THE VALOREM MISSION

EDITORIAL

Three years after adopting the status of a mission-driven company, today we are taking a new step forward with a second audit of our report. This key moment invites us to transparently measure the progress we have made, take a step back to review our commitments, and examine how we are fully incorporating our Mission into the company's strategy and operations.

While considerable progress has been made, particularly in our ability to structure and build our actions into our governance, we also acknowledge the complexity of such a transformation. In a constantly evolving regulatory environment and sector, implementing ambitious objectives requires adjustments, team mobilisation and stringent governance. The new law on accelerating the energy transition, for example, has led to progress for citizens and civil society and, consequently, higher expectations placed on energy suppliers. Its application to specific issues such as value sharing and consultation has prompted us to rethink our objectives in order to maintain our ambition and push the ecological transition a little further.

Furthermore, the current debate surrounding non-financial reporting and changes to the Corporate Sustainability Reporting Directive (CSRD) raise questions as to the place and role of mission-driven companies. While there are some fears that a loosening of requirements could compromise the European Union's climate and social ambitions, this situation highlights the need for socially responsible companies to position themselves as guiding lights in this transition. Being a mission-driven company is not just about regulatory compliance: it is a demanding voluntary framework that requires us to go further, question our practices and demonstrate our impact in concrete terms.

At VALOREM Group, this requirement remains our guiding principle. We have chosen a model based on constantly seeking a balance between our economic performance on the one hand and our social and environmental responsibility on the other. While the path is not without obstacles, our determination remains undiminished.

Jean-Yves GRANDIDIER,
Chairman & Founder,
VALOREM Group

ABOUT THE MISSION COMMITTEE

In 2024, the VALOREM Group extended its Mission Committee for a further two years at a shareholder meeting. Its role is to lead the Mission, sign the Mission report and support VALOREM in its transition.

It met at four times in 2024 to follow up on the roadmap and propose improvements in the six main focus areas set out by the Mission.

For this new Committee, the VALOREM Group retained its external members but replaced those from inside the company. The committee's membership rose from seven to eight people.

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

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

Sylvie PERRIN
Associate and Legal Adviser, de Gaulle Fleurance
Founder of La Plateforme Verte

Cédric PHILIBERT
Associate Researcher at the Institut Français des Relations Internationales (IFRI)
Independent consultant and senior analysist on energy and climate issues

INTERNAL MEMBERS

Rebecca ARON
Head of Markets, Systems & Innovation Department (DSMI)

Philippe ETUR
Deputy CEO, VALOREM Group

Claudio RUMOLINO
Project manager, collective self-consumption

Ingrid WALCKER
Corporate International Coordinator
Staff delegate
MISSION COMMITTEE CHAIRWOMAN

MEETING CALENDAR

16 FEBRUARY 2024
- Presentation of new Mission Committee membership
- Launch of work on 2023 Mission report
- Review of roadmap

3 APRIL 2024
- Review of roadmap.
- Sign-off of 2023 Mission report

5 JULY 2024
- Arrival of new members of Mission Committee (new composition approved by VALOREM Group shareholder meeting on 27 July 2024)
- Nomination and election of Chairperson
- Discussion on VALOREM's proposition to local authorities

21 NOVEMBER 2024
- Discussion on role of VALOREM Group in electrification of uses
- Work on "communities" pillars

Interview

**Ingrid WALCKER,
new Mission Committee
Chairwoman**

What do you see as the Mission Committee's role?

Ever since it was founded, the VALOREM Group has always stood out from its industry peers through its constant commitment to finding innovative solutions that benefit its stakeholders, such as setting up consultation committees, social inclusion clauses and crowdfunding. This commitment to society is also reflected internally through a genuine desire to share value with its employees.

The VALOREM Group's environmental commitment is clear and, here again, it stands out by going beyond the obligations associated with its sector of activity.

In my view, the VALOREM Group has always embodied the very essence of a "mission-driven company", even before the official creation of this status.

The Mission Committee ensures that these commitments are properly implemented, and I am delighted to be able to contribute to this, alongside other members with a range of different backgrounds and expertise.

How does the Mission Committee work in practice?

