

Contact us

Netherlands
info@soly.nl
www.soly.nl

Germany
info@solysolar.de
www.solysolar.de

Belgium
info@soly.be
www.soly.be

South Africa
info@soly.co.za
www.soly.co.za

Sustainability Report 2021

Soly



Fiscal year

January 2021 - January 2022

Author

Lilly Sodeman

Patrick van der Meulen



On our way to NetZero before 2030

SOLY

Tabel of contents

| | | | |
|--------------------------------------|-----------|--------------------------------------|-----------|
| Introduction | 1 | B Socially Sustainable | 22 |
| Summary | 4 | Within the office | 22 |
| Why we do what we do | 9 | Recruitment process | |
| Solar Energy for All | 9 | Diversity & Equality | |
| Sustainability | 9 | Inclusion & Non-discriminaiton | |
| We are a B Corporation | 10 | Employee Well-being & Development | |
| B Environmentally Sustainable | 12 | Outside the company | 24 |
| Materials and Waste | 12 | Ethical Supply | |
| Solar panels | | Local Communities | |
| Within the office | | Further Remarks | 26 |
| Climate Impact | 13 | GRI 307 Environmental Compliance | |
| Scope 1 | | GRI 415 Public Policy | |
| Scope 2 | | GRI 416 Customer Health and Safety | |
| Scope 3 | | GRI 418 Customer Privacy | |
| Climate Action | 19 | GRI 419 Socioeconomic Compliance | |
| Emissions Prevented | | Future Plans & Conclusion | 27 |
| Offsetting Our Emissions | | Bibliography | 29 |
| Water Consumption | 20 | Appendix | 30 |



Disclaimer

This is an annual report reporting on Soly's performance on social and environmental sustainability and the promotion of sustainable development during 2021. It is the second report of Soly focussing on sustainable performance and thereby follows up on the 2020 Climate Action Report. This time the Global Reporting Initiative Standards (GRI Standards) of the Global Sustainability Standard Board (GSSB) have been used as a guide while only the environmental (GRI 300s) and the social (GRI 400s) criteria are being referenced. The further we progress the more we learn and improve resulting in some adjustments in this year's emission calculations compared to last year.

Summary



About us

Soly was founded as a Dutch PV system provider with leasing options for residences in 2013 and employed just above 50 people by the end of 2021. Soly has been founded with a purpose: We provide access to clean and affordable energy for all. Climate change is imminent. We are experiencing long-term repercussions and it is crucial for us to play a role in diminishing these and tackling global warming and other environmental constraints as much as we can. We aim to be part of creating a fairer and more sustainable world.

Since 2018 we are a B Corporation meaning that we are certified to use our business as a force for good which benefits people and the planet and not only shareholders. Our first B Impact Assessment score in 2018 was 99,3 points and we are proud to have been recertified in 2021 with an increased score of 110,2! Additionally we have been nominated as a B Corporation for the Best In The World Award in The category of Environment for 2021 which underlines our efforts to contribute to a greener world. In 2019 we expanded to a second location in Cape Town to provide affordable and sustainable solar solutions also for South Africans.

Materials

Soly and our suppliers are cautious of the resources and materials used for the solar panel production and within our offices. The longevity of our panels is enhanced by repairing defect panels for our customers and the life-cycle is aimed to be closed. The panels produce electricity within the most efficient range for 25 years but continue to produce power on a slightly lower range for up to 40 years. When a panel is defective we repair it for our customers and reuse it. When the efficiency has dropped below an acceptable level or cannot be repaired anymore, we engage in a solar panel recycling programme that manages to reach a recycling rate of 96%. Also within our office we consider the sustainability of our furniture and products purchased.

Climate Impact

We are committed to become NetZero before by 2030 and aim to reduce our emission by 10% each year based on our anchor value of 25,560 tonnes in 2020. In 2021 we managed to reduce our Scope 1 emissions to roughly **4 tonnes** of embodied CO² s*. The provision of electric cars as company vehicles that run on solar energy contributes to this. If the same distance now

driven in electric vehicles would have been traveled in gasoline fueled cars, it would result in 12,47 tonnes CO₂e considering the distance driven alone. Through the use of EV we therefore prevent more than 8,5 tonnes from being emitted.

Our Scope 2 emissions are estimated to be approximately **8,7 tonnes** of CO₂ for the year 2021 comprising the emission released through the use of our rented office facilities. For our Groningen office it is estimated to be about 8,5 tonnes of CO₂, most of it through space heating. Not surprisingly this was the same as for 2020, due to us still using the same office space. Additionally, we assessed about 0,2 tonnes of CO₂ emissions for the office facilities in Cape Town. Compared, these emissions are much lower due to multiple reasons such as the smaller space and number of employees, the climatic conditions resulting in diminishing space heating, and the rarer and sustainable use of the office facilities. From 2022 onwards Soly will be working from a new office location with an even more sustainable energy supply and services working on a higher efficiency which will likely reduce our energy consumption per FTE.

Our Scope 3 emissions are by far the most complex and largest as they include multiple categories with comparable high impact. These are the emissions we are indirectly responsible for and which are more difficult to control as they are not emitted by us directly. For the commuting of our employees as well as the GHG emitted during working from home we are indirectly responsible for **30,28 tonnes** CO₂e, while 5,48 tonnes of these are emissions contributed by Soly South Africa and 24,8t by Soly. 16,18 tonnes of the latter originated from those employees commuting via fossil fuel based vehicles. 8,62 tonnes were contributed to the additional use of electricity and heating during home office hours. Despite these emissions, we still prevented 2,19 tonnes of CO₂ emissions from being emitted through the integration of teleworking due to less commuting in general. In 2020 27,7 (following adjusted calculations) tonnes CO₂ have been emitted through commuting and teleworking, not including Soly South Africa.**

Therefore we reduced our emissions for Soly by nearly 3 tonnes in 2021.

Business flights accounted for **21,97 t** of CO₂ in 2021. In total 20 tickets for 14 flights have been bought mostly for travels between our company locations. In 2020 the emissions were 26% lower even though 17% more km were travelled. This is, due to the increase in flying business class instead of economy class. While 21,33 of the 21,97 tonnes of the 2021 flight emissions are due to business class tickets, in 2020 they accounted for 10,69 of the 16,35 tonnes.

The indispensable shipping of solar panels and inverters accounts for a notable amount of **218t** CO₂ emissions. Products were shipped from different locations to Rotterdam and account for 201,51 t CO₂ for Soly in the Netherlands. About 65% of the panels used in South Africa were shipped from Rotterdam to Capetown while 35% come from a manufacturer located in South Africa themselves which thus does not contribute to shipping emissions. Shipping for Soly South Africa, accounts for 16,5 t CO₂. Of which 7,39 are due to the former transportation from China to the Netherlands. Thus for each kWp installed in South Africa about 9,9 kg CO₂ were emitted through shipping while this is only 5kg per kWp in the Netherlands. This is higher than in the Netherlands, likely through the extra shipping, something we will try to avoid and find a better solution for in 2022. Due to the difference in operating scope compared to Soly this is equivalent to 7,6% of the total shipping emissions.

As a next step the driving of installation companies to solar system projects also contributes to Soly's scope 3 share of emissions. It is estimated that installations emitted about **52,8 t** of CO₂ in 2021 while 51,9 t are allocated to Soly's operations and 0,55t to Soly South Africa projects. The amount of emission respectively to the number of installations increased by nearly double compared to the previous year. This can have different origins discussed at a later stage.

*Emissions accounted for scope 1 in the 2020 CAR have been identified as Scope 3 emissions, except the use of company-owned vehicles. In this report emissions through employee commuting with private cars and Business travel are correctly included in scope 3 calculations. This reduces scope 1 emissions notably and will instead add to scope 3 emissions.

** For the 2020 CAR report we calculated with an emission factor for electric vehicles due to the share of energy from the Dutch electricity grid not being 100% from renewable sources. In this 2021 sustainability report, this has been adjusted as our company cars are calculated to run on solar energy produced by Soly's panels. Instead, we consider the CO₂ emitted in the manufacturing process of the electric vehicles as described in the section covering scope 1 emissions

Finally, the by far largest impact on the atmosphere has been the life-cycle of panels and inverters, which we also consider in our scope 3 emissions. Each of Soly's suppliers hold certifications which declare the CO² emissions per kWh solar energy to be approximately 600kg per kWp of capacity. Emissions from raw material sourcing, manufacturing, assembly, recycling, and disposal are all taken into account. In total it is expected that **23.272 metric tonnes of CO²** are embodied in the total capacity of 39.581 kW installed. Soly accounts for approximately 22.350 mt and Soly South Africa for 922 tm CO².

Overall, this results in a total of 23.658 metric tonnes CO₂ emissions in 2021 that Soly and Soly South Africa are responsible for.

