



2022-2023
ESG Report

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About Us | Our Story

Energix Group is a global renewable energy company, with extensive operations in the United States, Poland, and Israel. We manage the full lifecycle of solar (PV) and wind energy generation projects, from the planning and construction stages through their operational activity. Additionally, to enhance the sustainability and capabilities of our energy solutions, we are venturing into Energy Storage projects. Effective and sustainable energy storage is a major challenge in today's energy environment, and we strive to do our part in implementing successful solutions.

Our vision is to be a breakthrough Global Green Utility ("GGU"), committed to our future on the planet.

We are a significant player in the renewable energy market.

With a total project portfolio of¹ 8.4GW + 7GWh, of which 1,279 MW are commercially operational, 533MW + 318MWh are under/near construction, 473MW + 136MWh are in advanced development².



1 | As of 31.12.2023

2 | Construction expected within 12 months.

The Alony-Hetz Group maintains a firm focus on long-term strategic sustainability, mirrored by our robust investment in Energix, which aligns with our rigorous ESG standards. This alignment not only showcases our commitment to renewable energy innovation and active community engagement but also reflects our core values of environmental care and sustainable growth.

The period of 2022-2023 has underscored the global need for sustainable energy solutions and strategic diversification of energy sources, driven by evolving climate challenges and geopolitical developments. Energix has proven to be a steadfast leader in responding to these challenges, reinforcing its role as a foundational element of sustainability within our group.

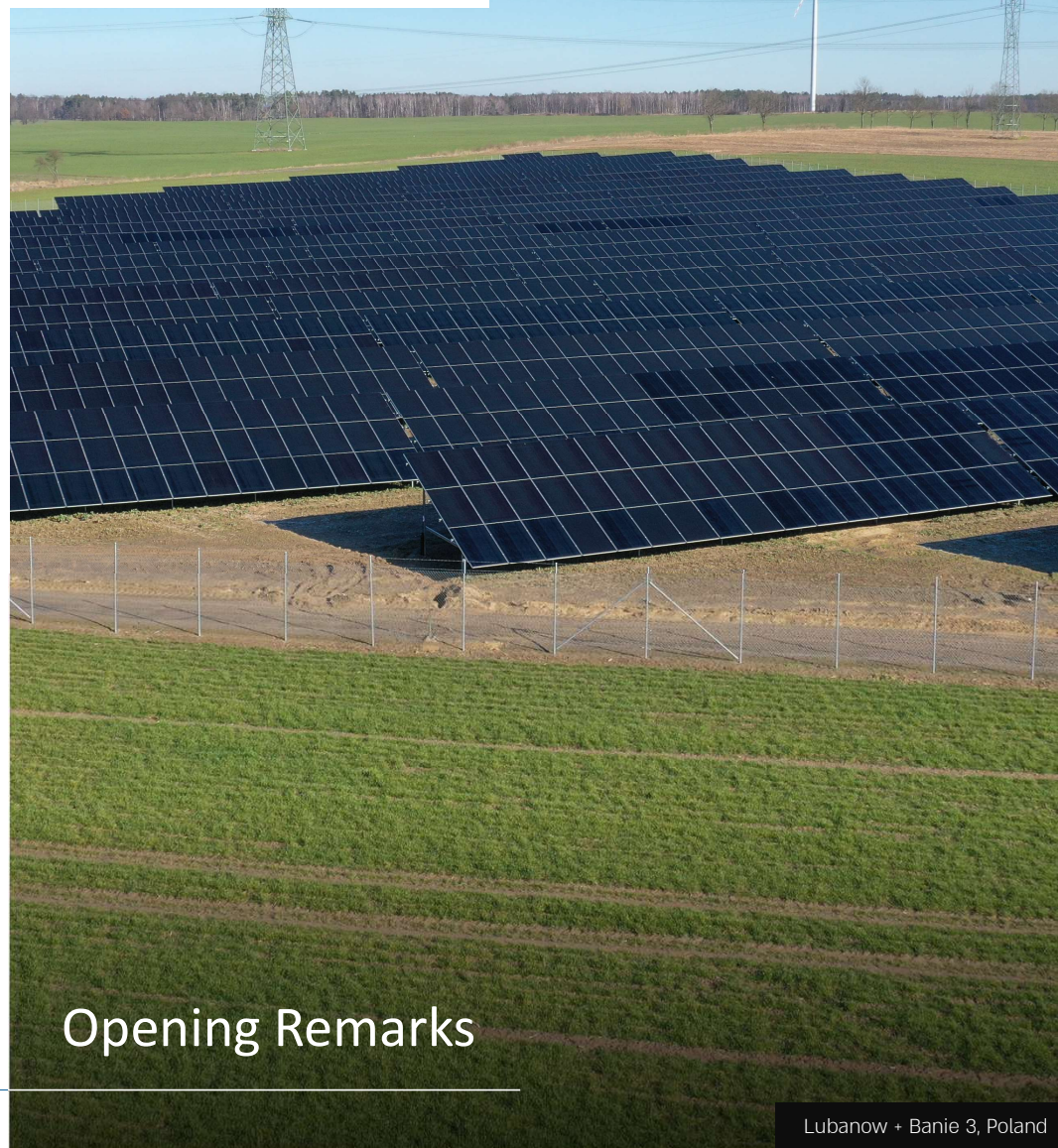
I am immensely grateful for the relentless dedication of the Energix team and the unwavering support of our investors and partners, who play a crucial role in our continued success. Our commitment to transparency and responsible management has further solidified the trust placed in us by our partners and the broader community.

As we chart our course forward, we are eager to share the progress and impact of Energix's initiatives during this period. Join us in exploring the advances we have made in our ESG commitments throughout 2022-2023.

Nathan Hetz,
Chairman of the Board, Energix



Nathan Hetz,
Chairman of
the Board



Opening Remarks

I am pleased to introduce the Energix ESG Report for 2022-2023, a period that has underscored the pivotal role of renewable energy in our global ecosystem.

Over these two years, Energix has not only expanded operations but also spearheaded efforts toward a greener energy future, significantly boosting clean energy production across three countries. Our ventures into energy storage projects have been crucial in enhancing the capabilities of our energy solutions.

Our efforts extend beyond electricity generation to include robust supply chain management. Strategic partnerships with leading solar panel and wind turbine manufacturers from USA and Europe underscore our commitment to minimizing the environmental impact of our operations across the entire value chain.

We believe that business success and environmental and social responsibility go hand-in-hand. This report is a testament to our dedication to building a more sustainable future, powered by greener, cleaner future. Our extensive environmental and social initiatives are detailed in the advancement of our ESG objectives, as outlined in this report. I extend my gratitude to the Energix team, whose dedication and commitment are instrumental to advancing our goals

As Energix evolves, so does our responsibility toward planetary and community welfare. We look forward to sharing the progress we've made and the steps we are taking toward a greener future.

I invite you to explore the details and insights presented in this report.

Asa (Asi) Levinger
CEO, Energix








Asa (Asi) Levinger
CEO



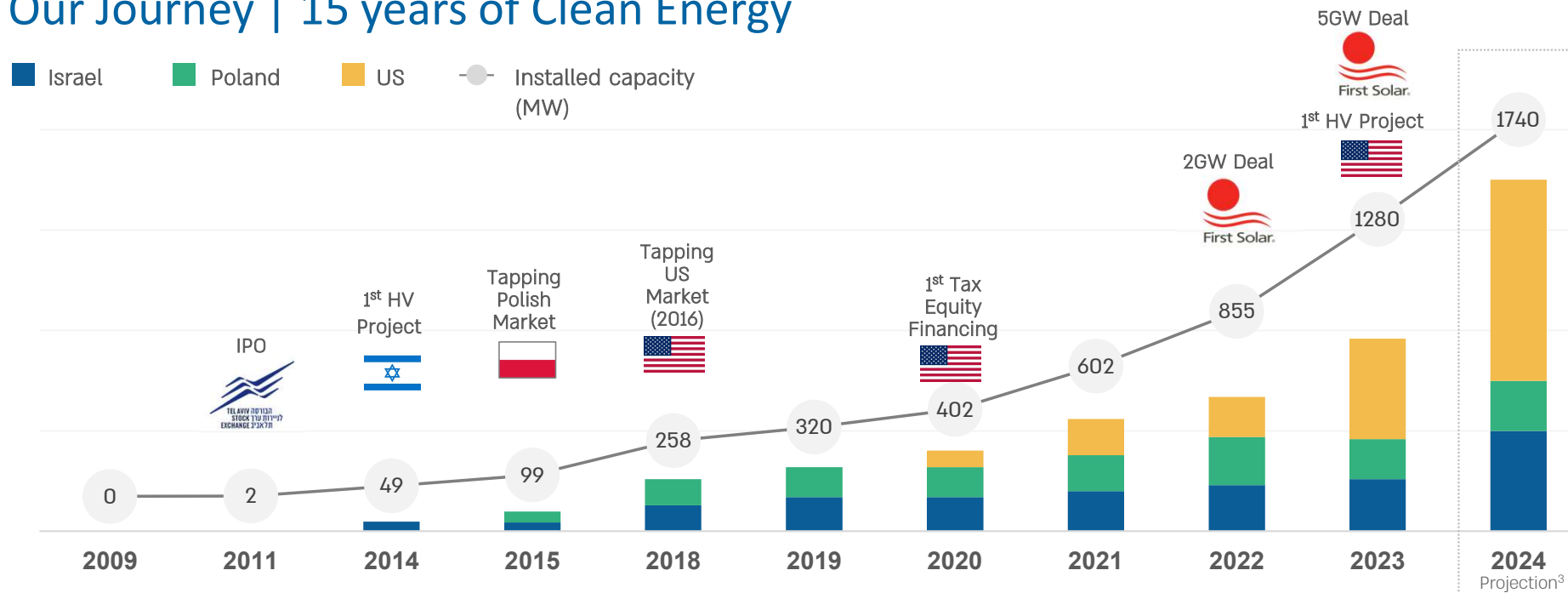
Opening Remarks

About Us | Our Values

 Team spirit	 Excellence	 Creativity	 Transparency	 Long-distance running
<p>A dedicated, high-performing team that strives together to achieve the objectives of the Group in the best possible way</p>	<p>Excellence Constantly pursuing excellence, leaving no stone unturned in pursuit of the best result achievable, considering all stakeholders' interests</p>	<p>Innovative, optimistic and 'outside the box' thinking will ensure the Group's continued leadership and that it will overcome any obstacle</p>	<p>Transparency, mutual trust, and the highest standards of decency while adhering to the ethical norms required from a commercial public company</p>	<p>Long-Distance Running Stability, perseverance, and a long-term view, consistent with the Company's strategy for establishing long-standing business partnerships</p>

As a leading renewable energy company which is committed to advancing sustainable energy solutions, our activities are rooted in our triple-win strategy, through which we strive to simultaneously create value for the environment, the company, and society at large.

Our Journey | 15 years of Clean Energy



³ | This is a forward looking information. The forecast results are based on the Company's assessments on the date of publication of the annual report that was published on March 6, 2024, (Ref. No. 2024-01-022716)

Our Activity | 2022-2023 Snapshot⁴



15

Years of activity



209

Employees

↑ **A 25% annual growth in 2022-2023 | A 53% increase compared to 2021**



6,290_{GWh}

Generated over the years

↑ **Double the amount generated by the end of 2021**



8.4_{GW} + 7_{GWh}

Total Project Portfolio



2.3_{GW}

Total mature energy generation portfolio⁵



1,279_{MW}

Commercially Operational energy generation capacity in 2023

↑ **More than double the energy generation capacity of 2021**



533_{MW} + 318_{MWh}

Energy generation capacity under construction / preconstruction in 2023



473_{MW} + 136_{MWh}

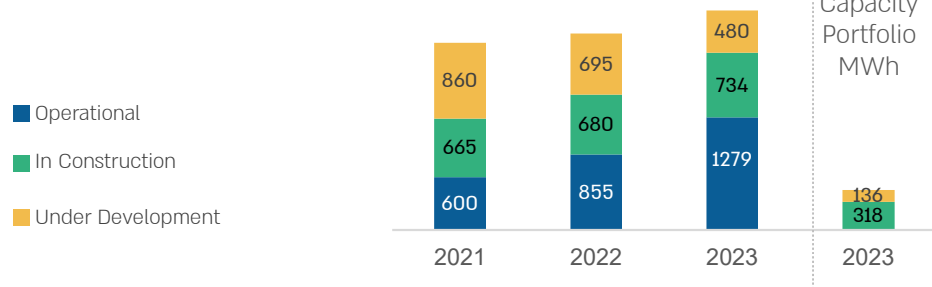
Energy generation capacity in advanced development in 2023

