ANNUAL REPORT 2021

Environment, Health & Safety and CSR

Polenergia

TABLE OF CONTENTS

1. INTRODUCTION

1.1 About Polenergia Group

The Group operates in the energy sector. The essence of the Group's operation lies in its holding structure, in which the Company acts as a dominating company, manages the individual special purpose vehicles and provides them with operational, administrative, legal, HR as well as financial and accounting service.

Current operation of the Group includes the following core areas of business:

- energy production by the on-shore wind farms and photovoltaic farms;
- off-shore wind farms;
- gas and clean fuels, including hydrogen technologies;
- distribution and electromobility; and
- trading and sales.

The new directions of strategic development of the Group include energy storage, energy recovery from other products, other innovation in the energy sector and potential expansion onto the foreign markets.

At present, the Group's operation covers the entire territory of Poland, with a focus on locations of the highest energy capacity i.e. extraordinary wind load factor (for wind farms) or insolation (for solar farms) conditions and relatively low connection costs as well as, in the field of energy trading, certain foreign markets. The Group's operation is synergistically integrated and optimized, which enables maximization of revenues and reduction of operating expenses.

Mission of the Group involves active support of transformation of the Polish energy market by development of low-carbon economy, clean and renewable energy sources and pursuing towards achievement of climate neutrality in the EU in 2050.

Structure of Capital Group - Polenergia - Corporate Service

1.2 Purpose and Scope of the Report

This Report has been prepared to present to Polenergia Management Board and the Creditors the status of projects in operation and under construction and development as well as matters relating to occupational health and safety and the level of completion of tasks set by the Stakeholder Engagement Plans (SEP) and Environmental and Social Action Plans (ESAP). In line with the expectations of both Polenergia Management Board and the Creditors, the Report presents:

- General information about the Group's assets;
- Information on the Group's overall environmental performance;
- A summary of all areas of material environmental non-compliance or material breach of permits;
- Information on any significant fines or other penalties or pending proceedings related to environmental and/or occupational health and safety matters;

- General information on the implementation of Environmental and Social Action Plans and on any new projects or changes to planned projects;
- Summary of all significant regulatory changes related to environmental or social aspects;
- Information on all changes to Natura 2000 sites or Important Bird Areas affecting Polenergia wind farms (under development, under construction or at the planning stage);
- Information on new projects, status of environmental impact assessment (EIA) procedures and public consultations;
- Information on the level of implementation of tasks set by Stakeholder Engagement Plans (SEPs) and Environmental and Social Action Plans (ESAPs).

2. CURRENT STATUS OF THE PROJECTS/OPERATION OF THE POLENERGIA GROUP

With a view to commitments of Poland in the field of environmental protection and significant capacity of renewable energy market development, the Group has been dynamically expanding its activity in the area of development and construction, followed by operation of the on-shore wind farms, which is manifested by a constantly increasing number of projects at the planning and operation stages.

The Group holds nine completed and operating wind farms, primarily located in the northern and western Poland, of total capacity exceeding 287 MWe. The Group designs and operates on-shore wind farms alone, provided that the construction stage involves also the outsourced subcontractors.

Puck WF

Puck WF is situated in the Gnieżdżewo locality in Puck Municipality, Puck Poviat, Pomeranian Voivodeship. The farm was commissioned in 2007. Its capacity is 22 MW, generated by 11 Games G80 type wind turbines of 2 MW capacity each. The historical wind load factor P-75 for this project is 22.8%. The farm owner and operator is Dipol sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Puck WF produces and transmits power to the grid of the local energy distributor belonging to the Energa Group. Power is sold to the trade company belonging to the Group.

Łukaszów WF

Łukaszów Wind Farm is located in Zagrodno Commune, Złotoryja Poviat, Lower Silesian Voivodeship. It was commissioned at the early 2012. The wind farm capacity amounts to 34 MW, generated by 17 Vestas V90 wind turbines of 2 MW capacity each. The historical wind load factor P-75 for this project is 27%. The farm operator is Amon sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Łukaszów WF produces and transmits power to the grid of the local energy distributor belonging to the Tauron Group. Power and certificates of RES origin are sold to the trade company belonging to the Group.

Modlikowice WF

Modlikowice WF is located in Zagrodno Commune, Złotoryja Poviat, Lower Silesia Voivodeship. It was commissioned at the early 2012. The wind farm capacity amounts to 24 MW, generated by 12 Vestas V90 wind turbines of 2 MW capacity each. The historical wind load factor P-75 for this project is 25.8%. The farm owner and operator is Talia sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Modlikowice WF produces and transmits power to the grid of the local energy distributor belonging to the Tauron Group. Power and certificates of RES origin are sold to the trade company belonging to the Group.

Gawłowice WF

Gawłowice WF is located in Radzyń Chełmiński Municipality, Grudziądz Poviat, Kuyavian-Pomeranian Voivodeship. The first stage of the project was commissioned in 2014, while the next one a year later. The existing total project capacity is 48.3 MW and consists in 18 Siemens turbines of 2.3 MW capacity each. The historical wind load factor P-75 for this project is 35.8%. The farm owner and operator is Polenergia Farma Wiatrowa 1 sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Gawłowice WF produces and transmits power to the grid of the local energy

distributor belonging to the Energa Group. Power and certificates of RES origin are sold to the trade company belonging to the Group.

Rajgród WF

Rajgród WF is located at the territory of the Rajgród Municipality, Grajewo Poviat, Podlassia Voivodeship. It was commissioned in 2014. The existing total project capacity is 25.3 MW and consists in 11 Siemens turbines of 2.3 MW capacity each. The historical wind load factor P-75 for this project is 30.7%. The farm owner and operator is Polenergia Farma Wiatrowa 6 sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Rajgród WF produces and transmits power to the grid of the local energy distributor belonging to the PGE Group. Power and certificates of RES origin are sold to the trade company belonging to the Group.

Skurpie WF

Skurpie WF is located in Płośnica Commune, Działdowo Poviat, Warmia and Masuria Voivodeship. The project was commissioned in the 2H 2015. The existing total project capacity is 43.7 MW and consists in 19 Siemens turbines of 2.3 MW capacity each. The historical wind load factor P-75 for this project is 32.2%. The farm owner and operator is Polenergia Farma Wiatrowa 4 sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Skurpie WF produces and transmits power to the grid of the local energy distributor belonging to the Energa Group. Power and certificates of RES origin are sold to the trade company belonging to the Group.

Mycielin WF

Mycielin WF is located in the Niegosławice and Szprotawa Communes, Żagań Poviat, Lubusz Voivodeship. It was commissioned in 2016. The existing total project capacity is 46 MW and consists in 23 Vestas turbines of 2 MW capacity each. The historical wind load factor P-75 for this project is 35.3%. The farm owner and operator is Polenergia Farma Wiatrowa Mycielin sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Mycielin WF produces and transmits power to the grid of the local energy distributor belonging to the ENEA Group. Power and certificates of RES origin are sold to the trade company belonging to the Group.

Krzęcin FW

Krzęcin FW is located in the Krzęcin Commune, Choszczno Poviat, Western Pomeranian Voivodeship. It was commissioned in 2010. The existing total project capacity is 6 MW and consists in 4 Nordex S77 turbines of 1.5 MW capacity each. The historical wind load factor P-75 for this project is 18.4%. Since 2018, the farm owner and operator is Polenergia Farma Wiatrowa 23 sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Krzęcin WF produces and transmits power to the grid of the local energy distributor belonging to the ENEA Group. Power and certificates of RES origin are sold to the trade company belonging to the Group.

Szymankowo WF

Szymankowo WF is located in Miłoradz Commune, Malbork Poviat, Pomeranian Voivodeship. The farm was commissioned din September 2021. Total installed capacity amounts to 38.1 MW and consists in 11 Siemens Games G132-3.45 MW turbines of 3.456 MW capacity each. The historical wind load factor P-75 for this project is 36%. The farm owner and operator is Polenergia Farma Wiatrowa Szymankowo sp. z o.o., a special purpose vehicle, fully controlled by the Company (100% of shares). Szymankowo WF produces and transmits power to the grid of the local energy distributor belonging to the Energa

Group. Power is sold to the trade company belonging to the Group. Project will receive financial support in the form of the contract of differences with the Zarządca Rozliczeń S.A. in the period between 2022 and 2037 on the basis of awarded RES auction.

On-shore wind farms under construction

Dębsk WF

The Dębsk WF project is implemented by the special purpose vehicle Polenergia Farma Wiatrowa 3 sp. z o.o. FW Dębsk is located in the Żuromin Commune and Kluczbork Osada Commune in the Żuromin Poviat, Mazovian Voivodeship.

The capacity of the individual Vestas V110 - 2.2MW turbines will be 2.2 MW. Total designed installed capacity of the wind farm will be 44 MW. Total installed capacity of the wind farm will be 121 MW. The project includes also the main electrical substation, underground power and control cable infrastructure, as well as access roads to respective turbines and maintenance and assembly areas. The energy generated by the Dębsk WF turbines will be transmitted via underground cable lines to the main electrical substation. After transformation to high voltage, power will be transmitted via underground 110 kV cable line with a length of approximately 63 km to the Kruszczewo main electrical substation owned by the Energa Group. The construction works commenced in the 2Q 2020, while completion of the construction and assembly works is scheduled for 2Q 2022 and obtaining of operation permit and licence for 3Q 2022.

Kostomłoty WF

The Kostomłoty WF project is implemented by the special purpose vehicle Polenergia Farma Wiatrowa Dębice/Kostomłoty sp. z o.o. and will be located at the area of the Kostomłoty Commune, Środa Poviat, Lower Silesian Voivodeship.

According to the building permit (amended in 2018), the capacity of the individual Vestas V136 turbines will be 3 MW. Total installed capacity of the wind farm will be 27 MW. Power will be transmitted from the Kostomłoty main electrical substation via 110 kV cable line of length of approx. 14 km to the Kąty Wrocławskie main electrical substation belonging to the Tauron Group.

The construction works commenced in the 1Q 2021, while completion of t works is scheduled for 2Q 2022 and obtaining of operation permit and licence for 3Q 2022.

On-shore wind farms under development

The key projects of the Group in the field of on-shore wind farms currently under development are the Piekło WF and Grabowo WF. Apart from these projects, there is one more on-shore wind farm project under development.

Piekło WF

Piekło WF project is implemented by two special purpose vehicles - Polenergia Farma Wiatrowa 16 sp. z o.o. and Polenergia Farma Wiatrowa Piekło sp. z o.o. Piekło WF is located at the area of the Międzychód Poviat. The environmental impact assessment procedure ended with the issuance of a decision on environmental conditions permitting the construction of up to 14 turbines and the necessary infrastructure. The company ultimately decided to build six wind turbines. The capacity of the individual Vestas V110 turbines will be 2.2 MW. Total installed capacity of the wind farm will be 13,2 MW.

On 26 November 2020, based on the auction announcement of 1 October 2020, "AZ/7/2020" auction for the sale of electricity from renewable energy sources was held. As a result of winning "AZ/7/2020" auction, the Piekło WF project with a capacity of 13.2 MW received 15-year support. The works related to Piekło WF project have been currently at the stage of preparation for construction works, including the update of already made arrangements, selection of the contractors and organisation of financing. In December 2021, the Piekło WF project received the approval of the corporate authorities of the Company for commencement of the investment. On 30 December 2021, the contracts for supply and assembly of turbines for the Piekło WF entered into force and a applicable advanced payments were made by the companies implementing the Piekło WF projects under the contracts signed with Vestas Polska sp. z o.o.

Commencement of construction works is scheduled for 2Q 2022, completion of the construction and assembly works for 2Q 2023. According to the Group's assumptions, the licence for power production by Piekło WF will be obtained by September 2023.

Grabowo WF

Grabowo WF project is implemented by the special purpose vehicle Polenergia Farma Wiatrowa Grabowo sp. z o.o. Grabowo WF is located at the area of the Kolno Poviat. The environmental impact assessment procedure ended with the issuance of a decision on environmental conditions permitting the construction of up to 20 turbines and the necessary infrastructure. The capacity of the individual Vestas V110 turbines will be 2.2 MW. Total designed installed capacity of the wind farm will be 44 MW.

The works related to Grabowo WF project have been currently at the stage of preparation for construction works, including the update of already made arrangements, selection of the contractors and organisation of financing. In December 2021, the Grabowo WF project received the approval of the corporate authorities of the Company for commencement of the investment.

Commencement of construction works is scheduled for 2Q 2022, completion of the construction and assembly works for 3Q 2023. According to the Group's assumptions, the licence for power production by Grabowo WF will be obtained by December 2023.

"Photovoltaic farms" area

Photovoltaic farms under operation

Sulechów I PVF

Sulechów I PVF is located in the Sulechów Municipality, Zielona Góra Poviat, Lubusz Voivodeship. It consists in 8 photovoltaic farms, each of approx. 1 MW capacity, along with the necessary infrastructure, including 15 kV/LV power stations and distribution system.

Construction of Sulechów PVF lasted from April to September 2019. The farm received the operation permit in October 2019 and started the production of power in November. Since the beginning of 2020, the farm has been producing energy in the auction system. Sulechów I PVF is owned by Polenergia Farma Wiatrowa 17 Sp. z o.o., a special purpose vehicle 100% owned by Polenergia.

Total area of the farm is approx. 16.5 ha. In the first year of operation, the total annual energy production is about 8 200 MWh. The operation time of the facility is estimated for 25 years, which corresponds to a cumulative production of approx. 200 000 MWh.

Photovoltaic farms under construction

Sulechów II PVF

Sulechów II PVF project is implemented by the special purpose company Polenergia Farma Wiatrowa 17 sp. z o.o. Sulechów II PVF is located at the area of the Sulechów Municipality, Zielona Góra Poviat, Lubusz Voivodeship. Sulechów II PVF of the total capacity of approx. 11.7 MW consists in 10 photovoltaic projects of capacity of 1 MW each and 2 projects of capacity of 0.86 MW each. Sulechów II PVF project won the auction for sales of energy from renewable sources in 2020 and contracted sales of energy for 15 years

In 2019, the special purpose vehicle obtained the building permit for 12 photovoltaic projects of capacity of up to 1 MW each and building permit for distribution system. In 2019, it obtained also the connection conditions for 12 photovoltaic projects issued by Polenergia Dystrybucja sp. z o.o., acting as the local distribution system operator. Energy produced by Sulechów II PVF will be transmitted via distribution system to the Sulechów main electrical substation belonging to the Enea Group.

At present, the Sulechów II PVF is at the construction stage, with scheduled completion date in the 1Q 2022. According to the Company's assumptions, the entry into the register of energy producers for energy production in small installation by Sulechów II PVF will be obtained in the 1H 2022.

Sulechów III PVF

Sulechów III PVF project is implemented by the special purpose company Polenergia Farma Wiatrowa Grabowo sp. z o.o. Sulechów III PVF is located at the area of the Sulechów Municipality, Zielona Góra Poviat, Lubusz Voivodeship. Sulechów III PVF of the total capacity of approx. 9.8 MW consists in 9 photovoltaic projects of capacity of 1 MW each and 1 project of capacity of 0.8 MW. Sulechów II PVF project won the auction for sales of energy from renewable sources in 2020 and contracted sales of energy for 15 years

In 2019, the special purpose vehicle obtained the building permit for 10 photovoltaic projects of capacity of up to 1 MW each and building permit for distribution system. In 2019, it obtained also the connection conditions for 10 photovoltaic projects issued by Polenergia Dystrybucja sp. z o.o., acting as the local distribution system operator. Energy produced by Sulechów III PVF will be transmitted via distribution system to the Sulechów main electrical substation belonging to the Enea Group.

At present, the Sulechów III PVF is at the construction stage, with scheduled completion date in the 1Q 2022. According to the Company's assumptions, the entry into the register of energy producers for energy production in small installation by Sulechów III PVF will be obtained in the 1H 2022.

Buk I PVF

Buk I PVF project is being implemented by the special purpose vehicle Polenergia Farma Wiatrowa Rudniki sp. z o.o. Buk I PVF is located in the Buk Municipality, Poznan Poviat, Greater Poland Voivodeship. Buk I PVF of the total capacity of approx. 6.4 MW consists in 5 photovoltaic projects of capacity of 1 MW each, 1 project of capacity of 0.86 MW and 1 project of capacity of 0.58 MW. Buk I PVF project won the auction for sales of energy from renewable sources in 2020 and contracted sales of energy for 15 years

In 2020, the special purpose vehicle obtained the building permit for 7 photovoltaic projects of capacity of up to 1 MW each. In 2020, it obtained also the connection conditions for seven photovoltaic projects issued by Polenergia Dystrybucja sp. z o.o., acting as the local distribution system operator. Energy

produced by Buk I PVF will be transmitted via distribution system to the Buk main electrical substation belonging to the Enea Group.

At present, the Buk I PVF is at the construction stage, with scheduled completion date in the 1Q 2022. According to the Company's assumptions, the entry into the register of energy producers for energy production in small installation by Bk I PVF will be obtained in the 1H 2022.

Photovoltaic farms under development

The company develops the subsequent photovoltaic projects of total capacity of approx. 643 MWp, of which the most advanced ones include the Świebodzin I PVF, Strzelino PVF and Świebodzin II PVF described below. In addition, the Group's portfolio includes currently 15 projects of total capacity of approx. 577 MWp at less developed stage. The projects mentioned in the preceding sentence neither hold the building permits, nor the procedure for issuing the building permits has started for these projects yet. All these projects have secured rights to the land, part of them already holds the environmental decisions, while another parts holds the development conditions or local spatial development plans. The Company intends to continue expansion of the photovoltaic project portfolio under development and construction.

Świebodzin I PVF

Świebodzin I PVF project is being implemented by the special purpose vehicle Polenergia Farma Olbrachcice sp. z o.o. Świebodzin I PVF is located at the area of Świebodzin Municipality, Świebodzin Poviat, Lubusz Voivodeship. Świebodzin I PVF of the total capacity of approx. 10.5 MW consists in 10 photovoltaic projects of capacity of 1 MW each and 1 project of capacity of 0.5 MW. Świebodzin I PVF project won the auction for sales of energy from renewable sources in December 2021 and contracted sales of energy for 15 years

In 2021, the special purpose vehicle obtained the building permit for 11 photovoltaic projects of capacity of up to 1 MW each. In 2021, it obtained also the connection conditions for 11 photovoltaic projects issued by Polenergia Dystrybucja sp. z o.o., acting as the local distribution system operator. Energy produced by Świebodzin I PVF will be transmitted via distribution system to the Świebodzin main electrical substation belonging to the Enea Group.

At present, the Świebodzin I PVF project has the "ready for construction" status. The investment decision will be made in 2022.

Strzelino PVF

Strzelino PVF project is being implemented by the special purpose vehicle Polenergia Obrót 2 sp. z o.o. Strzelino PVF is located at the area of Słupsk Municipality, Słupsk Poviat, Pomeranian Voivodeship. Installed capacity of Strzelino PVF will be of approx. 45.2 MW. Strzelino PVF project won the auction for sales of energy from renewable sources in December 2021 and contracted sales of energy for 15 years

In 2021, the special purpose vehicle obtained the building permit for photovoltaic farm of capacity of approx. 45.2 MW. In 2020, it obtained also the connection conditions for photovoltaic farm issued by Energa Operator S.A. Energy produced in the Strzelino PVF will be transmitted to the Słupsk Wierzbięcino main electrical substation owned by the Energa Group.

At present, the Strzelino PVF project has the "ready for construction" status. The investment decision will be made in 2022.

Świebodzin II PVF

Świebodzin II PVF project is being implemented by the special purpose vehicle Polenergia Farma Fotowoltaiczna 12 sp. z o.o. Świebodzin II PVF is located at the area of Świebodzin Municipality, Świebodzin Poviat, Lubusz Voivodeship. Świebodzin II PVF of the total capacity of approx. 10.5 MW consists in 10 photovoltaic projects of capacity of 1 MW each and 1 project of capacity of 0.5 MW.

In 2021, the special purpose vehicle obtained the building permit for 11 photovoltaic projects of capacity of up to 1 MW each. In 2021, it obtained also the connection conditions for 11 photovoltaic projects issued by Polenergia Dystrybucja sp. z o.o., acting as the local distribution system operator. Energy produced by Świebodzin II PVF will be transmitted via distribution system to the Świebodzin main electrical substation belonging to the Enea Group.

At present, the Świebodzin II PVF project has the "ready for construction" status. The investment decision will be made in 2022.

Off-shore wind farms

In 2018, the Group established cooperation with Equinor involving joint implementation of the Bałtyk II and Bałtyk III OWFs. In December 2019, the Group signed the cooperation agreement with Equinor for implementation of the Bałtyk I OWF. The capacity of Bałtyk I OWF projects, in accordance with the permits obtained to this day, can reach even 1560 MW, while of Bałtyk II and Bałtyk III OWFs of 720 MW each. Total capacity of the off-shore wind farm projects developed by the Group in cooperation with Equinor is 3 000 MW.

The special purpose vehicles hold legally valid environmental decisions for the construction of Bałtyk II OWF (March 2017) and Bałtyk III OWF (July 2016) along with the connection contracts and legally valid environmental decision for the construction of transmission infrastructure (March 2019), provided that the proceeding on the new environmental conditions decision for the Bałtyk III OWF project is pending (see: chapter: "Description of operation - Significant proceedings and disputes - Judicial and administrative proceedings"). These decisions may be amended to adapt them to the existing design solutions.

For the Bałtyk II OWF and Bałtyk III OWF projects, the preliminary prospecting works related to geological conditions of sea bottom was performed and a two-year long wind measurement campaign with the use of LIDAR (Light Detection and Ranging) system was carried out. Confirmation of very good wind load factor will enable effective use of the wind capacity at this area.

For the Bałtyk II OWF and Bałtyk III OWF projects, detailed survey of sea bottom in the area of the future off-shore wind farms was performed to detect and neutralize the potential UXOs or other objects that could pose a threat to safety of planned works related to foundation of wind turbines. During the survey campaign lasting between August and September 2020, no objects that could pose a threat to the construction of off-shore wind farms was detected.

The final investment decision for the Bałtyk II OWF and Bałtyk III OWF projects is scheduled for 2024, which enable transmission of the first energy to the system in 2027. Production capacity of both farms is to be 1 440 MW, which will allow for supplying power to more than 2 million of households. In 2021, Bałtyk II OWF and Bałtyk III OWF obtained the decisions of the President of the Energy Regulatory Office granting the right to cover the negative energy balance, which acts as the systemic support dedicated to energy production by the off-shore wind farms.

The third project, Bałtyk I OWF, has the valid location permit and connection agreement with the distribution system operator (January 2021). At present, the comprehensive pre-investment maritime environment research programme is being implemented for the purposes of environmental impact assessment of Bałtyk I OWF, which constitutes the milestone to obtain the decision on environmental conditions being one of the key documents necessary for project implementation.

The period of operation of the off-shore wind farms constructed by the Group in cooperation with Equinor is planned for 25 - 30 years.

In addition, on 31 December 2021, the Company and the Lithuanian Company - Modus Energy AB (operating under the Green Genius brand) (a part of Modus Group - international group of companies operating in the renewable energy sector), which will act as a local partner, agreed the essential terms of joint venture ("JV") agreement aiming at development of the off-shore wind farm projects to be constructed and operated with the use of associated infrastructure in the Baltic Sea region constituting the Lithuanian territorial sea waters. Implementation of the project depends among others from agreeing and signing the complete transaction documentation on JV establishment, obtaining the potential regulatory and corporate permits and consents.

"Gas and clean fuels, including hydrogen technologies" area

Gas

In order to effectively balance the production portfolio in line with the new strategy, the Group intends to develop projects based on advanced gas technologies, by implementing the investments in CHP units (i.e. the units producing both heat and power) intended for the industrial recipients of technological steam. While developing the investments in CHP units, the Group will analyse the potential of partial or complete switching of these units from gas to hydrogen on the on-going basis. The Group intends to ensure its readiness for such solution in the upcoming years. Both the existing Nowa Sarzyna CHP Plant and the planned new gas units are to be prepared for green hydrogen combustion, which shall contribute to establishment of zero carbon energy group in future.

On 29 June 2020, the Company and Siemens Energy signed the letter of intent on cooperation in the area of industrial use of highly-efficient CHP (combined heat and power) as well as introduction of solutions enabling sustainable production and use of hydrogen. Both parties declared long-term cooperation focused on the Polish market, which needs the effective and efficient solutions mitigating the negative impact of economic activity on climate and environment.

Growing energy and emission allowances prices will force the highly energy-consuming Polish industry to seek the solutions, which will reduce the costs of heat and power used in technological processes and at the same time decrease carbon footprint of their products. Stabilization of RES production requires implementation of highly advanced low-carbon projects based on natural gas. Flexibility of this technology makes gas installations the first-choice option to increase installed capacity in the domestic power and energy system in the next few years.

The Group holds the Nowa Sarzyna CHP Plant project in the field of energy production with the use of gas. The CHP Plant fuelled with natural gas, active since 2000, is operated by the Group company - Nowa Sarzyna CHP Plant and is located in Nowa Sarzyna (Nowa Sarzyna Commune, Leżajsk Poviat, Subcarpathian Voivodeship). Capacity of turbines installed in the Nowa Sarzyna CHP Plant is 116 MW of power capacity and 70 MW of heat capacity. The plant uses the technologically advanced solutions and equipment and the entire production process is fully automated. The CHP Plant has two gas

turbines with heat recovery boilers (43.4 MW each) and one steam turbine (44,8 MW), operating as the combined gas and steam system.

Hydrogen

On 29 June 2020, the Group signed the letter of intent on development of projects based on hydrogen technologies with Siemens Energy – the leading manufacturer and supplier of hydrogen solutions. Along with the Partner, the Company analyses the concepts and develops its first projects related to green hydrogen production in the water electrolysis process with the use of renewable energy from own resources.

The Group and its Nowa Sarzyna CHP Plant will co-establish the first hydrogen valley in Poland. The letter of intent for the establishment of the Subcarpathian Hydrogen Valley signed in Jasionka near Rzeszów will contribute to building of well-coordinated and integrated ecosystem of interlinks focused on development of technologies, knowledge, research and business.

In addition, Nowa Sarzyna CHP Plant joined the international consortium cooperating for the use of hydrogen as zero carbon fuel in gas turbines in the existing installations in Europe. Nowa Sarzyna CHP Plant operates on two Frame6B gas turbines manufactured by Thomassen International of 40 MW capacity each, which will be modified in future to co-combust hydrogen with natural gas and later to switch towards pure hydrogen fuel. The Partners of the Agreement on joint cooperation include also, apart from Ansaldo Thomassen and Nowa Sarzyna CHP Plant: Vattenfall, DOW, Nouryon, EmmTec, Hygear, TU Delft, TU Eindhoven, DLR and OPRA Turbines.

Polenergia is also a signatory of the European Clean Hydrogen Alliance appointed under implementation of the EC Hydrogen Strategy.

According to the strategy, thanks to the initiated and implemented partnerships for hydrogen and hydrogen projects development and use of its capacity to produce energy from RES, the Group wishes to become green hydrogen producer to support decarbonisation of Poland and European Union.

The project submitted by the Company in May 2021 was approved for further implementation in the competition for projects in the area of hydrogen technologies and systems under the IPCEI scheme on the basis of formal verification, followed by assessment in accordance with the Minister of Development, Labour and Technology and Minister of Climate and Environment.

"Distribution and electromobility" area

Distribution

Polenergia Dystrybucja is a distributor and supplier of power for industrial, household and commercial recipients, including among others housing estates, production plants, office buildings and shopping centres. The Company operates in various regions. Polenergia Dystrybucja is the largest independent distribution system operator, only the four State Treasury companies and E.ON operate on a larger scale. It is also the second largest DSO in Warsaw.

According to the investment plan by 2025 approved by the Energy Regulatory Office, Polenergia Dystrybucja manages 69 project (areas) in total in nationwide scale, and additionally 125 under development. This plan assumes that the Company will record the increase in the number of connected recipients from the existing 20.2 thousand to 70 thousand in 2025.

With a view to significant increase in the number of new housing investments in southern Poland, in February 2020 the Group opened the new Customer Service Centre in Krakow.

The Group has been intensively developing its offer of state-of-the-art customer service channels as well as products and services targeted on the individual customer segments. Since the beginning of 2021, the Clients of Polenergia Dystrybucja may use the customer service portal available both online and as mobile app. At the same time, fully digital process of concluding the contracts with the "households and small companies" sector via dedicated website was deployed.

Apart from the standard in the form of monthly settlements for actually consumed energy and convenient payments via services administered by Polenergia Dystrybucja, the company offers its "households and small companies" sector customers the products with guaranteed price and discount even up to three years. In addition, the customers may benefit from additional services offered under the "supporting package" or "specialist support" lines. At the same time, Polenergia Dystrybucja offers energy to the remaining sectors on the basis of standard price lists or solutions tailored to the customer needs.

Electromobility

While implementing the services related to charging in the private chargers, the Group, via Polenergia eMobility company and the companies involved in sales to final customers i.e. Polenergia Dystrybucja and Polenergia Sprzedaż, introduced a comprehensive sales offer in the field of electromobility addressed to both individual and business customers. The offer includes among others the services of supply of the charging stations, their assembly and further supply of green energy to them.

Apart from sales of electromobility products and services, the Group has been actively building the strategic partnerships with the entities with attractive locations for the electric car users to acquire the sites for construction of public charging stations. The construction of distributed network of fast and accelerated charging stations as the key element enabling free driving with electric cars throughout Poland will supplement the offer of values in the area of electromobility. In this area, the Company intends to take the leading position as the operator and provider of charging services.

The Group is aware that as the active participant of this market, it may build competences and experience also within its organisation and therefore it implemented the fleet policy, according to which the new vehicles used in the Group are fully electric or hybrid of "plug-in" type.

"Trading and sales" area

Trading and sales has been historically carried out within the Group by Polenergia Obrót. This company holds the licences for: (i) trading in energy at the territory of Poland, on the basis of which it trades also in Czech and Slovakia; (ii) trading in energy at the territory of Hungary; (iii) trading in gas fuels at the territory of Poland; and (iv) trading in natural gas with foreign countries (issued at the territory of the Republic of Poland).

The core businesses of Polenergia Obrót company include: (i) wholesale trading in energy and distribution capacity; (ii) wholesale trading in gas fuels; (iii) wholesale trading in property rights from certificates of origin of energy; (iv) wholesale trading in CO2 emission allowances; (v) wholesale trading in guarantees of origin; (vi) trading in commodity derivatives; (vii) property rights management services related to certificates of origin; (viii) services of Commercial Operator and Entity Responsible for Balancing on the energy market; (ix) sales of energy to end business consumers; and (x) aggregation of energy from the external RES sources.

Under implementation of strategy, the Company established two subsidiary companies owned in 100% by the Company: Polenergia Sprzedaż sp. z o.o. with its seat in Warsaw, dedicated to sales of renewable energy to final consumers, and Polenergia Energy Ukraine with its seat in Kiev ("Polenergia Energy Ukraine"), dedicated to commercial activity on the Ukrainian market in the area of trading in power and natural gas. Polenergia Obrót is the member of sectoral organisations associating the energy market operators. The Company is in particular the member of the Association of Energy Trading (Polish: TOE) and the member of the European organisation of trading companies: European Federation of Energy Traders (EFET). The representatives of Polenergia Obrót cooperate with the remaining parts of the Group providing technical contribution, opinions on the planned legislative amendments and participate in the works of the working groups in the field of market, including among others within the Polish Power Plants Association (Polish: TGPE) and Polish Wind Energy Association (Polish: PWEA).

Polenergia Obrót is a significant actor on the energy market in Poland. The energy trading volume in 2021 amounted to 7.0 TWh (6.4 TWh in 2020). Due to legal regulations introduced by the Act of 16 February 2007 on stocks of crude oil, crude oil products and natural gas and rules for dealing with threats to the state's fuel security and distortions in the oil market, the Company trades in gas maintaining low exposure. Polenergia Obrót operates additionally in the area of trading in property rights related to certificates of origin, both with a view to long-term contracts and spot transactions. In 2021, trading in property rights from RES exceeded 777 GWh.

