solidar'Toit in Deux-Sèvres and Vienne, Soliha in Mayotte, Creaq in Gironde, and the Compagnons Bâisseurs and Stop Exclusion Energétique associations nationwide. In addition to financial support, an impact assessment will be carried out at the end of the call for projects, with a view to drafting a position paper in favour of speeding up energy renovation for the most vulnerable.

2023 developments

VALOREM, the first mid-sized renewable energy company to earn the RFAR label

The RFAR ("Responsible Supplier Relations & Purchasing") label is designed to distinguish French companies that have demonstrated sustainable and balanced relationships with their suppliers. Backed by the ISO 20400 standard, it deals specifically with the balance and quality of relations between clients and suppliers to ensure "positive impact" purchasing. It is the first label in this field to be awarded by the public authorities, and is valid for three years.



It revolves around five areas, each with different assessment criteria:

1. Commitment and governance of the organisation on a responsible purchasing policy.
2. Quality of supplier relations.
3. Respect for suppliers' interests.
4. Incorporation of social responsibility in the purchasing process.
5. Impact of purchasing on the economic competitiveness of the ecosystem.

The Group drew up an action plan around these five areas. The label also includes an annual audit to follow up on the company's actions and commitments.

Responsible purchasing is a strategic topic for the Group's development, which is why VALOREM sits on the OBSAR (Responsible Purchasing Observatory) board of directors. The aim of this body is to engage in collective thought and draw on contributions from experts in the interests of improvement.

Definition of a five-year environmental strategy

The VALOREM Group has always placed the environment at the centre of its concerns. In 2023, VALOREM thus decided to draw up an ambitious strategy for deployment over the next five years across the entire Group. Throughout the year, a small team worked on proposing clear focus areas and goals.

By bringing together all the contributors involved in this area, the objective was to achieve consistency between our mission, our corporate social responsibility(CSR) commitments, and our quality, safety and environment (QSE) policy.

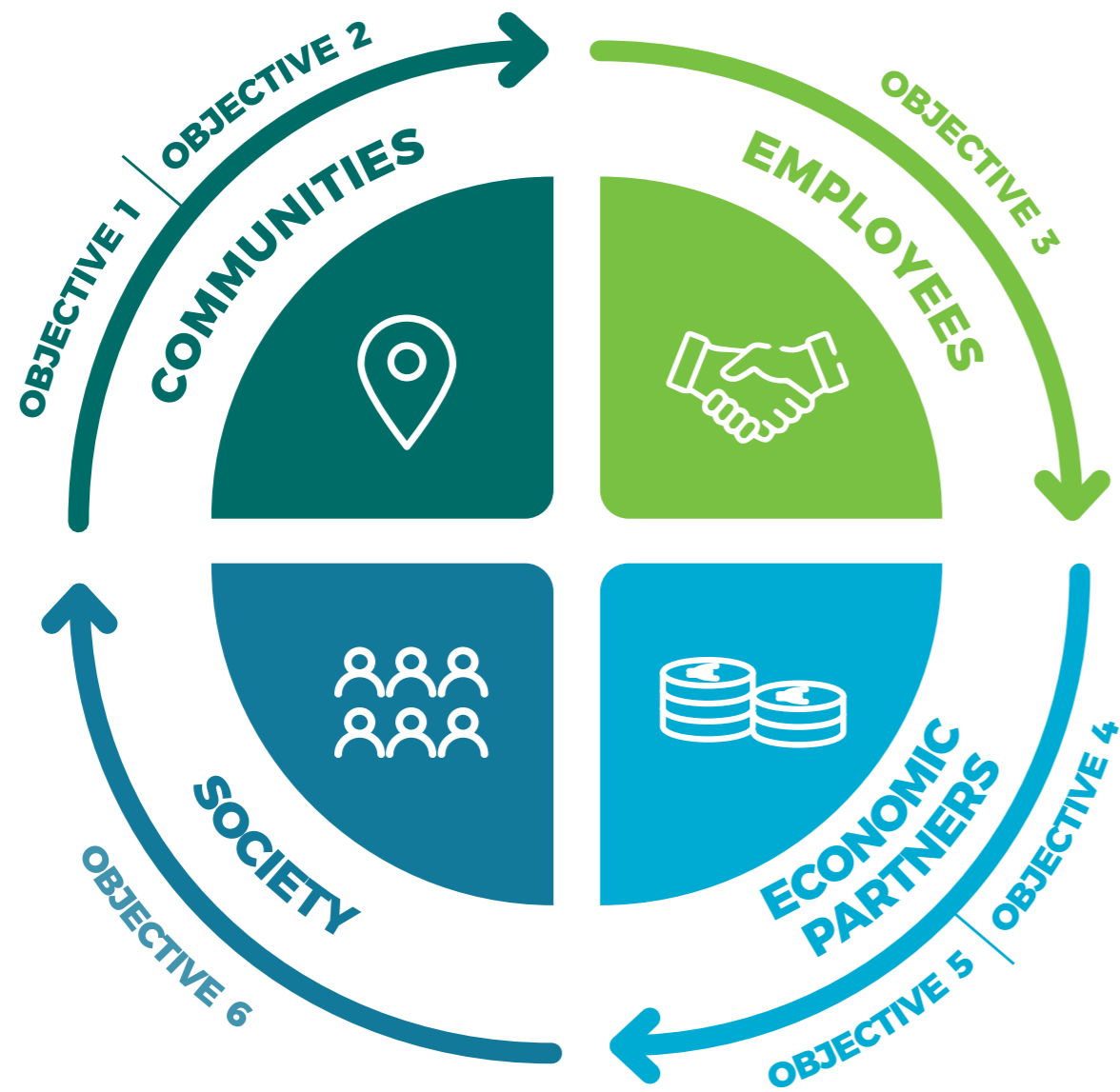
Three areas were identified as priorities, with specific goals:

