

W. GIERTSEN ENERGY SOLUTIONS UN GLOBAL COMPACT COMMUNICATION ON PROGRESS (COP)

Period covered by our Communication on Progress (COP):

From: 13 July 2021

To: 06 October 2022

1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

06 October 2022

To our stakeholders:

We strive for a more sustainable environment, economy, and society through the access to affordable, safe, and reliable clean energy as the basis for prosperity across African societies. We believe, power from the sun is a key energy source and an essential enabler to improve the lives of people.

W. Giertsen Energy Solutions has proudly participated and subscribed to the UN Global Compact principles since 2017. Every year we look for creative and innovative ways to integrate the SDG's in our sustainable business strategy and daily business operations.

The current war between Russian and the Ukraine combined with the ongoing impact of the Covid-19 pandemic has further emphasized the importance of Human Rights, Labour, Environment, and Anti-Corruption principles globally.

In this annual Communication on Progress, we describe our actions to improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Wilhelm Giertsen
CEO



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2. DESCRIPTION OF ACTIONS

As a result of **Covid-19** along with the ongoing **war between Russia and Ukraine**, global supply chains have been interrupted, this has been combined with an increase in the cost of commodities worldwide. These elements amongst others have not only put a constraint strain on resources available, but also placed limitations on how the available resources are used.

Internationally, many companies, organizations and non-profits are putting an even greater focus on greening their options and integrating renewable energy solutions throughout their supply chains and operations.

Given this crisis in the global supply chains, we've had to take a critical and strategic look at the types of solutions we can offer and have invested in the development of new solutions to help alleviate some of the problems faced in areas most impacted by the current situation.

We continue to be strong advocates in Public-Private-Partnerships; as this has been a proven model to support sustainable international development. We have experienced that these types of partnerships provide the increased opportunity for:

- Solution diversity, initiative creation and innovation as a driving force
- Laying the foundation for solid, long-term partnerships
- Focusing on the double bottom-line, profit + positive social impact.



Through our commitment to the UN Global Compact, the UN Sustainable Development Goals and WGES' Vision and Values we have highlighted our progress toward these initiatives over the past year.



HUMAN RIGHTS

Every project and service offered by WGES incorporates the respect for human rights. At the operational level, we closely monitor that the work we perform has no adverse impact on these rights through close collaboration with the communities and local partners with which we operate.

Access to food and affordable clean energy are some of the fundamental internationally recognized human rights. Recently, WGES completed a grant from Norad focused on increasing access to affordable energy for agricultural food chains in Africa based on PV self-consumption energy systems, with an initial industry focus on poultry in the East African region.

Through a mapping of the poultry value chain in five countries in Sub-Saharan Africa, we found that increased, reliable, and dependable food security combined with a reduction of the production carbon footprint in this sector is depended upon access to affordable renewable energy solutions.



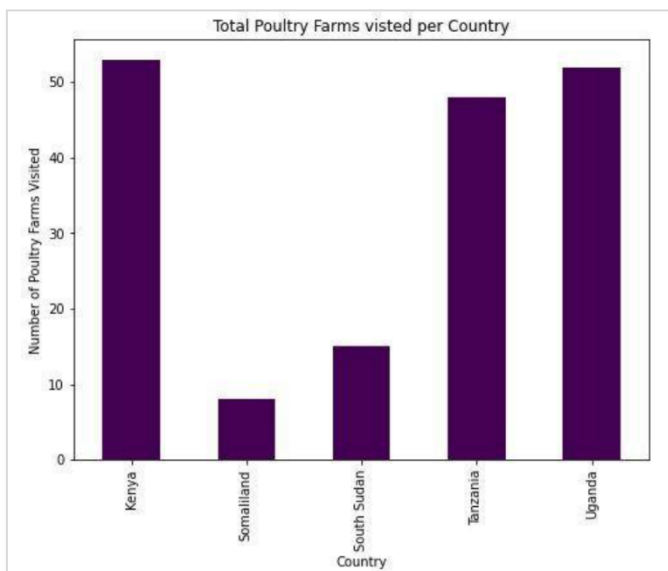
2 ZERO HUNGER

7 AFFORDABLE AND CLEAN ENERGY



END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION AND PROMOTE SUSTAINABLE AGRICULTURE

ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL



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At the project level, we incorporate the fusion of green energy solutions in remote and/or off-grid areas to facilitate food safety and eco-friendly production and processing into our solutions. These solutions are aimed at supporting access to some of the elements that comprise these fundamental human rights

WGES believes that human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status – and that everyone is entitled to these rights, without discrimination. Given economic supply chain strain caused by the ongoing war along with the recent/ongoing elections throughout Africa we are more vigilant than ever with our activities in this region.

