

SUSTAINABILITY REPORT 2021

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Information marked with this symbol  in the report refers to external sources.

Dear Readers,

As the world moves from one worrisome event to another, it's never been more important for us to reaffirm our commitments and chart a clear path. The renewable energy transition is one of the most significant projects in human history. This report is an expression of the core motivation driving our people and us, the board members of BayWa r.e. around the world: sustaining the planet by providing renewable energy.

This clear focus has enabled our growth and success over the past 13 years, during which we grew to a company of over 3,600 employees, all of which fully focused on delivering renewable energy, every day. And as we affect more and more stakeholders with our work, transparency and accessibility of information become more important than ever.

As in the past, our operations and activities are being covered in the comprehensive sustainability reports produced by our parent company, BayWa AG. But with our community of customers and stakeholders in 29 countries across the world, now is the time for us to also give a focused account of our achievements and plans with regards to our sustainability commitments as BayWa r.e. Group.

And as you will see, we have made important progress these past years. However, we are also looking to our next challenges. We are progressing from having achieved 100% green electricity supply and full CO₂ emission compensation to a set of sustainability goals that go 'beyond carbon' and which address a wide range of aspects of sustainability covering society, the economy and the environment.

Our Sustainability Framework 2025 provides the base for employee engagement to drive sustainability initiatives and projects. From promoting diversity, equity and inclusion, fostering sustainability within our supply chains, to enhancing acceptance of renewable energy projects and focusing on the working conditions and health of our employees, progress is already underway.



Matthias Taft | CEO

Günter Haug | COO

Harald Wilbert | CFO

This is a humbling experience for us. We understand how far there still is to go on the road to impactful sustainability. Doing more to meet the information needs of our teams and partners, we hope to contribute to closing that gap.

In a sense, the core of this report is a new dialogue that reaches further, with greater ambition than ever before. We've always thrived on feedback and discussion, learning from each other and from the reality of the world around us.

Please, let us know what you think we can do to achieve even more in the years to come.

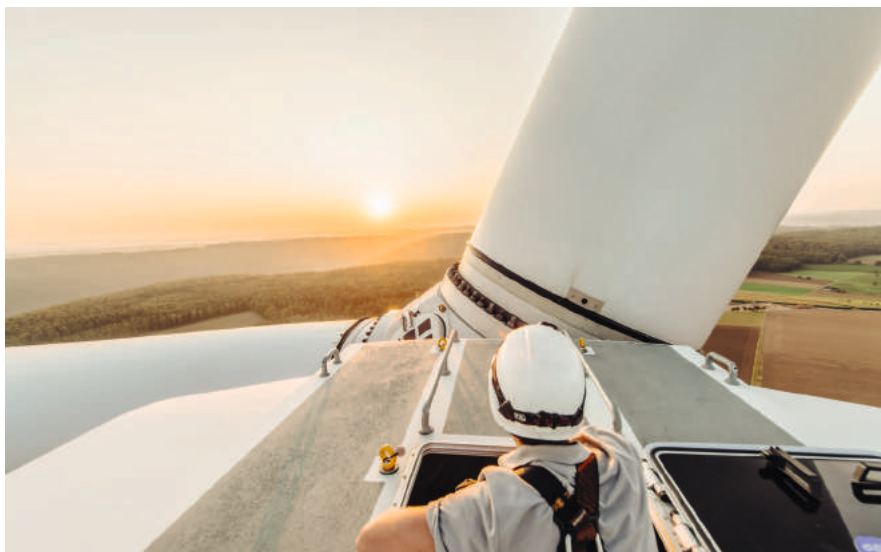
Thank you for reading this report and following our journey so far. To our highly dedicated Sustainability Team and to our colleagues around the world, thank you for bringing us to this point. Let's continue to build a carbon-free world based on renewable energy.

Matthias Taft | CEO

Günter Haug | COO

Harald Wilbert | CFO

ABOUT THIS REPORT




This Sustainability Report 2021 is the first report by BayWa r.e. AG. It has been produced to give our stakeholders an understanding of the vision, ambition and specific sustainability strategy that we are pursuing within the BayWa r.e. Group.

With this report, we are building on the strong foundation of our long-standing involvement in the BayWa AG sustainability reporting process. It is designed to support our parent company BayWa AG's sustainability disclosures, and to emphasize and further explain those aspects that are of particular importance to the BayWa r.e. business model and sustainability impact. Aspects, which are already adequately addressed in the BayWa AG Sustainability Report 2021*, are briefly touched upon here. In order to avoid unnecessary duplication of information, clear links to the specific data sources will be integrated.

Unless otherwise indicated, this report covers the activities of the entire BayWa r.e. Group including its subsidiaries**, and contains data for the financial year 2021 as well as main activities and developments up to July 31, 2022. The 2021 data used for this report was taken at a later reporting date than the data delivery for the Sustainability Report 2021 of BayWa AG. As a result, there may be slight deviations compared with the BayWa Sustainability Report 2021. The data material used in this report has been adjusted subsequently for inaccuracies.

This report has been reviewed and approved by the management team. It has not been audited externally – but auditing of future reports is planned. It is prepared in reference to the GRI Standards (Core option) and is available in English as a digital report. In future, the BayWa r.e. Sustainability Report will be published every year in the second quarter of the year.

* [The BayWa AG Sustainability Report 2021](#)  was externally audited.

** All subsidiaries of the BayWa r.e. Group can be found in our [Annual Financial Statement 2021](#) .



ABOUT BAYWA R.E.

**At BayWa r.e. we r.e.think energy.
Our mission is to make renewable energy
even better. Not only looking to what comes
next, but actively shaping the energy transition
with innovative products and solutions.**

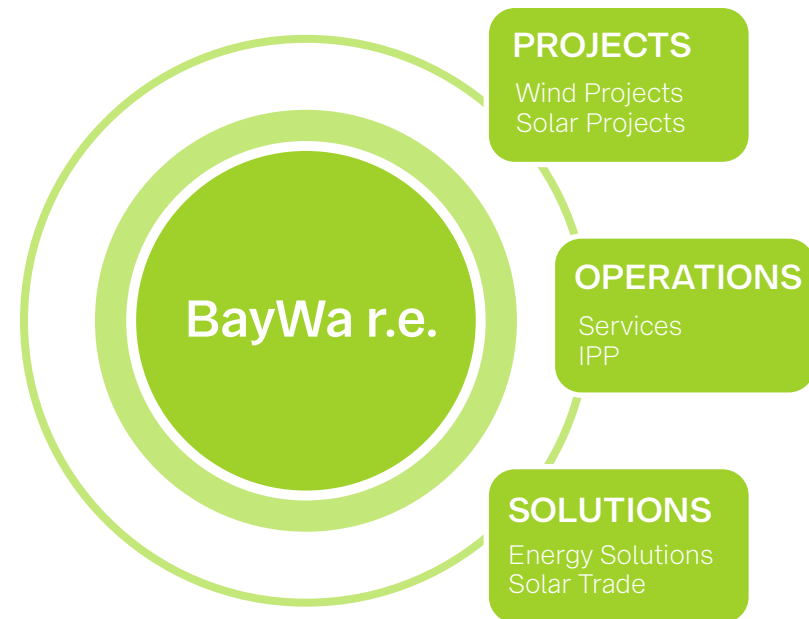
Working with businesses, installers, developers, utilities, investors and governments throughout the world, we are helping them to accomplish their renewable energy ambitions through our depth of knowledge and expertise.

Constantly setting new standards and reimagining solutions that will help us meet the world's future energy needs, we are committed to making renewable energy future-ready for our customers and society.

OUR BUSINESS AND VALUE CREATION

At BayWa r.e. we r.e.think energy – how it is produced, stored and can be best used to enable the global renewable energy transition that is essential for the future of our planet.

Headquartered in Munich, with operations in 29 countries, we are a leading global renewable energy developer, service provider, distributor and energy solutions provider. We are actively shaping the future of energy. We deliver end-to-end project solutions, ongoing operations management and are an Independent Power Producer (IPP) with an expanding energy trading business. Using our innovation, creativity and expertise, we have successfully brought more than 4.5 GW of renewable energy projects online, while managing over 10 GW of assets. We work with commercial and industrial clients worldwide to provide tailored renewable solutions that reduce their carbon footprints and drive down energy costs. As a leading global supplier to the solar distribution market, BayWa r.e. is a preferred partner for thousands of installers and contractors.



Every day, we are working hard to find new solutions, push technological boundaries and redefine service standards to make renewable energy even better.

All our 3,600 employees* work together towards this common goal, to effect global change and take a stand against climate change. Our business focus is on Europe, the Americas and the Asia-Pacific region, and our operations can be divided into our three business segments: Projects, Operations and Solutions.

For further information on our six business models, innovative solutions and sustainability impacts, see the Products & Services chapter on page 22.

*Number of employees of BayWa r.e. Group as of end of July 2022.

BayWa r.e. – a subsidiary of BayWa AG

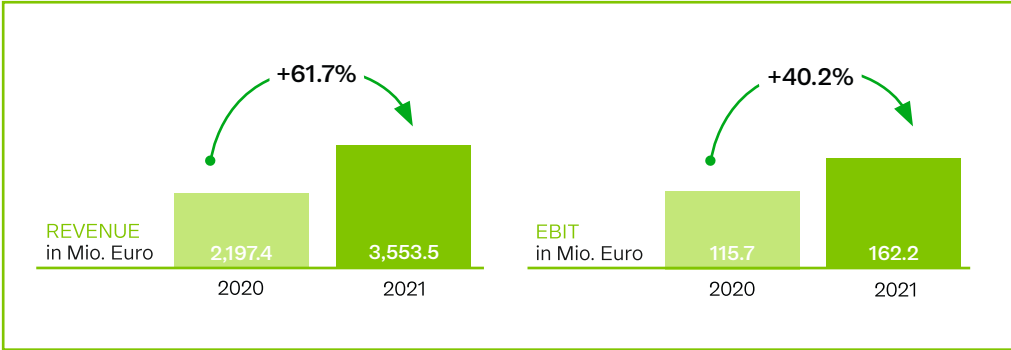
Until March 19, 2021, BayWa r.e. was a 100% owned subsidiary of BayWa Aktiengesellschaft (hereafter: BayWa AG), a globally successful company with revenues of €19.8 billion in the year 2021.

Following the capital increase, BayWa AG now holds 51% of the shares in BayWa r.e. and Energy Infrastructure Partners (EIP) holds 49%. EIP is a market leader in energy infrastructure investment that manages over €2.6 billion from global investors.

Our business performance at a glance

In 2021, BayWa r.e. performed very positively, despite the continuing COVID-19 pandemic. The corporate goals set for the reporting year 2021 were met or exceeded in almost all business segments. In 2021, the business revenue grew by 61% to €3.5 billion compared to 2020 (€2.1 billion). Our EBIT in 2021 was €162.2 million, a 40.2% increase compared with 2020 (€115.7 million).

Detailed information and descriptions on our business development can be found in the Annual Financial Statement 2021.



EU Taxonomy performance

In light of global warming, EU states have committed to more climate protection measures. To achieve the goal of becoming the first climate neutral continent by 2050, the European Commission has put together a package of measures as part of its Sustainable Finance Action Plan. This plan seeks to direct capital flows into environmentally sustainable activities. With the EU Taxonomy Regulation, the EU has set out criteria for classifying economic activities as environmentally sustainable. It defines what can be labelled as environmentally sustainable economic activities as well as financial products, which include environmental topics that are assessed. The associated new reporting requirements for companies aim to increase the informative value of non-financial objective reporting.

As a 100% renewable energy company, BayWa r.e. is committed to disclosing the proportion of revenue, capital expenditure (capex) and operating expenditure (opex) that is accounted for by taxonomy-eligible and taxonomy-non-eligible economic activities for the financial year 2021.