Emissions Prevented and Offsetting

Once our PV systems are installed they do not contribute to any more emissions. Considering the life-time of the panels, each kWp installed in 2021 accounts on average for 25g of CO² per kWh. This is only 7,6% of the emissions released per kWh by the electricity generation of the Netherlands in general. During 2021 alone Soly's PV installations generated about 217,5 million kWh which results in the prevention of 66.000 tons of CO² emissions. This underlines that despite our scope 1,2 and particularly scope 3 emissions, our solar energy saves a tremendous amount of emissions from being released into the atmosphere.

Offsetting

In line with our goal to become NetZero before 2030, we must reduce our emissions by 10% each year. Following this ambition we need to reduce all our baseline emissions as much as possible and offset the rest. In 2020 we first assessed and then offsetted all our scope 1 and 2 emissions since our foundation in 2013! **This makes us climate neutral already!** For 2021 we decided to offset 388 tons of CO². This covers our entire scope 1, 2, and 3 emissions except the life-cycle emissions of

panels and inverters. We added another 52 tons to reach an overall 10% reduction compared to our emissions from 2020. We will invest these Carbon Credits in a thoroughly chosen livelihood project of Nexio. Nexio is a leading carbon offsetting organisation collaborating with various partners worldwide. The certified B Corp conducted more than 300 carbon prevention projects globally and is certified by EcoVadis and other organisations regarding their sustainability efforts and trustworthiness.

Water consumption

Water consumption is also a crucial aspect in the field of environmental sustainability. In 2021 through the use of our office facilities we consumed approximately 210,5 tons of water. Similar to the scope 3 of the energy emissions, we also here want to assess the water use we are indirectly responsible for when looking at the life-cycle of our PV installations. Using the data of our supplier per MW about 1.587.567 liters of water are required considering all processes in the entire lifetime. This leads to about 40.1245 tons Soly indirectly contributed to. This results in a total of 40356 tons of water consumption. While this is not a small number we are still happy that our main supplier reduced their water usage by 42,53% and water discharge per MW module by 46,93% from 2013 until 2017. Additionally the use of toxins and effluents has been restricted or eliminated.

Diversity, Equality, Inclusion

To ensure fair, unbiased and equity employment and recruitment standards we implemented a clear hiring code of conduct. While following Solyan and B Corp values of inclusion, racial justice, anonymous review of applicants, and pay equality to just name a few, we make sure that all job seekers are treated equally and are judged solely on the criteria related to work and role.

Diversity and equal opportunities for everyone are at the base of our company ethics and policies. This is in line with our code of ethics and our B Corp policies. A diverse workplace offers learning opportunities and room for personal development based on each other's experience and differences. We try to enhance diversity within Soly, and in the beginning of 2021 also conducted a diversity survey among the colleagues. The input of colleagues is highly valued and considered regarding the company processes. The results showed where we could through their eyes still improve.



While we increased the age diversity within 2021, we acknowledge a noticeable gap in the representation of gender groups, with a women-men ratio of 1:5. Also the presence of minority groups is lacking. We cannot get around but having to explain this by the sector Soly is providing jobs in. Most open job positions are in technical areas, sales, and service which are unfortunately still men dominated work fields. We already encourage women and diverse candidates to apply, but we recognise that we still can improve here and make it even more attractive to work at Soly also for women and people of minority groups.

We are committed to protecting anyone from discrimination of all kinds and ban any behavior that has the purpose or effect of violating the dignity of a person, or which creates a threatening, hostile, insulting, humiliating or hurtful environment. There were no such cases reported in 2021 and therefore no corrective measures had to be taken.

Employee Well-being

There are various benefits within Soly offered to all employees alike regardless of their contract. One example of encouraging employees health and wellbeing is the vitality programme Soly has launched to promote employee activity and healthy life-styles. It includes an optional partnership with a professional gym to advantageous conditions, as well as campaigns such as the vitality week during which an active and healthy lifestyle is promoted within the office. Multiple employees make use of and appreciate the collaboration with the gym G0180. Additionally, we have a contract with an occupational physician and are improving the ergonomic

working conditions of the furniture within the workplace. This includes adjustable tables to move the height from a seated to a standing position. Additionally, the design and multiple features of the desk chairs put the benefits for the human body first and show exceptional ergonomic performance.

Supporting individual development is important for personal but also professional growth of our employees. Colleagues can draw up a personal development plan together with the People and Culture circle, and are welcome to suggest individual training programmes and courses. We also offer training opportunities for sales employees and we are proud to support colleagues going for the InstallQ certification for the monitoring of installations.

Ethical Supply

We promote fair work environments and social sustainability, which is lastly underlined by our B Corp status. Though, as much effort we can take within the company, we are responsible to consider any issues that occur on the supply chain as well.

We recognise that the general situation of the PV manufacturer in China is in many cases alarming and shows cases of exploitation of the minority group the Uighures, and forced labour. These overall developments in China especially targeting the Uighuren are not only tragic but they are crimes against humanity and intolerable. We reached out to multiple companies and institutions to call for a collaborative movement against forced labour in the solar industry - without much success.

Our main suppliers have been chosen because of their outstanding environmental sustainability performance compared to the market standard. They are ranked by far the highest regarding social and environmental sustainability on the solar scorecard of Chinese factories. We scan our partners and make sure that they align with the core values of Soly. Where we, however, are currently struggling with is the level of desired transparency.

When one of our suppliers moved into the focus of investigations it was a clear reason for us to immediately start searching for a new supplier. We have, however, high requirements regarding sustainability, quality and performance, as well as affordability for our customers. While we are still in the process of finding a new main long-term supplier, we are for now shifting our orders away from the manufacturer that is being investigated and are obtaining our panels and inverters from our other supplier which has not been accused of any intolerable actions.

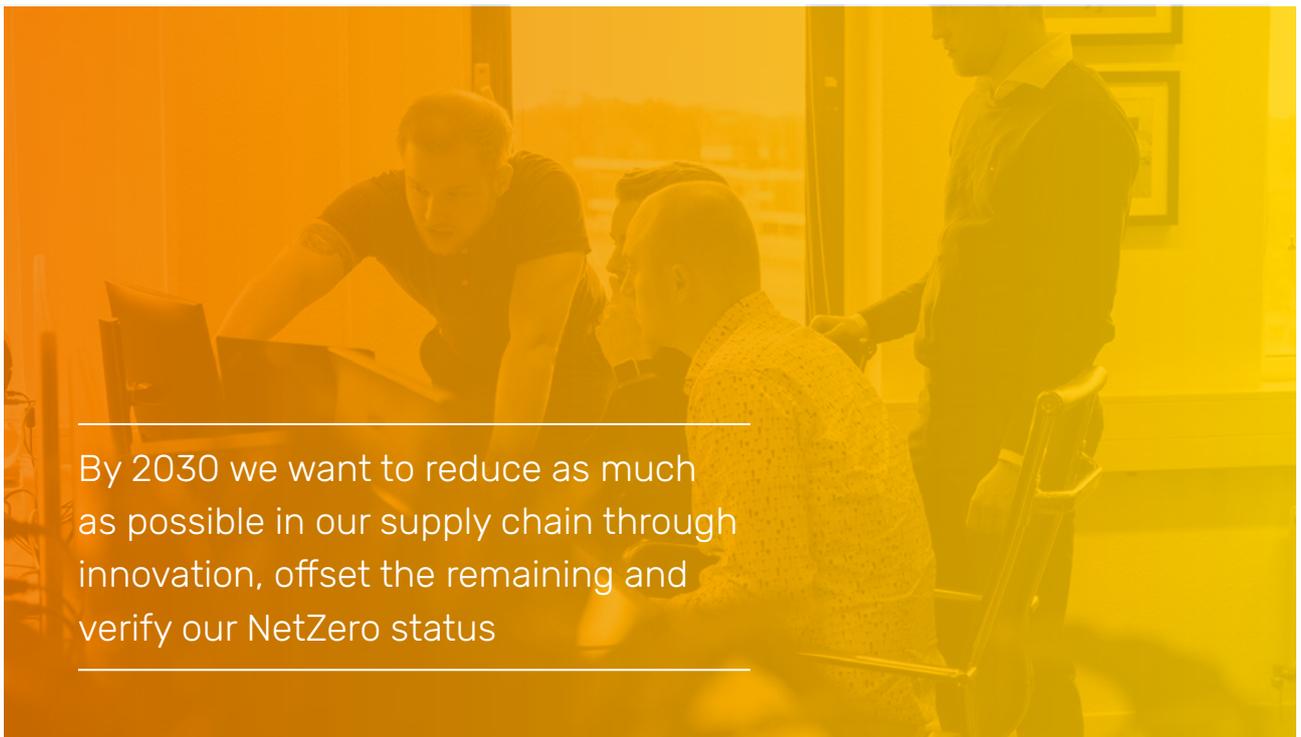
We want to lead the way to a sustainable and responsible solar future in which the exploitation of minority groups, child, and forced labour are strongly disconnected from the PV practice and in which social and environmental sustainability go hand in hand along the entire supply chain, for the people, the planet and for the future of our company. This is more easily said than done as our

research reveals and we know that this cannot be a sprint but a marathon with many stumbling blocks. But we are persisting.