The Company operates actively on the Commodity Energy Exchange (Polish: TGE) and increased its trading volume with main suppliers. In the upcoming years, the Company intends to expand its operation in geographical and product terms. Since 2013, Polenergia Obrót has been operating on the energy market in Germany. Since 2016, Polenergia Obrót has been holding the licenses for energy trading at the territory of Czech and Slovakia, while in 2017 the Company signed all necessary contracts with the energy system operators in these countries. In addition, in 2016 Polenergia Obrót became the member of The ICE and gained access to the market of CO2 allowances, while since 2017 the Company has been participating on this market. At the end of 2017, the Company commenced trading in gas at ICE Endex. Within the new strategy, in 2020 the Company expanded its international business area by entering the Ukrainian energy and gas market by the agency of its subsidiary company - Polenergia Energy Ukraine. The Company recognises the significant development potential of this market considering its size and liberalization processes which started in 2019. The Company analyses further expansion. At present, the cost efficiency analyses related to entering on the Baltic markets have been pending.

The core area of Polenergia Obrót business is providing comprehensive services in energy, property rights and CO2 emission portfolio management for the Group companies. Polenergia Obrót provides these services to all Group entities.

In the upcoming years, Polenergia Obrót intends to develop aggregation of renewable sources to strengthen its current position on the market. To this end, the Company intends to implement dedicated products and services for renewable energy sources that will differentiate on the market and which are supported under the contract of differences under the RES auction system. Polenergia Obrót intends to continue its dedicated marketing activities promoting these services and depicting the Company as the expert in RES aggregation. Following the Group strategy, Polenergia Obrót has been also developing the flexibility services line, which will be based on the opportunities to change: capacity produced by the internal and external production sources and capacity consumed by final

consumers. This will be used to: optimise the position on the energy and balance market, demand management services (DSR) provided to PSE, power market and systemic services market.

The Company intends to implement the ambitious development programme in the area of energy and gas fuel sales to its final customers. The following two key projects have been implemented. The first one focuses on the strategic customer segment (volume segmentation). The competitive advantage is built by highly skilled sales personnel, market index-based products effectively tailored to the customer needs and expert post-sale service. Within the second project, Polenergia Sprzedaż prepared a unique product concept which is entirely based on RES energy. The value offer is addressed to small and medium enterprises and individual customers. Polenergia Sprzedaż provides and guarantees by its Energia 2051 standard entirely green energy from the Polish production sources. The essential element of the offer is digitization of contract concluding process and customer-friendly post-sales service system.

Distributed energy industry

Increased importance of distributed energy industry is a noticeable development component of the Polish energy market. Distributed energy industry consists in producing power, heating or cooling by small units or production facilities for local use, including prosumer energy industry (i.e. energy produced by its final consumer, who produces energy only from renewable energy sources in a micro-installation for own needs). The Company notices this trend and understands that changes in production method trigger changes in the customer expectations on products and services. Therefore the Group is willing to adapt to the new reality by investments in the installations and customer care in the field of distributed energy industry.

The Group aims at providing specific products in the area of energy solutions to its final customers i.e. home (roof) photovoltaic power plants, energy storages, heat pumps on one hand, followed by the new complementary services (related to demand management, virtual power plants and aggregation services) on the other hand.

The leading Group companies operating in the field of distributed energy industry are Polenergia Fotowoltaika and Polenergia Pompy Ciepła. These entities offer the solutions in photovoltaics, heat and optimised energy consumption, including in particular: photovoltaic installations for private consumers and companies, heat pumps, energy storages, photovoltaic carports, electric car charging stations, own photovoltaic modules and smart home solutions, which addresses the Group's activities focused on investments in the installations and customer care in the field of distributed energy industry.

<u>New directions of the Group's strategic development</u>

Following the Strategy of the Polenergia Group for 2020-2024 announced in May 2020, the Group focuses on responsible and multi-directional development in various areas of power and energy market. On one hand it extends the existing business lines and evolves its products and services. On the other hand, with a view to market dynamics, technological development and maturity of the selected technologies, the Group makes a huge step forward to enrich its portfolio. Therefore the Group has taken or intends to take the following initiatives.

<u>Electromobility</u>

The care of natural environment is deeply rooted into the Group's DNA, which is why, apart from development of renewable energy sources and wide range of activities related to corporate social

responsibility (CSR) the Group expands also its electromobility capacity. The Group believes that it bridges the gap between the state-of-the-art energy industry and motor industry. Electric cars reduce low emission, noise in the city centres and are much cheaper compared to their combustion counterparts. Decreasing production costs and increasing battery capacities encourage the companies and individual users to choose electric cars. The Group estimates that electric cars will reach the price parity with their combustion counterparts in certain sectors as early as in 2023. The key factor supporting electromobility development is accessibility of charging infrastructure. Annual average volumes of energy consumed for electric car charging consist of the volume needed for charging at workplace and place of living (approx. 70-80%) and the volume from public charging stations (20-30%). As the entity actively supporting energy transformation, the Company wishes to participate in both parts of this value chain and supply green energy produced from own sources.

Hydrogen technologies

In December 2019, the European Union announced its Green Deal Strategy, delivery of which by 2050 will enable complete emission neutrality. Green Hydrogen plays a pivotal role in this strategy. In July 2020, the European Commission adopted the Hydrogen Strategy for climate neutrality of Europe. Its implementation shall contribute to increased production of clean hydrogen in this part of the world. Hydrogen can be used as energy carrier, raw material or fuel - it has many practical applications allowing for reduction of greenhouse gas emission in the industry, transport, energy and construction sectors.

The European Commission's economic recovery plan entitled "Next Generation EU" emphasizes that hydrogen is an investment priority to boost economic growth and resilience, creating new local jobs and strengthening global leadership of the EU.

Energy storage

Increasing share of renewable energy sources in the energy mix of Poland may pose challenges related to timely adaptation of electric current supply and demand structure. The Group carefully analyses the investment opportunities in the energy storage sector, considering the independent market reports on further market development as well as maintaining the technological dialogue with the selected providers of energy storage technologies. We also put attention to the potential role of the other systemic units able to immediately deliver the required volume of energy. As the Group, we follow the regulatory changes on the Polish market. The Group does not exclude the investments in this area as soon as the projects meeting the Group's requirements on the desired return rate are available.

Foreign markets

The plan announced by the European Commission called the Fit for 55 package clearly indicates a large need for development of the existing green production assets. The Company is aware of this need both in Poland, in which it has been continuing the efforts in the area of new production capacities since 2004, and abroad. The Company knows that making the climate objectives come true requires further activities, including in particular in the geographic region of Central Europe. Therefore, and also with a view to deep understanding of local conditions and attractiveness of the region, the Company decided to explore certain projects and seek partners in Central Europe. The Group will strive to acquire and further develop the projects in the field of energy production from energy sources (wind energy: on-

shore and off-shore energy and photovoltaics). Our long-term objective is the establishment of integrated energy entity operating in Central Europe as a whole.

Within the planned expansion of the Group on the foreign markets, on 31 December 2021, the Company and the Lithuanian Company - Modus Energy AB agreed the essential terms of joint venture agreement aiming at development of the off-shore wind farm projects to be constructed and operated with the use of associated infrastructure in the Baltic Sea region constituting the Lithuanian territorial sea waters. Implementation of the project depends among others from agreeing and signing the complete transaction documentation on JV establishment, obtaining the potential regulatory and corporate permits and consents.

One should note that the planned investment is a large step forward towards geographical diversification of the Polenergia Group operation described in the Polenergia Group Strategy. The Company is open to further investment undertakings on the foreign markets.

Innovation

The Company is observing the new technological solutions in the energy sector to be potentially used in the existing and planned business development areas. Thus, the Group does not exclude acquisition of applicable tools for its own our customers needs in the form of purchase of certain solutions and merger of entities developing the solutions awaited by the Company.

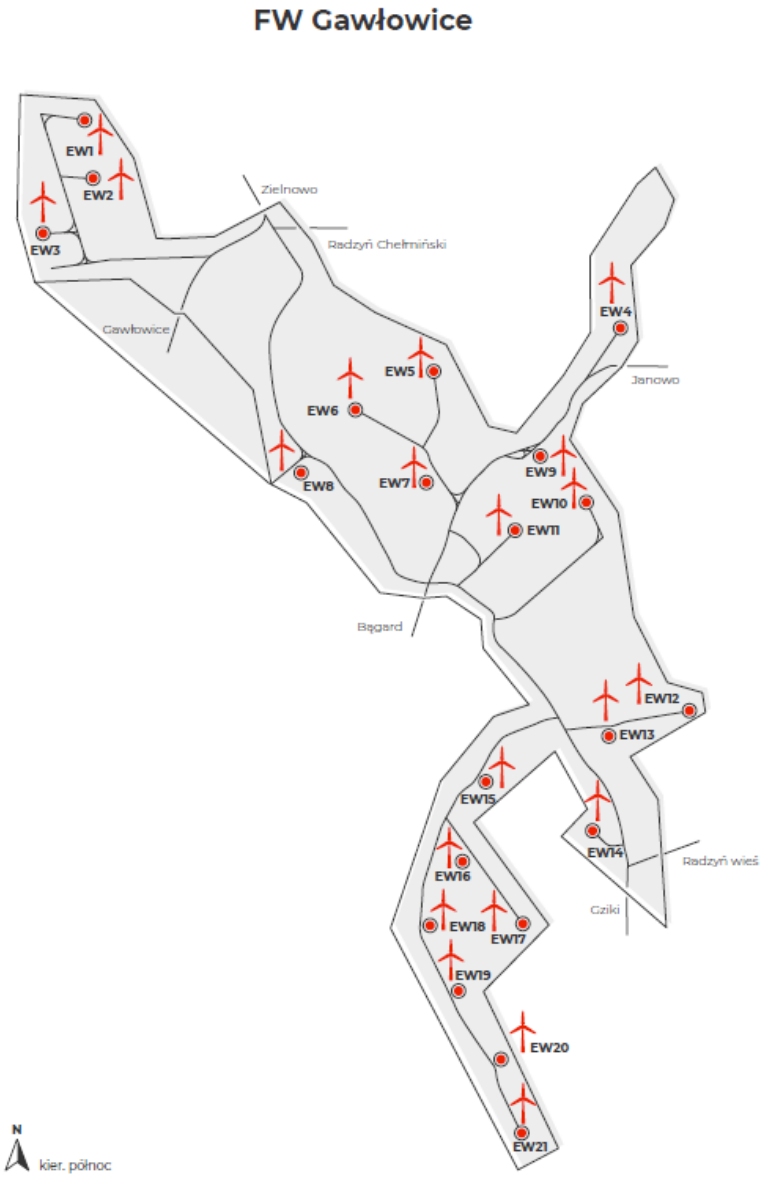
2.1 Projects in operation

2.1.1 Gawłowice Wind Farm

Location and description of the project

Gawłowice Wind Farm (Polenergia Farma Wiatrowa 1 Sp. z o.o.) is located in Radzyń Chełmiński Municipality, Grudziądz Poviat, Kuyavian-Pomeranian Voivodeship. The first phase of the project was put into operation in 2014, and the next one a year later. The configuration of Gawłowice WF includes 18 Siemens SWT- 2.3 - 108 wind turbines with tower height of 115 m and rotor diameter of 108 m, a main electrical substation, underground transmission line infrastructure, as well as access roads to each turbine. In 2015, the farm was expanded by 3 more turbines of this type, increasing its capacity to 48.3 MW.

Gawłowice WF is owned by Polenergia Farma Wiatrowa 1 Sp. z o.o., a special purpose vehicle 100% owned by Polenergia.



Environmental permits

Gawłowice WF has all necessary permits to operate in compliance with environmental regulations.

Polenergia Farma Wiatrowa 1 Sp. z o.o. was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2022.

No penalties were imposed on the company and no inspection was carried out on its premises in 2021.

Summary of permits and decision on environmental conditions issued for Gawłowice WF.

Permit/Decision	Issuing authority	Date of issue	Validity date
Decision No. 3/2009 (document ref. No. BPK-7331-S-02/11/2009) on environmental conditions for the implementation of the project "Gawłowice Wind Farm".	Mayor of Radzyń Chełmiński Town and Municipality	30 September 2009	Not applicable.
Decision on environmental conditions for the project consisting in the construction of "Gawłowice" SN/110 kV electrical substation including the reconstruction and possible change of location of pole No. 50 of 110 kV line between Grudziądz Węgrowo – Jabłonowo main electrical substations, on plot No. 792 – Radzyń section, in Radzyń Chełmiński Municipality.	Mayor of Radzyń Chełmiński Town and Municipality	19 July 2012	Not applicable.
Water permit (document ref. No. OS.6341.61.2014) for the directing of rainwater and snowmelt into an absorbing well.	Poviat Starost Office in Grudziądz	3 October 2014	3 October 2024

Ex post monitoring

Studies of birds and bats after the construction of the turbines took place in 2015, 2016 and 2018 and the study reports, after the data were collected and analysed, were submitted to the administrative authorities each time. The monitoring showed that the wind farm does not have a negative impact on birds and bats, the breeding avifauna population on its area is medium-sized and the number of breeding bird species has remained at a similar level since the wind farm's construction. The mortality taking into account the scavenger test results is 1.28 specimen/MW/year. Local communities (consultation point in the Municipality) and the Regional Directorate for Environmental Protection were informed about each year of the monitoring and its results. The last yearlong monitoring cycle took place in 2018; again, the studies showed no increase in mortality. In 2019, the final monitoring

reports were submitted to the Regional Directorate for Environmental Protection for analysis and acceptance. In July 2019, the Director of the Regional Directorate for Environmental Protection in Bydgoszcz accepted the submitted documents, stating that the project had no significant negative impact on the ornithofauna and chiropterofauna and that it was compliant with the conditions set out in the decision on environmental conditions and guidelines.

The first phase of Gawłowice WF was put into operation in Q4 2014. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in November 2014 and between February and March 2015. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. In January 2016 (within the required period of 18 months from the start-up of the WF), the results of the above-mentioned noise analysis were submitted to the competent authorities, i.e. to:

- the Voivodeship Inspectorate for Environmental Protection in Toruń (WIOS);
- the Regional Directorate for Environmental Protection in Bydgoszcz (RDOS);
- the Poviat Sanitary Inspectorate in Grudziądz (SANEPID);
- the Poviat Starost in Grudziądz;
- the Mayor of Radzyń Chełmiński Town and Municipality.

Management of hazardous substances

There are small quantities of hazardous substances on the premises of Gawłowice WF. All containers and packaging with hazardous substances are stored in a locked room to which only authorised persons have access. All hazardous substances are stored on drip trays.

The types and quantities of hazardous substances present at Gawłowice WF are listed below:

- Oil and grease for maintenance works;
- Brushcutter mix – 5 l;
- Mower fuel – 2 x 10 l;
- Diesel oil for the generator – 20 l.

There are no underground or aboveground tanks for hazardous substances on Gawłowice WF site.

Waste management

Siemens Gamesa Renewable Energy Sp. z o.o. (hereinafter referred to as SGRE) is responsible for waste management with regard to waste generated during turbine servicing on the premises of Gawłowice WF under the servicing agreement with Polenergia Farma Wiatrowa 1 Sp. z o.o. SGRE has its own waste storage facility where waste is stored until it is transferred to specialised units holding the required permits for the disposal of recyclable or disposable waste.

Waste oil and grease is stored in an external storage facility owned by Siemens, secured against soil contamination and precipitation and including equipment or means to collect waste spills.

Waste from maintenance works is not stored at Gawłowice WF and it is immediately disposed of in accordance with the regulations in force by the entities servicing the facility.

Water and wastewater management

Gawłowice WF is supplied with water from the Municipality water supply system based on a contract with the supplier. Settlements are carried out every six months based on consumption.

Domestic wastewater generated at Gawłowice WF is discharged into a septic tank. The tank is emptied, if necessary, by an authorised company.

At Gawłowice WF, there is a petroleum products separator, which is subject to regular technical inspections and cleaning. The above-mentioned works are performed by an authorised company, i.e. Ran - Synchron Sp. z o.o. Based on the information presented in the report on equipment cleaning and waste collection, the equipment is in good technical condition. The operator's service was performed on 12 May 2021 (selected waste 13 05 01* Solids from grit chambers and oil/water separators) – weight of 4 Mg and on 3 December 2021 service waste of weight of 4 Mg 13 05 07* Oily water from oil/water separators.

Rainwater and snowmelt, after being treated in the separator, is discharged into an absorbing well, in accordance with the provisions of the water permit (document ref. No. OS.6341.61.2014).

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Gawłowice WF.

There are four air conditioners in the substation area (three Fujitsu AOYG18LFC air conditioners - SWITCH-ROOM, one Fujitsu AOYG30LFC air conditioner - CONTROL ROOM), and each of them contains less than 3 kg of R410A refrigerant.In addition, there are 21 installations containing more than 3 kg of SF6 gas at the area of Gawłowice WF. Installations above 6 kg of SF6 gas have the Records in the CRO system:

Overhead switch LTB 145D1/B - 6 kg SF6

Overhead switch LTB 145D1/B - 6 kg SF6

Overhead switch LTB 145D1/B - 6 kg SF6

Control of installations in 2021 revealed no compromise in their integrity.

2.1.2 Krzęcin Wind Farm

Location and description of the project

Krzęcin Wind Farm (Polenergia Farma Wiatrowa 23 Sp. z o.o.) is located on plots No. 47/1, 51/1, 56, 66, 403/1, 404 and 406 in Krzęcin Commune, Choszczno Poviat, Western Pomeranian Voivodeship. Krzęcin WF consists of 4 Nordex S77 turbines, each 80 m high and with rotor diameter of 77 m. Total capacity of Krzęcin WF is 6 MW.

Krzęcin WF was built in 2010 and since 2018 it is owned by Polenergia Farma Wiatrowa 23 Sp. z o.o., a special purpose vehicle 100% owned by Polenergia. Krzęcin WF does not have its own substation; it is connected to the 110/15 kV Krzęcin main electrical substation owned by a third party operator (ENEA Operator Sp. z o.o.).

FW Krzęcin

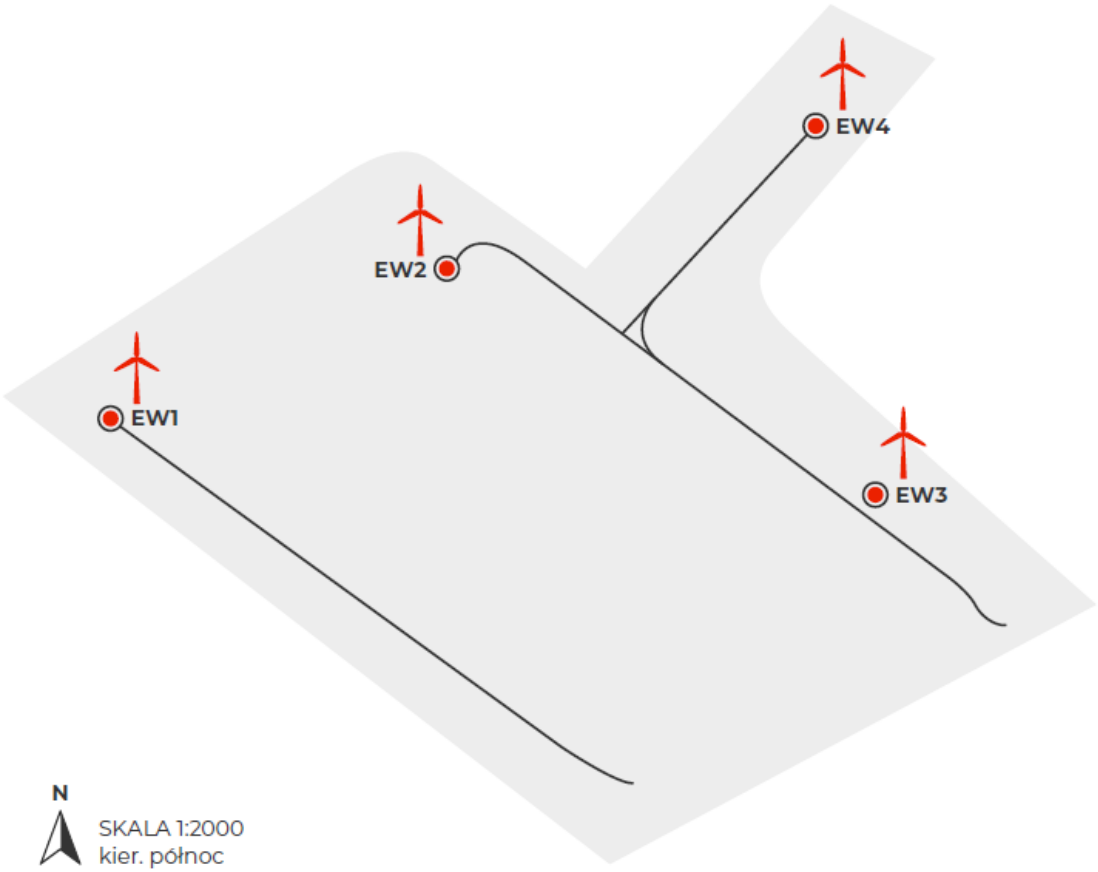


Figure 1 View of Krzęcin WF site.

Environmental permits

Krzęcin WF has all necessary permits to operate in compliance with environmental regulations.

No penalties were imposed on the company and no inspection was carried out on its premises in 2021.

Table 1. Summary of permits and decision on environmental conditions issued for Krzęcin WF.

Permit/Decision	Issuing authority	Date of issue	Validity date
Decision No. 01/06 (document ref. No. GPKOŚ 7624/06/06) on environmental conditions of "Krzęcin Wind Power Plant" with a total capacity of 6 MW located in the vicinity of Krzęcin Commune, Choszczno Poviat, Western Pomeranian Voivodeship.	Krzęcin Commune Office	24 July 2006	Not applicable.

Ex post monitoring

In accordance with the decision on environmental conditions, during the operation phase, the facility operator was obliged to carry out ex post monitoring with regard to noise measurements and ornithological and chiropterological monitoring:

1. In accordance with the decision, noise measurements were to be carried out in the nearest acoustically protected areas (villages of Krzęcin and Słonice). The measurement was to be

conducted within 30 days from the date of completion of the start-up of Krzęcin WF, and in the event of exceeding the permissible level, measures were to be taken to limit its emission;

2. In terms of ex post monitoring of birds and mammals, the decision sets out the obligations of the operator: in the course of project implementation, as well as after its completion, monitoring of bird and mammal migration should be carried out, and if
it is determined that the project has a negative impact on those animals, protective measures should be taken. All collision casualties (birds) should be reported.

Noise measurements were carried out at the boundaries of the nearest acoustically protected areas in accordance with the Ordinance of the Minister of Environment of 14 June 2007 on permissible noise levels in the environment (executive act in force at the time of the noise measurements) and in accordance with Appendix No. 6 to the Ordinance of the Minister of Environment of 4 November 2008 on the requirements for carrying out measurements of emissions and of the quantity of used water. On the basis of the conducted measurements, permissible noise levels were not exceeded at any measurement point, therefore the operator did not take any measures to reduce the acoustic power of the facility ("Measurements and analysis of noise from operation of the wind farm near Krzęcin (4 Sudwind S77/77/1500 wind turbines, 1.5 MW each" Laboratorium Eko-Pomiar s.c. Z. Zagubień, R. Ingielewicz, September 2010).

In accordance with the decision on environmental conditions regarding nature monitoring, the operator started the ex post monitoring in 2009. According to the ex post studies, the naturalists conducting the environmental inventory did not find any negative impact on birds and bats ("Result of yearlong monitoring within the area of Krzęcin Wind Farm, Western Pomeranian Voivodeship, Krzęcin Commune, with regard to birds and bats", Szczecin, October 2011). According to the ex post studies, naturalists found:

- no collisions of bats and birds with wind turbines during the monitoring period;
- no limitation of natural resources of the analysed Krzęcin WF area in comparison with analyses carried out based on a similar observation pattern with regard to other projects;
- no adverse impact on other observed animals (including amphibians and mammals - wild boars, roe deer, which regularly feed and live near the turbines) and vertebrate fauna;
- Krzęcin WF is not a barrier for ornithofauna migration;
- Krzęcin WF area does not constitute an important breeding site for birds from Annex I of the Birds Directive; such species are rare and the area is sometimes used by numerous and common species.

Management of hazardous substances

No hazardous substances are stored at Krzęcin WF and there are no underground or aboveground tanks for hazardous substances.

Waste management

Waste is managed by a third party provider (Nordex). Waste (including hazardous waste oils and detergents) is not stored on the premises of Krzęcin WF, it is transported by the service provider to a waste storage site. For waste produced in Western Pomeranian Voivodeship, Nordex Polska Sp. z o.o. prepares a summarised form presenting data compilation on the types and quantities of waste in the Waste Database (BDO) system, which it reports jointly for all produced waste to the competent Marshall Office by 15 March each year for the previous calendar year.

Water and wastewater management

Krzęcin WF is not connected to the municipal water supply or sewage system. Rainwater and snowmelt is directed to unpaved areas.

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Krzęcin WF.

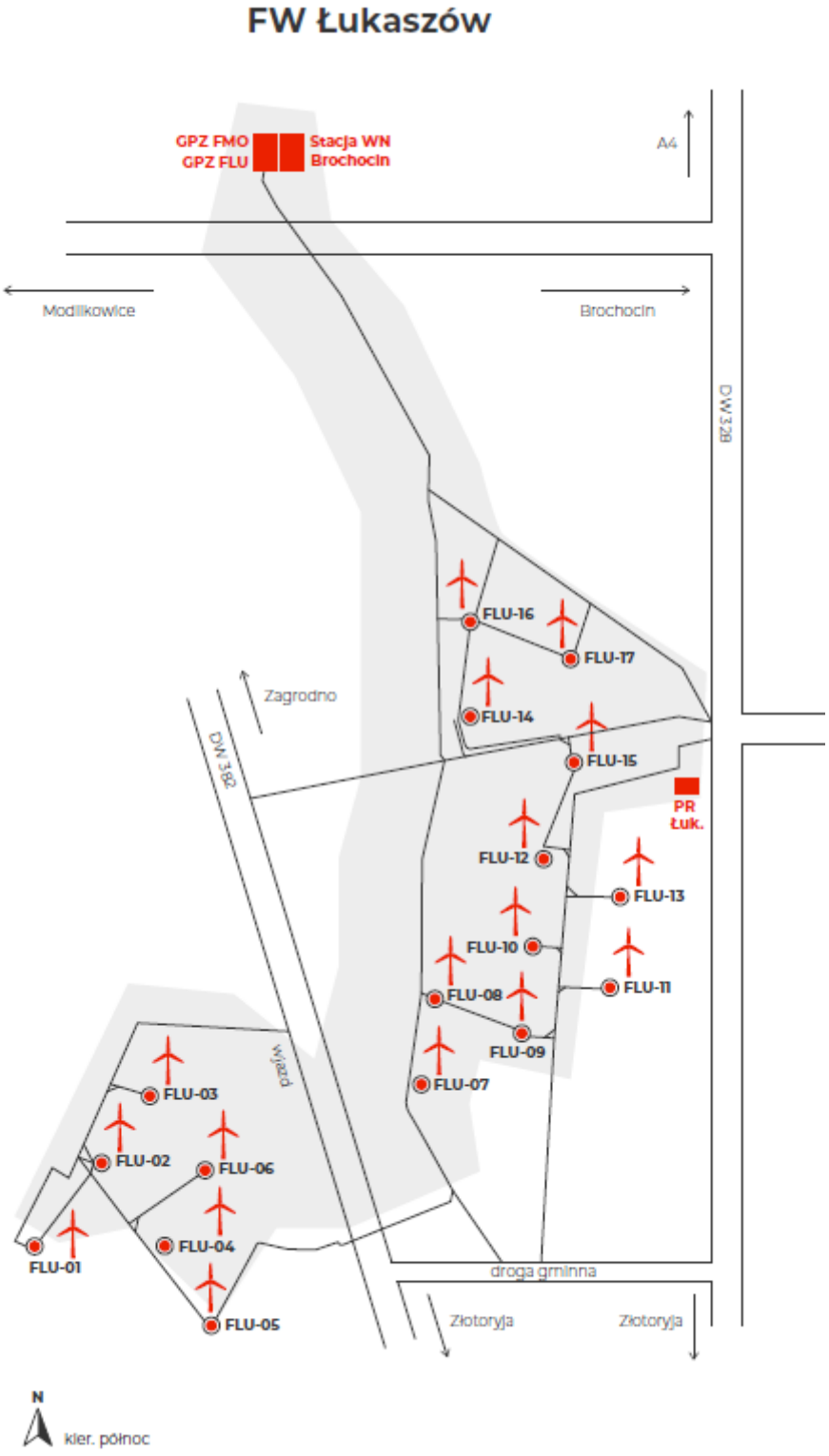
Pursuant to legal requirements, the equipment containing more than 6 kg of SF6 refrigerant. At the area of Krzęcin WF there is no equipment containing more than 6 kg of SF6 gases.

2.1.3 Łukaszów Wind Farm

Location and description of the project

Łukaszów Wind Farm is located in Zagrodno Commune, Złotoryja Poviat, Lower Silesian Voivodeship. Łukaszów WF was put into operation at the beginning of 2012. Łukaszów WF consists of 17 Vestas V90-2.0 MW turbines, each 105 m high and with rotor diameter of 90 m. Total capacity of Łukaszów WF is 34 MW. Łukaszów WF also includes SN/110 kV transformer station located on plot No. 480, Modlikowice section, Zagrodno Commune.

The farm is owned by Amon Sp. z o.o., a special purpose vehicle 100% owned by Polenergia S.A.



Environmental permits

FW Łukaszów WF has all necessary permits to operate in compliance with environmental regulations.

Amon Sp. z o.o. was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2021.

No penalties were imposed on the company and no inspection was carried out on its premises in 2021.

Table 2. Summary of permits and decision on environmental conditions issued for FW Łukaszów.

Permit/Decision	Issuing authority	Date of issue	Validity date
Decision No. 5/08 (document ref. No. OR.7624-2/2008) on environmental conditions for the project "Construction of Łukaszów Wind Farm".	Voit of Zagrodno Commune	28 August 2008	Not applicable.
Water permit (document ref. No. RS.6341.20.2014) for the specific use of water in terms of directing rainwater and snowmelt into the ground from the area of the power station located on plot No. 480, Modlikowice section, Zagrodno Commune.	Starost of Złotoryja	4 August 2014	31 July 2024
Permit for the production of hazardous and non-hazardous waste (document ref. No. RS.6220.3.2015).	Starost of Złotoryja	2 August 2015	31 July 2025

Ex post monitoring

A three-year study of birds and bats at Łukaszów WF began in March 2012. The farm area is a flat and open landscape dominated by agricultural land. All of the land used by the turbines is under large-scale cultivation. On the periphery of the farm, as well as between the turbines, there are landscape features enriching the typically agricultural landscape. These include parts of forests, mid-field trees, avenues of trees and bushes along roads and tracks (not in use), and small wastelands and water holes (increasingly drying up).

In the course of the ex post monitoring, the PWEA guidelines (Guidelines for Assessing the Impact of Wind Farms on Birds, Warsaw 2011) were followed with respect to the number of inspections in respective phenological periods, the distribution of points and transects and the timing of individual inspections at the points.

Monitoring in each year (2012/2013, 2013/2014 and 2014/2015) was carried out in line with the rules established in 2012 that is with minor changes of monitoring points and route and length of transects. Ex post monitoring was conducted jointly for the Łukaszów and Modlikowice WFs due to the cumulative effect of both projects. The cumulative effect was reflected both in the ex post ornithological and chiropterological reports and in the ex post noise analysis report. The results presented below refer to both wind farms.

Total size of bird population in spring was significantly larger in the ex ante monitoring period (2007: 46,391 specimens, 2008: 50,547 specimens) than in the ex post monitoring period (2012: 11,579 specimens, 2013: 5,434 specimens, 2014: 2,620 specimens). Ex post monitoring, conducted between 2012 and 2015, did not show any negative impact on birds. Annual reports summarising each stage of research were sent to competent authorities as required by the decision on environmental conditions. In the area of chiropterological research, the similar bat species composition was observed, corresponding to the period of pre-investment research. In total, 7 species of bats were found in the first, second and third year of the operation of Łukaszów WF, of which 5 species, i.e.: Daubenton's bat, serotine bat, common pipistrelle, Nathusius's pipistrelle and common noctule, were common for the pre- and post-completion period. Moreover, in 2012 new species were identified: parti-coloured bat and Natterer's bat, whereas the presence of western barbastelle, found once in 2007, was not confirmed. Both new species were present in the following years, i.e. 2013-2015. Estimated bat mortality for Łukaszów WF at 0.24 specimens/turbine/year, which is relatively low, should not cause significant losses in chiropterofauna population.