BayWa r.e. activities are defined as taxonomy-eligible

Taxonomy-eligible activity (number/name)	BayWa r.e. activities
3.1. Manufacture of renewable energy technologies	<ul style="list-style-type: none"> • Manufacture of assembly systems for photovoltaics
4.1. Electricity generation using solar photovoltaic technology	<ul style="list-style-type: none"> • Construction and operation of solar parks and solar systems
4.3. Electricity generation from wind power	<ul style="list-style-type: none"> • Construction and operation of wind farms
4.20. Cogeneration of heat/cool and power from bioenergy	<ul style="list-style-type: none"> • Construction and operation of biomethane facilities for generating electricity and heat
6.15. Infrastructure enabling low-carbon road transport and public transport	<ul style="list-style-type: none"> • Construction, modernisation, maintenance and operation of free-standing electric charging points
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	<ul style="list-style-type: none"> • Construction, modernisation, maintenance and operation of electric charging stations on building or parking spaces attached to buildings
7.6. Installation, maintenance and repair of renewable energy technologies	<ul style="list-style-type: none"> • Operational management, technical plant management for solar parks and wind farms (on buildings) • Installation of PV systems (on buildings) and installation of solar panels for customers: integrated PV system solutions and storage systems • Installation of solar thermal systems and consultancy

For the reporting year 2021, the following results* were identified for the BayWa r.e. Group's taxonomy-aligned activities:

	Total in € million	BayWa r.e. EU taxonomy-aligned activities
REVENUE	3,553.5	29%
OPEX	22.4	68%
CAPEX	54.9	51%

For further information regarding the implementation of the EU Taxonomy within our parent company BayWa AG in regard to processes, general principles and definitions please refer to page 31 of the [BayWa AG Sustainability Report 2021](#). [🔗](#)

* These data sets were audited via the group report of our parent company BayWa AG.

Trade activities within the EU Taxonomy

Currently, trade activities are in general not eligible to be classified within the EU Taxonomy. BayWa r.e. has two business entities (Solar Trade and Energy Trading) which cannot be classified under the criteria of the Taxonomy. Therefore the share of taxonomy-eligible activities in relation to the total amounts in the Group is limited, although BayWa r.e. is exclusively active in the field of renewable energies. We encourage policymakers to consider the inclusion of trade activities within the classification of the EU Taxonomy as they play an important role for the energy transition.



We want to contribute to improve livelihoods for people and communities by providing renewable energy in a sustainable way. We thus address the climate crisis by climate action!

We at BayWa r.e. are experts in the development, realisation and consultation for renewable energy. Our mission is to r.e.think renewable energy and to make it even better. For our customers, for ourselves and for a better future, we strive to set higher standards and develop new solutions to meet today's and tomorrow's challenges. With our business model, we have significant leverage to make an important contribution to the sustainable transformation of the energy sector and thus for securing the quality of life for all of us while respecting planetary boundaries.

In light of this, we at BayWa r.e. recognise the growing importance of sustainable business practices that are fully integrated in our daily actions. We believe global operating companies such as BayWa r.e. bear a special responsibility to set up their economic activities in a sustainable manner and to critically examine the effects of their own business activities. We are aware that sustainability is a holistic undertaking and we are only at the beginning of our journey.




STRATEGY

OUR APPROACH



OUR KEY STAKEHOLDERS



We are committed to actively shaping the future of energy and are driven by one shared purpose: safeguarding a future for our planet. With this purpose and our business focus on renewable energy  in mind, comes a natural focus on climate and emissions-related aspects of sustainability, both in terms of our levers for creating positive impacts with our products and services, and in terms of necessary risk mitigation as a global company.

Our sustainability journey started in 2017 with the commitment to be 100% carbon compensated. By 2018, we achieved our goal by reducing our carbon emissions and offsetting all remaining emissions from our global operations (end of 2018) and since 2020 we have powered our activities with 100% green electricity.

The path to sustainability is complex, therefore we have expanded our sustainability commitment to go ‘beyond carbon’ and are working towards embedding sustainability principles across all our operations. We have developed a holistic approach to sustainability with the following three guiding elements:



Our Sustainability Framework 2025

In 2020, we launched BayWa r.e.'s Sustainability Framework 2025 (Framework). The Framework focuses on integrating sustainability management into our business processes, and on encouraging employee-driven initiatives that help improve a broad set of sustainability objectives.

The sustainability objectives in our Framework are in alignment with the 17 Sustainable Development Goals (SDGs) adopted by the United Nations as a global blueprint for peace and prosperity for people and the planet. Our Framework prioritises seven SDGs (outlined in the table on pages 12-13), which sync well with our triple bottom line business approach of profit, people and planet, and provide a holistic sustainability path encompassing environmental, social, and economic aspects.

Our sustainability approach moves us 'beyond carbon' and addresses environmental, social, and economic aspects in our business operations.

Within our Sustainability Working Groups we are currently working on three priority topics:



- Foster sustainability in the supply chain
- Promote diversity, equity, and inclusion
- Enhance acceptance of renewable energy projects

With this selection of SDGs and our current priority topics, we have developed an approach that is aligned with our business model and the possible impact we can create. This approach is also aligned with the climate strategy and sustainability commitment of our parent company, BayWa AG.



Jochen Hauff | Director of Corporate Strategy, Energy Policy & Sustainability

Integrating Sustainability in our Corporate Strategy

With our organizational setup we ensure that our sustainability-related ambitions are an integral part of our group strategy. Also, sustainability informs our policy positions and our work in the political associations we are a member of.








A result of our sustainability journey is that we don't define sustainability as a separate "Strategic Initiative" anymore. It is now an integral part of our strategic cornerstone initiatives focused, for example, on our people and on supply chain strategies.

But that doesn't mean we are done: we are busy implementing sustainable practices in the details of our daily work practices and across our global organization. For example, we have integrated the reporting of sustainability related data as "non-financial controlling" in our Finance & Controlling Department. And our ESG action plan is managed by an interdisciplinary team combining Legal, Finance & Controlling, Risk Management and Sustainability.

Defining strategies is easy. Implementing them broadly, consistently and globally is the next level we are working on. It will prepare our company to better navigate the increasing risks that the climate catastrophe and the energy supply crisis bring for renewable energy players. Of course, this also means that we have business opportunities, which we will and can realise with good conscience, if we live up to our responsibility through fully and rapidly implementing our sustainability commitments.

Our impact on our priority SDGs

		WHY IT MATTERS	OUR CONTRIBUTION
	Affordable and Clean Energy Ensure access to affordable, reliable and sustainable energy.	<p>The energy sector underpins everything from education and medicine to business and advanced technology. A well-established, secure renewable energy sector is fundamental if we are to achieve a sustainable future. Global electrification delivered with renewable electricity contributes to an accessible and affordable energy transition.</p>	<p>Providing renewable energy is our core business. BayWa r.e. actively supports industry associations and engages in discussions aimed at informing policymakers and supporting them in the continuous development of regulatory frameworks needed for a transition to a renewable energy future. </p>
	Decent Work and Economic Growth Promote inclusive and sustainable economic growth, employment, and decent work.	<p>It is vital that economic growth is inclusive and sustainable, creating opportunities in the marketplace that help people improve their quality of life and living standards. Renewable solutions depend on highly skilled workers, which creates an environment where individuals can pursue education and engage in on-the-job training opportunities.</p>	<p>We are contributing to the economic vitality of local communities by creating new jobs as our company grows and expands globally. With integrated, company-wide, people-oriented initiatives and standard procedures, we provide a safe and inclusive professional environment for diverse employees and contractors across our organization. </p>
	Industry, Innovation, and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	<p>Renewable facilities are a critical part of the energy infrastructure, where grid integration and resilience are vital. Investments in infrastructure are essential for social development, climate action, technology, and economic growth. Renewable solutions require and drive innovation simultaneously in the energy market.</p>	<p>We provide our customers with high-quality renewable energy solutions. Our products and services increase energy independence and security, drive down costs for consumers, and address the urgent threat of climate change. </p>
	Sustainable Cities Make cities inclusive, safe, resilient, and sustainable.	<p>Cities account for 60-80% of energy consumption and 75% of carbon emissions, representing just 3% of earth's land. Renewable solutions are crucial if we are to create decarbonised cities and contribute to sustainable urbanisation.</p>	<p>We partner with residential and commercial PV installers globally to ensure they have the solar equipment they need to install city PV systems and are playing a role in developing the infrastructure required for electric vehicles. We collaborate with community members and business partners to ensure the benefits of renewable energy development reach local communities. </p>

		WHY IT MATTERS	OUR CONTRIBUTION
	Responsible Consumption and Production Ensure sustainable consumption and production patterns.	A more sustainable consumption and production approach will deliver improvements in energy efficiency, embracing the entire life cycle of economic activities and the inclusion of more environmental and social aspects.	We work with suppliers to create more sustainable supply chains by considering social and environmental factors of a product's life cycle. Moving towards full transparency within our supply chains of all purchased products and logistics is an important target for us. 
	Climate Action Taking urgent action to tackle climate change and its impacts.	Climate change is causing massive wildfires, hurricanes, droughts, rising temperatures, extreme weather events, and floods. If action to combat climate change is not taken or is not ambitious enough, temperatures will increase further and affect all ecosystems. Renewables are supporting the decarbonisation of different sectors and help reduce CO ₂ emissions.	We are taking action to combat climate change in our business operations  by avoiding, reducing, and compensating our emissions. Since 2018, we have been operating fully carbon compensated and since 2020, we are exclusively powered by renewable energy. Additionally, with our products and services we help our clients achieve their climate commitments. 
	Life on Land Sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss.	Worldwide, two billion hectares of land are degraded creating enormous problems for our ecosystem of plant and animals species. Renewable energy plants can help the rehabilitation of degraded soils and help increase biodiversity, if designed and aligned with nature.	We aim to continuously promote biodiversity and to reduce negative environmental impacts in project design. Environmental aspects in project implementation are considered and appropriate, and innovative solutions are applied. Additionally, by considering biodiversity in our designs we increase the acceptance of renewables by local communities. 

In addition to our priority SDGs we orient ourself on selected aspects of three supporting SDGs:



Our ESG program

Organizational stakeholders, including but not limited to customers, suppliers, employees, and the environment, increasingly expect companies to adopt Environment, Social, and Governance (ESG) principles. In 2021, this international attention on ESG encouraged us to take a closer look at our ESG principles alongside our already established company purpose (for our planet) and Sustainability Framework to enhance our ESG Program. As ESG factors evolve, our program will focus on making our sustainability initiatives more measurable, accountable, transparent, and comparable, as it will be aligned with global standards being adopted by companies across the world.

Our ESG Program is currently focused on strengthening:

- Overall sustainability management (ESG policy and holistic framework)
- Supply chain (sustainability & human rights due diligence)
- Green finance (transparency, controlling & standardization)

With this heightened focus on ESG globally, we are growing our in-house ESG capability and working to complete our first ESG rating, which will produce an internationally recognised assessment of our performance and point to areas where we can further integrate ESG across our company.

We responded to stakeholder needs by enhancing our ESG program in 2021.



Our Action Plans for Enabling Employee Participation




We believe our employees play a decisive role when it comes to achieving genuine sustainability actions. Since the launch of our Sustainability Framework 2025, we have encouraged our employees to implement initiatives that are in alignment with our selected SDGs.

Our Corporate Sustainability team is committed to creating the conditions for all employees to act on new sustainability initiatives to effect change for our communities and our planet. We have encouraged employee participation through various venues, starting with educational lectures to increase awareness of various global challenges, workshops to brainstorm and co-create new ideas, and ongoing support for the implementation of new employee-driven initiatives.




BayWa r.e. Sustainability Lecture Series

With our Sustainability Lecture Series, we strive to broaden our employees' perspective on sustainability topics by inviting recognised scientists and leaders to share findings from outside our field of expertise, followed by rich discussions with our employees. Employees can make suggestions about future topics and speakers to invite. For more information, see [page 80 of BayWa AG Sustainability Report 2021](#). 



Local initiatives

The intrinsic motivation and actions of our employees globally as well as their commitment to making a long-lasting positive impact on our planet is what helps us achieve our sustainability objectives. We are proud of our sustainability champions, driving local initiatives affecting positive impact for the business, society, and the environment. As of today, our employees have implemented more than 50 sustainability initiatives in communities across the globe. 






We encourage all our employees to become active within our Sustainability Framework 2025. It provides foundation and direction for sustainable actions.



