



DUNAV RE a.d.o.

# ENVIRONMENTAL & SUSTAINABILITY REPORT 2023.



BELGRADE, MAY 2024



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*„This is our fourth Environmental and Sustainability Report for the year 2023, in which we achieved excellent business results and continued the growth trend on the domestic and international markets.*

*The principles of sustainable development, which we accepted as a business model, set before us a difficult task that consisted in establishing a balance between two conflicting interests: economic growth and the creation of new values on one side, and ecological development of the Company with the aim of reducing the impact on the environment.*

*A strategic impact analysis, which was based on environmental assessment and risk prediction, showed the correctness of the measures and actions we took to mitigate negative effects, improve and intensify positive effects on the environment. The goal of mitigation was also to keep the negative effects of risks, which we have no direct influence on, at an acceptable level. With this, the Company ensured further sustainable economic and ecological development in the coming period.,,*

*Zorana Pejčić, President of Executive Board and CSO*



# Sustainable development



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*Dunav Re considers sustainable development a key factor in achieving its mission, building quality and long-term relationships with stakeholders and other interested parties.*

*The Company aim to play a leading role in the domestic and regional market in integrating the best ESG standards into all segments of its core business.*

*Sustainability is fully integrated into our business practices and expressed in our Vision of building a more secure future. In the process of creating reinsurance products and services, as well as managing its portfolio, the Company is guided by the principles of sustainable business.*

*We are committed to reducing environmental uncertainty, providing security to its clients and creating sustainable value for its shareholders.*

*In 2023, we met all sustainable business goals, providing financial security to ceding companies and other business partners, creating sustainable value for our shareholders and a secure future for employees.*





# Our goal, vision and mission in 2023

## OUR GOAL

Creating a sustainable business, providing ceding companies and business partners with financial security, creating sustainable value for shareholders and a secure future for employees and their families

## OUR VISION

maintaining a leading role on the domestic and regional market in the integration of the best ESG practices

## OUR MISSION

Active promotion of Principles for sustainable insurance

## 2023 CHALLENGE

Further development, implementation and promotion of esg factors in business operations, focusing on turning principles for sustainable insurance into practice and regular disclosure of progress





## Our sustainability is based on:

**SUSTAINABLE DEVELOPMENT GOALS (SDGs)**, approved by the United Nations in September 2015. Their importance lies in the vision of achieving a sustainable future for everyone in a medium-term time horizon. The 17 objectives are interrelated and present global challenges such as the eradication of poverty, the fight against climate change, peace and prosperity for all, education, women's equality, environmental protection and sustainable urban development. They therefore represent a unique opportunity to better respond to the changing expectations and aspirations of the society in which we live and to develop strategies and innovative business models adapted to a world undergoing profound changes.

**UN 2030 AGENDA**, a global plan to promote sustainable peace and prosperity and to protect the planet with its 17 Sustainable Development Goals (SDGs).

**EU GREEN DEAL**, a set of EC policy initiatives aimed at making Europe climate neutral by 2050. In addition, it proposes reducing greenhouse gas emissions by 50-55% by 2030, boosting the economy through green technologies and establishing a sustainable industry. The focus of the policy is on using more energy from wind and sun.





*DECLARATION ON THE GREEN AGENDA FOR THE WESTERN BALKANS* which is commitment to implementing the 5 of the Green Agenda: (1) *climate action*, including decarbonisation, energy and mobility; (2) *a circular economy*, specifically addressing waste, recycling, sustainable production and resource efficiency; (3) *biodiversity*, aimed at protecting and restoring the region's natural wealth; (4) *combating air, water and soil pollution* and (5) *sustainable food systems* and preservation of rural areas.

*THE LAW ON CLIMATE CHANGE*, which defines systems for limiting greenhouse gas emissions, increasing the resilience of society as a whole and the health sector, water management, forestry and agriculture to the negative effects of climate change, planned adaptation of all sectors to changed climate conditions, establishing a mechanism for reporting and verifying compliance information according to the international community and the UN Framework Convention on Climate Change and the Paris Agreement.







*THE LAW ON NATURE PROTECTION*, which defines the process of establishing national ecological network within the EU ecological network NATURA 2000, in accordance with the requirements of the Habitats and birds Directive.

*NATIONAL EMISSION REDUCTION PLAN (NERP)* was adopted with the aim to reduce emission of pollutants into air from large combustion plants whose total installed thermal input is higher than 50 MW and which possess the exploitation permit issued before July 1, 1992.