In 2014, birdwatching ornithologists as part of ex post monitoring found Montagu's harrier nests at the wind farm, so Polenergia launched an active protection programme for this rare species of the Accipitridae family. As part of the protective measures, the work pattern was maintained in the following years. The nests were fenced in so that agricultural machinery would not threaten the nests during harvesting and other agrotechnical operations. The birds were also protected from predators by spreading certified scented repellent, which is completely safe for humans, animals and the environment. Observations showed that young marsh harriers from subsequent broods (2014-2021) left the nest safely. Between 2014 and 2021, 63 chicks were rescued and ringed. The above practices were aimed at protecting Montagu's harrier at an early stage of development, which significantly increases the chance of population growth of this species. Thus Amon joined the action of active protection of this bird in Poland, under the patronage of the Ministry of Climate and the General Directorate for Environmental Protection. It is one of the Polenergia Group's efforts aimed at increasing biodiversity.

Łukaszów WF was put into operation in Q1 2012. Pursuant to Decision No. 73/2011 of 20 December 2011 (operating permit), the obligation to carry out noise measurements and submit the results to the authorities by 10 October 2012 was imposed. Therefore, the ex post noise measurements were carried out in March 2012. The measurements were carried out by a certified subcontractor, BMT. Based on the results, no exceedances were recorded either during the day or at night. the results of the above-mentioned noise analysis were submitted to the competent authorities, i.e.:

- the Voivodeship Inspectorate for Environmental Protection in Legnica (WIOS);
- the Poviat Sanitary Inspectorate in Złotoryja (SANEPID);
- the Poviat Starost in Złotoryja;
- the Zagrodno Commune Office.

Management of hazardous substances

There are small quantities of hazardous substances on the premises of Łukaszów WF. All containers and packaging with hazardous substances are stored in a locked tin container to which only authorised persons have access. All hazardous substances are stored on drip trays.

The types of hazardous substances present at Łukaszów WF (at the main electrical substation) are listed below:

- Nytro Taurus transformer oil;
- Eurosuper 95 unleaded petrol;
- Orange silica gel;
- Orlen Oil MIXOL 5;
- B&S SAE 30;
- STIHL Superlub FS;
- TENZI block paving cleaning agent;
- STIHL HP;
- WURTH universal remover.

There are no underground or aboveground tanks for hazardous substances on Łukaszów WF site.

Waste management

SGRE is responsible for waste management with regard to waste generated from the servicing of turbines at Łukaszów WF based on the servicing agreement with Amon Sp. z o.o. and a permit for the production of hazardous and non-hazardous waste (document ref. No. RS.6220.3.2015). SGRE stores waste in its warehouse selectively until it is transferred to specialised units holding the required permits for the disposal of recyclable or disposable waste. The facility is equipped with barrels with drip trays for waste oils.

In accordance with the requirements of the Act on waste, the operator of Łukaszów WF, i.e. Amon, was registered in BDO system.

Waste from servicing works is not stored at Łukaszów WF and it is immediately disposed of in accordance with the regulations in force by the entities servicing the facility.

Water and wastewater management

Łukaszów WF is not connected to the municipal water supply or sewage system.

At Łukaszów WF, there is a PSK Koala II oil separator, which is subject to regular technical inspections and cleaning. The last inspection took place in December 2021. The above-mentioned works are carried out by an authorised company, i.e. PPHU EKOPROD, which is responsible for the disposal and treatment of waste from the separator. Based on the information presented in the report, the equipment is in good technical condition. The service protocol related to cleaning of water and oil separators of 16 December 2021 (0.5 Mg of waste managed by the servicing company in line with the Act on waste).

Rainwater and snowmelt, after being pre-treated in the separator, is discharged into ditches, in accordance with the provisions of the water permit (Decision No. RS.6341.20.2014).

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Łukaszów WF.

In accordance with the law, equipment containing more than 6 kg of SF6 must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are three AUX air conditioners in the power station, each containing 0.78 kg of R410A refrigerant. In addition, there are six units (5 ABB 20 kV switchgear units and an ABB HV circuit breaker)

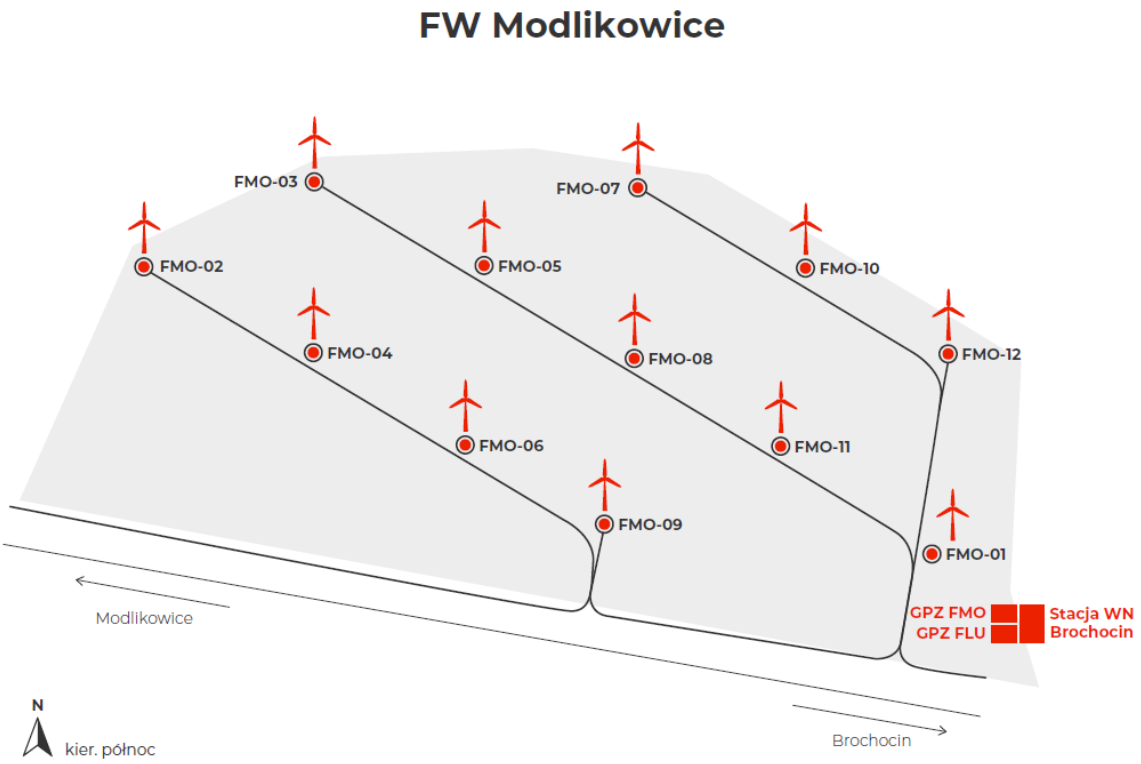
containing more than 3 kg of SF6 gas. None of the units and air conditioners was disintegrated and required adding the refrigerant (air conditioners) during the inspectors.

2.1.4 Modlikowice Wind Farm

Location and description of the project

Modlikowice Wind Farm is located in Zagrodno Commune, Złotoryja Poviat, Lower Silesian Voivodeship. Modlikowice WF was put into operation at the beginning of 2012. Modlikowice WF consists of 12 Vestas V90-2.0 MW turbines, each 105 m high and with rotor diameter of 90 m. Total capacity of Modlikowice WF is 24 MW. Modlikowice WF is connected to the SN/110 kV transformer station located on plot No. 480, Modlikowice section, Zagrodno Commune.

The farm is owned by Talia Sp. z o.o., a special purpose vehicle 100% owned by Polenergia S.A.



Environmental permits

Modlikowice WF has all necessary permits to operate in compliance with environmental regulations.

Talia Sp. z o.o. was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2022.

No penalties were imposed on the company and no inspection was carried out on its premises in 2021.

Table 3. Summary of permits and decision on environmental conditions issued for FW Modlikowice.

Permit/Decision	Issuing authority	Date of issue	Validity date

Decision No. 4/08 (document ref. No. OR.7624-1/2008) on environmental conditions for the project "Construction of Modlikowice Wind Farm".	Voit of Zagrodno Commune	28 August 2008	Not applicable.
Water permit for the specific use of water in terms of directing rainwater and snowmelt into the ground from the area of the power station located on plot No. 480, Modlikowice section, Zagrodno Commune.	Starost of Złotoryja	4 August 2014	31 July 2024
Permit for the production of hazardous and non-hazardous waste (document ref. No. RS.6220.4.2015).	Starost of Złotoryja	7 August 2015	31 July 2025

Ex post monitoring

see Łukaszów Wind Farm (joint/aggregated ex-post monitoring)

Management of hazardous substances

There are small quantities of hazardous substances on the premises of Łukaszów WF. Most of the hazardous substances used at Modlikowice WF are stored at the main electrical substation of Łukaszów WF, in a locked tin container to which only authorised persons have access. All hazardous substances are stored on drip trays.

The types of hazardous substances used at Modlikowice WF are listed below:

- Nytro Taurus transformer oil;
- Eurosuper 95 unleaded petrol;
- Orange silica gel;
- Orlen Oil MIXOL 5;
- B&S SAE 30;
- STIHL Superlub FS;
- TENZI block paving cleaning agent;
- STIHL HP;
- WURTH universal remover.

There are no underground or aboveground tanks for hazardous substances on Modlikowice WF site.

Waste management

SGRE is responsible for waste management with regard to waste generated during turbine servicing on the premises of Modlikowice WF under the servicing agreement with Talia Sp. z o.o. Moreover, based on the Agreement No. 38, municipal waste from the area of Modlikowice WF is collected free of charge by Amon Sp. z o.o., i.e. the owner of Łukaszów WF located next to it. The agreement between the companies operating the facilities has been signed for an indefinite period.

In accordance with the requirements of the Act on waste, the operator of Modlikowice WF, i.e. Talia, was registered in BDO system.

Waste from servicing works is not stored at Modlikowice WF and it is immediately disposed of in accordance with the regulations in force by the entities servicing the facility.

Water and wastewater management

Modlikowice WF is not connected to the municipal water supply or sewage system.

At Modlikowice WF, there is a PSK Koala II oil separator, which is subject to regular technical inspections and cleaning. The last periodic inspection took place in 2021. The above-mentioned works are carried out by an authorised company, i.e. PPHU EKOPROD, which is responsible for the disposal and treatment of waste from the separator. Based on the information presented in the report, the equipment is in good technical condition. The service protocol related to cleaning of water and oil separators of 16 December 2021 (0.5 Mg of waste managed by the servicing company in line with the Act on waste).

Rainwater and snowmelt, after being pre-treated in the separator, is discharged into ditches, in accordance with the provisions of the water permit (Decision No. RS.6341.20.2014).

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Modlikowice WF.

In accordance with the law, equipment containing more than 6 kg of SF6 must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are three AUX air conditioners in the power station, each containing 0.78 kg of R410A refrigerant. In addition, there are six units (5 ABB 20kV switchgear units and an ABB HV circuit breaker) containing more than 3 kg of SF6 gas. None of the units and air conditioners was disintegrated and required adding the refrigerant (air conditioners) during the inspectors.

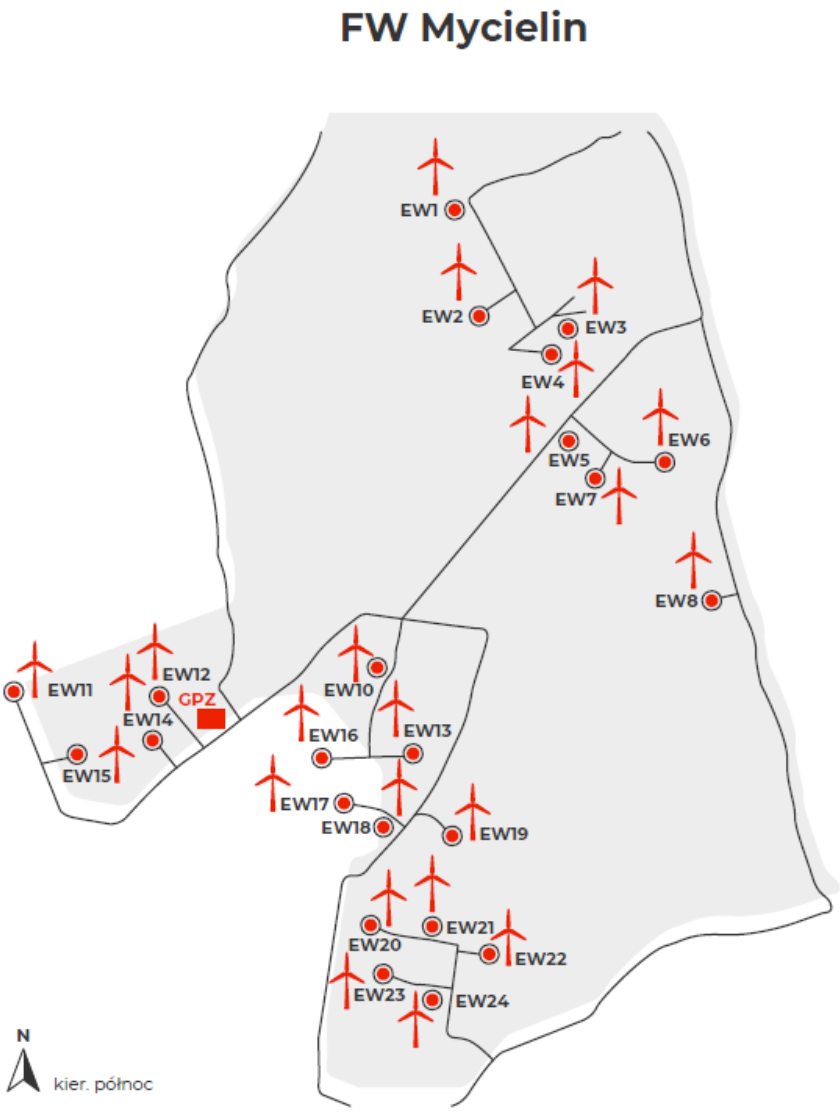
2.1.5 Mycielin Wind Farm

Location and description of the project

Mycielin Wind Farm (Polenergia Farma Wiatrowa Mycielin Sp. z o.o.) is located in the vicinity of the villages of Mycielin, Gościelin, Gościeszowice, Długie, Dzikowice and Sucha Dolna in the Communes of Niegosławice and Szprotawa, Żagań Poviat, Lubusz Voivodeship.

Mycielin WF was built in 2015 and received its operating permit in February 2016. It consists of 23 Vestas V110-2.0 MW turbines, each 125 m high and with rotor diameter of 110 m. Total installed capacity of the facility is 46 MW. The farm is operated by Polenergia Farma Wiatrowa Mycielin Sp. z o.o., a special purpose vehicle 100% owned by Polenergia.

Initially, Mycielin WF consisted of 24 turbines, but in April 2017 the tower structure of turbine EW3 broke and fell over (the turbine is marked on the map below).



Environmental permits

Mycielin WF has all necessary permits to operate in compliance with environmental regulations.

Polenergia Farma Wiatrowa Mycielin Sp. z o.o. was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2022.

No penalties were imposed on the company and no inspection was carried out on its premises in 2020.

Table 4. Summary of permits and decision on environmental conditions issued for FW Mycielin.

Permit/Decision	Issuing authority	Date of issue	Validity date

Decision (document ref. No. GR.6220.9.2011) on environmental conditions for the project consisting in the construction of "Mycielin Wind Farm" wind park with auxiliary infrastructure in the Communes of Niegosławice and Szprotawa.	Mayor of Szprotawa	16 September 2011	Not applicable.
Water permit (document ref. No. ROŚiB.6341.20.2015) for the construction of a water facility - well and for the specific use of water, i.e. extraction of groundwater from Quaternary formations intended for water supply of Mycielin WF main electrical substation.	Starost of Żagań	24 September 2015	24 September 2035
Water permit (document ref. No. ROŚiB.6341.19.2014) for the discharge of wastewater treated in a rainwater and snowmelt separator from the main electrical substation.	Starost of Żagań	16 May 2014	16 May 2024
Permit (Decision No. ROŚiB.6220.1.2016) for the generation of hazardous waste and non-hazardous waste in connection with the operation of "Mycielin Wind Farm".	Starost of Żagań	9 March 2016	9 March 2026

Ex post monitoring

In 2016, ornithological and chiropterological studies began, in accordance with the scope of ex post monitoring agreed with the Regional Directorate for Environmental Protection in Gorzów Wielkopolski. The annual monitoring report was submitted to the Regional Directorate for Environmental Protection in 2017. The Regional Directorate for Environmental Protection did not submit any comments on the applied methodology and the manner the monitoring was carried out, and while accepting the results obtained in the first monitoring year it emphasised that the observed mortality levels for the Accipitriformes and the whole avifauna complex were relatively low, far from the threshold values determined on the basis of ex ante monitoring. The next cycle of studies began in April 2018 and continued until the end of March 2019. On 24 July 2019, the Director of the Regional Directorate for Environmental Protection in Gorzów Wielkopolski accepted the submitted monitoring reports, stating compliance with the requirements of the decision on environmental conditions and indicating that no additional mitigating measures were necessary. The final, third, year of monitoring began in April 2020 and ended in April 2021, covering the entire phenological cycle. The report from

the 3-year monitoring period was approved by the Regional Directorate for Environmental Protection in Gorzów Wielkopolski.

Taking into account the results of the ornithological inventory carried out in the 2018/2019 season, indicating the nesting of the red kite at a distance of approximately 450 m from the turbine (EW22), an additional analytical module was introduced to the ex post monitoring. 2019 showed no red kite re-occupation of the nest found in the 2018/2019 season. Inspections at the wind farm did not reveal any collisions of representatives of that species since the beginning of the monitoring (April 2019). Monitoring of red kite was repeated in the last research cycle (2020/2021) and also neither collision nor direct risk was stated.

Mycielin WF was put into operation in Q1 2016. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in August, September and November 2016. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. The results of the above-mentioned noise analysis were submitted to the competent authorities, i.e. the Voivodeship Inspectorate for Environmental Protection (WIOŚ) and the Municipality Office in Szprotawa in December 2016. There were no comments on the results from either WIOŚ or the local community, and no complaints from the local community about the noise were submitted. Furthermore, there was no need to implement any additional noise reduction programme.

Management of hazardous substances

No hazardous substances are stored at Mycielin WF and there are no underground or aboveground tanks for hazardous substances.

Waste management

Vestas is responsible for waste management with regard to waste generated during turbine servicing on the premises of Mycielin WF under the servicing agreement with Polenergia Farma Wiatrowa Mycielin Sp. z o.o. Vestas has its own waste storage facility where waste is stored until it is transferred to specialised units holding the required permits for the disposal of recyclable or disposable waste. Waste is not stored on the premises of Mycielin WF.

Municipal waste generated at Mycielin main electrical substation is collected on the basis of an agreement with an authorised entity. Other waste (e.g. from servicing) is collected directly after the service is provided by subcontractors. Subcontractors have been verified and they have all required permits.

In accordance with the requirements of the Act on waste, Mycielin WF was registered in BDO system.

Water and wastewater management

Mycielin WF has its water supplied from a deep well based on the provisions of the water permit (document ref. No. ROŚiB.6341.20.2015). In accordance with permit requirements, the extracted water quantity is measured and recorded, and a report is sent to the National Water Management Holding Polish Waters every quarter. The permit imposes an obligation to carry out interim measurements of the water table and well performance. In addition, a water meter was installed in October 2020.

Domestic wastewater generated at Mycielin WF is discharged into a septic tank. The tank is emptied, if necessary, by an authorised company.

Rainwater and snowmelt, after being treated in the separator, is discharged into the ground, in accordance with the provisions of the water permit (document ref. No. ROŚiB.6341.19.2014).

At Mycielin WF, there is a BundGuard 529724 oil separator with two oil sumps, which is subject to regular technical inspections and cleaning. The last periodic inspection took place in 2021. The above-mentioned works are performed by an authorised company, i.e. Ekos Poznań Sp. z o.o. Based on the information presented in the report, the equipment is in good technical condition.

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Mycielin WF.

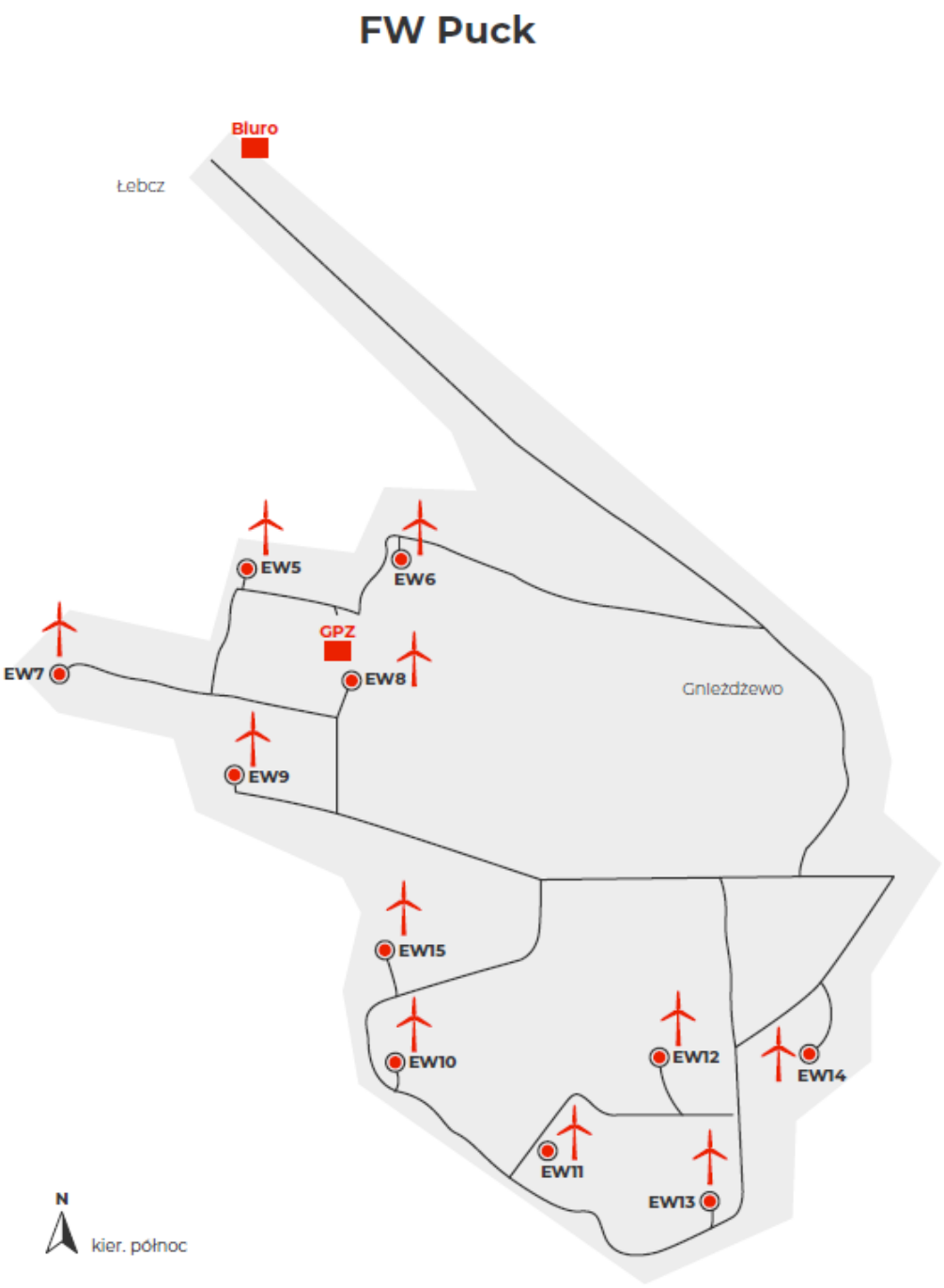
In accordance with the law, equipment containing more than 6 kg of refrigerant must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are three LG air conditioners at the power station. In addition, there are 38 units (Schneider 30 kV switchgear units and ABB HV circuit breakers) at Mycielin WF that contain more than 3 kg of SF6 gas. On 28 October 2021 the Schneider switchgear unit was filled with SF6 gas. 0.24 kg of refrigerant was filled. Loss of integrity was reported in the National Base of National Centre for Emissions Management and environmental use report for 2021.

2.1.6 Puck Wind Farm

Location and description of the project

Puck Wind Farm (Dipol Sp. z o.o.) is located in Gnieżdżewo Commune, Puck Poviat, Pomeranian Voivodeship. Puck WF was put into operation in 2007. The configuration of Puck WF includes 11 Gamesa G87 2 MW turbines, each 78 m high and with rotor diameter of 87 m, main electrical substation, underground transmission line infrastructure and access roads to each turbine. Total capacity of Puck WF is 22 MW. The farm is owned by Dipol Sp. z o.o., a special purpose vehicle 100% owned by Polenergia.



Environmental permits

Puck WF has all necessary permits to operate in compliance with environmental regulations.

Dipol Sp. z o.o. was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2022.

No penalties were imposed on the company and no inspection was carried out on its premises in 2021.

Table 5. Summary of permits and decision on environmental conditions issued for Puck WF.

Permit/Decision	Issuing authority	Date of issue	Validity date
Water permit (document ref. No. ROŚ.6341.2.30.2014) for specific water use, i.e. discharge of rainwater and snowmelt from the premises of 15/110 kV transformer station located in Gnieżdżewo (plot No. 319, Gnieżdżewo section, Puck Municipality, Puck Poviat, Pomeranian Voivodeship) into the ground	Starost of Puck	9 April 2015	9 April 2025
Permit for the production of hazardous waste (document ref. No. ROŚ.6220.1.2.2015) amending Decision No. ROŚ.6220.3.2014 of 1 October 2014	Starost of Puck	31 July 2015	5 September 2024

Ex post monitoring

Ornithological and chiropterological observations and noise measurement were carried out from the start of operation in 2007 until 2012.

Management of hazardous substances

There are small quantities of hazardous substances on the premises of Puck WF. All containers and packaging with hazardous substances are stored in a locked room to which only authorised persons have access. All hazardous substances are stored on drip trays.

There are no underground or aboveground tanks for hazardous substances on Puck WF site.

Waste management

Waste management at Puck WF is carried out based on the provisions of the permit for the production of hazardous waste (document ref. No. ROŚ.6220.1.2.2015 amending Decision No. ROŚ.6220.3.2014 of 1 October 2014). The servicing works for Puck WF are performed internally i.e. waste from servicing of turbines are registered on the Waste Database (BDO) account of the company.

Hazardous waste is stored selectively in a locked room to which only authorised persons have access. The room is equipped with drip trays.

Hazardous waste is collected by OILER based on the provisions of the agreement between Dipol Sp. z o.o. and OILER S.A. (document ref. No. 0015/2012 of 17 April 2012). The agreement was concluded for an indefinite period.

Municipal waste is stored selectively until it is handed over to specialised entities holding the required permits. Dipol Sp. z o.o. has an agreement with Pucka Gospodarka Komunalna Sp. z o.o on municipal waste disposal and lease of containers.

In accordance with the Act on waste, Puck WF is registered in the Waste Database (BDO) system and submits the reports on produced service waste from wind turbines.

Water and wastewater management

Puck WF is not connected to the municipal water supply or sewage system. Rainwater and snowmelt is discharged into ditches, in accordance with the provisions of the water permit (document ref. No. ROŚ.6341.2.30.2014).

At Puck WF, there is a petroleum products separator, which is subject to regular technical inspections and cleaning. The last periodic inspection took place in 2021. The above-mentioned works are performed by an authorised company, i.e. ELKOM-BUD. Based on the information presented in the report, the equipment is in good technical condition.

Rainwater and snowmelt, after being pre-treated in the separator, is directed to unpaved areas, in accordance with the provisions of the water permit (document ref. No. ROŚ.6341.2.30.2014).

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Puck WF.

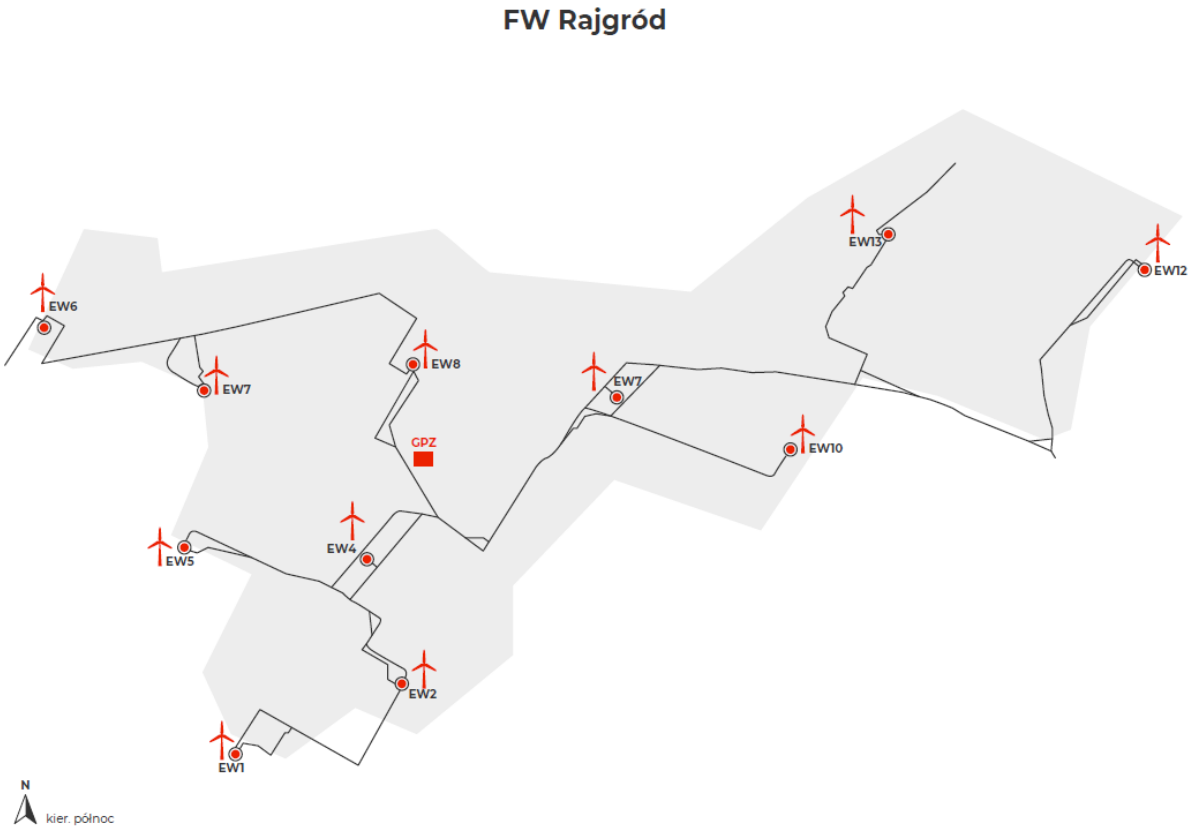
In accordance with the law, equipment containing more than 6 kg of SF6 must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are two LG air conditioners in the power station, each containing less than 6 kg of R410A and R22 refrigerant. In addition, there are 16 units at Puck WF which contain less than 6 kg of SF6 gas. Therefore, registration in CRO is not required. In 2021 none of the equipment lost its integrity.

2.1.7 Rajgród Wind Farm

Location and description of the project

Rajgród Wind Farm (Polenergia Farma Wiatrowa 6 Sp. z o.o.) is located in Rajgród Municipality, Grajewo Poviat, Podlassia Voivodeship. Rajgród WF was put into operation in 2014. The configuration of Rajgród WF includes 11 Siemens SWT- 2.3 - 108 wind turbines with tower height of 115 m and rotor diameter of 108 m, a main electrical substation, underground transmission line infrastructure, as well as access roads to each turbine. Total capacity of Rajgród WF is 25.3 MW. Rajgród WF is owned by Polenergia Farma Wiatrowa 6 Sp. z o.o., a special purpose vehicle 100% owned by Polenergia.



Environmental permits

Rajgród WF has all necessary permits to operate in compliance with environmental regulations.

Polenergia Farma Wiatrowa 6 Sp. z o.o. was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2022.

No penalties were imposed on the company and no inspection was carried out on its premises in 2021.

Table 6. Summary of permits and decision on environmental conditions issued for Rajgród WF.