Sustainability Working Groups

Our Sustainability Working Groups bring together employees at the regional and global level to develop action plans for our priority topics. Participation from employees with expertise in these topics is crucial and can directly make a measurable impact. So far, three working groups have been established that drive action to deliver on our priority topics:

- Foster sustainability in the supply chain 
- Promote diversity, equity, and inclusion 
- Enhance acceptance of renewable energy projects 




We strive to continuously improve management practices as part of our pursuit of sound ESG governance and our ambitious sustainability approach. This includes binding policies and processes on the one hand, and cross-divisional collaboration driven by participation and the know-how of our employees, on the other.

This ensures that we not only achieve our strategic objectives, but are also able to address risks along our value chain in a timely manner. At the same time, it enables us to implement impactful sustainability ambitions.

MANAGEMENT

OUR APPROACH

Our sustainability management and governance structures are based on already developed and proven ground set by our parent company. However, as our business model and value creation differ, we have our own approach to governance in specific fields, and our own policies and processes. Our strategic approach for sustainable management is built on our Sustainability Framework 2025, with defined strategic sustainability objectives, implementation of effective measures and working groups and respective responsibilities. The ESG Program is designed to reflect the due diligence measures required for our global operations (see Strategy chapter). 

Our local initiatives and sustainability working group which focus on our strategic objectives and align with our selected SDGs mean we are able to promote cross-functional expertise in all segments and at all levels of our company. By encouraging full involvement from our colleagues, we foster participation and co-creation, making sustainable management a self-evident common goal.




GOVERNANCE

How we manage Sustainability

Corporate governance refers to how we manage, monitor, and control our company and its operations. BayWa r.e.'s structure is that of a joint-stock corporation and is primarily determined by the German Stock Corporation Act. Pursuant to statutory regulations, BayWa r.e. is subject to the 'dual governance system'. This is characterised by a strict separation of personnel between the Executive Board as a management body and the Supervisory Board as a monitoring body.



The Executive Board and the Supervisory Board  work closely together in pursuing the interests of the company. The three-strong Executive Board sets BayWa r.e.'s strategic course and exercises management control over its businesses and support functions, including risk management and compliance. The Supervisory Board advises and monitors the Executive Board, appoints its members and approves BayWa r.e. Group's financial statements.

In addition, the Supervisory Board's approval is necessary for some specific decisions by the Executive Board, such as transactions above certain monetary thresholds. BayWa r.e.'s six-strong Supervisory Board comprises five men and one woman. Two of these are independent, in accordance with the German Corporate Governance Code.

The Supervisory Board has three permanent committees: the audit and investment committee, the remuneration and nomination committee, and the sustainability committee. The chairman of the audit and investment committee is independent and has many years' expertise in the field of accounting and auditing in accordance with the German Corporate Governance Code.


The committees are charged with preparing topics and resolutions for plenary sessions of the Supervisory Board. In certain cases, they exercise plenary sessions of the Supervisory Board and exercise decision-making powers if these are conferred on them by the Supervisory Board. The Supervisory Board is informed of the work of the committees by their chairs at every ordinary meeting.



Responsibilities for Sustainability

Responsibility for sustainability governance at BayWa r.e. is spread across different departments, stakeholders, and decision makers. Implementation of the sustainability strategy is the responsibility of the Corporate Sustainability Department, part of the Corporate Strategy, Energy Policy & Sustainability Department, which reports to the CEO. This means that the topic is regarded and treated as a core component of the company's overall strategy. The Corporate Sustainability team collaborates with representatives from the operational businesses in dedicated working groups, supporting them in the development and implementation of sustainability measures, including sustainable procurement.



A Sustainability Steering Committee meets twice a year to discuss the sustainability strategy and the impact of a range of sustainability topics. This committee comprises of board members and directors of corporate business entities. Accountability for sustainability reporting lies with the non-financial controlling department, which is responsible for collecting, evaluating, and monitoring all sustainability-related data. This structure ensures that both financial and sustainability reporting are bundled in one department and examined by experts experienced in working with sophisticated reporting mechanisms. Regular communications ensure the board and managing directors of all subsidiaries are kept fully informed on current initiatives and projects we are working on. To encourage full management team commitment the board has approved a compensation guideline which includes goal setting for executives. This includes a combination of different targets across the environmental and social impact spectrum. Environmental goals refer to the energy use by the legal entity, its waste and pollution management, and its compliance with environmental regulations. Social goals refer to the topics of diversity, equity, and inclusion. Lastly, the Corporate Sustainability Department works closely with the Communications Department to ensure consistent and timely communications with both internal and external stakeholders.


BayWa r.e.'s Corporate Sustainability team also plays an active part in the organizational structure of our parent company's own sustainability organization, as we are members of their Strategic Sustainability Board and the Operational Sustainability Board. For more details, see [BayWa AG Sustainability Report on page 11](#). 

BUSINESS ETHICS

Compliance

At BayWa r.e. we regard acting with integrity and in compliance with all applicable laws and regulations as a prerequisite for long-term economic success. We are part of BayWa AG Group’s Corporate Compliance unit which is responsible for identifying and minimising compliance risks within the BayWa r.e. Group. This includes the provision of training as well as a comprehensive range of advisory and information services. The focus is on antitrust law, anti-corruption, data protection, customs/ export control, and money laundering prevention. Comprehensive sets of rules have been developed for these topics and serve as group-wide guidelines.

Since 2015, a [Code of Conduct](#)  has been in force for all the companies belonging to the parent company BayWa AG. This code comprises a set of standards applicable throughout the entire BayWa r.e. Group as well. In 2022, BayWa r.e. introduced its own [Code of Conduct](#)  which applies to all employees in Germany and abroad.

In November 2021, BayWa r.e. implemented a [Whistleblower System](#)  for our employees and external parties who wish to report (anonymously, if desired) potential compliance violations. Information obtained via this route is evaluated and investigated, working with Corporate Compliance and Corporate Audit at BayWa AG.

In November 2021 we implemented a Whistleblower System for employees and external parties.

If a suspected case of misconduct is reported in good faith, the whistleblower – regardless of whether the suspicion is ultimately substantiated or not – will not be

subject to any negative comeback. In particular, no retaliation or discrimination will be tolerated. In 2021, no compliance violations were reported, and no claims of discrimination or other violations were registered.

As you would expect, Corporate Compliance and Corporate Audit work closely together on any compliance-related internal investigations. Comprehensive compliance controls are in place to verify and ensure adherence to compliance principles, and compliance and data protection representatives have been appointed across the business. They serve as additional contacts for employees.

Our colleagues are regularly trained on the topic of compliance:		
BayWa r.e. compliance training courses*	2020	2021
participants in on-site compliance training courses	–	99
participants in compliance e-learning courses	1,693	836
*The training cycle for on-site training courses is three years, for e-learning courses it is two years. Therefore, information for 2021 is not comparable to the information from 2020. The training covers the topics of antitrust law, anti-corruption and money laundering, and is mandatory for all relevant employees.		

Tax

As a globally active company, we fully fulfil our social responsibilities and our tax obligations in the local markets and countries in which we do business. There are no tax-driven models within the BayWa r.e. Group that aim solely to reduce tax liabilities independently of the operating business.

The CFO’s department, as part of the Board of Management, is responsible for meeting BayWa r.e. AG’s tax obligations. Tax obligations for subsidiaries lie with their

respective senior management, while operational implementation and monitoring are carried out by BayWa r.e. AG's tax department, subsidiary tax departments or tax advisers and the service centres. Comprehensive information on current and deferred tax assets and liabilities is included as part of audited Group reports, in accordance with the International Financial Reporting Standards (IFRS).

Our guiding principle with regard to taxes is to comply in full with tax laws and regulations in markets and jurisdictions where we are active. Tax structures reflect the needs of each individual business, and tax is declared and paid where the value creation takes place.

A tax compliance management system (tax CMS) has been implemented in the parent company BayWa r.e. AG and its German subsidiaries that enables us to respond to our tax obligations in full, correctly and on time, avoiding and limiting tax risks. Country-by-country reporting for BayWa r.e. Group is included in our parent company reporting.

For more information regarding Compliance, Tax and Governance, see page 16 ff of the [BayWa AG Sustainability Report 2021](#). 


Our memberships and contributions

We aim to provide political decision makers with both broad-based and detailed information and perspectives which are required for evidence-based global energy transition policy decisions. We belong to around 100 associations, including SolarPower Europe, Bundesverband Deutsche Energie und Wasserwirtschaft (BDEW), and the Solar Energy Industry Association (SEIA).

Our legal entities are free to choose whether to join their respective national associations.

In regard to political donations, we pursue the approach to work with independent stakeholders, who analyse, understand, and assess coming developments of energy markets. An example is our support of the independent 'Stiftung Umweltenergierecht', where we donated EUR 10,000 in 2021.

Our ESG and sustainability-related policies

Below you can find a list of policies, relevant for sustainability and ESG, also published on our [website](#): 

ESG Policy	Describes our internal commitment and organisational set-up concerning ESG-related matters.
Supplier Code of Conduct	Describes the basic principles and behaviours we expect from our suppliers to meet.
Rules of Procedure of the Management Board	Comprises the Board of Management code of conduct, collective and individual responsibilities, decision-making procedures, resolution adoption processes, and guidelines for interaction and cooperation with the Supervisory Board.
Rules of Procedures of the Supervisory Board	Comprises the Supervisory Board code of conduct, internal structure, responsibilities and rights, resolution adoption, and the set-up of the Audit and Investment Committees.
Rules of Procedures of the Audit and Investments Committee	Comprises details of the committees' structures, their responsibilities and rights, and how they interact with finance and risk management.
Rules of Procedure of the Nomination and Remuneration Committee	Comprises the committee's structure, its responsibilities and rights, and how it reports to the Supervisory Boards.
Rules of Procedure of the Sustainability Committee	Comprises the committee structure and responsibilities and tasks relating to our sustainability strategy and ESG program.
Articles of Association	Comprises the company objectives, share capital, constitution, and information on each of the corporate bodies, as well as their responsibilities and tasks.
Code of Conduct	Describes our basic principles of acting and has to be obeyed by all employees.

A clean and affordable energy future requires that we r.e.think energy. Our products and services are our contribution to ensuring a climate-neutral energy mix.

At BayWa r.e. – as a leading global renewable energy developer, service provider, distributor and energy solutions provider – we actively shape the future of energy. That is why it is of vital importance to us that our products and services – such as our solar and wind parks – not only create sources for renewable energy and thus climate protection solutions, but are also developed with respect to ecological and social needs. Only if we act in harmony with local communities and ecosystems can our products and services achieve their full potential. For we are well aware that our purpose cannot justify the means.

A large white wind turbine stands on a grassy hill under a cloudy sky. In the foreground, there is a tree and some yellow wildflowers. The background shows rolling hills.

PRODUCTS & SERVICES

OUR APPROACH

BayWa r.e.'s activities make a valuable contribution to climate protection in general. It is not only the development and management of wind farms and solar systems or the trading of solar components that contribute to this – our business activities as a whole are crucial and point the way forward in successfully advancing the production of energy generation. Whether developing a single plant or servicing a global portfolio, BayWa r.e. provides a consistent, high-quality, and transparent service that adds value at every stage of a project's life cycle.

Our core business activities contribute strongly to the growth of green power generation.

Our increasing contribution of installed renewable energy capacity



Projects

In 2021, the renewable energy projects we developed and commissioned added 632 MWp of new solar capacity and 198 MW of wind capacity globally. These wind and solar parks actively contribute to climate protection and also create added value for the local communities and nature conservation. During the development phase of our wind and solar parks, an Environmental Impact Assessment is completed to determine negative impacts to the area and the mitigation measures that are required by the local authorities. The assessment can result in a project design change (e.g. the addition of wildlife corridors between solar rows) or require nature conservation aspects such as tree planting measures. We comply with the local requirements but also aim to go beyond the regulatory measures to generate additional positive impact. For example, with planting of native species or increasing the scope of the compensation measures. These initiatives are also showcased in our best practices as described below.

Crowdfunding to enhance community acceptance:

One way for local communities to benefit from our renewable energy plants is via financial participation models. Therefore, we devised several crowdfunding models where community members become local investors in the development phase of our wind parks.



Wind Park Clos Neuf, France [↗](#)

Success factor: Involving the local community



One of our key objectives is to increase acceptance of renewable energies, therefore during the development of a new project we assess unique opportunities for engaging with the local community.



