Sustainability report

2023

SLOVENSKÉ ELEKTRÁRNE

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Foreword

Dear ladies and gentlemen,

it is with great pride that I present to you our first Sustainability Report for 2023. This document is the result of our tireless efforts to strike a balance between economic growth, environmental responsibility and social justice. The document is not just a summary of our achievements and challenges, but a commitment to transparency and accountability to our planet and the society we live in.

In 1942, when our Company was founded, we committed ourselves to producing energy. Today, more than seven decades later, our mission is undergoing a transformation with an emphasis on sustainability and innovation.

In 2023, we reached a significant milestone, delivering almost 96.5% of our electricity to the grid without direct carbon dioxide emissions.

This success is a testament to our commitment to environmental protection and resource efficiency.

As part of our journey towards sustainability, we ended electricity production at the Nováky thermal power plant as of 31 December 2023 and the Vojany thermal power plant will meet the same fate in 2024. This will ensure that 100% of our electricity is produced without direct CO_2 emissions. These decisions are proof of our determination to go beyond current standards and to strive for a cleaner future.

We recognise that our journey to sustainability is an ongoing process and there are always areas where we can do more, as this report demonstrates. However, we are committed to continuous improvement and to finding new ways to reduce the impact of our activities on the surrounding countryside and the people who live there. However, this step will certainly not mark the end of our efforts, but rather in future reports we will be addressing additional challenges.

This report details our sustainability activities and results for 2023. We believe it will give you a clear and transparent picture of our efforts and achievements, as well as areas for improvement. Because that is also what sustainability is about.

Even though our first report is out, our work is not over. We are committed to continuing our journey towards sustainability and are constantly looking for new ways to improve our processes and contribute to the protection of our planet.

Thank you for your continued support and commitment to our shared vision of a sustainable future. Together we can build a world that is safer, healthier and more prosperous for all.

Sincerely,

Branislav Strýček
Chairman of the Board and CEO

General information

1 General information

SE is the largest electricity producer in the Slovak Republic and one of the largest in Central Europe.

Purpose and scope of the Report

Slovenské elektrárne, a. s. (the “Company” or “SE”) is the largest electricity producer in the Slovak Republic and one of the largest in Central Europe. The area in which the Company operates faces many challenges, not only as regards protecting the environment and combating climate change, but also in ensuring a reliable and affordable supply of electricity, taking into account the technological advances being made in the electricity sector. These challenges lead to SE’s interest in integrating sustainability into the Company’s management processes and to concrete steps towards increasing the Company's ability to sustain itself in the orbit of major energy companies in both the national and European context.

This report is the Company’s first sustainability report. It is a report on SE’s approach to safety, innovation, environmental protection and selected human resource management issues from a sustainability perspective.

The Company considers it important that its stakeholders are regularly and transparently informed about all relevant sustainability matters of its business. For this reason, this report has been prepared to provide a comprehensive overview of the Company’s sustainability activities and performance.

Its purpose is to inform the reader about how the Company contributes to sustainable development, what actions it takes to improve its environmental and social impact and how it integrates sustainability principles into its corporate strategies and activities.

Methodology and standards used in compiling this Report

This report and the data published in it have been prepared taking due account of the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (“CSRD”) and Commission Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards (“ESRS Standards”). Although this is a first and voluntary disclosure, the Company has endeavoured to ensure the closest possible compliance with this legislation. Pursuant to Section 39zc of Act No. 431/2002 Coll. on Accounting, as amended, which transposed the obligations arising from the CSRD into Slovak law, SE will only be subject to the obligation to report consolidated sustainability information in the parent entity’s annual report for the accounting period beginning 1 January 2025, in accordance with the ESRS Standards. The Company intends to use this period of voluntary reporting of sustainability information to improve its data collection processes and prepare relevant policies in order to be in full compliance with the requirements of the CSRD and ESRS Standards during the period of mandatory reporting.

The information presented in this report relates only to Slovenské elektrárne, a. s., the subsidiaries of SE are not included in the disclosure.

The Sustainability Report does not include information relating to disclosures under Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the “EU Taxonomy”).

The Company reports this information separately; for the accounting period 1 January 2023 to 31 December 2023, this information is included in the 2023 Annual Report.

Time horizons

In the report, the Company considers the short-term horizon to be a period of one year, the medium-term horizon to be a period of 1 to 5 years and the long-term horizon to be a period of more than 5 years.

Forward-looking information regarding projections, plans, impacts, risks and opportunities presented in this report is considered uncertain by SE.

Period covered by this report

This report covers the period from 1 January 2023 to 31 December 2023. If any data or initiatives extend beyond this period, this is clearly stated in the report.

Incorporation of information by reference

In this report, selected information is provided in the form of a reference. Given the voluntary publication of the first Sustainability Report, the inclusion of information by reference has been used beyond what is allowed by ESRS Standards. In the future, the Company will align its approach to incorporating information by reference with the requirements of the ESRS.

Data points based on other EU legislation

Due to the fact that this is a first and voluntary disclosure, the Company does not include the List of Data Points in the cross-cutting and topical standards resulting from other EU legislation. The Company will publish the list in the year in which it becomes subject to the legal obligation to report sustainability information pursuant to Act No. 431/2002 Coll. on Accounting, as amended. The option of omitting specific information on grounds of intellectual property or know-how has not been exercised.

Information about the Company

SE is the largest electricity producer in the Slovak Republic and one of the key players in the energy sector in Central Europe. Founded in 1942, the company employed approximately 4 000 employees in 2023.

The Company had two shareholders as at 31 December 2023. The majority shareholder was Slovak Power Holding B. V. (“SPH”) holding a 66.0000000523 % stake in the share capital. A 50 % shareholding in SPH is owned by EP Slovakia B. V. (a subsidiary of the EPH Group) and the remaining 50 % shareholding is held by Enel Produzione S.p.A. (a subsidiary of the Enel Group). The Company’s minority shareholder, with a 33.9999999477 % share in the share capital, is the Slovak Republic, represented by the Ministry of Economy of the Slovak Republic. More than 98% of the Company’s revenue is generated from the sale of electricity and heat and related services.

As sector-specific ESRS standards were not issued during the preparation of the Sustainability Report, the distribution of revenue is not described in any great detail. A more detailed description of the distribution of revenues can be found in the Company's Individual Financial Statements.

The Company’s goal is to safely, reliably, efficiently and competitively produce, sell and trade electricity and heat,

to safely handle radioactive waste and spent nuclear fuel, and to permanently reduce the environmental impact of production processes.

Thanks to the balanced mix of production sources, the Company supplied almost 96.5% of electricity to the grid free of direct carbon dioxide emissions in 2023.

The Company's material services and production processes with specific sustainability features include:

- **Electricity production at nuclear power plants**
- **Electricity production at hydropower plants**
- **Electricity production at thermal power plants**
- **Electricity production at photovoltaic power plants**
- **Electricity trading**
- **Provision of ancillary services for the electricity grid**
- **Heat production and sale**

Company's Mission and Vision

Safety is the Company's top priority, and takes precedence over production requirements and business profit. At nuclear installations, which are a unique technology, the priority is to continuously improve and maintain a high level of nuclear safety and radiation protection in accordance with world best practices. The key principle applied at all levels of the Company is that according to which every Company employee is responsible for the safety and quality of their work, recognising the risks involved. These values and principles are derived from the Company's Mission and Vision.

Proof of the success in meeting these values is the fact that SE has been ranked three times (2021, 2022 and 2024) among **Europe's Climate Leaders** compiled by the Financial Times and winning four times (2020, 2021, 2022, 2023) the **Most Attractive Employer in the Production and Industry category** award by Alma Career.

Mission

To produce and supply affordable energy safely and respectfully for the environment for all our customers.

Vision

To be the safest, most innovative and competitive producer in the Central and Eastern Europe, creating value for our customers, shareholders, and employees.

FT FINANCIAL TIMES statista CLIMATE LEADERS 2024

najzamestnávatel' 2020 – 2023

Governance of sustainability matters

2 Governance of sustainability matters

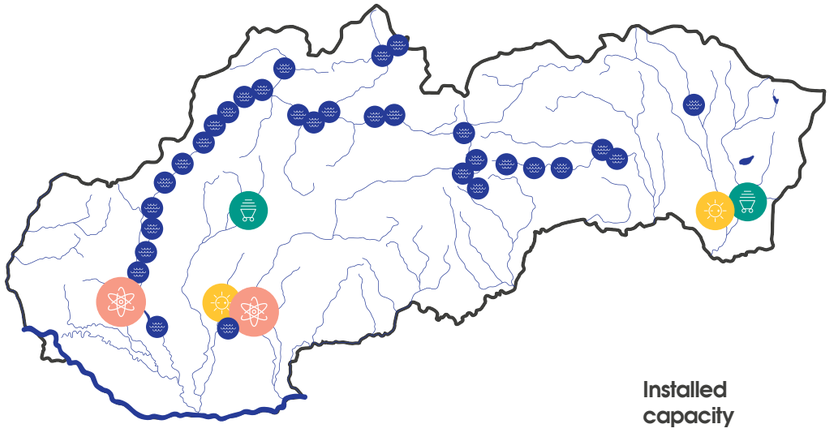
The present Sustainability Report for 2023 is prepared on an individual basis and is consistent in scope with the Company's Individual Financial Statements.

Some of the information, such as information on inputs, is not included, mainly due to its sensitivity and level of confidentiality or because the information is not currently available.

Sustainability Strategy

The Company's key strategic priorities include electricity production and trade in the Slovak and German market as well as exploiting opportunities in the surrounding markets of the Czech Republic, Poland and Hungary, taking into account the parallel development of these liberalised markets, and the sufficient level of interconnection between the transmission systems.

In 2023, SE operated 31 hydropower, 2 nuclear, 2 thermal and 2 photovoltaic power plants, with a total installed capacity of 4 614.80 MWe.



SE power plants

4 615 MWe

Nováky / Closed December 2023

		Installed capacity	Share in SE production
31x		1 653 MW	9.35%
2x		2 474 MW	87.01%
2x		2 MW	0.01%
2x		486 MW	3.63%

*including biomass and solid secondary fuel

The Company updates its internal plans annually, which are drawn up for a period of 5 years and are approved at the highest management level. Sustainability and decarbonisation plans and actions are also part of these plans.

The SE's decarbonisation efforts are built on the following pillars:

Transformation of thermal power plants

- Phasing-out of coal-fired sources of electricity and heat
- New use of industrial sites and existing thermal power plant infrastructure

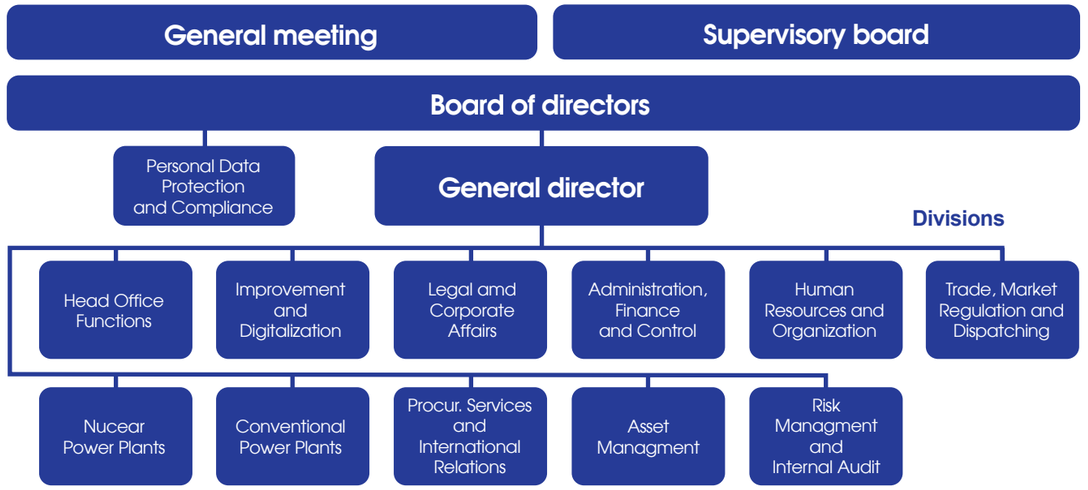
Operation and development of nuclear power plants

- Completion and commissioning of the third and fourth units at Mochovce
- Implementation of steps towards the long-term operation of existing nuclear installations
- Assessing the feasibility of building small modular reactors (the "SMRs")

Development of renewable energy sources (the "RES") and provision of flexibility

- Implementation of financially demanding upgrade of selected hydropower plants and pumped storage hydropower plants
- Construction of battery storage facilities
- Development of new RES, including renewable hydrogen

Company bodies



The Company's bodies consist of the General Meeting, Board of Directors and Supervisory Board. The supreme body in the Company is its General Meeting. The General Meeting carries out its activities in accordance with Act No. 513/1991 Coll. the Commercial Code, as amended, and the Articles of Association of the Company. The General Meeting is convened by the Board of Directors of the Company at least once a year.

The Company applies a system of a dual system of senior management. The management functions of the Company are performed by the Board of Directors as the governing body and the supervisory functions are performed by the Supervisory Board. All members of the management and supervisory bodies act professionally and independently. The members of the Board of Directors and the Supervisory Board are elected by the General Meeting of the Company, five members of the Supervisory Board are elected by the employees of the Company.