Permit/Decision	Issuing authority	Date of issue	Validity date
Decision (document ref. No. RZP.7624-8/10) on environmental conditions for the implementation of the project "Rajgród FW6 Wind Farm".	Mayor of Rajgród	22 December 2011	Not applicable.
Water permit (document ref. No. WR.6341.29.2012) for the construction of water facilities and for the discharge of rainwater and snowmelt from	Starost of Grajewo	4 January 2013	31 December 2022

the main electrical substation into the ground.			
Permit for the production of waste from "Rajgród Wind Farm" (document ref. No. WR.6220.1.2015).	Starost of Grajewo	25 April 2018	20 April 2028

Ex post monitoring

Ex post ornithological and chiropterological studies of the farm site began in January 2015 and continued in 2016. The observations showed no negative impact of the facility on the Accipitriformes and young white storks flying out of their nests. High mortality among birds or bats was not observed. In 2017, after reviewing the 2016 report, the Regional Directorate for Environmental Protection in Białystok (Local Department in Łomża) did not submit any comments on the proposed solutions regarding the monitoring in the following years. In 2018, the last cycle of studies on the impact of the farm on bats and birds was conducted. Increased mortality in these animal groups was not observed. The final report, summarising the 3 years of monitoring, was submitted to the environmental authorities in 2019. In June, the Regional Directorate for Environmental Protection in Białystok accepted the ex post analysis.

Rajgród WF was put into operation in Q4 2014. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in December 2014. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. The results of the above-mentioned noise analysis were communicated to the competent authorities, who did not submit any comments.

Management of hazardous substances

No hazardous substances are stored at Rajgród WF and there are no underground or aboveground tanks for hazardous substances. In 2021, the aggregates consumed 99.98 l of heating oil - submitted to the National Centre for Emissions Management (KOBiZE) and reported in the annual report on air emission.

Waste management

Waste management at Rajgród WF is carried out based on the provisions of the permit for the production of waste from "Rajgród Wind Farm" (document ref. No. WR.6220.1.2015) and on the agreement with the servicing company, i.e. Siemens.

Hazardous waste is stored in a locked facility (metal roofed shed) to which only authorised persons have access. SGRE orders the collection of hazardous waste depending on the needs. Such waste is collected by Waster/Oiler. Moreover, Rajgród WF has an agreement contract with MAR-POL (document ref. No. 36 FW6/odpady/15) on hazardous waste collection.

Municipal waste is stored selectively until it is handed over to specialised entities holding the required permits. Municipal waste is collected by the Municipality.

In accordance with the requirements of the Act on waste, Rajgród WF was registered in BDO system.

Water and wastewater management

Rajgród WF is not connected to the municipal water supply or sewage system.

Water for domestic purposes is supplied to a reservoir located on the premises of Rajgród WF.

Domestic wastewater generated at Rajgród WF is discharged into a septic tank. The tank is emptied, if necessary, by an authorised company.

At Rajgród WF, there is an AWAS H1400 petroleum products separator, which is subject to regular technical inspections and cleaning. The last periodic inspection took place in 2021. The above-mentioned works are performed by an authorised company, i.e. AWAS – Serwis Sp. z o.o. Based on the information presented in the report on equipment cleaning and waste collection, the equipment is in good technical condition.

Rainwater and snowmelt, after being treated in the separator, is discharged into three ditches, in accordance with the provisions of the water permit (document ref. No. WR.6341.29.2012).

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Rajgród WF.

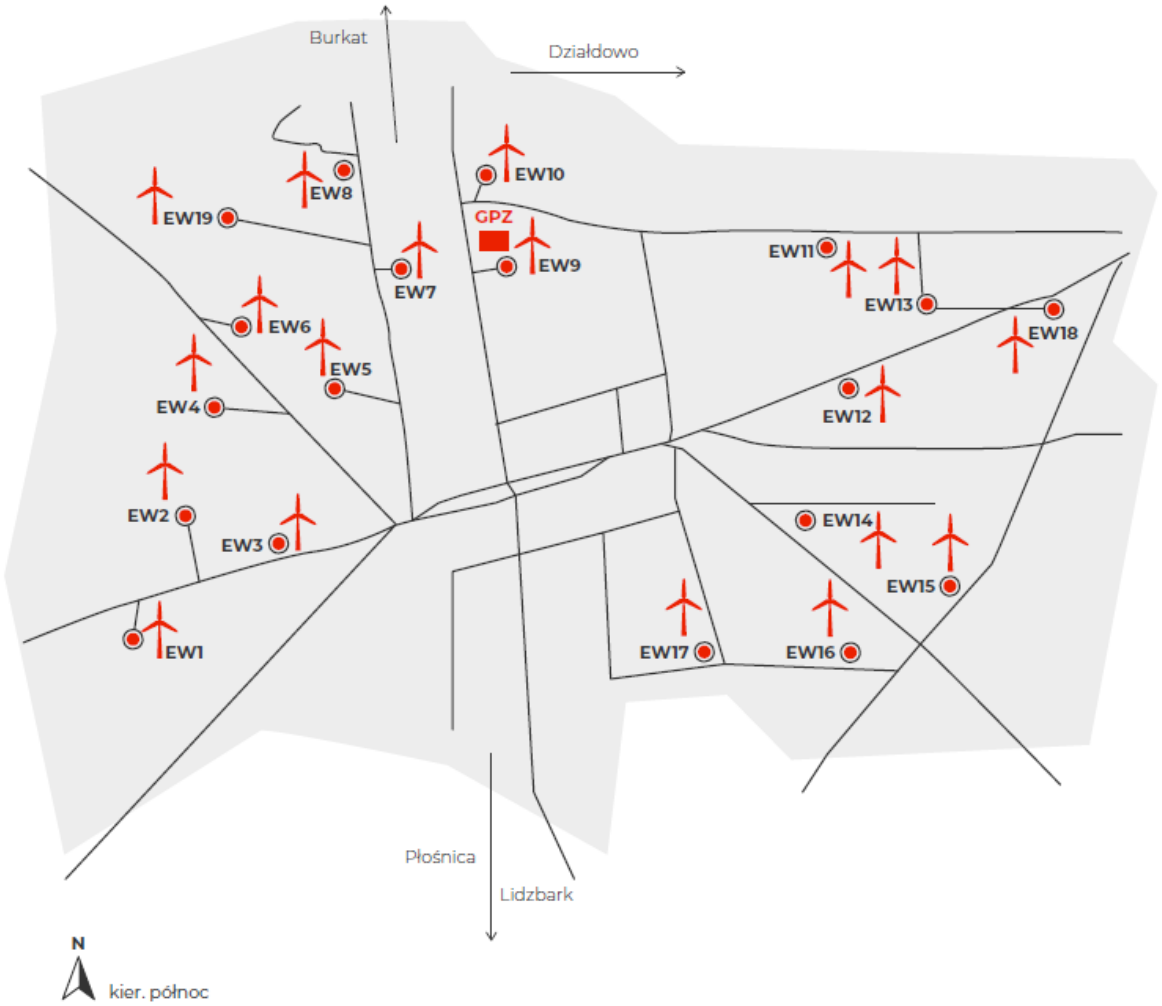
In accordance with the law, equipment containing more than 6 kg of refrigerant must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are three units containing more than 6 kg of SF6 gas (three ABB LTB 145D1/B overhead circuit breakers. In addition, there are three air conditioners containing less than 3 kg of refrigerant in the main electrical substation. In 2021, one of the air conditioners was filled with refrigerant in the amount of 0.45 kg. Information was reported in the National Centre for Emissions Management (KOBiZE) National Database and annual environmental use report.

2.1.8 Skurpie Wind Farm

Location and description of the project

Skurpie Wind Farm (Polenergia Farma Wiatrowa 4 Sp. z o.o.) is located in Płośnica Commune, Działdowo Poviat, Warmia and Masuria Voivodeship. Skurpie WF was put into operation in Q3 and Q4 2015. The configuration of Skurpie WF includes 19 Siemens SWT- 2.3 - 108 wind turbines with tower height of 115 m and rotor diameter of 108 m, a main electrical substation, underground transmission line infrastructure, as well as access roads to each turbine. Total capacity of Skurpie WF is 43.7 MW. Skurpie WF is operated by Polenergia Farma Wiatrowa 4 Sp. z o.o., a special purpose vehicle 100% owned by Polenergia.



Environmental permits

Skurpie WF has all necessary permits to operate in compliance with environmental regulations.

Polenergia Farma Wiatrowa 4 Sp. z o.o. was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2022.

No penalties were imposed on the company and no inspection was carried out on its premises in 2021.

Table 7. Summary of permits and decision on environmental conditions issued for FW Skurpie.

Permit/Decision	Issuing authority	Date of issue	Validity date

Decision (document ref. No. 7624-2/10) on environmental conditions for the implementation of the project "Skurpie FW".	Voit of Płośnica Commune	30 November 2010	Not applicable.
Water permit (document ref. No. Ro.6341.23.2011) for the construction of absorbing wells on the premises of Skurpie WF and for the discharge of rainwater and snowmelt from the farm into the absorbing wells.	Starost of Działdowo	5 September 2011	10 years from the date of final acceptance of the stormwater drainage system (25 August 2025)

Ex post monitoring

Monitoring of the impact of the project on birds and bats was carried out in 2016 and 2017. In accordance with the provisions of the decision on environmental conditions, study results were submitted to the administrative bodies (the Municipality Office and the Regional Directorate for Environmental Protection) after the end of each semester of the monitoring. The studies did not determine any negative impact of the project on birds and bats. The next cycle of the monitoring and summary of the 3-year ornithological studies took place in 2019. The final report was sent to the administrative bodies and made available to the local community at the information point after the completion of the studies and preparation of the analysis, i.e. in May 2020.

Skurpie WF was put into operation in Q3 and Q4 2015. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in November 2015 and between April and May 2016. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. The results of the above-mentioned noise analysis were communicated to the competent authorities (the Voit of Płośnica Commune), who did not submit any comments.

Management of hazardous substances

There are small quantities of hazardous substances on the premises of Skurpie WF.

- Karcher RM 81 cleaning agent – approx. 1 l
- Domestos – approx. 0.7 l
- Mower fuel (petrol) in a metal canister - approx. 1 l
- Fuel oil – approx. 0.1 l

All containers and packaging with hazardous substances are stored in a locked room to which only authorised persons have access. All hazardous substances are stored on drip trays.

There are no underground or aboveground tanks for hazardous substances on Skurpie WF site.

In 2021, the aggregates consumed 76.62 l of heating oil - submitted to the National Centre for Emissions Management (KOBiZE) and reported in the annual report on air emission.

Waste management

SGRE is responsible for waste management with regard to waste generated during turbine servicing on the premises of Skurpie WF under the servicing agreement with Polenergia Farma Wiatrowa 4 Sp. z o.o. Waste is not stored on the premises of Skurpie WF.

Waste from maintenance works is not stored at Skurpie WF and it is immediately disposed of in accordance with the regulations in force by the entities servicing the facility.

Water and wastewater management

Skurpie WF is not connected to the municipal water supply or sewage system. Water for domestic purposes is supplied to a reservoir located on the premises of Skurpie WF.

Domestic wastewater generated at Skurpie WF is discharged into a septic tank. The tank is emptied, if necessary, by an authorised company.

At Skurpie WF, there is an AWAS H1400 petroleum products separator, which is subject to regular technical inspections and cleaning. The last periodic inspection took place in 2021. The above-mentioned works are performed by an authorised company, i.e. AWAS – Serwis Sp. z o.o. Based on the information presented in the report on equipment cleaning and waste collection, the equipment is in good technical condition. The inspection took place on 15 November 2021.

Rainwater and snowmelt, after being treated in the separator, is discharged into absorbing wells, in accordance with the provisions of the water permit (document ref. No. Ro.6341.23.2011).

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Skurpie WF.

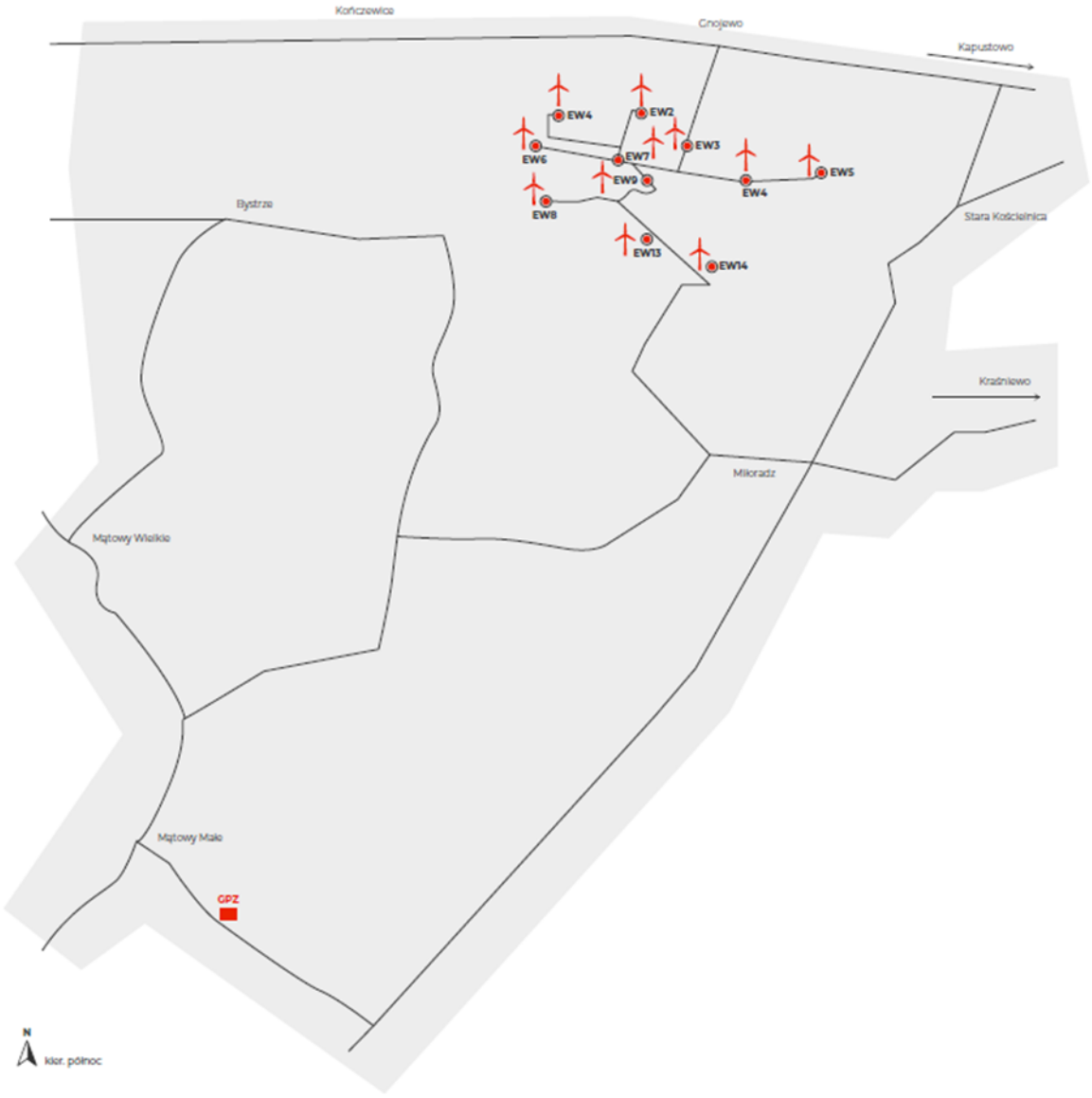
In accordance with the law, equipment containing more than 6 kg of refrigerant must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are six air conditioners (three Mitsubishi Heavy SRK and three Mitsubishi Heavy SRC) at the power station that contain less than 3 kg of refrigerant. Therefore, registration in CRO is not required.

2.1.9 Szymankowo Wind Farm

Szymankowo WF is located in Malbork Poviat, Miłoradz Commune, in the area between the villages of Gnojewo (to the north), Stara Kościelnica (to the east), Miłoradz (to the south-east), and Bystrze (to the west). Szymankowo Wind Farm was constructed by Polenergia Farma Wiatrowa Szymankowo Sp. z o.o., the special purpose vehicle owned in 100% by Polenergia. The farm consists in Siemens Gamesa Renewable Energy G132-3.45 MW turbines with capacity of 3.45 MW each. Total installed capacity of the wind farm is 38.115 MW.

FW Szymankowo



Environmental permits

Szymankowo WF has all necessary permits to operate in compliance with environmental regulations.

No penalties were imposed on the company in 2021. With regard to commissioning of the Szymankowo Wind Farm on 19.08.2021, the site was inspected by the Regional Inspectorate for Environmental Protection (within the environmental permit procedure).

Ex post monitoring

After commissioning of Szymankowo WF, the ex-post monitoring was commenced. Research in the impact area of the Szymankowo Wind Farm on birds and bats is carried out by AGRO-TRADE company. Following the results of semi-annual monitoring report (August 2021 - January 2022) the statements of the authors that: *current mortality rate is low and the collisions are highly incidental can be confirmed. Mortality rate in the group of birds is 0.2 bird/turbine, while for bats 0.3 bat/turbine. No concentration of events for a single power plant or turbine head as well as in a narrow phenological period was stated.* Research will be continued in 2022 and, in accordance with the requirements of the environmental decision and good environmental practices, the subsequent annual research cycles are scheduled for 2022/23 and 2023/24. Research results shall be each time (on annual basis) submitted to the Miłoradz Commune Office and to the Regional Directorate for Environmental Protection in Gdansk (following the requirements of the environmental conditions decision).

Szymankowo WF was commissioned in August 2021. Pursuant to the environmental decision, the ex-post noise measurements commenced in September. The measurements are carried out by a certified subcontractor, EKO-POMIAR. The results of the a/m noise analysis was submitted to the Miłoradz Commune Office, Regional Directorate for Environmental Protection in Gdansk and Regional Inspectorate for Environmental Protection (29.03.2022) . Measurements did not indicate that noise levels were exceeded. Post-monitoring report will be also available in the contact point that exists in the Local Commune Office with information with whom interested people should contact. April-may 2022 Director of Environmental protection and Project Manager will meet with local society.

Management of hazardous substances

No hazardous substances are stored at Szymankowo WF and there are no underground or aboveground tanks for hazardous substances.

Waste management

Waste Management at the area of Szymankowo WF is carried out in line with the Act on waste by the service company i.e. Siemens (waste producer from wind turbine servicing) and other entities servicing the equipment (main electrical substation, oil collecting pans, servicing the equipment containing SF6 gases or air conditioners).

Hazardous waste and other waste from the service are stored by SGRE (turbine servicing entity) outside the installation area. Waste from service of other equipment is each time collected by their producer (servicing entity) upon servicing.

Municipal waste is stored selectively until it is handed over to specialised entities holding the required permits. Municipal waste is collected by the Municipality.

Water and wastewater management

Szymankowo WF is currently not connected to the municipal water supply or sewage system. The application for connection permit was submitted to the Starost of Malbork in January 2022 and the connection shall be made in mid-2022.

At Szymankowo WF, there is a Bun Guard petroleum products separator, which is subject to regular technical inspections and cleaning. The last periodic inspection took place on 10 December 2021. The above-mentioned works are performed by an authorised company, i.e. ANDEL Sp. z o.o. Based on the information presented in the report on equipment cleaning and waste collection, the equipment is in good technical condition.

Precipitation and thawing water is managed under the issued water-law permit of 28 October 2019 (GD.ZUZ.2.421.241.2019.MM. This permit allows for discharge of precipitation water from the power station area to soil and drainage ditch RF 17 and construction of drain well and concrete outlets to the drainage ditch located at the area of the plots no. 121/3 i 240 o. Mątowy Małe, Miłoradz Commune.

On the basis of the permit the water equipment - drain well SCh1 and drain well SCh 1 were constructed, both of diameter of 1.2 m on plot no. 121.3 o. Mątowy Małe, Miłoradz Commune. The permit covers also the water service - drainage of precipitation and thawing water to soil from the area of 110/30kV power station of Szymankowo WF. The catchment area and volume of thawing water with limit values of total suspension and oil-derivative hydrocarbons were determined. Permit for water discharge is valid by 27 October 2049.

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Szymankowo WF.

In accordance with the law, equipment containing more than 6 kg of refrigerant must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are three units containing more than 6 kg of SF6 gas (three ABB LTB 145D1/B overhead circuit breakers. In addition, there are three air conditioners containing less than 3 kg of refrigerant at the area of main electrical substation. The equipment containing SF6 gases in quantity above 6 kg were recorded in the newly established CRO register dedicated to Szymankowo WF installation (October 2021).

2.1.10 Sulechów I Photovoltaic Farms

Location and description of the project

Sulechów I Photovoltaic Farms are located on plots No. 117/16, 117/7, 117/8, 118/2, 152/2, 152/3, 153 and 154/5 in Kruszyna, Sulechów Municipality, Zielona Góra Poviat, Lubusz Voivodeship. They comprise eight photovoltaic farms, each with approx. 1 MW capacity, including the necessary infrastructure and a 15/110 kV power station.

Total area of the farm is approx. 16.5 ha. Total annual energy production is about 8,200 MWh (in the first year of operation).This allows for carbon dioxide emission reduction by approx. 6,500 Mg per year. The operation time of the facility is estimated for 25 years, which corresponds to a cumulative production of approx. 200,000 MWh.

Construction of Sulechów Photovoltaic Farms lasted from April to September 2019. The farms received the operation permit in October 2019 and started producing electricity in November. Since the beginning of 2020, they have been producing energy in the auction system. Sulechów I Photovoltaic Farms are owned by Polenergia Farma Wiatrowa 17 Sp. z o.o., a special purpose vehicle 100% owned by Polenergia.

Rysunek 2 Mapa Farm Fotowoltaicznych Sulechów I.

PV Sulechów

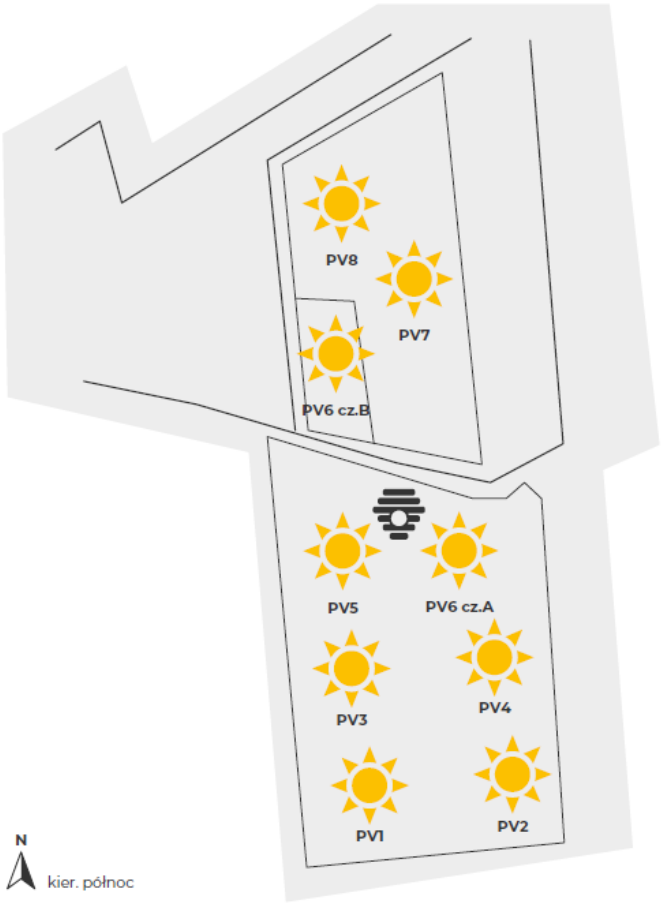


Figure 3 Area of Sulechów I Photovoltaic Farms.

Environmental permits

Sulechów I PVF have all necessary permits to operate in compliance with environmental regulations.

No penalties were imposed on the company and no inspection was carried out on its premises in 2020.

Table 8. Summary of permits and decision on environmental conditions issued for Sulechów PVF.

Permit/Decision	Issuing authority	Date of issue	Validity date
Decision (document ref. No. GKR.6220.17.2018.MG) on environmental conditions for the project "Construction and installation of thirteen photovoltaic farms with a capacity of up to 1 MW each, including the necessary technical infrastructure with staging".	Mayor of Sulechów	15 October 2018	Not applicable.

Management of hazardous substances

On the premises of Sulechów PVF, apart from one tank with electroplating oil, no hazardous substances are stored. The above-mentioned tank is stored on a drip tray, in a free-standing storage and office container, to which only authorised persons have access.

There are no underground or aboveground tanks for hazardous substances on Sulechów PVF site.

Waste management

Waste at Sulechów PVF is only produced during maintenance works. Waste from maintenance works is not stored at Sulechów PVF and it is immediately disposed of in accordance with the regulations in force by the entities servicing the facility.

Water and wastewater management

Sulechów PVF are not connected to the municipal water supply or sewage system. Rainwater and snowmelt is directed to unpaved areas.

Hazardous materials (asbestos, PCB, ozone depleting substances)

There are no asbestos-containing materials in Sulechów PVF.

In accordance with the law, equipment containing more than 6 kg of SF6 must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded. As there is no equipment containing more than 6 kg of refrigerant at Sulechów PVF, registration in CRO is not required.

2.1.11 Nowa Sarzyna CHP Plant

Location and description of the plant

Polenergia Elektrociepłownia Nowa Sarzyna Sp. z o.o. ("Nowa Sarzyna CHP Plant") is located approximately 1 km north-west of the town of Nowa Sarzyna, at ul. ks. J. Popiełuszki 2. The area of Nowa Sarzyna CHP Plant is approximately 6 hectares.

The company produces electricity and heat. Electricity and heat are produced in cogeneration by combusting natural gas (or reserve fuel - light heating oil) in a gas-steam unit. Production of heat is also possible without cogeneration in a reserve source - an auxiliary boiler room using natural gas or light heating oil.

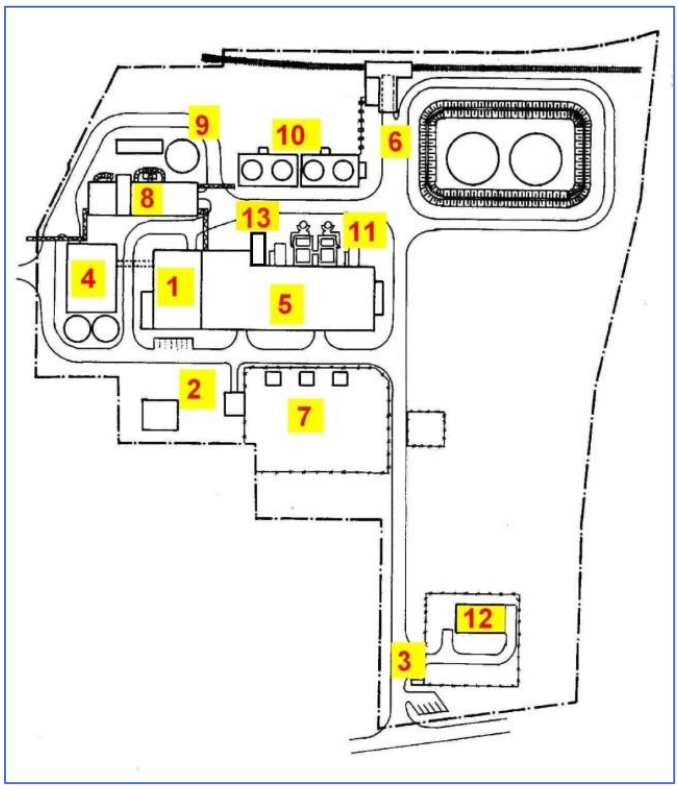
The company has 4 customers for its products:

- Polenergia Obrót S.A. – wholesale power buyer.
- CIECH Sarzyna S.A. - energy recipient for chemical plants
- Zakłady chemiczne Sarzyna Chemical Sp. z o.o. – heat recipient and distributor for technological and heating purposes and
- Zakład Gospodarki Komunalnej Nowa Sarzyna Sp. z o.o. – buyer of heat for heating purposes.

In 2021, gross electricity production was approx. 209.5 TWh and heat production for sale was approximately 459 TJ.

The company has 48 employees.

Rysunek 4 Rodzaj i rozmieszczenie obiektów Elektrociepłowni Nowa Sarzyna.



1. Administration building
2. Accounting building
3. Gatehouse at the entrance gate
4. Water treatment plant building
5. Main building - machinery hall
6. Unloading station and tray with heating oil tanks
7. 110kV switchgear
8. Auxiliary boiler building
9. Fire water tank
10. Mechanical draft cooling towers of the cooling circuit
11. HRSG boilers
12. Gas station (owned by Gaz System S.A.)
13. Jenbacher gas engine building

History

The construction and financing project under the "project-finance" formula was developed and supervised by the company's first owner, US corporation Enron (Houston, Texas). Construction of Nowa Sarzyna CHP Plant began in mid-1998 and the plant started commercial operation on 1 June 2000. In 1997, Nowa Sarzyna CHP Plant entered into a long-term power sales agreement with Polskie Sieci Elektroenergetyczne ("PSE"), and in 1998 it concluded a 20-year heat supply agreement with the nearby "Organika-Sarzyna" Chemical Plant. In addition, since 2000 Nowa Sarzyna CHP Plant has been selling heat to the residents of the town of Nowa Sarzyna. Gas has been supplied by Polskie Górnictwo Naftowe i Gazownictwo, Division in Warsaw under the purchase and sales contract for high-methane natural gas for 20 years. In 2021, gas was supplied by the company of Polenergia Group (Polenergia Obrót SA.).

In 2011, Nowa Sarzyna CHP Plant was acquired by Kulczyk Investment. Currently, the company is part of Polenergia S.A. Group seated in Warsaw. Since 2020, Nowa Sarzyna CHP Plant has been selling electricity to a trading company from Polenergia Group. Heat is still sold to the nearby chemical plants and to the local utility plant. The company also provides electric power system self-start and restoration services under a renewed 3-year agreement with Polskie Sieci Elektroenergetyczne.

Environmental permits

Nowa Sarzyna CHP Plant has all necessary permits to operate in compliance with environmental regulations.

No penalties were imposed on the company in 2021. The last inspection by the Voivodeship Inspectorate for Environmental Protection took place in June 2021. No irregularities were detected and no comments were submitted.

Summary of permits and decision on environmental conditions issued for Nowa Sarzyna CHP Plant.

Permit/Decision	Issuing authority	Date of issue	Validity date
Integrated permit No. OŚ.6222.4.2019	Starost of Leżajsk	10 July 2019	Permit issued for an indefinite period
Water permit (document ref. No. RZ.ZUZ.4.421.42.2019.EB) for the directing of industrial wastewater produced in the plant, containing substances particularly harmful to the aquatic environment, into the sewage systems owned by CIECH Sarzyna S.A.	National Water Management Holding Polish Waters	26 February 2019	27 February 2023
Permit for greenhouse gas emissions from the facility covered by the emissions trading system, amended by Decision No. OŚ.6226.4.2020 amended by the decision no. OŚ.6226.4.2020.	Starost of Leżajsk	25 November 2016, amended by Decision of 30 December 2020	Permit issued for an indefinite period

Air emissions

Air emissions are covered by the integrated permit, which defines the maximum allowable emission level under normal operating conditions of the facility.

Nowa Sarzyna CHP Plant conducts daily measurements of air emissions (online measurements); in addition, interim measurements are also conducted. The last report on the measurements of concentrations and emissions of sulphur dioxide to the air from the two gas turbines E6 and E7 was performed in December 2021.

Nowa Sarzyna CHP Plant was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2021 was submitted by the end of February 2022. In addition, as required, ENS is preparing the annual report on CO2 emissions for 2021, which will be submitted by 31 March 2022.

Management of hazardous substances

Aboveground tanks located in external areas:

- 2 light heating oil tanks with a capacity of 3,000 m3 each. The tanks are located in an embankment, equipped with a geomembrane and placed in large capacity sumps.
- 1 steel tank for filtered water and fire water with a capacity of 1,800 m3,
- 2 steel tanks for demineralised water with a capacity of 1,200 m3 each.

Aboveground, double-walled tanks located inside the building, i.e. in the area of the water treatment plant:

- 1 sulphuric acid tank with a capacity of 5 m3
- 1 sodium hydroxide tank with a capacity of 40 m3
- 1 hydrochloric acid tank with a capacity of 40 m3

All the above-mentioned tanks are located in confined spaces with access restricted to authorised persons only. All hazardous substances are stored on paved ground, equipped with sump trays.

Other chemicals at Nowa Sarzyna CHP Plant include:

- Production chemicals
- Laboratory chemicals
- Fuels, oils and gases
- Other chemicals (e.g. cleaning agents, sorbents, salts)
- Workshop chemicals

All substances have up-to-date safety data sheets.

There are no underground reservoirs at Nowa Sarzyna CHP Plant.

Waste management

Waste management is based on agreements/orders with companies authorised to dispose of waste. This activity is fully covered by the integrated permit.