The Mission Committee is made up of four external members and four internal members. Our CSR manager Virginie Joyeux chairs the quarterly meetings and produces the minutes. These meetings provide an opportunity to plan and follow up on the roadmap for the current year and review the goals we have set ourselves as a mission-driven company. At each meeting, we capitalise on the wealth of experience and expertise of each member to define indicators and actions linked to these goals, in line with the realities on the ground, at both regulatory and operational levels. The Committee's proposals are then submitted for approval to the VALOREM Group Management.

In the Committee, you are the employee representative. Does working on the Mission bring something extra to your role as a staff delegate?

My status as an employee representative brings real added value to this Committee, since it means I can pass on the expectations of employees who are fully committed to the company's mission and have a clear view of the realities on the ground.

The VALOREM Mission roadmap sets out six objectives, relating to each of the Group's four stakeholders. The committee set and monitors each of the indicators for each objective.

RESULTS

COMMUNITIES

TOPIC 1

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

The VALOREM Group pursues the ambition of contributing to a sustainable energy future, by fully engaging with the population and with local public and private sector stakeholders. This ambition relies on two essential pillars: structured dialogue at each project stage, and the fair distribution of the economic value generated, for the benefit of communities.

1. During project development, a committee is set up at the request of local authorities.

To ensure clear communication, transparency and genuine involvement of local stakeholders, the VALOREM Group sets up project committees at the request of local authorities from the earliest stages of development. These committees bring together elected officials, local stakeholders and the project team to support the long-term design of projects.

The Group is a signatory to the AMORCE charter for the development of wind energy and applies its best practices, wherever possible, to all of its renewable energy projects.

→ **Result:** 43 project committees were held in 2024 (an increase compared with 2023 when 20 committees were held).

Scope: Projects in France, all renewables, presentation of proposal during development.

CANCELLED RESULT Since 2023, VALOREM has indicated 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.

Comments: An initial attempt to include this proposal in the legally required correspondence sent to the local authority (specified in the Act on accelerating the energy transition, two months before the formation of the project company) proved unsuccessful. This step came too late in the development process. It was abandoned in favour of a more proactive and operational approach: appointing a consultation representative, reinforcing team training, and disseminating best practices across the group.

Scope: Projects in France, for all project companies founded in 2023.

2. The VALOREM Group accedes to requests from local authorities and organisations to hold a stake in their projects' capital. Specifically regarding local authorities, the Group has drawn up legal documentation to facilitate investment in projects, with a standardised 10% package at preferential conditions.

Including local authorities and community stakeholders among project capital stakeholder is a standout feature for the Group. VALOREM wants the development of renewable energies to also be financially beneficial to the municipalities hosting the farms, as much as possible.

→ **New result:** In 2024, 11.76% of plants in operation belonging to the Group have a local stakeholder among their shareholders (mixed economy company or local authority).

Comments: Instead of making its preferential offer to local authorities systematic, the VALOREM Group finds it more appropriate to include all the investments by the community's players. In addition, the Group has conducted several initiatives internally: the nomination of a correspondent, increased communication towards public officials, and training of project managers.

Scope: International, all renewable energies, on all the plants in which the VALOREM Group is a shareholder.

CANCELLED RESULT Since 2023, the VALOREM Group had included this proposal in a letter to the local authority two months before the official establishment of the company created to develop the renewable energy plant project.

Comments: Here too, it was impossible to make the policy systematic through the legally required correspondence: the investment proposition needs to be made further in advance, in the earliest development phases, in order for it to be understood and accepted.

3. The VALOREM Group 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).

As a pioneer in crowdfunding, the VALOREM Group has formed a partnership with Lendosphère to create the MonParcVALOREM platform. Despite a European legal framework that now places limits on the volumes raised by each project developer[6], the Group is continuing this policy which addresses the desire to democratise investment in the energy transition.

→ **Result:** 34% of VALOREM projects included at least one crowdfunding campaign (down on the 2023 figure of 36.2%) .

Scope: International, all renewables, from pre-feasibility study approval to renewable energy farm operation.

In 2025, VALOREM failed to surpass last year's target and the committee will discuss modifying the target for this operational goal for 2025. This is because the scope is now open to foreign projects (Greece, Poland and Finland) where crowdfunding projects in energy have not yet started.

NEW OBJECTIVE

4. In 2024, the VALOREM Group included a contractual clause in the contractor tenders for two wind farms requiring the subcontractors for the roads & utility works, civil engineering and networks packages to submit declarations on the jobs provided by department, region and nationwide.