During 2023, the composition of the bodies of senior management was as follows:

Composition of the Company's bodies

Company's body	Member's name	Date of function's commencement	Changes in composition during the reporting period
Board of Directors	Branislav Strýček	28 June 2021	
	Michele Bologna	13 December 2021	
	Radoslav Zigo	31 October 2020	
	Milan Molnár	10 February 2021	
	Pedro José Canamero González	25 May 2019	resignation effective as of 30 November 2023
	Ľubomír Tomík	29 August 2020	recall effective as of 30 March 2023
	Milan Horváth	29 August 2020	
	Lukáš Maršálek	21 January 2019	re-election as a member of the Board of Directors effective as of 22 January 2023
	Radko Gecík	31 March 2023	
	Elisabetta Barberi	28 April 2023	
	Simone Conticelli	1 December 2023	

Company's body	Member's name	Date of function's commencement	Changes in composition during the reporting period
Supervisory Board	Jiří Feist	31 July 2022	
	Ivan Šramko	1 October 2020	re-election as a member of the Supervisory Board effective as of 2 October 2023
	Stefano Checchi	8 January 2020	term of office ended on 8 January 2023
	Gabriel Beer	28 June 2023	
	Massimiliano Piccioni	28 June 2023	
	Bohumil Kratochvíl	28 June 2021	resignation effective as of 27 June 2023
	Augusto Patacchiola	9 January 2023	
	Stefania Guerrieri	1 December 2021	resignation effective as of 19 January 2023
	Stéphane Zweguintzow	20 January 2023	
	Pavel Janík	31 July 2022	
	Eduard Veselovský	28 June 2021	
	Maria Antonietta Giannelli	31 May 2022	resignation effective as of 27 June 2023
	Giuseppe Ferrara	31 May 2022	
	Jozef Tischler	1 October 2020	re-election as a member of the Supervisory Board effective as of 2 October 2023
	Tomáš Szabo	24 December 2022	
	Ondrej Márföldi	7 September 2021	
	Zdenek Turian	24 December 2022	
	Lukáš Bačkády	7 September 2021	
	Oľga Beckerová	7 September 2021	

SE does not currently have a defined process in which the governing, management and supervisory bodies would consider sustainability-related impacts, risks and opportunities in overseeing the Company's strategy, the Company's decisions on significant transactions and the risk management process. At the same time, however, the Company takes care to protect the environment in all its activities and takes potential risks into account to a large extent, which is also explicitly expressed in the Company's Mission and Vision.

Sustainability expertise is provided to the Company's bodies by the Sustainable Development staff. These staff work with external experts and regularly participate in various training seminars and workshops.

Sustainability-related policies and commitments

SE is a process-driven commercial company. Process documentation is used to support the systematic management of all processes identified and implemented within the Company.

Process documentation is divided into the following types of documents:

- **Management System Handbook** – describes the operation of the SE management system as one of the fundamental pillars for safe and reliable operation and its continuous improvement. It defines the key activities, organization, responsibilities and interfaces necessary to fulfil the Company's Vision and Mission and to execute the Company's Integrated Policy in a safe and efficient manner;
- **Quality Assurance Stage Programme** – a document setting out the quality assurance requirements for operating nuclear power plants pursuant to Act No. 541/2004 Coll. on the peaceful use of nuclear energy (the Atomic Act) and on the amendment of certain acts, as amended, and related decrees, standards and safety instructions;
- **Quality Assurance Procurement Programme** – sets out the basic requirements for quality assurance in all phases of the life cycle of the Company's operating nuclear installations. It includes the principles and objectives that must be implemented to ensure the nuclear safety of nuclear power plants;
- **Directives** – define the responsibilities and powers in process management and the follow-up documentation;
- **Methodological Guidelines** – unify the way activities are carried out within the Company and describes the way indirect management is carried out;
- **Guidelines** – set out how activities are carried out within the relevant department of the Company;
- **Department manuals** – provide for the management of the activities of departments as defined in the higher management documentation and the organisational management of the operation of the departments.

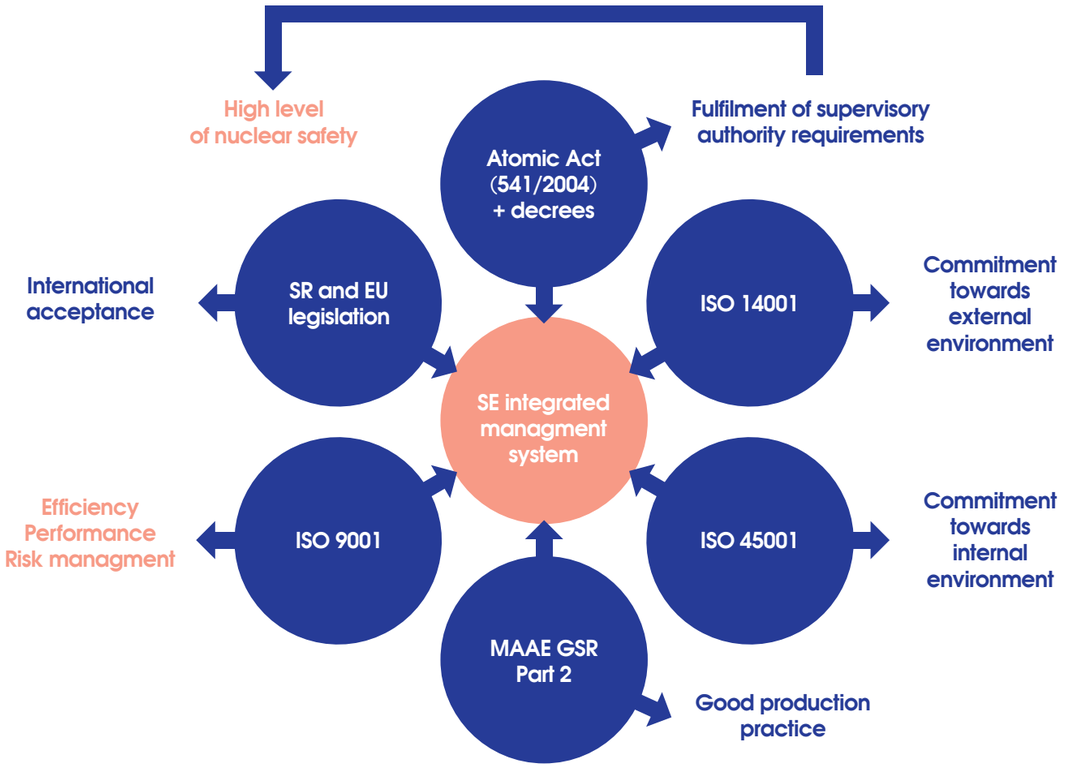
Where the Company refers herein to internal policies or Company policies, these are any of the forms of Company procedural documentation described above.

One of the key elements for achieving the Company's vision and mission through the safe and reliable operation of its production resources is the Integrated Management System ("IMS").

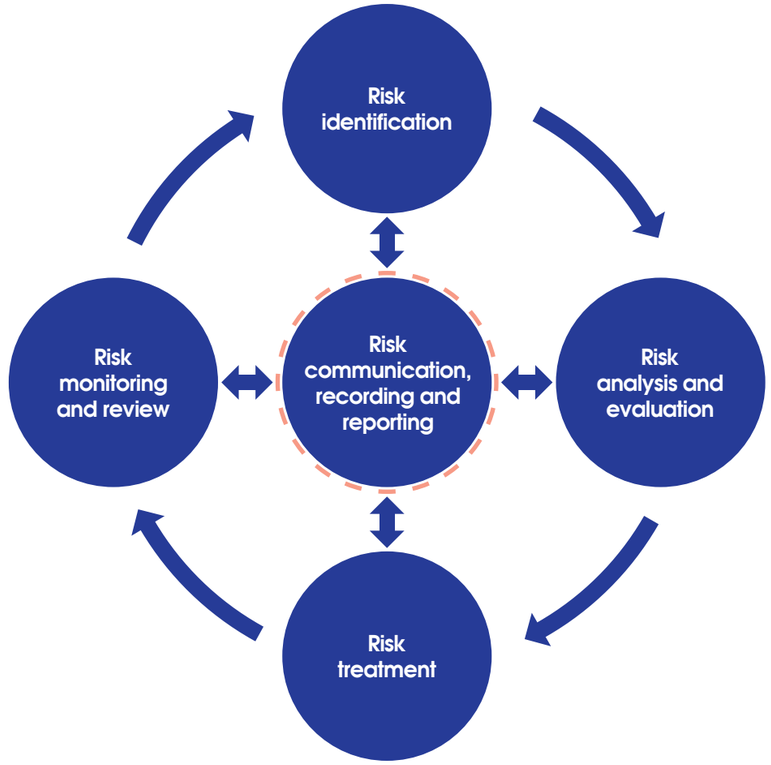
The IMS is a key tool for managing all processes, their interactions and external and internal influences. SE's integrated management system has been certified continuously since 2010 in accordance with the requirements of ISO 9001, ISO 14001 and ISO 45001.

Within the IMS, each employee of the Company has a defined standing, clearly assigned responsibilities and powers.

Schematic diagram of the integrated management system in SE



Risk management process



Due diligence and risk management

The Company has an implemented integrated risk management process in place. As part of this process, a risk matrix (a two-dimensional matrix that illustrates the level of risk, the distribution of risks and their materiality) is defined and risk assessment criteria are set. In line with the risk breakdown, a graded risk management approach has been introduced for each management level. The risk registers are validated by the divisional directors and the individual risks are ranked from most material, through material to least material. Each risk has an assigned sponsor (director), owner (manager/head) and coordinator (any SE employee). If a risk needs to be escalated to a higher level of management or expertise, 3 levels of escalation apply (for the most material risks, these escalate up to the level of the Company's General Director).

The process also includes the determination of corrective actions to mitigate, minimise and/or eliminate the risk. The implementation of the defined actions is monitored and the risk is reassessed once the action has been met.

Sustainability risk management

In 2023, the Company did not have a specific sustainability risk management system fully in place to the extent required by ESRS Standards. In 2023, a specific list of sustainability impacts, risks and opportunities was developed in collaboration with all relevant Company departments for the preparation of the Company's first Sustainability Report.

Determination of double materiality and stakeholders

3 Determination of double materiality and stakeholders

Value chain

The first step of the double materiality assessment was to identify the Company's value chain.

The value chain mapping involved documenting business activities, direct and indirect business relationships, business partners, identification of affected stakeholders and resource dependencies along the value chain (upstream, own operations, downstream).

All important actors were taken into consideration:

1. suppliers of fuel, nuclear material and services in the last reporting period,
2. suppliers of specific services, works and goods in the last reporting period,
3. trading partners in the trading of physical products on the energy exchange in the last reporting period.

The value chain consists of entities involved in the extraction and transport of raw materials needed for electricity generation, entities carrying out the construction work of new electricity generation facilities, regulators and companies such as transmission system operators, distribution companies, wholesale customers and international partners in the export and cross-border transmission of energy.

The Company is currently working to improve the quality and quantity of data related to its value chain. For this reason, this report deals with the value chain in a limited way. In future disclosures, SE anticipates, given the complexity and scale of the value chain, a gradual expansion and coverage of this area.

Identification of sustainability matters

The next step involved identifying key business relationships, value chain and stakeholders at site and asset level. This analysis resulted in the identification of key sustainability matters at the level of the sub-topics defined in Appendix A to standard ESRS 1, supplemented by the so-called company-specific matters. The information sources were mainly the risk database, employee expertise and the Company's management systems.

Sustainability matters related to material impacts, risks and opportunities were subsequently linked to topical standards ESRS covering these matters. All mandatory disclosure requirements and the data points listed therein have been aggregated from the ESRS cross-cutting and topical standards.

Identification of impacts, risks and opportunities

The identification of impacts included impacts associated with the Company's activities within the upstream and downstream parts of its value chain, including its products and services, as well as those through its business relationships. It was focused on areas where impacts were likely to occur.

The identification of risks and opportunities included relevant risks and opportunities for further assessment, taking into account the Company's financial positions on sustainability. These included risks and opportunities caused by dependencies on natural, human and social resources.

The first draft contained 58 impacts and 53 risks and opportunities. The subsequent identification process of impacts, risks and opportunities within the Company included meetings with Internal Audit and Risk Management. Following the meetings, the list was expanded to 74 identified impacts and 88 risks and opportunities.

The list expanded in this way was subsequently validated in more than 30 internal meetings with more than 18 expert departments across the Company.

19 material impacts and 18 material risks and opportunities

Following internal meetings, 44 individual stakeholders were contacted and, after taking into account the 14 stakeholder opinions received, a final list of the Company's impacts, risks and opportunities was elaborated, which included **19 material impacts and 18 material risks and opportunities**.

Criteria for assessing materiality

Evaluation criteria, quantitative and qualitative scoring mechanisms as well as quantitative thresholds were set for the identified impacts, risks and opportunities.

Impact: The assessment of the impacts was carried out on the basis of their characteristics, including an assessment of whether they were negative or positive. This assessment took into account the following factors:

a. **Scale** – the magnitude and intensity of the impact, whether positive or negative
b. **Scope** – the range, number of cases or impact, depending on how widespread it is
c. **Irremediable character,** i.e. whether the impact could be remedied or reversed (i.e. restored to its original condition)
d. **Likelihood,** i.e. the probability and frequency of a potential impact occurring.

Each factor was assigned a value ranging from 0 to 5, with each single value being qualitatively well-defined. The results of the assessment were obtained by averaging the severity (scale, scope and irremediable character, if applicable) and likelihood in case of potential impacts. An impact with a final score below 3.5 was considered non-material and that with a score equal to or greater than 3.5 was considered material.

Risks and opportunities

The assessment of the materiality of risks and opportunities was carried out taking into account:

a. **likelihood of occurrence,** , i.e. the likelihood or frequency of when the risk or opportunity will manifest itself; and
b. **potential magnitude of their financial impact,** i.e. the magnitude or extent of the effect that a given risk or opportunity will have on the Company's financial performance.

As with impacts, these elements were evaluated using a scoring mechanism. Scores ranging from 0 to 5 were assigned to likelihood of occurrence and potential financial impact, with each value being qualitatively well-defined.