In South Africa we are partnering with Erinite Energy to offer solar installations to residential homeowners. Erinite is fully owned by local people of colour and we are overjoyed that they share our Solyan values. Using the same products as Soly, quality and performance can be guaranteed. Following, together with Erinite energy we aim to make solar energy accessible and affordable for everyone also in South Africa.

Local communities

As a B Corp we value our local communities and want to spread our positive impact also locally. All full-time employees have the option to take up to 16 hours a year off the working time to engage in voluntary work in the community. Some people make use of this offer and talk about beautiful and fulfilling experiences. Nevertheless, we can still enhance the awareness of this option and are planning to collaborate with a local volunteering organisation. As soon as it is legally and responsibly possible again, considering the covid-19 pandemic, we also want to increase our engagement with the local community, take action and spread awareness regarding climate change and participate in local festivities.



By 2030 we want to reduce as much as possible in our supply chain through innovation, offset the remaining and verify our NetZero status

Why we do what we do



Solar Energy for All

Soly is a dutch solar energy company founded in 2013 providing PV systems to residential homes and businesses. By the end of 2021 50 people are employed in our main location in Groningen and three in our second location in Cape Town, South Africa. Soly was founded with a purpose: [To provide access to clean and affordable solar energy - to all!](#) To act upon this mission, we started with establishing solar leasing offers as the first company in the Netherlands. In this way people were able to make the switch to the clean and independent energy source without the large investment that comes with buying the whole solar system at once. Like this we made sure that the access to modern solar energy was not limited to certain groups of the population but that it is attractive and affordable for all. This leasing programme additionally contributes to a more circular economy. A main environmental drawback in our current linear economy is that resources are treated as if they were infinite and that we operate in a produce - consume - dispose manner. This leaves us with immense amounts of waste and products with a short life-cycle. In a circular economy it is in the interest of the producer to higher the quality and longevity of products

and to not only recycle but also reuse and upcycle the products after their usage time. If a solar panel for example has to be repaired or exchanged, we take care of this without additional costs and at the end of the solar panels lifecycle, we take care of it in a responsible and as circular as possible way. In 2019, Soly expanded to South Africa. Located at the heart of Cape Town, Soly South Africa is developing new customised solutions to enable the transition of businesses and consumers to solar energy. During the year 2021 we installed about 39.800 kWh, 38.100 in the Netherlands and 1.700 in South Africa, electrifying a total of about 4600 residences and companies.

Sustainability

During 2021 all our installed PV systems produced about 217,5 kWh of million clean and decentralized energy. Each kWh accounts for about 25g CO² emitted before the installation. Considering the dutch energy mix, electricity from the grid emits about 328,4g CO². Following, in 2021 alone we prevented about 66.000 metric tons CO² from being emitted into the atmosphere. Our 53 employees are devoted to providing access to this renewable, and

affordable solar energy to everyone and are essential in achieving our mission as a company. Naturally, our values and goals go hand in hand with the triple bottom line of sustainability: environmental, social, and economic sustainability. A business approach that places people, and the planet next to profit at the basis of the company. In this report we will focus on the environment and social sustainability of our company. While the concept of environmental sustainability probably does not have to be further explained, social sustainability encompasses all efforts which place the benefit for the people in the center and consider ethical and fair choices to improve a long lasting wellbeing. Since the founding **we believe that acting socially and environmentally sustainably is intertwined with a company's sustainable success.** During the UN Climate Summit in 2019 Soly committed itself to become NetZero latest by 2030. Following this mission, in 2020 we first assessed and then offsetted all our scope 1 and 2 emissions since foundation which already makes us Climate Neutral! We will continue to first of all reduce our scope 1 and 2 emission until there is nothing left to offset. To reach NetZero we will also tackle our scope 3 emissions which is a rather complex path. We accepted this challenge and will prove that even as one of the fastest growing companies in the Netherlands it will be possible to lead the way towards solar energy for all sustainably. Following, this mission goes hand in hand with the values of B Corporations.

We are a B Corporation

B Corps are organisations which have passed a rigorous assessment on social, environmental and economic sustainability covering the impact areas of Workers, Community engagement, Environment, Customers and company Governance. When passing this assessment with more than 80 out of 200 points a company can be part of the B Corp movement by **using businesses as a force for good**, which benefits people and the planet. Soly received this certification in 2018 with 99.3 points as the first certified B Corporation in Groningen. Until the recertification in 2021 Soly managed to even more improve the companies sustainability inside and outside the office which lead to an increase of the new score. A few examples are that we kick-started a vitality programme, assigned our B Keepers that take care of the environmental and social sustainability within the company, and most importantly we measured and offsetted all our scope 1 and scope 2 emission since founding! This resulted in the offsetting of 500 tonnes through investing in east Africa's largest grid connected solar park in Rwanda. That is why we are proud to have achieved 110.2 points in 2021 especially considering the median score of ordinary businesses of 50.9 points. Additionally, we are more than happy to have been nominated for the best of the world award in the category of environment in 2021.



We believe that acting socially and environmentally sustainable is intertwined with a company's long term success.

Overall B Impact Score

Based on the B Impact assessment, Soly earned an overall score of 110.2. The median score for ordinary businesses who complete the assessment is currently 50.9.

110.2
B Corp Score Soly



- **110.2**
Overall B Impact Score
- **80**
Qualifies for B Corp Certification
- **50.9**
Median Score for Ordinary Businesses

We want to be environmentally and socially sustainable and we will do our best to continuously improve on these.

B Environmentally Sustainable



Environmental sustainability has always been our priority. We try to improve as a green company every year and will therefore for this annual report widen our perspective to besides energy and emission also be transparent on various other environmental sustainable impact areas.

Materials and Waste

GRI 301 | GRI 306 → SDG 7, 9, 12

Responsible choices of materials are crucial for a sustainable life-cycle of products. From the resource extraction over the longevity up until the recyclability of the products the choice of materials is important. Additionally, responsible disposal and effective waste strategies for those materials that cannot go back into the lifecycle are also necessary. We are aware of this and are implement strategies for a responsible handling of materials within the company but also along our supply chain.

Solar panels

Solar panels are made up of multiple resources. To be precise in this case silicon is the resource that in the form of ultra thin sheets collects the energy from the sun's photovoltaic rays. Copper strips are used to connect the

individual silicon cells to one another. These strips are typically coated in tin as well. The frame that protects the cells from damage is made out of aluminium, while it all is covered by a strong type of tempered glass. The backside of the panel is made from plastic. Finally the mounting material is made of steel.

How long they last

Good quality panels work on high efficiency for at least 25 years. Interesting here is that they will not just stop working after this, but since the efficiency of the system decreases less than 1% each year the capacity of our panels after 25 year is still at about 85%. They can continue to produce electricity for up to 40 years in total, just with a slightly lower efficiency.

Reusing and repairing

When renting solar panels to customers there is a service included which makes sure defect panels can be repaired or exchanged. When solar panels are replaced at a still high efficiency rate, they can still be reused in other installations and upcycled. This way, their lifetime is being extended which makes it the first and most sustainable option.



Recycling & circular PV

Our current main supplier is collaborating with the European organisation [PV Cycle](#). PV Cycle is making sure that once a panel is ready to be disposed, that the different materials of the panels are responsibly recycled in Rotterdam. Already in 2016 PV Cycle achieved a 96% recyclability rate. This is an amazing accomplishment and also accounts for the record in silicon-based PV module recycling. They managed to break down and resume the components of the PV installations in an economic and environmentally friendly way. If you would like to read more about the life cycle and the recycling process of our photovoltaic panels check out our blog post.



Can Solar Panels Be Recycled?

[Read more](#)

Furthermore, our suppliers carefully manage the life cycle of the products regarding the manufacturing, design, until the final recycling, to minimize the impact on the environment. On the other hand, they are committed to increase the use of recycled materials in the manufacturing process. One of our main suppliers received a cradle to cradle certification for their panel series. This means that their efforts in creating a circular economy for solar modules has been recognised.

Within the office

Not only within the production of our PV systems but in all sectors of our business the sustainability of the materials is considered. Within our offices in Groningen and in Cape Town we try to always choose the most socially and environmentally responsible products. An

example is the planning of the furniture for our new office location in Groningen, which is designed considering social and environmental sustainability aspects such as the use of recycled materials, the reusability and recyclability of the furniture or special safety and health measures for employees during manufacturing of the products. Following these the manufacturer of the furniture, Wilkhahn, achieved numerous certificates and is also committed to the United Nations' Global Compact. Additionally, we are also planning to implement an exemplary waste separation strategy which is unfortunately lacking in the currently rented office facilities. This will make recycling and disposal processes more efficient and greener. In general, all foods and snacks ordered to the office for sessions, events or - just because - are always vegan and as sustainable as possible. Choosing vegan food options is proven to be generally more environmentally friendly and accounts for less emissions as diets that include animal products. We thereby, make sure that the workplace is not only sustainable for the health of all co-workers, but also sustainable for our planet.

We, moreover, inspire our employees to reduce waste and unnecessary purchases. Our B Keepers are about to release another internal initiative to promote anti-waste behaviour and to inspire our colleagues even more to reduce wrapping and packaging and to switch to more sustainable options. There is always room for improvement and this is what we are aiming for!