We conduct business keeping this principle as a core of our practice.

We continue to take the following actions and policies toward the UN Global Compact issue area of human rights:

- Abidance by the UN Supplier Code of Conduct
- We will conduct business only with companies or entities that recognize and demonstrate that their employees are protected from the any form of abuse, physically, economically, socially or psychologically.
- We offer a safe, suitable, and sanitary working environment to our employees at all of our various working locations.
- Selection and monitoring of partners to ensure that the company monitors or eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during manufacturing, usage or disposal of products

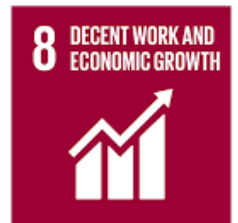


LABOUR

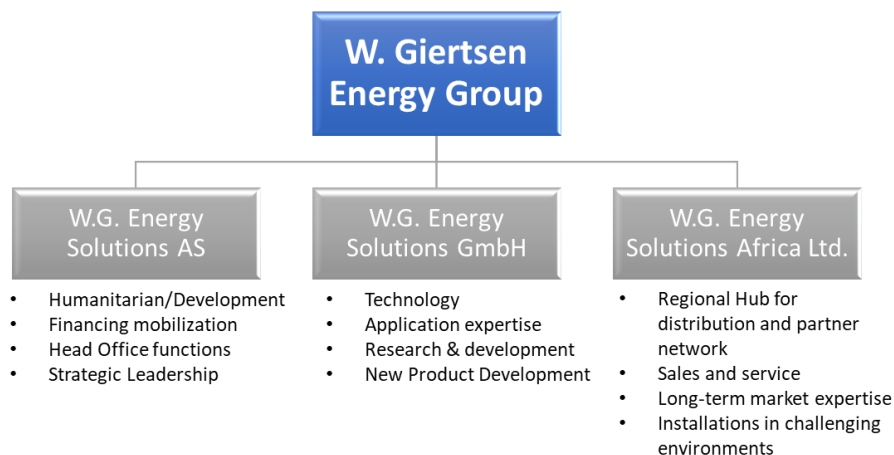
The W. Giertsen Group was founded in 1875 in Bergen, Norway and has a collection of companies under the group umbrella spanning various industries. Around 2015, W. Giertsen Energy Solutions emerged as an independent entity under this umbrella to capture the Group's export services and growing emergence into renewable energy solutions and products.



WGES AS, Bergen, Norway



Today, WGES has its headquarters in Bergen, Norway with regional offices in Frankfurt, Germany and Nairobi, Kenya. These locations operate collaboratively and synergistically to design integrated solar energy solutions and products throughout Africa.



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As of September 2022, WGES has increased from 22 staff members in 2021 (19 men and 7 women), to 42 staff members (30 men and 12 women). In addition, we work with various project specific local subcontractors and consultants.

There are five positions at the senior management level, one of which is held by a woman. Increased diversity at the senior management level is something we can strive to improve in 2023 and beyond. It is also worth mentioning that our senior management is a blend between African and European cultures.



WGES GmbH, Frankfurt, Germany



WGES Africa Ltd., Nairobi, Kenya

In 2022, WGES successfully completed its ISO 45001 – Operational Health and Safety Management Certification. Our commitment to integrating ISO 45001 into our current ISO management system, demonstrates our dedication to a healthy and safe work environment for the prevention of work-related injury and ill health.

To this end, the WGES employment policy, supplier code of conduct, and human resource structure is sensitive to recognizing the labor nuances at the locations in which we operate.

We take the following actions and policies toward the UN Global Compact issue area of labour:

- We abide by the UN and internationally recognized labor standards
- Abidance by the UN Supplier Code of Conduct
- Employees are compensated according to local and relevant working locations
- WGES does not tolerate any form of forced labour, child labour, or bonded labour from its partners, manufacturers or any entity doing business with WGES.
- All employment-related decisions are based on objective criteria, competence, experience and education.



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ENVIRONMENT



Sian Maasai Flowers, Kenya, 493.6 KWH

As an experienced and specialized system integrator, W. Giertsen Energy Solutions provides solar powered solutions and products for a more sustainable world. Recently new products and solutions have been developed and commissioned aimed at reducing the carbon footprint while increasing energy efficiency and optimization in the commercial and industrial sectors.