The result of the assessment was classified as material or non-material by comparison with a predefined quantitative threshold set at 3.5. The threshold for assessing the potential intensity of the financial impacts was set at EUR 1 150 000. The financial materiality metrics were taken from the internal risk assessment process. This process was not integrated with the process for assessing sustainability-related impacts, risks and opportunities in 2023.

Involvement of stakeholders

Stakeholders were contacted by means of an online questionnaire, where they were provided with information on the topics identified and a determination of their materiality from the Company's point of view. Stakeholders were given the opportunity to comment on whether they agreed with the identification of topics as material or non-material.

Stakeholders contacted include the following groups:

- shareholders,
- banking institutions,
- customers,
- employee representatives.

Based on the involvement of stakeholders, alignment was identified between stakeholder attitudes and with the material topics identified by the Company. The only topic added was a topic arising from ESRS G1 Business Conduct. The absence of this topic was primarily due to the Company having a number of actions in place that reduced the metrics assessed (scale, scope, likelihood and irremediable character) and as a result these topics were not assessed as material. Following the evaluation of the stakeholder dialogue, the selected topics were included in the list of material topics.

Identified material impacts, risks and opportunities and their integration with the Company's strategy

E1 Climate change					
Designation	**Name**	**Trigger**	**Description**	**Time horizon**	**Solution**
NI, OA	**Greenhouse gas emissions from the operation of thermal power plants**	Electricity production in thermal power plants emits a significant amount of greenhouse gas emissions.	Greenhouse gas emissions contribute significantly to global climate change.	Long term	• Termination of electricity production in thermal power plants
PI, OA	**Electricity production in low-carbon and renewable sources**	The current majority share of the ompany's electricity generation in low-carbon (mainly nuclear power plants) and renewable (mainly hydroelectric sources reduces the amount of greenhouse gas emissions released into the atmosphere.	Reducing greenhouse gas emissions contributes to climate change mitigation.	Long term	• Completion and commissioning of the Units 3 and 4 of the Mochovce nuclear power plant • Long-term operation of existing nuclear installations
PI, OA	**Decarbonisation actions**	The planned decarbonisation actions consisting of the termination of existing thermal power plants will significantly reduce the Company's greenhouse gas emissions	Reducing greenhouse gas emissions contributes to climate change mitigation.	Long term	• Termination of electricity production in thermal power plants and gradual transition of industrial sites • Operation and development of nuclear power plants • Development of renewable energy and provision of flexibility
PI, OA	**Electricity production**	The Company's core activity is the production and supply of electricity and heat at its own energy facilities.	The Company supplies electricity and heat to its customers.	Short term	• Ensuring stable and secure electricity production • Optimising the deployment of individual energy sources
NI, OA	**Fluorinated greenhouse gas emissions**	Leakage of fluorinated greenhouse gases from coolers, air conditioners, heat pumps and other relevant equipment.	Leakage of substances with high global warming potential (GWP) from relevant systems contributes to global climate change.	Short term	• Ensuring compliance with legislative requirements and standards associated with limits on fluorinated greenhouse gases
PCR, OA	**Climate change adaptation**	Electricity production is affected by the consequences of climate change.	The consequences of climate change may affect the future operation of nuclear and hydropower plants.	Long term	• Long-term strategic planning of adaptation actions in upcoming projects, in projects for the renewal and upgrading of the Company's assets, as well as the implementation of new operational procedures and actions

E1 Climate change					
Designation	**Name**	**Trigger**	**Description**	**Time horizon**	**Solution**
TR, OA	**Impact of climate policies**	The European Union is pursuing an ambitious policy aimed at reducing greenhouse gas emissions.	The Company is facing increased costs from carbon pricing schemes and greenhouse gas emissions regulations, as well as increased pressure to decarbonise, forcing it to transition its technology or business model with the impact on the Company's cost growth.	Medium term	• Operation and development of low-carbon and renewable sources of electricity • Monitoring the development of legislation • Participation in working groups in the development and commenting on emerging legislation • Implementation of legislative requirements into the Company's processes, planning and business model/strategy
O, OA	**Impact of climate policies**	The European Union is pursuing an ambitious policy aimed at reducing greenhouse gas emissions.	Decarbonisation of the Company can contribute to lower costs of emission allowances, ensure greater competitiveness and, prospectively, facilitate access to financing for its activities.	Medium term	
TR, OA	**Development of low-carbon and renewable energy sources**	Market developments and the evolution of the regulatory framework in the European Union are motivating energy companies to invest in low-carbon and renewable energy sources.	Companies in the energy sector are adapting their investment strategy to market developments and the evolution of the regulatory framework in the European Union in order to not lose their position in the energy market and to gain new sources of revenue from their preferred energy sources.	Long-term	• Optimising the deployment of individual energy sources • Continuous monitoring and analysis of market and regulatory developments
O, OA	**Development of low-carbon and renewable energy sources**	Market developments and the evolution of the regulatory framework in the European Union are motivating energy companies to invest in low-carbon and renewable energy sources.	Companies in the energy sector have the opportunity to invest in low-carbon and renewable energy sources (including the development of sources capable of providing flexibility to the electricity system) in order to gain new sources of revenue and a competitive advantage in the market.	Long-term	• Increasing the share of new renewable energy sources, including renewable hydrogen • Implementation of steps towards the long-term operation of existing nuclear installations • Planning of development projects with acceptance of the evolution of the regulatory framework • Assessing the possibility of building small modular reactors • Completion and commissioning of the third and fourth units at Mochovce

E2 Pollution					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
NI, OA	**Air pollution from coal combustion emissions**	The combustion of coal in thermal power plants releases a number of pollutants into the air (mainly mercury, lead, sulphur dioxide, nitrogen oxides, particulates and various other heavy metals).	Pollutants have a negative impact on human health and the environment.	Long-term	• Termination of electricity production from thermal power plants • Ensuring compliance with legislative requirements and standards associated with limits on the release of particulate matter
NI, OA	**Landfills and impoundments**	Waste from electricity generation is disposed of in landfills and impoundments, which can become a source of groundwater pollution.	Landfilled waste can cause groundwater pollution and have a negative impact on human health.	Long-term	• Ensuring safe temporary landfilling • Managing the operation of the impoundment to prevent the release of hazardous substances into the environment
NI, OA	**Environmental burdens**	The past operation of power plants has created environmental burdens.	Environmental burdens are located at the sites of thermal power plants and related operations, which cause groundwater pollution and may have an impact on human health and the environment.	Long-term	• Monitoring and measurement of values in areas with environmental impact of SE production • Implementation of actions to remove environmental burdens and to restore and clean up affected areas
R, OA	**Penalties for air pollution**	Failure to comply with the emission limits set out in the legislation can lead to a penalty for air pollution.	Companies that break the law face fines and reputational damage, reducing consumer confidence and potentially the Company's revenue.	Short-term	• Monitoring of legislative requirements • Preparation of project documentation with regard to legislative requirements • Communication with permitting and supervisory authorities
R, OA	**Remediation of environmental burdens**	In the event of an environmental burden, the Company has an obligation to remediate it.	The obligation to remediate environmental burdens comes at a financial cost.	Long-term	• Monitoring of the condition of the areas burdened by production • Preparation of remediation with earmarked funds
R, OA	**Environmental accidents**	Exceptionally, environmental events resulting in a sudden deterioration of the quality of the environment may occur as a result of the operation of power plants.	Sudden deterioration of environmental quality and possible negative impact on human health can be caused by an uncontrolled release of pollutants into the environment.	Short-term	• Strict mechanisms in place internally to prevent and eliminate accidents that could have an impact on the quality of the environment and human health • Monitoring of the Company's activities with an impact on the environment

E3 Water and marine resources					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
R, OA	**Water shortage**	Electricity generation is dependent on large amounts of water.	Water scarcity due to drought or competition for scarce water resources in the future may affect energy production, which may lead to reduced electricity production or higher costs for alternative water sources.	Long-term	• Long-term strategic planning of adaptation actions in upcoming projects, in projects for the renewal and upgrading of the Company's assets, as well as the implementation of operational actions

E4 Biodiversity and ecosystems					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
R, OA	**Recultivation of own industrial sites**	Legislation requires the Company to recultivate its own industrial sites after the plants have ceased operation.	The Company's obligation to reclaim its own industrial sites comes at a financial cost.	Long-term	• Implementation of actions to protect the environment and take actions to minimise negative impacts on the environment

E5 Resource use and circular economy					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
NI, OA	**Non-hazardous waste**	Non-hazardous waste is generated in the production of electricity.	Waste production poses the risk of contamination to water, soil and air.	Long-term	• Proper waste management at the Company's facilities - sorting by waste group, safe temporary storage of waste • Ensuring a responsible contractor for waste removal and safe waste treatment with respect to the waste management hierarchy
NI, OA	**Radioactive waste**	Radioactive waste is generated in the production of electricity at a nuclear power plant	Radioactive waste can adversely affect the environment and human health.	Long-term	• Treat and store radioactive waste with extreme care to prevent contamination and radiation exposure • Implement effective actions to manage and minimize the generation of radioactive waste, to ensure its proper disposal and recycling, and to adhere to strict safety protocols to protect the environment and human health

S1 Own workforce					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
PI, OA	**Adequate remuneration**	Staff are remunerated accordingly for their work.	Adequate remuneration is a key factor influencing the standard of living and quality of life of employees.	Short-term	• Employee benefits as defined in the company's collective agreement • Creating new internal structures and processes that focus on collaboration with schools, employer branding and talent management
PI, OA	**Variable remuneration component**	Employees receive a variable salary (incentive component).	Variable pay increases employee motivation.	Short-term	
PI, OA	**Working with the young generation**	The Company is involved in preparing students for employment at the Company.	Students receive the required education, which simplifies the admission process and increases the safety of the Company's facilities operations.	Short-term	
NI, OA	**Occupational Health & Safety - long-term impacts**	Company employees may be exposed to dangerous factors at work and in the working environment.	Long-term exposure to dangerous factors of work and the working environment increases the risk of negative impacts on human health.	Medium to long-term	• In the case of employees remunerated in the form of performance bonuses based on key performance indicators (KPIs), there are defined KPIs in the field of safety • Safety assessment in accordance with the requirements of the World Association of Nuclear Operators (WANO) • Campaigns to raise awareness of occupational health and safety as a top priority for the Company • Promotion of safety as a top priority
NI, OA	**Occupational Health & Safety – incidents**	Company Employees may be exposed to hazardous working conditions with a high risk of serious personal injury or fatal accidents.	Working environments such as those with nuclear materials and radiation, heavy machinery, high voltage, high temperatures and toxic substances carry the risk of serious, life-threatening events.	Short-term	
PI, OA	**Transparent communication**	The Company publishes transparent information about its activities and the impact of its activities on people in a form that is easily accessible and understandable to the general public.	The energy sector is an important sector in terms of security for the general public. Easy public access to accurate and comprehensible information is essential.	Short-term	• Code of Conduct • Zero Tolerance for Corruption Plan • Whistleblowing hotline available to all employees and stakeholders
R, OA	**The price of overtime**	Employees choose their employer taking into account the ability to properly remunerate work in excess of the regular contractual hours by an overtime premium.	Working overtime is more expensive and increases the cost of labour.	Short-term	• Benefits as defined in the Company's collective agreement

S1 Own workforce					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
R, OA	**Shortage of qualified workforce**	Shortage of skilled labour negatively affects the Company.	Failure to ensure sufficient numbers of skilled staff can cause major production disruptions and safety incidents.	Short-term	• Introduction of recruitment benefits for new employees: ° sign-on bonus ° temporary accommodation for employees residing more than 50 km from the workplace • Cooperation with educational institutions • New benefits defined in the Company collective agreement for current employees
R, OA	**Early retirement**	As a result of unforced legislative changes, a large number of employees are taking early retirement.	The early retirement of a large number of experienced workers causes a shortage of human and professional capacity, which can affect the amount of electricity generated and operating safety.	Medium-term	• Changing the approach to staff selection and recruitment • Intensifying cooperation with educational institutions
O, OA	**Employee development**	The workforce is increasingly interested in the offer of soft skills training, language training and informal learning activities by potential employers.	Lower employee turnover, a more skilled workforce and greater job satisfaction lead to higher productivity and lower recruitment and onboarding costs.	Short-term	• Expanding training opportunities for staff

G1 Business conduct					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
PI, OA	**Corporate Culture/Social Responsibility**	Values as part of a company's culture represent the shared beliefs and desired behaviours that are expected of all employees and stakeholders.	Adherence to shared values improves the Company's relationships with stakeholders and contributes to building stakeholder confidence in the Company's operations.	Short-term	• Promoting and cultivaing the corporate culture • Repeated evaluation of employee satisfaction through a corporate climate survey
PI, OA	**Integrated management system, quality management system and audits**	The Company has in place and maintains a documentation management system of the integrated management system. The company carries out internal audits and supplier audits according to ISO 9001 ISO 14001 and ISO 45001 standards.	Failure to comply with the requirements defined in ISO 9001, ISO 14001 and ISO 45001 can lead to non-compliant worker practices, equipment breakdowns, and activities that negatively impact the environment and activities that negatively impact the health and safety of contractor workers.	Short-term	• Regular review of the effectiveness and efficiency of the system through audits
NI, OA	**Political engagement**	The Company refuses to finance political parties, their candidates or representatives, to sponsor conventions or rallies whose sole or principal purpose is political advertising, or to exert any direct or indirect pressure on politicians.	Political involvement can lead to reduced transparency, perceived or actual corruption, conflict of interest and negative socio-political impact.	Short to medium term	• Principles of conduct as defined in the Code of Conduct
R, OA	**Political engagement**	The Company refuses to finance political parties, their candidates or representatives, to sponsor conventions or rallies whose sole or principal purpose is political advertising, or to exert any direct or indirect pressure on politicians.	Failure to limit political involvement may lead to negative cost implications for the Company or reputational damage to the Company with a potential negative impact on the Company's earnings.	Medium-term	

Specific disclosures					
Designation	**Title**	**Trigger**	**Designation**	**Time horizon**	**Solution**
O, OA	**Innovation**	Innovations are the driving force behind sustainability.	The ability to implement innovative solutions reduces the Company's costs and increases its competitive advantage.	Short-term	• Implementation of projects focusing on digitalisation, AI and cybersecurity • Leveraging machine learning and artificial intelligence, supporting digitalisation • Testing preparedness by simulated cyber attacks
O, OA	**Digitalisation and artificial intelligence**	Artificial intelligence and digitalisation are key topics in the industry.	By properly integrating AI and digitalisation into the Company's operations, employees can work more efficiently.	Medium-term	
R, OA	**Cybersecurity**	Cyber threats in critical infrastructure are associated with high risks.	Cyber-attacks on critical infrastructure such as power plants can have an impact on the provision of so-called essential services, as well as serious implications for security and well-being.	Short to medium term	

Explanation of the table:

NI	Negative impact
PI	Positive impact
R	Risk
PCR	Physical climate risk
TR	Climate-related transformation risk
O	Opportunity
OA	Own activity

As this is the Company's first application of the ESRS, there are no changes in the material impacts, risks and opportunities compared to the previous period.