In accordance with the requirements of the Act on waste, ENF was registered in BDO system.

Hazardous waste, i.e. turbine oils and transformer oils, are stored at the place of generation in dedicated tanks and collected when replaced, while other oils are stored in leak-proof labelled drums placed under a roof on a sump tray.

Non-hazardous waste is selectively collected and stored in leak-proof labelled containers which are placed under a roof or at the place of generation.

Water and wastewater management

Water for technological purposes (industrial water) is supplied based on a long-term agreement on local services concluded with Ciech Sarzyna S.A. Ciech Sarzyna has two independent water intakes: the basic one on the Trzebośnica River and a reserve one on the San River.

Water management is covered by the integrated permit, which defines the quantity of water used for technological purposes (surface water), i.e. 220 m3/h.

Similarly to the industrial water supply, wastewater (industrial and sanitary) is discharged in cooperation with the chemical plants, based on the same local services agreement. Wastewater is pumped into the plants' sewage system and from there discharged to a biological wastewater treatment plant.

Wastewater management is covered by the integrated permit, which defines the volume of industrial wastewater discharged to the sewage systems of Ciech Sarzyna S.A., i.e. 438,000 m3/year.

Wastewater management is also covered by the water permit (document ref. No. RZ.ZUZ.4.421.42.2019.EB) for the directing of industrial wastewater produced in the plant, containing substances particularly harmful to the aquatic environment, into the sewage systems owned by CIECH Sarzyna S.A.

Both the integrated permit and the water permit define the permissible pollution levels in industrial wastewater. In addition, the water permit imposes an obligation to measure substances particularly harmful to the aquatic environment (listed in the water permit) in industrial wastewater at least twice a year.

Nowa Sarzyna CHP Plant conducts the above-mentioned measurements in accordance with the provisions of the permits; the last measurements took place in November 2021 and no exceedances of the permissible pollution levels were reported.

Noise

The nearest multi-family residential housing is located approximately 1 km from Nowa Sarzyna CHP Plant. The integrated permit defines the permissible levels of noise emissions from the facility in relation to multi-family residential and collective residential housing depending on the time of day:

- Daytime (6 AM to 10 PM) – 55 dB;
- night-time (10 PM to 6 AM) – 45 dB

The last noise measurements were carried out in 2020 and showed no exceedances of the acceptable limits.

Hazardous materials (asbestos, PCB, ozone depleting substances)

In Poland, the manufacture and distribution of asbestos-containing materials (ACMs) was banned in 1998. According to the multiannual programme for phasing out asbestos from the economy, as well as the current state of the law, it is allowed to use asbestos in facilities (including buildings) or no later than 31 December 2032. There are no asbestos-containing materials in Nowa Sarzyna CHP Plant.

Manufacturing of equipment containing PCBs was banned in Poland in the early 1980s. In accordance with Polish law, substances and facilities containing PCBs had to be disposed of before 30 June 2010.

There are seven transformers at Nowa Sarzyna CHP Plant (made in 1998/1999), each mounted on dedicated sump trays connected to the separator. The above-mentioned transformers do not contain PCBs.

In accordance with the law, equipment containing more than 6 kg of SF6 must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded.

There are two air conditioning units at Nowa Sarzyna CHP Plant - TRANE No. 1 and TRANE No. 2. Each unit contains two circuits of R404A refrigerant, with 7 kg of refrigerant in each circuit. The units are registered in CRO. The last inspection of the above-mentioned units took place in April 2021; no leaks were detected on the refrigeration systems.

2.1.12 Mercury Power Plant

Location and description of the plant

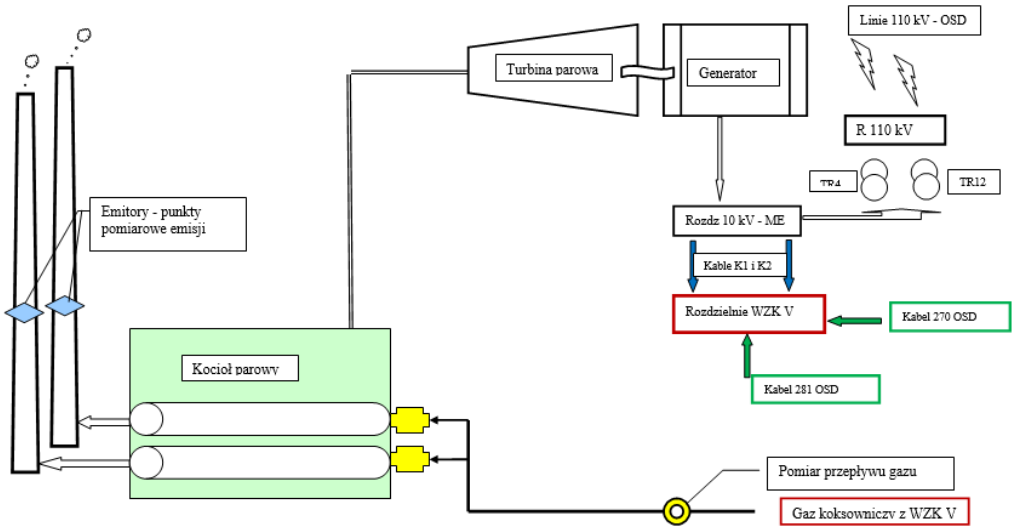
Mercury Power Plant (Mercury PP) is located in Wałbrzych, Lower Silesian Voivodeship, and it is owned by Mercury Energia Sp. z o.o. and Wspólnicy Sp.k..

This project is based on an agreement with Wałbrzyskie Zakłady Koksownicze Victoria S.A. Mercury Power Plant started producing energy at the beginning of July 2006.

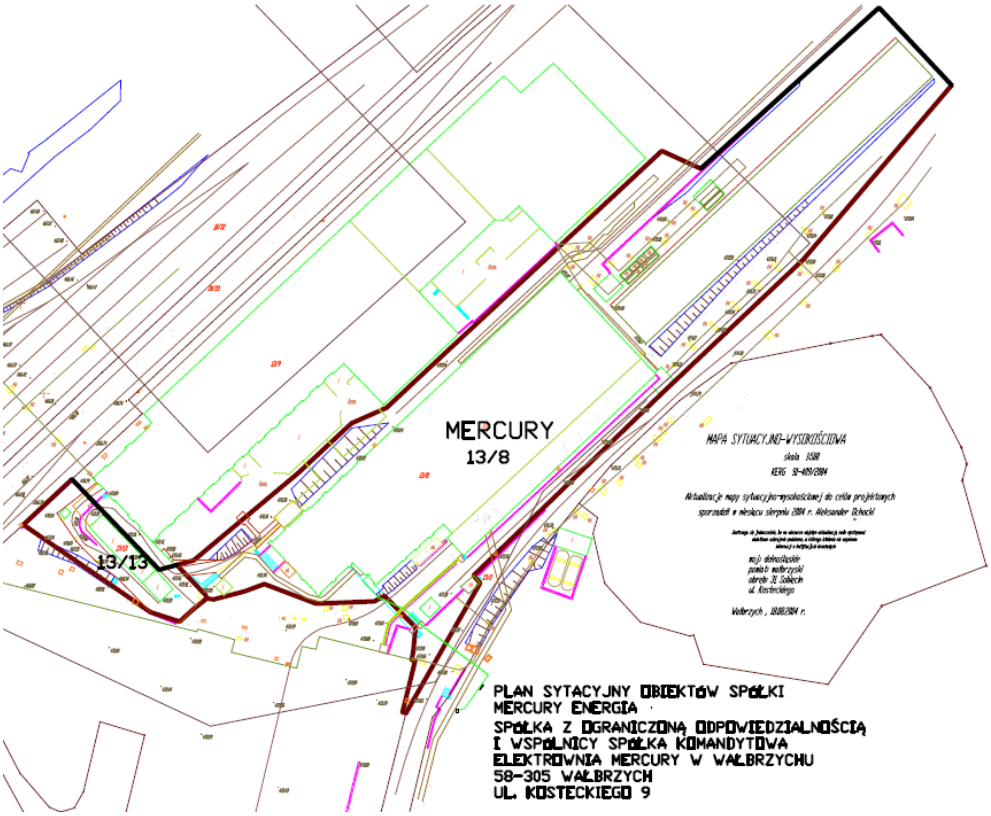
The power unit consists of a gas boiler and a steam turbine with a capacity of approximately 8 MWe. Electricity is generated from coke oven gas, which is produced as a by-product of coke production at WZK Victoria S.A. coke plants. Mercury Power Plant receives gas and supplies electricity under an agreement with WZK Victoria SA, valid until December 2023.

The surplus energy is sold to the network of Polenergia Obrót S.A. – wholesale energy buyer.

Rysunek 5 Schemat instalacji.



Rysunek 6 Plan sytuacyjny Elektrowni Mercury.



History

Mercury PP is located on the site of a former power plant from the early 20th century. The building dates back to the 1940s; after the war, it was the largest power plant in Poland (until the construction of Turów). Mercury PP was located on the premises of Wałbrzyskie Zakłady Koksownicze. In 2004, the idea emerged to use waste coke oven gas, which was no longer collected by the city of Wałbrzych. After the construction of the facility, Mercury PP started its operation in 2006.

Environmental permits

Mercury PP has all necessary permits to operate in compliance with environmental regulations.

No penalties were imposed on the company and no inspection was carried out on its premises in 2020.

Table 9. Summary of permits and decision on environmental conditions issued for Mercury PP.

Permit/Decision	Issuing authority	Date of issue	Validity date
Permit for emitting gases and dust into the air (document ref. No. BOŚ.6225.5.2014)	President of the City of Wałbrzych	17 June 2014	17 June 2024
Permit for emitting gases and dust into the air No. BOŚ.6225.8.2015 amending permit No. BOŚ.6225.5.2014)	President of the City of Wałbrzych	12 January 2016	17 June 2024
Permit for greenhouse gas emissions from Mercury Power Plant (document ref. No. BOŚ.6227.1.2019)	President of the City of Wałbrzych	17 April 2019	Permit issued for an indefinite period

amending Decision No. BOŚ.6227.1.2016			

Air emissions

Air emissions are covered by the permit for emitting gases and dust into the air, which defines the maximum permissible levels of emissions of substances, i.e. total dust, sulphur dioxide and nitrogen dioxide.

The permit requires Mercury PP to measure emissions of the above-mentioned substances twice a year.

In 2020, measurements were carried out in July, August and December. No exceedances of the permissible levels of substance emissions were recorded.

Mercury PP was registered with the National Centre for Emissions Management (KOBiZE) and, as required, the report for 2020 will be submitted by the end of February 2021. In addition, as required, Mercury PP is preparing the annual report on CO_2 emissions for 2020, which will be submitted by 31 March 2021.

Management of hazardous substances

There are small quantities of hazardous substances at Mercury PP, i.e. tanks for sodium hydroxide, which is stored in 25 litre containers. All containers are stored in a locked room to which only authorised persons have access. All hazardous substances are stored on drip trays.

Waste management

Waste management is based on agreements/orders with companies authorised to dispose of waste. Municipal waste is collected by ALBA based on agreement No. PO27004610.

As Mercury PP does not generate more than 1 Mg/year of hazardous waste or 5,000 Mg/year of non-hazardous waste, no waste production permit is required.

Non-hazardous waste is selectively collected and stored in leak-proof labelled containers which are placed under cover or at the place of generation.

In accordance with the requirements of the Act on waste, Mercury PP was registered in BDO system.

Water and wastewater management

Water is supplied to Mercury PP from the system of the supplier, i.e. PPHU Bem. The internal system located at Mercury PP is owned by the water supplier and wastewater collector.

Wastewater from processes at Mercury PP is treated in a closed loop system. Domestic wastewater is discharged into the municipal sewage system based on a water supply and wastewater disposal agreement.

Hazardous materials (asbestos, PCB, ozone depleting substances)

In Poland, the manufacture and distribution of asbestos-containing materials (ACMs) was banned in 1998. According to the multiannual programme for phasing out asbestos from the economy, as well as the current state of the law, it is allowed to use asbestos in facilities (including buildings) or no later than 31 December 2032.

There are currently seven cells containing asbestos at Mercury PP:

- Cell 1 - 93.149 Mg of asbestos-containing materials in a mechanical draft cooling tower (asbestos and cement pipes and joints, asbestos and cement corrugated sheets);
- Cell 2 – 84.457 Mg of asbestos-containing materials in a mechanical draft cooling tower (asbestos and cement cooling water pipes, asbestos and cement corrugated sheets);
- Cell 3 – 93.075 Mg of asbestos-containing materials in a mechanical draft cooling tower (asbestos and cement cooling water pipes, asbestos and cement corrugated sheets);
- Cell 4 – 90.001 Mg of asbestos-containing materials in a mechanical draft cooling tower (asbestos and cement cooling water pipes, asbestos and cement corrugated sheets);
- Cell 5 - 93.112 Mg of asbestos-containing materials in a mechanical draft cooling tower (asbestos and cement cooling water pipes, asbestos and cement corrugated sheets);
- Cell 6 – 92.891 Mg of asbestos-containing materials in a mechanical draft cooling tower (asbestos and cement cooling water pipes, asbestos and cement corrugated sheets);
- Cell 7 – 92.780 Mg of asbestos-containing materials in a mechanical draft cooling tower (asbestos and cement cooling water pipes, asbestos and cement corrugated sheets);

One of the eight asbestos cells was removed by a specialised third party in 2018. In total, 114.620 Mg of asbestos was removed. The remaining cells are expected to be removed in 2030 (cells 3, 4, 7) and 2031 (cells 1, 2, 5, 6).

In accordance with the applicable regulations, a letter to the Lower Silesian Marshal's Office with information on asbestos-containing products for 2020 was submitted on 26 January 2020.

Manufacturing of equipment containing PCBs was banned in Poland in the early 1980s. In accordance with Polish law, substances and facilities containing PCBs had to be disposed of before 30 June 2010. There is no equipment containing PCBs at Mercury PP.

In accordance with the law, equipment containing more than 3 kg of refrigerant or more than 5 tonnes of CO2 equivalent must be entered in a central register of operators (CRO), where all inspections and leakage tests are then recorded. There is no equipment containing SF6 gases at Mercury PP.

The Company, along with the installation, was sold in IIIQ2021 and any reporting for 2021 rests upon the existing installation operator.

2.2 Projects in Construction and Development

2.2.1 Dębsk Wind Farm

Dębsk Wind Farm project is carried out by Polenergia Farma Wiatrowa 3 Sp. z o.o., a special purpose vehicle owned in 100% by Polenergia. Dębsk WF is located in the area delimited by the villages of Zielona (north-western corner), Kuczbork (north-eastern corner), Wólka Kliczewska (eastern corner), Małocin (south-eastern corner), Dębsk (southern corner), Chamsk (south-western corner), in the Municipalities of Żuromin and Kuczbork Osada, Żuromin Poviat, Mazovian Voivodeship. 14 turbines will be located in Kuczbork-Osada Municipality, and the remaining 41 in Żuromin Municipality.

The environmental impact assessment (EIA) procedure for Dębsk WF was conducted by the competent authorities, i.e. the Mayor of Żuromin Municipality and the Voit of Kuczbork Osada Municipality. In accordance with the requirements of the Act on sharing information about the environment and its protection, public participation in environmental protection and environmental impact assessment

(EIA), in the course of the EIA procedure, the competent authorities (the State Sanitary Inspector and the Regional Directorate for Environmental Protection (RDOŚ)) approved the project. As part of the EIA procedure, public consultations were carried out which allowed for the participation of project stakeholders. The procedure ended with the issuance of two decisions on environmental conditions permitting the construction of up to 62 turbines and the necessary infrastructure:

- Decision on environmental conditions issued by the Voit of Kuczbork Osada Municipality for the project consisting in the construction of "Żuromin FW2" wind farm with a total maximum capacity of 87 MW, which will consist of up to 29 units with a capacity of 3 MW each, underground connections to the main electrical substation, internal access roads (document ref. No. GKB 7624-6/09/10/11 issued on 4 January 2011);
- Decision on environmental conditions issued by the Mayor of Żuromin Municipality and Town for the project consisting in the construction of "Żuromin FW3" wind farm with a total maximum capacity of 99 MW, which will consist of up to 33 units with acoustic power not exceeding 106.5 dB each and capacity of up to 3 MW each (document ref. No. IBGKiOŚ 7624-48/09/10 issued on 7 January 2011).

The project also obtained a permit for the construction of turbines and auxiliary infrastructure. The company ultimately decided to build 55 turbines.

The capacity of the individual Vestas V110 - 2.2MW turbines will be 2.2 MW. The parameters of the turbines will be as follows:

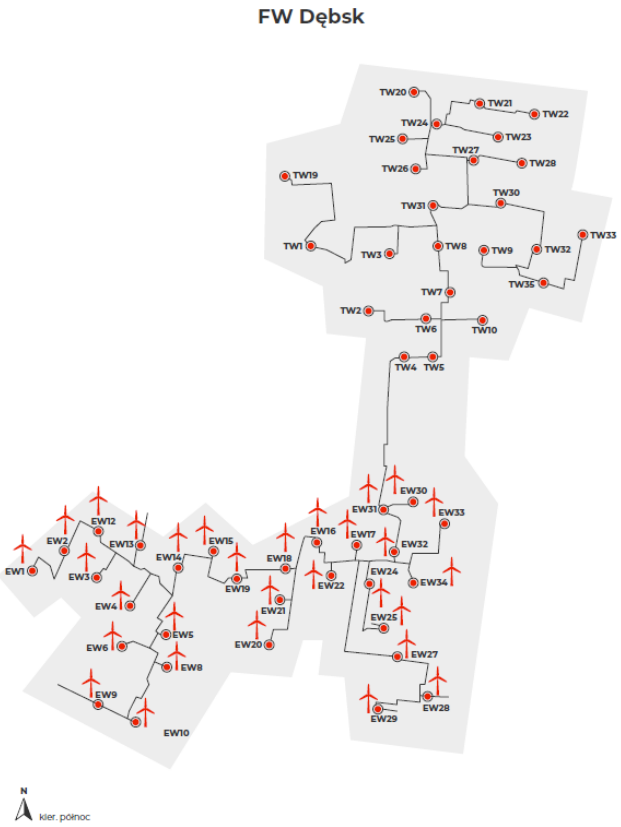
- hub height: 120 m;
- rotor diameter: 110 m.

Total installed capacity of the wind farm will be 121 MW. The project also includes the main electrical substation, underground power and control cable infrastructure, as well as access roads to respective turbines and maintenance and assembly areas. The energy generated by the turbines will be transmitted via underground cable lines to the main electrical substation. After the transformation to high voltage, electricity will be transmitted via underground 110 kV cable line with a length of approximately 63 km to Kruszczewo main electrical substation.

An additional wildlife assessment was carried out in 2019. The study was carried out in May and June to assess whether the results of the 2009 monitoring remained representative, and whether there had been any changes in land use that could affect the attractiveness of the sites to birds and bats. The results of bird and bat observations confirmed the conclusions of the 2009 monitoring. No new important habitats were identified at the wind farm.

Prior to the start of construction, in August 2020 training was held for all subcontractors involved in the construction process. The training concerned occupational health and safety and environmental protection issues. It was also aimed at informing the subcontractors about the requirements of the institutions financing the project, as well as about Polenergia Group's environmental and social policy and the standards of conduct for Partners (suppliers and subcontractors). Dębsk WF is currently under construction. The construction site is regularly monitored by experts (BIO EKSPERT) responsible for the environmental supervision.

Location of turbines at Dębsk WF.



2.2.2 Kostomłoty Wind Farm

Kostomłoty Wind Farm project is implemented by Polenergia Farma Wiatrowa Dębice/Kostomłoty Sp. z o.o., a special purpose vehicle owned in 100% by Polenergia. The project is located in Kostomłoty Commune, Środa Śląska Poviat, Lower Silesian Voivodeship, in southern Poland.

The project has undergone a full Environmental Impact Assessment (EIA) procedure based on an EIA report prepared for a wind farm configuration comprising 13 turbines in the preferred option and 17 turbines in the alternative option. The EIA procedure was preceded by a yearlong monitoring of birds and bats in the area of the planned project. The EIA procedure was concluded in July 2013 with the issuance of the decision on environmental conditions (document ref. No. RITGNROŚGP.6220.2.21.2013.TB). In 2016, the company obtained a building permit for the construction of 9 turbines, the main substation, underground infrastructure of power and control cables, access roads to respective turbines and assembly and maintenance areas. The building permits were amended in 2016, 2017 and 2018 to reflect the final selected turbine types and other minor changes.

Currently, the project includes the construction of 9 turbines, which will be located in the area delimited by the villages of Bogdanów, Godków (south-west corner), Paździorno (east corner), Piotrowice (north-east corner) and Wichrów (north-west corner). According to the building permit (amended in 2018), the capacity of the individual Vestas V136 turbines will be 3 MW. The parameters of the turbines will be as follows:

- hub height: 122 m;
- rotor diameter: 136 m.

Total installed capacity of the wind farm will be 27 MW.

The financing institution for the project will be mBank S.A. At the end of 2020, the project was subject to an Environmental and Social Due Diligence (ESDD) conducted by an independent consultant, which showed that the completed environmental impact assessment procedure was in line with the EIA Directive. In addition, as a matter of good practice, the project was assessed in terms of the Performance Requirements (PRs) of the European Bank for Reconstruction and Development (EBRD). The ESDD showed that the project meets the above-mentioned requirements.

As part of the above-mentioned analysis, a project-dedicated Environmental and Social Action Plan (ESAP) was prepared, which covers measures necessary to be implemented already in the construction phase, including:

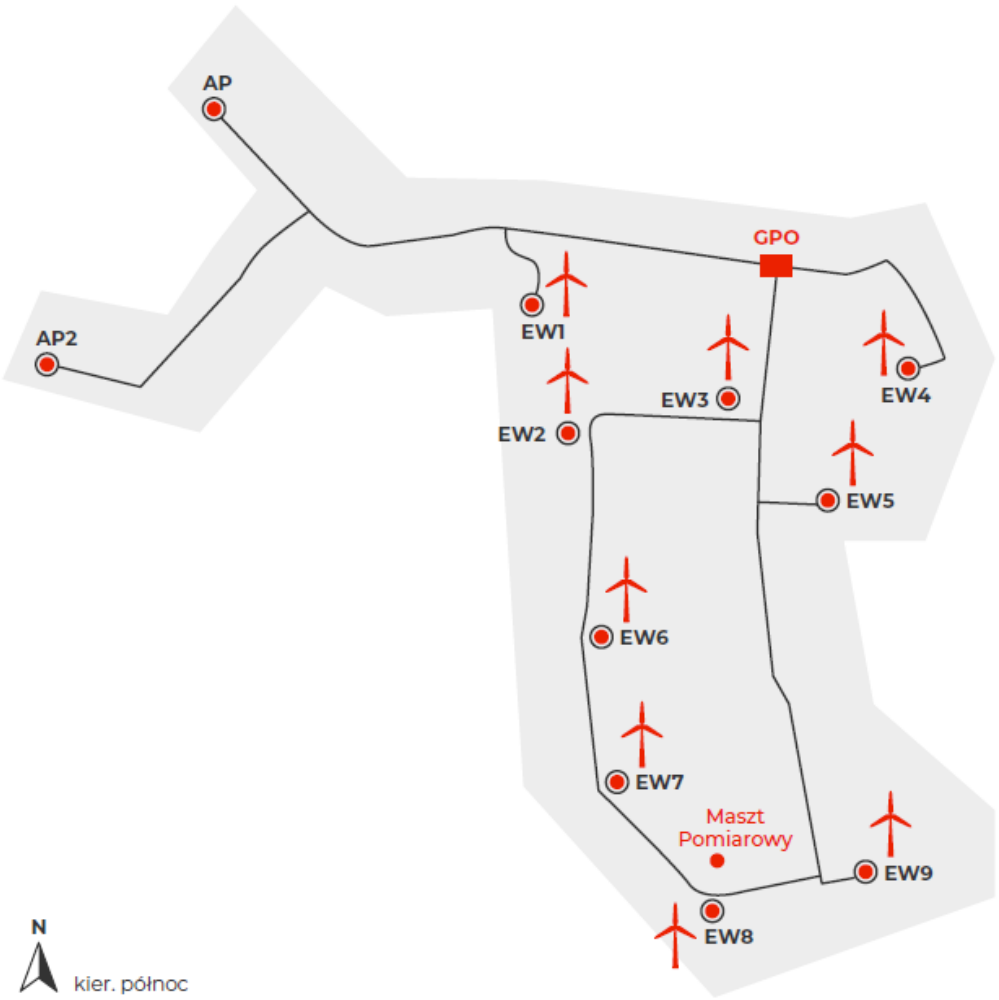
- Regular supervision of construction works to ensure that they are carried out in accordance with the provisions of the decision on environmental conditions, the provisions of C-ESMP and good industry practice, and that environmental risks are mitigated and adequately controlled;
- Development of an Environmental and Social Management Plan for the construction phase of the project;
- Compliance with the provisions of decision on environmental conditions with regard to nature conservation during construction works;
- Conducting an archaeological survey prior to the construction of the high voltage cable line.

The general contractor for the construction works was selected in late 2020.

The Company selected the subcontractor responsible for the environmental supervision of the construction works - BIO-EKSPERT.

Construction works are commenced at the end of Q1 2021 and preceded by an initial training for subcontractors. The training will cover occupational health and safety and environmental protection issues, as well as ethical matters (Polenergia Group's environmental and social policy and the standards of conduct for Partners (suppliers and subcontractors)). Moreover, the construction stage is monitored by experts from BIO EKSPERT, who are responsible for environmental supervision, for the entire duration of construction works.

Planned location of turbines at Kostomłoty WF.



Kostomłoty WF - photos from the construction site

2.2.3 Piekło Wind Farm

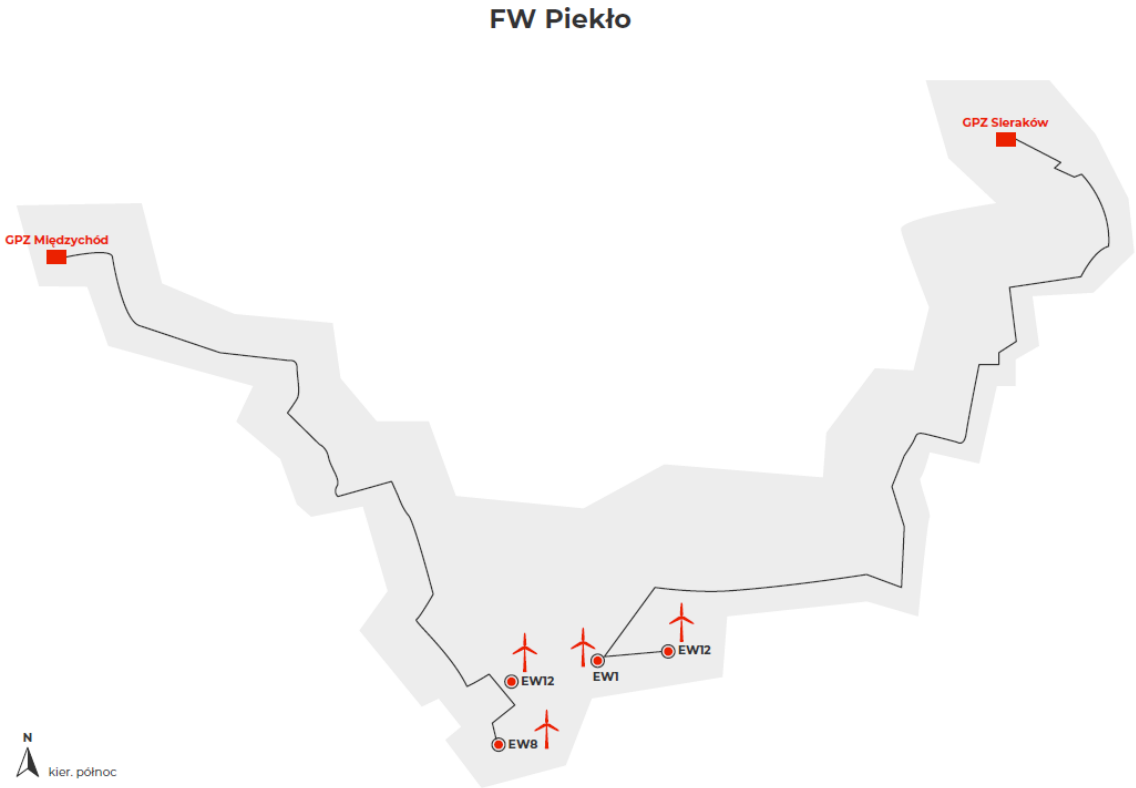
Piekło Wind Farm project is carried out by Polenergia Farma Wiatrowa 16 Sp. z o.o. and Polenergia Farma Wiatrowa Piekło Sp. z o.o., special purpose vehicles owned in 100% by Polenergia.

Piekło WF is located in the area of Międzychód Poviat, Międzychód Municipality, in the cadastral sections of Tuczępy, Mnichy, Kamionna and in Kwilcz Municipality, Mechnacz section. In 2012, Piekło WF project underwent the Environmental Impact Assessment (EIA) procedure conducted by the competent authority, i.e. the Mayor of Międzychód. During the EIA procedure the State Sanitary Inspector and the Regional Directorate for Environmental Protection (RDOŚ) were consulted in

accordance with the requirements of the environmental law. The consultation procedure also allowed for the participation of project stakeholders. The procedure ended with the issuance of a decision on environmental conditions permitting the construction of up to 14 turbines and the necessary infrastructure. The project also obtained a permit for the construction of 6 turbines and auxiliary infrastructure. The company ultimately decided to build 6 turbines. The capacity of the individual turbines will be 2.2 MW. Total installed capacity of the wind farm will be 13,2 MW.

On 26 November 2020, based on the auction announcement of 1 October 2020, "AZ/7/2020" auction for the sale of electricity from renewable energy sources was held. As a result of winning "AZ/7/2020" auction, Piekło project with a capacity of 13.2 MW received 15-year support. The works related to Piekło WF project are currently at the stage of preparing the schedule, selecting a turbine supplier and updating the already held arrangements. Piekło Wind Farm project is carried out by Polenergia Farma Wiatrowa 16 Sp. z o.o. and Polenergia Farma Wiatrowa Piekło Sp. z o.o. special purpose vehicles.

Rysunek 7 Rozmieszczenie turbin należących do FW Piekło.



Commencement of construction works is scheduled at the end of IQ 2022. Similarly as in the case of the currently constructed Szymankowo and Dębsk wind farms, all construction works will e covered by independent environmental supervision in line with good practice of the Group.

2.2.4 Grabowo Wind Farm

Grabowo Wind Farm is located in the north-eastern part of Poland in the Podlassia Voivodeship. Grabowo WF is developed by Polenergia Farma Wiatrowa Grabowo Sp. z o.o., a company established by Polenergia S.A. and will consist of 20 turbines. Grabowo WF will be located in the Grabowo Commune at the geodetic areas of Konopoki-Monety, Konopki-Białystok, Grabowskie and Grabowo. The estimated annual production of clean energy is 129 GWh.

Grabowo WF is at the implementation stage. Total maximum capacity of wind farm is 40.4 MW and it consists in 20 turbines, underground medium-voltage cable lines, transformer station, telecommunications line connecting the turbines with transformer station, internal roads and maneuver yards.

Capacity of a single turbine is 2.2 MW, maximum mast height is 125 m, while maximum total height is 185 m. Noise power of a single turbine shall not exceed 106.1 dB. Land development area is 8.8 ha.

In effect of the EIA procedure, the investor obtained the applicable environmental decision for Grabowo WF:

- Environmental decision for Grabowo Wind Farm WF-8 no. DŚ.6220.03.11, issued on 8 February 2012 by the Voit of Grabowo Commune.

The Project won the RES auction in December 2021 and the project construction will commence in IIQ 2022.

2.2.5 Photovoltaic farm projects

On 26 November 2020, based on the auction announcement of 1 October 2020, "AZ/7/2020" auction for the sale of electricity from renewable energy sources was held. All projects submitted by Polenergia S.A. won this year's RES auctions for new photovoltaic power plants. A portfolio of PV projects: Sulechów II, Sulechów III and Buk I with a total capacity of 28 MW will receive 15-year support.

Buk I project

Buk I photovoltaic farm project is being implemented by the special purpose vehicle Polenergia Farma Wiatrowa Rudniki Sp. z o.o. Buk I will be located on plots No. 409/1, 411/2, 729, 732, 733/1, 733/2, 734/1 within the village of Wielka Wieś, Buk Municipality, Poznań Poviat, Greater Poland Voivodeship.