⁴ | Data valid as of 31.12.2023

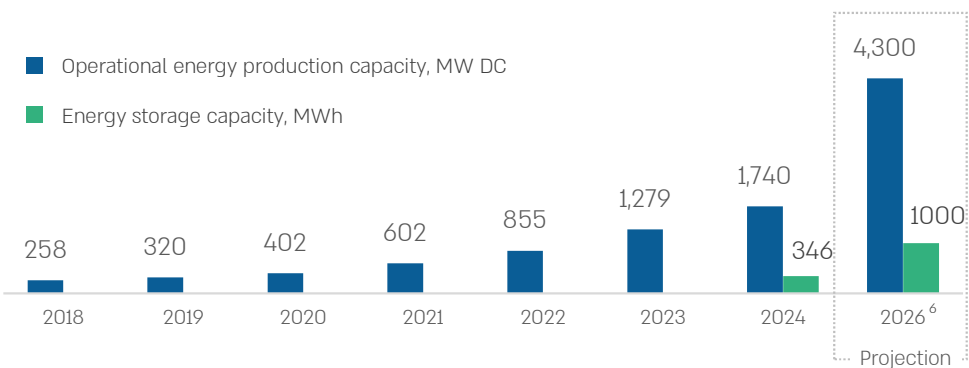
⁵ | Our mature projects include commercially operational projects, partially completed and partially connected projects, projects under construction/preconstruction, and projects in advanced in advanced stages of development

Energy Generation | 2022-2023

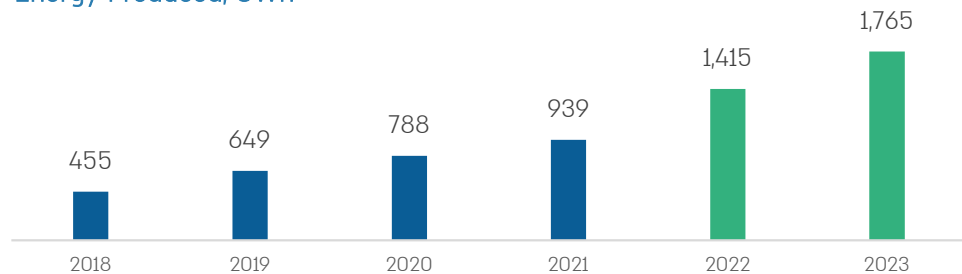
2022-2023 Energy Production Portfolio MW DC



Operational Energy Production Capacity, MW DC & Energy Storage Capacity, MWh



Energy Produced, GWh



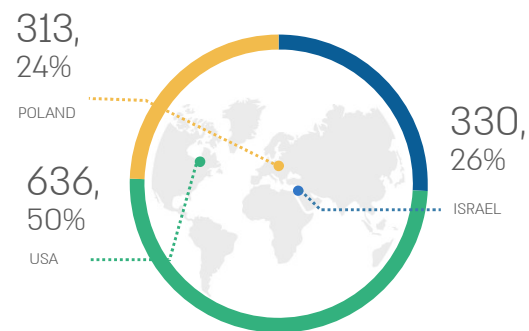
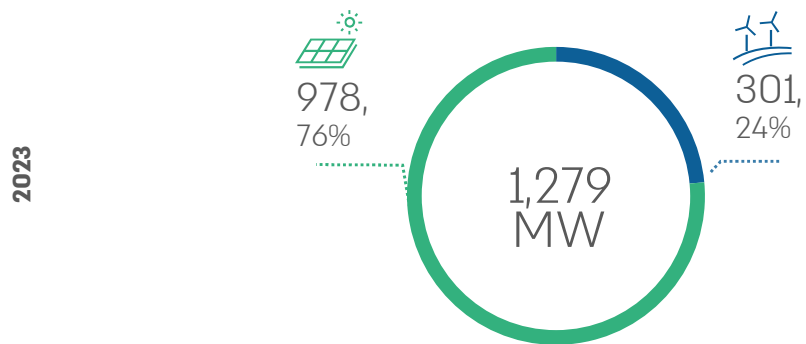
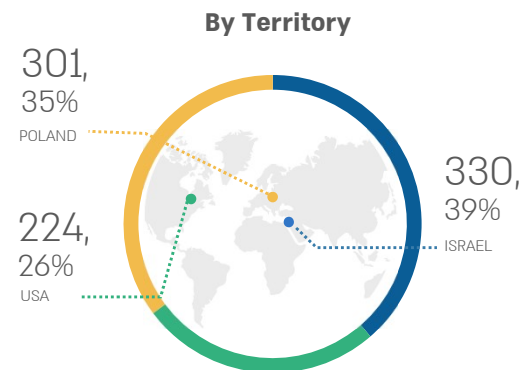
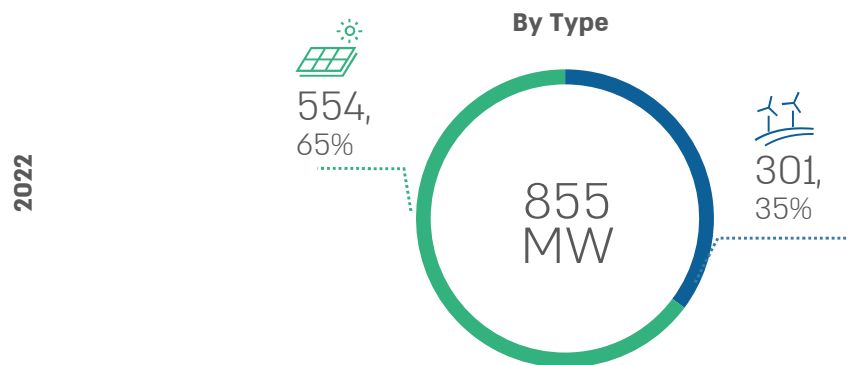
⁶ | This is a forward-looking information



Itawa, Poland

Energy Generation | 2022-2023 (continued)

Operational Energy Generation Capacity, MW DC



Buckingham II, USA

ESG Performance in 2022-2023



Banie, Poland

Environmental

Through our Environment-related activities, we promote the following U.N. Sustainable Development Goals (SDGs):



Curbing Emissions

1,606,674 metric tons of CO₂-e emissions were avoided through our clean energy generation⁷

↑ **An average 20% annual increase compared to 2021**



Water Conservation

247 Megaliters of water were conserved in Israel through our efficient clean energy generation



Biodiversity Protection

970 animal crossings are in place across our sites, of which 259 were constructed in 2022-2023

↑ **A 36% increase compared to 2021**



Sustainable Procurement

100% of the company's solar panels and wind turbines are procured from suppliers with robust sustainability frameworks, including setting ambitious decarbonization and waste reduction goals



Reducing Our Carbon Footprint

The company's offices in Israel and the United States are located in **LEED Platinum** and **LEED Gold** buildings, respectively. The Poland offices are also in an energy efficient building

7 | Relative to other conventional forms of energy production. Data excludes Scope 2 emissions for the US in 2022.

ESG Performance in 2022-2023

Social



Through our Social-related activities, we promote the following U.N. Sustainable Development Goals (SDGs):



Supporting Social Causes

Through long-term partnerships with nonprofit organizations, \$664,101 were donated in 2022-2023 to organizations and initiatives through our Social Investment Plan

↑ **Over an 80% average annual increase compared to 2021**



Community Engagement

\$1,392,387 were invested in community infrastructure and projects for local communities in the vicinity of our sites

↑ **Almost tripling the annual amount given in 2021**



Employee Development

A total of 2,643 hours were invested in employee training during 2022-2023, with an average of 10.2 hours per employee in 2022

↑ **increasing to 13.4 hours per employee in 2023.**



Employee Safety

Throughout 2022-2023, we upheld our robust safety management practices, which resulted in 0 cases of severe injuries among employees and contractors

ESG Performance in 2022-2023

Governance



Directors' Conference

Through our Governance-related activities, we promote the following U.N. Sustainable Development Goals (SDGs):



Values-based Operations

The company's activities are founded upon our 5 core values: Excellence, Long-distance Running, Creativity, Transparency and Elite Team Spirit. Throughout 2022-2023, we continued to implement these values in our corporate culture



Diversity in Senior Management

43% of the company's Senior Management positions are held by women, reflecting our commitment to equal opportunity



Board Independence

57% of the Board of Directors are independent directors, reflecting our commitment to promote and represent the interests of a broad range of stakeholders



Board Diversity

42% of Board member positions are held by women



International Standards

Energix meets the highest environmental, social, and ethical standards. This is reflected in complying with the stringent investment policy of the EBRD⁸, which provides financing for the company's activities in Poland.

Our Commitment to Sustainable Development

We are committed to promoting the advancement of the United Nations' Sustainable Development Goals. These goals set the foundation for sustainable growth and our activity and operations contribute both directly and indirectly to a number of these goals:



Targets: 3.9

Our renewable energy generation significantly reduces the amount of pollutants released to the air compared to fossil fuel energy generation. This, in turn, has a positive impact on the health, safety, and wellbeing of people and communities in which we operate.



Targets: 11.6

Our clean energy generation reduces pollution levels in urban areas close to conventional energy generation plants and provides cities and communities with a steady flow of green energy.



Targets: 4.4 | 4.5 | 4.7

We contribute to multiple youth education programs through our Social Investment plan, focusing on disadvantaged youth.



Targets: 12.2 | 12.5 | 12.7

Our energy generation platforms are responsibly sourced from environmentally sustainable companies with lower carbon footprints and low-waste efforts. These platforms have extended lifecycles and reduce the adverse environmental impacts of energy generation.



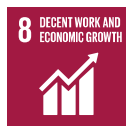
Targets: 7.1 | 7.2

We generate significant amounts of clean, renewable solar and wind energy in three countries and work toward making these sources of energy more accessible and reliable.



Targets: 13.3

Our clean renewable energy generation directly contributes toward achieving climate goals by reducing and avoiding greenhouse gas emissions resulting from conventional energy generation.



Targets: 8.4 | 8.8

Our operations create high-quality, well-paying jobs for local communities throughout our areas of activity. We also set and maintain high standards for ensuring employee safety, health and wellbeing.



Targets: 15.1 | 15.9

We have robust ecological management practices in place across our sites to protect local ecosystems, including biodiversity management and landscape and water source preservation efforts.



Targets: 9.4

Our sturdy renewable energy infrastructure directly contributes to the energy diversification of electricity grids across the world, thereby increasing both their reliability and sustainability.



Targets: 17.7

We generate and provide Renewable Energy credits and other green certificates to companies which enable them to improve their sustainability performance and meet their climate goals.

By
2023By
2025

Sepopol, Poland

Our ESG Goals

While our activity has an inherent positive impact on the world, we constantly strive to improve ourselves and our environment, social, governance, and ethical performance.

To this end, we have set 12 ESG goals in areas which we perceive as material to our activity. These goals were selected through a rigorous process led by the company's Senior Management and ESG internal leadership, then authorized by the Board of Directors.

Our ESG goals reflect our commitment to consistent improvement. We believe that these goals focus on the issues most relevant to the company's activity and most significant to our various stakeholders.



The Goal Conduct ethics training workshops for 100% of employees.

The Impact Effective ethics implementation and training is essential to instilling the company's values in the workforce and collaboratively understanding and internalizing the importance of ethical conduct.

G

Status Achieved New Code of ethics was adopted in 2023. Training is included in onboarding and periodic refreshers implemented starting in 2024



The Goal Implement ecological management systems in 100% of projects

The Impact Implementing robust management structures for such an important issue will ensure the strictest protection and conservation of local ecosystems

E

Baseline (2020) 0%

Status All sites undergo environmental and ecological screening and systems are put in place to protect the natural ecosystems in and around the sites. Plans are in development for formalizing this into full ecological management systems

By
2025
(cont.)By
2027

9 | This goal was updated to focus on independent directors, as the other directors are representatives of Alony-Hetz Properties and Investments Ltd., Energix Group's founder and holder of the controlling interest

10 | This number includes 531 hours associated with 3 long-term courses in which 4 employees participated in 2023-2024 (hours are the relative part of 2023)



The Goal Senior Management and the independent members of the Board of Directors will be 50% women⁹

G

The Impact Diversity at senior levels is key to finding creative solutions to challenges and ensuring our commitment to equal opportunity

Baseline (2020) Senior Management: 40% | Board of Directors: 67%

Status Senior Management: 42% | Independent members of the Board of Directors: 75%



The Goal Double the amount of hours invested in employee and contractor safety trainings

S

The Impact Safety training is crucial in creating a culture of health and safety and protecting our employees and contractors

Baseline (2020) 2 hours (average for 263 employees and contractors)

Status Total general safety hours invested in 2023 were 3,808. Almost tripling the figure for 2022. (for at least 262 employees and contract workers)



The Goal Obtain ISO 14001 and ISO 45001 certifications for environmental and safety management

G

The Impact Robust management systems are key to improving and maintaining environmental and safety performance.

Status - Incorporated into the company's ESG workplan.



The Goal Invest 50% of employee training hours in personal and professional development

S

The Impact Supporting the personal and professional development of our employees empowers them and allows them to improve and grow personally and professionally as individuals and employees

Baseline (2020) 20% (approx.)

Status 81% of training hours are now dedicated to personal and professional development¹⁰



The Goal Perform ESG audits of 100% of suppliers and contractors.

