



# Latvenergo Group Sustainability Strategy

2024 – 2026

The Management Board of Latvenergo AS approved the Sustainability Strategy of the Group at the end of 2023. It complements the medium-term operational strategy with a broad plan of specific actions covering environmental, social and governance issues.



# ENVIRONMENT

IMPLEMENTING THE AMBITIOUS GOALS OF THE GREEN DEAL

## ACHIEVE CLIMATE NEUTRALITY BY 2050

Commitment

Reduce direct CO<sub>2</sub> emissions by 2030\*

\*compared to 2021

Achieve climate neutrality in electricity generation by 2040

Increase the share of electricity generated from renewable sources by 2030

Reduce indirect (Scope 3) CO<sub>2</sub> emissions from electricity trade\*\*

\*\*compared to 2022

Performance indicator



<500 000 t per year



generated electricity in 2030



electricity generated from RES



CO<sub>2</sub> in 2030

## REDUCE POLLUTION

Commitment

Reduce air emissions by 2030\*

\*compared to 2022

Aim for zero pollution

Performance indicator



per unit of energy generated



0 significant cases

## REDUCE RESOURCE CONSUMPTION AND PROMOTE A CIRCULAR ECONOMY

Commitment

Develop renewable energy technologies by promoting a circular economy



Performance indicator

recyclable materials in new wind turbines

## REDUCE IMPACTS ON WATER RESOURCES

Commitment

Reduce water consumption\*

\*compared to 2022



Performance indicator

per unit of energy generated

## REDUCE IMPACTS ON BIODIVERSITY

Commitment

Reduce the impact of the HPPs on biodiversity



Performance indicator

improved ecological quality of rivers in the Daugava basin

Reduce the impact of investment projects on nature



plant an equivalent number of new trees during deforestation for WPP projects



# SOCIAL

WE CARE ABOUT OUR EMPLOYEES, CUSTOMERS AND THE LOCAL COMMUNITY

## CREATE A SUSTAINABLE WORKING ENVIRONMENT FOR THE DEVELOPMENT OF FUTURE COMPETENCIES

Commitment

Enhance the well-being of employees through physical safety, mental and physical health measures

Ensure the highest safety standards of the industry in the working environment

Performance indicator



positive well-being rate



0 serious accidents

## ENSURE THE PROTECTION OF CRITICAL RESOURCES IN THE PUBLIC INTEREST

Commitment

Ensure sustainable critical infrastructure management

Performance indicator



0 high-impact incidents annually

## PROMOTE EDUCATION AND SCIENCE

Commitment

Promote children's and youth's interest in STEM subjects, as well as students' and teachers' knowledge of the Green Deal

\*compared to 2023

Promote children's and young people's knowledge of electrical safety

Increase the number of teachers in STEM subjects

Performance indicator



participants in educational activities



children and young people educated annually



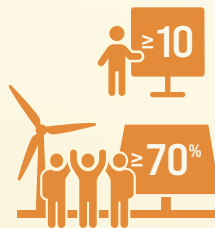
scholarship programme for teachers in general education

## INVESTMENTS IN SOCIETY

Commitment

Promote public awareness of sustainability

Performance indicator



events a year to educate the public

of Latvians annually support the development of WPP and SPP generation capacity

## PROMOTE SUSTAINABILITY ON THE CUSTOMER SIDE

Commitment

Provide an excellent customer experience

Performance indicator



industry leader in customer satisfaction



# GOVERNANCE

WE STRENGTHEN STAKEHOLDER CONFIDENCE WITH GOOD GOVERNANCE

## ENSURE INTEGRATED AND EFFECTIVE SUSTAINABILITY MANAGEMENT

Commitment

Integrate sustainability aspects into decision-making

Raise employee awareness of sustainability and its importance

Effectively manage sustainability data



Performance indicator

system formalised and implemented

annual total employee participation in educational events

introduce a common sustainability data management system

## ENSURE FAIR, JUST AND RESPECTFUL LABOUR AND BUSINESS RELATIONS

Commitment

Maintain corporate culture which supports ethical behaviour

Transparent engagement in the development of energy policy



Performance indicator

0 corrupt events

of employees trained on the requirements of the Code of Ethics every two years

0 contributions to political organisations

## RESPONSIBLE PROCUREMENT OF GOODS AND SERVICES

Commitment

Upgrade sustainability requirements for suppliers

Increase sustainable procurement



Performance indicator

trainings annually and a code of sustainability requirements for suppliers developed

of procurement

## ENSURE TRANSPARENCY AND OPENNESS IN LINE WITH BEST PRACTICE

Commitment

Disclose non-financial information in line with best practice and conduct external sustainability assessments



Performance indicator

sustainability report prepared in line with EU sustainability reporting requirements

international ESG assessment performed



# SUSTAINABLE FINANCE

WE PROMOTE GREENER AND MORE INNOVATIVE BUSINESS THROUGH SUSTAINABLE INVESTING

## INVEST RESPONSIBLY AND PROMOTE INNOVATION, RESEARCH AND DEVELOPMENT

Commitment

Invest in sustainable development projects (EU taxonomy-compliant activities)

Allocate funding to innovation, research and development



Performance indicator

of total investments



of the group's average turnover of the last five years