Buk I project will consist of seven photovoltaic farms with a capacity of up to 1 MW each, with the necessary technical infrastructure. Total capacity of the farms will be 6.44 MWp.

The administrative procedure for issuing the decision on environmental conditions for Buk I was conducted by the competent authorities, i.e. the Mayor of Buk Municipality and Town. In the course of the administrative procedure, the State Sanitary Inspector, the National Water Management Holding Polish Waters and the Regional Directorate for Environmental Protection (RDOŚ) in Poznań were consulted. It was determined that there was no need to carry out environmental impact assessment for the planned project.

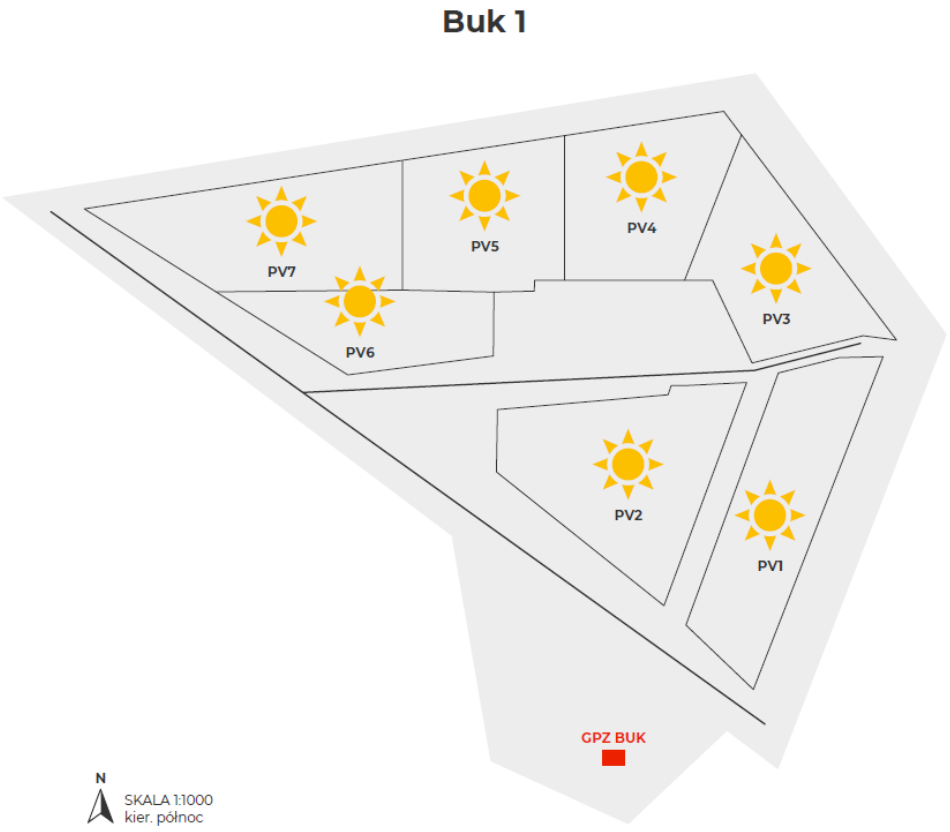
The procedure ended with the issuance of a decision on environmental conditions (document ref. No. IP.6220.24.2018 issued on 28 November 2018) permitting the construction and installation of nine photovoltaic farms with a capacity of up to 1 MW each, including the necessary technical infrastructure and staging.

The project also received the following building permits:

- Decision No. 2734/20 of 2 June 2020 for PV1 photovoltaic farm;
- Decision No. 2776/20 of 3 June 2020 for PV2 photovoltaic farm;
- Decision No. 2775/20 of 3 June 2020 for PV3 photovoltaic farm;
- Decision No. 2742/20 of 2 June 2020 for PV4 photovoltaic farm;
- Decision No. 668/20 of 5 February 2020 for PV5 photovoltaic farm;
- Decision No. 2726/20 of 2 June 2020 for PV6 photovoltaic farm;
- Decision No. 2724/20 of 2 June 2020 for PV7 photovoltaic farm.

Construction works commenced in August 2021. Their completion is scheduled for IQ 2022.

Figure: Map of planned Buk I photovoltaic farms.



Sulechów II project

Sulechów II photovoltaic farm project is implemented by the special purpose vehicle Polenergia Farma Wiatrowa 17 Sp. z o.o. Sulechów II will be located on plots No. 124/4, 124/3, 142, 141, 8/28, 8/15 and part of plots No. 120/8, 120/5, 121/3, 122/3, 123/3 in Kruszyna section, Sulechów Municipality, Zielona Góra Poviat, Lubusz Voivodeship.

Sulechów II project will consist of twelve photovoltaic farms with a capacity of up to 1 MW each, with the necessary technical infrastructure. Total capacity of the farms will be 11.714 MWp.

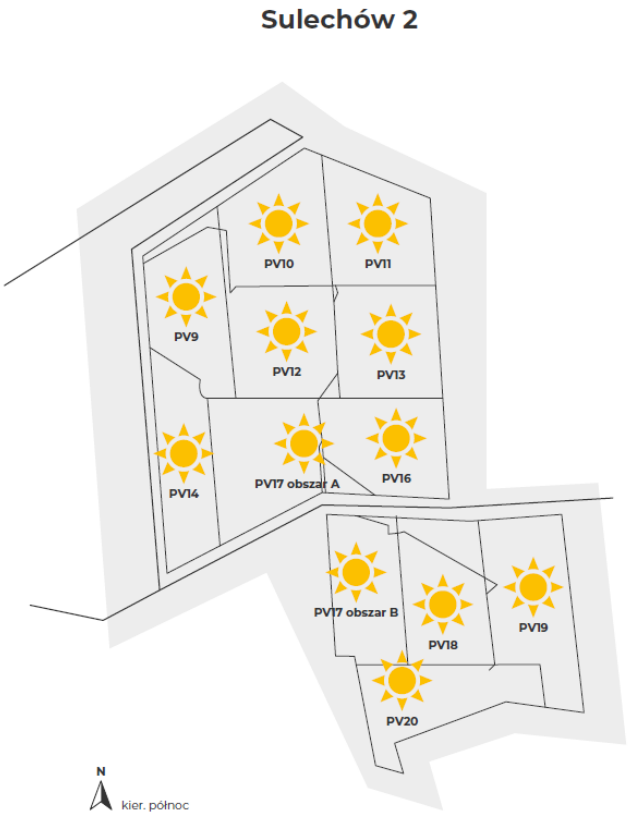
The administrative procedure for issuing the decision on environmental conditions for Sulechów II was conducted by the competent authorities, i.e. the Mayor of Sulechów. In the course of the administrative procedure, the State Sanitary Inspector, the National Water Management Holding Polish Waters and the Regional Directorate for Environmental Protection (RDOŚ) in Gorzów Wielkopolski were consulted. It was determined that there was no need to carry out environmental impact assessment for the planned project.

The procedure ended with the issuance of a decision on environmental conditions (document ref. No. GKR.6220.17.2018.MG issued on 18 October 2018) permitting the construction and installation of thirteen photovoltaic farms with a capacity of up to 1 MW each, including the necessary technical infrastructure and staging. The company will construct twelve photovoltaic farms, in accordance with the received building permits:

- Decision No. 902/2019 of 4 November 2019 for PV9 photovoltaic farm;
- Decision No. 903/2019 of 4 November 2019 for PV10 photovoltaic farm;
- Decision No. 904/2019 of 4 November 2019 for PV11 photovoltaic farm;
- Decision No. 905/2019 of 4 November 2019 for PV12 photovoltaic farm;
- Decision No. 906/2019 of 4 November 2019 for PV13 photovoltaic farm;
- Decision No. 907/2019 of 4 November 2019 for PV14 photovoltaic farm;
- Decision No. 908/2019 of 4 November 2019 for PV15 photovoltaic farm;
- Decision No. 909/2019 of 4 November 2019 for PV16 photovoltaic farm;
- Decision No. 910/2019 of 4 November 2019 for PV17 photovoltaic farm;
- Decision No. 911/2019 of 4 November 2019 for PV18 photovoltaic farm;
- Decision No. 912/2019 of 4 November 2019 for PV19 photovoltaic farm;
- Decision No. 913/2019 of 4 November 2019 for PV20 photovoltaic farm.

Construction works commenced in June 2021 and their planning and commissioning of photovoltaic farm is scheduled for IIQ 2022.

Figure 8 Map of planned Sulechów II photovoltaic farms.



Sulechów III project

Sulechów III photovoltaic farm project is implemented by the special purpose vehicle Polenergia Farma Wiatrowa Rudniki Sp. z o.o. Sulechów III will be located on plots No. 7/30, 7/40, 7/12, 7/83, 7/84 in Kruszyna section, Sulechów Municipality, Zielona Góra Poviat, Lubusz Voivodeship.

Sulechów III project will consist of nine photovoltaic farms with a capacity of up to 1 MW each, with the necessary technical infrastructure. Total capacity of the farms will be 9.835 MWp.

The administrative procedure for issuing the decision on environmental conditions for Sulechów III was conducted by the competent authorities, i.e. the Mayor of Sulechów. In the course of the administrative procedure, the State Sanitary Inspector, the National Water Management Holding Polish Waters and the Regional Directorate for Environmental Protection (RDOŚ) in Gorzów Wielkopolski were consulted.

It was determined that there was no need to carry out environmental impact assessment for the planned project.

The procedure ended with the issuance of a decision on environmental conditions (document ref. No. GKR.6220.9.2019.MG issued on 28 November 2018) permitting the construction and installation of ten photovoltaic farms with a capacity of up to 1 MW each, including the necessary technical infrastructure and staging.

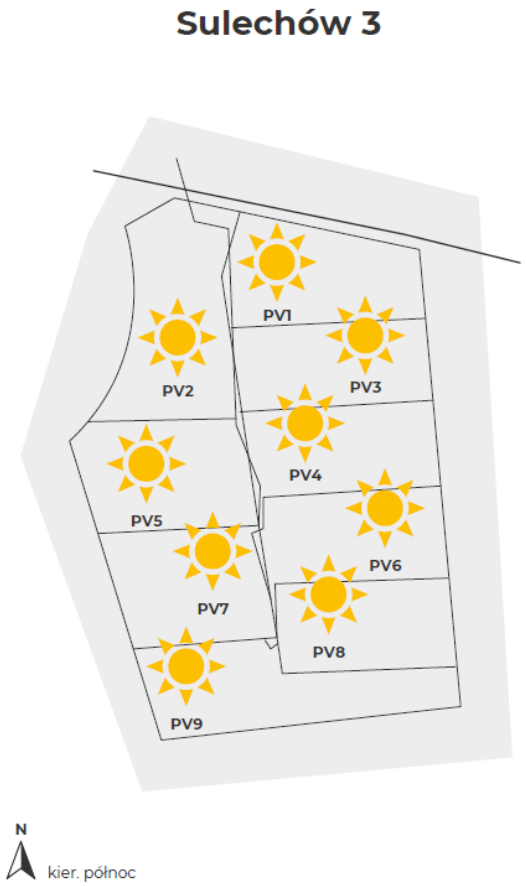
The company will construct nine photovoltaic farms, in accordance with the received building permits:

- Decision No. 943/2019 of 12 November 2019 for PV1 photovoltaic farm;

- Decision No. 944/2019 of 12 November 2019 for PV2 photovoltaic farm;
- Decision No. 945/2019 of 12 November 2019 for PV3 photovoltaic farm;
- Decision No. 946/2019 of 12 November 2019 for PV4 photovoltaic farm;
- Decision No. 947/2019 of 12 November 2019 for PV5 photovoltaic farm;
- Decision No. 948/2019 of 12 November 2019 for PV6 photovoltaic farm;
- Decision No. 949/2019 of 12 November 2019 for PV7 photovoltaic farm;
- Decision No. 950/2019 of 12 November 2019 for PV8 photovoltaic farm;
- Decision No. 951/2019 of 12 November 2019 for PV9 photovoltaic farm.

Construction works commenced in July 2021 and the planned commissioning of photovoltaic farms is scheduled for 2022.

Figure: Map of planned Sulechów III photovoltaic farms.



2.2.6 Offshore projects

BAŁTYK I OWF

Bałtyk I offshore wind farm will be located on the border of the Polish Exclusive Economic Zone at the level of Łeba Municipality. The project is located 81 km from the port of Łeba, in waters 25-35 metres deep. The project will cover an area of about 128.5 km2, and the power of all turbines will not exceed 1,560 MW.

In January 2019, the project obtained the connection conditions for 1560 MW, and in January 2021 obtained the connection agreement from the distribution system operator. The contract for environmental research was signed in December 2020. At present, the comprehensive pre-investment maritime environment research programme is being implemented for the purposes of environmental impact assessment of Bałtyk I OWF, which constitutes the milestone to obtain the decision on environmental conditions being one of the key documents necessary for project implementation.

Figure: Location of Polenergia Bałtyk I OWF.

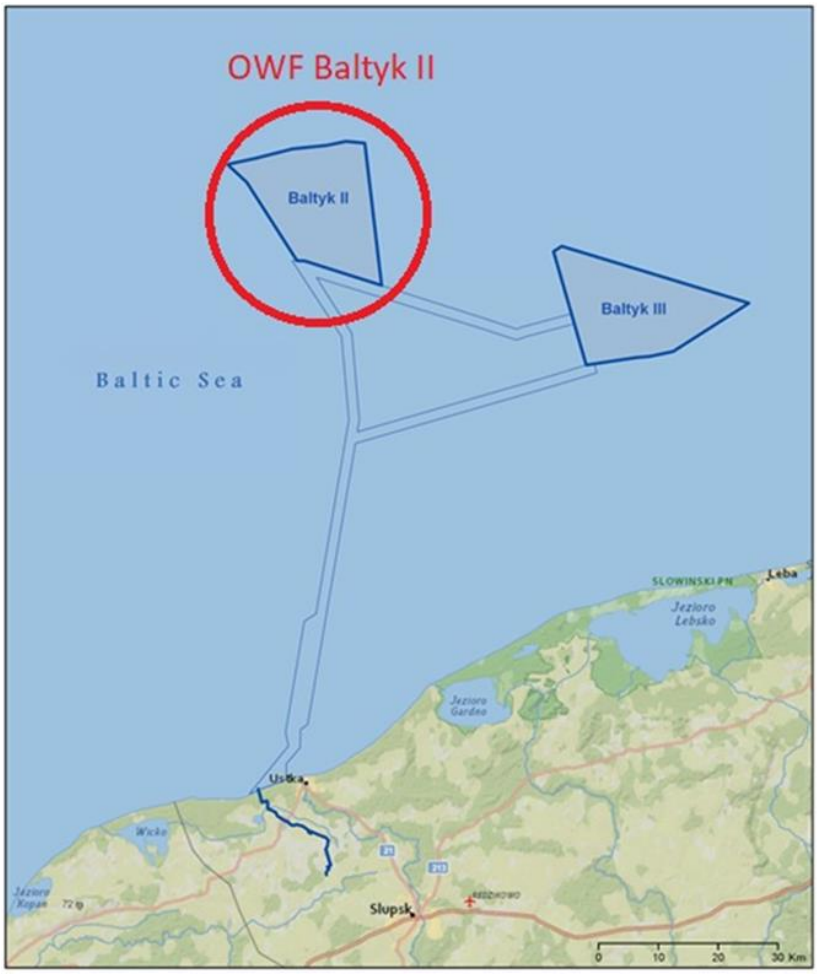
BAŁTYK II OWF

Bałtyk II offshore wind farm is to be located approximately 37 km north of the Polish coastline, in Smołdzino Municipality. The project will cover an area of about 122 km^2, of which the development area will be 95 km^2 and it will include the following components:

- Up to 120 turbines with a total capacity up to 1,200 MW, each of them with total height of up to 300 m and rotor diameter of up to 250 m;
- Up to 6 internal marine electrical substations;
- Up to 200 km of onshore and offshore energy transmission and telecommunications cable lines;

- Connection point to the TSO located in Wierzbięcin.

Figure: Location of Polenergia Bałtyk II OWF.



Between June 2012 and September 2014, marine environmental studies were carried out covering the area of the planned wind farm and its immediate vicinity. The environmental studies included:

- seabed organisms - sampling and analysis, underwater observations
- fisheries survey and hydroacoustic measurements, underwater observations
- marine mammals - monitoring with porpoise detectors, aerial observations, modelling of underwater noise
- observation of wintering and migratory birds, radar monitoring, night-time sound recording, collision risk analysis, habitat modelling
- acoustic monitoring of bats
- meteorological and hydrological parameters
- seabed - deep-sea structure, formation, physical and chemical properties of sediments, modelling of suspended solids disintegration, underwater noise monitoring.

The environmental impact assessment (EIA) procedure ended with the issuance of a decision on environmental conditions on 27 March 2017 permitting the construction of up to 120 turbines with a total capacity of up to 1,200 MW, each with a total height of up to 300 m and rotor diameter of 250 m with auxiliary infrastructure, e.g. up to 6 internal offshore substations and up to 200 km of onshore

and offshore transmission and telecommunications cable lines. In addition, a decision on environmental conditions for the connection infrastructure was obtained in March 2019.

As the total number of turbines is to be reduced to 60 (instead of 120 turbines under the current decision on environmental conditions), the company is currently amending the decision on environmental conditions issued in March 2017. The amendment application was submitted in 2021 and decided positively in October 2021 as requested by the special purpose vehicle.

BAŁTYK III OWF

Bałtyk III offshore wind farm is to be located approximately 37 km north of the Polish coastline, in Smołdzino Municipality. The project will cover an area of about 117 km^2, of which the development area will be 89 km^2 and it will include the following components:

- Up to 120 turbines with a total capacity up to 1,200 MW, each of them with total height of up to 300 m and rotor diameter of up to 250 m;
- Up to 6 internal marine electrical substations;
- Up to 200 km of onshore and offshore energy transmission and telecommunications cable lines;
- Connection point to the TSO located in Wierzbięcin.

Figure: Location of Polenergia Bałtyk III OWF.

Between June 2012 and September 2014, marine environmental studies were carried out covering the area of the planned wind farm and its immediate vicinity. The environmental studies included:

- seabed organisms - sampling and analysis, underwater observations
- fisheries survey and hydroacoustic measurements, underwater observations

- marine mammals - monitoring with porpoise detectors, aerial observations, modelling of underwater noise
- observation of wintering and migratory birds, radar monitoring, night-time sound recording, collision risk analysis, habitat modelling
- acoustic monitoring of bats
- meteorological and hydrological parameters
- seabed - deep-sea structure, formation, physical and chemical properties of sediments, modelling of suspended solids disintegration, underwater noise monitoring.

The environmental impact assessment (EIA) procedure for Bałtyk III OWF project ended with the issuance of a decision on environmental conditions on 7 July 2016 permitting the construction of up to 120 turbines with a total capacity of up to 1,200 MW, each with a total height of up to 275 m and rotor diameter of 200 m with auxiliary infrastructure, e.g. up to 6 internal offshore substations and up to 200 km of onshore and offshore transmission and telecommunications cable lines.

Due to the planned change in turbine parameters, the company is currently obtaining a new decision on environmental conditions. A new EIA report with an application for a new decision on environmental conditions was submitted to the Regional Directorate for Environmental Protection in Gdańsk in September 2019. This procedure is still pending however does not affect the validity of the decision issued in 2016. Notwithstanding the above, the Group prepares also the documentation to apply for amendment of environmental decision to adapt it to the needs of the latest technologies. Application will be filed in 2022.

3. Implementation of Stakeholder Engagement Plan and Environmental and Social Action Plan

3.1 Measures Taken to Meet the Requirements of Stakeholder Engagement Plan

The Polenergia group is not legally bound to publish any environmental or social reports on environmental and social performance. This information is published in the annual reports for the shareholders. The Company implemented the corporate social responsibility policy (CSR 2019-2022). The CSR reports were published on the official Company's website on regular basis, while since 2021 the CSR Reports for 2015-2019 were transferred to the newly-deployed ESG service, where non-financial data for the subsequent year (2020) were presented in the form of ESG service (www.esg.polenergia.pl), data for 2020 will be archived as pdf, and data for 2021 will be presented on-line in the interactive form. The ESG service publishes also the annual report in line with the requirements of the financing authorities.

Publishing project-related information is required for the newly-established projects as early as at the stage of EIA procedure. The scope of revealed information covers among others the general project

presentation, its expected environmental and social effects - including at Natura 2000 protected areas and measures necessary to mitigate these effects. Revealing such information and ensuring public participation in the environmental impact assessment process rests upon the authorities responsible for initiation of the EIA procedure. The authorities are bound by law to ensure public access to all resolutions and decisions made under the EIA procedure and examine the comments and complaints submitted by the entities concerned. The EIA procedure for the projects of similar nature to the project in question is carried out at least once before the environmental decision is made.

Stakeholder Engagement Plans were developed to formalise Polenergia and Polenergia Group companies' communication with project stakeholders and to develop a grievance mechanism.

As required by SEP, during the development and operation of each project, Polenergia has conducted internal and external dialogue with stakeholders. The internal dialogue is based on the routine exchange of information between the various organisational units of the company and those involved in the development and operation of the project. Exchanging e-mails, organisation of regular meetings and notifications on notice boards in Municipality offices were commonly used to ensure a smooth flow of information between staff. Detailed description of the frequency and forms of contact with certain stakeholders and the purpose of these contacts is presented below:

- The National Labour Inspectorate is always notified of the start of construction;
- The Poviat Construction Supervision Inspectorate is always notified of the start of construction works;
- The Voivodeship Construction Supervision Inspectorate is always notified of the start of construction works;
- Regular communication with municipality or commune offices, e.g. at the stage of issuing building permits and throughout the construction process;
- Regular communication with suppliers and subcontractors to coordinate construction works. All possible forms of contact are implemented;
- Communication with distribution system operators;
- Contact with Creditors (including EBRD) and other financial institutions operating under the Equator Principles (EPFI);
- Regular communication with local communities and residents (residents of surrounding areas, owners of properties leased for turbines etc.), consultation points organised at the construction site and at municipality or commune offices, transport plans related to the transport of large project components prepared and consulted with local authorities.

3.2 Measures Taken to Meet the Requirements of Environmental and Social Action Plan

3.2.1 Gawłowice Wind Farm

Implementation of the corporate Environmental and Social Action Plan (ESAP) of 2013 and implementation of the procedure for reviewing environmental impact assessment reports.

The company implemented the corporate ESAP agreed with EBRD in 2013.

EIA report was prepared by highly qualified and experienced subcontractors. The results were reviewed by Polenergia's internal Environmental and Sustainability Department. In addition, prior to the financing of the project by the creditors, the project was reviewed by an independent consulting firm under the ESDD process for compliance with best practices, both Polish and EU. If any non-compliances are identified, they are listed and further addressed within the action plans dedicated to the project.

Gawłowice WF was put into operation in Q4 2014. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in November 2014 and between February and March 2015. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. In January 2016, i.e. within the required period of 18 months from the start-up of the WF, the results of the above-mentioned noise analysis were submitted to the competent authorities, i.e.:

- the Voivodeship Inspector for Environmental Protection in Toruń (WIOS);
- the Regional Directorate for Environmental Protection in Bydgoszcz (RDOS);
- the Poviat Sanitary Inspector in Grudziądz (SANEPID);
- the Poviat Starost Office in Grudziądz;
- the Mayor of Radzyń Chełmiński Town and Municipality.

In 2015, the farm was extended by 3 more turbines; as a result, in March 2016, another round of ex post noise measurements was carried out for all 21 turbines of Gawłowice WF. Based on the results, no exceedances were recorded either during the day or at night. On 30 March 2016, the results of the noise analysis were submitted to the Regional Directorate for Environmental Protection in Bydgoszcz (RDOS), which did not submit any comments (document No. WOO.401.16.2016.JM of 22 April 2016).

Conducting ex post ornithological and chiropterological monitoring as required by the decision on environmental conditions.

Studies of birds and bats after the construction of the turbines took place in 2015, 2016 and 2018 and the study reports, after the data were collected and analysed, were submitted to the administrative authorities each time. The monitoring showed that the wind farm does not have a negative impact on birds and bats, the breeding avifauna population on its area is medium-sized and the number of breeding bird species has remained at a similar level since the wind farm's construction. Local communities (consultation point in the municipality or commune) and the Regional Directorate for Environmental Protection were informed about each year of the monitoring and its results. The last yearlong monitoring cycle took place in 2018; again, the studies showed no increase in mortality. In 2019, the final monitoring reports were submitted to the Regional Directorate for Environmental Protection for analysis and approval. In July 2019, the Director of Regional Directorate for Environmental Protection in Bydgoszcz accepted the documents received, stating that there was no significant negative impact of the investment on ornithofauna and chiropterofauna and compliance with the conditions set out in the decision on environmental conditions and guidelines.

Preparation and implementation of a tree planting plan as a compensatory measure.

On 17 June 2013, the Voit of Radzyń Chełmiński Town and Municipality issued the Decision (document ref. No. RGŚ.6131.31.1.2013.JK) permitting to remove trees for the purposes of construction of Gawłowice WF. The Decision required the replacement planting of 121 trees. In order to meet the above-mentioned obligation, in October 2013 the company planted in total 139 trees, which was documented in the final report submitted by the subcontractor (Dekorativ). The report on the

replacement plantings was submitted to the Voit of Radzyń Chełmiński Town and Municipality and the Poviat Road Authority.

Conducting regular (every 3 years) environmental audits of wind farms, reporting to creditors.

Polenergia S.A. conducts regular environmental audits (once a year). Audit results are presented tothe creditors in the form of an Annual Report.

Adoption and adaptation of general corporate environmental and occupational health and safety procedures and standards. This includes the implementation of an environmental and occupational health and safety management system such as ISO 14000 and OHSAS 18000 and a stakeholder engagement plan for Gawłowice WF project.

A stakeholder engagement plan was developed and implemented for Gawłowice WF. Environmental and occupational health and safety procedures were developed based on the environmental and occupational health and safety management systems: ISO 14000 and OHSAS 18000. However, the implemented systems are not certified. As it is the case with all Polenergia facilities, Gawłowice WF is subject to regular occupational health and safety inspections and audits. During an inspection conducted in 2016, occupational health and safety procedures and guidelines were reviewed. A occupational health and safety management system audit was carried out in 2018. All follow-up recommendations have been implemented. In addition, the facilities are regularly inspected in terms of occupational health and safety (the last inspection at Gawłowice WF was conducted in 2021). It did not reveal any major irregularities. All minor concerns were resolved within a week of the inspection.

Implementation of the Stakeholder Engagement Plan and publication of the general environmental information relating to the project and the company, including the non-technical summary, the environmental and social action plan, the stakeholder engagement plan and other project-related documents.

A stakeholder engagement plan was developed and implemented for Gawłowice WF. General environmental information about the project was published online at https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-gawlowice/ . In addition, information about the project was published on EBRD website at https://www.ebrd.com/work-with-us/projects/psd/pepsa-wind-portfolio.html.

Submission of annual environmental, social and occupational health and safety reports to EBRD and other creditors (if the loan was granted by a consortium). Posting a short summary of environmental and social matters on the website.

Annual environmental audits are conducted for both internal and external purposes. Audit results are presentedin the form of an Annual Report.

The Corporate Social Responsibility Reports prepared in 2015-2019 and online report for 2020 addressed e.g. environmental and social issues related to the annual operations of Gawłowice WF. Data for 2021 will be published in the service by the end of IQ2021

Implementation of a grievance procedure in the course of implementation of the Stakeholder Engagement Plan, as required by the EBRD.

As part of the implementation of the stakeholder engagement plan and as part of the facility management system, the company implemented a grievance mechanism for Gawłowice WF. Information about the project was published on Polenergia Group's website and at the Municipality

Offices, where the results of the ex post noise analysis and the results of the ex post ornithological and chiropterological monitoring were also available.

Complaints in the first instance are addressed to the appropriate subsidiary (Polenergia Farma Wiatrowa 1, respectively). As a rule, each complaint is addressed within 14 days. No environmental penalties were imposed on Gawłowice WF in 2020. There were not any inspections by the Voivodeship Inspectorate for Environmental Protection at the WF.

Complaint forms have been made available at the Municipality Offices, which also provide the company's contact details. In addition, the forms are available at: https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-gawlowice/

3.2.2 Krzęcin Wind Farm

Krzęcin WF was acquired in 2018 by Polenergia Farma Wiatrowa 23 Sp. z o.o., a special purpose vehicle 100% owned by Polenergia. Prior to the acquisition, Krzęcin WF underwent due diligence, which included e.g.:

- Analysis of data, reports and statements obtained from the Facility Operator (EW Krzęcin) from the period of project development, construction and operation; and the analysis prepared by the law firm SSW Spaczyński, Szczepaniak i Wspólnicy Sp. k. ("SSW") with regard to the provided environmental data;
- On-site visits (August 2017) and interview with a representative of the facility operator and a person from the servicing company (Nordex) dealing with both technical servicing issues and environmental aspects (hazardous waste management at Krzęcin WF).

The above-mentioned analysis did not reveal any significant environmental non-compliance.

Polenergia Farma Wiatrowa 23 Sp. z o.o. prepared no dedicated Environmental and Social Action Plan for Krzęcin WF, which does not change the fact that the company makes all possible efforts to comply with good practices during the operation of Krzęcin WF.https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-krzecin/

3.2.3 Łukaszów Wind Farm

Amon Sp. z o.o. prepared no dedicated Environmental and Social Action Plan for Łukaszów WF, which does not change the fact that the company makes all possible efforts to comply with good practices during the operation of Łukaszów WF. https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/

3.2.4 Modlikowice Wind Farm

Talia Sp. z o.o. prepared no dedicated Environmental and Social Action Plan for Modlikowice WF, which does not change the fact that the company makes all possible efforts to comply with good practices during the operation of Modlikowice WF. https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/

3.2.5 Mycielin Wind Farm

Implementation of the corporate Environmental and Social Action Plan (ESAP) agreed with Polenergia S.A., which also includes the requirement to develop and maintain an environmental and

occupational health and safety management system and establish a management structure for environmental and occupational health and safety matters at the company level.

The ESAP agreed with Polenergia S.A. was implemented. Environmental and occupational health and safety procedures were developed based on the environmental and occupational health and safety management systems: ISO 14000 and OHSAS 18000. However, the implemented systems are not certified.

As it is the case with other Polenergia facilities, Mycielin WF is subject to regular occupational health and safety inspections and audits. During an inspection conducted in 2016, occupational health and safety procedures and guidelines were reviewed. A occupational health and safety management system audit was carried out in 2018. All follow-up recommendations have been implemented. In addition, the facilities are regularly inspected in terms of occupational health and safety (the last inspection at Mycielin WF was conducted in 2021). It did not reveal any major irregularities. All minor concerns were resolved within a week of the inspection.

Development and implementation of a Corporate Social Responsibility programme and presentation of a CSR report in accordance with GRI guidelines.

The Corporate Social Responsibility Report is prepared annually and published on the website. The Corporate Social Responsibility programme and CSR-compliant GRI reporting were launched in 2015.

Conducting ex post noise measurements in accordance with the corporate ESAP. If possible, scheduling measurements for the winter period with snow cover. Development and implementation of a noise mitigation programme if necessary.

Mycielin WF was put into operation in Q1 2016. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in August, September and November 2016. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. The results of the above-mentioned noise analysis were submitted to the competent authorities, i.e. the Voivodeship Inspectorate for Environmental Protection (WIOŚ) and the Municipality Office in Szprotawa in December 2016. The parties, i.e. WIOŚ and the local community, did not submit any complaints or comments regarding the performed noise analysis and its results. Furthermore, there was no need to implement any additional noise reduction programme.

Conducting ex post monitoring of birds and bats. At minimum, application of the methodology set out in the decisions on environmental conditions, as well as the methodology of BirdLife (international non-governmental organisation for the protection of birds and their habitats) /OTOP (Polish Society for the Protection of Birds) and EUROBATS (Agreement on the Conservation of Populations of European Bats).

