



# Better and better

Sunrock 2022 ESG Report

## Contents

**00** Introduction

---

**01** We are Sunrock

---

**02** Better and better

---

**03** Responsible Sourcing

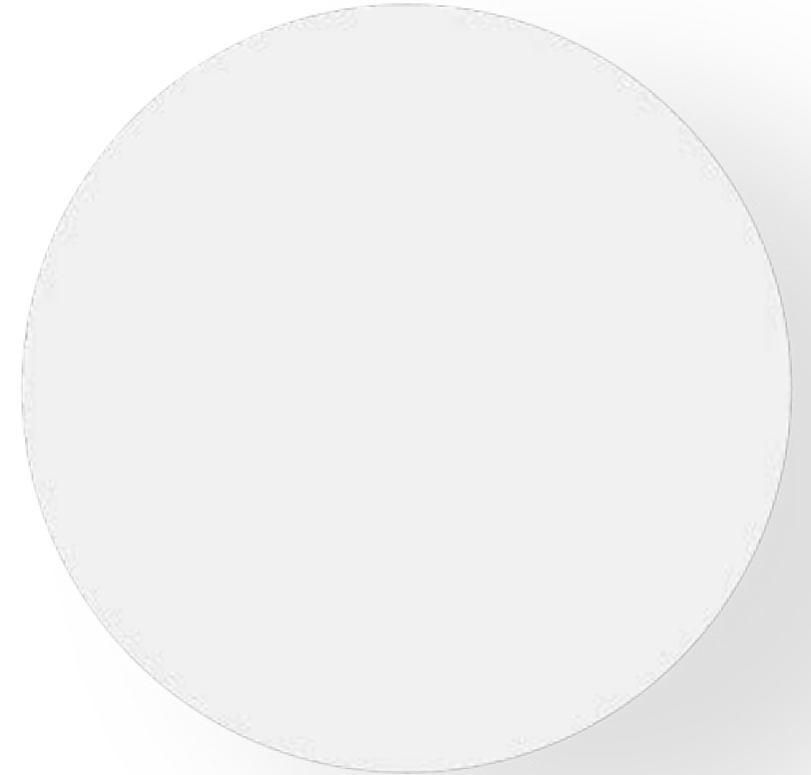
---

**04** Environmental Sustainability

---

**05** People & Governance

---







# Introduction

# Reflections by our CEO

**Sunrock is in the business of making a positive impact in everything we do. We consider it our mission to be part of the solution to one of the biggest challenges of our time, the transition to a clean energy future. We want to do this in a manner that benefits our employees, our clients, our shareholders, and all other direct and indirect stakeholders. A just transition actively seeks to prevent and remediate possible negative effects linked to the process and has positive impact on people and the planet.**

This ESG report, the first for Sunrock, shows the journey of our company to become people- and planet-proof in everything we do and through our value chain. It provides transparency about our efforts and invites you to let us know where we can improve.

Drafting this document served as a moment of reflection for all departments involved in thinking about our impact, discussing our ambition and translating them to actual data, measuring performance and defining actions. The process allowed us to acknowledge and appreciate our achievements on the topic of ESG in 2022 and to realize the many opportunities for growth that lie before us.

For me one of the highlights is the Supplier Code of Conduct and having convinced 80% of our suppliers to join us in committing to it. Additionally, by bringing in dedicated ESG and QHSE managers to serve our business and stakeholders by driving our endeavors in this field. Most of all I appreciate the fact that our ESG efforts are carried by the entire Sunrock team and this is shown by the massive interest in contributing to the various topics. I am convinced this is reflected by the way we do business.

Despite the intricate nature of the supply chains of components for our solar parks, including the PV modules, inverters and transformers, we are expanding our efforts to improve the circumstances under which these materials are produced. Over 80% of our most important suppliers signed our supplier code of conduct, committing to take active steps to improve labor and environmental practices in the supply chains, in addition to improving upon the working conditions of their employees.

In 2023, we will continue to rapidly expand our clean energy production whilst focusing on an inclusive culture. We look forward to joining forces with our suppliers to address our collective supply chain challenges and to achieving an absolute reduction in our Scope 1



and 2 carbon footprint despite our corporate expansion. All this will only be possible if we continue to serve our real estate clients and their tenants by improving the quality and sustainability of their buildings and operations.

Our journey in accelerating the clean energy future started 10 years ago and since 2022 has matured into a journey to improve in a manner that positively impacts people and the planet on all fronts. We strive to effectively balance our quest to deliver on the promise of a fossil-fuel free future without jeopardizing the interest of workers, nature and the communities in our supply chain in the process. It is only when this is achieved that we can speak of a truly just transition. A balancing act that is certainly not easy, but that Sunrock is determined to master.

**Johannes Duijzer**  
CEO Sunrock

# ESG | Sunrock has achieved a lot on all dimensions of ESG in 2022



## ESG process

- ✓ Dedicated **ESG & QHSE managers**
- ✓ Four active **ESG working groups and Steering Committee capacity**
- ✓ Our **first ESG report** on 2022



## Environment

- ✓ First report on CO2 emissions **based on SBTi**
- ✓ **Internal dashboard** on Scope 1, 2, 3 emissions data
- ✓ **Environment working group** focusing on carbon emissions (footprint), biodiversity, circularity and waste management



## Social

- ✓ **80% of Suppliers committed** to Sunrock Code of Conduct
- ✓ Founding member of the **Solar Stewardship Initiative** (Supply Chain Transparency)
- ✓ First solar Company to join **Open Supply Hub** foundation
- ✓ **Diversity, Equity and Inclusion** goals & actions implemented
- ✓ First **Engagement Survey** completed with the team



## Governance

- ✓ **Whistle-blowing** system and policy in place
- ✓ **Bank ESG compliance approval** on our Array of governing Policies
- ✓ Completed **B Corp Impact Assessment**
- ✓ Founding member of the **International RBC Agreement for Renewable Energy**



01

We are Sunrock



# On a sustainable mission

Sunrock's Investments B.V. is a privately held subsidiary of COFRA Holding and is active in several European countries, with headquarters located in Amsterdam. Sunrock is the largest developer of solar roof projects in the Netherlands.

We provide one-stop renewable energy solutions for a diverse range of clients, including commercial real estate developers and users, public institutions, and the healthcare sector.

Sunrock's focus on smart energy solutions, including the development of solar infrastructure, energy storage systems, and power purchasing agreements, demonstrates our commitment to delivering innovative and sustainable solutions to its clients.

# Purpose

A clean energy future

**Sunrock is a forward-thinking and impact-driven company that is well-positioned to make a significant contribution to the transition towards a more sustainable future.**

We are driven by a sense of responsibility to contribute actively to the realization of a sustainable energy system by promoting a circular economy and developing smart energy.





# Sunrock offers smart energy solutions



## Enable businesses to produce their own (solar) energy

Lease or rent construction possible  
Sunrock arranges everything  
From PV construction to energy distribution



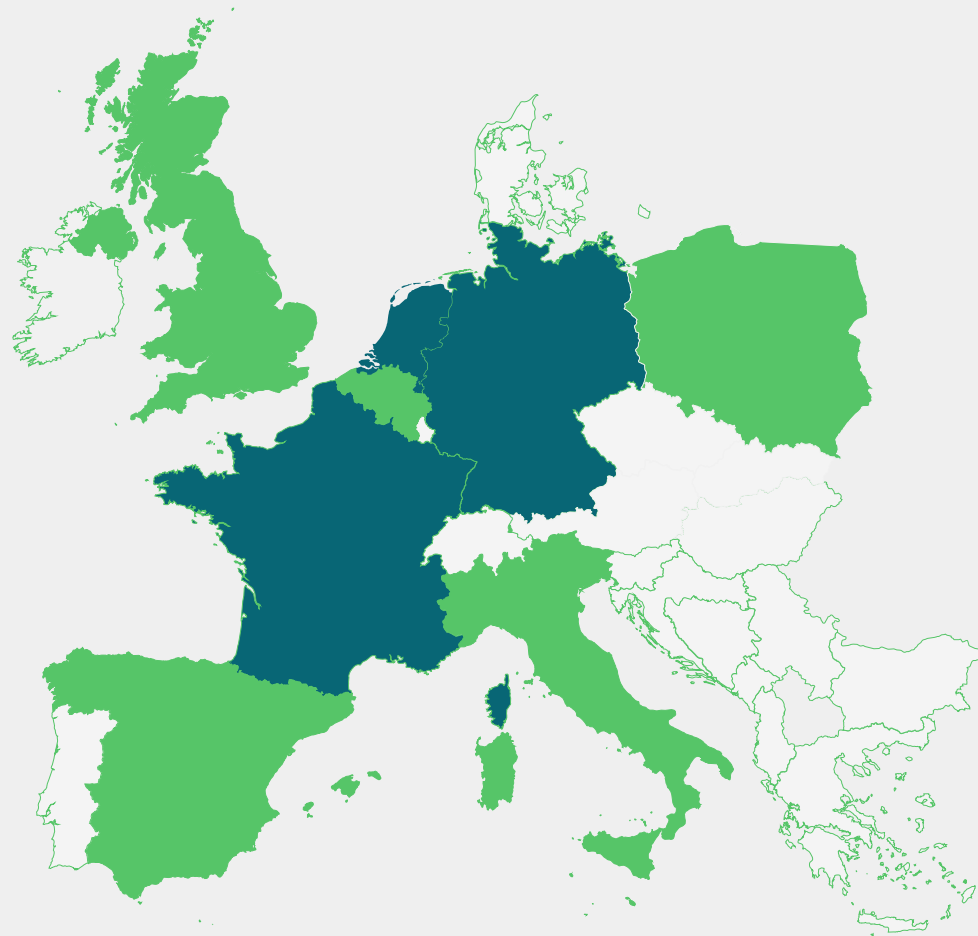
## Create grid independence

Smart use of solar is the solution to grid congestion  
Gain (and sell) energy from their own roof  
Lower fixed energy costs



## Help companies realize their sustainability goals

Makes the property or business more sustainable  
Creates an energy strategy that is future proof  
Constant optimization of system and sources by Sunrock



● Core countries ● Active development

# Clients

## Becoming the leading renewable energy partner in Europe

We have a wide variety of clients, with a focus on logistic real estate. We work together with developers, institutional investors, real estate owners and advisors as well as the tenants of these locations. In addition to that we work closely with Europe's largest energy users, supporting them in their ambitions to transition to clean energy.

We understand their needs, perform an assessment of their assets/ projects and make a proposal for working together as long-term partners on the topic of green energy production and usage. By providing the users of the building with locally produced clean energy, we help reduce their carbon footprint and thereby support their ESG goals and ambitions.

We continue to be the preferred partner of our clients through our dedication to corporate social and environmental responsibility, and by raising the bar for ourselves in the field of ESG.

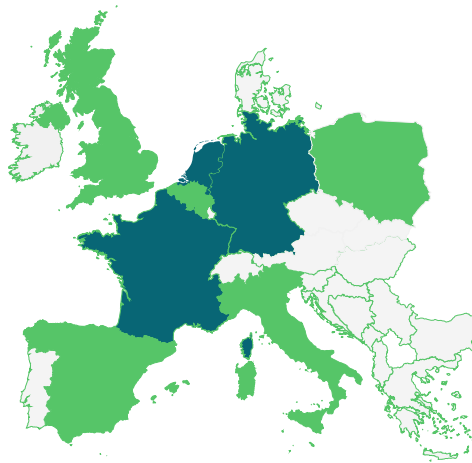
# Track record

## Capacity

- ✓ 317 MWp of operational solar projects
- ✓ 100+ professional team  
25+ project developers  
40+ project management team
- ✓ Active in 6 European countries  
Offices in Amsterdam,  
Düsseldorf, Paris  
Worldwide network
- ✓ ISO 9001 certified company HQ  
ISO 14001 certified company HQ
- ✓ Zero major accidents  
Strong HSE track record  
Strong ESG track record

## Active throughout Europe

- ✓ From our Amsterdam HQ and Düsseldorf & Paris offices we serve international clients with smart energy solutions




## Strong international clientbase

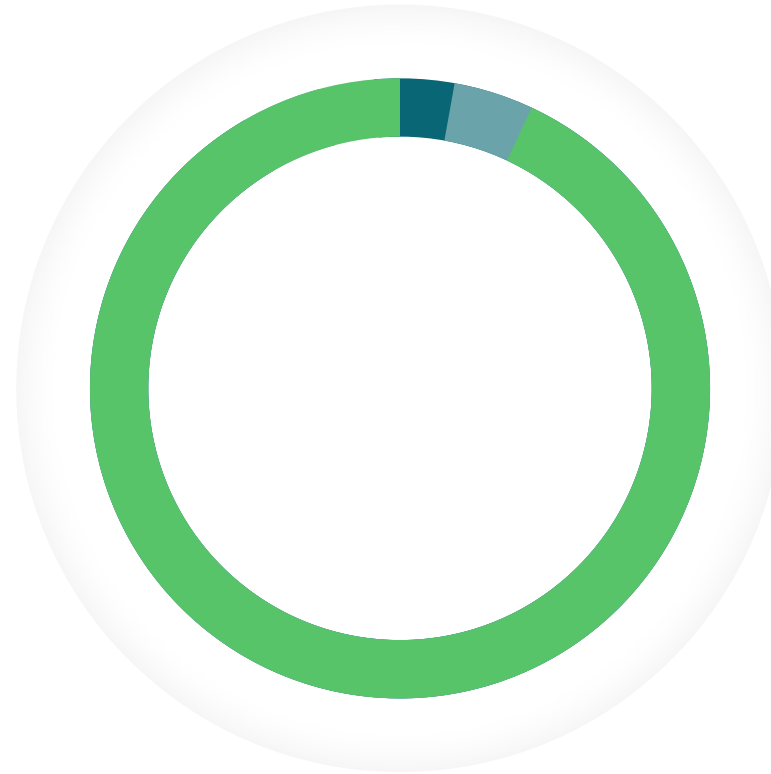


# Sunrock's operations 2022\*

 **530,892 modules\*\***




 **1,405 inverters\*\***

 **1,350kW capacity\*\*  
(2 large battery storage systems)**



\* These data reflect all projects which were actively generating energy during the reporting period (COD and PAC). The commercial operation date (COD) is the first day of the month following the continuous operation of the project. The provisional acceptance (PAC), on the other hand, refers to the moment the project passed the initial performance check and potential issues are resolved.