The NERP document represents the intention of the Republic of Serbia to reduce pollutant emissions and relies on the LCP Directive and the national transition plan in a sense of Directive 2010/75/EU of the EP and EC of November 24, 2010 on industry emissions. Pursuant to Article 5 of the Decision of the Energy Community Ministerial Council on implementation of LCP Directive, NERP is being applied until December 31, 2027.





# 17 sustainable development goals (SDGs)







*The Company uses 17 Sustainable Development Goals for the following activities:*

- *Strategic decisions*
- *Portfolio steering*
- *Product development*
- *Impact measurement*
- *Different screening tests*
- *Sustainability reporting*





*Whilst all 17 Sustainable Development Goals are highly relevant, we prioritized 6 SDGs that are best aligned with our priorities and core business activities:*

***SDG 4 – Quality education:** we see education as one of the focus areas of our professional engagement; we do not sponsor scientific projects, but aim to contribute to the theory and practice of reinsurance through our own expertise; we promote ESG standards in our own business practice through interviews, analyses and articles published in regional insurance magazines and company portals; we are committed to continuous professional development of our employees through encouraging formal education, technical and vocational skills; we pay special attention to the education of ceding companies and know-how projects.*

***SDG 5 – Gender equality:** we are committed to providing a workplace in which all individuals are equally treated with respect and dignity; we do not tolerate any conduct that creates, encourages or permits an offensive, humiliating or intimidating work environment; our commitment to equality, fairness, inclusion and tolerance is based on and in line with the UN Target Gender Equality initiative 2021.*





*SDG 8 - Decent work and economic growth: we see it as our responsibility to respect human rights, that is why we are dedicated to upholding appropriate and fair labor and social standards; our goal is to drive sustainable economic growth through progressive resource efficiency.*

*SDG 12- Responsible consumption and production: we use resources efficiently and reduce waste and emissions; we pay attention to this in our product development, we also help our business partners create their insurance products and services more sustainably and efficiently, in order to achieve their own sustainability goals.*

*SDG 13 - Climate action: we are committed to helping achieve the Paris Agreement goals; by 2030, we want to reduce our emissions by 50%, compared with 2020; by 2040, we are striving to achieve climate neutrality; we have integrated climate change and ESG factors into our core business policies and risk management system.*

*SDG 17 - Partnership for the goals: we need strong partners in order to drive sustainable development within our company and beyond and to better meet societal challenges; therefore, we actively collaborate with a wide range of companies, organizations, associations and networks dealing with sustainable development.*





# ESG Landscape in 2023

In 2023, there was a further increase in the interest of business partners, independent auditors and rating agencies, for transparent management of the risk of climate change and ESG factors in business

REGULATOR	INSURANCE ASSOCIATION	AUDITORS	INVESTORS	BUSINESS
some pressure	some pressure	significant pressure	some pressure	significant pressure
EMPLOYEES	GENERAL PUBLIC	GOVERNMENT	RATING AGENCIES	
high pressure with a focus on reducing air pollution in cities	high pressure with focus on natural climate solutions	high pressure with focus on decarbonization, climate action, reducing pollution, circular economy, sustainable production of food and biodiversity	high pressure with focus on climate change risk management and implementation of ESG factors	



*The Company's strategic commitment is to support projects to mitigate environmental risks in 5 main segments:*

- 1. Decarbonisation (all actions related to climate, clean energy and sustainable transport)*
- 2. Circular economy (waste management, recycling, establishment of sustainable production and efficient resources)*
- 3. Biodiversity (restoration and protection of nature, establishment of ecosystems)*
- 4. Combating air, water and soil pollution (caused by human activities)*
- 5. Production of healthy food (preserving rural areas and building sustainable food systems)*







# Sustainable business

*Dunav Re is creating a long-term stable basis for its profitable and safe operations, promoting the transition to a sustainable society and reducing its impact on climate change.*

*The Company's safer future is based on an orientation towards sustainability, using the best global ESG practices that have been successfully integrated into all business activities carried out in 2023.*

*Our sustainable development focuses on 4 main areas:*

- 1. Reinsurance and Asset management*
- 2. Business processes*
- 3. Responsibility towards key stakeholders*
- 4. Corporate governance*





# 1. Reinsurance and Asset management

*Reinsurance and asset management are our strategic activities. The Company focuses on the transition to a climate-neutral and climate-resistant circular economy, which means that we promote sustainable economic activity, energy efficiency and energy from renewable sources with the aim of reducing greenhouse gas emissions.*

*Considering that the Company is oriented towards doing business on the international reinsurance market, we have been actively dealing with ESG business principles for a long period of time.*

*ESG factors have been successfully integrated into all business activities, primarily in the development of reinsurance products and services, as well as investment strategy.*





## Reinsurance (Underwriting) activities

Given that the Company is predominantly a property and casualty reinsurer, weather-related risks and impact from changing climate trends (Environmental factors) pose a severe threat because of the potentially significant impact of Nat-Cat losses.