Climate Impact

GRI 305 | GRI 302 → SDG 7, 11, 12, 13

*Scope 1

Since we have no direct manufacturing processes our scope 1 emissions are relatively small. As an effort to reduce our direct climate impact as much as possible we made the switch to only electric cars as company vehicles. We currently hold five fully electric company cars each of them being responsible for 818 kg of CO² each year considering the emissions released during the production and the expected life-time of the batteries. The batteries are expected to last at least 180000 km (Kawamoto et al., 2019) or between 10-20 years ("EV: Batteries", 2022). Considering the distance travelled by

*In the Climate Action Report from 2020 emissions released through the use of company vehicles, employee commuting, flexible working, and business travel had been identified as scope 1 emissions. In this report, all of the above except the emissions of company-owned and leased vehicles are adjusted to account for scope 3 emissions.



our company vehicles we do not expect a necessary exchange of batteries before at least 15 years. We calculate the electricity the vehicles run on as generated through solar radiation captured by our panels. This leads to 0 additional emissions during the usage. Following, our scope 1 activities are responsible for about **4 tonnes** of embodied CO² emission output*.

Assuming that otherwise the same distance would have to be travelled by our employees in gasoline fueled cars, it would result in 12,5 tonnes CO².

We, therefore, prevented about 8.5 tonnes of extra CO²e from being emitted into the atmosphere in 2021.

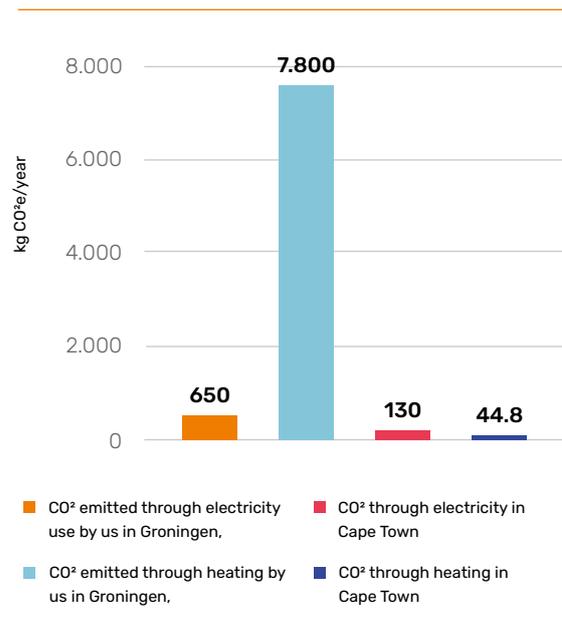
Scope 2

For scope 2 account our rented office facilities. Combining the emissions from Soly in Groningen and for Soly South Africa in Cape Town we end up accounting for about **8.7t as scope 2 emissions**. The office we were renting for the last few years in Groningen unfortunately does not collect precise individual electricity and heating consumption per renter. Though, our provider, MainEnergy, supplies 75–99% of its energy from renewable sources, which account for 0 GHG emissions. To calculate the output for the remaining 1–25% we make use of the average data of office energy consumption (electricity and heating) in the Netherlands per square meter through the Energy Research Center of the Netherlands.

An average office our size uses ca. 30.555 kWh a year which would be ca. 6.488 kg CO²e. However, taking our supplier’s average that ca. 90% of our electricity is generated via renewable sources we end up emitting only ca 650 kgCO²e. Our radiators for space heating are causing considerably more emission, since these are running on gas which is a fossil fuel. Again, taking the average usage of offices our size in the Netherlands reveals that Soly is responsible for the burning of approximately 3.000m³ gas a year. This is equivalent to 7.800 kg CO²e. This leads us to a total of 8.5 tonnes of CO²e for Soly’s use of the current office in Groningen. Not surprisingly this corresponds with the emissions identified for the previous year.

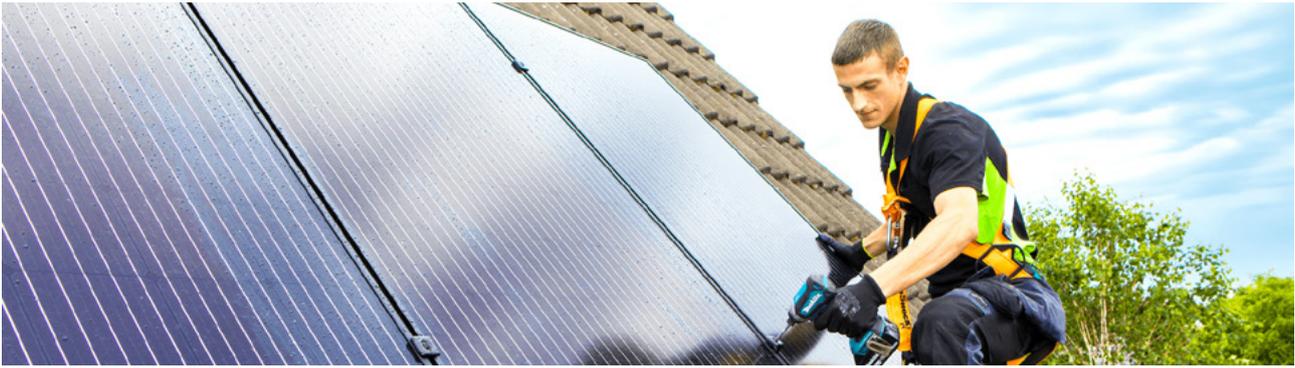
Compared to our office in Groningen the usage of our office facilities in Cape Town appear vanishingly small while only accounting for approximately 0,18t of CO². The heating or cooling aggregates of the facilities are barely used. Besides a computer, a screen and some laptops which are brought over now and then, no other electric appliances are used in the 57,9m² big office. As for the lightning efficient movement–reactive bulbs have been installed. We have to acknowledge that our SA team is using energy in a quite sustainable way when it comes to office facilities!

Electricity in South Africa is mainly produced by coal which makes the CO² factor much higher than in the Netherlands. For electricity use the office contributes to an estimated 130 kg CO²e a year. For the little gas consumption for the space heating we end up using approximately 243,6 m³ of gas and thereby being responsible for ca. 44,8 kg CO²e.



For our previous report we were not in the lucky position to have our own office facilities in Cape Town yet, that is why our Scope 2 emission increased from 8.5t in 2020 to 8,7t, exactly by the emission the office facilities in Cape Town are responsible for. However, looking at our future plans we are likely to reduce these emissions respectively to our growth!

*In the CAR of 2020 electric vehicles were calculated to still contribute to emissions during usage, due to the power coming from the Dutch electricity grid not being 100% from renewables. Since this year they are identified to run on solar energy, a renewable energy source, which does not release any additional emissions during the usage.



Future plans

Our current office in Groningen has an energy rating of C+. You might ask yourself why a company selling PV systems is not using the energy of their own solar panels for the office. Well, we were asking ourselves the same question! Following the FD Gazelle assessment, Soly is one of the fastest growing companies in the Netherlands. Additionally, we agree on the fact that we want and have to reduce our environmental impact within the office much more than possible within our current location. Therefore, Soly started looking for another office location, while an important condition was that we can use solar panels on our own roof!

We finally found a suitable location in Groningen to which we moved at the beginning of 2022.

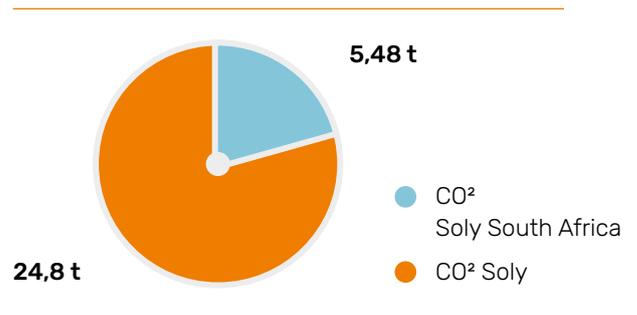
By having our own solar electricity providers on the roof, we will be grid-independent and through 100% renewable electricity provision we expect to avoid at least 650 kg CO₂e (carbon dioxide equivalent) a year from being emitted into the atmosphere. The office has the energy ranking of an A.

Scope 3

Our scope 3 emissions have by far the biggest impact on the atmosphere. They are also the most complex and most difficult to reduce as we only have indirect influence on them. They are partially the result of third parties and other businesses' operations and are built up through commuting and business travels, installations of PV systems, the shipping of the products, and - with the most impact - the life-cycle of a panel. Hence these are the 'hidden' emissions of solar panels.