→ **Result:** These clauses have been applied to two projects under construction.

Scope: France, wind power, construction phase.

FORMER OBJECTIVE
"The construction subcontractors for the roads and utility works, civil engineering and networks packages, all contractually undertake to communicate, on the conclusion of the project, a declaratory database that will make it possible to measure a local jobs indicator and the mobilisation of the local employment catchment area on the scale of the department, region and country.".

Comments: This indicator is therefore in test phase. Ultimately, it will help to assess the economic contribution of projects to their community: number of jobs provided, geographical origin of subcontracting companies and contract types. This monitoring could be extended to the operating phase in a perspective of assessing projects' long-term integration in their community.

[6] The 2020 Regulation on "European crowdfunding service providers for business" specifies a Europe-wide threshold of €5 million per legal entity and per year.

COMMUNITIES

TOPIC 2

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

Renewable energies are an essential response to climate challenges. By producing electricity from inexhaustible resources, without carbon emissions and with minimal waste, they contribute directly to fighting climate change and indirectly to protecting biodiversity. Nevertheless, the VALOREM Group takes steps to blend its renewable energy plants in with their host sites and seeks to increase their positive impact.

1. All projects benefit from support measures beyond those required by law during their development.

Each project developed by the VALOREM Group includes at least one environmental or landscape measure that exceeds legal requirements. The aim is to optimise the local integration of projects while promoting greater consideration of ecological issues.

Result: In 2024, 100% of new projects under development benefited from additional studies.

Scope: Projects in France, all renewables, for which an application for environmental permit was submitted in 2024.

NEW OBJECTIVE

2. Harness the environmental data of plants with experts and the scientific community with a minimum of two studies a year starting in 2025.

Result: In 2024, VALOREM took part in the INRAE methodology guide HYDRINDIC whose goal is to restore wetlands. In particular, the group shared monitoring reports on solar farms in wetlands.

Scope: France or International.

FORMER OBJECTIVE

"All photovoltaic projects being developed on land used for natural, agricultural or forestry purposes will have the following characteristics:

- A land coverage rate capped at 50% of the surface area occupied by solar panels,
- Limiting the number of through-tracks in solar projects,
- A more environmentally friendly site, following Environmental Management System (EMS) methodology,
- Systematic environmental monitoring during the operation of the plant."

Comments: With the ZAN (no net land take) decree in November 2023, these requirements are now part of law. The VALOREM Group has therefore decided to channel its voluntary efforts into additional actions, in particular in the area of biodiversity and in collaboration with scientific research.

Furthermore, VALOREM is committed to capitalising on the data resulting from the environmental monitoring of its projects by drawing on partnerships with experts and research organisations. The aim is to contribute to furthering knowledge on ecosystems, in connection with renewable energy.

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

VALOREM has included two additional milestones into its project development process to take better account of environmental factors. These are assessed at the beginning of the project and before the environmental authorisation applications.

Result 1: During the pre-feasibility study phase, the 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.

Scope: All projects in France, all renewables, except photovoltaic greenhouse projects and high voltage substations, which have reached P2 stage or for which prospection began in 2024.

Result 2: The Environment department drew up an environmental rating matrix prior to the environmental permit application to evaluate the avoidance and reduction measures implemented in the project design. The project must obtain a score of 15/20 to pass this phase.

Scope: All projects in France, all renewables, except photovoltaic greenhouse projects and high voltage substations, which have reached P3C stage or for which prospection began in 2024.

EMPLOYEES

TOPIC 3

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

As an independent, human-scale group, VALOREM has succeeded in preserving a collective spirit based on strong values: conviviality, entrepreneurship, collegiality and collaboration.

It is the employees who, in their daily jobs, guarantee the quality of the projects conducted and the relationship of trust established with stakeholders. Consequently, VALOREM is keen to offer them a stimulating working environment, involve them in value creation and enable them to become active in the ecological transition themselves, including in their personal lives.

1. Every two years, team well-being is measured and the findings published so the Group can act on the areas of improvement identified.

This barometer, which has been monitored since 2010, is managed by a working group made up of representatives from Human Resources, the Executive Committee, staff delegates, Communication and Quality. The findings are shared transparently and a collaborative action plan is implemented to address the expectations detected.