Our product and solution portfolio includes: cold storage solutions, renewable energy optimization solutions, smart remote monitoring, mini-grid redesign concepts, innovative battery energy storage solutions, lifecycle operations and maintenance, solar street lights, and a solar academy. All our solutions are geared toward efficient, safe, affordable, and reliable solar power generation.



This year we have commissioned installations in the agricultural sector aimed at making tea and flower production in Kenya greener. Several flower farms and a tea farm installed significant solar capacity with remote monitoring to reduce their operational reliance on diesel generators and grid-generated power. This energy is not only used to solarize their borehole pumps but also to support more energy efficient operations at the farms.



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Agriflora Flowers, Kenya, 522.8 KWH

WGES has delivered and commissioned over 150 PV projects throughout Sub-Saharan Africa, most in remote and hard to reach areas.

We've selected this geographically specialty not only because it has an abundance of renewable energy resources available, but also because we have developed solutions and technologies best suited for the unique challenges in this region.

Our integrated solar solutions project installations include: storage facilities, malls, hospitals/health centers, government, resorts, agricultural sectors, offices, lodges/camps, and private homes.



Our commitment to quality management and environment management is sustained through the successful renewal of our ISO 9001 and ISO 14001 certifications.



Korara Highland Tea Factory, Kenya, 181 KWP

We take the following actions and policies toward the UN Global Compact issue area of environment:

- WGES QHSE Policy
- WGES Code of Conduct and Guidelines for Practice
- Abidance by the UN Supplier Code of Conduct
- Selection of suppliers that monitor and ensure that they avoid environmental damage via regular maintenance of production processes and environmental protection system (air pollution control, waste, water treatment, etc.)
- Selections of partners with ISO certification or other internationally recognized equivalent quality and environment standards.
- Selections of suppliers with ISO certification or other internationally recognized equivalent quality and environment standards.
- Provision of training for safe handling, maintenance and disposal of solar energy systems with local staff and partners.



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ANTI-CORRUPTION

Ethical, honest and transparent are values at the heart of WGES' business strategies and corporate operations. The projects, in which WGES engages, are in partnership with various agencies, communities, corporations and multi-national companies – as a major part of our project development special care is taken to combat potential corruption in all its forms.

As a part of our ISO management systems, we vet potential partners and suppliers through a due diligence process that helps to ensure that they are reputable and executing business at the highest standards possible.

Over this past year, we have established a WGES Solar Academy. Through this academy, training is offered in-person, online and hybrid with curriculum based around renewable energy and energy efficiency. It was launched in February 2022, and since its start, we have increased our capacity building internally, trained customers, installers, and technicians.

Our Solar Academy is also a platform to share our expectations about the type of partners WGES is willing to work with.



Pictures from training room and active pilot training.

WGES values its reputation as a company which is trustworthy, dependable, and committed to quality in all dimensions.

We take the following actions and policies toward the UN Global Compact issue area of Anti-Corruption:

- WGES Code of Conduct and Guidelines for Practice
- Abidance by the UN Supplier Code of Conduct



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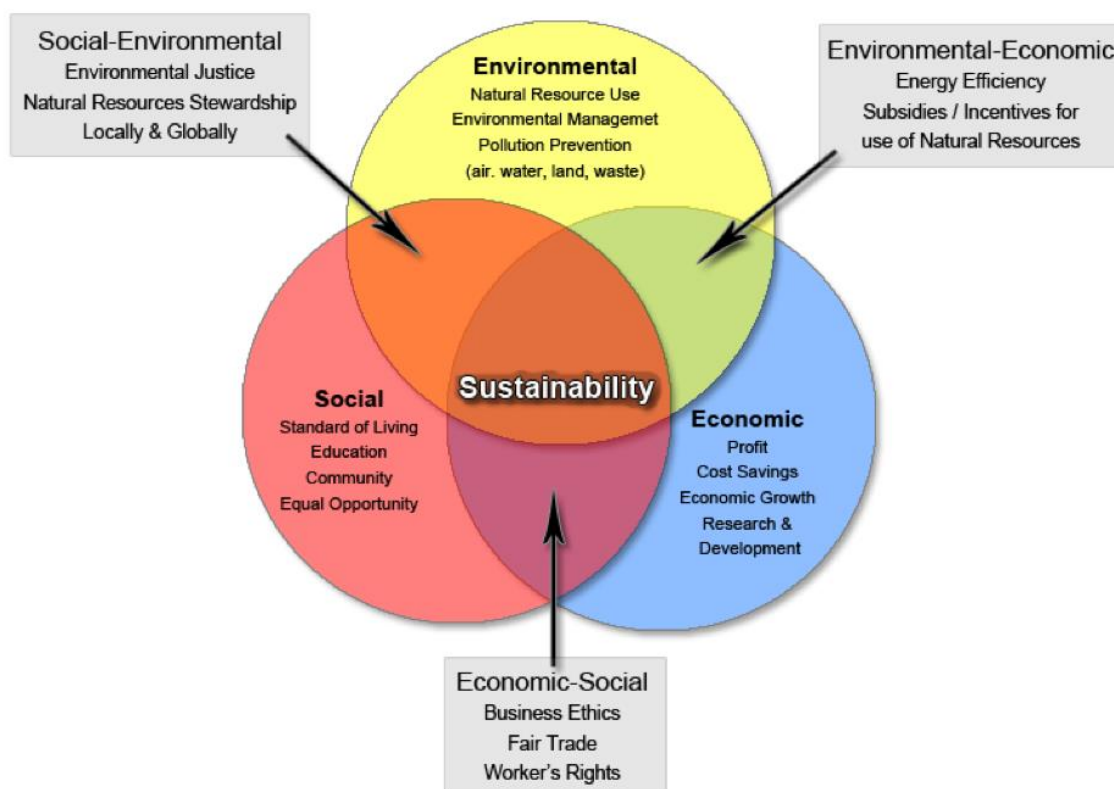
3. MEASUREMENT OF OUTCOMES