G

The Impact Ensuring the sustainability and ethical conduct of suppliers will allow us to safeguard our environmental, social, and ethical standards throughout our supply chain and increase its resilience to external risks.

Baseline (2020) 0% - No audit plan was in place

Status An audit plan is under development.

By
2030

Axton, USA



S

The Goal Invest a total of 3,500 hours in employee volunteering

The Impact Giving back to the community through volunteer efforts support local causes and connects employees to the communities in which they work.

Baseline (2020) Not recorded in 2020

Status Since 2021, 592 volunteering hours were invested.



E

The Goal Carbon neutrality across all operations (scopes 1, 2, and 3)

The Impact Carbon neutrality will solidify our commitment to combating climate change and reduce the adverse environmental impacts of our operations

Baseline (2020) The baseline established in 2020 was derived from generalized factors and assumptions, A new baseline will be established based on updated data collection and more precise scope 3 calculation as part of a decarbonization process.

Status 695 TCO₂e (Scopes 1+2)¹¹



S

The Goal Generate NIS 15 million in economic value for local communities

The Impact Generating economic value for local communities will help strengthen our connection with these communities and contribute to their continued development.

Baseline (2020) NIS 1.386 million

Status The goal was surpassed in 2022. As of 2023, over NIS 45 million were generated



E

The Goal 80%+ of our energy generation platforms are recycled during their end-of-life treatment.

The Impact Proper end-of-life treatment of renewable energy platforms is crucial for minimizing environmental impact. By recycling our platforms, we enhance the sustainability of our operations and ensure the environmental considerations are integrated throughout our entire value chain.

Baseline (2020) 0%

Status A deal was finalized in 2023 with our PV platform partner – First Solar – for the collection and end of life treatment of solar panels



G

The Goal Maintain 50%+ independent directors on the Board of Directors.

The Impact Maintaining Board independence increases the robustness of the company's self-governance

Baseline (2020) 50%

¹¹ | Current carbon footprint calculation includes scopes 1+2 with the exception of Scope 2 emissions for the USA offices in 2022.

Environmental

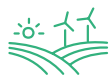
Leading the Charge Against Climate Change



Climate change remains one of the foremost global challenges today, affecting every geographical region, disrupting economies, and jeopardizing the well-being of millions.



According to the IEA¹², energy-related CO₂ emissions increased to 37.4 Gigatons in 2023, reaching an all-time record high¹³.

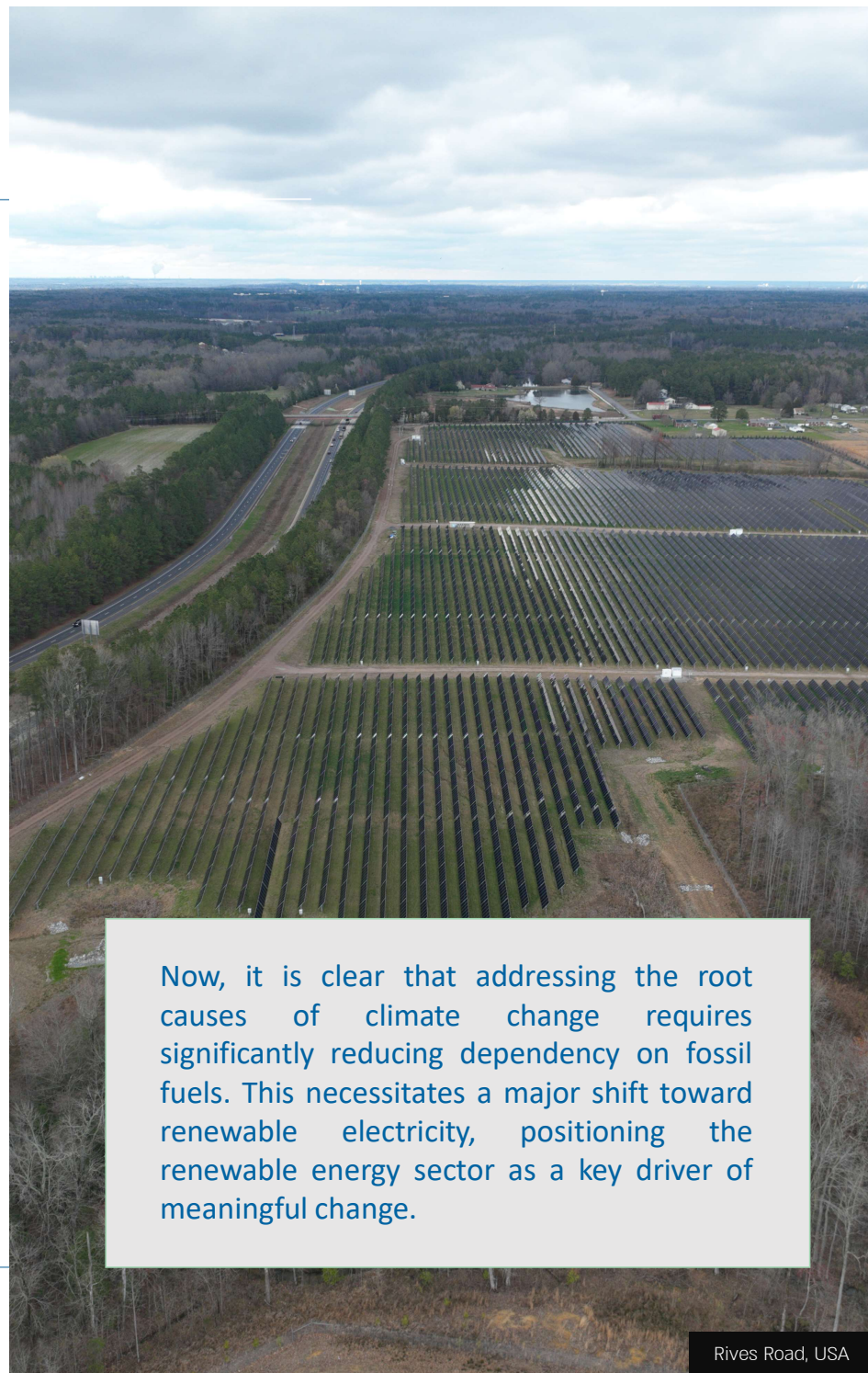


However, the rate of emissions growth was slower than the global economy's expansion, a shift directly linked to the escalated deployment of clean energy technologies. The IEA noted that without the transition towards clean energy, the escalation in emissions could have been threefold.

We believe in the power of collaboration to promote real change. As such, Energix Group and its subsidiaries are members of various renewable energy organizations and associations. These include the Israeli Association of Publicly Traded Companies and the Green Energy Association of Israel, the Polish Wind Energy Association, and the Chesapeake Solar & Storage Association (CHESSA), the Solar Energy Industries Association (SEIA) and the Association of Corporate Counsel (ACC), alongside Energy Right and a number of chambers of Commerce. Through these organizations, and others, we work alongside fellow member companies to promote the generation of clean and sustainable renewable energy.

12 | International Energy Agency

13 | Global Energy Review: CO₂ Emissions in 2023, IEA: <https://www.iea.org/reports/co2-emissions-in-2023>



Now, it is clear that addressing the root causes of climate change requires significantly reducing dependency on fossil fuels. This necessitates a major shift toward renewable electricity, positioning the renewable energy sector as a key driver of meaningful change.

In 2022-2023, by producing 3,170.16 GWh of clean energy

We facilitated **1,606,674** metric tons of **CO₂-e**¹⁴ of avoided emissions

This is Equivalent to

The amount of CO₂-e that would have been emitted from¹⁵



consuming

3,719,790

barrels
of oil



burning

803,165

metric tons
of coal



fully charging

106 billion

smartphones



driving

382,391

cars driven
for one year

The amount of CO₂-e sequestered by planting
and growing over



26 million trees

equals to **186,822 acres**
of forest over a decade



153

metric tons
of bread



313

metric tons
of bananas

Additionally, Our Solar Energy production in Israel in 2022 accounted for over 7% of the nation's solar electricity production and contributed 0.6% to the total electricity production, highlighting Energix's role in advancing the transition towards sustainable energy sources.

¹⁴ | The avoided emissions were calculated for each territory in accordance with local emission generation data. This calculation does not include Scope 2 emissions in the US for 2022.

¹⁵ | The US Environmental Protection Agency's Greenhouse Gas Equivalencies Calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

¹⁶ | All water equivalency calculations based on the Institution of Mechanical Engineer's Global Food Report: https://www.imeche.org/docs/default-source/reports/Global_Food_Report.pdf/c



Wytheville, USA

Reducing Our Carbon Footprint

In addition to our renewable energy generation, we also make efforts to reduce the carbon footprint of our own operations and sustainable practices are embedded in our daily operations.



Transition to a Low-Carbon Corporate Fleet

We are in the midst of transitioning our corporate fleet to hybrid and electric vehicles, in addition to practices such as hybrid work (which lowers indirect emissions from employee commutes), carpooling and usage of public transportation when possible.



Sustainable Offices

All of our local offices are located in energy efficient buildings, demonstrating our commitment to the preservation of environmental resources and to the health and safety of our people and our surroundings. Our Israel Offices are located in a LEED Platinum certified building, which is the highest LEED certification available, and our U.S. offices are in a LEED Gold certified building.

In addition to implementing energy-saving measures, **we actively reduce the use of disposable plastic bottles and dishes and recycle** various types of office waste, from coffee capsules to electronic waste. These actions underscore our commitment to minimizing our environmental footprint and enhancing sustainability throughout our organization.

Sustainable Energy Generation

Sustainable energy and sustainable energy generation are at the core of our value chain and cut across our business model as well as our operations and supply chain. Our core business is generating sustainable energy and we make sure that our supply chain and processes follow suit. We procure sustainable solar panels and wind turbines and optimize their end-of-life treatment. In this way, we are committed to generating renewable energy in the most sustainable manner possible.

We make sure that our suppliers have robust sustainability programs in place. From sustainably sourcing the materials required to produce the energy generation platforms to ambitious climate and waste goals. Our two platform suppliers and strategic partners, First Solar and Vestas, are industry leaders in sustainability. Both consistently make efforts to increase the share of recycled materials in their products and to improve their environmental and social performance. Together, we are building the foundation for a future of sustainable, clean energy. In 2023 we made additional progress through an agreement with First Solar, in which they have committed to providing end-of-life services for our solar panels, recycling them in accordance to all relevant environmental standards and protocols.

Enabling Sustainable Business

Over 400 companies are members of the RE100 global initiative (Renewable Energy 100%), a group of large companies committed to consuming 100% renewable energy. A large number of these companies meet this standard by purchasing Renewable Energy Credits (RECs), generated by renewable energy companies, like Energix. By providing RECs to leading companies, we allow them to meet their need for renewable energy consumption, fulfil their climate commitments and improve the sustainability of their operations.



In 2022, we sold 527,456 REC's to a total amount of \$2,043,980;

In 2023, we sold 391,142 REC's to a total amount of \$2,543,438;



Hollyfield II , USA

Ecological Management & Biodiversity Conservation

Ecological conservation, and particularly biodiversity, are vital to the continuity of ecosystems. As a sustainability-focused company, we acknowledge the profound responsibility we have toward maintaining and supporting local ecosystems. We are committed to integrating our operations into their environments as seamlessly as possible, minimizing adverse impacts on the landscape and wildlife and strengthening ecosystems.

Biodiversity & Wildlife Conservation



All of our projects undergo a rigorous ecological survey before construction is initiated and solutions are implemented to preserve local wildlife demonstrating our proactive approach to wildlife conservation.

Examples of this include:

- Animal crossings at our sites to facilitate safe wildlife passage. As of the end of 2023, we have built a total of 970 crossings.
- We support biodiversity through pollinator initiatives, planting native species to establish meadows and enhance bee populations, which boosts local pollination. In 2022 we committed to planting pollinating plants on at least 10% of the area of our sites. At one site, 40 pollinating beehives were set up to boost ecosystem health at the site.
- We also maintain naturally vegetated buffers that can reach up to 200 ft by waterways and habitats of endangered species to protect these critical areas. For example, at our Carol County site in Virginia, the presence of Bog Turtles was identified and so buffers from the wetland were established as well as all material removed being sifted, and workers on site educated about the turtles to minimize potential harm to the creatures and their habitat.
- Partnering with local sheep farmers for solar grazing integrates farming with solar energy production, reducing emissions and mechanical mowing needs, which helps recycle nutrients and supports local agriculture.
- installation of an advanced bird protection system at our site in Banie, Poland.



Our Wildlife Conservation efforts include establishment of animal crossings, planting trees to enhance pollination and daily patrols conducted by ornithologists

Sde Tzvi, Israel

Mash'en, Israel



Case Study

Protecting Biodiversity Through Top Tier Technology

Building on our commitment to preserving wildlife, we took significant steps during the development of a wind project in Poland. Our environmental impact monitoring revealed significant bird migration activity, including protected species such as the White-Tailed Eagle, Lesser Spotted Eagle, Red Kite, White Stork, and Black Stork.