Commuting and Teleworking

For the commuting of our employees as well as the GHG emitted during working from home we are indirectly responsible for **30,28 tonnes CO₂e**. **5,48 tonnes of these are contributed by Soly South Africa and 24,8t by Soly.**



While many colleagues in the Netherlands have switched to using the bike, train, electric cars or walking to get to the company, a company wide survey shows that Soly's employees using fossil fuel based vehicles to commute are emitting 16,18 tonnes CO₂. It is approximately the same amount as in 2020 with 16,13 t. Since the beginning of the Covid-19 pandemic we switched to flexible working including office visits as well as working from home. Even though the measures were overall less strict in 2021 compared to 2020 we experienced quite some benefits of including the working from home option as for example the indirect emissions saved through colleagues commuting less. We do recognise that residences are heated more as usual and that lightning and the use of electronic devices homes increases which contributes to our share of emissions. Through the employee survey we conclude that we emitted about 8,62 tonnes of CO₂e due to home offices in 2021 while it was still 11,52t in

2020. Despite this, we have **prevented 2,19 tonnes CO² from being emitted in 2021 through the inclusion of teleworking** instead of full-time presence in the office facilities due to overall less commuting in fossil fuel based vehicles. Following, Soly emitted a total of 24,8 tonnes CO² through employee commuting and teleworking which is about 2,9 t less than the previous year. Even though employees commuted to the office more often again in 2021 the CO² emitted decreased. On the one hand this could indicate that colleagues chose more sustainable means of travel compared to 2020 or that their commuting way decreased and on the other hand it highlights the positive impact the use of electric company vehicles has.

In South Africa the commuting of employees caused approximately 5,48 tonnes of CO² in 2021. The respectively high number for our South African team is due to larger distances travelled. The team not only travels to the office but uses their own fossil fuel based vehicles to drive long distances to customers. In the Netherlands this is mostly done with the electric company cars. Due to the infrastructure for electric vehicles not being as well established in SA yet compared to NL, the provision of electric company vehicles does not seem suitable or reasonable yet. In total both locations through commuting and teleworking together are indirectly responsible for **30,28t of CO²**.

Business travel

Through business travel, we are responsible for **21,97 tonnes** of emission. A total of 20 tickets for 14 flights were bought, mainly to South Africa and back including some in-country flights. We note that during 2020 we accounted for 5,62t less which is about 26% lower. This is due to the increase in business flight tickets instead of economy tickets. This once again underlines that flying

business class accounts for nearly three times as much emissions than flying economy does. This can easily lead to 2 tonnes of emissions per long distance flight. To reduce our business travel emissions in the next year we will take some adjustments. We will decrease emissions through reducing the number of long distance flights. Instead of travelling just for a stay of one or two weeks staying multiple weeks at once in South Africa and achieve more in this time. The next trip to South Africa for example is happening in the beginning of February and the return ticket is only booked for mid-march. Short term flights are only taken within Africa due to the possibilities of the infrastructure. However, for all business travels within Europe, we take the train! This will also be of increased importance when Soly starts to expand more on a European level. Taking the train might take a little longer and is unfortunately often still more expensive than taking the plane, a phenomenon we find truly unreasonable. But the emissions are going close to 0 since many train systems in western Europe run on renewable electricity. We also believe that the prices for trains will decrease in the coming years compared to flight tickets, while subsidizations and taxations are shifting.

Shipments

Through the shipping of solar panels and inverters a notable amount of **218,00 metric tonnes CO²** have been emitted. Products are shipped from different locations in China to Rotterdam and account for 202,53 metric tonnes CO² for Soly in the Netherlands. This is about 5kg of CO² emissions extra for each kilowatt peak (kWp) ordered (considering panel and inverters). About 65% of the panels used in South Africa are shipped from Rotterdam to Cape Town while about 35% come from a manufacturer located in South Africa themselves which therefore does not contribute to any shipping emissions.



For Soly South Africa shipping accounts for 16,5 metric tonnes CO₂, of which 7,39 are due to the former transportation from China to the Netherlands. Thus for each kWp installed in South Africa about 9,9 kg CO₂ were emitted through shipping. This is higher than in the Netherlands, likely through the extra shipping across the globe. Due to corona and internal overhauls, adjustments in delivery routes, to being able to send the products for South Africa directly to Cape Town did not take place yet. A priority we will take up and find a better solution for during 2022. Due to the difference in operating scope compared to Soly, Soly South Africa's shipping emissions are equivalent to 7,6% of the total shipping missions. Shipment emissions for 2020 accounted for 216,88 mt but did not incorporate the extra shipments from Rotterdam to Cape Town, yet. The shipment CO₂ emissions to the Netherlands thus decreased about 8 tonnes in 2021. Even though these are by far the highest emissions assessed so far, they still account for just nearly 1% of our scope 3 emissions.

Installations

Through the distance our partner installers drove for installation projects approximately **52,8 tonnes of CO₂** were emitted in 2021. While 51,9 of these came from installations in the Netherlands, about 0,9 tonnes were contributed through South African installations. This is similar to the emissions of the previous year where 53 tonnes had been emitted (excluding Soly South Africa in Cape Town). What is striking though is that in the Netherlands only about ¼ of the 2020 installations were conducted during the same sample month in 2021. The average distance traveled per installation is, however, nearly double as long. This makes the emissions per kWp installed to increase from 3,6kg in 2020 up to about 6,9kg for 2021.

We can draw two main conclusions from this finding. First of all, we might have to consider the distance between the project location and the location of the installation company even more during the project allocation and booking of installers to avoid long distance travels of 100 km and more. In 2020 we only had two companies exceeding 100 km as the average distance per installation in October, while in 2021 it was seven companies of which one reached 248km as an average. The partnering installation companies are spreaded through the country

and it would therefore be possible to find installers closer to the projects. This, however, brings us to the current economic issue that there is a lack of PV installers in the Netherlands and neighbouring countries. Therefore, it can be challenging to find an installation team within an acceptable time frame as they are generally overbooked and waiting times are long. The distance to the project location cannot be the first priority unfortunately.

However, this distance has to be considered more in the next fiscal year as 248km as an average distance are not adaptable and lead to an increase of nearly 100% of installation emissions per kWp installed.

The vision of a CO₂ neutral installation fleet, through for example a solar powered electric fleet will consequently for now stay a vision. But visions lead to reality, even if it may take some time.

A second conclusion is that since we can identify clear deviations in the data between the years, it could be suggested to broaden the data collection on installations in general to also include direct listing of the distances the installers travelled as well as the amount of kWp or panel and inverters installed. In that way the installations from the whole year can be taken into account during the emission assessment instead of taking one month as a sample.

Life-Cycle Analysis

Finally, when solar panels are sourced and manufactured, the CO₂ they emit per kW produced is not directly caused by Soly, but is still part of Soly's scope 3 emissions. This is where by far the largest share of the 'hidden' emissions which are found in PV systems. Analyzing the indirect emissions caused by manufacturing is found through cradle to grave studies. Each of Soly's suppliers hold certifications which declare the CO₂ emissions per kW for solar to be approximately 600kg per kWp of capacity. Emissions from raw material sourcing, manufacturing, assembly, recycling, and disposal are all taken into account.

Considering the amount of panels and inverter it is expected that In total **23.272 metric tonnes of CO₂** are embodied in the total capacity of the 39.581 kW installed. Soly accounts for approximately 22.350t₃ and Soly South Africa for 922 tm CO₂. This is about 3100t₃ less than in 2020. One reason for this is likely the reduced

Overall emissions



| | Scope 1 | Scope 2 | Scope 3 | Commuting & HO | Business flights | Shipping | Installations | Total |
|------------------------------------------|---------|---------|---------|----------------|------------------|----------|---------------|-------------------------|
| 2020 (CO ² in tons) | 4 | 8,5 | 25.795* | 27,7 | 16,4 | 216,9 | 52,4 | 25.803 |
| 2021 (CO ² in tons) | 4 | 8,7 | 23.595 | 30,3 | 22 | 218 | 52,8 | 23.608 -2.195 |
| Of which SA | | 0,2 | 944,5 | 5,5 | | 16,5 | 0,6 | 945 |



amount of inverters used for projects in South Africa. Soly South Africa currently only conducts projects with other businesses, which are likely to install a large number of panels on their business ground. For residences in the Netherlands we count approximately 8,5kW installed per customer, while in South Africa we reach an average of 127kW installed per project. While larger inverters are required the number of them is still noticeably less which in turn reduces the life-cycle emissions. For the future Soly is partnering with Erinite. A South African energy company which will operate for Soly while also getting direct private customers and residences on board.

Overall, considering all scope emissions this results in a total of 23.658 metric tonnes of CO² Soly is responsible for in 2021.

