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SOCIAL STAKEHOLDERS



Daniel Mackiewicz

Marketing and PR Manager at ONDE

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The strength of our Group relies on people, and in particular, their passion, ability to cooperate and belief in innovative force of ideas. We are also united by values: the desire to protect the natural environment and safe future for the generations to come. Thus, we want to ensure that sharing of these values and inspiring others through relevant education becomes an integral part of

our operations. Others, that is, especially young people, who are very sensitive, and have the increasing awareness that the green change is unavoidable.

Daniel Mackiewicz,
Marketing & PR Manager at
ONDE

KEY FACTS AND INDICES FOR 2021

- We provided an air purifier for Toruń citizens.
- We also established the ONDE Flow scheme.
- We conducted an active dialogue with local communities living near sites where we executed our investments.

We conduct socially-oriented activities both at the national, bringing together enthusiasts of clean green energy and related subjects, and the local levels. At the local levels, our activities include sharing our knowledge and regular support for social communities, which we encounter during execution of successive investments. At the same time, we feel a particular bond with Toruń, so every year we also act

for our local homeland, supporting local initiatives and executing our own projects.

The ONDE Group does not have a formal social commitment policy (to which the Accountancy Act refers), which would describe our approach to the corporate social responsibility (CSR) and sponsoring, including priorities and principles guiding us in creation of our own social initiatives and deciding about support for external or grassroot (employee) activities. In our opinion, at the current stage of our organisation development, creation of such policy was not required for effective implementation of activities in CSR and sponsoring areas, due to naturally established areas of our involvement (described above) and the scale of those activities and expenditures on them in relation to business and financial performance of the ONDE Group.

At the same time, we treat corporate social responsibility (CSR) and sponsoring activities as important elements for the long-term strategy of the ONDE Group development. We also consider development of a social commitment policy that would include the area of a dialogue with local communities.

5.7.1 ONDE Flow



NDE Flow is our flagship CSR scheme created from our internal need and conviction that as a leader in the RES sector we have a moral obligation to share our knowledge and long-term experience. Its subjective foundation is formed by education on renewable energy sources and associated subjects, like, e.g. physics. Currently, the scheme is at its development stage that will last until the end of 2022. We want ONDE Flow to become a platform for sharing knowledge on new trends in RES and innovative solutions for the community of people interested in these subjects, and – youth, students and young scientists at universities in particular. With it we plan to bring to light and provide funding for their best ideas, to offer them a chance to expand their research, as well as to increase the social awareness of renewable energy sources and ensure their further development.

The ONDE Flow scheme is based on 4 pillars:

- creating a community of people looking for information about RES and those who want to share it;
- a platform of knowledge about RES that would facilitate organisation of educational classes and workshops;
- a scheme supporting innovative and scientific projects;
- educational competitions at the national level.





Three scientific institutions: AGH University of Science and Technology, Bydgoszcz University of Science and Technology, and Warsaw University of Technology are partners of this scheme. Furthermore, we invited Mr Mateusz Kusznierewicz, the Olympic and the world champion in sailing, to cooperate with us as the scheme ambassador, as in our opinion he personifies the ambition and the ability to inspire others, as well as easily establishes a relationship with young people. The Association "Z energią o prawie" (With energy about law), associating students and people interested in power generation, and in particular zero and low-emission energy sources, also joined the ONDE Flow scheme.

Implementation plan

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We treat our scheme for sharing knowledge in the same way as execution of investments - we operate within our specialisations, plan thoroughly, and implement gradually and paying attention to the best final outcome possible. Thus, we divided the yearly development of the scheme into quarterly stages. For the 1st quarter of this year, until publication of this Report, our plans include setting up of the ONDE Flow portal (https://www.ondeflow.pl) and initiation of the grant-awarding competition SOFIA (Science ONDE Flow Innovation Academy) addressed to people who would like to transform their knowledge and energy into scientific and research projects concerning RES issues. PLN 200 thousand has been allocated for subsidies.

5.7.2 Local communities

As a responsible organisation, we believe that the dialogue with a local community is an extremely important part during execution of any investment, learning their needs and shaping of their environmental awareness. In our opinion, the size of our investment sites is an advantage in terms of development of socially-oriented initiatives, and we consider establishing relations with local citizens as an opportunity to support them on an ad hoc basis but in a very constructive form. We strive to ensure that our activities generate many tangible advantages for citizens, such as improvement in the quality of access roads to their fields and residential plots, construction of additional exits, broadening or repairs of local roads, or planting of trees.

Our most important information and operational activities concerning local communities:

- We always strive to establish contact with local community and authorities to learn the needs and the problems associated with execution of a given investment.
- We organise meetings with commune authorities and citizens.
- We also organise information points at construction sites, where every citizen can learn about turbine locations, routing of roads and cable lines, and transport rules.
- Furthermore, we gather complaints and requests of citizens, if any appear, and manage them.
- We care about safety and comfort of citizens
 (e.g. by providing appropriate signs at areas
 covered by construction works, limiting noise
 and dust formation).



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 If we interfere with lands and plots of farmers, we always ensure that they are restored to their initial condition or agree possible compensations.

Furthermore, we increase awareness of citizens of our operations concerning works undertaken at a given construction site, and the RES construction sector in general. In accordance with the Company values, we focus on education of youth - we are open to the cooperation with schools or visits of students to construction sites, when we show them our proenvironmental actions. We also focus initiatives in this area on increasing awareness in OHS and environmental protection.

Our CSR activities have a more extensive range.

We support the Polish Red Cross, as well as, during seasonal actions, youth from orphanages, seniors, and charity institutions addressing needs of citizens of local communities. We also support sports teams like Koszalin Football Team Bałtyk and Unisław Team, and a cyclic event Henryk Pawłowski Memorial Duplicate Bridge Tournament. We are of the opinion that creating of good energy with these initiatives is consistent with ONDE business mission.