To address this, our Poland team installed state-of-the-art bird collision mitigation devices on each wind turbine. Equipped with stereovision cameras, these systems provide real-time detection of birds from 450-700 meters away, estimating distance, height, and size, to minimize unnecessary activations and turbine stops, ensuring high bird protection.

Since mid-2022, there have been no reported incidents of large bird collisions with turbines equipped with these systems. Encouraged by this success, we expanded the solution to 19 additional locations in Poland, all now operational. By the end of 2023, the systems had monitored thousands of bird migration events without any confirmed impacts involving large birds.



“ We have a mission to leave a better world for our children via energy independence and a more sustainable planet.

I am very proud to partner with Bioseco in implementing bird monitoring solutions in our projects in Poland. These solutions help us to achieve our goals.

Artur Violante, Poland CEO



Ecological Management & Biodiversity Conservation (cont.)

Landscape preservation



We strive to optimize land usage across our projects, constructing and operating the largest amount of renewable energy platforms on as little land as possible, or using land that is unsuitable for other uses. For example, multiple sites in Israel included purifying polluted land or clearing illegal dumping sites alongside conservation efforts such as establishing nesting boxes for *Tyto alba* and measures to control sandflies. We also conducted hydrological surveys to enhance area-wide drainage systems.

We heavily invest in maintaining soil integrity and implementing measures to control erosion and stormwater. These efforts, include hydroseeding and planting endemic plants and trees, as well as our commitment to minimizing terrain disturbance across our projects. In 2022, we removed only 4% of the terrain while implementing effective soil preservation measures. In 2023, we successfully rehabilitated and returned all the terrain previously disturbed to enable swift restoration of the surroundings.

In the USA, our conservation efforts included vast land preservations and initiatives to protect local flora and fauna, such as seeding pollen-producing plantations and protecting wetlands. For example, at our site in Waverly VA, 135 acres were designated as a conservation area for the protection of a rare fish species. Additionally, our innovative use of tracking systems suitable for steep slopes significantly reduced the need for grading, thereby preserving soil integrity, enhancing water infiltration, and reducing overall environmental impact.

Water stewardship



- In an effort to protect local bodies of water, we erect silt fencing and conduct wetland and stream delineation processes. Where relevant, we purchase nutrient credits at our U.S.-based sites.
- We partner with relevant institutions, such as the U.S. Army Corps of Engineers and the Virginia Department of Environmental Quality, to explore and implement creative solutions to water conservation challenges.
- We are constantly seeking to optimize water consumption in our panel cleaning protocols. We use water to clean panels at our Israel-based sites only, due to the relatively low amounts of rainfall. In 2023, we consumed a total of 2.55 Megaliters of water for cleaning panels in our renewable energy generation - A significant reduction from the 3.3 Megaliters used in 2021. This represents a 23% reduction in water consumption, achieved alongside a 28% increase in electricity production capacity in this territory.





Revitalizing Landscapes Sustainable Development at “Patish” village

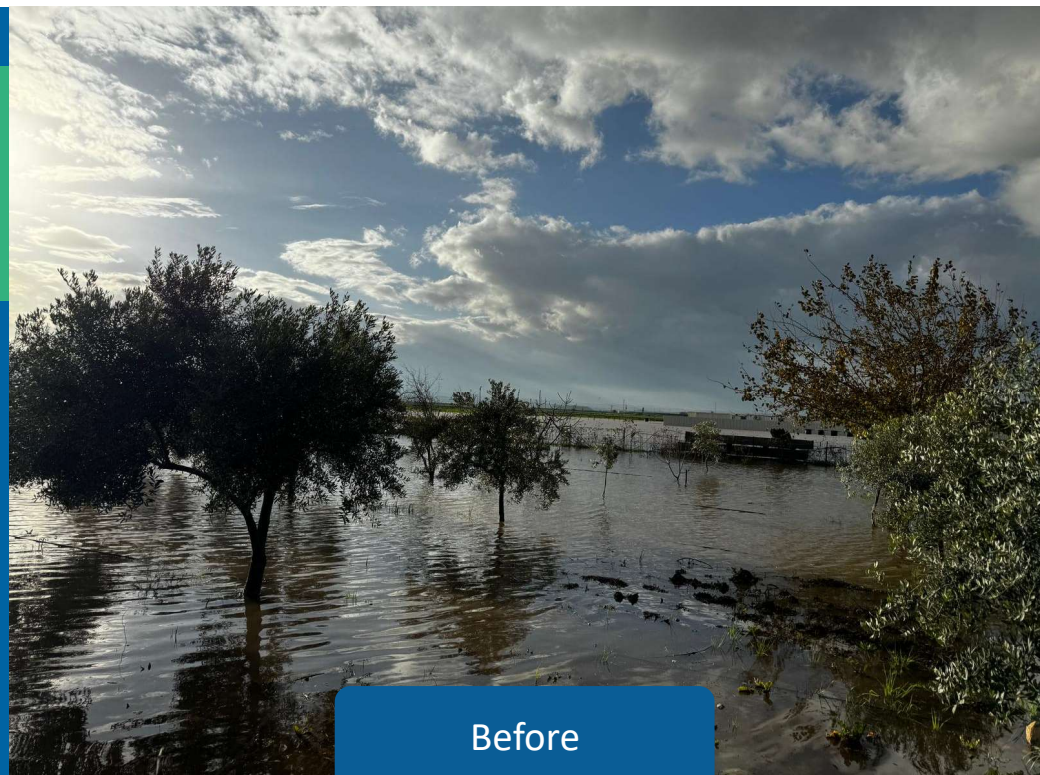
Preferring the use of previously polluted terrain for solar complexes is a key strategy for effective land resource management. Our solar project in Patish village is a prime example of how our renewable energy initiatives can enhance both ecological and health values in surrounding areas.

In 2023, we embarked on constructing a renewable energy complex featuring solar panels and energy storage infrastructure near Patish in the Negev, southern Israel. This site, previously blighted by an illegal landfill, had long been a source of significant environmental degradation and health hazards.

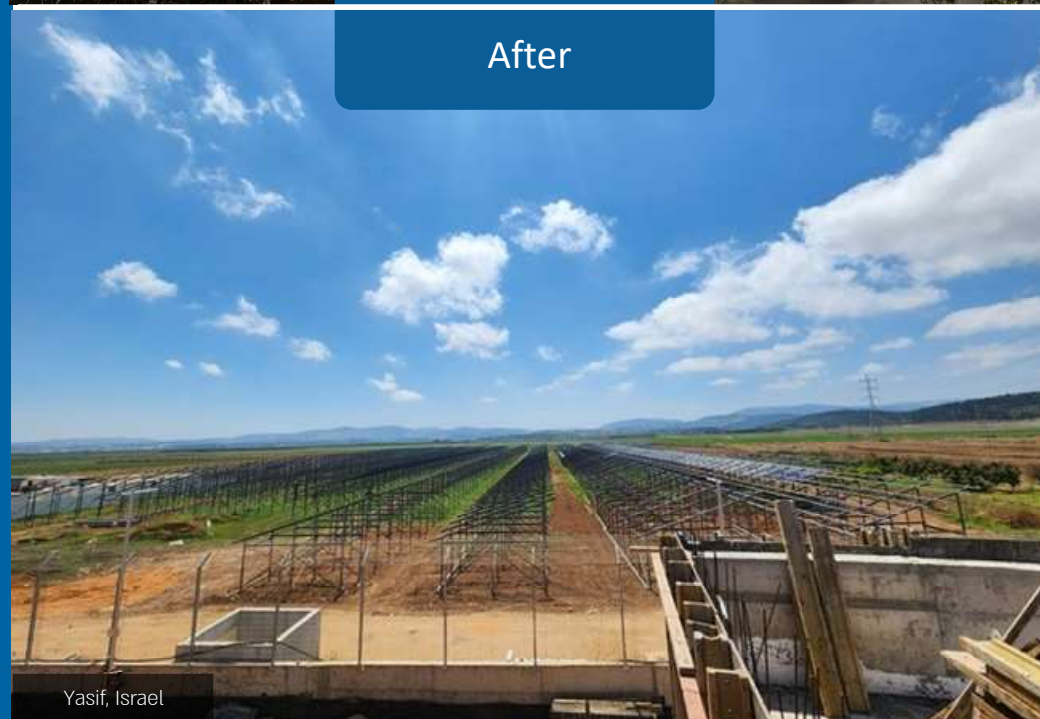
Our initiative began with a vigorous cleanup phase, during which we removed around 500 truckloads of waste, adhering to stringent environmental standards throughout. Alarmingly, after the cleanup, asbestos waste was discovered, presenting a serious health risk. We acted promptly, following the strictest safety protocols to eradicate this hazardous material from the site.

Following regulatory requirements and our commitment to environmental health, we implemented measures to control the spread of the sandfly, which transmits Leishmaniasis. Furthermore, we installed nesting boxes for Tyto alba, barn owls that naturally help manage rodent populations. This initiative not only aids in protecting local agriculture but also diminishes the dependence on chemical pesticides, boosting the ecological health of the region.

Through these efforts, we continue to demonstrate our unwavering commitment to environmental stewardship and community well-being, transforming challenges into opportunities for restoration and enhancement.



Before



After

Yasif, Israel

Social

Engaging with Our Stakeholders

Our success, growth and expansion is greatly impacted and driven by our stakeholders. We deeply value our relationships with our stakeholders and invest in fostering new relationships and strengthening existing ones.

Our Primary Stakeholders



Strategic Partners



The Environment and its Representatives



Employees



Customers & Electricity Consumers



Contractors



Electric Utilities companies



Suppliers



Financers



Local Communities and Authorities



Shareholders



Regulators and Governmental Entities

How We Engage with Our Stakeholders

We invest greatly in fostering and maintaining close ties with our stakeholders. We consistently engage with our partners, employees, clients, suppliers, contractors, local communities, and other key stakeholders.

For examples on how we manage our relationships with key stakeholders, please see the following chapters: Suppliers and Contractors - Supply Chain Management (p. 40), Employees – Transparency & Communication (2020 ESG Report, p. 44), Local Communities – Community Relations and Investment (p. 32), and the environment – Environmental (p. 17).



Our People

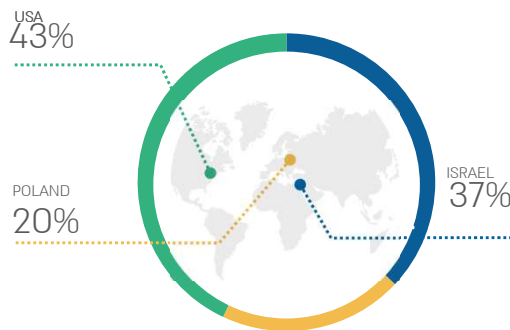
Our success is built on the dedication and expertise of our talented team. We are committed to investing in our employees, recognizing that their professional development and well-being are crucial to our continued growth, excellence and sustainability. In 2022-2023 our workforce has grown by 20% annually, and our approach to human resources management has evolved, further underscoring our commitment to fostering an innovative and supportive work environment. As the driving force of Energix, we go to great lengths to nurture creativity among our employees and ensure their well-being.

Our team is growing by approximately 25% annually as we expand our business and improve management processes

44% of the managers at the company are women

¹⁷ | Data excludes 10 self-employed team members in Poland for which demographic data is unavailable

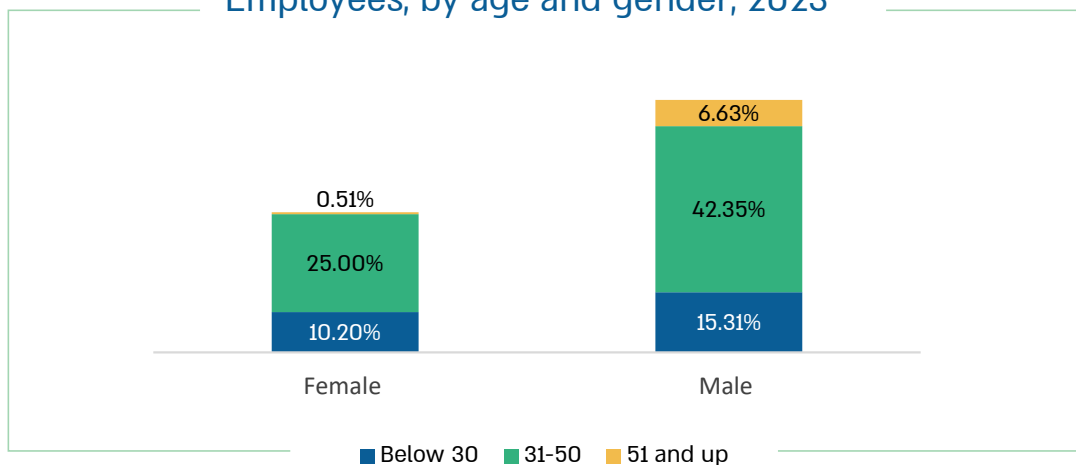
Employees, by country of operation 2023



Employees, by gender 2023



Employees, by age and gender, 2023¹⁷



Creating a Positive Work Environment

The wellbeing of our employees is our top priority. We invest great efforts in creating a comfortable and stimulating work environment and a respectful and inclusive work culture. Our goal is to create optimal working conditions to foster creativity and accommodate the needs of our employees.