Climate Action

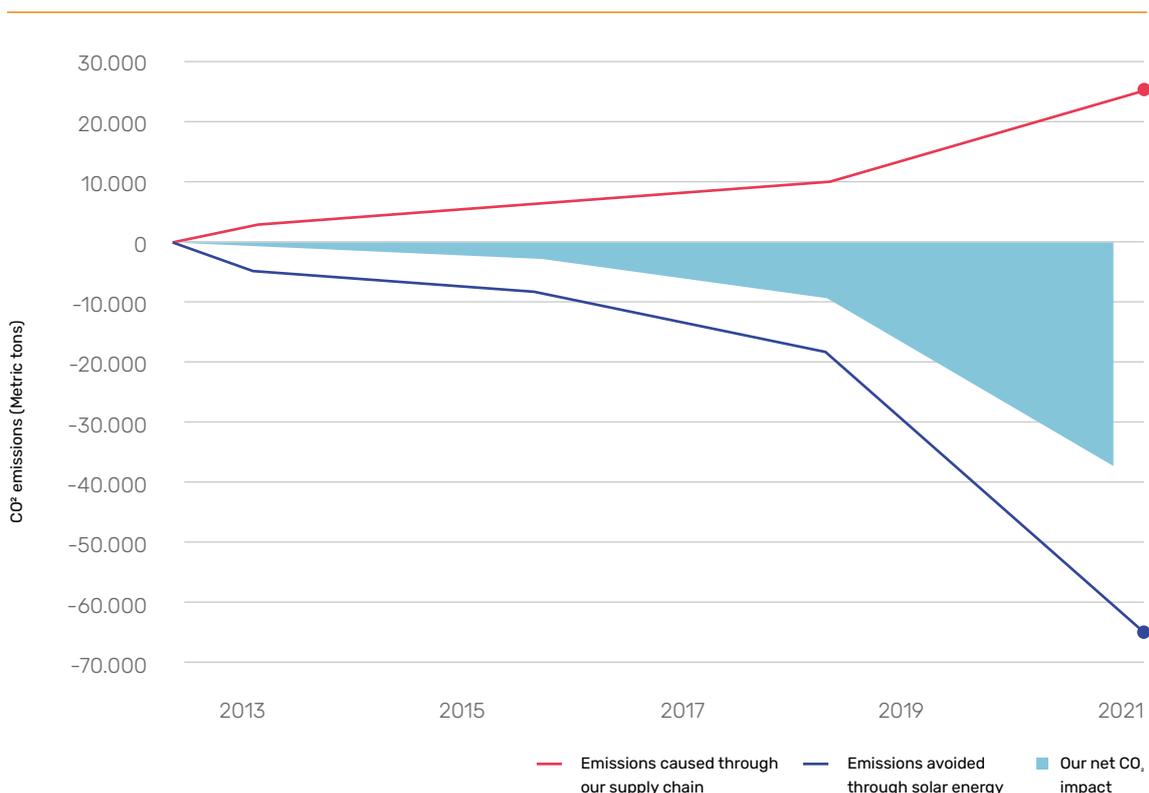
GRI 305 | GRI 302 → SDG 7,11, 12, 13

Emissions Prevented through Solar

However, we shall not forget that once a PV system is installed no additional emissions are released. The solar panels work most efficiently for the first 25 years. Considering the average kWh produced during this time, each kWh generated by Soly’s panels installed in

2021 accounts for approximately 25 grams of CO². The Dutch electricity grid in comparison emitted an average of 328,4g CO²e/kWh in 2020, following the European Environmental Agency. Even though these emissions already decreased compared to the 390g CO²/kWh we used to calculate in the previous report this is more than **13 times** as much as our panels emit. (“Greenhouse gas emission intensity of electricity generation by country”, 2021) At the same time we are glad to see that the average CO² generated per kWh in the Netherlands is at least slightly decreasing! We strongly support this development and hope to see even more reduction in the future. In the end, climate change cannot be tackled by individual movements alone but it has to be in a common effort of communities, institutions and on a government level jointly. We aim to play a key role in this global movement!

In 2021 the total of our produced electricity accounted for about 217.500.000 kWh which is 32.500.000kWh more compared to 2020. Thereby, an additional 66.000 metric tons of CO² have been prevented from being emitted into the atmosphere, by our installations. We are extremely proud of this number! In 2020 we already saved about 65.000 metric tons CO² from being emitted. That the increase between the years is rather small is





mostly due to the decrease of the average CO² generated per kWh by the Netherlands.

Taking the average CO² emitted per kWh in the Netherlands during 2020 for the next 25 years, the panels we installed in 2021 alone would result in 284.437,3 tonnes of CO² saved by the panels installed by Soly in 2021 alone considering all emissions of the PV systems. Though, we sincerely hope that this will not be the case and that the Dutch electricity share continues to incorporate more renewable energy and therefore declines in CO² per kWh.

Supplier

We are happy that our main supplier worked hard on various measures to improve the energy efficiency of facilities and processes, optimized manufacturing processes and much more. Thereby they managed to reduce GHG emissions by 61,7% from 2013 to 2017, from 235 metric tonnes to 90 metric tonnes. The electricity needed was reduced by 32,35% and is on its way to be 100% from renewable sources in 2025.

Offsetting Our Emissions

GRI 302 | GRI 304 | GRI 305 → SDG 15, 13

In line with our goal to become NetZero before 2030, we must reduce our emissions by 10% each year. In line with this ambition we need to reduce all our baseline emissions, while using climate science and available technologies to bring them to a minimum. Contrasting the scope of carbon-neutral organisations which must cover direct scope 1 and 2 emissions, we will additionally deal with the indirect impact we have through scope 3 emissions.

Becoming NetZero instead is a more ambitious path

Overall, In 2020 we first assessed and then offsetted all our scope 1 and 2 emissions since our foundation in 2013, which already makes us climate neutral!

whose long term goal is in line with the 1.5C limit. We must reduce our impact and work towards only offsetting what we cannot reduce any more. Quite some stepping stones regarding the supply chain and the scope 2 emissions will be accomplished and finalised during 2022 but there will be more to go. For 2021 we decided to offset 388 tons of CO². This covers our entire scope 1 and 2 emissions, as well as our emissions through employee commuting, business travel, product shipments and installations! In other words, all our emissions from scope 1,2 and also 3 will be offsetted except the life-cycle emissions of our panels and inverters. We added another 52 tons to reach an overall 10% reduction compared to our emissions from 2020. We will invest these Carbon Credits in a thoroughly chosen livelihood project of Nexio. Nexio is also a certified B Corporation and conducted more than 300 carbon prevention projects globally. Moreover, they are certified by EcoVadis and other organisations regarding their sustainability efforts and trustworthiness.

Water Consumption

GRI 303 → SDG 6

Water waste is a crucial global issue and we are very much aware of this. Especially since our second office is located in Cape Town, the City that in 2018 was announced to be facing Day Zero (the day when freshwater resources are exhausted) much sooner than expected. In a common effort that policy-makers but most importantly the individual citizens took together this particular water crisis has been avoided for the time being. But this is not the case all over the world. Especially due to the impact of climate change, drinking water resources around the world, which only make up 1% of the global water reservoirs, are severely decreasing. As with so many issues, already vulnerable population groups are affected the first and most. It is therefore crucial to preserve water and make sure to restrict pollutants and toxins in water discharge. For us this boils down to two main contributing factors, namely our office water consumption and the activities included in the life cycle of the solar panels.

Being cautious about water usage is therefore important for us and we promote water saving behaviour among the co-workers. Within our office we currently have limited room to be pro-active since the facilities in the rented



space are given. There is unfortunately no data collected on water consumption from the office. We considered the facility, the amount of people in the office on a daily basis and the average water usage in an office per square meter in the Netherlands following the data of the Milieubarometer. Following we assessed an annual water consumption of about 214.400 liters for our office space in the Netherlands. We are looking forward to our new office and the new scope for positive actions. For our office in South Africa there is also no collection on water consumption but the impact would be diminishing small compared to Soly’s overall water consumption.

Supplier

Most water consumption and waste occurs during the resource extraction and manufacturing process of the products. That is why commitment and efforts taken like water usage and pollution prevention and control by our suppliers are very important to us as well. We are, therefore, happy that our main supplier managed to reduce water usage by 42,53% and water discharge per MW module by 46,93% from 2013 until 2017. They engage in various water saving and water recycling measures. We received data from our supplier assessing that per megawatt (MW) unit about 1.587.567 liters are being used

during the entire life-cycle from the resource extraction and the manufacturing process until the recycling and disposal of the materials. For Soly this leads to a total water consumption of about 40.356 tons in 2021 of which 40.145 are due to the life cycle of PV components.

Pollution of open water and groundwater as well as the release of effluents and toxins as waste water has a huge negative impact on us humans but more severely on ecosystems and biotopes who depend on these affected water resources to thrive. The usage of hazardous chemicals still used by many other companies in the PV industry have been eliminated by our supplier. Additionally they also reduced and replaced the chemical inputs and byproducts associated with the water cleaning and solar cell texturing process. We are glad that hazardous and toxic components of the water output have been diminished.

It is important to also acknowledge the embodied impacts of the products dealt with and that is why we at Soly want to assess our consumption and our impact and be transparent about it in order to improve our sustainability performance even more.

| Category | Unit | Number of units | Liters of units | Annual water consumption (liters) | Annual water consumption (tons) |
|------------|---------|-----------------|-----------------|-----------------------------------|---------------------------------|
| Office | Per FTE | 40 | 5360 | 214.400 | 210,5 |
| Life-Cycle | Per MW | 25,75 | 1.587.567 | 40.879.850 | 40.145,2 |

B Socially Sustainable



Sustainability is not only crucial in environmental matters but it is also important for an organisation to identify and manage their (positive and negative) impact on the people directly. As also stated by the UN Global Compact, directly or indirectly companies influence what happens to employees, workers in the value chain, customers as well as local communities. It is critical to be aware of the impacts and become proactive and take responsibility to promote improvements in the area of equality, wellbeing, labour, and human rights.

