



# ESG – a competitive advantage

Roar Haugland, EVP Sustainable Business & HSSE

Julie Hamre, Senior Sustainability Manager,  
ESG Reporting & Strategy

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# ESG is integrated in Scatec's operating model

## How we work with ESG

- ESG is an integrated part of our business
- Dedicated E&S resources for long term approach and impact
- Solid Environmental and Social Management System covering all projects

## A competitive advantage

- Attracts projects and business partners
- Reduces risks and strengthens probability of successful completion of projects
- Becoming imperative to qualify for and win new projects

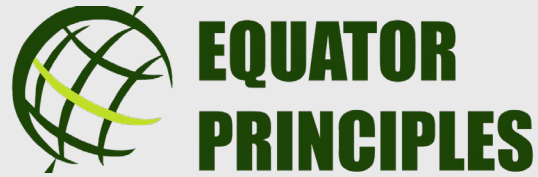




## All Scatec projects must adhere to the IFC PS and Equator Principles



Defines IFC clients' responsibilities for managing their environmental and social risks



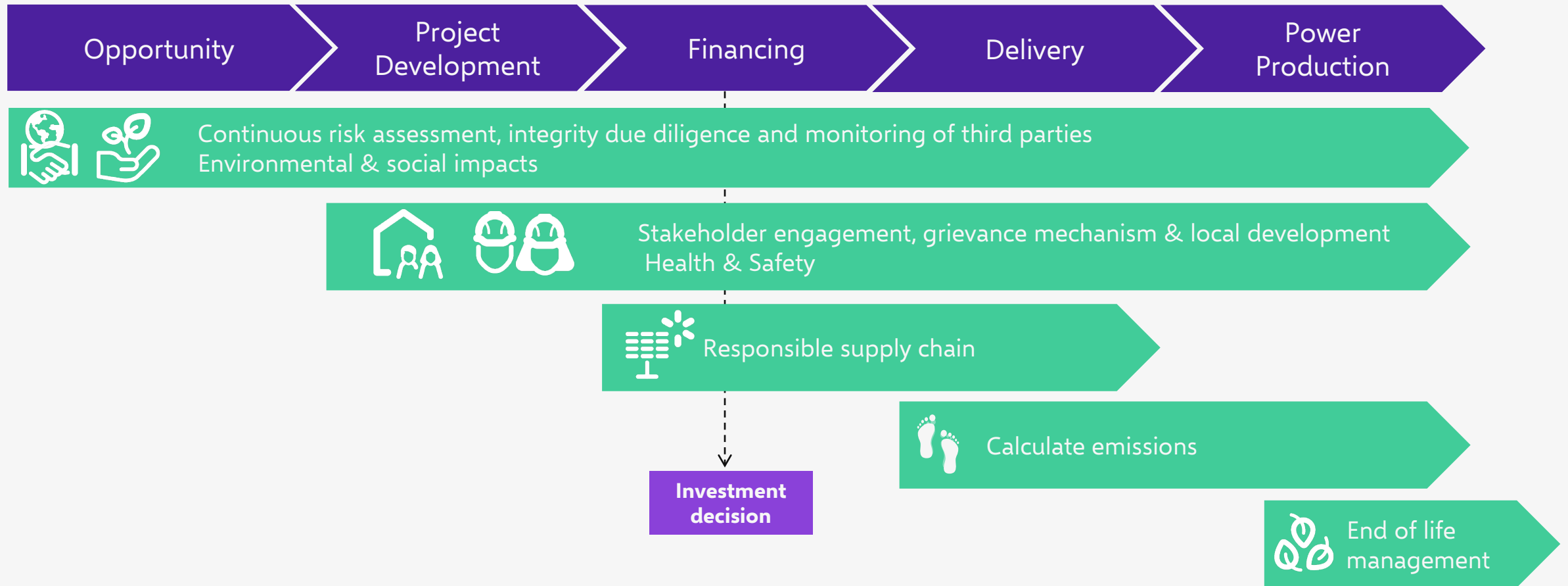
Risk management framework for determining, assessing and managing environmental and social risk in projects



Standards for responsible business conduct for issues such as human rights, labour rights and the environment



## ESG is integrated in our operating model





## Key risk area: Labour and working conditions

### BenBan Solar Park, 380 MW

- Location: Aswan, Upper Egypt
- Grid connected: 2019
- Annual electricity production: 870 GWh
- Number of workers during peak construction: 4,010 – of which 80% local





## Potential impact area: Land resettlement and livelihood restoration



### Mocuba solar plant, 40 MW

- Location: Zambézia Province, Mozambique
- Grid connected: 2019
- Livelihood restoration of 223 local households
- IFC Performance Standard 5
- Long term monitoring and reporting



## Our ESG reporting is guided by close dialogue with key stakeholders



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### Global Reporting Initiative

- Strategic disclosure
- ESG100: Top rating on ESG reporting by the Governance Group

### Carbon Disclosure Project

- CDP score: A List company
- CDP: Recognised as a supplier engagement leader

### Task Force on Climate related Financial Disclosure

- Climate risk and opportunities
- TCFD report 2020



# Climate reporting and targets: Closer engagement with key suppliers

## 2020 GHG emissions:



**Estimated payback time for a 50 MW solar project: 1.5 years**

\*Base year is 2019



# EU Taxonomy discussion

## Assessment criteria:

- ✓ **Substantial contribution** to one of the six environmental objectives
- ✓ **Do No Significant Harm** to the other five environmental objectives
- ✓ **Minimum Safeguards** – e.g OECD Guidelines on Multinational Enterprises and the UN Guiding Principles on Business and Human Rights





## A leading position in ESG

- Experience from navigating complex markets
- Identifies ESG project risks early with dedicated teams on the ground
- A net positive carbon footprint – and set targets for reductions in emissions
- Comprehensive ESG reporting and close monitoring of regulations (e.g EU Taxonomy)



**Rating summary: Low risk**  
#1 of 450 – Utilities  
#1 of 48 – Renewable power producers



**Rating: A- (excellent)**  
Status: Prime  
Prime threshold: C+



**Rating: AAA (top rating)**  
Highest scoring range  
relative to global peers



**Rating: A**  
Carbon Disclosure Project  
Top score



**Scatec**

## Sustainability Report

2020



### **Publication date:**

26 March 2021

**For questions  
or feedback:**

[julie.hamre@scatec.com](mailto:julie.hamre@scatec.com)