Employees across all our locations in Israel, Poland and the US are entitled to maternity leave, regardless of local mandates. In the US, employees and their families benefit from a comprehensive health insurance plan.

To support a healthy life balance, we facilitate flexible working hours and remote work options, allowing our employees to better manage their personal commitments and incorporate the different aspects of their lives. We recognize the importance of family through our annual family events, and our company-wide vacations are our way of showing appreciation and giving our team a well-deserved break. We see these initiatives as key to fostering innovation and ensuring that our employees feel heard and valued.

Reflecting our view of employees as partners on a shared journey, we recently increased the number of team members provided access to company stock option plans.

The outbreak of a war in Israel in October 2023 posed significant challenges, particularly affecting our staff in Israel who experienced elevated stress levels. We responded promptly by increasing flexibility in arrangements and providing additional support to Employees called to reserve duty, and their families.

We have a strict zero-tolerance policy for all forms of harassment and discrimination and have set in place clear protocols and reporting mechanisms so that all employees at all levels can feel safe and protected. This includes training that facilitates a safe and inclusive environment including anti-harassment and diversity and inclusion training that goes beyond regulation requirements. There were no complaints made regarding harassment of any kind in 2022-2023.



Employee Development

Our people are our most valuable asset, therefore we place great emphasis on employee development. Our training initiatives cultivate a stimulating working environment and encourage curiosity and creativity, as well as personal development. In 2023, Our USA offices launched a new professional development program that augments existing training with the option for employees to select trainings and certifications tailored to their current or aspirational roles.

Throughout 2022-2023, we invested a total of 2,643 hours in personal and professional employee development training in varying topics, including public speaking, energy, the environment and more, and 1,696 hours of compliance and safety training (addressing issues such as general safety, working at heights, sexual harassment awareness, data security, and management compliance training)¹⁸



In 2022, and 2023, all our employees worldwide underwent in-depth performance reviews.

Employee performance reviews are conducted annually for each employee, in a bilateral setting encouraging open discussion. Employees and managers hold frank conversations for comprehensive evaluation and include setting professional goals for the employee to achieve in the upcoming year.



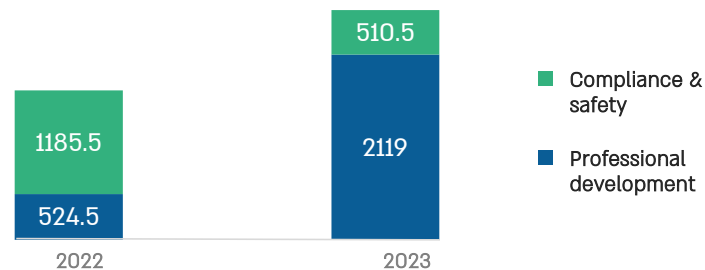
Average hours invested in training per employee:

In 2022 **10.2** In 2023 **12.6**

Hours of which dedicated to personal and professional development:

In 2022 **3.1** In 2023 **10.1**

Total Training Hours:



Waverly, USA

¹⁸ | This figure includes 531 hours (in 2023) of learning from 3 long-term courses that 4 employees were given the opportunity to participate in and will continue through 2024

Employee Development (continued)

Fostering a Culture of Excellence: Nurturing Employee Development through Company Values

Energix's values, established in 2020, serve as our compass and guiding principles for our actions and decisions, shaping our robust organizational culture and deepening our employees' connection to the company. In 2023, to underscore our dedication to the values of Long-distance running, Excellence, Creativity, Transparency, and Elite team spirit, we initiated a series of immersive retreats across all three territories.

These retreats, guided by external facilitators, provided dynamic platforms for open dialogue and introspection, empowering our team members to explore the essence of our values and their profound impact on our daily pursuits. Our sessions shed light on the significance of each value within the context of our work, fostering interactive workshops and knowledge-sharing sessions that enriched our collective understanding with diverse perspectives and best practices from across our cultural and operational landscape.

Through ongoing dialogue and targeted initiatives, we remain committed to empowering our employees to embody these principles throughout their professional journey. This unwavering dedication not only solidifies our position as a leader in the renewable energy sector but also enables our workforce to tackle the challenges of tomorrow with resilience and innovation.



Occupational Safety

We are deeply committed to protecting the health and safety of our people and contractors with whom we engage. We have established robust safety governance and management systems in order to foster a culture of safety and maintain safe work environments. In 2022 and 2023, we continued to strengthen our employee safety frameworks and invest in the safety of employees and contractors.

As with any construction and field work, our operations come with inherent safety risks, ranging from operating heavy machinery and working at heights to noise hazards and vehicle safety. Extensive risk assessments are carried out before every project and the appropriate counter measures are put in place to reduce the risks involved. In addition, regular external audits are performed at all of our sites to ensure that safety protocols are followed, and any safety hazards are identified. Audit findings are closely examined, and relevant corrections and improvements are implemented. In 2023 remediation actions included activities such as reiterating certain safety procedures, additional personal protective equipment, and refreshing first aid training.

Safety Governance

Given the importance of safety, we established a dedicated Safety Forum to oversee the company's safety management. The Forum is headed by the VP of Construction. Its members include construction and operation managers and the CEO and Safety Trustee of our safety consulting firm. The Forum holds monthly meetings where key safety issues such as safety protocols, infringements, and initiatives to improve safety management are discussed. In 2022 and 2023, the Safety Forum met every 1.5 months to discuss safety targets and safety training, analyze potential safety issues at various sites and provide instructions to remedy these issues.

Our operations require extensive field work, and we go above and beyond to safeguard employees and contractors across our sites.

In addition to the contractors' full commitment to safety, the company ensures that there is an additional three layers responsible for overseeing employee safety at our project sites at all times:





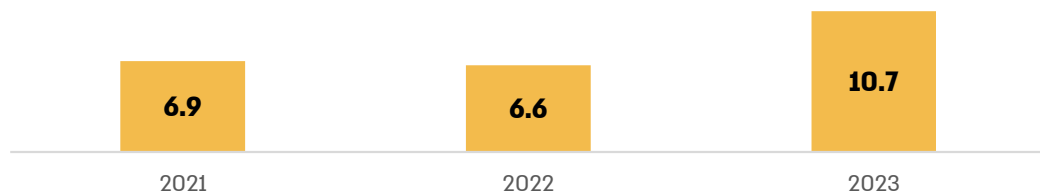
Safety Management

Our safety management is codified in an expansive set of safety protocols and procedures, by which all contract workers and Energix employees in Israel and the U.S. are bound. In Poland, a majority of our employees work exclusively in our offices, and therefore 35% of our Polish employees are bound by our safety protocols.

Safety Training

We invest a great deal in providing employees and contract workers with the training and knowledge they require to carry out their work safely. All workers at our project sites receive general safety training from trained company safety officers and external safety experts with whom we work, prior to entering a worksite. In 2022 we invested a total of 1,326 hours in training for employees and contract workers, 1,106 hours and 220 hours respectively. In 2023 we invested a total of 3,808 hours in training for employees and contract workers, 1,804 hours and 1,566 hours respectively.

Yearly Hours of Safety Training per Employee



Certain operational activities entail unique risks which require specialized, in-depth training. In 2022, 12 Energix employees and 62 contract workers underwent specialized safety training programs. In 2023, 28 Energix employees and 8 contract workers underwent specialized safety training programs as part of safety management procedures.

Safety incidents

Safety incidents at our projects are few and far between. In 2022, only 1 safety incident occurred across our sites, and it led to a minor injury only. In 2023, 5 safety incidents occurred across our sites, minor injuries sustained in 3 of them. A comprehensive investigation is conducted into every incident, providing recommendations for avoiding similar occurrences in the future. Investigation results are presented to all relevant parties to raise awareness and prevent future incidents.



The Lost Time Frequency Rate

In 2022
4.67
for employees

0
for contract workers

In 2023
12.78
for employees

0.35
for contract workers

Community Relations & Investment

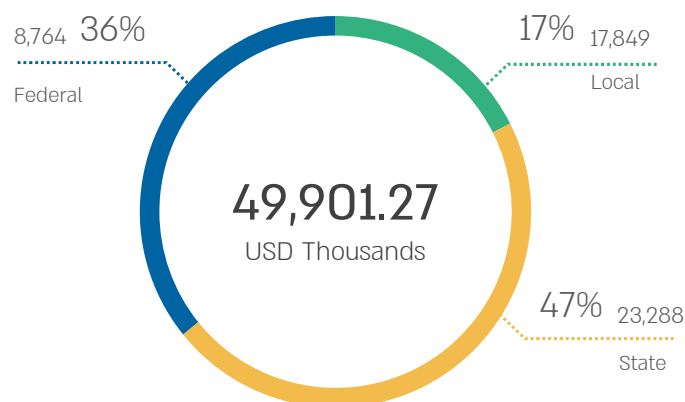
Transparent Communication with Local Communities

Clear and consistent communication with local communities and the satisfaction of the local residents is key to the success of our projects. We ensure open communication channels by appointing Community Liaisons who work closely with community leadership to keep residents informed and engaged. These Liaisons collaborate with community representatives to better understand the needs of the community and find and implement creative solutions to any issues or objections that come up. This communication channel guarantees that any community suggestion or complaint is heard and addressed. If complaints are received, we consider all aspects and cooperate to find and implement a solution acceptable to all sides.

Supporting Local Economies

In addition to providing clean and reliable energy, our activity has significant indirect economic impacts on local communities. Our tax dollars create local job opportunities for community residents and fund local government initiatives. In 2022 and 2023, we paid a total of \$6.8 million and \$43 million respectively, in taxes to local municipalities and state and federal governments in the U.S., Poland, and Israel. In our Israel projects, we provided \$2,546 thousand to local municipalities in payments for nonconforming land use in 2022. We also actively invest in community projects and infrastructure in order to strengthen our ties with our neighbors.

Taxes Paid to Local, State, and Federal Governments (USD) , 2022 - 2023



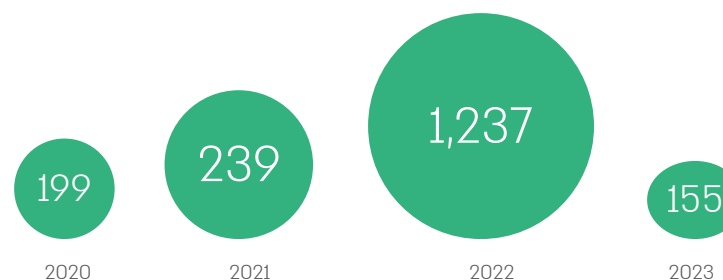
Aran- Balancing Interests

Relationships with local communities can sometimes be affected by the disparity of interests and opinions among residents, as seen in the "Aran" project, our first wind farm in Israel. Initially, the project received endorsements from both Israeli authorities and the leadership of the local Druze minority, valued for its significant social and economic contributions.

However, as the project progressed, the company began facing opposition that arose from motives not necessarily related to the project. As a result, we found ourselves navigating the differing perspectives within the community, wishing to address the concerns of all stakeholders while still delivering financial, economic, environmental and social benefits through the project.

We remain dedicated to maintaining open communication with all our local stakeholders, ensuring transparency, and providing clear, beneficial information to the communities influenced by our projects. We acknowledge that it is in our business interest to foster strong, cooperative relationships and address any concerns comprehensively to achieve solutions that are acceptable to all involved parties, thereby enabling sustainable growth and promoting our projects without unnecessary delays.

Investments in Community Infrastructure, USD thousands



Over 2022-2023, we invested a total of \$1,392,387 in local projects and infrastructure in communities around our projects. These investments included paving and renovating roads, replacing irrigation infrastructure, and more.



Solar Energy - The “Financial Safety Net” of landowners

Installing solar panels on available lands allows landowners to diversify their income beyond agriculture. These solar panels act as a “financial safety net,” offering stability against unpredictable factors like weather, pest infestations, and other force majeure events.

The importance of this alternative income was highlighted by the October 2023 war in Israel. In the northwestern outskirts of Israel, near the Lebanon border, the Adomit kibbutz had partnership with Energix. When the war began, the community was evacuated due to the threat from its proximity to the border. This evacuation, along with the prohibition on accessing their agricultural land, resulted in the loss of their primary income source.

In these challenging circumstances, the collaboration with Energix proved invaluable. The revenue from the solar panels is providing a crucial lifeline, helping the community sustain itself during a period of profound uncertainty. This partnership demonstrated the transformative power of renewable energy in providing resilience and hope for the future.