\*\* Based solely on projects that reached provisional acceptance during 2022 and were developed by Sunrock. Projects managed by Sunrock (developed by other entities) are not included.

-  Total number of active rooftop projects as of December 2022 (196)
-  Total number of active ground mounted projects as of December 2022 (5)
-  Total number of active floating projects as of December 2022 (2)



# Solar projects explained

Solar projects are an effective way to generate electricity in a sustainable and environmentally friendly way. With the right components, design, and implementation, a solar project can provide a reliable source of energy for many years to come.

## Power panels

A solar project is composed of photovoltaic (PV) modules, inverters, mounting structures, connectors, a grid connection, and numerous cables. The power of a PV module is measured in Watt peak [Wp]. These modules are connected in series to form strings, which typically comprise 18 or 20 modules. For large parks, this can result in many strings, which is why a combiner box is sometimes used. This box combines the cables from different strings into a single large cable.

## DC and AC

The Direct Current (DC) power of a field is the power from the DC voltage side and is equal to the total power of all modules combined. For example, a 1MW solar park means that there is 1MWp of PV modules on the roof. This total DC power flows to the inverters via power cables, where it is converted from direct current (DC) to alternating current (AC). AC is the type of power that eventually flows into the grid and out of the outlet. AC power is determined by the total capacity of the inverters.

## Delivery to the grid

The generating electricity is supplied to the grid via the transformer. The transformers step up the voltage of the electricity flowing from the inverter before it is transferred to the grid. This is necessary because the grid requires higher voltage levels than those produced by the PV modules. The transformer also ensures that the electricity is in phase with the grid, to prevent it from causing damage to the grid or safety hazards.



# Solar project overview



PV modules with ballast and mounting structure



East-west arrangement of multiple string panels.



Cables from the different strings



A combiner box that brings the cables together into one thick DC cable



Three inverters placed on the roof



4.68 MWp Solar park !



Transformer



Electricity mast

# Positive climate impact 2022

The purpose of Sunrock is to accelerate the transition of our customers to a clean energy future through smart solar solutions and tailored energy strategies. Our portfolio largely consist of rooftop projects and a number of ground mounted and floating solar projects as well.

At the end of 2022, Sunrock had generated a total of 392 GWh of renewable energy (of which 210 GWh was generated by our assets in the Netherlands in 2022). This prevented approximately 132,194 t CO<sub>2</sub>e of greenhouse gas emissions.

In the coming years, it remains our ambition to exponentially grow the volume of renewable energy generated through our projects, by expanding our operations in Europe.



We generated enough renewable energy to provide an equivalent of 158,237 average Dutch households with electricity for one year



In 2022 alone, we generated 210 GWh of renewable energy and thereby prevented emissions equivalent to those generated in approximately 450,000 kms travelled by an average petrol car



Sunrock has a total capacity of 317 MWp of operational solar energy systems

# Responsible asset management

**We take care of Sunrock's installed assets to ensure that we meet our long-term commitment to all parties involved while realising and optimising the value of our asset portfolio.**

## Improved performance

Sunrock's Asset Management team is responsible for the performance of solar assets (good availability and production) as well as safe operations. We work closely with stakeholders (property owners, tenants, contractors, energy off takers) to ensure business-cases are met and opportunities for improvement are implemented. We focus on the performance of our portfolio by remote monitoring and liaising with external contractors to effectively resolve issues. Asset managers interact with the tenants of the various locations and are the first contact for health, safety and environment related queries. Additionally, we ensure that administrative agreements are met on time (insurances, bank guarantees etc.). In addition to these operational tasks, we work on improving our business, tools and processes. Asset managers actively participate in the ESG working groups.

## ESG in 2022

Through asset management, Sunrock ensures that the predicted renewable electricity production from the asset is actually produced during the operational lifetime. In 2022, Sunrock contracted an Operations & Maintenance party, who is a certified service partner of the largest inverter manufacturer in the portfolio. This partner is skilled in doing repairs on site or replacing components, rather than swapping an entire inverter device. The ESG benefits include fewer installations of newly produced devices and the reduction of CO2 footprint, linked to the transport of damaged inverters to be repaired off-site.

## 2023 and beyond

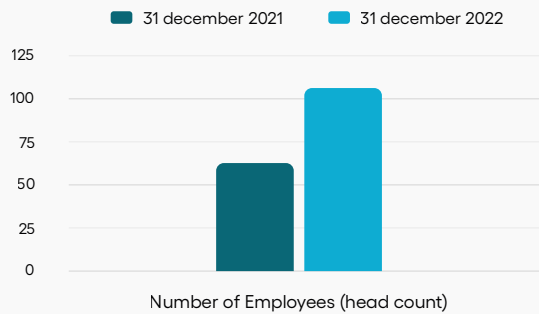
For 2023 and beyond, there are several opportunities for improving asset management ESG practices that are being explored. Enhancing the circular use of components used on our assets is an important part of our vision for the upcoming years. We strongly stimulate the refurbishment and repairs of components by making this a requirement in the Operations and Maintenance contracts. Extra relevant since many product warranties will expire in the next 2-3 years. Also, we promote the use of electric vehicles by our contractors, thereby reducing their carbon footprint from traveling to our sites for maintenance. Our assets are still relatively new, but once End-of-Life comes closer, we will add decision criteria to continue the operations as long as possible or to minimise the environmental impact of decommissioning.



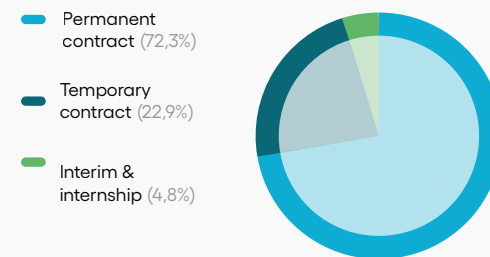


# Sunrock employees in 2022

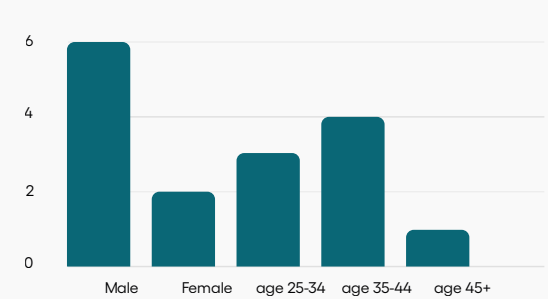
Employee data



Employment arrangement

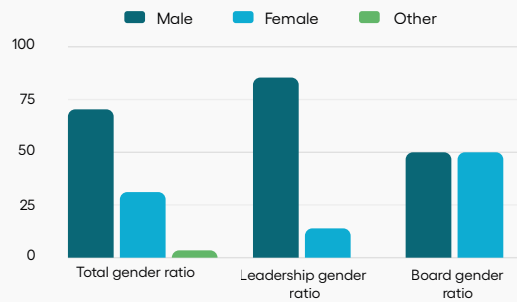


Churn rate

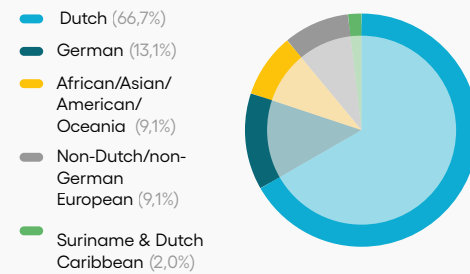


# Diversity at Sunrock in 2022

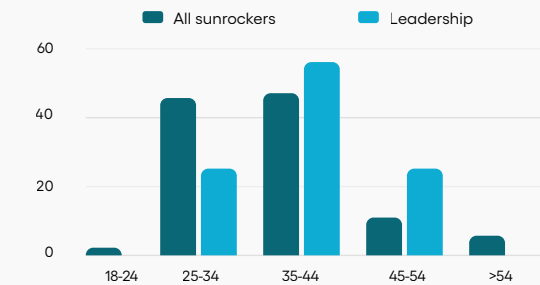
Gender diversity % (based on 2022 survey)



Ethnic/cultural diversity in %



Age diversity in %





02

# Better and Better



# Why we value ESG

At Sunrock we believe that we can make impact through business. Over the past decade we've shown our customers and partners that choosing clean energy goes hand in hand with making impact.

With our services, we are making buildings more resilient for the future, protecting our clients' energy bills from volatile energy prices with low cost solar, lowering their dependencies on fossil fuels and decreasing their carbon footprint at the same time. In 2022, with skyrocketing energy prices, the value that solar brings has never been more obvious either.

We believe the same holds true for all our ESG efforts. There is value in stepping up our efforts to make our supply chain more transparent and efficient. Value in proactively seeking more sustainably sourced components and value in reporting our own activities and emissions in full transparency. Many of our customers have set and published binding ESG goals. By staying at the forefront of ESG in our own business we are uniquely positioned to aid them in achieving those goals.

The value of our ESG efforts does not stop there. Being real about our ESG efforts and pushing not just for compliance but for what is possible, keeps our people fully driven and engaged. Embedding our ESG efforts in our business and our culture enables us to attract the scarce and valuable new talent we need to scale up further.



## Sunrock's vision on ESG

“We strive to progressively and evidently grow in how we embed human rights and environmental considerations in our daily operations and across the whole company. We aim to lead by example and inspire other renewable energy companies to make the energy transition a truly just one”



# Our ESG Approach

## Vision

Our ESG vision is to provide clean energy solutions to our clients while minimizing negative impact on people and the environment. Sunrock adheres to internationally recognized norms and principles for socially responsible, planet-friendly, and ethical business practices. We believe that integrating ESG considerations into everything we do is critical to our long-term performance and sustainability. By operating in this manner, we can create more value for all stakeholders.

## Walk the talk

To put these values into action, we encourage, inspire and support all our employees to be people and planet conscious in everything they do. We expect our leadership to lead by example, and we consider it a privilege to inspire other companies in the solar industry to invest in ESG principles. For us, making ESG part of Sunrock's DNA involves taking actions and using resources to:

- Improve employees' understanding of ESG topics that are relevant to our operations and provide them with the necessary skills and knowledge to incorporate our ambitions into their daily work.
- Involve employees in setting ESG improvement targets and hold leadership accountable for achieving them.
- Actively engage with suppliers and other stakeholders to reduce negative impact outside of Sunrock's direct span of control
- Report on our ESG performance and remain transparent about the challenges we face.

ESG topics material for Sunrock include greenhouse gas emissions, circularity, supply chain transparency and accountability, health and safety, employee well-being, ESG disclosure, and stakeholder engagement. Sunrock dedicates resources towards improving our performance in these areas in line with internationally recognized ESG frameworks.

## ESG methodology

- Build strong inhouse expertise on the subject
- Build trust with customers and partners on the topic
- Engage closely with stakeholders in developing strategies and implementing improvements
- Share our learnings and be receptive to suggestions for improvement.

## Adopted key principles

- We go beyond compliance to implement internationally recognised ESG principles;
- We actively seek to prevent (potential) harm to people and correct these where they occur;
- We reduce our carbon footprint through energy efficiency measures as well as eco-friendly travel procurement policies;
- We expect our suppliers to commit to ethical labor practices;
- We are transparent about our progress and challenges.