Within the office

Recruitment process

GRI 401 → SDG 3, 8, 10

One of the measures taken at Soly to ensure fair, unbiased and equity employment and recruitment standards is the implementation of a clear hiring code of conduct. Since Soly is quickly expanding we must adhere to the highest standards for ourselves as a B Corp. Some of our main criteria within this are the values of inclusion and racial justice, anonymous review of applicants, pay equality to just name a few. Especially because applications are reviewed anonymously we make sure that during the recruitment process all job seekers are

treated equally and are judged solely on the criteria related to work and role. Please have a look at our full [hiring code of conduct](#).

Diversity & Equality

GRI 405 → SDG 3, 5, 8, 10

Diversity and equal opportunities for everyone are at the base of our company ethics and policies. This is in line with our code of ethics and our B Corporation policies. A diverse workplace offers learning opportunities and room for personal development based on each other's experience and differences. It allows the team to consider different points of views and is beneficial for a healthy working climate. Moreover, it is important to create a fair and just world. We try to enhance diversity within Soly, and in the beginning of 2021 also conducted a diversity survey among the colleagues. Besides general information about the employees we assessed their perception on how it is dealt with diversity, fairness and inclusion within the company. Moreover, we anonymously collected their ideas of improvement. Across the questions Soly received an average score of 3,6 on a scale from 1 to 5. The lowest score of 3.1 was given on how Soly is dedicated to improving the diversity within the company and the highest score of 4.2 was achieved

on how the leadership of Soly treats all employees fairly regardless of background. The input of colleagues is highly valued and considered and the results showed where we could through their eyes still improve on. The precise answers of the survey contain personal information and stay confidential due to our privacy policy. What can be said though is that we created a base understanding of the importance and appreciation of a diverse team constellation. We can still improve on representing these values and make them more present on a daily basis. Training options and the opportunity to develop professionally and personally seem to be valued and could be enhanced even further. We try to improve our diversity but since we believe in the anonymous review of our applicants this will come by nature, supported by recruitment and marketing strategies tailoring the broad diverse audience. Another take-away of this is to keep up sharing and promoting these B Corp values among our colleagues and especially new co-workers. The survey will be repeated in 2022 to see how the perception has changed and how we managed to implement the feedback. What can already be seen is that we managed to increase the age diversity within Soly and now have a much wider and better represented age span.

Though we acknowledge that there is still a noticeable gap in the representation of gender groups and also the presence of minority groups is still lacking. While in our smaller team in Cape Town the representation of men to women is 2:1, in Groningen it is rather 5:1. We cannot get around but having to explain this by the sector Soly is providing jobs in. Most open job positions are in technical areas, sales, and service which are unfortunately still men dominated work fields. And even though Soly encourages women and diverse candidates to apply, we identified that we still can improve here and make it even more attractive to work at Soly also for women and people of minority groups.

Inclusion and Non-discrimination

GRI 402

Inclusion is important for us. This also accounts for the inclusion of employees in company processes. Therefore decisions on a management level and new information are shared with the affected or concerned team members as soon as possible. In general with all for employee interesting operational changes we at all times stick to

the legal notice periods.

GRI 406

We naturally take strong stances against discrimination of all kinds and will always try to prevent it. Soly is committed to protecting colleagues, suppliers, customers, guests and friends from discrimination. Discrimination is understood as making direct or indirect distinctions between persons based on their age, (identified) gender, marital status, sexual orientation, life, political or religious convictions, race, ethnic origin or nationality. We strive to create a safe and joyful atmosphere. Any behavior that has the purpose or effect of violating the dignity of a person, or which creates a threatening, hostile, insulting, humiliating or hurtful environment is banned. At this point it is also important to say that we do not accept any behaviour that makes one feel bullied or harassed for no reason whatsoever in any form.

Luckily there were no cases of discrimination or harassment reported and therefore no corrective actions needed to be taken.

Employee Well-being and Development

GRI 401 | GRI 403 → SDG 3, 8

Once employed, there are a number of benefits within the field of holidays, paternity leave, commuting support and so on offered to all employees, regardless of full or part-time position. One example of encouraging employees health and wellbeing is the vitality programme Soly has launched to promote employee activity and healthy life-styles. In September 2021, as part of this programme we had a motivating vitality week in 2021 which engaged everyone to become more active within the office and to remember to make healthy food choices. Since most colleagues are working from a desk position it is important to create a balance to active engagement. The vitality programme also includes a partnership with the G0180 gym which besides professional workout machines provides a personal coach, nutrition advice, customized sports programme and so on while Soly's employees save 50% of the original costs plus tax advantages. Fana from the marketing circle makes use of this offer and trains at G0180 since April 2020. "I like that there are two set moments in the week during which I can workout with a personalized schedule [...]. I feel



I like that there are two set moments in the week during which I can workout with a personalized schedule [...] I feel that it is helping me feel energized throughout the week and balance work and active life

Fana regarding the vitality programme of Soly

that it is helping me feel energized throughout the week and balance work and active life”, Fana states. Soon, her fellow gym colleagues, however, will have to manage without her, since Fana will be going into maternity leave in 2022! We wish her and her family all the best for this special time. In 2021 Soly in total employed three fathers- and one mother-to-be which were of course all entitled and also made use of the pregnancy and maternity or paternity leave. We are happy to see the Soly family grow and to welcome the little Solyans in our midst. That is why we provide full-payment also during the second week of paternity leave.

We want to support each other in taking care of our health and well-being. That is also why we have a contract with a physiotherapeut and are improving the ergonomic working conditions within the workplace. Especially for the new office location, it was searched for a long time before deciding on the ergonomic best performing office chairs from Wilkhahn. The design and multiple features of the desk chairs put the beneficial effects for the human body first. Besides, they incorporate the use of recycled materials into the production of the furniture and consider all parts to be reusable or recyclable. Moreover, there will be adjustable tables to be working in a seated position that fits one’s height and preferences but also allows working from a standing position to keep the blood flow going and prevent round backs. We cannot wait to be working with them.

GRI 404 - SDG 8,

We recognise the importance of individual growth and development and therefore offer the opportunity to draw up a personal development plan as part of the development or improvement process which can be arranged together with the lead link of colleagues and People and Culture.

We also offer training opportunities for sales employees and we are proud to support colleagues going for the InstallQ certification for the monitoring of installations. Besides these offers employees are always welcome to suggest their own training programmes and courses. To follow extra courses or training one can submit a request and in general, the expenses of job-oriented training courses are fully or partially covered by Soly. It is also possible that job-oriented training will be suggested by the management to promote the upgrading of employee skills and knowledge. We want our colleagues to feel satisfied not only in their professional career but also in their personal development.

Outside the company

Ethical Supply

GRI 308 | GRI 408 | GRI 409 | GRI 411 | GRI 412 | GRI 414

→ SDG 8, 12, 16

Soly takes strong stances against child labour, forced labour and any human rights violations in general. To be precise it is in the DNA of Soly to promote fair work environments and social sustainability. This is lastly underlined by our B Corp status.

It is true though that a company can only be as sustainable as its supply chain – meaning that as much effort Soly can take within the company, we are responsible to consider any issues that occur on the supply chain as well.

Our main suppliers are ranked by far the highest regarding social and environmental sustainability on the solar scorecard of Chinese factories. As already mentioned previously, they implement various measures to enhance their environmental footprint and make their solar energy even more green. The situation in Chinese manufacturers is in general, however, not always as transparent as we would wish it to be. In recent years the developments in China in general were anything but calming when it comes to production and manufacturing standards.

Taking a look at the current situation the world has to deal with the genocide of the Uyghurs in the Xinjiang area. The area which the solar industry purchases 45% of its total supply from. Following, also the solar manufacturing industry is involved and has been engaged in cases of forced labour. We as a company condemn/judge this as crimes against humanity and we reached out to Holland Solar in regards to forming a collective movement against forced labor in the solar industry. We wished for the Netherlands to try to make a major statement in the European community. Additionally Soly had distributed a letter to various parties across the world to get a conversation started about improving subsidies and the current situation.

Soly's suppliers had been chosen due to their outstanding environmental sustainability performance compared to the market standard. We scan our partners and make sure that they align with the core values of Soly as well. Where we, however, are struggling with is the level of desired transparency. We had to come to the awareness that we can not be 100% sure that Chinese manufacturers, even the ones that perform the best, are not involved in forced labour especially targeting the ethnic minority group the Uyghurs. One of our suppliers moved closer into the focus of investigations surrounding accusations of forced labour. For us this is a clear reason to immediately start searching for a new supplier. We have, however, high requirements regarding the sustainability of the manufacturing, considering the

resource extraction, manufacturing, life-cycle, recycling and disposing processes. Additionally, we want to ensure the best quality and performance ratio for our customers and also have to live up to our mission of providing clean solar energy, affordable for everyone. We are searching for, researching, and negotiating with other possible long-term suppliers but the solar market is not in its best place at the moment. While we are still in the process of finding a new main long-term supplier outside of China, we are for now shifting our orders away from the manufacturer that is being invested and are obtaining our panels and inverters from our other supplier which has not been accused of any intolerable actions.