Supporting Social Causes

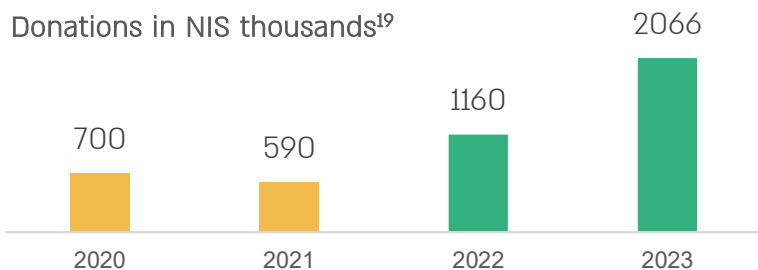
Since 2020, our donations and volunteering activities have been carried out in accordance with our Social Investment Policy. This policy, which was updated in 2023, provides that we pledge to donate 1% of our pre-tax annual profits to various charities and organizations, focusing on promoting social causes, environmental sustainability and conservation, supporting the communities surrounding our project sites, and promoting leadership and innovation among young people. **Our social investment is carried out through long-term relationships with non profits aligned with our goals. We make no contributions to political campaigns or lobbying organizations.**



In 2022 & 2023 we donated a total of NIS 1,160 thousand and NIS 2,066 thousand respectively to organizations and initiatives.

In 2022 & 2023 we support a number of social and non-profit organizations through our social investment activities

We continued our support for Desert Stars, Nirim, Eitan -Everybody Can, Ofanim and Hetz Umatara about which you can read in our 2021 report. We are proud to contribute to the important work these organizations do and of our long-standing relationship with them which includes both monetary support and volunteering by our employees.



¹⁹ | The annual donation budget amounts to 1% of the company's pre-tax profit. In 2023, a budget surplus of about NIS 500 thousand remained unspent and is allocated for rehabilitation and assistance for war damages.

Among the organizations we supported



Good Deeds Day

A global movement that unites people from around the world for one day dedicated to doing good. Good Deeds Day was launched and organized by Ruach Tova ("Good Spirit"), an Israel-based national volunteer center, and part of The Ted Arison Family Foundation.



Leket Israel

The leading food rescue organization in Israel. The organization's sole focus is rescuing healthy, surplus food and delivering it to those in need through partner nonprofit organizations.



Eitan - Everyone Can

A non-profit supporting people with disabilities in Israel through sports.



Tikkun

A non-profit focusing on education and social change through communities of educators, active in socially excluded communities with dozens of children, youth, and adults.



Alut

One of the leading organizations in Israel dedicated to the well-being, rehabilitation, economic status, and future of people with autism.



Association of Friends of the Tel Aviv Sourasky Medical Center

A dedicated donation for unique and breakthrough research in the field of neurology.

And a number of other hospitals and medical centers, educational initiatives, and organizations supporting veterans and families in the immediate aftermath of the October attacks.

Supporting Social Causes (cont.)

Support In the US



James Madison University

A dedicated donation for the "Kid Wind" student team for a youth renewable energy contest.



Children's Hospital

of Richmond at VCU.



"Jazz in the Grove" Festival

at Richard Bland College, VA.



Shine

A dedicated donation for secondary and post-secondary education associated with renewable energy jobs in VA.



Energy Right

A VA non-profit dedicated to the promotion of clean energy production.



NAACP (Louisiana Branch #7085)

The mission of the NAACP is to ensure the political, educational, social, and economic equality of rights of all persons



EMS (Emergency Medical Services)

Urgent pre-hospital treatment for serious illness and injuries and transport to definitive care



Supporting Social Causes (cont.)

Energix in Action: Supporting Social Causes in Local Communities

Our commitment to the local communities neighboring our sites is unwavering. In Poland, We have developed strong bonds, with a particular focus on supporting families and children.

In Sępopol and Banie, our official openings were marked by our dedication to local schools. We provided financial donations and organized celebrations for Kids' Day, featuring picnics and art contests hosted by primary schools with a renewable energy theme.

Our support extends beyond schools. Through our collaboration with the non-profit organization "Szlachetna Paczka," we directly aided families in need. We collected and delivered essential items, including a new refrigerator, a laptop, a mobile phone, clothing for the children, groceries, and Christmas presents. The Energix Poland team eagerly volunteered to pack and deliver these donations, ensuring that the families received the support they needed.



Official opening of WF Sępopol and family picnic, Poland

Governance

Corporate Governance

Energix Group is a public Israeli-based company which has been listed on the Tel Aviv Stock Exchange since 2011 (TASE:ENRG). The company currently has extensive operations in the United States, Poland, and Israel. Our operations are carried out by fully owned subsidiaries, Energix Israel, Energix US, and Energix Poland. Each one of our projects is owned by a distinct SPE²⁰ which in turn is owned by us or our local subsidiaries and, where relevant, co-owned with one of our partners. The group's Board and Senior Management, based in Israel, oversee the group's global operations and are compliant with all relevant Israeli corporate governance regulation. For a detailed ownership structure, see Appendix II.

Board of Directors

Our Board of Directors is responsible for outlining our long-term strategy and goals and overseeing their implementation by the company's Senior Management. The Board's responsibilities also include overseeing the company's financial status and its risk assessment and management practices. The Board performs its roles through its plenum and through two committees - the Audit & Remuneration Committee and the Balance-Sheet Committee.

The company's independent-majority Board reflects our commitment to the interests of all our shareholders and the company's long-term success. The other three members are representatives of Alony-Hetz Properties and Investments Ltd., Energix Group's founder and holder of the controlling interest.



20| Special Purpose Entity

Corporate Governance (continued)

The Board is consistently involved in overseeing the company's ESG-related activities. In 2022, ESG-related topics were raised and discussed in 4 Board meetings, as well as in 5 Audit committee meetings. In 2023, ESG related topics were included in 2 Board meetings and 1 Audit committee meetings. These included discussions of the company's ESG goals, an assessment and update of the company's social investment plan, a discussion regarding the company's employee safety efforts, an analysis of extreme climate events in the United States and their potential impacts on the company's operations, discussions regarding the company's ESG reporting, and other ESG topics.

Board of Directors



Natan Hetz

Chair of the Board
since 2006
CEO of Alony-Hetz
Properties and Investments



Aviram Vertheim

Director since 2011
Chair of the board of Alony-
Hetz Properties and
Investments



Oren Frenkel

Director since 2014
CFO of Alony-Hetz
Properties and Investments



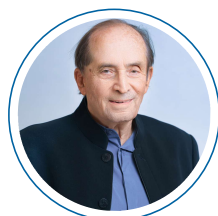
Orna Hozman-Bechor

Independent Director since
2021



Linda Ben Shushan

External Director since
2017



Meir Shani

Independent Director
since 2019



Eynat Tsafrir

External Director since 2023

In line with our ESG goals, we maintain a majority of independent directors on our Board since the appointment of Ms. Orna Hozman Bechor in 2021, which also brought the number of women on our 7-person board to 3.

For information regarding our director nomination process, please see our 2020 ESG Report (p. 38)

Senior Management

The role of our Senior Management is to successfully execute and implement the company's strategy across its operations and activities. This includes fostering and strengthening business partnerships, managing the company's workforce throughout its global locations, and more. The Senior Management team is also responsible for incorporating ESG considerations in day-to-day operations and acting to improve the company's ESG performance.



Asa (Asi) Levinger
CEO



Tanya Fridman
CFO



Moran Birman
EVP Business Development



Dafna Reznik
EVP Legal



Hezi Ovadia
CEO, Energix Israel



Itamar Sarussi
Country Manager, USA



Artur Violante
CEO, Energix Poland

Ethical Business

We are committed to fair and ethical business practices, and we strive to meet the highest standards of ethics throughout our operations. In 2023, we updated our Code of Ethics to more closely align with our company values, establishing a clear framework for ethical behavior for both our employees and board members during all business interactions. In accordance with our goals, we are in process of implementing the new code with dedicated employee training. Additionally, our global Anti-bribery and Anti-Corruption Policy, updated in 2022, provides further guidance to our teams globally.

Employees are introduced to the Code of Ethics during their onboarding process, and as of the end of 2023, this is supplemented by ongoing training and workshops to reinforce our commitment to integrity.

We also maintain an internal mechanism to monitor and manage potential conflicts of interest, utilizing employee questionnaires to ensure compliance.

In 2022-2023, we updated our Code of Ethical Conduct and our Anti-bribery and Anti-corruption Policy to reflect the changes in our business and reinforce our commitment to ethical business practices.

We have zero-tolerance to infringement and breaches of our Code of Ethics and such violations carry severe sanctions. All ethics complaints are subject to internal investigation and are escalated to the relevant board committees, as necessary, and resolved accordingly. Furthermore, we have established an Ethics Hotline for anonymous reporting, allowing employees of all levels to report or inquire about all ethics-related issues without fear of retaliation. In 2022 and 2023, no reports were received through this hotline.



Supply Chain Management

Responsibly managing our supply chain is a key aspect of our efforts to operate a sustainable value chain. By holding our suppliers and contractors to high environmental, social, and ethical standards, we can expand the positive impact of our operations and drive our partners toward more sustainable practices.

We are in the midst of establishing a framework by which we will manage our assessment and selection of suppliers in line with our defined ESG goals. This process includes mapping the unique environmental, social, and ethical risks and impacts associated with the activities of our suppliers and defining clear metrics by which we will measure their performance and adherence to our standards. A Supplier's Code of Conduct will detail our expectations of suppliers, as well as the methods by which we will assess and enforce compliance with the set standards.



Solar (PV) Panels

We source our solar (PV) panels from First Solar, a leading global supplier of PV technologies and platforms. Alongside the high quality of their platforms, First Solar has robust sustainability management programs in place to reduce their carbon footprint and minimize the adverse environmental effects of their production. They have set ambitious goals to reduce greenhouse gas emissions and report astonishing material recovery rates for recycled PV systems, including recovering 90% of semiconductor and glass materials.



Wind Turbines

Vestas, a pioneer in sustainability, supplies our wind turbines. Ranked the "most sustainable company in the world", Vestas strives toward optimizing its environmental and social performance and has set far-reaching sustainability goals, including carbon neutrality by 2030 and zero-waste wind turbines by 2040.

Our choice to engage with sustainability leaders in PV and wind turbine production is part of our supply chain management strategy to reduce our upstream emissions. Engaging with these suppliers will enable us to achieve our sustainability goals and work together to create a more sustainable future



Contractors

We consistently engage with contractors who meet the legal and ethical standards we expect from partners. These standards include holding official licensing and respecting the rights of their workers, including zero tolerance for forced labor, child labor or human trafficking of any kind. When we identify labor right incident with one of contractors, we demand immediate remediation, and if this is not performed in a timely fashion, there have been cases in which we terminated our relationship with contractors due to these considerations.



Ensuring Operational Continuity

We understand that our stakeholders rely on us to provide a steady and reliable flow of clean energy. Therefore, we invest in creating robust infrastructure to secure our operations and protect them from both physical and digital threats.

We constantly monitor our sites' operations with advanced on- and off-site systems which detect any anomalies in the flow of electricity. These monitoring systems are manned 24/7 and any unusual indicators are reported and assessed immediately.

We also go to great lengths to ensure the cybersecurity of our digital systems and protect them from any attacks or breaches, prioritizing swift recovery in the aftermath of any cyber incidents. Alongside firewalls, MFA requirements and VPNs, our strict cybersecurity protocols provide employees with the information they require. Employees receive regular updates and undergo training sessions throughout the year on cyber issues. We also conduct periodic cyber risk assessments, the insights from which guide the enhancement of our exposure mitigation program and the refinement of our cyber risk management strategies. These assessment methodologies are intricately woven into our operational procedures, ensuring a comprehensive approach to risk management and operational continuity. No material I.T. breaches occurred in the years 2022 and 2023.

Despite the significant security threats during the final months of 2023, we were able to maintain operational continuity and avoid stoppages at all our sites, including those in southern Israel.

We have set a goal to perform ESG audits of 100% of our suppliers and contractors by 2027, to ensure they comply with our supplier code of conduct.

About This Report

Energix Group's third ESG Report describes the environmental, social, and economic impacts of our activity.

Energix Group's third ESG Report describes the environmental, social, and economic impacts of our activity for the two-year period – 2022-2023. In our first ESG Report (see ESG Report 2020), we described our activity in-depth and laid the foundation for future reporting. In this report, we provide key updates regarding our activity for this reporting period.

This report was written in accordance with two leading non-financial disclosure standards: (i) The primary standard used was the Global Reporting Initiative (GRI) Universal Standards 2021 (full GRI index can be found in Appendix III: GRI Index), as well as (ii) the guidelines of the Sustainability Accounting Standards Board (SASB). These standards were selected to ensure that our reporting adheres to globally accepted transparency expectations and to create consistency.