*ESG considerations* were successfully integrated within the underwriting process, in the first place the future costs of climate uncertainty into policy pricing and technical provisions.

The Company actively promotes reinsurance products for renewable energy projects that include but are not limited to wind farms and solar farms. As for coal mines and thermal power plants, the policy of reinsurance of these risks takes into account the dynamics of national strategies for the phase-out of fossil fuels and the transition to a climate-neutral economy. Until then, the Company will continue to actively support projects to reduce emissions of pollutants, such as desulphurization projects of coal-fired plants and the introduction of technologies to reduce the emission of suspended particles, as a transitional solution.





# Investment strategy

The Company's investment policy includes the assessment of Environmental, Social and Governance (ESG) criteria in investment decision-making process, with the aim of reducing reputational risk, achieving higher and stable returns and preserving the real value of insurance assets. In 2023, we continued with complex measures to ensure the security and sustainability of investments in accordance with the rules of control and risk management, including but not limited to the assessment of compliance with the ESG strategy;

**Environmental factors** – assessment of issuers that may be associated with the tobacco industry (production and processing), fossil fuel processing, arms trade, entertainment and/or gambling industry, untested technologies, inadequate waste disposal and pollution prevention policies;

**Social factors** – we perform an assessment of relations with employees (human rights, gender equality, diversity, safety and health, working environment and working conditions) and social responsibility (allocating a portion of profits to environmental protection projects or to the local community);

**Management factors** – we evaluate the application of accounting and tax policies, management structure, legality in work and transparency in reporting etc.





## 2. Business processes

*In 2023, the Company continued to evaluate its own business activities in relation to ESG criteria, as well as business partners.*

*Our main priority is to reduce our own carbon footprint by 15% by 2025 (compared to 2020), and to achieve complete carbon neutrality by 2050, which is in line with the goals of the EU Green Deal.*

*As for energy efficiency in business operations, increasing the share of electricity obtained from renewable sources is not under our direct control, however the Company effectively influences the reduction of electricity consumption from existing sources, reduction of paper consumption in office operations and efficient waste management.*





### 3. Responsibility towards key stakeholders



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The Company acts with special responsibility toward its business partners, employees and community. The main task is to maintain the satisfaction of business partners and employees, and both categories are closely monitored annually.

The main focus is to preserve the Company's reputation as a reliable business partner and employer, providing financial security, education and transfer of know-how technology to our business partners. In addition to quality education and professional training, we pay special attention to improving working conditions, and the health and safety of our employees and their families, in the form of benefits that include additional health and personal accident insurance, as well as supplementary pension insurance.

As far as the community is concerned, the Company and its employees continued to participate in programs that promote environmental and social responsibility, projects for the treatment of children with difficult diagnoses, people with special needs and other socially vulnerable groups during 2023. The Company will continue to allocate part of the profit for such projects in the coming period.

All our activities are in line with and contribute to the affirmation of the United Nations Sustainable Development Goals (UN SDG).





## 4. Corporate governance

The Company strives for the highest standards of corporate governance and strictly adheres to the ethical and professional code of conduct in business operations, it also expects the same values to be shared by business partners and employees.

We are committed to improving the efficiency and effectiveness of the Company's management structure at all levels, guided exclusively by the criteria of business reputation, competence, work experience, formal education, special skills and gender structure.

Our commitment to sustainability includes regular and publicly available reports on sustainable operations in our business practices. The Sustainability reports are published at least once a year, while special reports, disclosures and other documents are prepared during the year for several interested parties.

At the strategic level, all sustainability activities are the responsibility of the Sustainable Business Committee.