In 2016, ornithological and chiropterological studies began, in accordance with the scope of ex post monitoring agreed with the Regional Directorate for Environmental Protection in Gorzów Wielkopolski. The annual monitoring report was submitted to the Regional Directorate for Environmental Protection in 2017. The authority did not submit any comments on the applied methodology and the manner the monitoring was carried out. When approving the results obtained in the first monitoring year, the authority emphasised that the observed mortality levels for birds of prey and the whole avifauna were relatively low, far from the threshold values determined on the basis of ex ante monitoring. The next cycle of studies began in April 2018 and continued until the end of

March 2019. On 24 July 2019, the Director of the Regional Directorate for Environmental Protection in Gorzów Wielkopolski approved the submitted monitoring reports, stating compliance with the requirements of the decisions on environmental conditions and indicating that no additional mitigating measures were necessary. The final, third, year of monitoring began in April 2020 and ended in April 2021, covering the entire phenological cycle. On 16 July 2021, the Regional Directorate for Environmental Protection in Gorzów Wielkopolski approved by the letter no. WPN-I.6011.2.2021.DJ1 the submitted ex-post reports and confirmed the compliance of their performance with the requirements of the decisions on environmental conditions.

Preparation and implementation of a tree planting plan as a compensatory measure.

In February 2015, the Voit of Niegosławice Municipality issued a Decision (document ref. No. RTG.OŚIPP.6131.02.2015) permitting the removal of four trees for the purposes of construction of Mycielin WF. The Decision required the replacement planting of 12 trees. In order to meet the above-mentioned obligation, in April 2015 the company planted in total 12 trees, which was documented in the final report submitted by the subcontractor who carried out the planting.

Placing warning signs at an appropriate distance on the access roads to individual turbines. Placing, in agreement with the road manager, information boards on Dworcowy Przysiółek-Dzikowice and Niegosławice-Mycielin (Mycielin WF) roads.

Following the completion of the construction phase, new warning signs were placed in accordance with ESAP requirements and Polenergia's occupational health and safety Policy. Dedicated warning signs were placed along the road to all Mycielin WF turbines. Below are photos of the signs:

Conducting regular (every 3 years) environmental audits of wind farms, reporting to creditors.

Polenergia S.A. conducts regular environmental audits (once a year). Audit results are presentedin the form of an Annual Report.

The results of the audits are presented to the Creditors in the form of an Annual Report. This includes the implementation of an environmental and occupational health and safety management system such as ISO 14000 and OHSAS 18000 and a stakeholder engagement plan for Mycielin WF project.

A stakeholder engagement plan was developed and implemented for Mycielin WF. Environmental and occupational health and safety procedures were developed based on the environmental and occupational health and safety management systems: ISO 14000 and OHSAS 18000. However, the implemented systems are not certified.

Implementation of the Stakeholder Engagement Plan and publication of the general environmental information relating to the project and the company, including the non-technical summary, the environmental and social action plan, the stakeholder engagement plan and other project-related documents.

A stakeholder engagement plan was developed and implemented for Mycielin WF. General environmental information about the project was published online at https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/ . In addition, information about the project was published on EBRD website at https://www.ebrd.com/work-with-us/projects/psd/polenergia-wind-portfolio.html**.**

Submission of annual environmental, social and occupational health and safety reports to EBRD and creditors (if the loan was granted by a consortium). Posting a short summary of environmental and social matters on the website.

Annual environmental audits are conducted for both internal and external purposes. Audit results are presented tothe creditors in the form of an Annual Report.

The annual Corporate Social Responsibility Reports prepared in 2015-2019 addressed e.g. environmental and social issues related to the annual operations of Mycielin WF. Data for 2020 and 2021 are and will be presented (for 2021 to the end of IQ2022) in the form of ESG Service: www.esg.polenergia.pl

Implementation of a grievance procedure in the course of implementation of the Stakeholder Engagement Plan, as required by the EBRD.

As part of the implementation of the stakeholder engagement plan and as part of the facility management system, the company implemented a grievance mechanism for Mycielin WF. Information about the project was published on Polenergia Group's website and at the Municipality Offices, where the results of the ex post noise analysis and the results of the ex post ornithological and chiropterological monitoring were also available.

As a rule, each complaint is addressed within 14 days. No environmental penalties were imposed on Mycielin WF in 2020. There were not any inspections by the Voivodeship Inspectorate for Environmental Protection at the WF.

Complaint forms have been made available at the Municipality Offices, which also provide the company's contact details. In addition, the forms are available at: https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-mycielin/

3.2.6 Puck Wind Farm

Dipol Sp. z o.o. prepared no dedicated Environmental and Social Action Plan for Puck WF, which does not change the fact that the company makes all possible efforts to comply with good practices during the operation of Puck WF. https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-puck/ Also for this farm the contact form was prepared and principles of communication with the stakeholders were implemented.

3.2.7 Rajgród Wind Farm

Implementation of the corporate Environmental and Social Action Plan (ESAP) of 2013 and implementation of the procedure for reviewing environmental impact assessment reports.

The company implemented the corporate ESAP agreed with EBRD in 2013.

EIA reports for future projects are prepared by highly qualified and experienced subcontractors. The results are reviewed by Polenergia's internal Environmental and Sustainability Department. In addition, prior to the financing of the project by the creditors, the project is reviewed by an independent consulting firm under the ESDD process for compliance with best practices, both Polish and EU. If any non-compliances are identified, they are listed and further addressed within the corrective action plans dedicated to the project.

Conducting ex post noise measurements as required by the decision on environmental conditions. Rajgród WF was put into operation in Q4 2014. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in December 2014. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. The results of the above-mentioned noise analysis were communicated to the competent authorities, who did not submit any comments.

Conducting ex post ornithological and chiropterological monitoring as required by the decision on environmental conditions.

Ex post ornithological and chiropterological studies of the farm site began in January 2015 and continued in 2016. The observations showed no negative impact of the facility on the Accipitriformes and young white storks flying out of their nests. High mortality among birds or bats was not observed. In 2017, after reviewing the 2016 report, the Regional Directorate for Environmental Protection in Białystok (Local Department in Łomża) did not submit any comments on the proposed solutions regarding the monitoring in the following years. In 2018, the last cycle of studies on the impact of the farm on bats and birds was conducted. Increased mortality in these animal groups was not observed. The final report, summarising the 3 years of monitoring, was submitted to the environmental authorities in early June 2019. On 30 June 2019, the Regional Directorate for Environmental Protection in Białystok accepted the ex post analysis.

Preparation and implementation of a tree planting plan as a compensatory measure. On 15 May 2013, the Mayor of Rajgród issued a Decision (document ref. No. UL.6131.97.2012) permitting the removal of 87 trees for the purposes of construction of Rajgród WF. The Decision required the replacement planting of 88 trees. In order to meet the above-mentioned obligation, in April 2014 the company planted in total 88 trees, which was documented in the final report submitted by the subcontractor. The report on the replacement plantings was submitted to the competent authorities.

Conducting regular (every 3 years) environmental audits of wind farms, reporting to creditors.

Polenergia S.A. conducts regular environmental audits (once a year). Audit results are presented as part of the annual Corporate Social Responsibility Report, which is published on the Company's website: https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-rajgrod/

Adoption and adaptation of general corporate environmental and occupational health and safety procedures and standards. This includes the implementation of an environmental and occupational health and safety management system such as ISO 14000 and OHSAS 18000 and a stakeholder engagement plan for Rajgród WF project.

A stakeholder engagement plan was developed and implemented for Rajgród WF. Environmental and occupational health and safety procedures were developed based on the environmental and occupational health and safety management systems: ISO 14000 and OHSAS 18000. However, the implemented systems are not certified. All Polenergia facilities are subject to regular occupational health and safety inspections and audits. During an inspection conducted in 2016, occupational health and safety procedures and guidelines were reviewed. A occupational health and safety management system audit was carried out in 2018. All follow-up recommendations have been implemented. In addition, the facilities are regularly inspected in terms of occupational health and safety (the last inspection at Rajgród WF was conducted in 2021). It did not reveal any major irregularities. All minor concerns were resolved within a week of the inspection.

Implementation of the Stakeholder Engagement Plan and publication of the general environmental information relating to the project and the company, including the non-technical summary, the environmental and social action plan, the stakeholder engagement plan and other project-related documents.

A stakeholder engagement plan was developed and implemented for Rajgród WF. General environmental information about the project was published online at https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-rajgrod/ . In addition, information about the project was published on EBRD website at https://www.ebrd.com/work-with-us/projects/psd/pepsa-wind-portfolio.html

Submission of annual environmental, social and occupational health and safety reports to EBRD and creditors (if the loan was granted by a consortium). Posting a short summary of environmental and social matters on the website.

Annual environmental audits are conducted for both internal and external purposes. Audit results are presented to thecreditors in the form of an Annual Report.

The Corporate Social Responsibility Reports prepared in 2015-2019 addressed e.g. environmental and social issues related to the annual operations of Rajgród WF. Data for 2020 and 2021 are and will be presented (for 2021 to the end of IQ2022) in the form of ESG Service: www.esg.polenergia.pl

Implementation of a grievance procedure in the course of implementation of the Stakeholder Engagement Plan, as required by the EBRD.

As part of the implementation of the stakeholder engagement plan and as part of the facility management system, the company implemented a grievance mechanism for Rajgród WF. Information about the project was published on Polenergia Group's website and at the Municipality Offices, where the results of the ex post noise analysis and the results of the ex post ornithological and chiropterological monitoring were also available.

Complaints in the first instance are addressed to the appropriate subsidiary (Polenergia Farma Wiatrowa 6, respectively). As a rule, each complaint is addressed within 14 days. No environmental penalties were imposed on Rajgród WF in 2020. There were not any inspections by the Voivodeship Inspectorate for Environmental Protection at the WF.

Complaint forms have been made available at the Municipality Offices, which also provide the company's contact details. In addition, the forms are available at: https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-rajgrod/

3.2.8 Skurpie Wind Farm

Implementation of the corporate Environmental and Social Action Plan (ESAP) of 2013 and implementation of the procedure for reviewing environmental impact assessment reports.

The company implemented the corporate ESAP agreed with EBRD in 2013.

EIA report was prepared by highly qualified and experienced subcontractors. The results were reviewed by Polenergia's internal Environmental and Sustainability Department. In addition, prior to the financing of the project by the creditors, the project was reviewed by an independent consulting firm under the ESDD process for compliance with best practices, both Polish and EU. If any non-compliances are identified, they are listed and further addressed within the action plans dedicated to the project.

Conducting ex post noise measurements as required by the decision on environmental conditions.

Skurpie WF was put into operation in Q3 and Q4 2015. In accordance with the decision on environmental conditions, ex post noise measurements were carried out in November 2015 and between April and May 2016. The measurements were carried out by a certified subcontractor, EKO-POMIAR. Based on the results, no exceedances were recorded either during the day or at night. The results of the above-mentioned noise analysis were communicated to the competent authorities. The authorities, i.e. the Voit of Płośnica Commune, did not submit any comments.

Conducting ex post ornithological and chiropterological monitoring as required by the decision on environmental conditions.

Monitoring of the impact of the project on birds and bats was carried out in 2016 and 2017. In accordance with the provisions of the decision on environmental conditions, study results are submitted to the administrative bodies (the Municipality Office and the Regional Directorate for Environmental Protection) after the end of each semester of the monitoring. The studies did not determine any negative impact of the project on birds and bats. The next cycle of the monitoring and summary of the 3-year ornithological studies took place in 2019. The final report was sent to the administrative bodies and made available to the local community at the information point after the completion of the studies and preparation of the analysis, i.e. in May 2020.

Preparation and implementation of a tree planting plan as a compensatory measure.

Not applicable.

Conducting regular (every 3 years) environmental audits of wind farms, reporting to creditors.

Polenergia S.A. conducts regular environmental audits (once a year). Audit results are presented in the form of an Annual Report.

The results of the audits are presented to the Creditors in the form of an Annual Report. This includes the implementation of an environmental and occupational health and safety management system such as ISO 14000 and OHSAS 18000 and a stakeholder engagement plan for Skurpie WF project.

A stakeholder engagement plan was developed and implemented for Skurpie WF. Environmental and occupational health and safety procedures were developed based on the environmental and occupational health and safety management systems, such as ISO 14000 and OHSAS 18000. However, the systems are not certified. All Polenergia facilities are subject to regular occupational health and safety inspections and audits. During an inspection conducted in 2016, occupational health and safety

procedures and guidelines were reviewed. A occupational health and safety management system audit was carried out in 2018. All recommendations were implemented. In addition, the facilities are regularly inspected in terms of occupational health and safety (the last inspection at Skurpie WF was conducted in 2021). It did not reveal any major irregularities. All minor concerns were resolved within a week of the inspection.

Implementation of the Stakeholder Engagement Plan and publication of the general environmental information relating to the project and the company, including the non-technical summary, the environmental and social action plan, the stakeholder engagement plan and other project-related documents.

A stakeholder engagement plan was developed and implemented for Skurpie WF. General environmental information about the project was published online at https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-skurpie/ In addition, the Project information is published at the EBRD website at: https://www.ebrd.com/work-with-us/projects/psd/pepsa-wind-portfolio.html

Submission of annual environmental, social and occupational health and safety reports to EBRD and creditors (if the loan was granted by a consortium). Posting a short summary of environmental and social matters on the website.

Annual environmental audits are conducted for both internal and external purposes. Audit results are presented to thecreditors in the form of an Annual Report. Data for 2020 and 2021 are and will be presented (for 2021 to the end of IQ2022) in the form of ESG Service: www.esg.polenergia.pl

The Corporate Social Responsibility Reports prepared in 2015-2019 addressed e.g. environmental and social issues related to the annual operations of Skurpie WF.

Implementation of a grievance procedure in the course of implementation of the Stakeholder Engagement Plan, as required by the EBRD.

As part of the implementation of the stakeholder engagement plan and as part of the facility management system, the company implemented a grievance mechanism for Skurpie WF. Information about the project was published on Polenergia Group's website and at the Municipality Offices, where the results of the ex post noise analysis and the results of the ex post ornithological and chiropterological monitoring were also available.

Complaints in the first instance are addressed to the appropriate subsidiary (Polenergia Farma Wiatrowa 4, respectively). As a rule, each complaint is addressed within 14 days. No environmental penalties were imposed on Skurpie WF in 2020. There were not any inspections by the Voivodeship Inspectorate for Environmental Protection at the WF.

Complaint forms have been made available at the Municipality Offices, which also provide the company's contact details. In addition, the forms are available at: data for 2020 and 2021 are presented and will be presented (for 2021 to the end of IQ2022) in the form of ESG Service: https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/fw-skurpie/ .

3.2.9 Sulechów I PVF

Environmental and Social Action Plan (ESAP) was not prepared for the purposes of development of the Sulechów I PVF project, as it was not required by the project financing authorities. This does not change

the fact that the company makes all possible efforts to comply with good practices during the operation of Sulechów I PVF.

Moreover, for technological reasons (spacing between rows, access roads), the structures comprising 30,000 PV panels with a total capacity of 8 MW cover only half of the entire 16-hectare Sulechów I project area. Polenergia has decided to return the undeveloped land to nature and to create so-called honey flower meadows in the area of the farms to be used by insect pollinators, including bees. This has helped to increase the biodiversity of the monoculture farming areas surrounding the project. Analysis of land use by pollinating insects was published in 2021 and is publicly available in the ESG service (link below).

At the beginning of 2020, Polenergia built an apiary consisting of 10 hives on plots No. 118/2, 152/2, 152/3, 153, 154/5 in Kruszyna section, Sulechów Municipality, Lubusz Voivodeship. To this end, the company engaged a specialised company, PLON Zaopatrzenie Ogrodniczo - Pszczelarskie, to handle the yearlong maintenance of the Sulechów apiary. The apiary operated throughout 2020 and 2021. Since 2022 the apiary will be managed by local bee keeper from Sulechów.

One of the examples of good practices implemented with regard to the Sulechów PVF was the company's decision on establishing the apiary at the area of Sulechów PVF and sowing a flower meadow: https://esg.polenergia.pl/dobre-praktyki/polenergia-na-rzecz-bioroznorodnosci-laki-kwietne-ff-sulechow-i-i-jej-pozytywny-wplyw-na-srodowisko-naturalne/. Another observations include surveys focused on the use of area by birds, including predatory birds were carried out at the turn of 2021/22 and, similarly as the analysis of use of the area by pollinating insects will be published in 2022 at the ESG website of the Group.

https://esg.polenergia.pl/grupa-polenergia/dzialalnosc-grupy-polenergia/aktywa-i-projekty/pv-sulechow/ - the ESG website publishes the available project description and contact form. The Company implemented the rules of communication and contact with the stakeholders for this project and for the other projects under construction and operation.

Figure Area of honey flower meadows.

Figure 9 The apiary at Sulechów PVF.

4. INFORMATION ABOUT CHANGES RELATED TO NATURA 2000 SITES OR OTHER IMPORTANT PROTECTED AREAS THAT MAY AFFECT POLENERGIA SITES

According to the information posted on the website of the General Directorate for Environmental Protection, "*on 31 January 2020, the European Commission issued decisions on the lists of sites of Community importance.These decisions introduce into the EU legal order changes to the boundaries of Natura 2000 habitat sites on the basis of information submitted in 2019 to the European Commission by Member States. Due to the location of Poland in two biogeographical regions, the following decisions are important for the Natura 2000 network in Poland:*

- *COMMISSION IMPLEMENTING DECISION (EU) 2020/100 of 28 November 2019 adopting the thirteenth update of the list of sites of Community importance for the Alpine biogeographical region (notified under document C(2019) 8589)*
- *COMMISSION IMPLEMENTING DECISION (EU) 2020/97 of 28 November 2019 adopting the thirteenth update of the list of sites of Community importance for the Continental biogeographical region (notified under document C(2019) 8589)*

Considering the above information, the General Directorate for Environmental Protection developed proposals of new sites and changes of borders of the existing sites. These changes mainly result from Poland's obligations with regard to the requirements of the EU law.

Based on the information presented on the website of the General Directorate for Environmental Protection, "*In 2019, the European Commission presented a number of objections regarding the completeness of the Natura 2000 network in Poland, including the need to complete the network by designating new sites and enlarging the existing sites. Polish Government considered some of these objections justified and agreed with the need to propose new Natura 2000 sites or to enlarge the existing sites.*

Other changes result from provisions of protection mission plans and protection action plans, documentation prepared as part of works on the above-mentioned plans or comments and proposals submitted by supervisors of the Natura 2000 sites."

Until 31 July 2020, comments and proposals of changes to the Polish Natura 2000 network could be submitted. After completion of the consultations, the proposals were submitted to the Council of Ministers for approval, and then to the European Commission.

A table of all changes is available on the website of the General Directorate for Environmental Protection: http://natura2000.gdos.gov.pl/files/aktualnosci/166529/pismo-GDO%C5%9A-do-gmin---za%C5%82%C4%85cznik_news_image.pdf.

The changes included in the table above do not have any direct impact on Polenergia sites.

5. ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY REGULATIONS AFFECTING THE PROJECTS

Polenergia S.A. Environmental and Sustainability Department, in close cooperation with Project Managers and subcontractors, keeps track of the changes in the environmental and occupational health and safety regulations which may have an impact on the projects, both in operation and in development. Atmoterm S.A., based on cooperation agreements with companies from Polenergia Group, provides monthly summaries of changes in regulations and support to Group companies in the area of environmental protection. In addition, Nowa Sarzyna CHP Plant has additional support from TARBONUS in the area of environmental protection and occupational health and safety, while in the case of Mercury PP it is EK Polska Group (only occupational health and safety, environmental support is provided by Atmoterm, and in the area of greenhouse gas emissions, by the Environmental and Sustainability Department).

The list of key regulations is presented below.

Environment:

- Act of 27 April 2001 Environmental Law (Journal of Laws of 2001 No. 62, item 627);

- Act of 14 December 2012 on waste (Journal of Laws of 2020.0.797);
- Act of 12 June 2015 on greenhouse gas emission allowance trading scheme (Journal of Laws of 2015, item 1223);
- Act of 17 July 2009 on the system to manage the emissions of greenhouse gases and other substances (Journal of Laws of 2009 No. 130, item 1070);
- Act of 20 July 2017 Water Law (Journal of Laws of 2017, item 1566);
- Act of 15 May 2015 on substances that deplete the ozone layer and on some fluorinated greenhouse gases (Journal of Laws of 2015, item 881);
- Act of 19 August 2011 on the carriage of dangerous goods (Journal of Laws of 2011 No. 227, item 1367);
- "Offshore Act" - Act on promoting electricity generation in offshore wind farms (signed by the President on 22 January 2021).

occupational health and safety:

- Labour Code (Dz. U. 1974 No. 24, item 141);
- Ordinance of the Minister of Energy of 28 August 2019 on occupational health and safety at work with energy equipment (Journal of Laws of 2019, item 1830);
- Act of 31 March 2020 amending the Act on special solutions related to preventing, counteracting and combating COVID-19, other infectious diseases and emergencies caused by them and certain other acts (Journal of Laws of 2020, item 568).

6. PROJECT COMPLIANCE WITH ENVIRONMENTAL, SOCIAL AND HEALTH & SAFETY REGULATIONS

Polenergia S.A., as well as other Group companies, operate in compliance with all applicable laws in force on the territory of Poland. No other material non-compliance with environmental, social and occupational health and safety regulations or laws occurred in 2021.

All construction contractors regularly monitor occupational health and safety issues on construction sites. Construction sites are also monitored by Polenergia S.A. Health, Safety and Site Analysis Expert.

Before construction begins, all subcontractors, engineers and contractors are informed about Polenergia S.A.'s policy related to environmental and social management on the construction site. As a result, they are aware of their responsibilities and the standards they must adhere to. Subcontractors have also been informed that breach of occupational health and safety rules by their workers will result in irreversible removal of such workers from the construction site.

6.1.1 The construction of Szymankowo WF and commissioning in 2021.

The company implementing the Szymankowo WF project obtained the operation permit on 19 August 2021.

Construction of Szymankowo WF began in March 2020. The following steps were implemented during the construction:

1. Construction of access roads and platforms;
2. Soil reinforcement - piling, foundation laying;
3. Construction of electrical infrastructure, i.e. 110/30 kV WF substation, underground MV (30 kV) medium and high voltage cable lines;
4. Installation of turbine generators;
5. Carrying out trials and tests;
6. Official acceptance of the project.

In order to carry out the construction works, Polenergia Farma Wiatrowa Szymankowo Sp. z o.o. selected and signed the relevant agreements with the following subcontractors:

- Bilfinger Tebodin Poland Sp. z o.o. – Contract Engineer;
- Przedsiębiorstwo Budownictwa Drogowo – Inżynieryjnego PBDI S.A. – General Contractor for construction and electrical works;
- Siemens Gamesa Renewable Energy Sp. z o.o. (SGRE), Siemens Gamesa Renewable Energy A/S – turbine supplier.

The financing authorities for the Szymankowo WF project are the European Bank for Reconstruction and Development (EBRD), mBank S.A. and ING. Consequently, in 2019, the project was subject to an Environmental and Social Due Diligence (ESDD) conducted by an independent consultant, which showed that the completed Polish environmental impact assessment procedure was in line with the EIA Directive and met EBRD requirements. Part of the analysis was the preparation of an Environmental and Social Action Plan. The above-mentioned plan contains measures required at all stages of project development.

1. Regular supervision of construction works to ensure that they are carried out in accordance with the provisions of the decision on environmental conditions, C-ESMP and good practices, and that environmental risks are mitigated and adequately managed.

Polenergia Farma Wiatrowa Szymankowo has a documented C-ESMP. All documents relating to the construction of Szymankowo WF were published on a platform that could be accessed by all company employees involved in the process and by all subcontractors.

Contract Engineer, i.e. Bilfinger Tebodin Poland Sp. z o.o., is responsible for regular supervision of the construction works, in accordance with the provisions of the agreement with the company. The report on each inspection with photo documentation is provided to the company for review.

Logbooks were kept for ongoing occupational health and safety inspections. Prior to the commencement of construction, each subcontractor has prepared a Construction Safety Manual and submitted it to the Site Manager for approval.

Supervision of the construction works and their compliance with the provisions of the decision on environmental conditions and verification that environmental risks were mitigated and appropriately managed was carried out by BIO – EKSPERT, which was responsible for the environmental supervision of the construction works. Environmental supervision covered the entire period of construction works in 2020 and 2021, when the assembly yards were deconstructed (which could affect disturbance of protected species).

2. Development of an Environmental and Social Management System for the construction phase of the project. Ensuring that the contractor develops and implements an Environmental and Social Management Plan (C-ESMP) to define an approach to occupational health and safety management and site-specific remedial measures for occupational health and safety issues including traffic management, noise, dust and vibration; waste management and pollution prevention;

An Environmental and Social Management System for the construction phase of the Szymankowo WF project has been developed and accepted. The "Occupational Health and Safety Plan" (H&S Plan) for the construction of Szymankowo WF has been prepared and was updated as required. All subcontractors have been informed about the H&S Plan. The plan defines the approach to managing both occupational health and safety and environmental issues.

3. Formalisation of the employee grievance procedure in accordance with good practices described in the EBRD grievance management guidance, so that it is communicated and available to contractor's staff.

Polenergia Farma Wiatrowa Szymankowo has developed and implemented a grievance mechanism for employees. The mechanism complies with the EBRD guidance, i.e. it has been communicated to all subcontractors involved in the construction process of Szymankowo WF during the opening meeting and training relating to environmental and occupational health and safety requirements, involves the management, complaints can be submitted anonymously. In line with the ethical standards for subcontractors, complaints/comments can also be sent to the dedicated e-mail address: komisja.etyki@polenergia.pl. Complaints addressed to the Ethics Committee are considered anonymously.

As a rule, each complaint is addressed within 14 days. Complaint/comment forms are available at the construction site (in the office), at the Municipality Office and on Polenergia's website, in the tab dedicated to Szymankowo WF.

No complaints were lodged in 2021.

4. A traffic and transport management plan should be developed and implemented as part of the C-ESMP.

Polenergia Farma Wiatrowa Szymankowo has developed and implemented a traffic and transport management plan. The plan has been agreed with the Voit of Miłoradz Municipality and published in the areas exposed to negative impact of bulky transport. All subcontractors were informed about the plan and its requirements during the opening meeting. The plan was available on a platform that could be accessed by all company employees involved in the process and by all subcontractors and was updated and adapted to the progress of works.

5. Compliance with the provisions of decision on environmental conditions with regard to nature conservation during construction works. Works should be supervised by a naturalist.

The environmental protection requirements imposed by the provisions of the decision on environmental conditions were communicated to all subcontractors involved in Szymankowo WF construction process during the opening meeting and training relating to environmental and occupational health and safety requirements. Provisions concerning compliance with environmental regulations were also included in the "H&S Plan", which was signed by the Site Manager.

In January 2020, the company signed an agreement with BIO - EKSPERT, which provides environmental supervision at the Szymankowo WF construction site.

Between February and November 2020, BIO - EKSPERT performed 25 on-site inspections of the construction site and access roads. Inspection dates resulted from the construction work schedule and environmental conditions (mainly humidity during earthworks), intensity of migration and occurrence of amphibians in the impacted area, as well as the bird breeding season. The first inspection was related to environmental supervision of tree felling (February 2020) and designation of sites and habitats of high natural value (wetlands, drainage ditches, depressions and water holes), for which the requirements of environmental supervision and proposed protection methods (nets, fencing) were proposed, analysis of potential prohibited activities and application submission deadlines.

Other inspections took place according to the schedule below:

- March - 4 inspections
- April - 4 inspections
- May - 4 inspections
- June - 3 inspections
- July - 3 inspections
- August - 2 inspections
- September - 2 inspections
- October - 1 inspection
- November - 1 inspection

Supervision was continued in 2021 - the inspections were planned in cooperation with the Contractor and their scope was adapted to the planned and conducted works. In total, there were 4 field visits held on: 24 March, 16 April and 7 and 21 May 2021. During subsequent inspections, as the construction, ordering and rehabilitation works progressed, also the other yards (maneuver and assembly yards) and soil stored in the vicinity of roads and turbines were inspected. The Contractor reported the planned works to the supervisor duly in advance, in effect of which their commencement in the new location was preceded with ornithological monitoring. Verification of these sites with a view to the potential breeding sites of birds was carried out by crossing the area by feet and monitoring enabling detection of ground-nesting species.

Furthermore, in accordance with the provisions of the following agreements concluded between the Voit of Miłoradz Municipality and Polenergia Farma Wiatrowa Szymankowo Sp. z o.o.:

- Agreement with Miłoradz Municipality Office of 27.04.2020 (R.6131.P.2020.1.AW, R.6131.61.S2.11.3.2019/2020AW);
- Agreement with Miłoradz Municipality Office of 14.05.2020 (R.6131.P.2020.2.AW, R.6131.61.S2.10.6.2019/2020AW);
- Agreement with Miłoradz Municipality Office of 29.07.2020 (R.6131.P.2020.3.AW, R.6131.S.5.1.1.2020AW);
- Agreement with Miłoradz Municipality Office of 27.08.2020 (R.6131.P.2020.3.AW, R.6131.S.4.1.3.2020AW);

on 13 and 14 November 2020, Polenergia Farma Wiatrowa Szymankowo Sp. z o.o. planted 42 trees of native species with covered and correctly shaped root systems, i.e. white willow, staked, with a circumference of 8 cm at the height of 100 cm. The planting was carried out by a qualified subcontractor, i.e. Gardnroses. BIO – EKSPERT supervised the replacement plantings. A letter of confirmation was sent to Miłoradz Municipality Office.

In April 2021, the environmental supervision assessed the substitute planting made as environmental compensation. The condition of trees was satisfactory, since all trees survived the winter period and were at the stage of budding. It was assessed that several willows required the repair or reinforcement of fixation to the sustaining canes. Excessive tilting of trees was a noticeable effect of damaged fixings. In addition, several trees had bare root ball, which could pose a threat of losing stability and falling in a long time perspective. Further supervision over trees planted as environmental compensation will take place in spring 2022.

The ex-post monitoring was commenced at the Szymankowo Wind Farm:

- ornithological and chiropterological monitoring - the first-year monitoring commenced in August 2021.
- noise monitoring commenced in September 2021 and the report is to be submitted to the administrative authorities in IQ2022. In accordance with ESAP requirements, in the first year after commissioning of installation (2022), the meetings of the Project Manager and the representative of the environmental protection department with the citizens will be held to collect the potential comment on the facility operation.
- the electromagnetic fields were measures and 110/30 kV main reception point installation was submitted in June 2021. The notification was submitted in accordance with the requirements of the Environmental Protection Law Act to the Regional Inspector for Environmental Protection and the State Regional Sanitary Inspector.

6.1.2 Construction of Dębsk WF in 2020 and 2021 - summary

All turbines of Dębsk WF, including auxiliary infrastructure, have obtained all necessary building permits.

The planned completion date for the construction works related to Dębsk WF is Q2 2022.

Construction of Dębsk WF began in Q3 2020. The following steps are being implemented during the construction:

1. Construction of access roads and platforms;
2. Foundation laying;
3. Construction of electrical infrastructure, i.e. underground medium and high voltage cable lines;
4. Installation of turbine generators;
5. Carrying out trials and tests;
6. Official acceptance of the project.

In order to carry out the construction works, Polenergia Farma Wiatrowa 3 Sp. z o.o. selected and signed the relevant agreements with the following subcontractors:

- J.S. Hamilton Poland Sp. z o.o. (Consortium Leader) and IDOM Inżynieria, Architektura, Doradztwo Sp. z o.o. (Member of Consortium) – Contract Engineer (Consortium);
- Electrum sp. z o.o. and P.U. JAREX Sp. z o.o. – EBoP Contractor (Consortium);
- PBDI S.A. and ERBUD S.A. – CBoP Contractor (Consortium);
- Vestas – turbine supplier.

The financing authorities for the Dębsk WF project are the European Bank for Reconstruction and Development (EBRD), mBank S.A., ING and Santander. Consequently, in 2014, the project was subject to an Environmental and Social Due Diligence (ESDD) conducted by an independent consultant, which showed that the completed Polish environmental impact assessment procedure was in line with the EIA Directive and met EBRD requirements. Part of the analysis was the preparation of an Environmental and Social Action Plan (ESAP). The above-mentioned plan contains measures required at all stages of project development. The 2014 analysis was updated between May and October 2019.

The following list presents the requirements for Dębsk WF at the project preparation and construction stages, with a description of their implementation in 2020 and 2021:

1. Regular supervision of construction works to ensure that they are carried out in accordance with the provisions of the decision on environmental conditions and good industry practice, and that environmental risks are mitigated and adequately controlled.

Polenergia Farma Wiatrowa 3 has a documented C-ESMP. All documents relating to the construction of Dębsk WF are published on a platform that can be accessed by all company employees involved in the process and by all subcontractors.

Contract Engineer is responsible for regular supervision of the construction works, in accordance with the provisions of the agreement with the company. The report on each inspection with photographs is provided to the company for review.