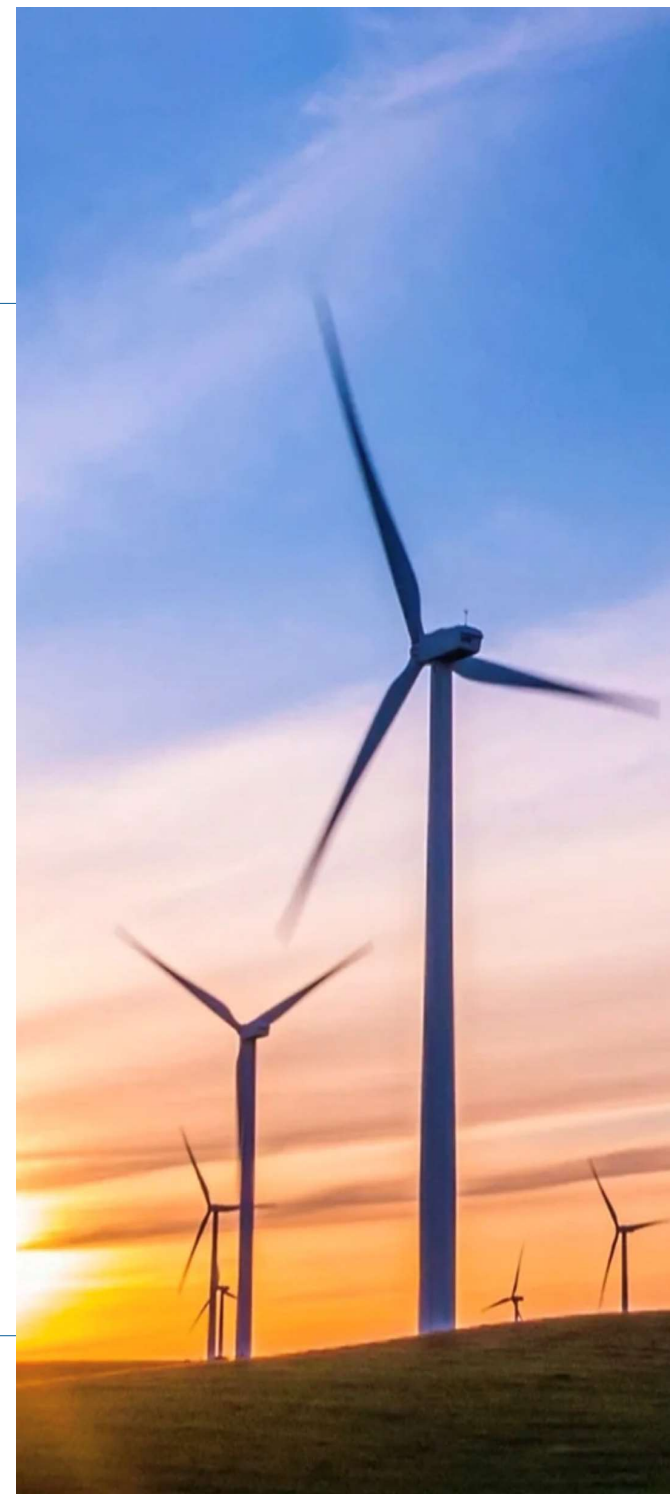
The relevant SASB disclosures for the company are those of the Solar Technology & Project Developers sector and Wind Technology & Project Developers sector (full SASB index can be found in Appendix IV: SASB Index)²¹. In addition, the United Nations Sustainable Development Goals are referenced and acknowledged throughout the report. Comprehensive indices of these reporting standards can be found in the end of this report.

Unless otherwise indicated, the information and data in this report draws on our group-level activity. Where relevant, we have detailed country-specific information and noted it as such. All monetary values are represented in U.S. dollars (USD), and conversions from other currencies were performed using the average annual exchange rates for 2022 and 2023²²: In the event of discrepancies between what is stated in this report and the company's financial statements, the wording of the financial statements shall prevail.

In 2020 we performed a thorough materiality analysis and this has been guiding our sustainability activity and reporting. For information regarding Energix Group's material ESG topics, including the company's ESG Materiality Matrix, please see our 2020 ESG Report (p. 47-48).

²¹ | As Energix is not a technology developer or manufacturer, some of the SASB standards were irrelevant to the company's activities, as stated in the index.

²² | IRS Yearly Average Currency Exchange Rates, the European Central Bank Exchange rates data and Statista for 2022 and 2023; 3.3611 and 3.6871 for New Israeli Shekels (NIS), 0.9511 and 0.9241 for Euro (EUR), and 4,458.1 and 4.21 for Polish Zloty (PLN).



Appendix

Appendix I: ESG Performance Metrics

Environmental metrics

GHG Emissions

Metric	Unit of Measurement		2020	2021	2022	2023
Greenhouse gas emissions ²³	Metric tons of CO ₂ -e	Scope 1	237	407	664	590
		Scope 2	32	39	32	115
		Scope 3			39,512	47,122
		Total	269	446	40,208	47,826
Emissions intensity (Scope 1 and 2) ²⁴	Metric tons of CO ₂ -e / MWh produced	Scope 1 & 2	0.000341	0.000475	0.000502	0.000399

Metric	Unit of Measurement	2022	2023
REC's sold	Total Number of REC's	282,998	89,362
	Amount of REC'S sold (\$US)	152,031	204,438

Resource Usage

Metric	Unit of Measurement	2020	2021	2022	2023
Water consumption	Megaliters	25.3	3.3	N/A	2,641 ²⁵
Energy consumption	KWh	63,167	81,718	67,364 ²⁶	275,879
Gasoline consumption	Liters	99,227	143,936	236,456	181,957
Diesel consumption	Liters	-	21,223	33,172	64,732

23 | The calculation excluding the Scope 2 data in 2022 for the US. Scope 3 emissions were previously calculated based on assumptions. Disclosure pending more accurate calculations as part of decarbonization plans.

24 | The calculation excluding the Scope 2 data in 2022 for the US.

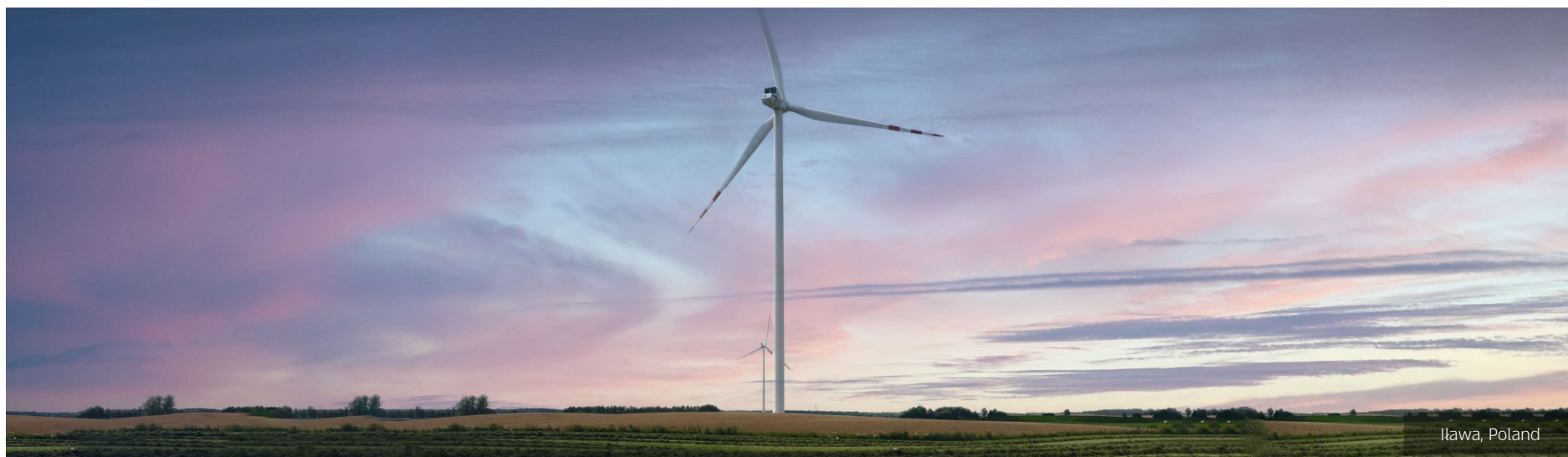
25 | Data excludes Israel & USA office consumption.

26 | Data includes Israel office consumption.

Environmental metrics (cont.)

Project Site Environmental Management (Cont.)

Metric	Unit of Measurement	Country	2020	2021	2022	2023	
Total terrain moved (for operational purposes)	m³	Israel	-	336,000	17,700	31,000	
		USA	-	70,200	78,000	528,000	
		Poland	-	190,350	55,600	0	
		Total	-	596,550	151,300	559,000	
Terrain moved (for operational purposes) and was not restored	m³	Israel	0	0	0	0	
		USA	0	0	0	0	
		Poland	0	0	5,560	0	
		Total	0	0	5,560	0	
Operational Waste	Metric Tons	Israel	Plastic	0	N/A	N/A	n/a
			Cardboard	0.5 (100% recycled)	N/A	N/A	n/a
			Glass	12 (100% landfill)	60 (100% landfill)	77 (100% landfill)	17
			Metal	0	N/A	0	
			Electronics	0	N/A	102 (15% recycled)	19
Animal Crossings	Number of crossings		469	711	948	970	



ława, Poland

Social Metrics - Employees²⁷

Metric	2020	2021	2022	2023
Average age of employees	39.5 (Israel)	39.1 (Israe)	35.7	38
Average tenure of employees (Israel)	3.7	3	2.92	3.55
Ratio between highest and median salary	4.9:1	4.7:1		
	Israel		4.9	4.6
	Poland		2.13	2.1
	US		3.12	3.32
Retention	Hired	66	38	71
	Left	17	25	66

Employees, by age and gender

Year 2022	Up to 30	31-50	51+	Total
Male	21	73	11	105
Female	19	40	3	62
Total	40	113	14	167
Year 2023	Up to 30	31-50	51+	Total
Male	30	83	13	126
Female	20	49	1	70
Total	50	132	14	196

Employees, by country and gender

Year 2022	Israel	US	Poland	Total
Male	49	41	15	105
Female	23	28	11	62
Total	72	69	26	167
Year 2023	Israel	US	Poland	Total
Male	52	54	20	126
Female	24	34	12	70
Total	76	88	32	196

Employees and Management, by gender

Year 2022	Employees	Management	Total
Male	73	32	105
Female	48	14	62
Total	121	46	167
Year 2023	Employees	Management	Total
Male	103	23	126
Female	52	18	70
Total	155	41	196

27 | Data includes Israel office consumption.

Taxes and Subsidies

Metric	Unit of Measurement	Country	Entity	2021	2022	2023
Taxes Paid	USD Thousands	Israel	Local	\$913.8	0	1,832
		US	Federal	\$4,958.4	98.9	17,750
			State	\$1,614.6	257.6	10,074.7
		Poland	Local			769.07
			State	\$197.9	3,471	9,485
			Local	\$1,417.2	2,990	3,173
		Total	\$9,101.9	6,81705	43,083.77	
Subsidies Received	USD Thousands	US	\$355.1	10,954	1,640	

Social Investment

Metric	Unit	2020	2021	2022	2023
Donations	USD thousands	204.3	211.7	128.3	535.9
Contribution to local community projects and infrastructure	USD thousands	199.3	240.1	1,237.11	155.28
Total social investments	USD thousands	403.6	451.8	1,256	691.13

Governance Metrics

Composition of the Board of Directors²⁸

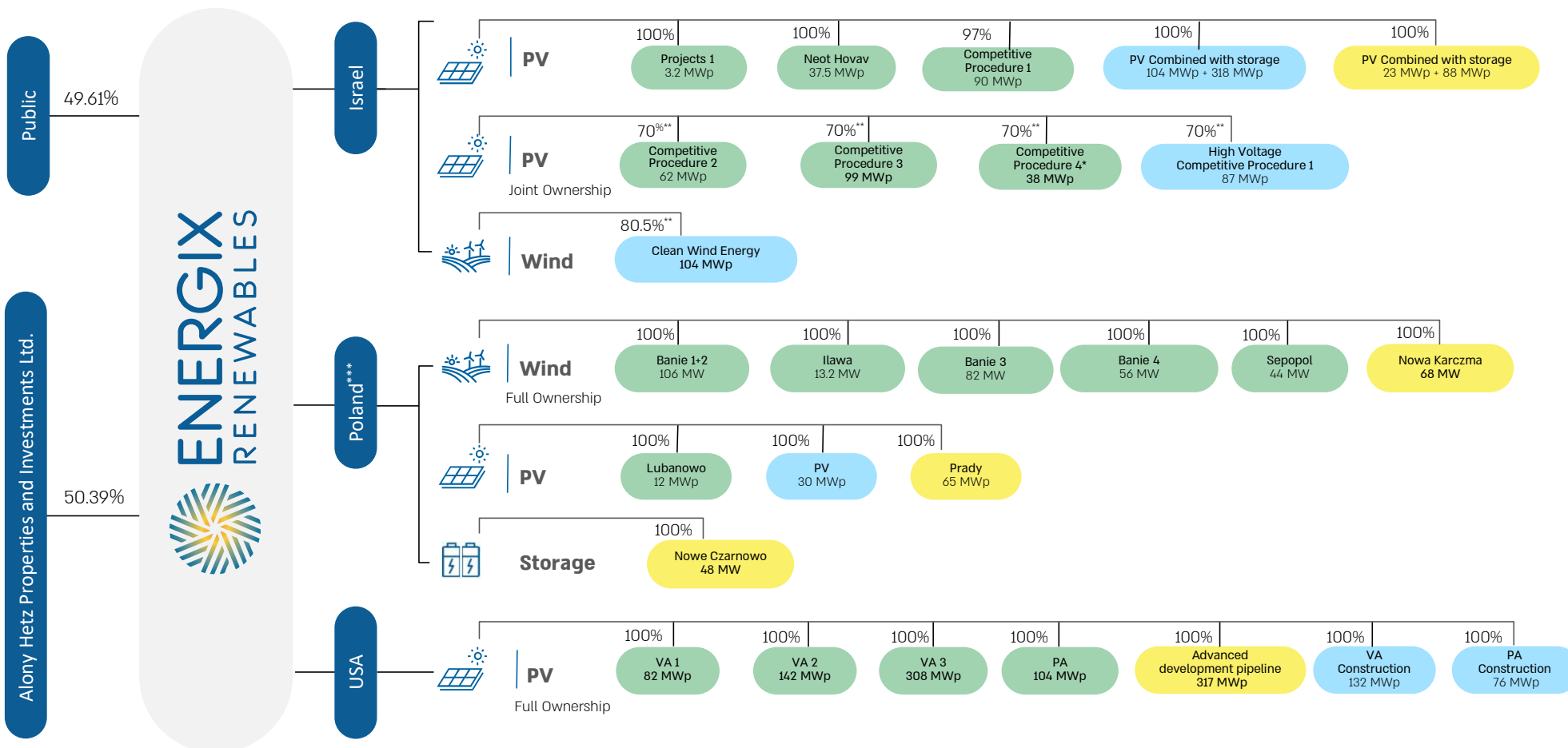
	Nathan Hetz - Chair	Aviram Wertheim	Oren Frankel	Eynat Tsafrir	Linda Benshoshan	Meir Shannie	Orna Hozman Bechor
Age	72	66	56	58	57	77	54
Seniority	19 years	13 years	10 years	9 months	6.5 years	5 years	2.5 years
Committee Membership	None	None	None	Both	Both	Both	Both
Gender	Male	Male	Male	Female	Female	Male	Female
ESG proficiency	No	No	No	No	No	No	No