# Sustainable Business Committee

The main tasks of the Committee include:

1. **Implementation** of the Company's mission related to achieving sustainable goals, thus creating a long-term stable basis for its profitable and secure business, promoting the transition to a sustainable society and reducing its impact on climate change
2. **Consideration** of trends and modalities of sustainable business based on ESG factors and principles of sustainable business

The implementation of our Company's mission was closely linked with its pursuit of sustainability goals, with which the Company is creating a long-term stable basis for its profitable and safe operations, promoting the transition to a sustainable society and reducing its impact on climate change. We improved our sustainability orientation in Environmental, Social and Governance areas, by adopting the **ESG Guidelines**. One of the most important tasks of this document is not only to formally regulate this rapidly developing area, but also to create a high awareness among employees about the importance of the ESG factors and the possible consequences/ risks in all business segments.





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# ESG FACTORS AND SUSTAINABLE DEVELOPMENT

*ESG factors are identified and managed in accordance with the Global Standards and by achieving the UN Global Sustainable Development Goals and in support of the principles set out in the Paris Agreement.*

*We closely monitor the following key factors in our business operations:*

## ENVIRONMENTAL FACTORS

- *Energy use*
- *Environmental responsibility*
- *Carbon footprint*
- *Activities on environmental protection*
- *Waste treatment*
- *Paperless operations*





## SOCIAL FACTORS

- *Consistent application of criteria for selecting clients and business partners who unconditionally share the same professional and ethical values as the Company*
- *Responsibility to ceding companies and other business partners*
- *Responsibility towards employees in terms of occupational safety, health and overall satisfaction*
- *Diversity and equal opportunities for all*
- *Investing in local communities in the form of supporting health, education, culture and sports*
- *Preventive activities aimed at reducing risks in the social environment*







## GOVERNANCE FACTORS

- *High standards of corporate governance*
- *Fair business practices*
- *Use of accurate and transparent accounting and reporting methods*
- *Fit and proper assessment of members of the Management Board, Supervisory Board and Audit Committee*
- *Avoiding conflicts of interest when electing members of the management*
- *Opportunity for shareholders to vote on important issues at Assembly meetings*
- *Avoiding political or any other involvement in order to secure a more favorable position or treatment of the Company*
- *Avoiding illegal practices*
- *Non-discrimination and respect for human rights in operations*





# 2023 ACHIEVEMENTS

## ENVIRONMENTAL ASPECTS

We carefully monitored the following criteria:

- Carbon footprint (CO<sub>2</sub> in tons)
- Electricity consumption (KWh)
- Share of electricity consumption from renewable sources (%)
- Separate waste collection (%)
- Average daily consumption of office paper (per day/employee)
- Investments in environmental protection (donations, sponsorships)





<b>ENVIRONMENTAL</b>	<b>2023</b>	<b>2022</b>	<b>Index 2023/2022</b>
<i>Carbon footprint (CO2 equiv. in tons)</i>	<i>117.4</i>	<i>112.1</i>	<i>105</i>
<i>Carbon footprint per employee (CO2 equiv. in tons)</i>	<i>2.73</i>	<i>2.86</i>	<i>95</i>
<i>Electricity consumption (KWh)</i>	<i>9.726</i>	<i>10.166</i>	<i>96</i>
<i>Share of electricity consumption from renewable sources (%)</i>	<i>2.9</i>	<i>3.0</i>	<i>96</i>
<i>Separate waste collection (%)</i>	<i>100</i>	<i>100</i>	<i>100</i>
<i>Average daily consumption of office paper (per day/employee)</i>	<i>4.9</i>	<i>5.2</i>	<i>94</i>
<i>Investments in environmental protection (donations, sponsorships)</i>	<i>1</i>	<i>1</i>	<i>100</i>





## SOCIAL ASPECTS

We carefully monitored the following criteria:

- Average employee age
- Average length of service
- Women employees to total employees (%)
- Proportion of women at 1st, 2nd, 3rd management level, under the management board (%)
- Employee turnover (%)
- Average number of training hours (per day/employee)
- Number of work-related incidents
- Lost time in work-related incidents (hours)
- Number of partners checked against ESG criteria
- Investments into the community (prevention, donations, sponsorships)
- Employee satisfaction (1 – 5)
- Client satisfaction (0 – 10)