## 2021: Working groups

In the fall of 2021, Sunrock invited employees for 4 newly established ESG workstreams, aiming to determine, drive, and implement policies and actions. Over 30 Sunrockers volunteered to participate, approximately a third of the employees. All dedicated to help Sunrock internalize material ESG themes and actively influence the company's ESG efforts.

## 2022: ESG and QHSE Manager

Soon after the establishment of the working groups, the need for a specialist steering ESG became evident. Spring 2022, Sunrock welcomed a dedicated ESG Manager, and in the summer of 2022, a dedicated Quality, Health, Safety, and Environment Manager was appointed as well. Together, the ESG Manager and the QHSE Manager are responsible for developing, coordinating, and implementing the company's strategy to improve the impact of its operations on people and the environment.

# Organizing ESG at Sunrock

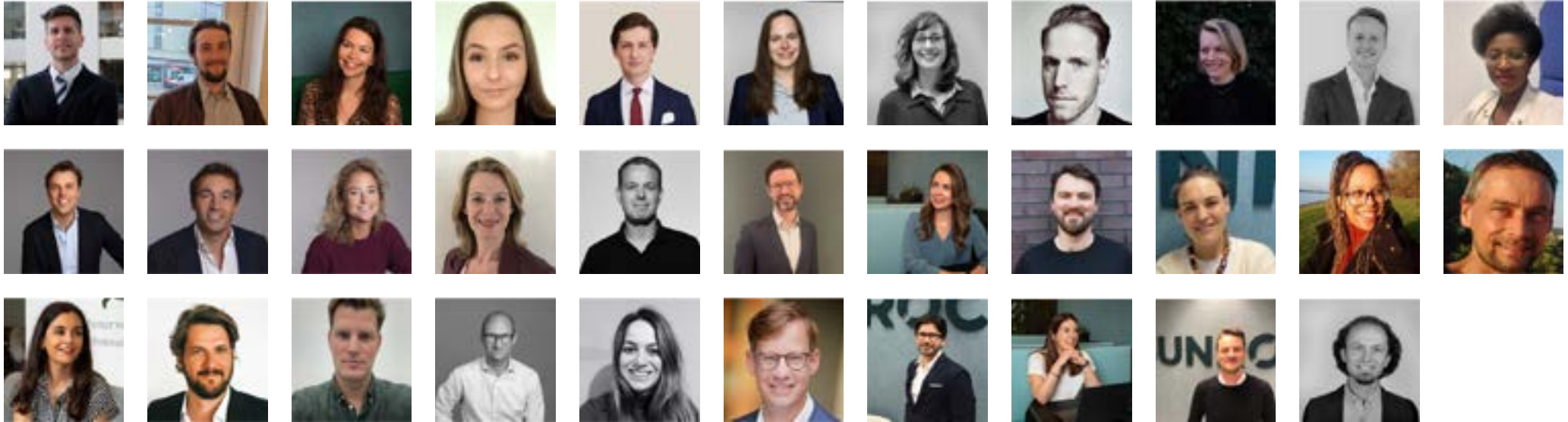
# Employee-driven ESG approach

Sunrock's work on ESG is spearheaded by employees from different departments across the company. Each ESG working group consist of 7-12 participants. The members of the working groups set annual targets for their ESG pillar, shape goals and put them into action. They also act as ESG ambassadors within Sunrock.



Consists of the CEO, COO, Director of Strategy, Technical Lead M&A and Supply Chains Manager. The Steering Committee secures company-wide commitment to ESG targets, monitors progress and resolves issues that impede actions.

# Driving ESG for a Just Transition



## 2022 ESG Goal

To establish a robust foundation for Sunrock's material ESG topics in order to achieve the long-term goal of becoming an exemplary sustainability leader in the solar energy sector

1. Build ESG Competence within Sunrock

2. Adopt and disseminate fundamental ESG policies

3. Conduct baseline assessments to measure Sunrock's ESG maturity

4. Identify and kick-off actions on severe ESG issues



## Competence = the ability to do something successfully

- Sunrock is successful in ESG when every employee knows and understands the impact of their professional actions on the well-being of their colleagues, natural environment and stakeholders. Ideally, this leads to behavior that has a positive impact on everyone.
- Whether our ESG approach is successful is also measured by the extent to which individuals and stakeholders who are negatively impacted by our activities are able to inform Sunrock of those impacts, are then adequately heard, and receive appropriate redress for any harm suffered.
- In 2022, we achieved our goal to create a robust framework that enables every Sunrocker to understand Sunrock’s material impacts on people and the planet, Sunrock’s vision in addressing those impacts, its role in implementing Sunrock’s ESG strategy, and how to engage other stakeholders in this process.

## Activities to increase ESG competence ranged from:

1. Thematic internal presentations on specific ESG topics, e.g. Biodiversity;
2. Presentations by external experts on diversity and inclusion and on conducting effective human rights due diligence in high-risk supply chains;
3. Meetings between the ESG manager and individual Sunrockers on their role in ESG implementation;
4. Regular discussions with management and board members about their role in promoting behavior that is consistent with Sunrock’s ESG principles;
5. Discussions with departments about the link between their business objectives and Sunrock’s ESG agenda.

## Results

Sunrockers expressed that these activities increased their awareness of what ESG means in practice and Sunrock’s responsibility to invest in this area. In addition, we observed that business units are taking more ownership with regard to ESG topics.

# Objective #1: Build competence

## Building ESG competence

12 Company wide presentations-on specific ESG topics (Check-ins)

>30 Individual ESG conversations with all department heads and Sunrock board members

Session with Diversity at Work on Diversity and Inclusion

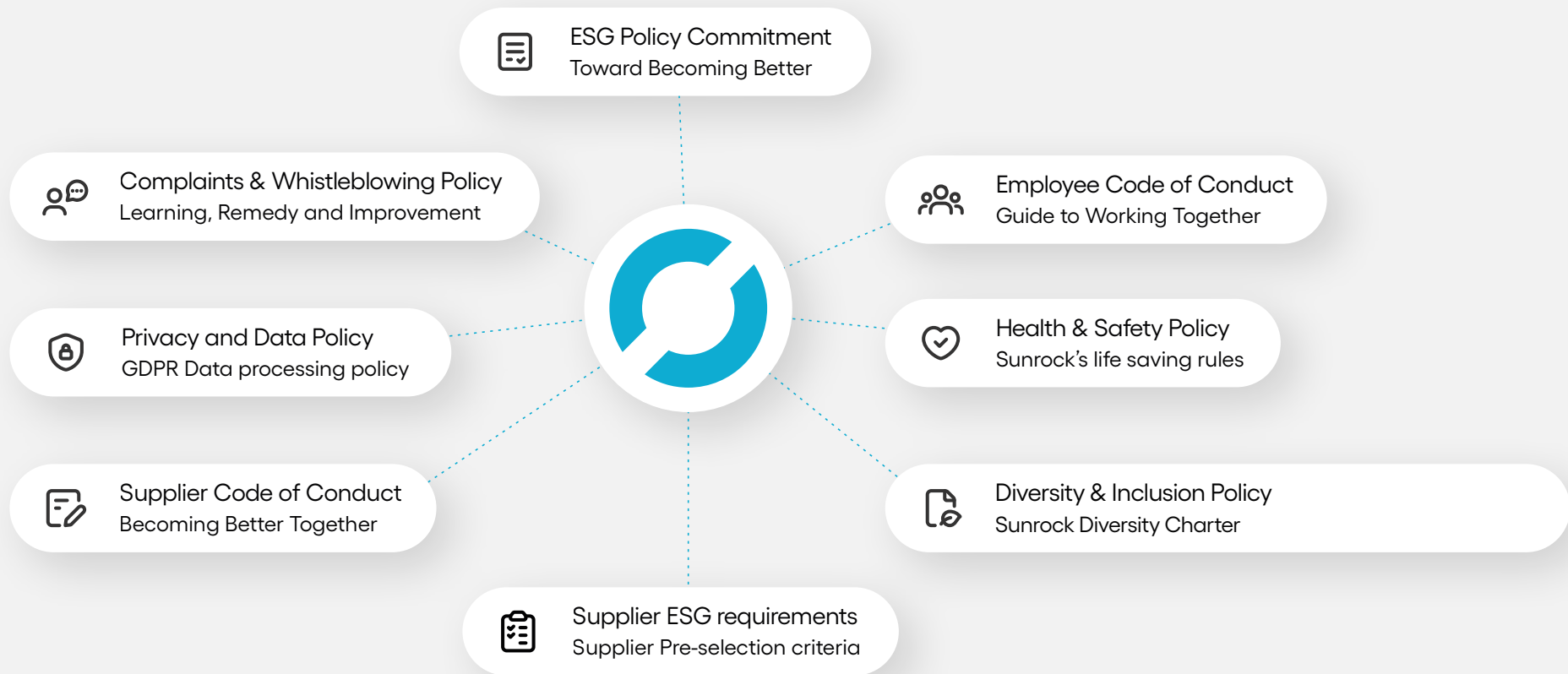
9 sessions with individual Sunrock client teams and departments on ESG

>20 ESG Working group meetings

Session with C&A, a fellow subsidiary of COFRA Holding, on Supply Chains Due Diligence in high risk countries

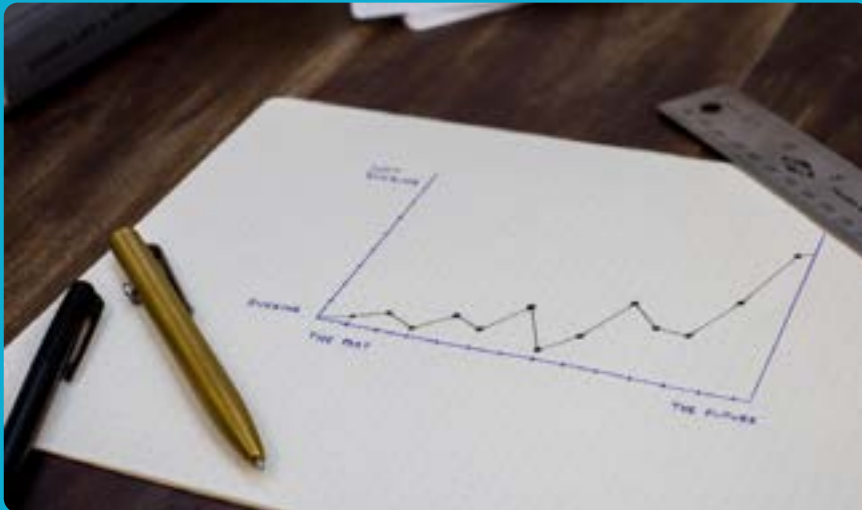
Knowledge building within Sunrock in 2022 to improve understanding of specific ESG-topics

# Objective #2: Adopt ESG policies



# Objective #3: Measure ESG maturity

Monitoring, data generation and collection are important elements in professionalizing our ESG approach. Collecting data is the first step in measuring ESG management. Comparing our policies and actions to credible ESG standards allows us to set indicators for our growth and make decisions about where to allocate the necessary resources. Sunrock has conducted a number of ESG assessments.



2021 Sunrock committed to the Science Based Target Initiative (SBTi) It required us to conduct a baseline assessment of our greenhouse gas emissions in 2019/2020. Through the SBTi, Sunrock determined the absolute number of greenhouse gas emissions it will reduce by 2030. Sunrock monitors and reports annually on its progress.

### 2022 series of baseline assessments

To determine our ESG maturity in general, we conducted several assessments. The first two consisted of an employee engagement and a diversity and inclusion survey, conducted during the summer. They provided us with insight into Sunrockers' key concerns about their engagement with the company, their physical and mental well-being, their collective perceptions of inclusion, and the actions needed to improve all of these issues. Moreover, Sunrock kicked off the application process to become a B Corporation with the strong support of COFRA Holding. As part of this, we conducted the B Corp Impact Assessment (BIA) that accompanies the application process. The assessments provided us with insight into the areas where Sunrock is ahead in managing its impact on people, planet and governance, and where there are opportunities to improve.

### Actions taken in 2022

The engagement survey outcome led to the introduction of seven additional employment benefits for all Sunrockers and the launch of an action plan to promote the physical and mental well-being of employees. In turn, the results of the diversity and inclusion survey convinced Sunrock leadership to sign the Diversity Charter in the Netherlands. The B Corp Impact Assessment's outcome, informed our selection of material topics to prioritise in 2023. Improvement actions derived from the BIA have been kicked off.

# Objective #4: Identify our impact

## Why

The solar industry is committed to a healthy climate. Sunrock believes a clean energy future should never come at the expense of, for example, biodiversity, workplace health and safety, collective worker rights, and the legitimate interests of communities. In 2022, Sunrock worked to identify and understand its significant impacts on people and the environment.