Information on environmental matters of sustainability

4 Information on environmental matters of sustainability

4.1 Climate change

Identified impact

- NI: Greenhouse gas emissions from the operation of thermal power plants
- PI: Electricity production in low-carbon and renewable sources
- PI: Decarbonisation actions
- PI: Electricity production
- NI: Fluorinated greenhouse gas emissions

Identified risks and opportunities

- R: Climate change adaptation
- R: Impact of climate policies
- O: Impact of climate policies
- R: Development of low-carbon and renewable energy sources
- O: Development of low-carbon and renewable energy sources

Transformation plan for climate change mitigation

SE in 2023 did not have a transition plan for climate change mitigation in the scope required by ESRS standards. At the same time, however, the Company has envisaged specific measures to reduce greenhouse gas emissions in its roadmap strategy. SE did not have GHG reduction targets in 2023, but were actively contributing to GHG reductions through their development projects and key planned actions.

SE is implementing measures to increase the share of electricity generation from low-carbon and renewable sources and envisages the early closure of thermal power plants and the subsequent transformation of these sites. The Company takes into account the necessary investments associated with thermal power plants even after their shutdown and the associated obligation to return the site to a satisfactory condition in accordance with the relevant legislation and the applicable permits of the supervisory authorities. In both cases, the management of the SE-owned sites and the search for solutions for their further utilisation continue to be considered in order to ensure their modern, long-term sustainable and environmentally friendly utilisation, including the implementation of appropriate development projects of the Company.

An assessment of the physical climate risks to taxonomic activities is described in the 2023 Annual report SE is working on a detailed analysis of physical climate risks using relevant climate scenarios.

Policies related to climate change mitigation and adaptation

In accordance with the principles of the IMS, SE has developed an internal directive on environmental protection, which establishes procedures, responsibilities and powers in the process of environmental protection at the Company. The internal directive is the top-level key document in the field of environmental protection and covers the planning, management and control processes in this area. The directive is followed by a set of documents (methodological guides and manuals) that specify the Company's activities in the various environmental areas. Under the directive and related documentation, procedures, guidelines and plans are developed to monitor and measure environmental performance and important characteristics of operations that may have a material impact on the environment. Internal audits are also carried out to assess the environmental management system’s compliance with all mandatory requirements (including legal compliance) to address actual and potential non-compliance and to implement corrective and preventive measures.

This directive is followed by a policy aimed at identifying and assessing environmental matters as that part of an organisation's activities, products or services that is or may be related to the environment and may give rise to positive or negative environmental impacts.
The identification of environmental matters is an ongoing and systematic process, and new environmental matters may arise mainly as a result of new technologies, facilities or equipment, changes in operating conditions, legislation or the Company's organisational structure.

All environmental matters are documented and their materiality is assessed. Environmental matters are further managed, regularly updated and, in the event of significant negative impacts, mitigation actions are taken, primarily through the setting of environmental targets.

The identification of environmental matters takes into account matters that can be directly controlled by SE (air emissions, preparation and implementation of investment projects, management activities with environmental impact, waste water discharge, soil pollution,...) and matters that SE can influence (goods and services used by SE and services and goods provided to SE). The determination of environmental matters shall take into account whether the aspect has arisen in the past, present or is expected to arise in the future, and under what conditions the aspect arises (normal operations, specific operations, supplier operations, emergency conditions). For all environmental matters identified, life cycle stages including raw material sourcing, design, transport, delivery, use, end-of-life treatment and final disposal and associated environmental impacts are considered. The individual environmental matters have their materiality defined, with risks assigned to the material environmental matters in accordance with the Company's specific risk management policy, and environmental objectives linked to these matters.

In accordance with ISO 14001, environmental matters are linked to environmental objectives, which are developed according to an internal policy focused on environmental objectives. Environmental objectives are usually proposed for several years, and the description of the objective must make it clear what improvements are to be achieved in the process of environmental protection. The environmental objectives of each plant are approved at the plant manager level.

The environmental objectives set also take into account significant environmental matters, binding legal and other requirements, risks and opportunities and are consistent with the Company's Integrated Policy.
A classification that divides environmental objectives into five domains is used for the basic breakdown of environmental objectives:

- Air and climate protection – sustainable reduction of emissions, prevention of ozone depletion and global warming;
- Waste management – minimisation of waste generation and safe handling of hazardous waste;
- Water and soil protection – sustainable protection of surface water and soil quality, protection and elimination of chemical pollution;
- Environmental burdens – surveys and remediation of environmental burdens;
- Other environment-related activities – raising environmental awareness, ensuring energy efficiency, radiation protection, etc.

The environmental objectives identified must be measurable and have a defined overall budgetary cost. The evaluation of environmental targets and the proposal of new targets shall be carried out on an annual basis.

The basis for the implementation, maintenance and improvement of practices in all areas of the environment are identified legal and other requirements (e.g. standards, recommendations) in accordance with the Company's Integrated Policy and ISO 14001. For this purpose, the Company has developed an internal policy that sets out procedures for the identification and implementation of environmental requirements, the subsequent assessment of their compliance and procedures for achieving compliance with legal and other requirements of the legislation of the Slovak Republic and the European Union.

The aim of the report is to provide the management of Slovenské elektrárne, a.s. with objective and comprehensive information on measurable indicators of Company’s environmental conduct as a background for assessing compliance with legal and other requirements in the field of air protection, water management, waste management, management of environmental burdens, chemicals management, and the environmental management system at SE.

SE conducts an annual external audit of its environmental management system to determine compliance with ISO 14001 requirements. The external audit assesses the system's ability to ensure compliance with statutory and contractual requirements, the effectiveness of the system in meeting the set objectives on an ongoing basis and identifies areas for potential improvement of the management system.

The internal policy on air and climate protection management contains procedures and requirements for the management and performance of environmental activities in the field of air protection at SE. The policy sets out the basic requirements for the management of pollutant emissions, air quality around thermal power plants and greenhouse gas emissions. It also includes obligations for monitoring air quality in the vicinity of stationary sources (immission monitoring) and methods and means for demonstrating compliance with emission limits. It also includes a requirement to use the best available techniques to reduce emissions and increase energy efficiency. The requirements of the policy are subsequently incorporated into the operating procedures at the plants in order to ensure compliance with the applicable legislation of the Slovak Republic and the European Union in the field of air and climate protection, taking into account the specifics of individual plants.

In the area of air and climate protection, the policy targeting fluorinated greenhouse gases and ozone-depleting substances is also important. Its purpose is to establish procedures for achieving compliance of SE as owner, operator and professionally competent person with the requirements of the legislation of the Slovak Republic and the European Union in relation to products and equipment containing fluorinated greenhouse gases or controlled substances. It comprehensively covers activities related to the procurement, operation, control, maintenance, storage and decommissioning of the substances in question. The management of facilities containing these substances, the control of leaks and compliance with established procedures are given due attention at SE due to their material global impact on air and climate.

Company’s actions on climate change mitigation and adaptation

The closure of the Nováky Thermal Power Plant ("ENO") at the end of 2023 and the planned closure of the Vojany Thermal Power Plant ("EVO") in 2024 will greatly reduce the greenhouse gas emissions produced by SE, thereby also greatly reducing the Company's impact on climate change. In 2023, these plants contributed nearly 99% (approximately 1 090 000 t CO_2 e) of the Company's total Scope 1 and 2 GHG emissions..

In 2023, the lowest ever emission factor (the amount of CO_2 emitted per unit of electricity supplied) of SE was achieved at 55.5 g CO_2/kWh, and thanks to a balanced mix of generation sources, the Company supplied almost 96.5% of its electricity to the grid in 2023 without direct CO_2 emissions.

A key pillar for the Company's electricity generation is the operation of the Jaslovské Bohunice Nuclear Power Plant ("EBO") and the Mochovce Nuclear Power Plant ("EMO").

Nuclear power plants do not produce direct CO_2 emissions during their operation and the amount of other greenhouse gas emissions produced is minimal compared to fossil fuels. For this reason, they make an essential contribution to reducing the Company's carbon footprint and mitigating climate change.

In addition, nuclear power plants are able to produce large amounts of electricity from relatively small amounts of fuel, ensuring a stable and reliable supply of electricity with minimal environmental impact.

The completion of Units 3 and 4 of the Mochovce Nuclear Power Plant (hereinafter referred to as “EMO 34”) is the largest private investment in the Slovak Republic. The capacity of each unit is 471 MWe, with the capacity expected to increase to more than 500 MWe in subsequent years. After commissioning, the two EMO 34 units will together cover approximately 26% of electricity consumption in the Slovak Republic.

The nuclear technology used in EMO 34 is a VVER 440/V-213 design with pressurised water reactors that are moderated and water cooled. The technology used in EMO 34 is characterised by its evolutionary design with proven technology and a number of safety enhancements, inherent safety with low power density and high heat capacity of the primary circuit, as well as higher availability and efficiency. The completion of EMO 34 thus represents a significant contribution to low-carbon electricity generation in the Slovak Republic.

Another measure to develop low-carbon sources of electricity that SE is pursuing is the development of small modular reactors (SMRs). In 2023, SE and its partners (Ministry of Economy of the Slovak Republic, U.S. Steel Košice, s. r. o., Slovenská elektrizačná prenosová sústava, a. s. [Slovak electricity grid operator], VUJE, a. s. [nuclear power research institute], Office of Nuclear Supervision of the Slovak Republic, Slovak University of Technology in Bratislava) succeeded in an international competition within the Phoenix project. The Phoenix Project was first unveiled at the 27th United Nations Climate Change Conference (COP 27) in 2022 in Sharm El-Sheikh, Egypt.

The project will be implemented under the US Department of State's Foundational Infrastructure for the Responsible Use of Small Modular Reactor Technology (FIRST) programme in partnership with the US Department of Commerce's Small Modular Reactor Public-Private Program (SMR PPP). The aim of this project is to promote the transition from coal to small modular reactors in a way that emphasises nuclear safety, non-proliferation, security of energy supply and sound financial considerations. SE’s success lies in having obtained a grant to fund a feasibility study of an SMR. The feasibility study will make it possible to assess the suitability of SMRs for Slovakia and to propose steps necessary for their potential future construction.

Targets related to climate change mitigation and adaptation

SE did not have mitigation and adaptation targets defined in 2023 to the extent required by the ESRS standards. However, the shutdown of ENO in 2023 and the planned shutdown of EVO in 2024, together with other steps defined in the Company's strategy, will contribute significantly to the reduction of GHG emissions both within the Company and within the Slovak Republic.

Energy consumption and mix

SE as the largest electricity producer in the Slovak Republic is in a specific position in terms of energy consumption, since a significant part of its consumption is its own energy consumption caused by the operational nature of its production technology. SE uses its own energy for consumption in different areas of its operations. Energy consumption includes electricity, heat and gas, which are necessary for the operation of production equipment and technological processes. The actual electricity consumption of these plants includes the energy needed to run the plants themselves, including pumps, fans, lighting and other equipment needed to generate and distribute electricity. The share of self-consumption of electricity varies depending on the type of power plant.

This consumption is monitored and controlled through various indicators, such as electricity and heat self-consumption coefficients. Within nuclear power plants, energy consumption in the reactors is monitored and technical-economic analyses of the operation of individual units are conducted. In thermal and hydro power plants, electricity consumption for operational and other support activities is monitored. Total energy consumption is an important indicator of operational efficiency and is regularly evaluated and optimised.

Energy consumption and mix of SE in 2023

Energy consumption and mix		2023
1.	Fuel consumption from coal and coal products (MWh)	3 066 300
2.	Fuel consumption from crude oil and petroleum products (MWh)	22 978
3.	Fuel consumption from natural gas (MWh)	28 237
4.	Fuel consumption from other fossil sources (MWh)	0
5.	Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	0
6.	**Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)**	**3 117 515**
Share of fossil sources in total energy consumption (%)		**5.2%**
7	**Consumption from nuclear sources (MWh)**	**55 170 126**
Share of consumption from nuclear sources in total energy consumption (%)		91.2%
8	Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, , biogas, renewable hydrogen etc.) (MWh)	126 407
9	Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	240
10	Consumption of self-generated non-fuel renewable energy (MWh)	2 058 876
11	**Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)**	**2 185 523**
Share of renewable sources in total energy consumption (%)		**3.6%**
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)		**60 473 164**

Energy intensity (total energy consumption per net revenue) associated with activities in high climate impact sectors

Total energy consumption (MWh)	**60 473 164**
Net revenue (EUR)	**4 833 857 000**
Energy intensity of the company (MWh/EUR)	**0.013**

SE's mix includes nuclear, thermal and renewable energy sources. In 2023, the Company's total installed capacity was 4 614.80 MWe and supplied 19 570 GWh of electricity to the grid.