<b>SOCIAL</b>	<b>2023</b>	<b>2022</b>	<b>Index 2023/2022</b>
<i>Average employee age (years)</i>	43.8	41.8	104
<i>Average length of service (years)</i>	9.1	11.4	80
<i>Women employees to total employees (%)</i>	64.0	64.0	100
<i>Proportion of women at 1st and 2nd management level, under the Management board (%)</i>	63.64	63.64	100
<i>Employee turnover (%)</i>	7.2	9	80
<i>Average number of training hours (per employee)</i>	26	26	100
<i>Number of work-related incidents</i>	0	0	0
<i>Lost time in work-related incidents (hours)</i>	0	0	0
<i>Number of partners checked against ESG criteria</i>	122	117	104
<i>Investments (employees/community prevention, donations, sponsorships)</i>	2	1	200
<i>Employee satisfaction (DRe Human - ORVI)</i>	4.52	4.47	101
<i>Client satisfaction</i>	9.3	9.2	101







## GOVERNANCE ASPECTS

We carefully monitored the following criteria:

- Proportion of women in the Management Board (%)
- Proportion of women in the Supervisory Board (%)
- Average age of Management Board members
- Independence of Supervisory Board members
- Shareholders' representatives in the Supervisory Board (%)
- Term of office of the current President of the Management Board (years)
- Term of office of the current President of the Supervisory Board (years)
- Policies adopted
- Internationally renowned external auditor
- Period of cooperation with the existing auditor (years)
- Period of cooperation with the previous external auditor (years)





<b>GOVERNANCE</b>	<b>2023</b>	<b>2022</b>	<b>Index 2023/2022</b>
<i>Proportion of women in the Management Board (%)</i>	<i>33.4</i>	<i>66.6</i>	<i>50</i>
<i>Proportion of women in the Supervisory Board (%)</i>	<i>100</i>	<i>66.6</i>	<i>150</i>
<i>Average age of Management Board members</i>	<i>52.3</i>	<i>53.3</i>	<i>98</i>
<i>Independence of Supervisory Board members (%)</i>	<i>33.3</i>	<i>33.3</i>	<i>100</i>
<i>Shareholders' representatives in the Supervisory Board (%)</i>	<i>66.6</i>	<i>66.6</i>	<i>100</i>
<i>Term of office of the current President of the Management Board (years)</i>	<i>10</i>	<i>9</i>	<i>111</i>
<i>Term of office of the current President of the Supervisory Board (years)</i>	<i>4</i>	<i>3</i>	<i>133</i>
<i>Policies adopted</i>	<i>Yes</i>	<i>Yes</i>	<i>-</i>
<i>Internationally renowned external auditor</i>	<i>Yes</i>	<i>Yes</i>	<i>-</i>
<i>Period of cooperation with the existing auditor (years)</i>	<i>4</i>	<i>3</i>	<i>133</i>
<i>Period of cooperation with the previous external auditor (years)</i>	<i>-</i>	<i>-</i>	<i>-</i>



# ESG projects in 2023



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## ENVIRONMENTAL

In 2023, the Company donated funds for the development of activism in environmental protection within the "Forest caravan" project. The donation included the following activities:

1. Educational part - lectures to children of lower grades of elementary school about the importance of preserving the environment and raising awareness about the protection of that most important resource.
2. Practical part - planting 5 (five) saplings of the legally protected "Pančić spruce" tree species in the sample yard of the elementary school in Belgrade, provided by Dunav Re.





## *SOCIAL*

*We continued with humanitarian activities, primarily for the treatment of children with severe medical diagnoses. In 2023, we donated funds for the medical treatment of two children, N.M. (2020) and H.G. (2015).*

*The Company continued with the professional development of its business partners and employees, through internal and external seminars and workshops in the country and abroad, e-learning and Company's library.*

*The educational function was successfully continued in 2023 publishing articles from various fields of insurance and reinsurance. Thousands of views and positive comments on social network portals motivate our education team to continue working in 2024.*



<i>Topics in 2023.</i>	<i>no. of articles</i>
<i>Insurance</i>	<i>17</i>
<i>Reinsurance</i>	<i>29</i>
<i>ESG</i>	<i>8</i>
<i>Climate changes</i>	<i>9</i>
<i>UN Enviroment Programme Finance Initiative (UNEP-FI)</i>	<i>1</i>
<i>Principles for Sustainable Insurance (PSI)</i>	<i>1</i>
<i>TOTAL</i>	<i>65</i>





## GOVERNANCE



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### *The Company:*

- *used accurate and transparent accounting and reporting methods*
- *practiced fit and proper assessment of the members of the Executive Board and avoided any conflicts of interest*
- *did not use political or any other engagement to secure a more favorable position or treatment in the markets where it operates*
- *did not engage in any illegal actions or practices*
- *granted its shareholders the opportunity to vote on important issues at the meetings of the Company's Assembly*