## How

The identification of actual as well as potential material impact was done in consultation with various stakeholders, including employees, our shareholders, financial partners, customers, and our key suppliers. Based on the information received from the various stakeholders, supplemented by intensive secondary research into the key issues in the solar supply chain, Sunrock selected a number of themes to focus on in 2022.

## What

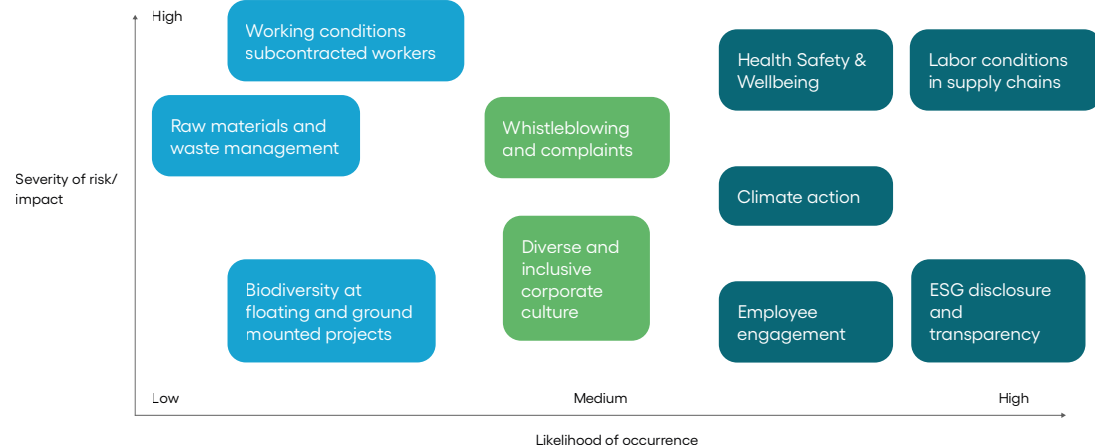
Sunrock has prioritized a number of social and environmental issues on which the company has developed a strategy for conducting comprehensive human rights and environmental due diligence. The goal of this due diligence is to determine whether and how Sunrock is actually associated with these risks and impacts in our business operations and, if so, to take corrective actions to address any negative impacts identified.

## Who

The ESG working groups within Sunrock take the lead on human rights and environmental due diligence with the active support of the dedicated ESG and QHSE managers.

### Sources of risk information

- Dialogue and exchange within ESG working groups
- Employee engagement survey
- Diversity and Inclusion survey
- External research reports and News Articles
- Internal high level human rights risk assessment research
- Life cycle assessment of greenhouse gases emissions
- Conversations with customers
- Conversations with financiers
- Conversations with suppliers
- Reports of news outlets
- United Nations and International Labour Organization reports
- Externally organized expert sessions and webinars





# 2022 ESG Highlights

Actions taken in 2022 to realize ESG approach



- ESG Policies and Awareness raising campaigns across Sunrock
- Signing the Dutch Diversity Charter
- Appointing dedicated ESG and QHSE managers
- Boosted the functioning of the cross-department ESG working groups
- Extensive desk research about supply chain people and planet risks
- Conversations with suppliers, experts and stakeholders
- Employee surveys
- Sunrocks supplier code of conduct signed by 80% of our suppliers (in terms of spend)
- Establishment of Sunrock's Works Council
- Greenhouse emissions data collection using SBTi framework
- Employee Engagement and Diversity and Inclusion surveys
- Going through B Corp Certification process
- Publishing first ESG Report
- ESG Web pages on Sunrock websites
- Confidential counselors
- Whistleblowers policy and system

# Impact on the 2030 Sustainable Development Goals (SDGs)

We endeavor to make a positive contribution to the UN Sustainable Development Goals through our responsible business operations

## SDG Indicator

## How Sunrock contributes to this goal

**7.2** Substantially increase the share of renewable energy in the global energy mix by 2030.

Sunrock solar parks produced 387,903 MWh of clean energy (As of December 2022)

**8.7** Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

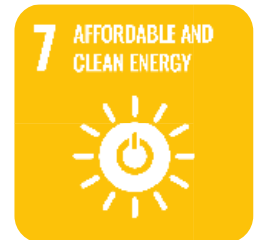
Sunrock's employee code of conduct and supplier code of conduct condemns and prohibits the use of forced or child labour. Sunrock suppliers are required to take action against these phenomena in their operations and supply chains. As of December 2022, a majority of our suppliers (appr. 80% of our investments) had signed the code of conduct.

**8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular female migrants, and those in precarious employment

In 2022, Sunrock installed a diverse works council that represents the interests of employees in management decision-making processes. Having zero major incidents is one of the KPIs of the company as a whole, and this ambition has been fulfilled in 2022.

**13.2** Integrate climate change measures into national policies, strategies and planning

Sunrock makes the ambition of our clients to use renewable energy a reality, thereby preventing appr. 132,194 t CO2e of greenhouse gas emissions generated by fossil based energy systems.





# Employee-driven approach to ESG

## Words from an ESG working group contributor

“I view ESG topics as “doing the right thing”. While of course I strive to do this by default in my day-to-day life, being part of the ESG working groups has helped me develop a more quantifiable view on the impact we have, as well as given me more insight into important ESG topics that I was not previously aware of. I believe ESG topics are important to everyone. I think in some way or other everyone who works at Sunrock is doing so because they want to do the right thing, but why stop with just solar? We can all benefit from making the world a better place and focusing on ESG is a strong way for us to do that. I would personally like to see more diversity for Sunrock in 2023, as well as a strong end of life plan for our projects!”

### **Elliot Morgan**

Asset Manager and member of Sunrock ESG working groups on Good Governance and Environment

03

# Responsible Sourcing





# Stakeholders and supply chains

**In 2022, we prioritized our internal competence to understand and address the material impact of our operations on people and the planet. It required a thorough understanding of the stakeholders affected by the company's activities.**

To identify these stakeholders, Sunrock engaged employees from different departments and disciplines, as well as the company's leadership. The process also involved reports from government institutions, civil society organizations, and stakeholder input. Sunrock employees and the workers linked to our supply chain are our most material stakeholders in terms of actual and potential ESG impact. Many workers in the Sunrock supply chains are often

located in countries where fundamental labor rights are not adequately protected. Sunrock works on identifying the actual impact on people and communities in its supply chains through, among other things, conversations with producers of components and on-site audits. Our initial focus is on the impact of the construction of our parks and manufacturing of main components.

For Sunrock, the material stakeholders in its supply chains also include communities affected by mining operations for minerals used in the components we source. The actual and potential environmental impacts of our supply chains are also in scope, for which we need the cooperation of our EPC as well as Operations and Maintenance partners.

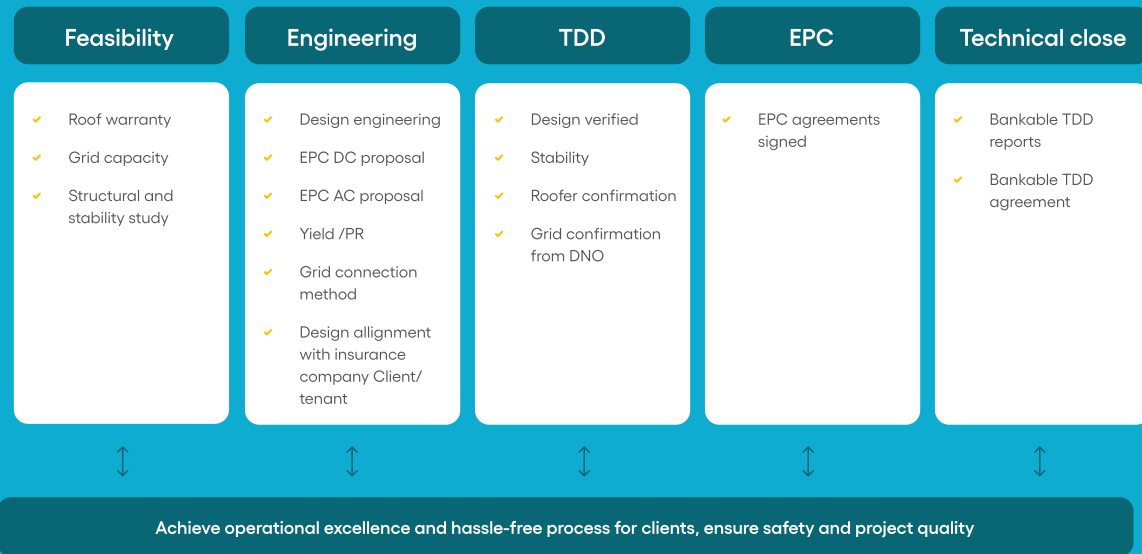
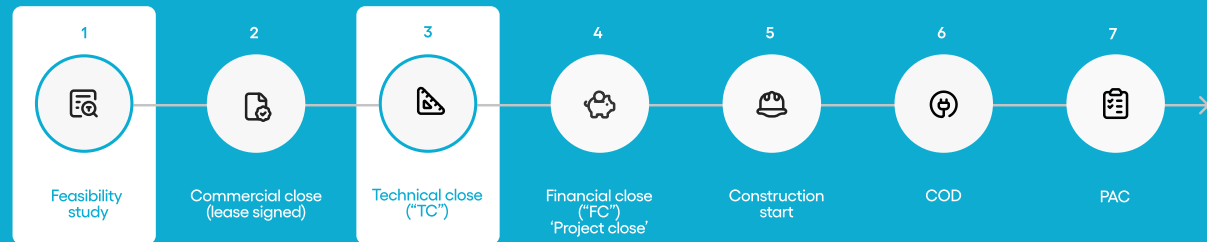


# Supply chain ESG challenges

In 2022, Sunrock constructed approximately 200 MWp of PV plants. Challenges in building solar projects include the rising costs, availability of materials and labor shortage. Moreover, visibility into and access to credible data about the social and environmental impacts at different nodes of the supply chains remains an issue of major concern. The critical goods needed in our solar parks often come from countries where raw materials are extracted, metals are produced or (semi-) products are manufactured, with poor track-record of complying with international social and environmental standards. International norms that protect worker and community rights, as well as the natural environment are not always respected in such countries.

Strengthening our upstream ESG approach is critical in our efforts to address actual and potential negative impacts we may come across in our supply chains. One of the first steps we have taken is to structurally add ESG as a topic in our regular meetings with (PV module) suppliers. In the mid-long run a local (European) supply chain with better transparency on labor and materials sourcing is required. We need the upcoming years to prepare for that transition.

Solar project development process





**Freek van Gijn**  
Supply Chains Manager and chairperson ESG working group on Supply Chain Transparency and Accountability

# Engaging with suppliers to improve ESG performance

**The success of our projects depends on the quality of our partnerships. We work together closely to ensure we deliver high-quality, smart solar energy solutions that meet the needs of our customers while minimizing our social and environmental impact.**

## **EPC and O&M partners**

Sunrock collaborates with a diverse range of partners across our processes. Our most significant suppliers in terms of ESG impact are Engineering, Procurement and Construction (EPC) partners, as well as Operations and Maintenance (O&M) partners. Sunrock has long-term, transparent relationships with EPC partners. The collaboration is based on turnkey project agreements, and the EPC partners are fully responsible for the entire installation of the PV project, including the procurement of all goods needed to realize the project. Sunrock's Operations and Maintenance (O&M) partners ensure the smooth operation of installed solar panels. These partners are responsible for the ongoing maintenance, repair, and replacement of the PV-components when needed.

## **The process**

After reaching agreement with owners and/or tenants of real estate to install PV modules on their roofs, we initiate a process for financing and realizing the project. We take care of the necessary permits, insurance, and other administrative requirements. Sunrock keeps the building's users aligned and incorporate their input. During construction, Sunrock remains fully involved regarding quality, health & safety, and supply chains responsibility. Together with our EPC partners we improve the performance of the project in these fields.

# Health, Safety & Environment

We expect our partners to abide by our supplier code of conduct and health, safety and environment (HSE) guidelines. EPC partners draft an HSE plan prior to a project, checked by independent HSE assessors. HSE audits are conducted at the start of each project as well as at the completion. The independent auditors report directly to Sunrock. To make the necessary improvements, we work together with the partner. HSE issues identified on sites are registered in a system and warranted projects may be stopped immediately. We live by a strict record keeping policy concerning HSE. Incidents and any actions taken are discussed in management reviews.

## Engagement

Sunrock conducts operational calls every week with main suppliers. Once a month, we meet with the management of our EPC partners to discuss planning, progress and HSE topics. Sunrock engages at least once a year with the management of EPC partners on broader ESG matters. Intermittent meetings are scheduled to discuss specific issues. Additionally, we regularly speak with manufacturers of the main components of PV-systems about ESG in their operations and supply chains.

## Outlook 2023

Sunrock will intensify ESG conversations with our tier 2 suppliers in 2023, to gain more insights on the production conditions of our capital goods.