“Sustainability refers to a process or management system that creates a viable business, while providing social services through environmental protection and maintenance.”

SE Hub

W. Giertsen Energy Solutions endeavors to integrate the three spheres of sustainability (Environment, Social and Economic) into its business practices and strategies. We understand that long-term sustainable development and growth is dependent upon this comprehensive approach.

The Three Spheres of Sustainability



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¹ Image reference: <https://empowering-changemakers.eu/social-challenges-and-the-quest-for-sustainability/>

OPPORTUNITIES FOR IMPROVEMENT IN 2022-2023:

- Further integration of the UN SDGs in our ISO management system.
- Development of people with disability inclusion policy.
- Further increase of gender equality and cultural diversity in our operations and management team.
- Review and improvement of our Terms and Conditions to incorporate UN SDGs where possible.
- Continued development of project management and execution strategy based on the Circles of Sustainability.



CONCLUSION:

This year, W. Giertsen Energy Solutions was honored to be recognized by the Africa Solar Industry Association (AFSIA) with the Commercial & Industrial (C&I) Solar Project of the Year for our 1.7 MWp solar system for the tea and flower industry in Kenya.



This recognition was important, because it underscored the work WGES has in installing scalable and sustainable renewable energy solutions. Our work is our pride, our reputation and our people. It is important to us, of offer a one-stop-shop and lifecycle partner to our customers.

We want to make a positive impact on the people and communities in which we operate. Thus, it is important for us to work with partners also dedicated to making an important and positive impact.

To make this impact in the most sustainable way possible, we have learned to embrace the power of partnerships between private entities and the public sector. These types of partnerships and investments in green businesses and solutions are a critical element in sustainable poverty alleviation.

Furthermore, through our successful certification in ISO 45001 (Operational Health and Safety Management) combined with our recertifications in ISO 9001 and 14001 a sustainable management system has been created on which to base our business operations. This will help ensure the consistency of the quality products and services we provide.



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W. Giertsen Energy Solutions believes that we have the potential to have an important and positive impact on the global community and the environment. We aim to effectively execute our policy of transparency and social fairness through our leadership, quality management, and project delivery strategies.

In summary, we remain:

- Excited to contribute to a sustainable tomorrow.
- Committed to integrating international and globally recognized standards into our business practices.
- Seeking to only interact with companies who promise and demonstrate delivery of ethical and practical sustainable solutions.

WGES is not only a low-carbon and environmentally sustainable, but also, we aim to turn poverty, inequality, gender inequality, and lack of financial access into new opportunities for countries using our strategy and renewable energy-based technology.

The challenges facing our global African neighbors are complex and many. Global uncertainty, climate changes, biodiversity is compounded by the critical importance of Green Projects. We must work together with these countries to develop and build eco-friendly sustainable and resilient systems. In these challenging times WGES remains committed to addressing short, mid and long-term strategies to deliver a greener, fairer and stronger future for Africa. Our world must become more Green one kind step at a time.

For more information about W. Giertsen Energy Solutions please visit our website:
www.giertsenenergy.com.



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