*Supervisory Board consists of 1/3 of independent members*

*Audit Committee consists of 1/3 of independent members*

*All other Governance aspects are positive and in line with international best practice.*





<i>TOP MANAGEMENT MEETINGS</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>
<i>Executive board</i>	<i>25</i>	<i>28</i>	<i>24</i>
<i>Supervisory board</i>	<i>11</i>	<i>13</i>	<i>12</i>
<i>Audit committee</i>	<i>9</i>	<i>10</i>	<i>9</i>
<i>Assembly</i>	<i>2</i>	<i>4</i>	<i>4</i>
<i>Total</i>	<i>47</i>	<i>55</i>	<i>49</i>







## PRINCIPLES FOR SUSTAINABLE INSURANCE (PSI)

*Dunav Re a.d.o. became a signatory to the Principles for Sustainable Insurance (PSI) on May 13, 2022 and a member of the global community of banks, insurers and investors joining the United Nations Environment Programme Financial Initiative (UNEP FI).*

*We accept the Principles as a global framework for the insurance industry to address Environmental, Social and Governance (ESG) risks and opportunities, as well as the vision of the PSI Initiative of a risk aware world, where the insurance industry is trusted and plays its full role in enabling a healthy, safe, resilient and sustainable society.*

*Our acceptance is an example of leadership in commitment to sustainable business, while our future activities will be focused on turning 4 Principles into business practice, as a contribution of the insurance and reinsurance industry to economic, social and environmental sustainability.*





*The Company supports the PSI Initiative to better understand, prevent and reduce ESG risks, and better manage opportunities to provide quality and reliable risk protection.*

*Principle 1-We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.*

*Principle 2-We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.*

*Principle 3-We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.*

*Principle 4-We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.*





*The following Sustainability topics are our priorities in the period 2023–2025:*

- *Climate change risk reduction (adaptation, mitigation)*
- *Disaster risk reduction and resilience*
- *Circular economy and pollution reduction*
- *Just transition in planning towards low carbon development*
- *Biodiversity and nature positive agenda*
- *Financial health and inclusion*
- *Good physical and mental health and well-being*
- *Preventive healthcare*
- *Gender equality*
- *Human rights*





*The following Sustainability activities are our priorities in the period 2023–2025:*

- *Developing sustainable (re)insurance products*
- *Promoting ESG integration in Underwriting and Investment processes*
- *Enhancing climate risk assesment and adaptation strategies*
- *Transitioning underwriting portfolio to net zero by 2050*
- *Enhancing nature related risks assesment and capabilities*
- *Aligning insurance portfolios with sustainability frameworks (SDGs)*
- *Strenghtening corporate sustainability practices*
- *Supporting socially responsible initiaves*
- *Leveraging new technologies to support sustainability targets*



# SUMMARY



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Our STRATEGIC GOALS FOR SUSTAINABLE BUSINESS IN THE PERIOD 2023-2025 are aligned with the UN Principles for Sustainable Insurance, the UN Sustainable Development Goals, the Green Agenda for the Western Balkans, the Green Convention of the EU and other binding documents for the Republic of Serbia. We have successfully achieved goals related to reducing environmental uncertainty, social responsibility and creating sustainable values for our shareholders, business partners and employees.

## Financial operations

- ✓ We achieved further premium growth in the area of green technologies and sustainable energy sources.
- ✓ We are successfully continuing with the project Green premium for a greener future.
- ✓ We continued the implementation of business orientation towards projects of renewable energy sources, solar power plants, wind power plants and desulfurization projects from thermal power plants.
- ✓ In the coming period, the Company will continue to prioritize projects of alternative energy sources, in order to achieve the goals of sustainable development by 2025.

## Organization

- ✓ We continued to optimize existing and develop new business processes, aligned with the best ESG standards.
- ✓ Business innovations implemented during 2023 included ESG factors wherever possible.

## Business partners and employees

- ✓ Our mission to affirm business sustainability through the full implementation of ESG standards continued in 2023.
- ✓ Agile approach is applied in all spheres of business, especially in relations with clients.
- ✓ We have established an efficient structure of key functions in the decision-making process at the level of all organizational parts.
- ✓ During 2023, the Company implemented the policy of a responsible employer towards employees, as its most important resource.
- ✓ Special attention is paid to professional training, safety at work, health care and employee satisfaction.
- ✓ In 2023, the Company successfully applied the best practices of diversity and equal opportunities for all.