# Engaging with suppliers to improve ESG performance



# Sourcing responsibly for positive impact

In 2021 and 2022, Sunrock began a journey to truly comprehend the impact through its supply chains. We reviewed reports from the United Nations, universities, and different media outlets on the matter. Moreover, we assessed our own impact on people, communities, biodiversity, and climate change.

The assessment contained:

- holistic mapping of the products and services essential to Sunrock.
- life cycle assessment, to determine greenhouse gas emissions in the value chain.
- high-level human rights and environmental supply chain mapping, to identify primary issues potentially linked to the value chain.
- desk-mapping of ESG maturity of direct suppliers (1st tier), to gather insights for supply chain due diligence actions.

## **Supplier Code of Conduct**

In 2022, Sunrock took major strides towards enhancing our commitment to sustainable practices by launching a Supplier Code of Conduct. The development of this code was informed by conversations with various stakeholders and insights gained from assessments. The code outlines the expectations we have for our most relevant suppliers and requires them to undertake human rights due diligence in their operations and supply chains.

## **Participation**

Since its launch, 80% of our suppliers (in terms of our investments) have signed the Supplier Code of Conduct, demonstrating their dedication to sustainability. To ensure compliance with the expectations formulated in the code of conduct, we conduct annual comprehensive assessments and engage with our suppliers to adopt actions for progressive ESG improvement. By taking a collaborative approach, we help our suppliers achieve positive and sustainable results.

# Industry collaborations

## Solar Stewardship Initiative

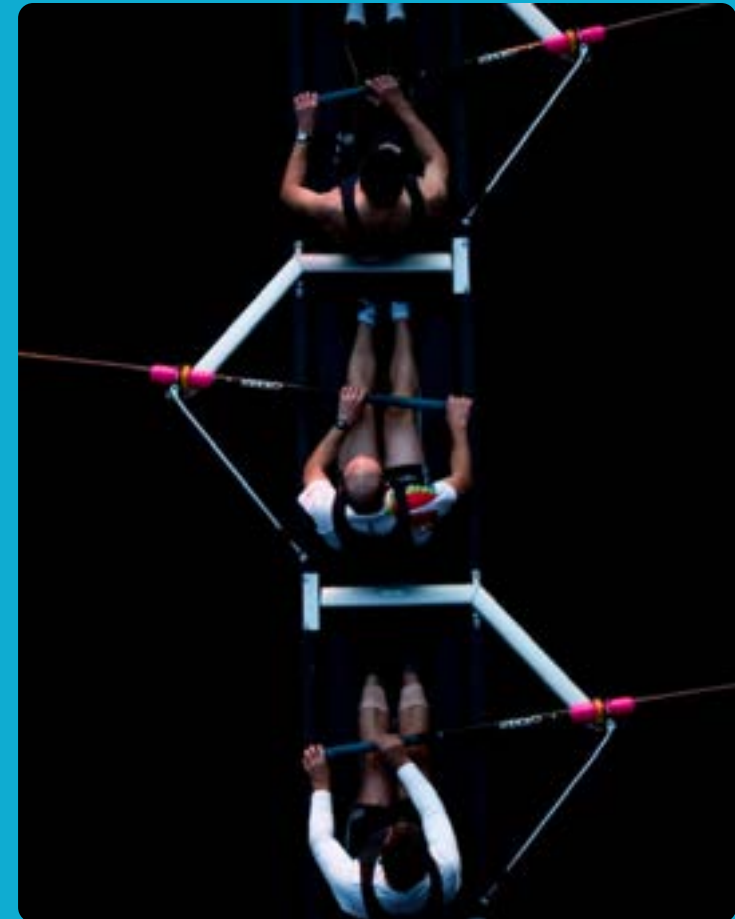
While we take responsibility for our own actions and their impact on people and the environment in our supply chains, we also recognize that we are stronger if we cooperate. For this reason, we actively participate in the Solar Stewardship Initiative, a sustainability program recently launched by Solar Power Europe. It sets standards for solar technology suppliers and conducts joint audits to assess their compliance with international standards. Through this collaboration, we seek to gain better transparency into our supply chains and ensure that our suppliers and sub-suppliers operate with respect for workers, communities, and the environment.

## Holland Solar and the Dutch government

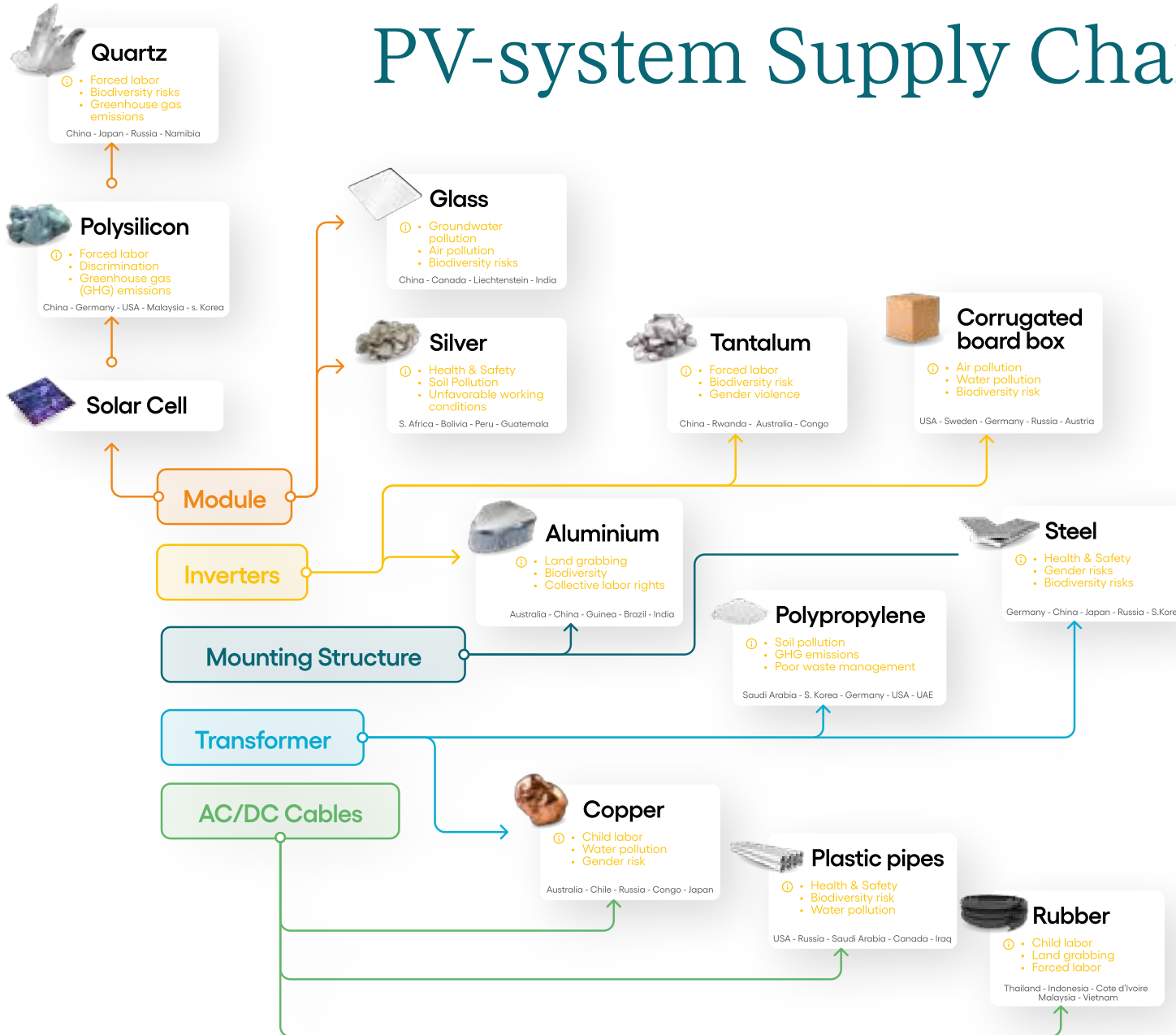
In the Netherlands, we joined forces with other renewable energy companies through the industry association Holland Solar. Together we participate in the multi-stakeholder negotiations for the International RBC Agreement for the Renewable Energy Sector, which helps us improve our own ESG policies and practices. We envision working with the Dutch government, other companies, NGOs and trade unions in projects aimed at reducing negative impacts on people and the environment at specific points in the supply chain, after the Multi-stakeholder Agreement has been signed.

## ESG Legislation

On a national and European level, we actively support the legislation to enhance ESG uptake by companies including EU Forced Labor Ban and the EU Corporate Sustainability Due Diligence Directive. These will strengthen individual efforts and collaborations to improve supply chain transparency and accountability.



# PV-system Supply Chain



This simplified overview of the PV system's supply chain shows the major producing countries of the raw materials linked to a PV-components or semi-products. It is a summary of the holistic ESG supply chain mapping conducted by Sunrock in 2022, using information from the United Nations, reports from the International Energy Agency and other publicly available sources. The overview displays examples of human rights and environmental risks, linked to the solar supply chain. They do not necessarily reflect the exact countries and specific risks linked to our supply chain. Neither does the list denote the severity of the risks in these countries. We are in the process of researching the specific impacts of our supply chain. Ultimately, this knowledge will define the actions necessary for improving supply chain conditions.



# Employee-driven approach to ESG

## In what ways has being part of an ESG working group improved/affected your understanding of specific ESG topics?

Being part of the ESG working group on Supply Chains Transparency and Accountability has affected my perception of the huge challenge we're faced with. This lies in the interplay between the energy transition and people's wellbeing. Because on the one hand we have the ambitious agenda to rapidly increase sustainable energy capacity in Europe in order to prevent and mitigate the impact of climate change, and on the other we want to protect the legitimate interests of people and communities when producing necessary technologies.

At Sunrock we want to do good. And for a most part, our business relies on the availability of key resources sourced from countries where it's difficult to enforce our standards regarding working conditions. Having a clear understanding of the actual impacts in the supply chains, and the actors involved, is a first step to improvement. I am proud to be part of the working group devoted to helping Sunrock overcome this challenge.

## How has this influenced the way you perform in your regular function, if any?

The knowledge and understanding obtained through the ESG working group is helpful in my conversations with our clients. I am able to understand their sustainability ambitions which go beyond exclusively environmental goals. As well as conveying our own approach to improving the social conditions in our supply chains.

## What ESG opportunities do you see for Sunrock?

I see the strategic benefits of Sunrock investing strongly in ESG and making this part of our offer to clients who want to go beyond climate sustainability. I believe that besides the strategic benefits, we can also make a positive ESG

impact by sourcing solar panels produced in Europe, with responsible and transparent supply chains. The next step in our ESG maturity is to show that such projects are possible and commercially viable. The partnerships that Sunrock is currently building for this purpose are a step in that direction and will help scale up solar production and sourcing in Europe.



**Daan Terlingen**  
Business Development Manager and member ESG working group on Supply Chain Transparency and Accountability

# Office supplies and team events



## **Material circularity and responsible sourcing are key considerations in the procurement of office supplies and other necessities.**

- Many of our supplies come from local companies committed to social and environmental sustainability.
- All of our pens and books are made from recycled materials.
- We are increasing the lifespan of office chairs, including repairing and upholstering 16 chairs in 2022.
- Newly purchased chairs are made from PET-bottles. We repair (instead of replace) computers and telephones, whenever possible.

- We purchase responsibly produced food, offering a diverse daily range of options. In 2022, Sunrock kicked off offering vegetarian only lunches for a week per month.
- We donated food supplies to charities in the Fall of 2022, in collaboration with our employees.
- To reduce plastic waste, we provide our team with Doppet bottles at events.
- We visit external locations for company events by bus or public transport as much as possible.

All this is part of our effort to reduce the climate footprint of our offices and events.



04

# Environmental Sustainability





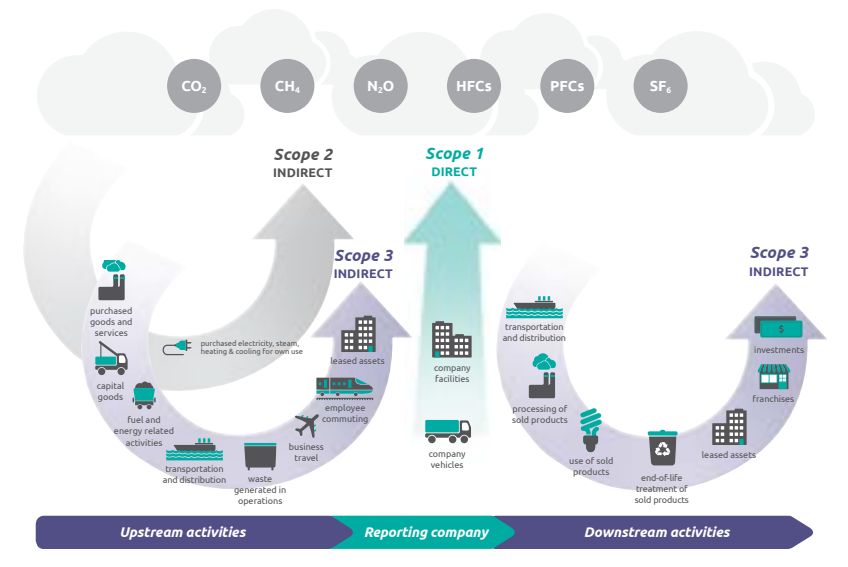
# Reducing greenhouse gases while growing

Sunrock committed to the Science Based Target Initiative (SBTi) in 2021, through which we measure and take action to reduce our greenhouse gas (GHG) emissions.