Through transparent communication and project information, we involve the local community early on in the planning of our renewable energy projects. This helps make the renewables' benefits visible and tangible. It is our aspiration that communities, including their local citizens and regional companies, understand and benefit from the projects.



As part of the planning, construction, and operation of the plants, we also aim to contribute to the municipal energy transition that goes beyond the regulatory requirements, incorporating the interests and concerns of local community members, such as farmers, and ensuring environmental protection and nature conservation.



With our established internal Working Group “Enhance Acceptance of Renewable Energies”, we enable knowledge transfer among our global development teams. In this working group, our community engagement initiatives and best practices are documented in a toolbox that's accessible to all employees.

Solar parks: a benefit for biodiversity

Well-planned ground-mounted solar parks can often better protect the land and help local biodiversity thrive when compared to its previous land use. This is mainly due to the extensive cultivation of the area. For example, often less or no fertiliser needs to be applied or pesticides sprayed on the grounds of the solar park, which allows a larger diversity of plant species to develop, which in turn creates an attractive habitat and provides food for a greater diversity of insects.

The positive effects that ground-mounted solar parks can have on biodiversity have been analysed and confirmed in the study [‘Solar Farms - Gains for Biodiversity’](#). To ensure the benefits of well-planned ground-mounted solar parks for biodiversity but also for citizens, communities, and landowners, BayWa r.e. has, together with other PV project developers in Germany and the Bundesverband Neue Energiewirtschaft e.V. (bne), the German Association of Energy Market Innovators, developed a catalogue of measures for consideration: the [‘Gute Planung von PV-Freilandanlagen’](#) self-commitment. This voluntary commitment sets out principles for the planning, construction, and operation of ground-mounted solar parks, which BayWa r.e. seeks to adhere to when building any solar park.



An essential element of ‘Good planning of ground-mounted solar’ self-commitment is transparent communication towards municipalities and authorities. The [‘Sonne Sammeln’](#) website, which BayWa r.e. was intensively involved in developing, wants to support municipalities and authorities in their decision-making – with information, facts, and practical examples.

A concrete example for a well-planned solar park is the Spitalhöfe solar park in Germany. Here, in addition to extensive cultivation of the area, habitats such as flowering islands for wild bees and nesting boxes for birds are being created. In addition, stone and deadwood piles, so-called ‘lizard hotels’, are implemented in the park to provide an optimal habitat for the rare sand lizard. Planting native trees and shrubs around the perimeter of the park will both enhance the landscape integration of the solar park and create additional important habitats for birds and small animals. The 10m-wide corridor dividing the park will also allow wildlife such as deer and wild pigs to continue to pass between the forest and open land. In the long term, the ‘green maintenance’ of the solar park will also be taken over by sheep.



Solar park Spitalhöhe, Germany

Benefits of Agri-PV Systems

Land is a limited resource. Our colleagues in the projects business are consistently working on finding solutions for this challenge. One proven concept is dual-use of farmland, also known as Agri-PV, which combines the production of food and energy. By bringing agricultural production and solar energy generation together, benefits such as the protection of the crops from extreme weather, efficient water use and long-term climate resilience arise.



Commercial Agri-PV project in Wadenhoijen, Netherlands , supporting the cultivation of red currants.

As BayWa r.e. we are taking an active part in developing this technology further and provide proof for the sustainability aspects of this concept. Together with the Fraunhofer Institute for Solar Energy Systems ISE, and other research partners, we built the first research facility for apples and espalier fruit in Gelsdorf, Rhineland-Palatinate, Germany. The goal of this project is to increase climate resilience in fruit growing and to ensure safe and sustainable apple production with additional solar power generation. Landscape aesthetics and light management options will be taken into account as well as the comparison of different crop protection systems combined with Agri-PV systems. The Agri-PV power fuels an electric tractor, eV100 from Fendt, and an electric water pump to irrigate the orchard, thereby enabling a climate positive apple production.

Wind parks: nature conservation and species protection

In cooperation with nature conservation authorities and associations, we develop concepts to avoid negative environmental impacts of developing wind parks, to compensate unavoidable impacts in the best possible way, and in the best case enhance the affected landscape in the process. For example, we create feeding and breeding habitats for birds of prey and bats, and establish biotopes in order to sustainably safeguard the population of the affected species as well as native plants and animals.



Operations

Our Operations segment comprises the Business Entity (BE) Services and the BE Independent Power Producer (IPP) including our Energy Trading competencies. Within these business entities we are managing, operating, and maintaining renewable energy plants. Our Services business has more than 10 GW under management and offers technical and commercial operations and management (O&M) services for wind, solar, and biogas plants as well as consulting services. In our Energy Trading business, we manage a 5+ GW direct marketing portfolio. Furthermore, we provide solutions for projects which are approaching the end of their subsidy term such as repowering or revamping of the plants to provide second-life opportunities for the parks. Within the Operations segment we are driving the digital transformation of O&M services and have started to build up a dedicated IPP business entity to retain ownership of some wind and solar projects.

The lifetime of a renewable energy project can be positively affected with secure and reliable operational management as well as comprehensive maintenance services. Decent maintenance of the plants as well as the selection of a high quality of components in procurement processes ensure that nowadays, both wind and solar parks can reach a lifetime of 30 years.

Diligent maintenance and selection of high-quality components ensure that renewable energy plants can reach a lifetime of 30 years and more.

more than

10 GW

of renewable
energy under
management



**5+
GW**

direct marketing
portfolio



The potential of repowering



Repowering project: Wilhelmshöhe, Germany 31.5 MW

The Wilhelmshöhe wind farm in Lower Saxony is not only another successful repowering project, but also an example of successful recycling and the sustainable use of valuable components and raw materials. It is one of our own portfolio projects within our Business Entity IPP.

The former capacity of the wind farm could be significantly increased while the number of wind turbines could be reduced. The foundations of the old turbines were demolished, crushed, and recycled on site for the routes of the new wind farm. Eleven of the old wind turbines were sold and reinstalled in Macedonia, where they continue to operate and produce clean energy. The twelfth turbine was completely dismantled and delivered to various recycling channels. The rotor blades of this turbine were recycled and reused as “green” cement.

Solutions


The Solutions segment comprises the BEs Solar Trade and Energy Solutions. As a leading global supplier to the solar distribution market, with 30 years of experience, our Solar Trade business offers a wide range of high-quality products and services for over 11,000 installation and sales partners globally.

Our Energy Solutions business provides integrated solutions, from consultancy to PV rooftop and ground-mounted installations, carports, storage, and e-mobility concepts as well as financing solutions such as leasing or power purchase agreements (PPAs). We serve multinational and local customers with tailor-made solutions.

As more and more companies globally commit to achieve net zero emissions and lower their carbon footprint, our Solutions segment plays an active role to support their strategic climate targets by supplying the customers with renewable energy. Next to rooftop and onsite PV plants, BayWa r.e. also offers PPAs with large-scale PV and wind parks to ensure sustainable electricity supply for our customers. These customers are also driving more and more sustainability initiatives as they have high demands for good quality, innovative and environmentally and social just project design.

We drive the development of renewable energy solutions for industrial and commercial customers – we are supporting our customers to achieve their climate commitments.



Floating-PV plant for Quarzwerke GmbH: As of July 2022, it is the largest Floating-PV plant in Germany, which saves around 1,100t of CO₂ each year. [Read more here.](#) 



Unlocking the power of partnerships: Carney Seed Project

Our colleagues from the trade business in the US partnered with Jason Carney, a local solar installer in Nashville TN, to develop a residential rooftop solar system for a community garden in an African American community – a neighbourhood that doesn't have any rooftop solar. BayWa r.e. provided surplus inventory for the project through the [r.e.image program](#). [🔗](#) A sign at the community garden solar site informs the community residents about the benefits of residential solar and provides contact information so that they can start their own solar project. This project won a Solar Builders Magazine Award in 2021.

**30
years**

of experience
in Solar Trade

more than

11,000

installation and sales
partners globally



Hershey signed 20 MW ppa [🔗](#), with the goal to achieve their climate goals.

Our business operations inevitably have an impact on our environment. Consequently, it is our responsibility to reduce negative impacts at all levels of our operations.

At BayWa r.e. we acknowledge that our global business activities have an ecological impact. Unfortunately, we leave a carbon footprint while doing business because it takes resources and energy to be able to produce and offer our products and services.

We strive to keep our negative environmental impacts as low as possible and to act sustainably at all levels of our business operations. To do this, we start by understanding the full impact of our activities by measuring and monitoring the emissions resulting from our business activities, and then taking the necessary actions to avoid, minimise, and offset our carbon footprint. This environmental accountability process, combined with the positive impacts our renewable energy products and services generate, allows us to contribute to the SDGs and curb the fallout from climate change.




SUSTAINABILITY IN BUSINESS OPERATIONS

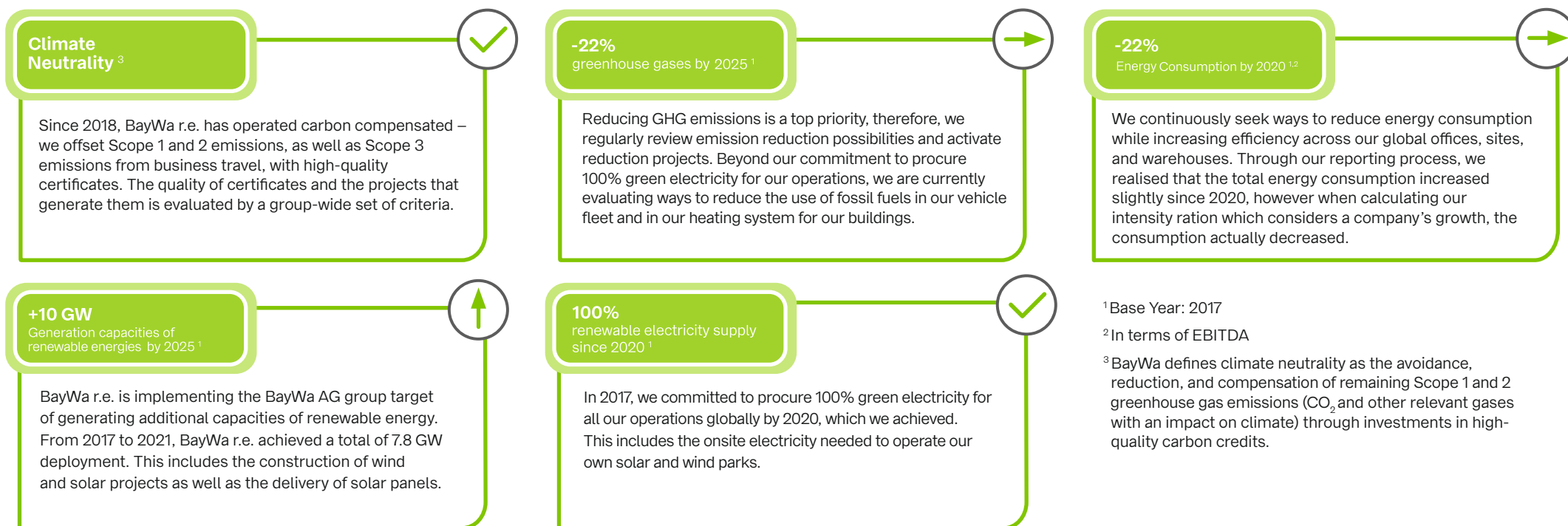
INTEGRATING SUSTAINABILITY IN OUR GLOBAL OPERATIONS

We recognise that our business activities and operations require us to consume electricity, fuel, and other resources at our sites globally, but also along the global value chain, which consequently cause greenhouse gas emissions (GHG emissions). To help mitigate these negative environmental impacts, we turn to the Paris Climate Agreement on global warming to orient our actions as we work

to reduce the GHG emissions caused by business operations across all our sites, our vehicle fleet, and our business travels. By reducing the energy intensity of our operations, we also reduce the energy costs and become more profitable – a win-win scenario for our business, but more importantly for our planet.

Our contribution to BayWa AG's Climate Strategy

We have complied with and contributed to our parent company's [BayWa Climate Strategy](#)  since its launch in 2018. The BayWa Climate Strategy was guided by the “well below 2°C” goal.



¹ Base Year: 2017

² In terms of EBITDA

³ BayWa defines climate neutrality as the avoidance, reduction, and compensation of remaining Scope 1 and 2 greenhouse gas emissions (CO₂ and other relevant gases with an impact on climate) through investments in high-quality carbon credits.