→ **Result:** 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 issued, including work-study students, as well as employees of international subsidiaries. Excluding trainees.

2. The Group undertakes to work with staff representatives to develop at least one additional mechanism each year to encourage our employees to reduce their carbon footprint.

Every year, the VALOREM Group introduces at least one tangible initiative to reduce its employees' carbon footprint. These projects are proposed in concert with staff delegates, employees or the management, and aim to support each individual in their own green transition.

→ **Result:** Launch of a collective self-consumption project aimed at employees working in the Bègles headquarters. A dedicated association, Val'Horizons, was created to manage this initiative.

Scope: All employees of VALOREM ESU (France) on open-ended contracts. Excluding work experience trainees.

3. By 2026, employee shareholders will own 4% of total share capital.

The VALOREM Group wishes its employees to be stakeholders in the value they create, by opening the Group's share capital to them. This policy has gained in structure over time with several programmes, and the aim is that employees own 4% of the Group's shares by 2026.

An initial holding company for employee shares was set up in 2019, which was joined by 49% of the people employed at the time.

Then in 2022, VALOREM set up a Fonds Commun de Placement en Entreprise (FCPE - mutual fund), which issues convertible bonds (ORAN).

→ **Result:** In December 2024, employees held 3.02% of VALOREM's capital (employee holding company and FCPE combined).

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

4. The Group undertakes to devote at least 3.5% of payroll to employee training for expertise updating and skill enhancement, and also increase the proportion of non-legally required training.

The VALOREM Group leads a proactive policy to contribute to the training of renewable energy sector professionals. In addition to its compulsory training courses, the Group wishes to develop the cross-disciplinary skills of its employees to strengthen management skills and cohesion between departments.

→ **Result 1:** In 2024, the VALOREM Group dedicated 3.97% of its payroll to training.

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

→ **Result 2:** In 2024, the VALOREM Group dedicated 3.03 of its payroll to non-legally required training.

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

ECONOMIC PARTNERS

TOPIC 4
Grow, innovate and take action to produce economically affordable renewable energy.

The VALOREM Group wishes to maintain control over its development strategy and decision making to guarantee the long-term future of the company while continuing to grow. The Group advocates for clean, affordable and accessible energy that contributes to people's resilience to climate change. This commitment also translates into active participations in the public debate.

1. In 2028, 4% of all photovoltaic or onshore wind power assets in France will have been developed by VALOREM.

The VALOREM Group, an independent operator, develops and builds renewable energy plants and, in so doing, contributes significantly to the energy transition. By 2028, after more than 30 years of activity, the Group estimates that it will have developed 4% of solar and onshore wind power assets in France.

→ **Result:** 3.6% of French ground-mounted solar power plants and onshore wind farms in operation at the end of 2024 were developed by VALOREM.

Scope: Projects in France, onshore wind farms and ground-mounted solar power plants (capacity above 1 MW).

2. The Group undertakes to increase the innovation budget (technical innovation projects) each year to reach €2 million in 2025.

The VALOREM Group takes part in research and innovation projects, essential for the good health of an industrial sector, in renewable energy. The projects targeted are those that bring an entitlement to a research tax credit and an innovation tax credit.

→ **Result down on 2023: €684,082.57** devoted to research and innovation in 2024 (€1.34 million in 2023).

Scope: Projects in France eligible for research tax credit (CIR) and Innovation tax credit (CII).

Comments: VALOREM deployed a new ERP system in 2024, which led to data instability and made it impossible to verify expenses incurred, except those on human resources. Nevertheless, the group continues to conduct research and innovation projects (floating offshore wind power, performance of our assets, and performance of electricity production, solar cold storage, etc.). In 2024, 7.3 FTEs in the VALOREM group worked on research projects.

3. The VALOREM Group undertakes to put forward proposals for the introduction of a regulatory framework for an economically affordable and environmentally sustainable energy transition.

The VALOREM Group regularly contributes to public debate to support the renewable energy sector. Each year, VALOREM declares all its public actions to the High Authority for the Transparency of Public Life (HAVTP).

→ **Result:** 36 advocacy actions declared to the HATVP (as against 19 in 2023).

Scope: France. Declaration made to the High Authority for the Transparency of Public Life (HAVTP).