Additional socially-oriented initiatives executed by our employees-volunteers with the support of the Company for members of local communities in need are described in section 5.2.4 of this Report: Work conditions and benefits

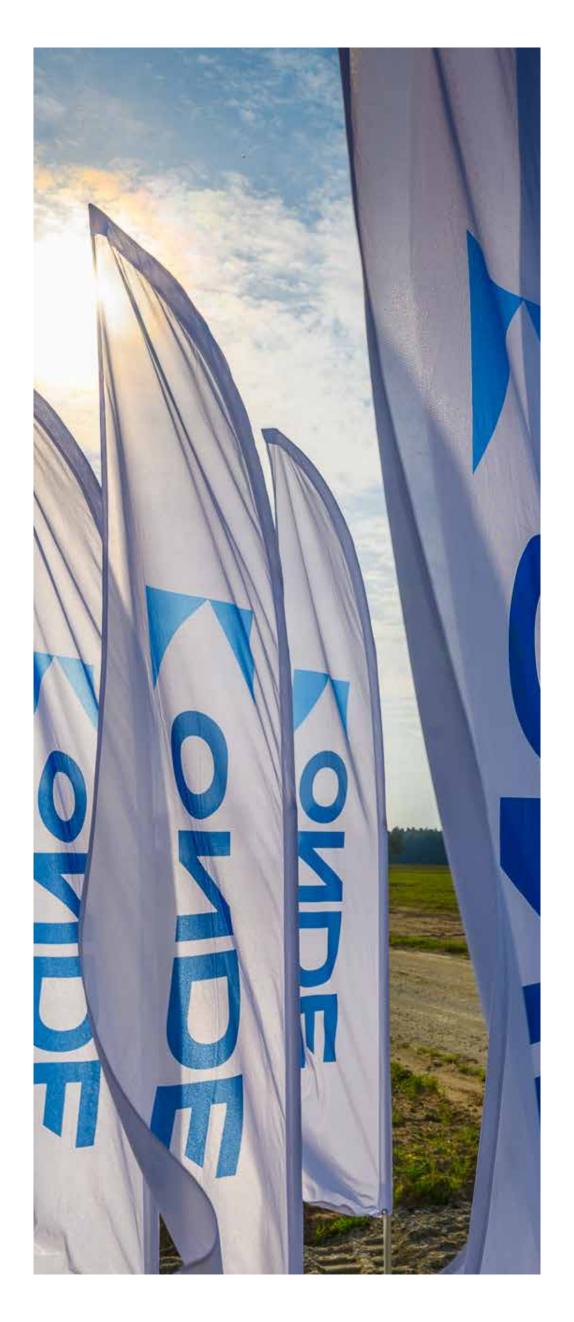
5.7.3 Toruń community

Toruń is an area close to our hearts, in which ONDE S.A. has been operating since its very beginning, and where many Group employees live. Thus,

in Toruń we conduct socially-oriented activities in many areas, implementing educational initiatives and supporting financially local athletes and cultural projects.

In May 2021, we organised in Toruń a RES conference New Trends, in which representatives of the Warsaw University of Technology, AGH University of Science and Technology, Polish Wind Energy Association, Toruń City Office, and experts from the ONDE Group participated. The socially-oriented aspect of that event, addressed to the city community, was a start-up of the Air Filtration Device ATANOX financed by ONDE S.A. and installed at Plac Rapackiego in Toruń. The device is used to clean air in urban spaces, to reduce levels of suspended particulate matter (PM). The device is equipped with a specially designed filter that will remove from the air even 5 kg of contaminations a year, filtrating over 17,200,000 m3 of air during that time (working 12/24 on every day: 4000 m3/h), giving 17,280,000 m3 a year, and this corresponds to 345,600 marine freight containers (when a CBM container volume of 67 m3 was assumed). The filter used in the filtration device is 100% biodegradable, so it is environmentally friendly and does not become a solid waste after the end of its use. Furthermore, the filter is secured against development of fungi and moulds inside, which can be very dangerous.

The purchase of the device with the high performance filter reduces the smog levels in the ONDE hometown - this was the first private initiative of this kind in Poland. It aims at highlighting a problem of civilisation-related contaminations, promotion of modern solutions used in care for the urban environment, and indirectly, also promotion of RES as a source of energy neutral to the quality of air.









Sponsoring

For many years, we have sponsoring agreements with two clubs: speedway riders from the Sport Club Toruń and with basketball players from the sport club Twarde Pierniki Toruń. We also support the Toruń Hokey Club. In 2012–2019, and again in 2021, we were awarded a title of Mecenas Toruńskiego Sportu (Patron of Toruń Sports).

Furthermore, for many years we have been a sponsor of the International Tofifest Film Festival, organised in Toruń and popular among its citizens. The Festival presents independent film productions and this year will be held for the 20th time.

5.7.4 Expenditures on support of initiatives outside the range of ONDE S.A. basic activities

According to principle 1.5 of the Best Practice for WSE Listed Companies 2021 (DPSN 2021), below we present ONDE S.A. expenditures on support of initiatives not related to the range of the Company basic activities.

The greatest part of that amount were expenditures on sponsoring of sport, especially the Sport Club Toruń and the sport club Twarde Pierniki Toruń. The CSR initiatives include mainly expenditures related to meeting the needs of local communities, also in the areas of investments executed by ONDE.

Table 14. Expenditures on support of initiatives outside the range of ONDE S.A. basic activities.

Project type	Expenditures (as PLN thousand)
Sponsoring of sport and cultural initiatives	600
Initiatives of corporate social responsibility (CSR)	160
Total	760