An overview of our sustainability reporting process

We record our sustainability related data (including Scope 1 and 2 as well as Scope 3.6 business travel) annually via an online data collection tool provided by our parent company BayWa AG. This data collection process is first evaluated for plausibility at the subsidiary level and then consolidated at the BayWa Group level. All BayWa r.e. Group subsidiaries, including BayWa r.e., follow this annual sustainability reporting process. For further details on the calculation method and the GHG emission inventories, [please refer to BayWa AG's Sustainability Report 2021](#) , as our recording and calculation methods are in line with our parent companies' guidelines and therefore with the internationally recognised Greenhouse Gas (GHG) Protocol Corporate Standard.

Enhancing our Carbon Footprint Analysis

Taking a closer look at our carbon footprint reveals that the lion's share of Scope 3 emissions occurs in the up- and downstream part of our value chain. Therefore, we continuously work on enhancing our corporate carbon footprint analysis and aim to include these Scope 3 emissions in future reports, which will open up possibilities to work with our business partners to reduce these GHG emissions.

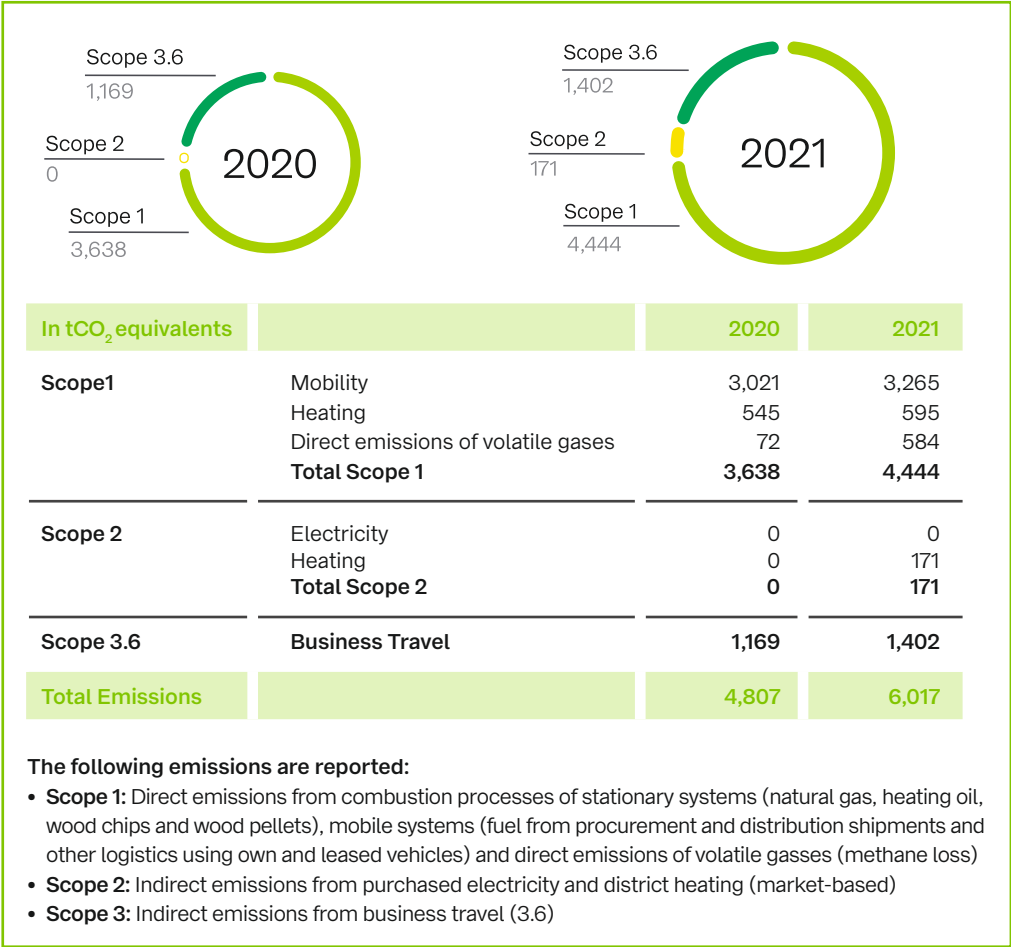
Our Corporate Carbon Footprint

At BayWa r.e. Group GHG emissions from Scope 1 and 2 as well as travel emissions (Scope 3.6) amounted to 6,017 t CO₂ equivalents in 2021 (2020: 4,807). This 25% increase from 2020 to 2021 occurred due to the lift of business travel restrictions put in place during the COVID-19 pandemic in 2020 as well as additional heating emissions due to new biogas plants in our portfolio.

The biggest share of emissions come from our mobility (transport) sector: The continuous management of large-scale PV and wind parks requires regular site visits to conduct technical maintenance and the monitoring of a smooth generation of renewable energy. This leads to a large share of emissions being emitted by the

vehicle fleet needed for our operation and maintenance services. The Corporate Sustainability team is currently analysing potential solutions to increase efficiency and develop suitable alternatives to lower the carbon footprint.

Greenhouse Gas Emissions



Our reported Corporate Carbon Footprint of 6,017 t of CO₂ equivalents for the year 2021 were offset by purchasing high-quality carbon credits in accordance with BayWa AG's corporate policy "Carbon offsetting certificates and guarantees of origin for electricity".

Carbon Compensated since 2018

In 2017, we set a goal to achieve carbon neutral operations from 2018 onward and we reached it. Since 2018, we compensate all unavoidable GHG emissions from our sites, vehicle fleets, and business travels with high-quality carbon certificates. To reach this goal in 2021, we purchased Certified Emission

Reductions certified under Gold Standard as well as the Clean Development Mechanism from [atmosfair](#). We supported the Solar Home Systems program in rural regions of Lesotho and the [Southern Cardamom REDD+ project](#) in South-West Cambodia, certified with the Verified Emission Reduction Standard and the Climate, Community and Biodiversity Standard of Verra, protecting an unfragmented rainforest with its ecosystem, wildlife, and community livelihood.



Lesotho: Solar Home Systems



Cambodia: Forest Protection

Our own energy consumption in summary

Since 2020, we have been supplied by 100% green electricity. In 2021, our total energy consumption amounted to 26.888 GWh (2020: 26.107 GWh). The increase of electricity consumption was caused mainly by business acquisitions and our growing number of renewable energy plants in our Independent Power Producer (IPP) portfolio.

Energy Consumption of BayWa r.e.

	Electricity in GWh	Heating in GWh	Other in GWh	Total GWh
2020	9,864	15,946	0,297	26,107
2021	12,686	13,719	0,483	26,888



New carbon neutral warehouse  built for Benelux and France.

Making our own energy efficiency measurable

In order to know how well we are performing we need to accurately measure the progress we are making towards our energy reduction goal by including key variables. Therefore, the energy consumption is set in relation to our annual profit, taking into consideration the business growth (including increased staff size) we have experienced and applying that towards our energy efficiency target. With the Energy Intensity Ratio KPI (key performance indicator), we can state our energy efficiency compared to the profit we make and therefore consider the company's growth trajectory. For 2021 the energy intensity ratio was 0.12 GWh/Mio. EBITDA, which indicates a positive trend down from 0.15 GWh/Mio. EBITDA in 2020.

Energy Intensity Ratio

	Energy consumption in GWh	EBITDA in Mio. EUR	Energy intensity Ratio GWh/Mio. EBITDA
2020	26.11	170.8	0.15
2021	26.89	215.7	0.12


Waste & Water

At BayWa r.e., we collect waste and water data as part of our overall environmental management. Due to lower materiality of these topics and given the nature of our offered products and services (core business) water consumption within our business operation is limited. Also, water discharge-related activities are not part of our business and impacts are limited. Therefore, we have not yet defined targets and ambitious measures regarding these two topics. As for now, we focus on areas where we have the most impact, for example reducing our corporate carbon footprint and increasing our energy efficiency. Nevertheless, we recognise the importance of conserving nature's natural resources and will continue to broaden our scope of reporting within the next years as well as explore ways we may further reduce our water consumption. We also acknowledge the importance of analysing our use of resources and waste production and consider possible ways to enter a circular economy principle. Reducing waste in general is of utmost importance. Therefore, especially in our solar trade business, colleagues are continuously working on eliminating or reducing packaging where possible and finding solutions to reuse and recycle.

Overview Certification Management tools:

Certificate	Certificate Description	Certified Legal Entity
DIN EN ISO/IEC 17025:2005	Testing and Calibration	renerco plan consult GmbH
ISO 14001	Environment	BayWa r.e. España S.L.U. BayWa r.e. UK Limited BayWa r.e. France SAS BayWa r.e. Operation Services Limited BayWa r.e. Operation Services S.r.l. BayWa r.e. Solar Projects GmbH BayWa r.e. Power Solutions GmbH Energy System Services S.r.l. GroenLeven B.V.
ISO 27001	Information Security	BayWa r.e. Operation Services S.r.l. BayWa r.e. Energy Trading GmbH
ISO 45001	Health & Safety	BayWa r.e. France SAS renerco plan consult GmbH Energy System Services S.r.l. BayWa r.e. UK Limited BayWa r.e. España S.L.U. BayWa r.e. Operation Services Limited BayWa r.e. Operation Services S.r.l. BayWa r.e. Bioenergy GmbH
ISO 50001	Energy	BayWa r.e. Bioenergy GmbH BayWa r.e. Rotor Service GmbH
ISO 9001:2015	Quality	BayWa r.e. España S.L.U. BayWa r.e. UK Limited BayWa r.e. France SAS BayWa r.e. Operation Services GmbH BayWa r.e. Operation Services Limited BayWa r.e. Operation Services S.r.l. BayWa r.e. Rotor Service GmbH BayWa r.e. Solar Projects GmbH BayWa r.e. Asset Management GmbH renerco plan consult GmbH BayWa r.e. Power Solutions GmbH Energy System Services S.r.l. GroenLeven B.V. novotegra GmbH BayWa r.e. Asset Holding GmbH
OHSAS 18001	Occupational Health & Safety	Energy System Services S.r.l.

Certified Management Systems

In addition to our guiding principles and policies as listed under the Management Chapter  we also build on certified management systems to ensure sound management practices of operational sustainability topics such as environmental aspects, health and safety, quality management, and IT security. Given that we have a wide range of our business activities across the BayWa r.e. group, the respective management systems are not implemented Group-wide, but rather in those subsidiaries where they provide the greatest thematic benefit.



Our value chains span across the globe. Together with our suppliers, we seek to live up to high standards that should go hand-in-hand in a world where globalisation is the order of the day.

At BayWa r.e. we are conscious of the fact that our responsibilities do not end at our company gates. Our procurement practices have an impact on social and environmental conditions along all our supply chains.

With this in mind, we are committed to making our supply chains as transparent and sustainable as possible, by applying due diligence. We seek to remain true to our accountability for environmental and social impacts across those supply chains, mitigating these impacts as much as possible. At the same time, we believe an industry-wide approach is needed to collectively shape social and environmentally friendly value creation that meets high standards. At BayWa r.e. we have great potential to make our supply chains a climate game-changer.

SUSTAINABLE SUPPLY CHAIN

OUR APPROACH

As a globally active renewable energy company, we procure a significant volume of components for renewable energy plants and solutions. Therefore, we recognise the responsibility and the leverage we have with our procurement practices. Regulatory developments at national and international level oblige us to enhance our efforts, to screen our supply chains, and to meet sustainable due diligence obligations in all our value chains. As a leading company in the renewable energy sector we are actively engaging with our suppliers, aim to increase transparency in our supply chain and want to prevent any violations of environmental or social standards, which in turn would also impact our reputation.

This is why we have signed up to the UN Sustainable Development Goal #12: Responsible Consumption and Production. One of our dedicated sustainability objectives within our Sustainability Framework 2025 is to foster sustainability in the supply chain. We aim to actively reduce negative impacts and manage risks in both up- and downstream processes.

This includes addressing challenges concerning working conditions and social justice practices, as well as environmentally-related risks such as greenhouse gas emissions resulting from the manufacturing processes of our key components. At the same time we ensure compliance with current legislation and prepare appropriately for upcoming regulations in all countries where we operate.