Nuclear power plants with a share of 53.61% of the total installed capacity (2 473.88 MWe) supplied 16 967 GWh of electricity to the grid, which represents 86.70% of the electricity supplied to the grid by the Company. Nuclear power generation increased year-on-year from 15 920 GWh to 18 344 GWh, mainly due to the commissioning of Unit 3 of the Mochovce Nuclear Power Plant (hereinafter referred to as "EMO 3"). In 2023, EBO supplied 7 430 GWh of electricity to the grid and EMO supplied 7 597 GWh, the most in its history.

Hydropower plants (including pumped storage) accounted for 35.82% (1 653 MWe) of SE's total installed capacity, supplying 1 894 GWh to the grid. Photovoltaic power plants accounted for 0.12% (1.90 MWe) of SE's total installed capacity and supplied 1 GWh of electricity to the grid.

The ENO and EVO thermal power plants, which burn brown and hard coal and biomass, have an installed capacity of 486 MWe, which represents a share of 10.53% of the total installed capacity of the power plants in the SE portfolio. Their share of total generation is gradually decreasing, and, in 2023, they supplied to the grid 684 GWh of electricity.

SE´s promote the use of renewable energy sources (hydropower, photovoltaics) and ensure that the guarantee of the origin of electricity from these sources is demonstrably proven. In 2023, SE also used biomass as an energy source in the form of biodegradable fractions of products, waste and residues from agriculture, forestry and related sectors.

Electricity supplied to the grid from non-renewable and renewable energy sources and their shares in the total supply to the grid

Non-renewable energy sources	MWh net	Share in %
Nuclear power plants	16 967 333	86.70
Thermal power plants	684 386	3.50
Renewable energy sources	**MWh net**	**Share in %**
Hydropower plants	1 893 503	9.67
Photovoltaics	1 315	0.01
Biomass	23 200	0.12
Total	**19 569 737**	**100**

Gross Scopes 1, 2, 3 and total GHG emissions

The Company's GHG reporting methodology takes into account the principles, requirements and guidelines set out in the GHG Protocol Corporate Standard (2004 version), the EU ETS methodology, the principles and requirements of the GHG Protocol Scope 2 Guidance (2015 version) and the principles and provisions of the GHG Protocol Scope 3 (2011 version) Recordkeeping and Reporting Standard for the Company's GHG value chain.

A total of seven greenhouse gases and groups of greenhouse gases are included among the reported greenhouse gases in accordance with the requirements of the ESRS standard: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), nitrogen trifluoride (NF_3), sulphur hexafluoride (SF_6), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), which are expressed in equivalent tonnes of carbon dioxide (CO_2e).

Emissions of these greenhouse gases (both direct and indirect) are classified in one of three scopes (scopes 1, 2 and 3) of greenhouse gas emissions:

Direct emissions from sources owned or controlled by the reporting company:

- **Scope 1:** direct emissions from stationary and mobile sources, fugitive emissions and direct emissions resulting from the production or processing of chemicals and materials

Indirect emissions resulting from the activities of another company

(i.e. emissions that are not under the control of the reporting company), but the activity, or product, of that company is used by the reporting company:

- **Scope 2:** GHG emissions associated with the production of purchased or acquired energy and media (e.g. electricity, heat, cold, steam, etc.)
- **Scope 3:** upstream emissions (GHG emissions associated with purchased or acquired goods and services that occur up to the point of receipt of the goods or services by the reporting company), downstream emissions (GHG emissions associated with sold goods and services that occur after they have been sold by the reporting company and control has been transferred from the reporting company to another entity)

Gross Scopes 1, 2, 3 and total GHG emissions

Gross Scope 1	**1 100 037 t CO_2e**
Gross Scope 2	**415 t CO_2e**
Gross Scope 3	**356 640 t CO_2e**
Total GHG emissions	**1 457 092 t CO_2e**

Gross Scope 1 in 2023 amounted to 1 100 037 t CO_2eq (of which 98.76% of these emissions fell under the EU ETS). Gross Scope 2 in 2023 amounted to 415 t CO_2eq. The Scope 3 GHG emission categories lists items not included in the Company's calculation.
The reason for disregarding these items is that the activities in question are not relevant in terms of their volume for the calculation of the Company's emission footprint or such data are not available to the Company.
As this is the first comprehensive reporting of GHG emissions in the Scope 1, 2, 3 emissions structure, the information reported does not include comparative information.
SE predicts a positive development of total GHG emissions in future reporting periods. Already in 2024, the impact of the shutdown of thermal power plants will be reflected in the reported Scope 1 emissions values.

Total GHG emissions disaggregated by Scopes 1 and 2 and significant Scope 3

		Retrospective				
		Base year	Compara-tive	2023	% N/ N-1	Annual % target / Base year
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2e)		N/A	N/A	**1 100 037**	N/A	N/A
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		N/A	N/A	**98.76%**	N/A	N/A
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions (tCO_2e)		N/A	N/A	**415**	N/A	N/A
Gross Scope 2 GHG emissions (tCO_2e)		N/A	N/A	**415**	N/A	N/A
Significant scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions (tCO_2e)		N/A	N/A	**356 640**	N/A	N/A
1	Purchased goods and services	N/A	N/A	**44 026.63**	N/A	N/A
2	Capital goods	N/A	N/A	**27 787.50**	N/A	N/A
3	Fuel and energy-related activities (not included in Scope 1 or Scope 2)	N/A	N/A	**271 233.36**	N/A	N/A
4	Upstream leased assets	N/A	N/A	**5 365.68**	N/A	N/A
5.	Waste generated in operations	N/A	N/A	**5 623.04**	N/A	N/A
6.	Business travelling	N/A	N/A	**24.57**	N/A	N/A
7.	Employee commuting	N/A	N/A	**4 207.91**	N/A	N/A
8.	Upstream leased assets	N/A	N/A	N/A	N/A	N/A
9.	Downstream transportation	N/A	N/A	N/A	N/A	N/A
10.	Processing of sold products	N/A	N/A	N/A	N/A	N/A
11.	Use of sold products	N/A	N/A	N/A	N/A	N/A
12.	End-of-life treatment of sold products	N/A	N/A	N/A	N/A	N/A
13.	Downstream leased assets	N/A	N/A	N/A	N/A	N/A
14.	Franchises	N/A	N/A	N/A	N/A	N/A
15.	Investments	N/A	N/A	N/A	N/A	N/A
Total GHG emissions (location-based) (tCO_2e)		N/A	N/A	**356 640**	N/A	N/A
Total GHG emissions (market-based) (tCO_2e)		N/A	N/A	N/A	N/A	N/A

N/A - not available

GHG emission intensity (total gas emissions per net revenue)

Total GHG emissions (tCO_2e)	**1 457 092**
Net revenue (mil. EUR)	**4 834**
GHG intensity ratio (tCO_2e / mil. EUR)	**301.4**

4.2 Pollution

In line with double materiality methodology, SE has defined the impacts, risks and opportunities connected to air and water pollution.

Identified impact

- NI: Air pollution from coal combustion emissions
- NI: Landfills and impoundments
- NI: Environmental burdens

Identified risks and opportunities

- R: Penalties for air pollution
- R: Remediation of environmental burdens
- R: Environmental accidents

Policies related to pollution

The Company's Integrated Pollution Policy contains the following principles:

- to contribute to the environmental protection through technologically meaningful reduction in the creation air emissions, discharges into the water and soil, with an emphasis on pollution prevention;
- to manage the use of chemical substances responsibly;
- to actively and effectively deal with the adverse consequences of our activities from the past.

The management of chemicals in SE is regulated by an internal policy whose main objective is to define the procedures for the handling of chemicals in SE's plants and operations, thus ensuring a high level of protection of human health and the environment from the adverse effects of chemical substances and mixtures.
It describes the processes for the selection, procurement, approval, use and any other handling of chemicals, including their disposal through the waste management of individual plants. SE thus complies with the obligations arising from the legislation of the Slovak Republic and the European Union by means of the established internal procedures concerning the management of chemical substances.

The Company has developed a specific internal policy for the management of environmental burdens, which establishes procedures for environmental activities related to environmental burdens for which the Company is responsible in accordance with the requirements of the legislation of the Slovak Republic within and outside of the SE premises in relation to its environmental matters. The policy sets out the responsibilities and powers of staff in the identification, registration, investigation, remediation and subsequent monitoring of environmental burdens. A register of all environmental burdens caused by SE activities is kept within the Company. The register contains the basic identification features of a specific environmental burden, the reasons for including the location in the register, the status of the solution and hyperlinks to the documents that need to be processed for each environmental burden in accordance with the applicable legislation.

In relation to environmental accidents, the Company takes care to prevent any incidents and emergencies and records all environmental incidents and near misses in accordance with internal regulations. Depending on the severity of each incident, our approach is to rectify the situation immediately and adopt preventive action to avoid the recurrence of any situation impacting the environment.

Emergency plans or preventive action plans are used to prevent the occurrence of an uncontrollable release of pollutants into the environment and to deal with any discharge of pollutants. Their purpose is to establish procedures for the prevention of accidents, their management and, in the event of their occurrence, for the mitigation and elimination of their consequences for human life and health, property and the environment. These plans set out the duties and responsibilities at all levels of management, the means of eliminating the resulting pollution, and the methodology for determining corrective and preventive actions. Emergency plans are regularly updated and approved by the Slovak Environmental Inspectorate.

In this regard, the Company has established a policy for the management of prevention of major industrial accidents, the purpose of which is to establish procedures and rules for ensuring the prevention of major industrial accidents at SE´s plants and operations subject to Act No. 128/2015 Coll. on the prevention of major industrial accidents and on the amendment of certain acts, as amended. In 2023, this policy and obligations arising from it applied to ENO, EMO and EBO. The policy specifies the roles, responsibilities and powers of employees who manage, perform and control activities affecting the risks arising from the possibility of a major industrial accident related to the Company's activities, facilities and processes.

Any employee who suspects that environmental damage has occurred on the premises and built structures of SE or outside the premises and built structures of SE, provided that SE is the originator, is obliged to report this fact to the relevant departments of the Company.
If the occurrence of environmental damage is confirmed, all subsequent procedures are governed by Act No.359/2007 Coll. on the prevention and remediation of environmental damage and on the amendment of certain acts, as amended. SE has ensured financial coverage for liability for environmental damage in the form of funds held in escrow for the sole purpose of addressing and repairing any environmental damage.

SE has in place a closed feedback loop for problem (non-conformity) management. This closed loop continuously ensures that problems (non-conformities) are corrected, analysed and, in specified cases, the cause is identified and eliminated. In the form of proposed and implemented corrective actions and/or preventive measures, the results of the analyses are transferred back into practice (operation, maintenance), thus ensuring that problems (non-conformities) will not recur under the same or similar circumstances. Feedback also includes evaluating the effectiveness and/or efficiency of the corrective and preventive actions taken, if these have been taken on the basis of root cause analysis. Computer applications and databases have been developed in SE to identify and document nonconformities and corrective and preventive actions. An important tool for prevention (e.g. in the field of nuclear, environmental and fire safety, radiation protection, physical protection and occupational health and safety) is the inclusion of briefing (familiarisation) of all concerned employees about specific nonconformities at SE, but also at other organisations, in staff training (training days)..

Actions and resources related to pollution

According to the Company's internal policy governing environmental matters, matters with a pollution impact are identified. These are mainly the handling of hazardous and polluting substances, the removal of environmental burdens and the monitoring of air and water pollution.

According to the internal policy governing environmental objectives, the Company has defined objectives in the area of pollution of environmental components, which include, for example, ensuring the monitoring of environmental components, replenishing emergency kits and regularly carrying out inspections to prevent the release of substances adversely affecting the environment.

SE has been addressing the issue of environmental burdens in its operations since 2003. Over this period, SE has invested more than 13 million EUR towards resolving environmental burdens.

The Company's attention in this area focuses primarily on the sites of the ENO and EVO thermal power plants, where the greatest number of identified environmental burdens are, located due to the method of electricity and heat production as well as the long-running operation. The Company is also involved in related operations such as landfills and impoundment sites or certain hydropower plant switchgear facilities. SE is designated as the responsible entity for the creation of a total of 17 environmental burdens.

List of environmental burdens in the responsibility of SE			
	Title	**Plant**	**Status**
1	EVO I heavy fuel oil boiler room	EVO	Site post remediation
2	Former grease bottling facility	EVO	Site post remediation
3	Central part of the grounds	EVO	Site post remediation
4	Locomotive yard	EVO	Site under monitoring, remediation planned for 2026-2027
5	Ash-slag mixture impoundment	EVO	Remediation will run from 2024
6	Western edge of EVO I service building , EVO II and its surroundings	EVO	Remediation running from 2021
7	Northern edge of EVO I service build-ing and its surroundings	EVO	Site under monitoring, remediation planned for after 2030
8	Original impoundment	ENO	Site post remediation
9	Temporary impoundment	ENO	Remediation completed; monitoring of barrier surroundings underway
10	Locomotives heating facility	ENO	Site post remediation
12	ENO A grease management facility	ENO	Site post remediation
13	ENO B grease management facility	ENO	Site post remediation
14	Filtration station	ENO	Site post remediation
15	A, B, C switchgear facilities	ENO	Site under monitoring
16	Zemiansky brook - pollution of the bank and riverbed	ENO	Site post remediation
17	Inactive sludge landfill Pastuchov	EBO	Site post remediation

The fact that of the seventeen registered environmental burdens in the SE, up to ten have been successfully reclaimed or remediated demonstrates an active approach to addressing the issue of environmental burdens.