It is a known drawback of the PV industry that the resource extraction and production of the panels can be involved with human exploitative practices. We at Soly want to lead the way to a sustainable and responsible solar future in which the exploitation of minority groups, child, and forced labour are strongly disconnected from the PV practice and in which social and environmental sustainability go hand in hand along the entire supply chain, for the people, the planet and for the future of our company. This is more easily said than done as our research reveals and we know that this is not a sprint but a marathon with many stumbling blocks. But we are persisting.

In South Africa we are partnering with Erinite Energy to offer solar installations to residential homeowners. Currently Soly South Africa only targets businesses and enterprises which now should be expanded! Erinite is fully owned by local people of colour and we are overjoyed that they share our Solyan values. Using the same products as Soly, quality and performance can be guaranteed. Following, together with Erinite energy we aim to make solar energy accessible and affordable for everyone also in South Africa.

Local Communities

GRI 413 (+ 401.2) → SDG 4, 11

As a B Corp we value our local communities and want to spread our positive impact also locally. Following our mission we want to engage in social sustainability also beyond the company. All full-time employed Solyaners therefore have the option, and are being motivated to take up to 16 hours a year off the working time to engage



I started this volunteering this Summer and [the girl] already has made so much progress in reading, understanding and writing in Dutch, but also the fun she has in doing it. I love spending time with her.

Gwendy about using the volunteering hours offered by Soly

in voluntary work in the community. One of the people who made use of this volunteering hours is Gwendy, our customer service manager. She engages in volunteer work through Humanitas in her private time while meeting with a girl once a week to practice the Dutch language. Her parents are not native Dutch speakers and while Gwendy reads and plays games together with the girl her Dutch language skills improve. "I started this volunteering this Summer and [the girl] already has made so much progress in reading, understanding and writing in Dutch, but also the fun she has in doing it. I love spending time with her!", says Gwendy. The 16 hours come in handy here and are fully used by Gwendy to stop working earlier on the days she meets with the girl so that she can be there in time.

However, we wish for our community here at Soly to become even more eager to engage in volunteering and that we can use Gwendy's engagement as a motivator! Additionally the B Keepers are planning an initiative to accelerate the awareness and engagement of volunteering options. For this we are currently searching for a non-profit organisation which organises volunteering events to partner with.

We also want to increase our engagement with the community in general through e.g. participating in local festivities and spreading awareness regarding climate change and to promote sustainable behaviour. However, due to the global Covid-19 pandemic which requires responsible restrictions from all of us we were not yet able to put theory into practice yet regarding our volunteering and community work/engagement.

Further Remarks

GRI 307 Environmental Compliance

There have been no cases of non-compliance with environmental laws or regulations.

GRI 415 Public Policy

There were no financial or in-kind political contributions made directly or indirectly by Soly to country or recipient or beneficiary.

GRI 416 Customer Health and Safety

There have been no incidents of noncompliance concerning the health and safety impacts of products and services

GRI 418 Customer Privacy

Customer privacy and data security is one of our top priorities. We want to ensure our customers the best services while keeping information confidential and valuing their privacy. Our customers and enianen appreciate this about us and we haven't had any complaints regarding this. Overall there have not been any cases of concerns regarding customer privacy, losses of customer data or leaks of any kinds at all.

GRI 419 Socioeconomic Compliance

There have not been any cases of non-compliance with laws and regulations in the social or economic area, no fines or sanctions.

Future Plans & Conclusion



Considering our Action Plan, in 2021 we measured our impact on the climate and additionally assessed our performance on other environmental and moreover social sustainability factors. We managed to reduce our overall scope emissions by about 2.200 metric tons CO². The offsetting of additional 388 tons of CO² into the Nexio project leads to an overall reduction of 10% compared to 2020. We additionally have already improved within various categories of social and environmental sustainability throughout the years, especially guided by our B Corp policy and ambitions. In 2021 main improvements were the assessment of various sustainability factors next to the climate and

water impact, a reduction of commuting and in the live-cycle emissions, the implementation of various policies such as the codes of conduct and code of ethics, and the conduction of a company wide diversity survey. Additionally, we assessed multiple B Keepers to keep the B Values in mind and in action and to make sure the sustainable B Spirit is constantly represented within Soly, through initiatives and campaigns. Taking the GRI standards as an additional guide for this year's assessment highlights even more areas of improvement and emphasises already existing targets to act upon. We have not addressed the waste within our organisation in 2021 due to the planned moving of the office. It will be put



right back on the agenda for the new facilities. Overall, we are proud to have, besides addressing the waste issue, exceeded our targets for this year and are in line with our annual 10% CO² reduction.

For 2022 and 2023 we can identify multiple sub-targets to stay in line with our overall Climate Action Plan until 2030 and moreover improve on the other sustainability categories.

Short-term goals of improvement

1. Most importantly we will complete our switch to a **new mail solar panel supplier** and eliminate any doubts of intolerable actions taken along the supply chain including human rights violations and unjust working conditions
2. We will **update the shipping route** of the PV parts for Soly South Africa to eliminate unnecessary shipping emissions. To switch to a route which leads directly to South Africa instead of using Rotterdam as a detour we will require extended storing capacities in Cape Town.
3. For the emissions through installations we set ourselves a guideline to stay below 100 km one way the installers need to travel for PV projects and we will **aim to shorten the driving routes** as much as possible.
4. Emissions through business travels will be reduced through **reduced flights**. Instead of multiple trips

for rather short stays to our second location and to 'locations to be' we examine for further expansions, we are planning less trips and instead stay for multiple weeks in a row. Additional travels in Europe are by default done by train.

5. We will address **waste and water consumption** in the new office facilities and look for sustainable and efficient solutions.
6. We will design a **supplier survey** to assess performances on different aspects to make sure our values align and to possibly encourage improvements.
7. We will **expand and repeat the company wide diversity survey** to see where we already improved and where we can still and what the understanding and perceptions of Soly's employees are.
8. We will conduct an **employee satisfaction survey** to continuously improve the working climate and enhance well-being of employees
9. We will host an **engaging session on our B Corp Values** and spread awareness and motivation to take even more individual action along with our co-workers.
10. Finally, we will have to update and **expand our data collection** to ensure the ability to track our impact and improvements overtime and to make our assessments more accurate and improve their quality.



Special thanks to Ethan Krohn for his great work on the 2020 CAR which contributed to the bases of this report, for being approachable, and for his help and support.

Bibliography

EV: Batteries. (2022). Retrieved 16 February 2022, from <https://www.edfenergy.com/electric-cars/batteries>

Kawamoto R., Mochizuki H., Moriguchi Y., Nakano T., Motohashi M., Sakai Y., Inaba A., 2019.

Estimation of CO² Emissions of internal combustion engine vehicle and battery electric vehicle using LCA

Greenhouse gas emission intensity of electricity generation by country. (2021). Retrieved 16 February 2022, from https://www.eea.europa.eu/data-and-maps/daviz/co2-emission-intensity-9/#tab-google-chartid_googlechartid_googlechartid_chart_1111

Appendix

GRI 300: Environmental

| | | |
|---------|-----------------------------------|------------|
| GRI 301 | Materials | 12 |
| GRI 302 | Energy | 13, 18, 19 |
| GRI 303 | Water and Effluents | 19 |
| GRI 304 | Biodiversity | 19 |
| GRI 305 | Emissions | 13, 18, 19 |
| GRI 306 | Effluents and Waste | 12 |
| GRI 307 | Environmental Compliance | 25 |
| GRI 308 | Supplier Environmental Assessment | 28 |

GRI 400: Social

| | | |
|---------|---------------------------------|------------|
| GRI 401 | Employment | 21, 22, 24 |
| GRI 402 | Labor/Management Relations | 22 |
| GRI 403 | Occupational Health and Safety | 22 |
| GRI 404 | Training and Education | 23 |
| GRI 405 | Diversity and Equal Opportunity | 21 |
| GRI 406 | Non-discrimination | 22 |
| GRI 408 | Child Labor | 23 |
| GRI 409 | Forced or Compulsory Labor | 23 |
| GRI 411 | Rights of Indigenous Peoples | 23 |
| GRI 412 | Human Rights Assessment | 23 |
| GRI 413 | Local Communities | 24 |
| GRI 414 | Supplier Social Assessment | 23 |
| GRI 415 | Public Policy | 25 |
| GRI 416 | Customer Health and Safety | 25 |
| GRI 418 | Customer Privacy | 25 |
| GRI 419 | Socioeconomic Compliance | 25 |

Contact us

Netherlands
info@soly.nl
www.soly.nl

Germany
info@solysolar.de
www.solysolar.de

Belgium
info@soly.be
www.soly.be

South Africa
info@soly.co.za
www.soly.co.za

SOLY