Our commitment is to reduce our scopes 1 and 2 emissions (office & vehicles) by 50% by 2030 as compared to the baseline of 20 tCO<sub>2</sub>e equivalent (tCO<sub>2</sub>e) and to measure and reduce our scope 3 (operations & capital goods) emissions.

Sunrock's dedicated internal ESG working group is responsible for collecting data, calculating and validating our emissions. They propose targets and policies to our management team for reaching the desired emissions reduction. This section contains the figures for 2022 and outlook to the future.

Figure [5.2] Overview of GHG Protocol scopes and emissions across the value chain



(c) Science Based Targets Initiative



# Sunrock's Climate footprint

It is worth noting that PV systems have an energy payback time of approximately one year as confirmed by the Fraunhofer Institute for Solar Energy Systems in 2022.

## Scope 1 & 2

commitment target 2030 of 10 tCO<sub>2</sub>e

	2019	2020	2021	2022
Scope 1	18.72	21.64	21.13	24.26
Scope 2	0	0	0	0

## Scope 3

no target set (yet)

	2019	2020	2021	2022
Scope 3 direct control	23.37	15.83	73.15	100.89
Scope 3 indirect control	\	\	138,379	144,801

# Behind the numbers

## Calculating 2022 emissions

We applied the emissions factor approach (consumption of energy in kWh equivalent x GHG emission factor = CO<sub>2</sub> equivalent emission in tons) from NL, Germany and UK government verified factors to calculate scope 1 & 2 and scope 3 direct control emissions. For scope 3 indirect control emissions we conducted Life Cycle Assessment following the ISO 14040/14044 methodological framework (for Standardization, 2006a,b). For background processes and inventory analysis we used the EcolInvent 3.8 cut-off database.



**Kahya Engler**  
Technical Lead M&A and chairperson  
Sunrock ESG working group on Environment

## Scopes explained

- Scope 1 refers to emissions from company vehicles and from our office heating systems.
- Scope 2 emissions are those resulting from the electricity purchased for our offices.
- Scope 3 direct control is derived from employee business travel, commuting, energy related activities and office waste. Scope 3 indirect emissions mainly come from the capital goods used in our solar parks, such as the PV modules, inverters, cables and transformers.

## 2022

- In 2022 we saw an increase in our scope 1 fuel combustion of 1.89 tCO<sub>2</sub>e from our office heating systems.
- We had an increase of 1.24 tCO<sub>2</sub>e in company lease car emissions.
- There were no emissions from purchased electricity as it comes from renewable sources.
- Overall, our scope 1 & 2 emissions increased by 3.13 tCO<sub>2</sub>e compared to 2021.
- Sunrock's direct control emissions of scope 3 increased by 27.74 tCO<sub>2</sub>e.
- Scope 3 indirect control increased by 6,422 tCO<sub>2</sub>e, indicating that over 99% of our total emissions comes from capital goods, mainly PV modules.

## Mission

Sunrock continues to grow its business in helping clients reduce the carbon footprint of their properties while taking steps to reduce our emissions in the process. We recognize that this is a joint effort with our office property owners, suppliers of capital goods and construction partners. It is however worth noting that PV systems have an energy payback time of approximately one year as confirmed by the Fraunhofer Institute for Solar Energy Systems in 2022.



# Ready to reduce our emissions in the upcoming years

Carbon reduction efforts are part of Sunrock's non-financial key performance indicators 2023. Data knowledge is crucial for emission reduction. As part of ISO 9001 we refined our data collection in 2022 and will further improve this in 2023.

## Scope 1

- We have signed a new HQ office lease with a heat-pump; we will be moving in mid 2023.
- As of October 2022, pool cars were 100% electric, in 2023 they will be solely charged with electricity from renewable sources.

## Scope 2

- Install a PV system on our new HQ office.
- All new office leases (outside HQ) use electricity from renewable energy sources.

## Scope 3 – direct control

- Encourage commuting by public transport and offer employees electric lease cars and E-bikes.
- Display all greenhouse gas emissions data on internal monitoring screens to engage with employees on carbon reduction conversations.

## Scope 3 – indirect control

- Continue to engage in conversations with clients, suppliers and partners on electric transport solutions.
- Use shorter transport routes and green electricity in manufacturing 2 PV systems with a lower carbon footprint in 2024.
- Set longer term targets for scope 3.



# Employee-driven approach to ESG

## Thoughts of an ESG working group contributor

### In what ways has being part of an ESG working group improved/affected your understanding of specific ESG topics?

Working with my colleagues on ESG topics at Sunrock has strengthened my understanding of the importance of sustainability in corporations in general but also how the topic is of growing importance to our supply chains and partners. On the one hand I see more and more partners are keen to work on their footprint to achieve the 1.5 °C climate target. On the other hand I realize how complicated and challenging it is to implement sustainable ideas, being in a cost conscious market, but I also see how many possibilities are available.

### How has this influenced the way you perform your regular function, if any?

Working in the field of carbon has brought me closer to the life-cycle approach and how it can affect companies positively. It has positively influenced my way of working and thinking at Sunrock. I try to include aspects of sustainability and minimize negative effects on the environment in my daily activities.

### What is your call to action for fellow Sunrockers with respect to the topic of ESG?

Sustainability should always be on our agenda. Of course, working in the field of renewable energy already gives us positive credits but to be truly sustainable we should also include life-cycle thinking, being aware of our environmental impacts (also thinking about biodiversity and resilience on climate change) in our daily businesses and also on a personal level by including a recycle, reuse and reduce mentality.



Julian Lorenz Kolodziej  
Project-Manager and member of the  
Sunrock ESG working group on Environment



# Impact on plant and animal species at solar sites

Everything works together and everything we do has an impact and affects our surroundings. “Biodiversity” stands for all the living organisms and species that work together to sustain life on Earth.

## Goal

A minority of Sunrock’s projects is developed on land or water. We aim to avoid any negative impact on plant and animal life at these ground-mounted and floating sites and, where possible, to achieve a net positive effect on biodiversity.

## Site selection and development

We develop our projects on land or water only in areas rezoned for solar energy, to ensure they aren’t built in Natura 2000 zones. Potential sites for solar projects are often large degraded industrial sites or depleted farmland. Most of the time, they are proposed by the owners themselves. We start development of a PV facility after ecological assessments have been made and when all necessary RFP requirements are met.

## Learning

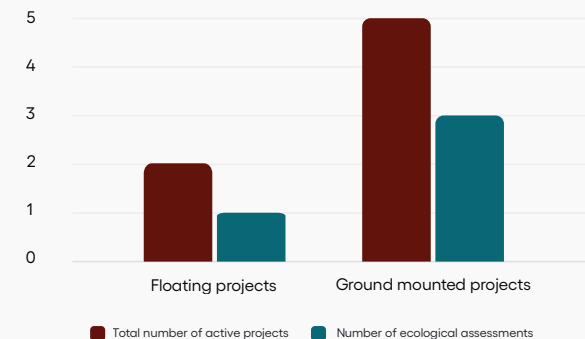
We want to increase our understanding of the impact of our ground and floating projects on the creatures that inhabit the area. We actively ask for expert advice on responsibly integrating PV installations into the landscape.

## Independent advice

Independent experts help us develop the project in a way that doesn’t have a negative impact on biodiversity. They provide us with information about the plants and creatures in the vicinity of the projects and measures we can take to ensure their viability. In this way, we can make better decisions when managing the area and think of additional precautions to take to avoid disturbing the local flora and fauna.



Overview of the number of environmental impact assessments conducted at Sunrock’s floating and ground-mounted sites





# Toward a net-positive biodiversity impact

## **Temporary and permanent measures**

Each ecological assessment provides Sunrock with recommendations. Most refer to the implementation phase of our solar projects on land and/or water. In a few cases, the location of the project itself affects the habitat of specific species. Permanent mitigation measures based on legal obligations are then recommended.

## **Habitat for martens**

The construction of a solar park within one plan area would have an impact on part of the habitat for small martens. This solar park was planned with the goal of preserving as much of the existing habitat as possible while also improving habitat and compensating for lost habitat. Based on ecological assessments we took mitigation measures, including the installation of two marten boxes to provide shelter for the polecat, weasel, and ermine as well.

## **2023 ambition**

Sustaining and improving biodiversity is an important aspect of the environmental goals set for 2023. Therefore we adopt a sound strategy that supports this. In 2023, we aim to develop a strategic plan outlining opportunities to increase biodiversity in our parks, to make a lasting positive contribution to the environment.

# Fauna and flora observed at Sunrock sites during ecological impact assessments

**Common snipe**  
Vulnerable.  
Decline in NL and EU



**Otter**  
Reintroduced species in NL



**Buzzard**  
Used to be an endangered species due to hunting & loss of territory

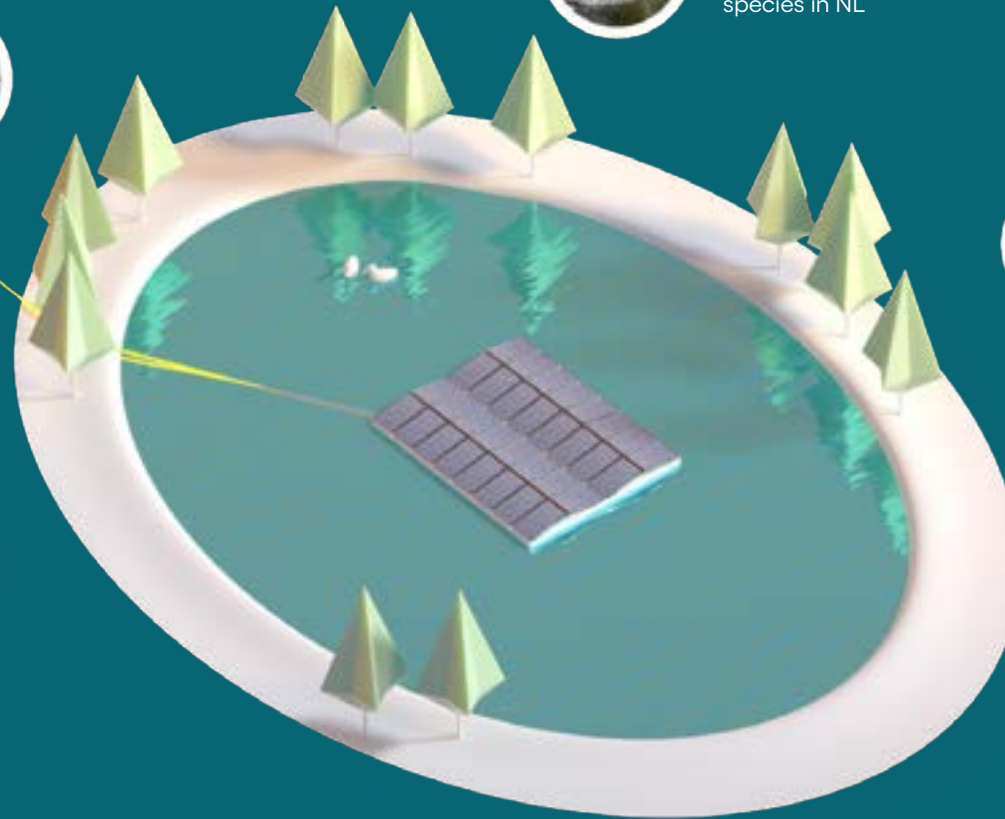
**Pool frog**  
Not endangered.  
Rare in Belgium