Major activities for 2023 included the completion and subsequent evaluation of the remediation and reclamation pilot project for the ash-slag mixture ("ASM") impoundment site at EVO, the continuation of the remediation at the western edge of the EVO I Operating Building, and the continuation of monitoring in the vicinity of the reaction barrier at the Temporary Impoundment Site at ENO. In 2023, EUR 342,000 of the Company's own resources were spent on addressing environmental burdens and related projects.

The Company is currently remediating a total of three sites where groundwater contamination has been confirmed:

Western edge of the EVO I operational building

In 2016-2017, a geological survey was carried out in the grounds of the EVO site, which confirmed the existence of an environmental burden at the Western edge of the EVO I Operational Building and the surrounding area. Groundwater contamination with pollutants – chlorinated aliphatic hydrocarbons and carcinogenic vinyl chloride – has been confirmed at the site. This pollution affects several structures in the grounds of the EVO site. To eliminate environmental risk, the feasibility study determined that contamination needs to be reduced and limited to the remediation target limits. Remediation will take place using the ex-situ method, with the aid of the method of remediation pumping of groundwater and its treatment from volatile substances (air stripping). Remediation pumping is one of the basic methods of ex situ groundwater treatment. Contaminated groundwater is pumped from the aquifer environment to the surface, where it is treated in a stripping column. Contaminants are captured on activated carbon filters. The remediation technology has been in operation continuously since July 2021, and the target limits for remediation, and thus the completion of remediation, are expected to be reached in 2025. Remediation at the site of the Western edge of the EVO I service building and its surroundings will eliminate the environmental risk to an acceptable level in full compliance with applicable legislation.

ASM impoundment at EVO

The environmental burden of the ash-slag mixture impoundment at the EVO site was identified during regular groundwater monitoring and confirmed by a risk analysis in 2008. The site has contaminated groundwater and surface water in the Laborec river and in drainage shafts. The contaminants are ammonium ions, nitrates, aluminium, higher chemical oxygen demand (COD) and pH were measured.

Between 2021 and 2023, a geological task aimed at removing priority contaminants from water at the ASM impoundment at EVO was carried out at the site. The aim was to assess the state of the environment and propose the most appropriate remediation methods. Natural monitored attenuation, which uses natural processes to remove contamination without external support, was chosen as the most appropriate method. Environmental benefits:

- minimal disturbance to the implementation site, which is important for not disturbing the dam system;
- no remediation waste is generated, eliminating the need for its transfer or disposal;
- monitoring of the hydrodynamic and hydrogeochemical situation, including monitoring of concentrations of priority substances and migration of pollutants.

Forefield of the ENO Temporary Impoundment Site

PA detailed survey of the ENO temporary impoundment site confirmed contamination of groundwater with arsenic, boron and molybdenum. Due to high levels of pollutants, these continuously seep into groundwater from the sludge bed, and therefore it is necessary to prevent the penetration of the heavily contaminated water from the sludge bed into the surrounding area by the implementation of the remediation measure – partial insulation of the site using a reaction barrier. A reaction barrier of approximately 200 m in length was constructed at the site in 2021 in accordance with the decision of the Ministry of Environment of the Slovak Republic. The barrier consists of an underground diaphragm wall and reaction gates. The underground sealing wall was constructed by jet grouting, through the action of a directed stream of slurry entering the soil at high velocity and under pressure. The total length of the barrier is 205 m, the area of the barrier is 2 256.5 m^2 and the depth of the barrier is from 7.4 m

to 14.50 m depending on the depth of the impermeable subsoil. There are a total of 6 permeable reaction gates in the barrier, containing a total of 84 reaction wells. The reaction filling is used according to the results of the pilot experiment. Iron filings were proven to be an optimal material ensuring the required reduction of the concentration in the monitored parameters. Elemental iron was added in places of increased filtration speeds. During operational monitoring of the effectiveness of the reaction barrier, samples of the rock environment, groundwater and surface water, as well as material from the reaction gates were collected. The primary focus of attention was given to the levels of arsenic, boron and molybdenum, and in the case of reaction material also to the ecotoxicity. The results of the laboratory analyses in all samples collected confirmed a significant reduction in arsenic concentrations behind the reaction barrier. The removal effectiveness of arsenic from groundwater is more than 80%. Work included water sampling from boreholes at the Chalmová spa, i.e. in a sensitive area located in the direction of groundwater flow. Arsenic levels in the Chalmová swimming pool area were at drinking water levels.

In order to achieve an acceptable level of environmental and health risk in the long term, the Company has ensured the long-term control and operation of the reaction barrier, regularly checks the effectiveness of the abatement and implements the replacement of the reaction cartridge if the permissible concentration is exceeded. Quarterly monitoring of the barrier has been ongoing since 2022.

The remediation results as well as the updated risk analysis results confirmed the high efficiency of the reduction of the pollutant of arsenic in the groundwater. The built protective remediation element – the reaction barrier – has a significant positive impact on the sensitive area of the Chalmová spa, and the River Nitra.

Effective actions to reduce emissions at thermal power plants

In the area of air protection, a number of economically demanding primary and secondary technological measures have been implemented, especially at thermal power plants, in order to meet strict emission limits. The high efficiency of emission-reducing separators (desulphurisation, denitrification, electrostatic separators), in combination with efficient resource deployment, resulted in an operation of units that ran at lower emission values than set limits for basic pollutants. The emission limits set by the permitting authorities were thus complied with. More detailed information on measures to mitigate the impacts of operating air pollution sources at SE is provided in the Air Protection Policy described in more detail in the chapter Policies related to climate change mitigation and adaptation.

Management and monitoring of wastewater quality at plants

In the field of water management, each plant has valid wastewater discharge permits in accordance with the applicable legislation. When issuing a wastewater discharge permit, the state water authority determines the place and method of wastewater discharge, the permissible values of wastewater pollution, the frequency of analyses and the types of wastewater samples. The analyses are carried out by an accredited laboratory. Where the limits specified in the permit are exceeded, these results are immediately reported to the competent authorities, information on the cause of the exceedance is requested from the producer and corrective action is taken to eliminate non-compliance with the prescribed values. The quantities of discharged wastewater are measured by a designated meter, which is regularly calibrated in accordance with Act No. 157/2018 Coll. on Metrology and on the amendment of certain acts, as amended.

In addition to the permits, each plant keeps comprehensive records on water management. The records include the results of the quantity of water abstracted and consumed, the quality of surface water, the quantity of groundwater abstracted, the quantity of drinking water consumed, the quantity of wastewater discharged, compliance with effluent limits, trends in the quantity of water types abstracted and the quantity of wastewater discharged.

Compliance with legislation on the handling of pollutants at plants

The handling of pollutants at the plants is governed by the applicable legislation. Records on priority hazardous substances, their quantities and the time sequence of their handling are kept at each site. In accordance with the legislation, leakage tests are carried out at each plant by a professionally qualified person on the basis of a list of equipment subject to leakage tests according to Decree of the Ministry of the Environment of the Slovak Republic No. 200/2018 Coll., laying down details on the handling of pollutants, on the details of the emergency plan and on the procedure for dealing with extraordinary deterioration of water, as amended by Decree of the Ministry of the Environment of the Slovak Republic No. 76/2023 Coll.

During 2023 there was recorded one incident at EBO with a direct impact on the environment, and two near-misses at EMO without an impact on the environment. In all cases, immediate corrective actions were taken to prevent material damage to the environment.

Targets related to pollution

SE did not have pollution targets defined in 2023 to the extent required by the ESRS standards. However, the Company complied with the air and water pollution limits imposed on individual plants by legislation during 2023. The closure of the ENO in 2023 and the planned closure of the EVO in 2024, together with other steps defined in the Company's strategy, will significantly contribute to the reduction of pollutant production both at the Company and within the Slovak Republic.

Pollution of air and water

The obligation to comply with the requirements of the applicable legislation of the Slovak Republic and the European Union, which include compliance with Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions (integrated pollution prevention and control) (hereinafter referred to as "Directive 2010/75/EU of the European Parliament and of the Council") and the requirements of the Best Available Techniques (BAT) conclusions, is based, among other things, on internal policies on air and climate protection and on water protection (Policies related to climate change mitigation and adaptation).

In the field of air protection, monitoring of pollutants is carried out in accordance with the BAT conclusions using automated emission measurement systems that are verified at regular intervals by accredited bodies for verification activities. These methodologies are part of the BAT Reference Documents (BAT Reference Documents; hereafter “BREFs”), which are reference documents containing the best available techniques to reduce emissions and other environmental impacts. Directive 2010/75/EU of the European Parliament and of the Council and the BAT conclusions apply to ENO, EVO and EMO in the context of their environmental protection and emission management obligations.

SE is obliged to apply these techniques and regularly review the technical parameters of their facilities to ensure compliance with these conclusions. Emission limits deviating from the range of BAT-associated emission levels (BAT-AELs) were temporarily granted by the permitting authorities for ENO (NOx for units FK1, B1 and 2;SOx for FK1) in accordance with Directive 2010/75/EU of the European Parliament and of the Council. It has been demonstrated to the permitting authority that achieving the BAT associated emission levels would lead to disproportionate costs, the amount of which would not be proportionate to the environmental benefits.

In the area of water management, monitoring is carried out in accordance with Act No. 364/2004 Coll. on Water and on the amendment of Act No. 372/1990 Coll. of the Slovak National Council on offences, as amended (the Water Act). Monitoring of the quality of discharged wastewater is carried out in accredited laboratories and the results are recorded by the relevant water manager of the plant. In the event of an exceedance of the permissible pollution limit values specified in the wastewater discharge permit, corrective actions are taken and the results are immediately reported to the competent national authority.

The Company regularly publishes information on the quantities of pollutants listed in Annex II of the revised Regulation (EC) No 166/2006 of the European Parliament and of the Council concerning the establishment of a European Pollutant Release and Transfer Register and amending Council Directives 91/689/EEC and 96/61/EC, which is available in the National Pollution Register maintained by the Slovak Hydrometeorological Institute.

List of air pollutants and their quantities for 2023

Air pollutants	EBO	EMO	ENO	EVO	HPPs	SE-HQ	Total
Emissions PM (t)	0.064	0.160	21.848	16.417	0.006	0	38
Emissions SO_X (t)	0.001	0.009	1 939.650	77.912	0	0	2 018
Emissions NO_X (t)	0.227	1.509	806.012	59.871	0.076	0.002	868
Emissions CO (t)	0.036	0.522	315.028	67.885	0.028	0	384
Emissions As (t)	N/A	N/A	0.0062416	N/A	N/A	N/A	0.006
Emissions C_{org} (t)	N/A	N/A	48.905581	5.475	N/A	N/A	54

N/A - not available

List of water pollutants and their quantities for 2023

Water pollutants	
Halogenated organic compounds (as AOX)	0.105789 t. year $^{-1}$
Total organic carbon (TOC) (as total C or CODCr/3)	0.07435 t. year $^{-1}$

The Company complies with the BAT-AELs and reports compliance with the stipulated conditions. In 2023, SE did not record any incidents of non-compliance or enforcement actions that needed to be implemented to ensure compliance in the event of a violation of permit conditions. The Company uses an automated monitoring system (AMS) to measure the quantity of pollutants, except where justified, in accordance with the requirements of the permitting authority and applicable legislation.

4.3 Water resources

Identified risks and opportunities

- R: Water shortage

Policies related to water and marine resources

At SE, surface water abstracted from surface streams is mainly used for cooling processes, for mechanical and chemical water treatment, as a carrier for hydraulic transport and as hydropower potential in hydropower plants. Groundwater is extracted from its own sources and is used as drinking water.

To address water and pollutant management, SE has adopted an internal policy to manage water protection, which complies with ISO 14001. This policy describes the procedures for environmental activities related to water management and protection at SE. The policy also takes into account the most important requirements of the applicable legislation in the field of water protection and pollutant management.

Any entity that manages water is obliged to take care to protect it, to make the necessary efforts to improve its condition and to ensure its economical and efficient use, and to ensure that the rights and interests of others are not infringed, as well as to protect water conditions and water structures. SE conducts regular groundwater quality monitoring and reports the results to the appropriate authority. For the designated water structures of SE, the Company ensures technical and safety supervision of the operation, maintains the water structure in proper condition and ensures its maintenance so that it allows the continuous flow of water. Handling regulations have been drawn up for water structures and approved by the Slovak Environmental Inspectorate.

According to the internal policy on the identification of environmental matters (the methodology described in the chapter Policies related to climate change mitigation and adaptation), matters with impacts on

water bodies are identified at SE. The most significant matters managed by the Company that may affect water resources include, in particular, the operation of water structures (tailings ponds, wastewater treatment plants), water management and the management of wastewater discharges.

According to the internal policy on setting environmental targets (methodology described in the chapter Policies related to climate change mitigation and adaptation), the Company has defined targets for water protection. This includes in particular the repair and reconstruction of machinery at hydroelectric power stations and the reconstruction or construction of new wastewater treatment plants.

Each plant has a designated water manager who is responsible for carrying out water protection activities in accordance with applicable legislation.

In 2023, the Company had not evaluated its own activities in water risk areas to the extent required by ESRS standards. SE plans to analyse and evaluate its activities in areas with water risk primarily on the basis of the Water Plan of Slovakia (2nd update), which was adopted by the Government of the Slovak Republic on 11 May 2022 as a water planning document for the protection and improvement of the condition of surface and groundwater and aquatic ecosystems, for the sustainable and economical use of water, for the improvement of water conditions, for ensuring the territorial system of ecological stability and for the protection against the harmful effects of water.