Number of Board and Committee Meetings

Metric (Number of meetings held)	2022	2023
Board of Directors meetings	14	10
Audit and Remuneration Committee meetings	8	6
Balance-Sheet Committee meetings	4	4

28 | Age and seniority data as per 31/12/23

Appendix II: Ownership Structure²⁹



- Commercially active projects
- Projects under construction and in pre-construction
- Projects in advanced stages of initiation

* Of these, 23MW have finished construction and are waiting to be connected to the electricity grid by IEC
 ** Jointly Owned Projects, the Company's Share of Cash Flow Exceeds Its Ownership Percentage
 *** Through an International Ownership Structure



Appendix III: GRI Index

Standard	Disclosure	Description	Page
GRI 2: General Disclosures 2021	2-1	Organizational details	3, 6-9, 45, 46
	2-2	Entities included in the organization's sustainability reporting	3, 46
	2-3	Reporting period, frequency and contact point	41
	2-4	Restatements of information	N/A
	2-5	External assurance	N/A
	2-6	Activities, value-chain and other business relationships	3, 6-9,18, 40
	2-7	Employees	26-31
	2-8	Workers who are not employees	N/A
	2-9	Governance structure and composition	37-39
	2-10	Nomination and selection of the highest governance body	37-38
	2-11	Chair of the highest governance body	4, 37-38, 45
	2-12	Role of the highest governance body in overseeing the management of impacts	37-38
	2-13	Delegation of responsibility for managing impacts	37-39
	2-14	Role of the highest governance body in sustainability reporting	37-39
	2-15	Conflicts of interest	2020 ESG Report, P.38
	2-16	Communication of critical concerns	39
	2-17	Collective knowledge of the highest governance body	37-39
	2-18	Evaluation of the performance of the highest governance body	37-39
	2-19	Remuneration process	2020 ESG Report, P. 39
	2-20	Process to determine remuneration	2020 ESG Report, P. 39
	2-21	Annual total compensation ratio	44
	2-22	Statement on sustainability development strategy	13-16
	2-23	Policy commitments	39
	2-24	Embedding policy commitments	39
	2-25	Processes to remediate negative impacts	39
	2-26	Mechanisms for seeking advice and raising concerns	39
	2-27	Compliance with laws and regulations	39
	2-28	Membership associations	N/A
	2-29	Approach to stakeholder engagement	25
	2-30	Collective bargaining agreements	There are no collective bargaining agreements

Standard	Disclosure	Description	Page
GRI 3: Material topics 2021	3-1	Process to determine material topics	2020 ESG Report, P.39
	3-2	List of material topics	2020 ESG Report, P.47
	3-3	Management of material topics	2020 ESG Report, P.20
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	32
	203-2	Significant indirect economic impacts	32
Procurement Practices	3-3	Management of material topics	40
	204-1	Proportion of spending on local suppliers	N/A
Anti-corruption	3-3	Management of material topics	39
	205-1	Operations assessed for risks related to corruption	N/A
	205-2	Communication and training about anti-corruption policies and procedures	39
	205-3	Confirmed incidents of corruption and actions taken	39
	3-3	Management of material topics	21
Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	21-24
	304-2	Significant impacts of activities, products and services on biodiversity	21-24
	304-3	Habitats protected or restored	21-24
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	21-24
Emissions	3-3	Management of material topics	17
	305-1	Direct (Scope 1) GHG emissions	42
	305-2	Energy indirect (Scope 2) GHG emissions	42
	305-3	Other indirect (Scope 3) GHG emissions	42
	305-4	GHG emission intensity	42
	305-5	Reduction of GHG emissions	8-10, 17-20, 42
	305-6	Emissions of ozone-depleting substances (ODS)	N/A
305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	N/A	



Mt. Jackson, USA

Standard	Disclosure	Description	Page
Occupational Health and Safety	3-3	Management of material topics	30-31
	403-1	Occupational health and safety management system	30-31
	403-2	Hazard identification, risk assessment, and incident investigation	30-31
	403-3	Occupational health services	Irrelevant to the company's activity
	403-4	Worker participation, consultation, and communication on occupation health and safety	30-31
	403-5	Worker training on occupational health and safety	31
	403-6	Promotion of worker health	30-31
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	30-31
	403-8	Workers covered by an occupational health and safety management system	30-31
	403-9	Work-related injuries	31
Local Communities	403-10	Work-related ill health	31
	3-3	Management of material topics	32
	413-1	Operations with local community engagement, impact assessments, and development programs	32-36
	413-2	Operations with significant actual and potential negative impacts on local communities	32-36

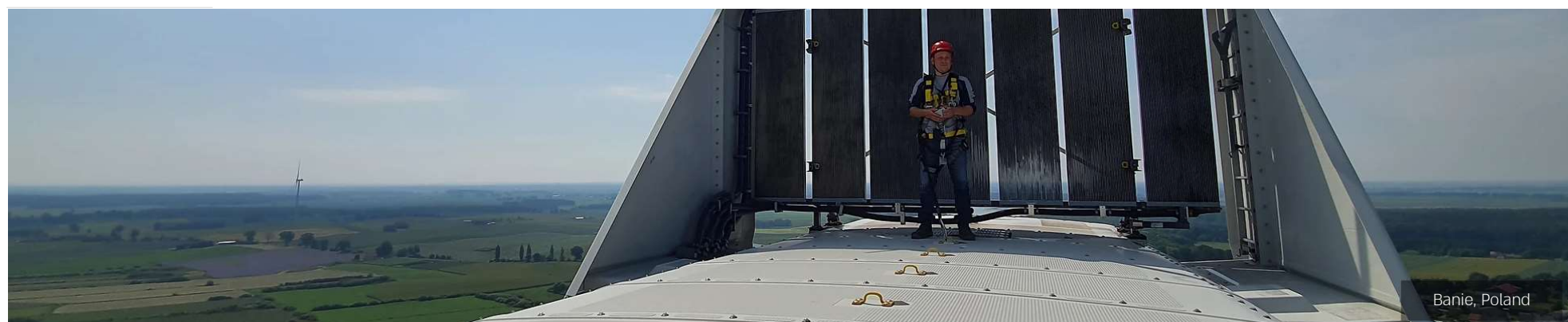


Lubanowo, Poland

Appendix IV: SASB Index

Topic	Metric	Code	Page Location
Solar Technology and Project Developers			
Energy Management in Manufacturing	Total energy consumed, percentage grid electricity, percentage renewable	RR-ST-130a.1	42
Water Management in Manufacturing	Total water withdrawn, total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RR-ST-140a.1	18,23,42
	Water management risks and discussion of strategies and practices to mitigate those risks	RR-ST-140a.2	23
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled	RR-ST-150a.1	N/A
	Number and aggregate quantity of reportable spills, quantity recovered	RR-ST-150a.2	N/A
Ecological Impacts of Project Development	Number and duration of project delays related to ecological impacts	RR-ST-160a.1	N/A
	Efforts in solar energy system project development to address community and ecological impacts	RR-ST-160a.2	21-24, 32-33
Management of Energy Infrastructure Integration & Related Regulations	Risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	RR-ST-410a.1	2021 ESG Report Page 41
	Risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure	RR-ST-410a.2	2021 ESG Report Page 41
Product End-of-life Management	Percentage of products sold that are recyclable or reusable	RR-ST-410b.1	N/A
	Weight of end-of-life material recovered; percentage recycled	RR-ST-410b.2	N/A
	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds	RR-ST-410b.3	N/A
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RR-ST-440a.2	N/A
	Description of the management of environmental risks associated with the polysilicon supply chain	RR-ST-440a.2	N/A

Topic	Metric	Code	2020
Wind Technology & Project Developers			
Workforce Health & Safety	Total recordable incident rate and fatality rate for (a) direct employees and (b) contract employees	RR-WT-320a.1	31
Ecological Impacts of Project Development	Average A-weighted sound power level of wind turbines, by wind turbine class	RR-WT-410a.1	2021 ESG Report Page 42
	Backlog cancellations associated with community or ecological impacts	RR-WT-410a.2	N/A
	Description of efforts to address ecological and community impacts of wind energy production through turbine design	RR-WT-410a.3	22
Materials Sourcing	Management of risks associated with the use of critical materials	RR-WT-440a.1	N/A
	Top five materials consumed, by weight	RR-WT-440b.1	N/A
Materials Efficiency	Average top head mass per turbine capacity ,by wind turbine class	RR-WT-440b.2	N/A
	Description of approach to optimize materials efficiency of wind turbine design	RR-WT-440b.3	N/A
Activity Metrics			
Activity Metrics	Number of delivered wind turbines, by wind turbine class	R-WT-000.A	130 wind turbines installed in projects
	Aggregate capacity of delivered wind turbines, by wind turbine class	R-WT-000.B	9
	Amount of turbine backlog	R-WT-000.C	N/A
	Aggregate capacity of turbine backlog	R-WT-000.D	N/A
	Total capacity of photovoltaic (PV) solar modules produced	RR-ST-000.A	N/A
	Total capacity of completed solar energy systems	RR-ST-000.B	2022: 554MW, 2023: 978MW
	Total project development assets	RR-ST-000.C	See Company's Financial Statement



Banie, Poland

Disclaimer

This ESG Report lays out the activities and operations of Energix Group ("the Company") in the years 2022-2023 focusing on sustainability, environmental and social responsibility, and corporate governance. The report describes the manner in which the Company implements sustainability and corporate responsibility throughout its various business activities. This report is intended to reflect these activities to our various stakeholders, including but not limited to local communities and authorities, strategic partners, employees, shareholders, regulators and governmental entities, financiers, customers and electricity consumers, suppliers, contractors, electric utility companies, and the environment and its representatives.

This is the Company's third ESG report. The report covers the activities of the Company in the years 2022-2023, except where explicitly noted otherwise.

All information and data included in this document accurately reflect the Company's activity as of the date of publication, to the best of the Company's knowledge. As with any report, this document may include estimations, generalization, inaccuracies, errors, and omissions. The Company is not responsible for any inaccuracies or omissions, and the Company does not give permission to rely on the information included in this document by any party. In any case of contradiction between the information in this document and information appearing in the Company's public reports published on the distribution websites of the Securities Authority and the Tel Aviv Stock Exchange, including the Company's Annual and Quarterly financial statements, the information on the distribution websites will take precedence.

This report includes forward-looking statements, as defined by the 1968 Securities Law. These statements regard, among others, expectations, predictions, targets, goals, estimations, intentions, plans and projections relating to the activity of the Company. These statements reflect assessments carried out by the Company at the time of the compilation of the report and in no way constitute a guarantee of realization by the Company. By their nature, forward-looking statements entail risks and uncertainties and are subject to change. The Company does not intend to alter or update the information in this document in the future, including forward-looking statements.

This report is intended to serve our stakeholders information regarding our ESG activities and should not be relied upon in investment considerations and decisions. The information in this report does not constitute an alternative to the Company's financial statements.



Sepópol, Poland



THANK
YOU