Logbooks are kept for ongoing occupational health and safety inspections. Prior to the commencement of construction, each subcontractor has prepared a Construction Safety Manual and submitted it to the Site Manager for approval.

Supervision of the construction works and their compliance with the provisions of the decision on environmental conditions and verification that environmental risks are mitigated and appropriately managed is carried out by BIO – EKSPERT, which is responsible for the environmental supervision of the construction works.

In addition, the Contract Engineer prepares weekly ESAP reports, i.e. reports summarising the measure aimed at implementation of the requirements of the Environmental and Social Action Plan (ESAP). The report also includes notifications and corrective measures, if applicable.

2. Development of an Environmental and Social Management Plan for the construction phase of the project.

An Environmental and Social Management System for the construction phase of the project has been developed and accepted. The "occupational health and safety Plan" (H&S Plan) for the construction of Dębsk WF has been prepared and it is updated as required. All subcontractors have been informed about the H&S Plan. The plan defines the approach to managing both occupational health and safety and environmental issues.

3. Formalisation of the employee grievance procedure in accordance with good practices described in the EBRD grievance management guidance, so that it is implemented, communicated and available to contractor's staff.

Polenergia Farma Wiatrowa 3 has developed and implemented a grievance mechanism for employees. The mechanism complies with the EBRD guidance, i.e. it has been communicated to all subcontractors involved in the construction process of Dębsk WF during the opening meeting and training relating to environmental and occupational health and safety requirements, involves the management, complaints can be submitted anonymously. In line with the ethical standards for subcontractors, complaints/comments can also be sent to the dedicated e-mail address: komisja.etyki@polenergia.pl. Complaints addressed to the Ethics Committee are considered anonymously.

As a rule, each complaint is addressed within 14 days. Complaint/comment forms are available at the construction site (in the office), at the Municipality Office and on Polenergia's website, in the tab dedicated to Dębsk WF.

No complaints were lodged in 2020 and 2021.

4. Development and implementation of a transport and traffic management plan covering turbine and material delivery and access, transport routes, detours, overload, driver training and consultations with local authorities.

Polenergia Farma Wiatrowa 3 has developed and implemented a traffic and transport management plan. The plan has been agreed with the Mayor of Żuromin Town and Municipality and the Voit of Kuczbork - Osada Municipality and published in the areas exposed to negative impact of bulky transport. All subcontractors were informed about the plan and its requirements during the opening meeting. The plan is available on a platform that can be accessed by all

company employees involved in the process and by all subcontractors and it is updated as necessary.

Prior to commencement of construction, Polenergia Farma Wiatrowa 3 has consulted and made arrangements with local authorities.

5. Compliance with the provisions of decision on environmental conditions with regard to nature conservation during construction works.

The environmental protection requirements imposed by the provisions of the decision on environmental conditions were communicated to all subcontractors involved in Dębsk WF construction process during the opening meeting and training relating to environmental and occupational health and safety requirements. Provisions concerning compliance with environmental regulations were also included in the "H&S Plan", which was signed by the Site Manager.

In September 2020, the company signed an agreement with BIO - EKSPERT, which provides environmental supervision at the Dębsk WF construction site.

In 2020, BIO - EKSPERT performed 33 on-site inspections of the construction site and access roads, which were carried out between August and December 2020. Inspection dates resulted from the construction work schedule and environmental conditions (mainly humidity during earthworks), intensity of migration and occurrence of amphibians in the impacted area, as well as the bird breeding season. The first inspection was related to environmental supervision of tree felling (August 2020) and designation of sites and habitats of high natural value (wetlands, drainage ditches, depressions and water holes), for which the requirements of environmental supervision and proposed protection methods (nets, fencing) were proposed, analysis of potential prohibited activities and application submission deadlines.

After each inspection, BIO - EKSPERT prepares a report and provides it to the Project Manager and Polenergia S.A. Environmental and Sustainability Department for review.

During environmental supervision, naturalists discovered the presence of the little owl (Strigidae family). It is a very rare breeding bird in Poland, therefore Polenergia decided to put up nest boxes in the area, which will increase the local population. The residents and the Offices of Kuczbork Osada and Żuromin were involved in this activity. The boxes will be placed on public buildings, private houses and old trees.Part of the boxes were hung at the end of 2020.

The environmental supervision covered also 2021, covering of disassembly of assembly yards in 2022 with environmental supervision is also planned (an applicable annex was signed).

6. Mitigation of impact on birds and their habitats during construction of the TL (transmission line) by implementing measures defined in the ESAP.

In accordance with ESAP requirements, construction works are carried out under the supervision of a naturalist (in particular if the works are carried out during the breeding season - from March to August) in order to mitigate the risk in case of presence of bird species other than those inventoried in the area during the works.

Construction works on marshlands or crossing a river (in particular on Natura 2000 sites) are carried out using trenchless technology to avoid disruption of ground and water conditions,

destruction of breeding sites and disturbance of nesting birds, as confirmed by the ESAP reports prepared by the Contract Engineer. Works are performed in the possibly shortest time frame.

Chemical substances used in the construction works (petrol, oils etc.) are stored in a manner that ensures protection against groundwater contamination, as documented in the H&S Plan.

7. In order to reduce adverse impact on reptiles and amphibians, measures defined in the ESAP should be implemented during TL construction.

In accordance with ESAP requirements, construction works are carried out under the supervision of a naturalist (also between March and October).

Protective measures have been implemented, i.e. amphibian capture and removal from excavations, control of excavations before backfilling, as confirmed by the ESAP reports prepared by the Contract Engineer in October, November and December 2020.

In addition, on 29 October 2020 the company received from the Regional Directorate for Environmental Protection in Warsaw a permit for derogation from prohibitions applicable to protected species, i.e. intentional capture, transport, holding of specimens, destruction of habitats that are their breeding, rearing, resting, migration or feeding areas, intentional transfer from regular sites to other sites (the list of species forms part of Decision No. WSTC – P.6401.40.2020.AK of 29 October 2020). The Decision also lays down the conditions that must be met and it is valid until 23 May 2021.

6.1.3 Construction of Kostomłoty WF

The project was subject to an Environmental and Social Due Diligence (ESDD) conducted by an independent consultant, which showed that the completed Polish environmental impact assessment procedure was in line with the EIA Directive and meets the requirements of the financing authorities. Part of the analysis was the preparation of an Environmental and Social Action Plan (ESAP of 20 November 2020). The above-mentioned plan contains measures required at all stages of project development.

The following list presents the requirements for Kostomłoty WF at the project preparation and construction stages, with a description of their implementation in 2021:

The construction of Kostomłoty WF started with the coordination meeting (February 2021), during which all companies participating in the construction were trained in the field of occupational health and safety and environmental protection at the construction site.

ESAP conditions and performance analysis:

1. Regular supervision of construction works to ensure that they are carried out in accordance with the provisions of the decision on environmental conditions and good industry practice, and that environmental risks are mitigated and adequately controlled.

The company implementing the project holds documented C-ESMP. All documents relating to the construction of Szymankowo WF are published on a platform that can be accessed by all company employees involved in the process and by all subcontractors.

Contract Engineer is responsible for regular supervision of the construction works, in accordance with the provisions of the agreement with the company. The report on each inspection with photographs is provided to the company for review.

Logbooks are kept for ongoing occupational health and safety inspections. Prior to the commencement of construction, each subcontractor has prepared a Construction Safety Manual and submitted it to the Site Manager for approval.

Supervision of the construction works and their compliance with the provisions of the decision on environmental conditions and verification that environmental risks are mitigated and appropriately managed is carried out by BIO – EKSPERT, which is responsible for the environmental supervision of the construction works.

In addition, the Contract Engineer prepares weekly ESAP reports, i.e. reports summarising the measure aimed at implementation of the requirements of the Environmental and Social Action Plan (ESAP). The report also includes notifications and corrective measures, if applicable.

2. Development of an Environmental and Social Management Plan for the construction phase of the project.

An Environmental and Social Management System for the construction phase of the project has been developed and accepted. The "Occupational Health and Safety Plan" (H&S Plan) for the construction of Kostomłoty WF has been prepared and it is updated as required. All subcontractors have been informed about the H&S Plan. The plan defines the approach to managing both occupational health and safety and environmental issues.

3. Formalisation of the employee grievance procedure in accordance with good practices described in the EBRD grievance management guidance, so that it is implemented, communicated and available to contractor's staff.

Polenergia Farma Wiatrowa 3 has developed and implemented a grievance mechanism for employees. The mechanism complies with the EBRD guidance, i.e. it has been communicated to all subcontractors involved in the construction process of Kostomłoty WF during the opening meeting and training relating to environmental and occupational health and safety requirements, involves the management, complaints can be submitted anonymously. In line with the ethical standards for subcontractors, any complaints/comments can also be sent to the dedicated e-mail address: komisja.etyki@polenergia.pl. Complaints addressed to the Ethics Committee are considered anonymously.

As a rule, each complaint is addressed within 14 days. Complaint/comment forms are available at the construction site (in the office), at the Municipality Office and on Polenergia's ESG website, in the tab dedicated to Kostomłoty WF.

No complaints were lodged in 2020 and 2021.

4. Development and implementation of a transport and traffic management plan covering turbine and material delivery and access, transport routes, detours, overload, driver training and consultations with local authorities.

The company implementing the project has developed and implemented a traffic and transport management plan. The plan has been agreed with the commune authorities and published in the areas exposed to negative impact of bulky transport. All subcontractors were informed about the plan and its requirements during the opening meeting. The plan is available on a platform that can be accessed by all company employees involved in the process and by all subcontractors and it is updated as necessary.

Prior to commencement of construction, the company implementing the project has consulted and made arrangements with local authorities.

5. Compliance with the provisions of decision on environmental conditions with regard to nature conservation during construction works.

The environmental protection requirements imposed by the provisions of the decision on environmental conditions were communicated to all subcontractors involved in Kostomłoty WF construction process during the opening meeting and training relating to environmental and occupational health and safety requirements (February 2021). Provisions concerning compliance with environmental regulations were also included in the "H&S Plan", which was signed by the Site Manager.

On September 3, the company signed an agreement with BIO - EKSPERT, which provides environmental supervision at the Kostomłoty WF construction site. The contract in 2021 provided for supervision between March 2021 and 31 December 2021. The environmental supervision covered 22 visits of environmental supervision staff.

The borders of the supervised area were determined as follows:

- the area of roads intended for transport of construction materials, area intended for construction of turbines and accompanying infrastructure (cable/main electrical station),

- the adjoining areas and assessment of their use by species that could be disturbed during works related to preparation of the site for construction and assessment of valuable habitats that could be damaged during the construction works

The environmental supervision will cover also 2022. On 3 February 2022 the environmental annex for further field visits from 31 March 2022 to 30 June 2022 was signed - for the total of 12 field visits.

7. GROUP ACTIVITIES FOCUSED ON SUPPORTING BIODIVERSITY – GOOD PRACTICES

Apart from compliance with the national and EU law and the requirements of the financing authorities, the Group is committed to deliver the ESG Strategy and Good practices, including among others:

Each newly-developed Wind Farm, regardless of the requirements of the financing authorities, is covered by independent environmental supervision which lasts throughout the entire term of construction of the new installation.

In addition, in 2021 Polenergia implemented long-term activities and projects in the area of environmental education and biodiversity. The former are aimed at developing sensitivity and making residents aware of the importance of the natural environment and taking care of our Planet, while the latter are aimed not only at supporting the natural environment, but also at creating common spaces for local communities, thus allowing for greater integration and bonding of people. Such initiatives make residents more aware of how important a role the environment plays in their lives.

On 5 June 2021, on the occasion of World Environment Day, Polenergia Group joined the"Green Ribbon #ForThePlanet" partnership implemented by UNEP/GRID-Warszawa. The aim of the campaign organised every year is to educate the society on the most important environmental challenges. In accordance with the UN resolution, the main theme of this year's edition is "Restoring our Ecosystems". The years 2021 - 2030 have been announced by the UN as the UN Decade on Ecosystem Restoration.

Activities within the Green Ribbon Partnership: Planting greenery and ecosystem restoration:

1) Under the Green Ribbon for the Planet Partnership, the Polenergia Group has implemented a long-term biodiversity programme involving planting greenery in municipalities where the Group's facilities are located.

The first stage of the programme was implemented in Żuromin municipality, where the Dębsk Wind Farm is currently under construction. On 21 April 2021, 135 trees and shrubs of such species as Cornus mas, Cotoneaster divaricatus, Forsythia, Physocarpus opulifolius, Malus Royalty and Sorbus intermedia were planted in the park at Lidzbarska Street in Żuromin. The exact location where the trees and shrubs were planted had been agreed with representatives of Żuromin Town and Municipality Office, while the species had been selected by a natural scientist to best suit the local bird species and to provide them with suitable food. In order to ensure the highest possible quality, planting was carried out by a qualified company specialising in comprehensive landscaping and supervised by a natural scientist. The selected plants are native species, which were ordered and purchased from a local supplier from Żuromin. When implementing such initiatives, Polenergia Group always tries to support local entrepreneurs.

The second stage of the programme was carried out in Miłoradz municipality, in the villages of Gnojewo and Kończewice, where approximately 70 new plants of such species as Cerasus Mill., Laburnum anagyroides, Rudbeckia, Nepeta cataria, Astilbe and Hosta were planted. The location where the species were planted had been agreed with representatives of the Miłoradz Municipal Office. The trees and shrubs were selected by the same company as in the first stage, which also carried out the planting. The plants were selected so as to best suit the needs of local communities and create a place that is not only pleasing to the eye, but also provides space where people can spend time together.

Next stages of the greenery planting programme were carried out in autumn 2021 in Kostomłoty Commune (on the nursery grounds), where Polenergia Group is currently constructing the Kostomłoty WF, and in Żuromin municipality (Dębsk WF - completion of the second stage of park redevelopment). The activities to be undertaken in the following year include continuation of the greenery planting programme in Kostomłoty Commune in accordance with the plan agreed with the Kostomłoty Municipal Office, as well as preparation and placement of information and educational boards in the redeveloped Żuromin park.

As part of activities aimed at education in the field ecosystem restoration, an educational campaign for the restoration of flower meadows was launched, in particular in the areas of large-scale photovoltaic farms. With the launching of the construction of new PV farm projects (July 2021) (Sulechów II and III and Buk) Polenergia spread information about the role of meadows planted on PVF Sulechów I and presented a report prepared by natural scientists with a comparative analysis of farms planted with meadows vs. monocultures of crops. The area of PVF Sulechów I will be surveyed (in

2021/22) in terms of its use in winter by bird species (predatory and other, including Natura 2000 species reported in the spring 2021 survey).

In December 2021, Polenergia, under the Green Ribbon #ForThePlanet Partnership, subsidised a "Gift for the Planet"- a beach clean-up initiative in the municipalities of Krynica Morska, Sztutowo and Stegna, located in Nowy Dwór district. This initiative has helped to protect valuable dune and saltmarsh ecosystems, and left the beaches and dunes clean from waste from the sea. The regenerated ecosystems constitute a natural habitat for numerous protected plant species (Linaria odora, Eryngium maritimum, etc.), lichens (Cladonia, Cetraria islandica and Peltigera canina), rare halophytes and various bird species (Charadrius hiaticula, Motacilla alba, Haematopus ostralegus and Anas platyrhynchos domesticus). Another protected species worth to mention is Talitrus saltator. The natural habitats protected under the initiative include: 1210 wash margin, 2110 initial stages of coastal white dunes, 2120 coastal white dunes, 2130 coastal grey dunes (priority habitat). The initiative will be implemented in spring 2022. Depending on the final amount collected, cleaning of up to 50 km of beaches is envisaged.

Uruchomiony w 2014 r. na terenie FW Łukaszów i FW Modlikowice **program czynnej ochrony błotniaka łąkowego**, , był kontynuowany również w sezonie lęgowym 2021, tj. od maja do sierpnia. As part of the protection measures, ornithologists fence the nests every year so as to protect them from harvest activities and predators. Additional protection against predators is ensured by spreading an approved scented repellent that is completely safe for humans, animals and the environment. 3 chicks were ringed this year. The practices, just like in previous years, were aimed at protecting Montagu's harrier at an early stage of development, which significantly increases the chance of population growth of this species.

A similar initiative will be implemented in other sites if the presence of this bird species is identified there. Since July 2021, the initiative has been extended to cover the Kostomłoty WF site under construction. A total of 12 chicks were rescued in 2021 in the area of that municipality.

A total of 75 chicks have been rescued since the beginning of the active protection programme.

As part of the nature monitoring programme, which - in accordance with the Group's internal regulations - is obligatory for each wind farm, natural scientists suggested to hang nesting boxes adapted to the local bird species:

-Dębsk WF - 13 nesting boxes for different bird species were provided. The location of the boxes was agreed with the municipality, and the boxes were hung in areas of greenery located on Lidzbarska Street in Żuromin.

-Dębsk WF - installation of 8 boxes for the little owl (Athene noctua) located on the school grounds in Chamsk and Kliczewo Duże. The nesting boxes for this rare owl are located in the villages of: Olszewo, Kosewo, Chamsk, Dębsk, Sadowo, Cierpigórz and Kliczewo Duże.

8. Social Issues and Health & Safety Analysis

Due to the state of epidemic, the analysis was once again carried out online.

The pandemic lasting throughout 2021 caused maintenance of all recommendations and actions taken since March 2020.

Key measures to combat the epidemic include e.g.:

- mandatory hand disinfection/hygiene by ensuring the availability of preparations, hygiene products etc.;
- keeping the recommended distance, e.g. administrative and office works were carried out by the minimum number of employees and, if necessary, on a rotational basis (limiting the number of employees working in the office at the same time);
- recommending that business meetings be replaced by teleconferences, phone calls and e-mails;
- recommending covering mouth and nose in common areas;
- implementation of processes and procedures to help manage subcontractors with regard to counteracting the pandemic;
- the control system based on tests and temperature measurements was introduced on all constructed wind farms and photovoltaic installations.

The personnel survey demonstrated that every third employee agreed that he/she faces difficulties related to balance career and private life due to pandemic. In order to support all employees of the Polenergia Group, a cycle of trainings with the psychologists and physiotherapists under the name of "Healthy Energy Farm" was organised. The trainings covered the ergonomics, so called well-being, synchronisation of work and private life.

8.1 Medical examinations, occupational health and safety training

Due to pandemic, the occupational health and safety training and medical examination system was not changed.

On the basis of applicable regulations, the personnel continued to be entitled to suspend the obligation of periodic and control medical examinations until the pandemic is cancelled. It is still the employer's responsibility to issue a referral for medical examination within the period resulting from the medical opinions received during the previous examinations. Once the state of epidemic has been lifted, the employee will be obliged to immediately see the occupational physician for health screenings and check-ups. The Human Resources Office issues referrals and monitors the situation on an ongoing basis in accordance with the regulations. The personnel is however recommended to carry out the check-ups if there are no health contraindications (e.g. isolation) and the epidemiological situation allows to do so (e.g. holiday season at low infection rates).

occupational health and safety orientation training is conducted online in accordance with the law. Regular training supervised by the Human Resources Office is monitored on an ongoing basis. If possible, it is carried out on an ongoing basis; however, due to the pandemic, new rules in this regard are being considered and the possibility of carrying out training at a later date has been taken into account, i.e. in accordance with the provision stating that if the date of the regular occupational or service occupational health and safety training is due:

during the state of epidemic emergency or the state of epidemic; or

during the period of 30 days following the date of lifting the state of epidemic emergency, if the state of epidemic has not been declared, or following the date of lifting the state of epidemic;

- such period shall be extended to 60 days following the date of lifting the state of epidemic emergency, if the state of epidemic has not been declared, or following the date of lifting the state of epidemic.

8.2 Accidents, near-misses and occupational diseases

In 2021 one (1) accident was recorded[1]. On 17 May 2021 in the **Mercury company**, an employee, when walking down the stairs, lost its balance and fell onto the intermediate platform, in effect of which the employee suffered an injury of right foot (finger contusion).

In the **Nowa Sarzyna CHP Plant** and in **the wind farms and photovoltaic installations** under operation - no accidents or near-misses were recorded.

Any accidents and near-misses at the construction sites of the Polenergia Group are monitored, however the reporting obligation and further activities rest upon the competent employer.

When implementing the **Dębsk Wind Farm** project, the following were recorded:

- 1 (one) accident - during transport of sand from the gravel plant to the construction site, a subcontractor's employee had difficulties with closing the trailer side board. He placed one hand against the side board and unblocked the tilt reeler using the other hand. After unblocking the side board fell away under gravity, causing an injury of left hand fingers of the employee. The collision caused an open wound of a finger (fingers) with damaged left hand nail.
- And five (5) near-misses

When implementing the **Kostomłoty Wind Farm** project, the following were recorded:

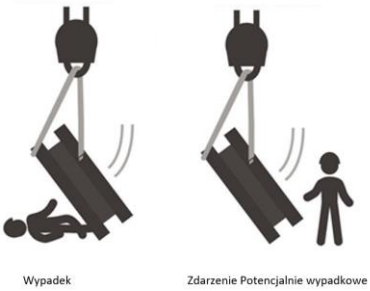
- One (1) accident on 8 September 2021. A driver from a subcontracting company has most probably come over faint and fell down from the platform ladder when washing the concrete mixer at the dedicated site. The place of accident was attended by the police forces, fire brigade and Medical Air Rescue. The victim was dressed and transported to the nearest hospital. The victim was conscious.
- And one (1) near-miss.

When implementing the **Szymankowo Wind Farm** project, no accidents or near-misses were recorded in 2021:

In addition, three (3) near-misses for the **onshore wind farms were reported.**

[1] *Accident at work – any sudden event induced by external caused **resulting in an injury or death,** which was related to work (Article 3(1) of the Act of 30 October 2002 on social insurance against accidents at work and occupational diseases):

*Near-miss is an event with potential undesired effects, covering loss events and no - **loss**near-misses.



8.3 External and internal inspections

Keeping the Employer Inspection Logbook in accordance with Article 57(1) of the Act of 6 March 2018 - Entrepreneurs' Law was verified and confirmed.

In 2021 no inspections were carried out by external bodies, i.e. the National Labour Inspectorate (PIP), the Sanitary Inspectorate.

The State Fire Brigade was trained in the Nowa Sarzyna CHP Plant in July 2021. The subject of training was the rules of hypothetical rescue and fire-extinguishing actions at the photovoltaic installations assembled at the area of Nowa Sarzyna CHP Plant and reminding the places, in which the technological and fire-extinguishing installations are placed at the area of Nowa Sarzyna in the case the rescue and fire-extinguishing activities are necessary. The rescue training with participation of the State Fire Brigade was also carried out.

Cooperation with the Office of Technical Inspection took place under regular inspections of equipment subject to the Office's control and it was maintained under a sanitary regime so as to ensure equipment certification while minimising personal contact.

Internal inspections were carried out in selected locations, in compliance with all sanitary requirements in force.

There were 14 inspections carried out with regard to the construction sites and Wind Farms under operation. All irregularities were monitored/eliminated on the on-going basis.

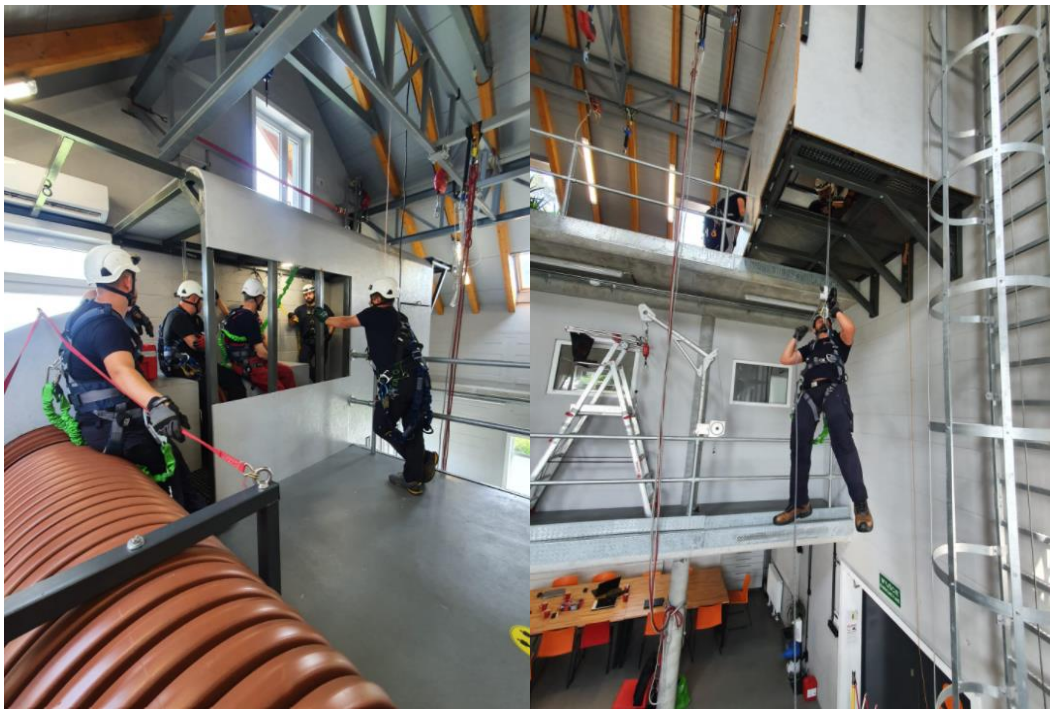
There were no reports of penalties and administrative proceedings or third party complaints related to occupational health and safety in 2021.

8.4 Provision of personal protective equipment appropriate to the type of hazards to employees, reported problems with the use of required PPE by employees and working gear management

In the inspected facilities (i.e. Nowa Sarzyna CHP Plant, Wind Farms, Photovoltaic Farms, the office of Polenergia S.A.), appropriate PPE was provided and no problems were reported with the use of the required PPE by the employees.

In addition, it is worth noting that employees of the Wind Farms and Photovoltaic Farms attended training relating to work at height between 12 and 24 July 2021, during which issues relating to personal protection equipment (harnesses, escape systems etc.) were also covered.

Photo below: Training at a third party training centre between 12 and 24 July 2021.



8.5 Occupational Health and Safety Instructions, Safe Work Organisation Instructions

In 2021, equipping of workplaces with H&S Instructions of used devices in accordance with Article 2374 of the Labour Code and Ordinance of the Minister of Labour and Social Policy of 26 September 1997 on the general occupational health and safety regulations was verified.

The Nowa Sarzyna CHP Plant ensured valid Occupational Health and Safety (H&S) Instructions, Safe Work Organisation Instructions.

In the wind farms and photovoltaic farm under operation, the H&S and Safe Work Organisation Instructions documentation was updated. The approved Safe Work Organisation Instruction lays down the rules of authorisation for works on behalf of Polenergia, presents detailed guidelines expected from the contractors at the individual stages of works, both in the area of the required documentation and specification of expected and prohibited behaviours. The scope of activities laid down in the Instruction covers also the rules of informing the visitors at the site - preparation of an informational leaflet/brochure for each site, which will describe detailed threats and risks at each site, the rules of behaviour and proceeding while at site as well as in the emergency situations and precise location of rescue services.

Figure - Exemplary informational leaflet

8.6 First aid

In the inspected facilities (i.e. Nowa Sarzyna Cogeneration Plant, Mercury Power Plant, Wind Farms, Photovoltaic Farms, the office of Polenergia S.A., construction site and offices), the obligation to provide first aid measures to employees in case of accident was fulfilled and employees were appointed to provide first aid.

In 2021, the verified first aid kits and equipment were duly signed and easily accessible.

8.7 Fire safety

With regard to fire safety in facilities that are subject to the requirement to provide a Fire Safety Manual, such a document has been prepared and presented to the employees.

In all facilities it was guaranteed that:

- fire extinguishers are properly located, labelled and in good working condition
- regular inspections of fire extinguishers and hydrants are carried out
- adequate accessibility and width of escape routes and exits is maintained
- escape routes and exits are marked
- fire safety manuals and emergency telephone numbers are available in the buildings

It was also confirmed that the requirements for a high-risk facility, which apply to Nowa Sarzyna CHP Plant, are also met. Explosion Risk Assessment and documentation of explosion protection of respective zones is also provided. The zones are marked, antistatic clothing is required in the zones and detection of potentially dangerous substances is ensured.

8.8 Meeting occupational health and safety requirements at construction projects

Throughout 2021, occupational health and safety measures were reviewed at the projects under construction: Szymankowo Wind Farm, Dębsk Wind Farm and Kostomłoty Wind Farm and Sulechów 2, 3 Photovoltaic Farms as well as Buk Photovoltaic Farm.

It should be noted that the Szymankowo Wind Farm was distinguished in the "Build Safely" competition in November 2021. The competition was organised by the State Labour Inspection (District Labour Inspectorate in Gdansk),

Health and Safety Plans (H&S Plan) and Safe Work Instructions (SWI) are provided at the construction sites and updated as required. Occupational health and safety issues are supervised by designated Occupational Health and Safety Coordinators (appointed by the Contract Engineer) or as in the case of Sulechów 2 and 3 sites by the Construction Site Manager.

They conduct ongoing occupational health and safety inspections, report on the status of works in progress and cooperate with all subcontractors. Any non-compliance determined by them is corrected on an ongoing basis or, if necessary, collectively resolved at Site Board meetings.

Adequate sanitary and hygienic conditions are provided at construction sites.

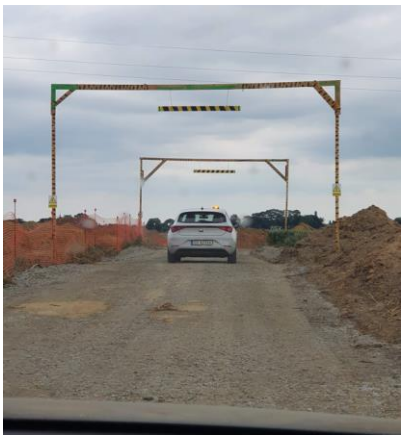
Proactive measures reported by the sites:

- Joint inspections, arrangements according to the division of OHS responsibilities between the General Contractor - the Contract Engineer - the Investor - the main subcontractors. Both during the preparation for a given phase of construction and during that phase;
- Orientation training, additional training (in particular for local subcontractors);
- Providing an opinion on safe work instructions (SWI), subcontractor work instructions and proposing/imposing solutions to improve work safety - over and above the standards applied/proposed by the subcontractor in question;
- Additional informational boards

Photo - Informational board on weather conditions and informational boards

- *Legible and visible separation of risks and threats*

Photo So called gantry cranes in front of high-voltage lines



• Educational and training initiatives - organised in the form of Safety Days for all investment stakeholders. The alert presentation related to accidents at various construction site was held in the construction site offices and carried out by the Occupational Health and Safety Inspector, while the trainings and demonstrations with participation of Wind Academy took place on a subsequent day at the construction site background facilities and at the construction site, including:

1. Practical rules of providing first aid in emergency to health and life:
2. Practical fire extinguishing at the source using hand-held fire-extinguishing equipment - active participation in fire-extinguishing
3. Demonstration on safe organisation of workplace at height. Evacuation at height in emergency to health and life: rescuing the victim hung at harness using a directional rope
4. Demonstration of cardiopulmonary resuscitation. Use of automatic external defibrillator (AED)

Figure - Evacuation and first aid training (4 - 8 October 2020)

8.9 Promoting activities related to Occupational Health and Safety and activities scheduled for the next year

- After reporting a greater number of near-misses in 2020 related to transport threats in June 2021, the training in safe vehicle driving was organised for the operation and development divisions.

The training was dedicated to the employees, who work mostly in field, thus spend relatively much time driving.

The objective of training was familiarising the participants with the factors affecting safety when driving, among others:

- Impact of speed on loss of control over the vehicle
- Road risk factors - bad habits, no awareness of risk, poor driving technique
- The effects of overestimating the driver's skills and vehicle capacities
- Cooperation with safety systems
- Becoming aware of own responses into sudden emergencies on the road

The training included both theoretical and practical part at the dedicated track.

Training - Safe driving training (June 2021)

The preventive actions in the area of safe driving included the update of internal procedures of the Polenergia Group with the scope of use of video recorders.

- The preventive actions include also the purchase in the Operation division of electrical equipment safety gauge, which is intended for measurements of electric equipment parameters. This equipment demonstrates, whether all parameters of used, for example, power tools, are correct and whether their use is safe.

- The following is scheduled for 2022:
  - Update of risk assessment for the Polenergia Group
  - Series of first aid trainings
  - Repeated safe driving trainings
  - Ensuring safe working conditions and standards of Polenergia at the planned new construction sites i.e. among others Piekło WF, Grabowo WF