By strengthening our supply chain management approach, we support our whole business and make our supply chains more resilient as well as meeting our clients' high expectations.

Supply Chain Management

Supply chain management within BayWa r.e. is organised in each of our different business entities and is the responsibility of the corresponding subsidiaries. In recent years, we have integrated different network groups and established new roles so that we can all benefit from synergies within our procurement processes, and enhance a centralised approach for purchasing procedures. These groups are working together with the Corporate Sustainability team to address our dedicated objectives to foster sustainability in the supply chain.

With our Sustainability Framework 2025 we aim to actively reduce negative impacts and manage risks in both up- and downstream processes.



Our step-by-step approach towards achieving sustainability in the supply chain:

1. Increase transparency in our upstream supply chains, and determine and evaluate risks that may negatively impact the environment or society
2. Define initiatives, targets, and KPIs to address challenges and measure progress
3. Deepen dialogue with suppliers and engage for optimisations
4. Use leverage and enhance partnerships with engagement in associations
5. Enhance broader collaboration with both internal and external partners and communicate progress

Three initiatives to foster sustainability in our supply chain:

- ➔ **Comprehensive group-wide Value Chain Risk Analysis**
 - Conducted in 2020 concerning all business entities of BayWa r.e.
 - Key outcomes addressed in both development and implemented phases, including a whistleblower process; human rights aspects incorporated within [Code of Conduct](#) and [Supplier Code of Conduct](#)
- ➔ **Supplier's Assessment on Sustainability Performance**
 - Solar Trade business entity pilot project
 - Supplier questionnaire developed to reflect relevant goals of the Sustainability Framework 2025
 - Roll-out continuing during 2022
- ➔ **CO₂ Calculation for our Projects**
 - See case study in Sustainable Supply Chain chapter [📄](#)



Human Rights Due Diligence

Human rights in the autonomous region Xinjiang, China

There is international attention on the Xinjiang region of north-west China concerning accusations from human rights groups and the wider global community regarding the use of forced labour of the Uyghur ethnic group. Current reports indicate a high probability of forced labour in manufacturing processes across multiple industries, including upstream polysilicon production for the solar industry.

BayWa r.e. strongly condemns the use of forced labour, and all unethical working practices, and is fully committed to the ethical sourcing of all its products and services.

After reports came to our attention that highlighted the exposure of solar supply chains and probable links to forced labour, BayWa r.e. immediately reacted and created a dedicated 'Human Rights Task Force' to manage and drive our response to this important issue. The Task Force comprises participants from the management board, together with representatives from management teams across procurement, risk, legal, communications, strategy, and corporate sustainability functions. It is leading on a range of initiatives and measures relating to human rights and supply chain sustainability.

In addition, we strongly believe that industry-wide effort and political engagement is needed to improve the situation. Therefore, we are actively engaged in multiple workstreams with the objective of gaining more transparency regarding upstream supply chains. This includes our close collaboration with trade associations, including SolarPower Europe and SEIA in the United States of America. We firmly support their efforts to establish genuine transparency in the supply chain and to take meaningful and sector-wide steps, through access to the region and by performing audits to ensure the current lack of transparency is replaced by confidence that forced labour does not exist anywhere in global solar supply chains.



BayWa r.e. has established a dedicated Human Rights Task Force to ensure appropriate due diligence in the supply chain.

Our actions for human rights due diligence

As an integral part of realising the objectives set out in our Sustainability Framework and our ESG Program, we are working on several initiatives concerning our supply chains to fulfil the company's commitment to ethically source its products and services, to foster sustainability and transparency within our global supply chains, and to ensure compliance with applicable national legislation.

Different interdisciplinary working groups and the Human Rights Task Force continuously analyse the potential for immediate action we can take while also working on medium- and longer-term solutions. Initiatives that we have been implementing since 2021 include:



- Development of a BayWa r.e. dedicated [Supplier Code of Conduct](#), complementing and working in concert with our [Code of Conduct](#). This will result in the creation and use of guiding principles and a binding code regarding our commitment to conduct our business in an ethical and responsible way.



- Specific contract language, contained within a group-wide contractual template, which will support and reinforce the commitments established in the [Code of Conduct](#).



- Implementation of a [Whistleblower System](#) including human rights aspects.



- A dedicated supplier evaluation process for key suppliers in the Solar Trade business entity that will include assessment of a comprehensive range of ethical and sustainable criteria, and ongoing product life cycle analysis.



- A programme of employee training, including specific trainings for our procurement teams on sustainability and human rights matters.

High on our agenda: climate protection

We at BayWa r.e. want to actively address energy consumption and respectively carbon emissions caused within the manufacturing processes of our main products. Although renewable energy does not directly emit greenhouse gases while producing energy, we are aware that particularly the upstream processes can be bound energy intensive production methods. Therefore, we closely collaborate with our suppliers whom we have strong relationships with, to receive most accurate and current data such as LCAs*, EPDs** or PCFs*** to collect Scope 3 data (3.1 emissions from purchased products).

Sustainability and carbon reduction is part of our business strategy, our products replace fossil-fueled energy and therefore, reduce significant amounts of CO₂: with that in mind, we strive for a sustainable energy transition and consider these aspects along the entire value chain.

Furthermore, the Corporate Sustainability team is closely working with the Wind Procurement Department to address the reduction of greenhouse gases in the wind supply chain. Different potentials are evaluated, such as using different technologies in switch gears to limit climate impact, electrification of construction vehicles, as well as alternative concepts of wind towers.

*LCA = Life Cycle Assessment

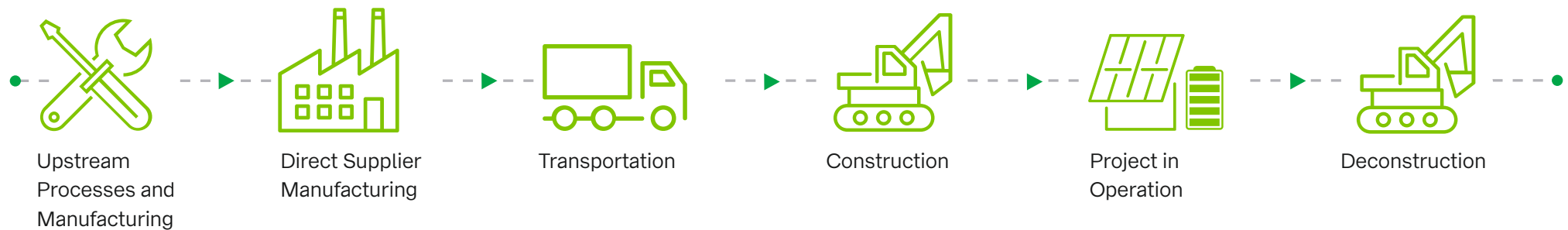
**EPD = Environmental Product Declaration

***PCF = Product Carbon Footprint

CO₂ IMPACT CALCULATION OF PV SYSTEMS

CASE STUDY

BayWa r.e. Calculation System boundary



The CO₂ Impact calculation method includes the entire life cycle of our PV plants, starting with the raw material extraction, the manufacturing phases, the shipping, the construction of the system, its operational phase, all the way to the deconstruction of the system. For the development of the internal calculation tool, both internal data from praxis and direct suppliers as well as external sources such as the 'German Umweltbundesamt', and the data provided in the Wood Mackenzie market intelligence platform were used.

The calculation tool generates several indicators such as the carbon amortisation period which considers the CO₂ emissions of the specific PV installation along the life cycle as well as the reduced amount of CO₂, which arises due to the substitution and displacement of the local grid mix and fossil-fueled electricity. Results show that PV plants nowadays usually have a carbon amortisation period between 1 and 2 years.

This calculation method makes it possible to identify the possible impact to reduce CO₂ in the supply chain. Moreover, we can communicate these results to our customers and external stakeholders to demonstrate the significant benefit of PV Systems concerning the mitigation of global warming.

The Corporate Sustainability team intends to develop this tool further by integrating innovative systems such as PV Carport, Floating- and Agricultural PV. In addition, the used data and methodology is checked and updated regularly.

Sustainability Impact:

Nowadays, not only do the actual CO₂ savings from a solar project during its operational phase matter, but the entire life cycle with its upstream and downstream processes should be considered. In alignment with the United Nation's **SDG#12 Responsible Consumption and Production**, our Corporate Sustainability team together with business experts, created a tool to calculate the CO₂ savings through the entire life cycle of a PV System.

Our people are contributing to the global energy transition with their daily business decisions and actions. Together we are helping set high standards and best business practices for renewable energy.

BayWa r.e. employees contribute to the success of our company's mission; they are the drivers and changemakers powering the energy transition. This is why it is of the utmost importance for us to create a fair, safe, healthy, and future-oriented working environment for our people, one that encourages excellence in performance and innovation through a culture of openness, diversity, inclusion, acceptance, equal opportunities and creativity.

A photograph of three people sitting outdoors in a park-like setting with trees in the background. A woman with curly blonde hair, wearing a light-colored blazer over a black top, is smiling and looking towards the right. To her right, a man with a beard, wearing a blue button-down shirt, is also smiling and looking towards the right. To the left, the back of a woman's head and shoulders are visible, looking towards the other two. The word "PEOPLE" is written in large, white, sans-serif capital letters at the bottom center of the image.

PEOPLE

OUR PEOPLE STRATEGY

Recognising that our employees are making a vital contribution towards our mission of rethinking energy, we care about providing them with the best working environment and culture.

Our Corporate Human Resources (HR) team developed the People Strategy in 2020, providing global direction on all people-focused topics as well as coordination of global, regional, and local efforts. The Corporate HR team enables regional collaboration by convening HR colleagues from our various entities to find synergies and increase efficiencies. Additionally, they support the implementation of the People Strategy at the local level while allowing enough flexibility for local adaptation.

ONE BayWa r.e. - For our People

Provide



DIRECTION &
ORIENTATION

Intensify



GLOBAL
COLLABORATION

Support



LOCAL
APPROACH

In spite of COVID-19, there were no significant job cuts or large-scale redundancies. The company continued to grow during the pandemic and continued to provide an in-depth 'onboarding' experience for new colleagues enabling them to connect and become part of our team.

The People Strategy organises the various elements of the Employee Life Cycle into three central phases:

1. **Attract new people** with a strong and holistic employer brand, by providing guidance and a framework for strategic recruiting, by inclusive hiring practices and by fair and attractive compensation models
2. **Integrate people smoothly** with a welcoming and inclusive onboarding, by providing global standards and by conveying our values and culture
3. **Keep people motivated** by creating an environment which facilitates personal development, and ensuring a fair and equitable treatment of all our people



Diversity, Equity and Inclusion

We believe in the social benefits of Diversity, Equity and Inclusion (DEI). We want to be an inclusive and fair employer where everyone has a voice that counts towards decisions and feels appreciated for who they are. It is our utmost conviction that diversity in the workplace creates a momentum of creativity and the potential to be even more innovative and successful as a team. We also see DEI as a key enabler in making our current business development phase a success: DEI contributes to managing global growth, creating effective scalable solutions, retaining best talent and is an integral part of the professional governance that we are working towards.

In 2021, we focused on developing a long-term, sustainable, Global DEI Strategy that will be the foundation for our work in the years to come. The development process included 18 interviews with global executives and leaders from our various business units as well as focus groups with employees all over the world to gather input of our current DEI status, challenges, and opportunities. Based on this data, we organised the Global DEI Strategy in five focus areas promoting and building a diverse, equitable, and inclusive workplace.

DEI represents a long-term business priority as it will support and encourage successful business development. DEI also helps us make the most of our global presence by consciously using the benefits of a diverse and empowered team to create smart and scalable solutions.