None of the SE sites were located in an area of high water stress in 2023. High water stress areas are defined by ESRS standards as regions where the percentage of total water abstraction, as measured by the “Aqueduct” tool of the World Resources Institute's (WRI) Water Risk Atlas, is high (40-80%) or extremely high (more than 80%). Based on the analysis performed, the Company did not operate its facilities in areas with a high or extremely high percentage of total water withdrawals.

Actions and resources related to water resources

SE aims to protect water resources by operating its production units in an environmentally sustainable manner. The use of closed-cycle cooling in nuclear power plants minimises water consumption and reduces the risk of environmental contamination. The water is reused to cool the reactor, reducing the need for fresh water and minimising the discharge of hot water to the environment.

For surface water, permits set limits for surface water abstraction and wastewater discharge to surface water. Groundwater permits are issued for groundwater abstraction, which is used as drinking water after treatment. The conditions and permissible concentration limits specified in the relevant permits for the abstraction and discharge of waste water are monitored at regular intervals.

SE monitors groundwater quality on a long-term basis and proceeds with remediation or treatment whenever significant groundwater pollution is confirmed. For cases of extraordinary deterioration of water quality, emergency plans are prepared in each plant in accordance with the Decree of the Ministry of the Environment of the Slovak Republic No. 200/2018 Coll., laying down details on the treatment of pollutants, the details of the emergency plan and the procedure for dealing with extraordinary deterioration of water quality, as amended by the Decree of the Ministry of the Environment of the Slovak Republic No. 76/2023 Coll. Emergency plans are updated when there is an organisational change, a change in the nature or scale of production or a change in the scope and handling of pollutants.

At the same time, according to Act No. 364/2004 Coll. on Water and on the amendment of Act No. 372/1990 Coll. of the Slovak Parliament on offences, as amended (the Water Act), handling regulations for water structures are drawn up for designated water structures in each plant, and these regulate the owner's procedures for the special use of water and for the operation of the water structure. The handling regulations are subject to the approval of the competent authority of the national water administration.

Targets related to water resources

SE did not have water resource targets defined in 2023 to the extent required by the ESRS standards.

Qualitative and quantitative target values for water protection are set in the relevant decisions on wastewater discharges and surface and groundwater abstractions and are set individually for each plant. Each plant monitors compliance with the established quality values and takes immediate corrective action if they are exceeded. The practice in all SE plants is that not only are the set values not exceeded, but the quality of the discharged wastewater is well below the set limits. Water protection objectives include, for example: construction or reconstruction of wastewater treatment plants (ENO and EVO), reclamation of landfills and impoundments (ENO and EVO), objectives to reduce the radiation load of discharged wastewater, modernisation of hydropower plants and their technological parts to prevent the release of pollutants into the water.

Water consumption

SE monitors in detail on a monthly basis the consumption of process and cooling water and the consumption of potable water for all its plants. If there is a significant increase in water consumption on a monthly basis, the Company immediately takes action to remedy the situation and find the cause.

In all its operations, the Company ensures that the conditions are such that the natural recovery and regeneration of watercourses is possible, for example by ensuring minimum flows in the watercourses.

Potable water consumption

There was a year-on-year decrease of approximately 24 000 m^3 in SE’s potable water consumption. Significant reductions in potable water consumption occurred at hydropower plants and at ENO.

The decrease in ENO is related to the elimination of leaks in distribution pipes and staff reductions. At the hydropower plants, specifically the Sučany hydropower plant, there was a pipeline failure in the previous period, which was rectified at the beginning of 2023. However, a stable trend in potable water consumption can be observed in the year-on-year comparison between 2022 and 2023. The trend in potable water consumption is related to the number of plant and contractor workers and also to the performance of leak tests and rinsing of process equipment.

Consumption of potable water at each plant in 2022 and 2023

Potable water (thousands m^3)			
Plant	**2022**	**2023**	**Index 2023/2022**
EBO	30.4	30.3	1
EMO	88.1	97.3	1.1
EMO34	28.6	24.6	0.9
ENO	106	77.6	0.73
EVO	4.2	4.5	1.06
HPPs	7.4	5.7	0.73
SE-HQ	2.1	2.2	1.07
Total	**266.8**	**242.2**	**0.91**

Consumption of process and cooling water

In 2023, the Company recorded a year-on-year increase in consumption of the technical and cooling water for electricity and heat generation of approximately 3 420 000 m³. This increase was mainly due to higher production at the operating nuclear power plant units and the commissioning of EMO 3. Conversely, a decrease was recorded at EVO due to lower production. From a long-term point of view, the Company has managed to maintain a steady trend thanks to cost-saving measures as well as efforts to operate with the lowest possible input of natural resources and costs. The Company uses recirculating cooling in all of its operations, which contributes significantly to reducing the amount of surface water withdrawals.

Consumption of process and cooling water in 2022 and 2023 at each plant

Process and cooling water (thousands m³)			
Plant	**2022**	**2023**	**Index 2023/2022**
EBO	21.73	21.81	1.00
EMO	24.87	29.02	1.17
ENO	4.57	4.57	1.00
EVO	1.79	0.99	0.55
TOTAL	**52.96**	**56.38**	**1.06**

Specific water consumption per unit of electricity generated reached 21.85 m³/MWh gross in 2023.

Specific water consumption in m³/MWh gross

Specific water consumption in m³/MWh gross			
Plant	**2022**	**2023**	**Index 2023/2022**
EBO	2.78	2.93	0.98
EMO	2.84	3.03	0.91
ENO	5.37	7.75	1.16
EVO	6.29	8.14	1.04
TOTAL	**17.28**	**21.85**	**1.05**

Total water consumption at SE in 2023 was 56.62 million m³ and the total volume of recycled and reused water at SE in 2023 was 828 930 m³.

Water intensity

Water intensity at SE	
Total water consumption (million m³)	**56.62**
Net revenue (EUR mill.)	4 834
Intensity (mill. m³/ mill. EUR)	0.01

Measurement of the quantity and quality of water withdrawn

Metering devices are installed at the surface water intake points at the inlets to the plants for monitoring the quantity of water withdrawn.

The meter for measuring the quantity of surface water withdrawn must meet the requirements of Act No. 157/2018 Coll. on Metrology and on the amendment of certain acts, as amended. The quality of the surface water withdrawn is analysed at the inlet in terms of indicators according to the nature of the pollution of the surface water withdrawn and the requirements for its use. The analysis of the surface water sampled at the inlet is carried out by the plant's own operational laboratory. If the obligation to analyse the surface water abstracted is specified in the permit of the competent governmental authority, the analyses must be performed at an accredited laboratory.

In the case of withdrawal of surface water to exploit its hydropower potential, quality indicators are not specified. The quantity of drinking water supplied by the public water supply system (external supplier) or from own sources must be measured and the meter must conform to the requirements of Act No. 157/2018 Coll. on Metrology and on the amendment of certain acts, as amended.

The checks on drinking water quality indicators may be performed only by an accredited laboratory.

Measurement of wastewater quantity and quality

The quantity of discharged wastewater must be measured by a designated meter pursuant to Act No. 157/2018 Coll. on Metrology and on the amendment of certain acts, as amended.

Monitoring of the quality of wastewater in the relevant pollution indicators for the purpose of assessing compliance with the limits of permissible values of pollution under the permit must be carried out by accredited sampling of discharged wastewater and their analyses carried out by an accredited laboratory.

Monitoring of radioactive substances in wastewater is carried out for EMO and EBO by the relevant radiation protection services according to the monitoring programme approved by the Chief Hygienist of the Slovak Republic.

4.4 Biodiversity and ecosystems

Identified risks and opportunities

- R: Reclamation of own industrial sites

Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Given the nature of its business, the Company had not assessed the resilience of its strategy and business model in relation to biodiversity and ecosystems to the extent required by the ESG standard in 2023.

In terms of SE's generation portfolio, hydropower plants can be expected to have the greatest impact on biodiversity due to the potential direct impact on aquatic ecosystems. Closely related to the issue of biodiversity is the decommissioning of thermal power plants and the reclamation of associated facilities such as landfills and impoundments. The closure of thermal power plants and the reclamation of landfills and tailings ponds is a process that can make a significant contribution to the restoration of biodiversity and ecosystems and to the improvement of environmental quality.

In 2023, the Company did not have an assessed list of significant sites at its own operations with negative impacts on biodiversity sensitive areas, significant negative impacts on landscape degradation, desertification or land compaction, and conducting activities with impacts on endangered species.

Actions and resources related to biodiversity and ecosystems

For investment projects with potential environmental impacts, impacts on ecosystems and biodiversity are assessed. These are assessed in accordance with legislative requirements (e.g. Act No. 543/2002 Coll. on nature and countryside protection, as amended) as well as in the framework of the Environmental Impact Assessment ("EIA") processes. If additional requirements arise from the environmental impact assessment, these are implemented in the respective projects. Some of the Company's selected activities in the field of biodiversity and ecosystems include, for example, the establishment of beehives on the plant sites, the design of photovoltaic panels without migration barriers (ENO and EVO) or the implementation of bird protection measures during the construction of EMO 3.

Decommissioning of ENO and phasing out related sites

For several years, SE had been preparing for the gradual closure of ENO in 2023. The decommissioning of the power plant means not only the closure of the ENO plant site itself, but includes the closure of the related sites such as the final impoundment site at ENO and stabiliser storage site located at the Temporary Impoundment Site at ENO. Following the end of the operation, the related sites must be recultivated in a suitable manner and, together with the power plant site, must be brought into a non-hazardous condition. Successive Environmental Impact Assessment processes have been carried out to evaluate all possible impacts of both the decommissioning and reclamation of the associated operations both during and after completion of the works. The relevant supervisory authorities have been requested to issue the relevant permits in accordance with the applicable legislation.

Decommissioning of EVO and phasing out related sites

At the end of 2023, a decision was taken on the date for the end of EVO operations, which was set for the end of March 2024. As was the case of the ENO plant, the power plant's decommissioning is not only related to the closure of the site itself, which includes the closure of related sites such as the ASM Impoundment Site and the Stabiliser Storage Site. Following the end of the operation, the related sites must be reclaimed in a suitable manner and, together with the power plant site, must be brought into a non-hazardous condition. Analogously to the ENO, the EIA processes at the EVO site are progressing and a detailed plan for decommissioning activities is being prepared and will be submitted to the relevant supervisory authorities for approval. In all decommissioning activities, SE places emphasis on all aspects of environmental protection. In order to clearly define the rules for the reclamation of the EVO impoundment, a dendrological survey was conducted. Dendrological research and biodiversity are closely linked fields that deal with the study and conservation of trees and forest ecosystems. A dendrological survey is a systematic study of trees and woody plants in a specific area. It includes identification, classification and assessment of trees and their health status. Dendrological surveys are therefore a key tool for the conservation and promotion of biodiversity, as they provide important information on the condition and structure of forest ecosystems, which is essential for effective management and conservation. SE ensures that a dendrological survey is carried out for projects where this appears appropriate and necessary. The results of the survey at the EVO site were taken into account in the environmental impact assessment documents.

Closing power plants and rehabilitating landfills and impoundments with a view to biodiversity can transform degraded land into a valuable ecosystem that provides a refuge for a variety of plant and animal species and contributes to overall environmental quality improvement.

For the considered projects of photovoltaic power plants at ENO and EVO, the projects of recultivation of the final impoundment at ENO, recultivation of the ENO stabilisation landfill, and upgrading of the hydroelectric power plants, SE obtained positive statements from the State Nature Conservancy of the Slovak Republic, which stated that the activities in question will not, alone or in combination with other activities, have a significant impact on the NATURA 2000 sites. At the same time, binding opinions were issued for these projects pursuant to Act No. 364/2004 Coll. on Water and on the amendment of Act No. 372/1990 Coll. on offences as amended (the Water Act), and on the amendment of Act No. 372/1990 Coll. on offences as amended (the Water Act), according to which the proposed activities will not lead to deterioration of the condition of the affected water bodies.

Targets related to biodiversity and ecosystems

SE did not have biodiversity and ecosystem targets defined in 2023 to the extent required by the ESRS standards. However, the Company is pursuing actions that contribute in part to meeting the quality targets.

As part of the environmental management system, new environmental targets, including biodiversity, are evaluated and proposed annually and approved by the relevant plant directors. For the years 2024 to 2028, SE has identified two environmental objectives to support biodiversity, namely the sowing of a flower meadow and the location of beehives at the EMO 34 plant site. The environmental targets also include activities related to the closure of the thermal power plants and the reclamation of landfills and impoundments.

The company does not monitor metrics related to biodiversity and ecosystem change.

4.5 Resource use and circular economy

Identified impact

- NI: Non-hazardous waste
- NI: Radioactive waste

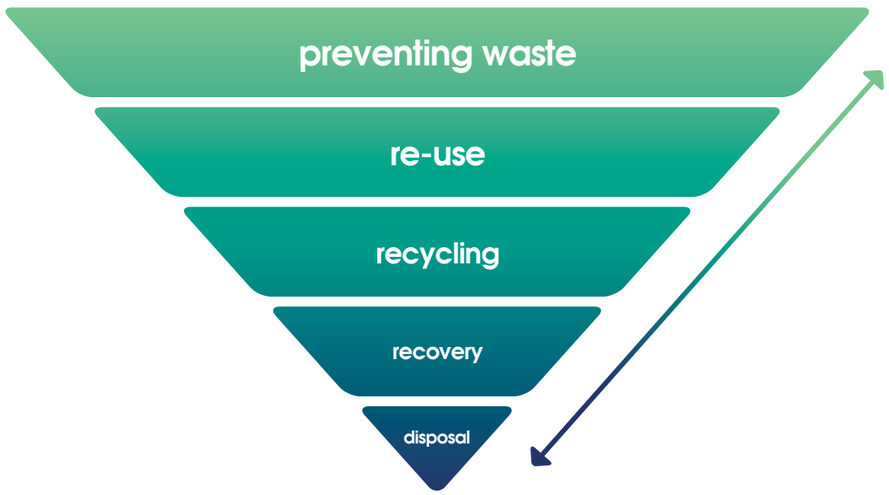
Policies related to resource use and circular economy

SE has adopted internal policies to manage its significant impacts, risks and opportunities related to the circular economy. These documents and procedures ensure that SE manages its waste effectively in accordance with the waste hierarchy and applicable legislation.