TOPIC 5
Develop balanced and lasting relationships with partners.

The VALOREM Group undertakes to structure its processes to build long-term relationships with its partners founded on ethical behaviour, transparency and reciprocity.

By promoting a culture of cooperation, the Group wishes to contribute to elevating the professional practices of its clients and suppliers, for the benefit of a shared energy and ecological transition.

1. By the end of 2024, 100% of employees will have been trained in the code of ethics and conduct.

This training course, delivered through the 'Le Droit Pour Moi' platform and with Qualiopi certification, focuses in particular on preventing corruption. In 2025, a level 2 training course will be rolled out for managers and employees identified as being most exposed to ethical risks in their roles.

→ **Result:** In 2024, 100% of employees received level 1 training in the ethical business conduct policy.

Scope: France and international.

2. By the end of 2024, 90% of our employees will have been trained in our supplier relations code of conduct.

The VALOREM Group is continuing to structure its purchasing process and has obtained the renewal of its Responsible Supplier Relations and Purchasing (RFAR) label. Work on formalising the code of conduct will continue in 2025, with the aim of providing a clear, shared and stringent framework for all teams and partners.

→ **Result:** This target was not met. In 2024, the supplier relations code of conduct was still in the process of being drawn up. The goal is to finalise it in 2025.

Scope: France and international.

3. By 2025 (or the end of 2024), 80% of supplier expenditure will be assessed by EcoVadis and 100% of calls for tender will include CSR criteria.

This approach aims to independently assess the CSR performance of VALOREM Group suppliers and encourage continuous improvement in their practices. At the same time, the systematic integration of ESG criteria into the Group's calls for tenders is becoming the norm, ensuring greater consistency between its commitments and those of its partners.

→ **Result:** This target was not met. In 2024, 63% of supplier spend was assessed by EcoVadis.

Comments: Due to the change in ERP software during 2024, VALOREM was only able to assess its supplier expenditure up to 31 July. However, even over seven months, this target was not met. Additional efforts will be made in 2025 to reach 80%.

Scope: France and international.

SOCIETY

TOPIC 6

Defend and implement a shared vision of the energy transition.

The VALOREM Group has a vision of energy transition based on solidarity and fairness. The Group shares the value generated by its renewable energy plants to finance social inclusion initiatives through employment in local areas, and combats energy poverty in France and internationally through its Watt for Change endowment fund.

NEW OBJECTIVE

1. The VALOREM Group makes it a general practice to implement economic activity inclusion actions project around its renewable energy plants. Sinc 2023, the VALOREM Group has worked with back-to-work organisations for the upkeep of the green spaces of its plants in operation.

Result: In 2024, the VALOREM Group contracted with seven back-to-work organisations to maintain its plants in operation.

Scope: VALOREM assets in operation, all renewables, France and international.

FORMER OBJECTIVE

"Between now and 2024, the VALOREM Group will make it a general practice to implement a social inclusion project through in connection with its farms under construction and in operation. At least 8% of the man hours going into the construction of its solar farms will be worked by employees on social inclusion schemes."

Comments: A change in indicators because the previous target was too ambitious. In fact, in 2024, only two photovoltaic projects were undertaken. Furthermore, one of the two projects was located in an area not covered by the 'Alliance ville Emploi' network of facilitators. Yet their work is essential for monitoring participants and certifying working hours.

Finally, a significant proportion of social inclusion hours were traditionally worked in security roles, a job that has now often been replaced by remote surveillance systems. In light of this development, the VALOREM Group is adjusting its target while stepping up its voluntary social inclusion initiatives, particularly during the operational phase of its plants.

2. Every year, VALOREM devotes a budget to its endowment fund Watt for Change correlated with its wealth creation, with a minimum of €400,000 to combat energy poverty in France and around the world.

Established in 2016, Watt for Change supports projects promoting access to energy in West Africa and combating energy poverty in France. Thanks to this endowment, the fund works alongside community organisations to finance energy renovations, solutions for access to sustainable energy, and support for the most vulnerable members of society.

Result: Contribution of €750,000 to the Watt for Change endowment fund.

Scope: Donation by VALOREM Group to the Watt for Change endowment fund.

30 years
ENERGY FOR ACTION SINCE 1994

VALOREM

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