**Ninespine stickleback**  
Native to the Benelux



**Dove's-foot cranesbill**  
This plant is native to the EU



# Circular Solar Parks

## More clean energy with less (raw) materials

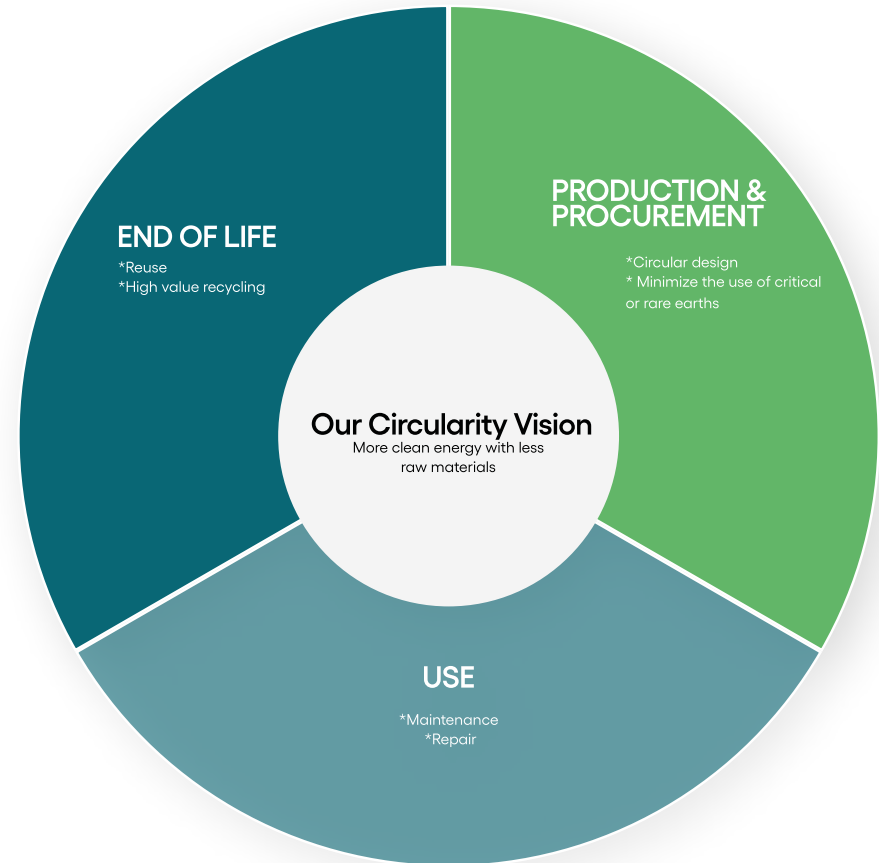
### Vision:

Sunrock aims to support the earth by looking at more sustainable approaches to resource use, and more sustainable management of the materials in the components in our PV-systems that have reached their end-of-life.

A truly clean energy future is one in which the regeneration of the earth and its natural resources moves at a higher pace than the extraction of primary materials.

### Mission:

- We want to use as few materials as possible, use them as long as possible, and bring 100% of them back into circulation at the end of the product life-time.
- In doing so, we increase the ratio of kwh of clean energy generated by our solar parks, per gram of raw material extracted from the earth.
- In other words: we want to produce more kwh of clean energy using less (virgin) materials.
- Ultimately, we make sure that materials that have become obsolete do not end up on landfill or in a incinerator.
- Our target is to have 0% of obsolete materials end up in incinerators or in landfills by 2050, 50% circularity in 2030





# Circularity Actions

## The circularity calendar of Sunrock's working group

### 2022

- Engage in dialogue with critical external stakeholders on the challenges and opportunities for a circular solar sector;
- Formulate the vision of Sunrock on circularity, based on the context of our operations;
- Action plan to calculate the ratio of renewable energy generated by gram material use by Sunrock;
- Kick off data collection on the treatment of damaged components by Sunrock's Operations and Maintenance partners.

### 2023

- Baseline assessment of the ratio of clean energy generation per gram material use;
- Use baseline to develop an action plan for the reduction of used materials together with Sunrock procurement, operations and asset management;
- Explore partnerships with producers of PV-system components that contain recycled (and/or afterwards upcycled) materials.





# Employee-driven approach to ESG

## Thoughts of an ESG working group contributor

### In what ways has being part of an ESG working group improved/affected your understanding of specific ESG topics?

Before joining the working group, I had only superficial knowledge of ESG topics. The willingness to learn more was one of the reasons I decided to join. Now I have substantially improved my understanding of ESG topics, especially the topic of carbon emissions, which I work closely on. My tasks are related to data collection and visualization, so I learned a lot about the structure of Sunrock's emissions and the complexity that is hidden behind published statistics. I know that this is just the beginning, and I'm looking forward to gaining more knowledge.

### How has this influenced the way you perform in your regular function, if any?

Due to my engagement in ESG-related discussions, I now think more often about how different actions, even small ones, contribute to the environment. I have started to make more sustainable choices when it comes to food, transportation, or storing my data.



**Daria Kolesnik**  
Business Intelligence Specialist and member of the Sunrock ESG working group on Environment

### What is your call to action for fellow Sunrockers when it comes to ESG? What do you consider a critical ESG highlight for Sunrock for 2022?

I encourage everyone to have a look at our ESG goals and think of ways to achieve them (and then reach out to us). Besides that, I invite everyone to join ESG working groups and find their personal way of making a contribution. As concerns the critical highlight of 2022, for me it was the publishing of Sunrock Climate Disclosure on our website. I think it is an important milestone in our journey towards a cleaner future.

05

# People & Governance



# Company culture

Sunrock is always inventing new ways, changing the game and challenging the industry. At the same time, we stay true to what we believe in (accelerate the world's' transition to clean energy) and to who we are. All specialists in our own fields and personalities in our own right. Connected by four values: we do good, we're entrepreneurial, we love winning and enjoy the ride. These values define our way of working and collaborating.

Our company culture is based on teamwork, empowerment, inclusion and fun. Accessible leadership enables people to act fast, autonomous and with creativity. Sunrockers are united in their mission and the tangible impact each and everyone of us makes. They name our company culture as the number one reason to prologue their contract.

We believe  
we are all part of  
a clean energy future

## Our values

We do good

We are entrepreneurial

We love winning

We enjoy the ride

## How we work



# Doing good: helping others

Looking at the reasons why Sunrockers stay, we can safely state that Sunrock has a very strong culture. A culture based on teamwork, empowerment, inclusion and fun. Sunrockers describe their culture as a culture of winning. A place where smart and driven people work together. Where leadership is accessible, enabling people to act fast, autonomously and with creativity. And last, but not least: the employees of Sunrock are united in their mission, producing almost instantly tangible impact.



“I volunteer at the Animal Rescue because I love animals and believe in good (medical) care for animals in need, as well as for people” Alexander



“In 2022 I participated in the Dam-to-Dam run (10 English miles from Amsterdam to Zaandam). I enjoy the personal challenge of long-distance running combined with running for charity, in this case KiKa. Stichting Kinderkankervrij raises funds to further cancer research for children. I wanted to connect my race to the finish line to helping children with cancer stay healthy! A lot of my colleagues at Sunrock supported the effort - thanks for doing good!” Kahya



Cycling to raise awareness of the dangers of climate change

42

Charities world wide benefitted from Sunrock/  
COFRA donation

€15,280

Money raised by Sunrockers for charity,  
including matching by COFRA Foundation

126

Registered hours of volunteering for a good cause  
by Sunrockers



Participation rate

**96%**

Engagement rate

**79%**

Culture

**91%**

# Employee well being

Everybody working for Sunrock contributes to our values and culture. It is important that people feel they are part of that. In 2022, Sunrock signed the Dutch Diversity Charter and set goals to offer a more inclusive and diverse workplace based on the input from the team. Our ambitions, for 2028, stretch across the following topics:

## Awareness in 2022

In a high paced working environment it is often difficult to take a step back and reflect on how the working environment impacts your wellbeing and health. In 2022, we kicked off various activities and events to address topics that can affect this. Besides various surveys, we organized Bingo! to pull focus towards Diversity & Inclusion, created a video campaign on International Women's day and scheduled various company wide check ins on related topics.

## Outlook 2023

We're proud to have a dedicated team working hard to improve employee wellbeing and making a positive impact in the community.

The three main topics that the working group will focus on in 2023 are:

- Plan of approach to reach our diversity & inclusion goals
- Introducing a company wide volunteering initiative
- People wellbeing. The introduction of tools to help people increase their physical and mental wellbeing & initiatives to raise awareness

Gender	<ul style="list-style-type: none"><li>• Aspiration is gender parity</li><li>• Minimum of 40%</li></ul>
Ethnic-cultural diversity	<ul style="list-style-type: none"><li>• 25% by the end of 2028</li></ul>
Age	<ul style="list-style-type: none"><li>• 10% of employees between 18 &amp; 24 or 55+ years</li></ul>
Workability	<ul style="list-style-type: none"><li>• Annual campaign on mental health and work stress</li></ul>
LGBTQIA+	<ul style="list-style-type: none"><li>• Active Annual Awareness campaign</li></ul>



# Health & safety

## Health

Both our workforce and portfolio have grown substantially in 2022. In this fast paced environment, we need to ensure that our people stay safe and healthy. In 2022, the first employee engagement survey was carried out. It served to check in with the employees on their overall wellbeing.

### High energy

At least 75% of the Sunrockers indicated that they feel productive at work and have the energy to overcome challenges. They are able to maintain a good balance between work and their personal life. This is reflected by low absent rates in 2022, which are 1.5% less than the national average of 5%.

### Stress

Two third of employees (64%) believes their workload is reasonable for their role. However, only 37% of the workforce rarely feel overstressed in their respective functions. The majority therefore feels overstressed at any point in time. To address the issue of work-related stress, the Sunrock HR manager hosted sessions with the individuals teams to discuss how it manifests and what support and resources are needed to alleviate it.

## Safety

When it comes to our desk-bound activities, we are mostly out of the line of fire in terms of physical work-related dangers. Our highest safety risks are directly related to our PV projects on land, water & rooftops. To understand the dangers associated with walking through or operating within solar parks, employees and visitors receive the necessary instructions prior to their project visit.

### Incidents 2022

To help our organization learn how to assess situations and proactively create a safer working environment we register any incidents and investigate what caused them. We use those findings to ensure we improve and avoid similar incidents in the future. In 2022, 38 incidents were registered via our monitoring system.



**Zero injuries**



**Most incidents involved damage to materials**



**Reason for most incidents were incorrect/ignored working procedures**

# 2022 HSE milestones



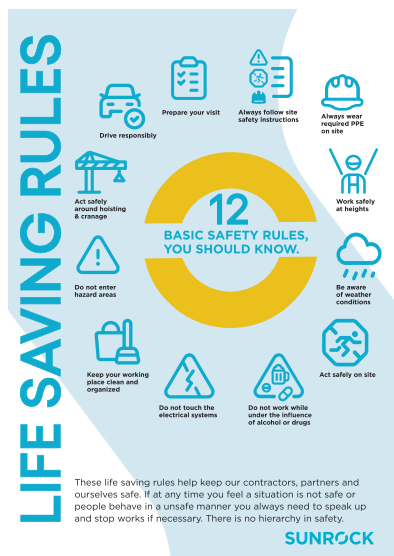
Sunrock installed a new task force structure for the investigation of major incidents



We adopted a new incident procedure to improve incident registration and follow up



Electrical safety policy was adopted



## 2023 HSE plans

As a (future) market leader in Europe we aim to lead by example and make sure we provide a safe working environment for our team and stakeholders.

### Actions for 2023:

- All incidents are reported and followed up in good time.
- Actively acquire the facts and findings from incidents and update processes/ requirements when necessary.
- Increase awareness of the importance of safety and safe behavior.
- Make sure contractors prioritize safety as well.
- Develop a safety e-learning module to increase knowledge and raise awareness.



# Employee-driven approach to ESG

## Words from our QHSE manager

“Sunrock has been very progressive in taking steps towards a wholesome ESG strategy. It makes me very proud to know that the ESG teams are actively contributing to this.

Our colleagues volunteer their time to think and act on ESG topics

even though it sometimes leads to scheduling conflicts and a higher workload. Still, they make it work and go the extra mile. They each have their own views on how to improve where it matters.

It is great to see the people come together, convert those ideas into actions and see it being implemented into the company strategy. How cool is it to be able to drive change like that?”



**Jessica Jonker**  
QHSE manager and chairperson  
ESG working groups on People Welfare  
& Biodiversity

# A word from our confidential counselors



**As of 2022, Sunrock has two dedicated confidential counselors. They advise and guide Sunrockers who experience undesirable behavior, including conflict regarding their work performance, discrimination, (sexual) harassment or bullying. We asked them about their view and vision of this important role.**

## How do you see your role as confidential counselor within Sunrock?

“Our role is to listen to the concerns of Sunrockers and provide initial guidance when an incident occurs that requires counseling. Together with the employee, we aim to find a solution in an informal setting and identify other options for resolving the matter. If informal bilateral discussions don’t lead to the desired result, mediation or other forms of dispute resolution are considered. Our approach is to assist in a professional and consensual way. We are fair to the facts of the case and to meet the needs and interests of all parties involved.”

## When do you consider the role of a confidential counselor effective? When are you “satisfied?”

“At Sunrock, we are given opportunities and can be our true selves. Our desire is for everyone to experience this. When that’s not possible because of undesirable behavior, we help by listening and giving advice. Our job is done when people are satisfied with our help and colleagues don’t feel any inhibition in turning to us for support at any time.”