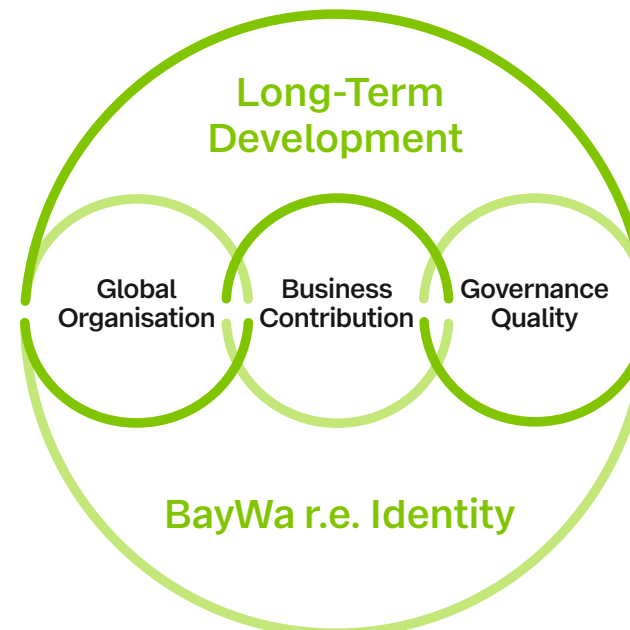
Recently, we developed a Global DEI Handbook to help our global leadership assess their current DEI status and develop a tailored DEI work plan with annual goals for their specific business entity.

We also want to ensure consistent application of existing, meritocratic people processes and tools in each of the countries where we work. As a foundation, DEI is already defined as an element of the core identity of BayWa r.e. of which we are working on making this more visible for all.



The focus areas of our Global DEI Strategy

The implementation of our Global DEI Strategy will help us draw on the different experiences and ideas of our diverse employees to generate innovative solutions.



Our Global DEI Strategy aims to significantly contribute to SDG #5

Gender Equality

and SDG #8

Decent Work & Economic Growth

A global DEI team comprised of employee representatives from all the regions we are active in meets regularly to develop company-wide DEI guidelines while keeping regional and local considerations in mind. Additionally, regional DEI working groups meet quarterly to discuss ideas, share best practices, learn from each other, and work on initiatives. In 2021, a DEI communications sub-group developed our company's internal DEI Infosite with resources for employees and continuously works on developing internal material to increase our collective awareness of DEI topics.

Overview of recent DEI initiatives:

The global DEI team is working continuously on medium- and longer-term activities that are integrated with other company-wide initiatives.

- Development of a tool to help management implement the Global DEI Strategy
- A Global Hiring Code has been rolled out to ensure fair and inclusive recruiting practices. HR professionals and hiring managers are regularly trained accordingly
- A Whistleblower System was implemented enabling employees, business partners, and customers to raise issues of misconduct, harassment, or discrimination anonymously and safely
- A Global Engagement Survey was conducted to gather data about our people's feelings regarding the inclusiveness of our working culture and their perception of equal opportunities for development
- Development of senior management training on inclusive leadership
- A pilot study analysis on equal pay was carried out and will be expanded in 2022

Women in management positions

The proportion of women on the Supervisory Board was one to five in the 2021 reporting year. No comparison for 2020 is available as the board was only founded in 2021. There is currently no data available on the share of women holding management positions; however, we plan to collect this data for future reports as it will also help us track the impacts resulting from the implementation of our Global DEI Strategy.

Our team at a glance

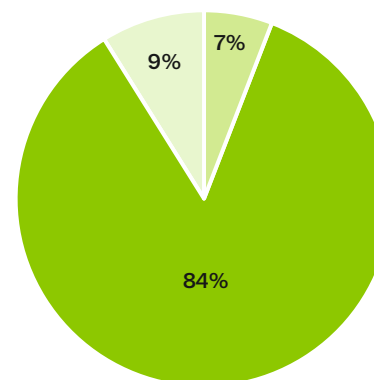
In the financial year 2021, BayWa r.e. employed 3,092 people, up 27% compared to the previous year (2020: 2,433). Training young people is important to us, therefore our employee count includes 138 trainees, students, and interns. Across BayWa r.e., the proportion of female employees was 33% in 2021 (2020: 32%). The total number of employees included 91 employees (previous year 78) on maternity leave and interruptions.

The following evaluations are based on all 'active' staff – employees, including trainees, students, and interns*, but excluding those on maternity leave and interruptions.

*According to the IFRS and HGB standards, trainees, students, and interns are not counted as employees. See § 267 Para. 5 HGB. For this reason, they are reported separately in the financial statement.

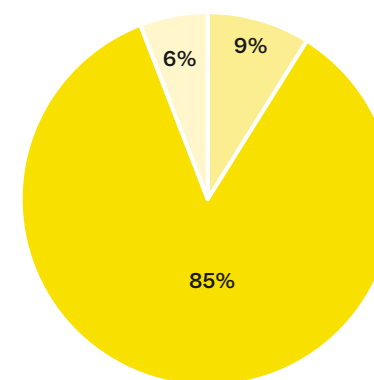
Detailed age structure of BayWa r.e. employees in 2021:

male age structure



- 26 - 54 years
- ≤ 25 years
- ≥ 55 years

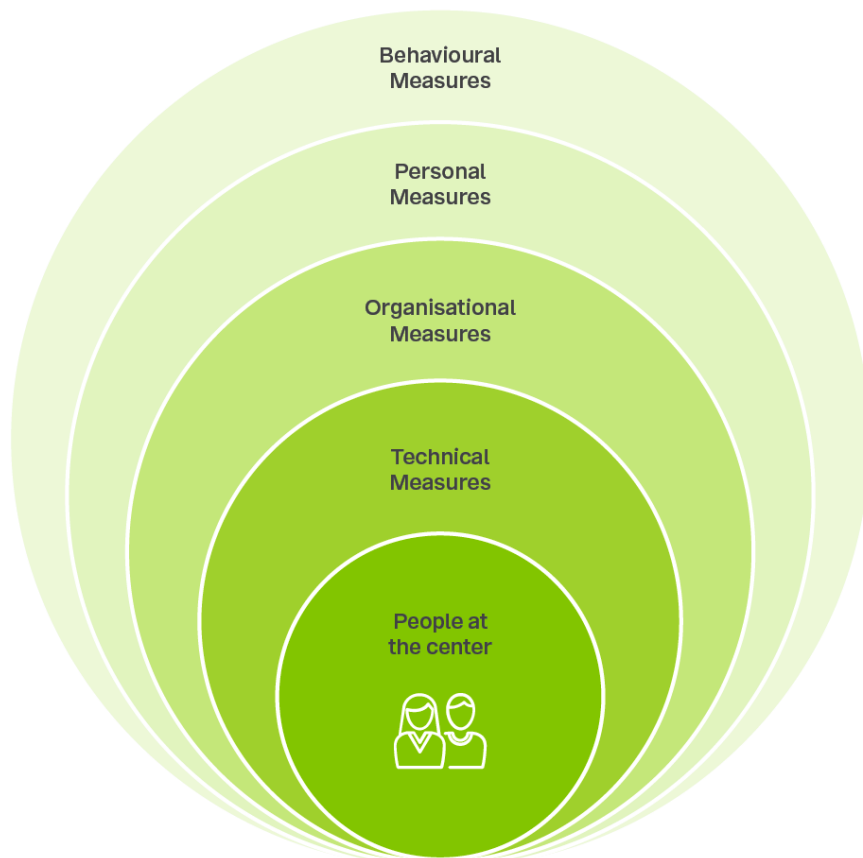
female age structure



- 26 - 54 years
- ≤ 25 years
- ≥ 55 years

Environmental Health & Safety

We at BayWa r.e. know that good working conditions can both motivate employees and prevent stress and health problems. Providing a safe and healthy working environment helps employees stay healthy, reducing the number of absences caused by illness which come at a high cost and impact on operations. Due to the physical nature of their work, our industrial employees – such as professional mechanics and electricians responsible for maintaining our wind and solar parks – are subject to greater health risks. Therefore, Environmental Health & Safety (EH&S) is a top priority for all our business entities in our Operation segment.



Our overarching goals are based on the key elements of EH&S:



Healthy employees:

We ensure that employees are physically and mentally prepared for their jobs by the provision of ergonomically designed workplaces and health-promoting offers as well as medical examinations.



Safe working environment:

We ensure a safe working environment for employees through preventive risk management, highest technical standards, and continuous adoption of state-of-the-art equipment.




Impact on the environment:

We ensure that the impact on the environment is reduced as much as reasonably possible by establishing appropriate processes for handling hazardous chemicals and reducing waste.

Our EH&S approach places our people at the centre, protected by a balanced multi-level system of steps based on the hierarchy of measures of the International Labor Organization (ILO).

Additionally, our parent company BayWa AG's Corporate EH&S organizational unit develops international company-wide guidelines and offers a group-wide point of contact for health and safety. All group companies, like BayWa r.e., have a coordinator who oversees these matters. See [BayWa AG's Sustainability Report 2021](#) for further details.

ISO 45001 provides us with clear guidelines

We at BayWa r.e. have guiding principles and policies for the management of environment, health and safety. These are based on the ISO 45001 global standard for occupational health and safety management systems. These principles define the minimum precautionary measures for matters of occupational health and safety at each site. They apply to all companies and employees and to subcontractors. So far, eight Legal Entities across Europe are formally ISO 45001 certified. We anticipate that further Legal Entities will achieve ISO 45001 certifications. For more details, please refer to the overview of certified management systems in the Sustainable Business Operations chapter. 

Containing operational incidents

In 2021, a project aimed at harmonising the recording and analysis of all incidents in relation to occupational health and safety and environmental management was implemented at various BayWa r.e. entities. Further implementation at additional entities is planned for 2022. This will enable BayWa r.e. to obtain documentation that is required by law.

Lost Time Injury Rate (LTIR):

YEAR	2019	2020	2021
LTIR	2.31	1.33	2.20

The Lost Time Injury Rate measures the number of accidents and should be viewed in the context of a growing business. The effect of the pandemic for 2020 is very noticeable as there were fewer commuting accidents and site visits due to limited travelling.

There have been no fatal accidents reported over the last three years across the BayWa r.e. Group.

Collaboration to strengthen EH&S

With more planned projects in the pipeline this year and beyond, our focus will be on strengthening the processes for collaboration with subcontractors to monitor, manage, and report accidents along the value chain as well as raising the overall awareness for EH&S matters including the improvement of general EH&S competency for relevant employees.



GLOBAL WELL-BEING

CASE STUDY

#socialandhealthy initiative aims to keep our employees healthy

In December 2020, BayWa r.e. launched a global well-being initiative: **#socialandhealthy**.

The aim of the program is to strengthen the physical, mental and social well-being of BayWa r.e. employees around the world through a range of social meetings, health courses, and online materials.

To promote their mental and physical well-being, colleagues can take part in 30-minute healthy back courses, yoga sessions, and 'Mindful Breaks' with professional trainers various times a week, in the morning and evening, via Microsoft Teams. The courses are deliberately designed in a way that allows employees around the globe to easily integrate them into their everyday working life. On the **#socialandhealthy** intranet site, recordings of all the sessions can be accessed afterwards and completed by colleagues when it suits them best.

On a social level, **#socialandhealthy** helps employees stay connected despite working from home. As part of the initiative, digital 'Beer meets Coffee' sessions are held regularly, where teams from different countries introduce themselves and colleagues can get to know each other better. In organised 'community calls', employees can exchange ideas and network on specific topics, such as balancing family and work. Additionally, employees were motivated to work as a team and stay physically

active during the Charity Walk, where colleagues reported their total number of steps taken that week to raise donation funds for the World Health Organization (WHO) Foundation. In April 2021, a total of 9,252 Euros were donated.

This well-being program became significantly important in 2021 while our employees across the world were still adjusting to a new or remote work environment due to the COVID-19 pandemic.

In 2021, a total of 1,369 of approximately 3,000 employees hired at the time across 20 countries joined the **#socialandhealthy** meetings and activities. Employees report feeling more connected to others, happy, and healthy.



Stay socially connected



Take care of your physical well-being



Take time for your mental health

Sustainability Impact:

According to the World Health Organization, the COVID-19 pandemic has had a major impact on people's mental health.

Our **#socialandhealthy** initiative is aligned with **SDG #3 Good Health and Well-being** and **SDG #8 Decent Work and Economic Growth** and has been well received by our colleagues globally.

2021
we had a total of

1,369
participants from

20
countries joining the
#socialandhealthy
activities

With the **#socialandhealthy**

Charity
Walk

in April, we collected

9,252
Euros for the
WHO Foundation

Learning & Development



The shortage of skilled workers, retaining staff, and successfully managing performance capacity continues to be a challenge for the whole industry. Moreover, it is crucial in such a fast-growing environment that we continue to develop capabilities within the company that maintain our competitive edge – both in terms of recruitment and customers. Young people, in particular, expect companies to offer fair and attractive opportunities for career and personal development.