- Reduce our greenhouse gas (GHG) emissions.
- Limit our impact on biodiversity.
- Control our waste and improve its recovery.

Each of these areas applies to all the institutional activities of the Group both in France and abroad, in all trades and in all renewable energy projects.



The VALOREM mission roadmap sets out six objectives, relating to each of the Group's four stakeholders. In this first year of operation, the committee set the indicators that will be monitored for each objective.



RESULTS

COMMUNITIES

OBJECTIVE 1

Produce renewable energy in conjunction with local stakeholders and share the economic value created with them.

Results indicators

- 1. During project development, VALOREM proposes to set up committees to encourage public consultation.**

 - **2023 results-1:** In 2023, 20 public consultation committees* were held.
* A public consultation committee comprises at least three members, including the local authority.
 - 📌 **Scope:** Projects in France, all renewables, presentation of proposal during development.
 - **2023 results-2:** Since 2023, VALOREM indicates this proposal in a letter to the local authority two months before the formation of the company that will develop the renewable energy plant project.
 - 📌 **Scope:** Projects in France, for all project companies founded in 2023.
- 2. In consultation with the local authority, VALOREM offers to open up at least 10% of the capital of its projects. Since 2023, the group has presented a standardised offer in advantageous conditions.**

 - **2023 results:** Since 2023, VALOREM indicates this proposal in a letter to the local authority two months before the creation of the company that will develop the renewable energy plant project.
 - 📌 **Scope:** Projects in France, for all project companies founded in 2023.
- 3. VALOREM undertakes to ensure that at least 40% of its renewable energy projects benefit from a crowdfunding campaign by 2025 (these campaigns all include a specific offer for local residents in France).**

 - **2023 results:** 36.2% of VALOREM projects included at least one crowdfunding campaign.
 - 📌 **Scope:** All projects in France and abroad, all renewables, from pre-feasibility study approval to renewable energy farm operation.
- 4. VALOREM aims to increase the proportion of local purchases in its renewable energy projects: in 2023, the Group put in place a reliable indicator to measure local jobs created by its projects.**

 - **2023 results:** In 2023 our subcontractors for roads and utility works, civil engineering and networks, all contractually undertake to communicate on the conclusion of the project a declaratory database that will make it possible to measure a local jobs indicators and the mobilisation of the local employment catchment area on the scale of the department, region and country.
 - 📌 **Scope:** Projects in France, on all the construction sites of renewable energy farms commenced in 2023.

OBJECTIVE 2

Ensure the preservation of natural ecosystems and increase the positive impact of our projects on the environment.

Results indicators

1. By 2024, 100% of our new development projects will benefit from support measures in addition or complementary to the regulatory framework.

→ 2023 results: 100% of our new projects under development benefit from additional studies.

● Scope: All projects in France, all renewables, for which an application for environmental permit was submitted in 2023.

2. From 2022, all our photovoltaic projects being developed on land used for natural, agricultural or forestry purposes will have the following characteristics:

- Anticipation of the draft Net Zero Artificialisation (ZAN) decree with a maximum land occupation rate of 50%,
- Limiting the number of through-tracks in our solar projects,
- A more environmentally friendly site, following Environmental Management System (EMS) methodology,
- Systematic environmental monitoring during the operation of the plant.

→ 2023 results: 100% of our photovoltaic projects under development in natural, forestry or agricultural areas are being developed according to the abovementioned characteristics.

● Scope: All ground-mounted photovoltaic projects in France, in agricultural, forestry or natural areas defined by town planning documents: Schémas de Cohérence Territoriale, Plans Locaux d'Urbanisme, etc. Projects for which planning permission applications were submitted in 2023.

3. Identify environmental issues when prospecting for sites to develop projects in line with our environmental standards.

As early as the pre-feasibility studies, our environment department sets out its recommendations in an environmental brief. When the project enters development stage, an environmental opinion is drafted (go, with reserves or no-go) to indicate whether the project should be pursued, amended or abandoned.

→ 2023 results: procedure ongoing.

● Scope: All projects in France, all renewables.

OBJECTIVE 3

Enable our employees to be stakeholders in ecological transition, by providing them with an engaging and fulfilling working environment.

Results indicators

1. Every two years, the well-being of our teams will be measured. We undertake to publish and communicate the results and an action plan to employees, and implement corrective actions in 2024.