## What have you done in 2022 to raise awareness within Sunrock about this role?

“Every six months, we present who we are, what we do and how we work to all Sunrockers and give examples of the types of cases they can come to us with. The orientation process for new colleagues also includes an introduction to the counselors. Since we’re growing fast as a company, it is important that information about our role and the existence of confidential counselors is accessible to both existing and new Sunrock members. The Sunrock online wiki page also provides information about the counselors and how to reach us.”

# Works council



## Involved in critical management decisions

One of the key indicators of responsible business conduct is the extent to which a company empowers its workers to come together and determine what they consider adequate conditions of their employment. It is also important for the employer to actively solicit and incorporate the input of workers into decisions that affect working conditions or job security.

Before Sunrock reached the legal threshold to formally install a workers' representative body, employees were already actively involved in management decisions. When we reached the legal threshold for the establishment of a works council, the management board actively promoted the election process and encouraged all Sunrockers to apply as candidates and/or vote. On 21 and 22 November 2022, elections were held for Sunrock's first Works Council. The process was led by the ESG working group on Good Governance. Five Sunrockers with diverse backgrounds and from different departments were elected.

The Works Council discusses Sunrock's policies and the interests of the employees and provides input to Sunrock's board on critical corporate decisions. The Council meets biweekly and every six weeks with at least one board member. The Council aims to implement a healthy and efficient way of working by the beginning of 2023 and establish a collaborative work environment with Sunrock's board. An important aspect of the Council's operations is to consult stakeholders for their input on critical issues and actively reach out to Sunrockers to share suggestions for effective cooperation between the Council and the board.

# Integrity and Compliance

To maintain our culture of transparency, integrity and ethical behavior, Sunrock has established various policies and procedures to ensure compliance with legal and regulatory requirements, as well as internal guidelines and best practices.

Compliance is an ongoing process that requires regular monitoring and improvement. To ensure that we remain relevant and effective in addressing current and emerging risks, Sunrock is continuously reviewing and updating its compliance measures. Sunrock encourages employees to report any potential violations of laws, regulations, or company policies. The company has a zero-tolerance policy towards retaliation against anyone who reports such violations in good faith. Reports can be made through the grievance procedure or by contacting designated compliance officers.

Beyond its own operations, Sunrock expects its suppliers, contractors, and other business partners to comply with all applicable laws and regulations, as well as Sunrock's ethical standards. We conduct due diligence on potential business partners to ensure they meet our standards.

Compliance is not only a legal and ethical obligation but also a strategic imperative. By maintaining high standards of compliance, Sunrock is able to build and maintain trust with all stakeholders.

There is a clear overview of tasks and responsibilities for signaling laws and regulations, analyzing applicability, impact, and the required measures, taking ownership for implementing new laws and regulations, and monitoring compliance. Sunrock complies with internal guidelines and procedures to ensure that COFRA is involved in decisions of material importance.

Sunrock provides employees with resources, including training, an information library, and relevant updates on the intranet. The Employee Code of Conduct contains expectations and guidance on professional integrity and business ethics. In situations of external contracting, the four eyes principle is applied. Sunrock's privacy policy serves as a guideline. The policy is dynamic and may be supplemented or revised from time to time due to changes in the organization, business processes, information systems, or the law. Preparing for upcoming legislation regarding whistleblower protection, Sunrock set up a grievance procedure to raise complaints about legal violations, contractual breaches, and other misconduct. It allows anonymous submission of claims to designated handlers (the ESG Manager and General Counsel). They are responsible for conducting investigations and, together with the individual involved, determining the appropriate course of follow-up action.

Sunrock's grievance procedure was drafted by the ESG working group on People Welfare with the contribution of the Works Council. The procedure was adopted in 2022 and will be implemented in the first quarter of 2023.

# Employee-driven approach to ESG

## Supporting good corporate governance from the core

“As Sunrock continues to expand its business and increase its market share, it is crucial that the company has the appropriate management systems and processes in place to ensure that it achieves its purpose of realizing a clean energy future. In order for this to be effective, impact-oriented and inclusive, it is imperative that the company’s processes are deeply rooted in sound ESG principles. The ESG working group on Good Governance has been engaged in various activities throughout 2022 to support this objective. One of the key activities undertaken by the ESG working group was the organization of elections for Sunrock’s first Works Council. This important initiative aims to ensure that the voices of all employees are heard and that they have a say in the company’s decision-making processes. In addition, the ESG working group also completed the external assessment for Sunrock to go through the B Corp certification process. This certification will further reinforce Sunrock’s commitment to environmental sustainability, social responsibility, and good governance.

Another activity undertaken by the ESG working group was the collection of data for this 2022 ESG Report. This report is an important tool that will help Sunrock monitor and measure its progress towards its ESG goals. The engagement between Sunrock’s leadership and all the ESG working groups has been constructive and effective, which is a sign of healthy internal stakeholder engagement. Overall, the ESG working group’s activities have been instrumental in embedding sound ESG principles into Sunrock’s management systems and processes, which will help the company achieve its purpose of realizing a clean energy future”



**Elsa Sorgedraeger**  
Project Developer Germany and chairperson Sunrock  
ESG working group on Good Governance



# Data security management

## Put in practice

All Sunrockers undergo mandatory cybersecurity training. This training increases awareness levels and provides practical skills to stay cyber safe. By creating a culture of security awareness, we can minimize the risk of security incidents. We have implemented robust information security measures and continuously enhance them to protect against breaches and losses. Employees are trained to handle sensitive information carefully, and strict access controls make sure that only authorized personnel can access sensitive data.

## The industry

We participate in the creation of strong information security standards for the industry through our seat in the Dutch solar industry association, Holland Solar. This collaboration enables us to stay up-to-date with the latest best practices and contribute to the development of the industry's security standards.

## Independent audit

Sunrock undergoes an annual information security audit to assess IT security risks and compliance. This audit is conducted by an independent third-party auditor and helps identify areas for improvement.

## Board

Sunrock established a cybersecurity board, consisting of all department heads and several executives. It is responsible for reviewing security policies,

procedures, and practices and making recommendations for improvements. The board meets at least quarterly.

## Cloud

Our cloud content management system enables teams to securely share files and collaborate. This monitored space includes robust security features, such as threat detection, file classification, and continuous logging and monitoring. Our data is protected against unauthorized access and other security threats.

**Sunrock values the privacy of its employees, clients, and partners and handles their data with the utmost care. In 2022, Sunrock implemented various security measures. Our risk-based approach to identify, evaluate, and prioritize threats, enables us to counter changes in the evolving landscape effectively. We continuously assess the risks and enhance our measures to better protect our business.**

### **Full-service support**

Sunrock helps organizations improve every aspect of their energy strategy in a sustainable and reliable manner. From analysis and funding to development, management, and optimization, we use our knowledge and experience to provide full-service support to our customers. Our innovative approach to full service is what makes our projects truly successful.

### **Quality management**

In order to achieve our mission, Sunrock has implemented a quality management system in accordance with the requirements of ISO 9001, ensuring compliance with legislation and regulations, meeting customer expectations, and continuously improving our internal organization. We also have an environmental management system in accordance with the requirements of ISO 14001, as this is an integral part of our mission and vision.

### **Optimization**

Optimizing our processes requires strong cooperation between our employees, who continuously develop themselves through new insights gained from projects and shared knowledge and experience. A combination of risk assessments, internal project evaluations, customer satisfaction reviews and internal audits ensures continuous improvements within our processes.

# Quality management and optimization



# Our leadership

Sunrock is organized as an international, European organization united by its common purpose, mission and values. Sunrock is governed by its Board of Directors, including the CEO, and an executive team, the Senior Leadership, which includes the heads of our country teams (Managing Directors). At the Board level, strategic direction is set and policies are, among other things, determined to fulfill our ESG strategy. The Board is accountable to the Shareholders' Meeting.

Sunrock Investments is a wholly owned subsidiary of COFRA Holding. COFRA Holding AG is a privately held group of companies active in various business sectors, including asset management (Anthos Fund & Asset Management), private equity investment management (Bregal), apparel retail (C&A), real estate investments (Redevco), renewable energy (Sunrock itself) and sustainable food (Dalsem, Ontario Plants Propagation). Each business operates independently in a spirit of engaged entrepreneurship while striving to be a "force for good" in the world – a guiding principle that has characterised the Brenninkmeijer family owners' activities for six generations, since the founding of C&A in 1841.



Esther Pool  
Chief Financial Officer



Johannes Duijzer  
Chief Executive Officer



Elisabeth Stevens  
Chief Operations Officer



Maurits van Oranje  
Chief Commercial Officer



# Effective leadership to support our mission

**Effective leadership is essential for businesses to innovate, mitigate risks and create lasting impact. Good governance ensures transparency, accountability, fairness, and ethical behavior in all aspects of the business. When leaders prioritize these values, they can build trust with stakeholders, including customers, employees, investors, and regulators. Sunrock's approach to people and business management encourages teamwork and accessible communication that enables quick decision-making and quick and effective collaboration to address risk factors, including ESG risks and market risks.**

## **External market developments**

Our business is impacted by fluctuating electricity prices, supply chains risks, labor shortage, climate change, legal and financial risks. Such external factors can result in acceleration, delay or even cancellation of projects. For example: exponential growth in the demand for inverters creates a shortage in the supply chain, resulting in lead times of more than 6 months. For transformers, the dependency on countries supplying steel can result in a higher shortage, further exacerbated by the high international demand created by the energy transition. The supply chain for modules mainly ends up in China, with an approximately 95% market share. Geopolitical issues with China directly affects the supply of components. Shortages in supply and inflation in labor costs can result in increased EPC prices, thereby increasing the costs of investment. External factors such as Covid-19

resulted in reduced availability of product offerings. Other external market developments that influence the company performance are interests rates, public subsidy levels, local grid congestion and volatile currency exchange rates.

## **Managing risks**

Climate change is an increasingly prominent issue that has the potential to pose significant risks to businesses. On the one hand, legal and policy developments to expedite the global energy transition have boosted the business case for the solar sector. On the other hand, as global temperatures rise, extreme weather events have effects on the operation and management of solar assets. Sunrock seeks to conduct a climate change materiality assessment in order to better understand the actual impact of climate change on our operations now and in the future. Overall, Sunrock closely follows market and social developments, adapting as needed to accommodate and mitigate such risks. Our strategies include ordering components at an early stage, gaining better market insights, direct contact with manufacturers and optimizing collaboration between the sales and operations departments. Working in different geographical zones across Europe also spreads the risks of declining electricity prices. Corporate power purchasing agreements could also make us less dependent on actual electricity prices.



# School of leadership 2022

Our ever-changing industry and growing workforce requires agile leadership to meet the demands. In 2022, Sunrock launched a six-month School of Leadership program for board members and senior executives. The

program was designed to gain insights from managers on their respective professional needs, provide them with the tools to lead their teams to better results, and foster mutual trust for more effective collaboration as leaders. Through personal stories, role-playing, and classic lectures, participants in the School of Leadership were offered the tools and guidance to empower their team members, give and receive feedback on their leadership style, and build trust and a safe environment. Other program outcomes included the establishment of peer coaching groups among senior leaders. In addition, members of the Executive Board and senior management have access to personal coaching from external coaches as needed. The next step in this process is the development of a collective leadership vision for Sunrock, which will also be made available to Sunrockers. The kick-off for this intuitive process will be in 2023.



# Just beginning



It is safe to say that Sunrock has made significant strides in its ESG maturity over the past year. The necessary processes and systems have been implemented to allow us to continuously improve upon our ESG performance. We are committed to effectively engaging with our employees and other stakeholders to achieve a more significant, positive impact on people and the planet while communicating transparently about our operations and ESG efforts.

Building on the foundations laid in 2022, Sunrock has adopted ambitious

ESG objectives for 2023. These objectives include: reducing our scope 1 and 2 emissions by 10% compared to our 2019/2020 baseline, seeking gender balance in new hires, implementing ESG-related training programs across the company, and developing two solar projects using responsibly sourced components. Achieving these objectives requires active contributions from all Sunrock offices and departments. By prioritizing ESG initiatives across the company, we meet the expectations of our stakeholders whilst contributing to a more sustainable future for our business and the communities we serve.

### Reach out

This first environment, social and governance (ESG) report covers the period of 1 January 2022 to 31 December 2022, and was published in May 2023. Additional information about our company and our approach to ESG can be found on our website [www.sunrock.com/esg](http://www.sunrock.com/esg). Interested stakeholders can also reach out to our ESG Manager Ms. Manuella Appiah at [esg@sunrock.com](mailto:esg@sunrock.com) for questions and suggestions.

# Better and better

## Sunrock 2022 ESG Report

(c)Sunrock 2023. All rights reserved