Through employee Learning & Development (L&D) we want to offer our employees training that matches their strengths and interests, helping to build skills at every stage of their career. This paves the way for specialist, project, and management positions to be filled from our junior employees. HR provides guidance and consulting, tools and training to support the development processes of all employees.

Comprehensive Training

To maximise the success of L&D we focus on a high transfer rate of development measures. We believe our people are best placed to know which kind of career and personal development has the highest relevance for them. At the same time, professional leadership development is important if we are to make the most of the potential presented from within our own ranks.

We offer leadership training through various formats. We offer global training, mainly in digital formats for ease of access. This is complemented by modules reflecting country- or business-specific topics. We also offer access to internal experts who can support colleagues seeking to expand their energy market knowledge.

Annual Talent Development

We expect every employee to meet with their manager at least once every 12 months to discuss and develop a structured personal and professional development plan. In 2021, we rolled out a BayWa r.e. framework to support the talent development discussions between employees and their managers, and provide customised local support. We are continuously working to strengthen our talent development opportunities.

Development Navigator

With the development navigator we started to establish a tool that both offers and provides development measures. We strongly believe that learning by doing (e.g. changing into a new role, supporting a project), and social learning (e.g. mentoring, 360° leadership feedback) development measures are just as useful as training. Accordingly, the development navigator is meant to be the go-to place where colleagues can offer training internally and where employees, superiors, and local HR representatives can find relevant training material.



Social Commitment

We, at BayWa r.e., want to accelerate the transition to renewable energy for our planet while also helping people in remote or low-income communities have access to affordable clean energy. To accelerate the energy transition we need communities to support renewable energy projects and we need to also ensure we are giving back to these communities; therefore we develop community outreach initiatives that are aligned with the SDGs selected for our Sustainability Framework 2025. With our employees' vision and motivation to drive these community engagement initiatives, we are doing good for our triple bottom line approach: profit, people, and our planet.



Many Social Initiatives are implemented by our employees

Employees participate in charity giving and social outreach programs globally across our numerous business locations and business segments, such as our Bangkok team that helped stateless migrant children in partnership with a non-profit organization offering shelter, food, schooling, and healthcare as well as our US Solar Systems team who partnered with a local installer in Tennessee to provide a rooftop solar pv system to a woman who is managing a community garden for her predominantly black community while also educating them on the benefits of solar.



AT A GLANCE: SIGNIFICANT PERFORMANCE INDICATORS

	2020	2021
Annual revenue	€2.1 billion	€3.5 billion
Compliance¹	–	99
Participants in on-site compliance training courses	1,693	836
Participants in compliance e-learning courses		
Energy & GHG emissions		
Energy consumption in MWh	26,107	26,888
Proportion of electricity from renewable energies in percent	100%	100%
GHG emissions (Scope 1, 2 & 3.6 business travel) in tCO ₂ e	4,807	6,017
People		
Number of Employees	2,433	3,092
Health and Safety		
Lost time injury rate (LTIR)	1.33	2.20

¹The training cycle for on-site training courses is three years, for e-learning courses it is two years. Therefore, information for 2021 is not comparable to the information from 2020. The training covers the topics of antitrust law, anti-corruption and money laundering and is mandatory for all relevant employees.

GRI CONTENT INDEX

The BayWa r.e. Sustainability Report 2021 has been prepared in reference to the GRI Standards: Core option. The same standard version was used in the Group Sustainability Report 2021 of BayWa AG, to which data were contributed and to which reference is made in many places throughout this report.

GRI Standard		Page reference	Notes
GRI 101:	Foundation 2016		
GRI 102:	General Disclosures 2016		
	Organizational profile		
GRI 102-1	Name of the organization	4, 6f.	
GRI 102-32	Activities, brands, products and services	6f., 23f.	
GRI 102-3	Location of headquarters	6	
GRI 102-4	Location of operations	6	
GRI 102-5	Ownership and legal form	4, 6	
GRI 102-6	Markets served	6	
GRI 102-7	Scale of the organization	6f., 45	
GRI 102-8	Information on employees and other workers	45	Contract type and full-time/part-time data cannot be reported at the moment. We are planning to report this data in the near future.
GRI 102-9	Supply chain	36f., 41	
GRI 102-10	Significant changes to the organization and its supply chain	–	Not applicable since this is the first sustainability report.
GRI 102-11	Precautionary principle or approach	10f., 14f., 18, 37f.	
GRI 102-12	External initiatives	11, 21, 39, 45	
GRI 102-13	Membership of associations	21	

GRI Standard		Page reference	Notes
	Strategy		
GRI 102-14	Statement from senior decision-maker	3	
GRI 102-15	Key impacts, risks and opportunities	11, 23f.	
	Ethics and integrity		
GRI 102-16	Values, principles, standards and norms of behavior	10f., 14f., 20f., 35, 40, 43f., 47	
	Governance		
GRI 102-18	Governance structure	14, 18f., 21, 44	
GRI 102-19	Delegating authority	18f.	
	Stakeholder engagement		
GRI 102-40	List of stakeholder groups	10, 41	
GRI 102-41	Collective bargaining agreements	–	In 2021, 17,3 % of employees were employed under collective bargaining agreements across BayWa r.e. Group.
GRI 102-42	Identifying and selecting stakeholders	BayWa AG Sustainability Report 2021 pages 8, 26f.	
GRI 102-43	Approach to stakeholder engagement	11, 14f., 19, 21, 37f, 43f., BayWa AG Sustainability Report 2021 pages 26f.	
GRI 102-44	Key topics and concerns raised	14f., 38, BayWa AG Sustainability Report 2021 pages 26f.	
	Reporting practice		
GRI 102-45	Entities included in the consolidated financial statements	4	
GRI 102-46	Defining report content and topic boundaries	4	
GRI 102-47	List of material topics	BayWa AG Sustainability Report 2021 page 13, 15	We have designed the materiality assessment as an overall BayWa Group process and refer to the presentation in the BayWa AG Sustainability Report 2021. The topics of climate change and biodiversity are particularly important for the BayWa r.e. business model.

GRI Standard		Page reference	Notes
GRI 102-48	Restatements of information	–	Not applicable since this is the first sustainability report.
GRI 102-49	Changes in reporting	–	Not applicable since this is the first sustainability report.
GRI 102-50	Reporting period	4	
GRI 102-51	Date of most recent report	4	
GRI 102-52	Reporting cycle	4	
GRI 102-53	Contact point for questions regarding the report	59	
GRI 102-54	Claims of reporting in accordance with the GRI Standards	4	
GRI 102-55	GRI content index	–	
GRI 102-56	External assurance	4	
	Material topics		
GRI 201	Economic Performance 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	6,7	
GRI 201-1	Direct economic value generated and distributed 4/5; Consolidated Financial	6,7, BayWa r.e. Group Annual Financial Statement 2021, page 1	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	BayWa AG Sustainability Report 2021 page 18-20	
GRI 205	Anti-corruption 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	19, 20	
GRI 205-2	Communication and training about anti-corruption policies and procedures	19, 20	
GRI 206	Anti-competitive Behaviour 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	19, 20, BayWa AG Sustainability Report 2021 page 21f.	

GRI Standard		Page reference	Notes
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	–	None during the reporting period.
GRI 207	Tax 2019		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	20, 21	
GRI 207-1	Approach to tax	20, 21	
GRI 207-2	Tax governance, control and risk management	20, 21	
GRI 207-3	Stakeholder engagement and management of concerns related to tax	20, 21	
GRI 207-4	Country-by-country reporting	BayWa AG Sustainability Report 2021 page 24f.	
GRI 301	Materials 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)		
GRI 301-1	Materials used by weight or volume	BayWa AG Sustainability Report 2021 page 105	For the whole of BayWa Group, the data is not yet available in sufficient quality. See also BayWa AG Sustainability Report 2021. We are working on optimising data quality.
GRI 302	Energy 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	33f.	
GRI 302-1	Energy consumption within the organization	33	We report our energy consumption in GWh, excluding our LEAD certified headquarters in Munich, as BayWa r.e. Group is occupying only a limited amount of the office space. The energy consumption of the full building is included in the BayWa AG Sustainability Report 2021. In the future we plan to include our energy share of the office spaces in our reporting.
GRI 302-3	Energy intensity	34	Calculation of energy intensity ratio: total energy consumption in GWh/ EBIT in Mio. EUR. Scope: energy used within the company.

GRI Standard		Page reference	Notes
GRI 303	Water and Effluents 2018		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	34	
GRI 303-1	Interactions with water as a shared resource	34	
GRI 303-2	Management of water discharge-related impacts	34	
GRI 304	Biodiversity 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	13, 25	
GRI 304-2	Significant impacts of activities, products and services on biodiversity	13, 25	
GRI 305	Emissions 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	32	
GRI 305-1	Direct (Scope 1) GHG emissions	32	All gases included, for full inventory please refer to BayWa AG Sustainability Report 2021 page 66-69
GRI 305-2	Energy indirect (Scope 2) GHG emissions	32	Market-based, for methodology in full please refer to BayWa AG Sustainability Report 2021 page 66-69
GRI 305-3	Energy indirect (Scope 3) GHG emissions	32	We only report on 3.6, travel emissions, as they are material for our corporate carbon footprint.
GRI 306	Waste 2020		
GRI 103	Disclosures on Management Approach 2020 (including GRI 103-1, 103-2, 103-3)	34	
GRI 306-1	Waste generation and significant waste-related impacts	34	
GRI 306-2	Management of significant waste-related impacts	34	
GRI 307	Environmental Compliance 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	35	

GRI Standard		Page reference	Notes
GRI 307-1	Non-compliance with environmental laws and regulations		None during the reporting period.
GRI 308	Supplier Environmental Assessment 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	37f.	
GRI 308-1	New suppliers that were screened using environmental criteria	–	This cannot be reported for 2021 as the roll-out of our supplier assessment is ongoing.
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	–	None were brought to our attention during the reporting period.
GRI 401	Employment 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	43	
GRI 401-1	New employee hires and employee turnover	45	We do not report an employee turnover rate
GRI 401-3	Parental leave	45	
GRI 402	Labour/Management Relations 2016		
GRI 103	Disclosures on Management Approach 2018 (including GRI 103-1, 103-2, 103-3)	43	
GRI 402-1	Minimum notice periods regarding operational changes	–	BayWa r.e. complies with the respective regional statutory requirements for notice periods regarding operational changes.
GRI 403	Occupational Health and Safety 2018		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	46, 47	
GRI 403-1	Occupational health and safety management system	47	
GRI 403-2	Hazard identification, risk assessment and incident investigation	47	
GRI 403-3	Occupational health services	46	
GRI 403-4	Worker participation, consultation and communication on occupational health and safety	46-48	

GRI Standard		Page reference	Notes
GRI 403-6	Promotion of worker health	46-48	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	46-48	
RI 403-9	Work-related injuries	47	
GRI 404	Training and Education 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	49f.	
GRI 404-1	Average hours of training per year per employee	49	Training hours across all legal entities and all training activities cannot be reported at the moment. We will report this data in the near future.
GRI 405	Diversity and Equal Opportunity 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	44f.	
GRI 405-1	Diversity of governance bodies and employees	45	
GRI 406	Non-discrimination 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	20, 43f.	
GRI 406-1	Incidents of discrimination and corrective actions taken	–	None were brought to our attention during the reporting period.
GRI 412	Human Rights Assessment 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	39f.	
GRI 412-1	Operations that have been subject to human rights reviews or impact assessments	39	

GRI Standard		Page reference	Notes
GRI 414	Supplier Social Assessment 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	37f.	
GRI 414-1	New suppliers that were screened using social criteria	–	This cannot be reported for 2021 as the roll-out of our supplier assessment is ongoing.
GRI 414-2	Negative social impacts in the supply chain and actions taken	39	
GRI 415	Public Policy 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	21	
GRI 415-1	Political contributions	21	
GRI 419	Socioeconomic Compliance 2016		
GRI 103	Disclosures on Management Approach 2016 (including GRI 103-1, 103-2, 103-3)	20	
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	–	None during the reporting period.

IMPRINT

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