→ 2023 results: Measurement carried out in 2023. Next edition in 2025.

● Scope: All employees of the VALOREM (France) Economic and Social Unit (ESU) with three months' service at the time the questionnaire was sent, including work-study students, as well as employees of international subsidiaries. Excluding trainees.

2. We undertake to work with employee representatives to develop at least one additional mechanism each year to encourage our employees to participate in the ecological transition.

→ 2023 results: VALOREM offered a long-term bike rental scheme, subsidised by the employer.

● Scope: All employees of VALOREM ESU (France) on open-ended contracts. Excluding trainees. Each beneficiary undertakes to cycle to work at least 80 days a year. In accordance with the regulations in force, this offer does not entitle the employee to bike mileage expenses.

3. By 2026, employee shareholders will account for 4% of the total shareholder base.

An initial share-focussed employee holding company was set up in 2019. Then in 2022, VALOREM set up a Fonds Commun de Placement en Entreprise (FCPE - mutual fund), which issues convertible bonds (ORAN). VALOREM plans to set up another mechanism to bring employee share ownership up to the 4% mark by 2026.

→ 2023 results: Employees hold 1.92% of VALOREM's capital (employee holding company and FCPE combined). On the occasion of the last share issue at the end of 2022, 75% of VALOREM's employees were shareholders under these two schemes.

● Scope: Employees of VALOREM ESU (France) on completion of trial period, excluding work-study students, excluding trainees.

4. We undertake to devote at least 3.5% of our payroll to employee training to ensure their expertise is kept up-to-date and their skills are upgraded.

In addition to essential technical and safety training, VALOREM is committed to providing ongoing training in cross-disciplinary skills to strengthen management skills and cohesion between departments.

→ 2023 results-1: In 2023, VALOREM dedicated 3.32% of its payroll to training.

→ 2023 results-2: In 2023, VALOREM dedicated 2.31% of its payroll to non-legally required training.

● Scope: Employees of VALOREM ESU (France), excluding work-study students and excluding trainees, regardless of length of service.

OBJECTIVE 4

Grow, innovate and take action to produce affordable renewable energy.

Results indicators

1. In 2028, the ground-mounted wind and photovoltaic plants in France developed by VALOREM will represent 4% of the French total.
 - 2023 results: 3.6% of the ground-mounted solar power plants and onshore wind farms in operation in France at the end of 2022 were developed by VALOREM.
 - Scope: Projects in France, wind farms and ground-mounted solar power plants with a capacity of more than 1 MW.
2. We undertake to increase the innovation budget (technical innovation projects) year on year to €2 million in 2025.
 - 2023 results: €1.34 million devoted to research and innovation.
 - Scope: Projects in France eligible for research tax credit (CIR) and Innovation tax credit (CII).
3. We undertake to put forward proposals for the introduction of a regulatory framework for an affordable and environmentally sustainable energy transition.
 - 2023 results: 19 representation actions declared to the HATVP including 6 participations in public debates or consultations.
 - Scope: France. Declaration made to the High Authority of the Transparency of Public Life (HAVTP).

OBJECTIVE 5

Develop balanced and lasting relationships with our partners.

Results indicators

1. By the end of 2024, 100% of our employees will have been trained in our code of ethics and conduct.
 - 2023 results: The code of ethics and conduct has been finalised.
 - Scope: France and international.
2. By 2024 (or the end of 2023), 90% of our employees will have been trained in our supplier relations code of conduct.
 - 2023 results: The supplier relations code of conduct has been finalised. VALOREM was awarded the Responsible Supplier Relations and Purchasing (RFAR) label on 23 December 2023
 - Scope: France and international.
3. By 2025 (or the end of 2024), 80% of our supplier spend will be assessed by EcoVadis and 100% of our calls for tender will include CSR criteria.
 - ECOVDIS is a CSR scoring platform that provides performance assessments and analyses in terms of corporate sustainability. VALOREM wants to involve all its suppliers in improving practices in the sector while adapting to their constraints, which is why the Group will incorporate the same CSR criteria in its own calls for tender.
 - 2023 results: Today, 60% of our supplier spend is assessed by EcoVadis.
 - Scope: France and international. On all calls for tender managed by the VALOREM purchasing department.

OBJECTIVE 6

Defend and implement a shared vision of the energy transition.

Results indicators

1. We are making it a general practice to implement a social inclusion project through economic activity in connection with our farms under construction and in operation, reserving at least 10% of the hours worked during the construction of our solar farms for employees on social inclusion schemes.
 - 2023 results: 8% of the hours worked on our ground-mounted solar power plant sites were dedicated to employees on social inclusion schemes.
 - Scope: Only one photovoltaic project in 2023.
2. Every year, VALOREM devotes a budget to Watt for Change, with a minimum of €400,000 to combat energy insecurity in France and around the world.
 - 2023 results: VALOREM Group contribution to the Watt for Change endowment fund: €592,572 including €30,572 in skills sponsorship.



Promoting local energies together to pave the way for a sustainable and inclusive future.