SE maintains an integrated management system in accordance with the GOSP (Governance, Oversight, Support and Perform) model, which serves as a management tool for the Company. This system is aimed at continuously improving efficiency and performance to ensure that the Company achieves its set targets, satisfies stakeholder requirements and meets relevant legal and other requirements.

Relevant SE policies:

- The Company's waste management policy establishes procedures for the management and other handling of waste at SE in accordance with the requirements of the applicable legislation of the Slovak Republic and the European Union. It is binding on all SE employees who carry out activities that generate waste or handle waste in any way.
- The Policy governing procedures for the disposal of unwanted movable property and waste provides detailed guidance on the implementation of disposals of unwanted movable property and waste, including relevant safety and environmental requirements.
- The principles for minimising the generation of radioactive waste (hereinafter referred to as "RAW") embody the principles for minimising the generation of RAW in the field of operation, as well as guidelines for the reuse of liquid media in the technological process, monitoring of leakages and balances, and the coordination of work during shutdowns and repairs of technological equipment.
- Waste management, circularity requirements and the principles of the waste hierarchy are also reflected in the contract with the company providing comprehensive waste management services.



SE has a defined waste management hierarchy in its internal waste management policy. This document takes into account various aspects of waste management, such as waste prevention, preparation for re-use, recycling, other recovery and waste disposal.

1. **Preventing waste generation**
   - SE focuses on preventing waste generation by optimising processes and minimising waste generation during decontamination work and other activities.
   - Everyone is obliged to manage waste in such a way that there is no risk of pollution of water, air, soil, rock environment and endangerment of flora and fauna.
2. **Preparation for reuse**
   - SE has procedures in place to prepare waste for re-use, which includes identifying the source of the waste and categorising it to ensure that the waste is correctly assigned to the appropriate category and assigned a corresponding catalogue number.
3. **Recycling**
   - SE has procedures in place for the transfer of waste for reuse, which includes recycling. The Company recycles waste by sorting and placing the individual waste components in colour-coded bins, which are located in the indoor and outdoor areas of each plant.
   - SE keeps records on hazardous waste transported and ensures that the waste is properly recycled or recovered.
4. **Other recovery**
   - SE transfers its waste for energy recovery, which involves using the waste as fuel for energy production.
5. **Waste disposal**
   - Waste disposal includes activities that are not recovery, even if the secondary outcome of the activity is the recovery of substances or energy.
   - SE has procedures in place for waste disposal, including disposal in landfills and impoundments owned by SE or through external organ.

Due to the nature of SE's economic activity, it is a matter of course that the Company is engaged in the safety assessment of the operation of nuclear installations. This includes the generation, handling and transport of RAW and spent nuclear fuel.

The operation of SE plants generates all types of waste, which are divided into hazardous (e.g. oils, chemicals, batteries, e-waste), other (e.g. municipal waste, ashes, paper, construction waste) and radioactive (liquid and solid). The total quantities of waste are shown in the table below:

SE waste generation for the period 2019 – 2023

Quantity of waste produced in kt	2019	2020	2021	2022	2023
Other (non-hazardous) waste	547	417	459	503	485
Hazardous waste	0.42	0.36	1.39	1.4	0.43
Total	**547.4**	**417.4**	**460.4**	**504.4**	**485.7**

The thermal power plants (ENO and EVO) formed the bulk of waste creation at SE in 2023, together forming a 96% share in total waste production at SE. Thermal power plants burn fossil fuels and subsequently produce process waste – ash and cinders from conventional boilers, fluid ash, gypsum slurry and stabiliser.

In addition to these process wastes, other wastes were produced at SE to a lesser extent, including other industrial wastes such as metals, waste oil, electrical waste, waste batteries, and other waste from equipment maintenance and repairs. Most of the waste produced in this way was generated by actions of an investment nature and by planned overhauls.

RAW management is carried out in accordance with the applicable decisions of the Nuclear Regulatory Authority of the Slovak Republic. Detailed information on RAW, discharges and the evaluation thereof are given in the Annual report on the Operation and Safety of Mochovce and Bohunice NPPs, published on the SE´s website. In 2023, liquid RAW from EMO 3 was also included.

Actions and resources related to resource use and circular economy

Waste minimisation

SE is actively working to minimise waste generation through a number of strategic actions. The principles of the waste management hierarchy, in particular the prevention of waste generation, preparation for reuse, recycling or other recovery, if applicable, are binding upon all SE employees and are described in more detail in the Company's policies mentioned above.

The Company monitors and minimises the generation of liquid and solid RAWs, which includes tracking their generation separately for concentrates converted to boric acid, solid RAWs and the generation of ionex resins. The aim is to reduce the environmental burden on the environment and reduce disposal costs.

In the context of nuclear power plants, specific waste management requirements must be followed, which include waste sorting and classification, accounting and the method of release to the environment in accordance with applicable legislation. The RAW treatment includes activities aimed at separating radionuclides, changing their composition and reducing their volume in order to improve the safety and economic efficiency of their management. RAW is stored separately from other wastes or materials. The licence holder determines for each storage facility the storage method, the maximum quantity and activity of the stored RAW, as well as the expected date of its removal from storage.

SE takes a proactive approach to refurbishing spare parts instead of replacing them completely with new parts. This process involves the identification of spare parts that have been identified as unused at the time of discharge from stocks and that are economically viable to refurbish for reuse. This approach not only reduces the costs associated with purchasing new components, but also contributes to sustainability by reducing the quantity of waste and the need to produce new materials.

These actions are part of the Company's approach to reducing environmental impacts and ensuring safe and efficient waste management.

Comparison of the quantity and share of waste recovered at SE in 2019 – 2023

Year	2019	2020	2021	2022	2023
Waste production (t)	547 472	417 261	459 471	504 404	485 720
of which recovered (t)	2 496	2 484	10 331	2 149	9 366
Share of recovery (%)	0.46	0.60	2.25	0.43	1.93

Waste recovery

The overall percentage of waste recovery at SE is significantly influenced mainly by the quantity of fossil fuel combustion by-products generated (ash, slag), which due to their nature (residual ammonia content from denitrification) have low potential for further use and recovery. In 2023, the second highest overall waste recovery rate was achieved.

Waste recycling

SE strives for efficient waste management by optimising processes, minimising waste generation and using recycling techniques that are tailored to specific needs and waste types. By sorting waste consistently, it can be reused.

The largest amount of funding reserved for meeting environmental targets in 2023 was spent on the safe removal and recycling of construction waste generated during the refurbishment of the cooling tower at EM.

Waste disposal

In SE, waste that cannot be recovered or further used is disposed of by way of:

- storage at own landfills and impoundment sites;
- outsourcing (using an external organisation providing waste management services).

Waste that was not used as a by-product is stored at landfills and sludge beds.

Quantity of waste placed in SE landfills and impoundment sites in 2019 – 2023

Year		2019	2020	2021	2022	2023
ENO	Stabiliser storage site (t)	258 243	229 125	224 862	292 370	323 309
	Final impoundment site (t)	223 451	165 867	160 286	162 400	128 313
EVO	Stabiliser storage site (t)	53 813	13 876	54 812	37 852	17 133
	Ash-slag mixture im-poundment (t)	0	0	0	0	0
EMO	Čiáre impoundment site (t)	3 962	3 648	4 758	4 790	5 483

Targets related to resource use and circular economy

SE did not have targets related to resource use and circular economy defined in 2023 to the extent required by the ESRS. Internal policies and actions are aimed at minimising waste generation, consistent sorting at the generation source and subsequent effective management of waste already generated in accordance with the waste management hierarchy and the principles of circular economy. These requirements are part of the contract with the company providing comprehensive waste management services, as well as individual contracts with suppliers.

In the RAW area, actions to reduce waste quantities include optimising decontamination processes to minimise the doses of operating, maintenance and inspection staff, as well as to minimise the generation of RAW.

Information on social matters of sustainability

5 Information on social matters of sustainability

Identified impact

- PI: Transparent communication
- NI: Occupational health and safety – incidents
- NI: Occupational health and safety – long-term impacts
- PI: Adequate remuneration
- PI: Variable remuneration component
- PI: Working with the young generation

Identified risks and opportunities

- R: Price of overtime
- O: Employee development
- R: Early retirements
- R: Shortage of qualified workforce

5.1 Own workforce

For the purposes of this Report, the Company considers its own employees and employees of contractors at the Company's sites who provide or perform work activities for the Company on a contractual basis to be its own workforce.

The Company's employees are a key factor in its success. That is why they are protected and promoted, in order to increase their value and improve their competitive strength, which is represented by the qualifications of each one of them. The Company guarantees the physical and mental integrity of its employees, working conditions that respect their dignity, rules of conduct based on good manners and a safe workplace. SE opposes all attitudes or forms of conduct that discriminate or threaten individuals or their beliefs or personal priorities. The principles of conduct and protection of the Company's own workforce are codified in the Code of Ethics and apply to employees as well as to suppliers, members of the Company's Board of Directors and Supervisory Board, and all stakeholders in any legal relationship with the Company who are obliged to comply with the Code of Conduct by virtue of contracts concluded with the Company or for any other legal reason.

All information stated in this chapter reflect the state as at 31 December 2023. Figures are given in number of employees, not in full-time equivalents. The methodology used to compile the data involves a direct census of employees based on the Company's internal records. Where a different procedure has been used for any of the subchapters, this is explained within the relevant subchapter.

General information

In relation to the identified impacts, risks and opportunities in the own workforce, the main policies on employee rights and conduct are set out in the tthe Code of Ethics, Ethics Guide, the Zero Tolerance of Corruption Plann and the Company's Collective Bargaining Agreement ("CCBA"), which, together with other internal policies, is key to the area of remuneration. These documents are based, among other things, on the UN Global Compact principles. The Company is also engaged in in the fight against corruption in accordance with the PACI initiative (Partnership against Corruption Initiative) by applying the transparency criteria recommended by Transparency International.

The Occupational Health and Safety Policy ("OHSP") is part of the Company's Integrated Policy and is one of its highest priorities. All other policies are described in this Report under the specific topics they cover.

Promotion of employee engagement

Employee engagement is promoted throughout the Company, including the creation of opportunities for employee participation in collective bargaining and discussions to achieve the Company's objectives.

The opinion of its employees is relevant for SE, which is why a corporate climate survey is conducted every two years, in which employees have the opportunity to express their opinion. The assessment of employee satisfaction with the corporate culture and safety culture is carried out by an independent external company. The last evaluations took place in 2022 and the next cycle is planned for the end of 2024. Based on the results of the surveys, the Company's management is taking actions to achieve excellence in this area.

Mechanisms for reporting and protection of rights

By adopting the Code of Ethics, SE committed to protect the moral integrity of its employees and to guarantee their right to working conditions that respect the dignity of the individual. Therefore, employees are protected from physical and psychological violence and all attitudes or forms of behaviour that may result in discrimination or threaten individuals, their beliefs or personal priorities are avoided. Sexual harassment is prohibited. Any other forms of behaviour or speech that could interfere with the individual's feelings are also prohibited.

In the event that an employee or any stakeholder feels or suspects that they have been the victim of harassment or discrimination of any kind, or that there has been a violation of the principles of conduct as defined in the Code of Ethics, the Zero Corruption Tolerance Plan, the legal regulations, or that there has occurred any other type of misconduct, the employee or stakeholder has the option of reporting the matter to the Risk Management and Internal Audit, which will investigate, as part of its internal procedures, whether the alleged violation has occurred.

To report violations or suspected violations of the Code of Ethics and the Zero Corruption Tolerance Plan (including those described above), the Company has established communication channels through which reports can be made and which are posted on the intranet (for employees) and on the Company's website (for the public). These notifications are investigated by the Risk Management and Internal Audit.

The Company has also established rules for receiving whistleblowing reports, their registration, verification and notification of the result of the verification (the so-called Whistleblower Programme) in accordance with Act No. 54/2019 Coll. on the protection of whistleblowers of anti-social activities and on the amendment of certain acts, as amended by Act No. 189/2023 Coll. These rules are also disclosed on the intranet for employees and on the Company's website for the public.

At the same time, actions have been adopted in the Company to:

- prevent any exposure of the whistleblowers to any ensuing danger (whether from the Code of

Ethics, the Zero Corruption Tolerance Plan or whistleblowing);
- guarantee the confidentiality of the whistleblower's identity in accordance with the relevant legislation and the Company's internal rules.

In case of justified whistleblowing reporting, action plans are drawn up by the Risk Management and Internal Audit, the implementation of which is reviewed and reported to the Company's Board of Directors on a semi-annual basis.

Incidents and complaints

During the reporting period, the Company did not record any labour incidents, complaints or significant human rights impacts within its own workforce and hence no related material fines, penalties or compensation arising therefrom.

Managing risks and pursuing opportunities related to your own workforce

A comprehensive description of the Company's risk management is described in ESRS 2, Chapter 2.5 Due Diligence and Risk Management.

To manage opportunities, SE has implemented an ***Ideas Exchange***. The Ideas Exchange is a platform for employees to submit their innovative suggestions for improving processes and increasing efficiency in the Company. Each idea is assessed by a project manager and then goes through an approval process.

In the five years of the Ideas Exchange's existence, more than a thousand ideas have been registered, with 358 authors earning more than half a million euros in benefits for 144 ideas.

Company employees

All of the Company's own workforce are employed on a permanent basis. The number of employees is reported without a breakdown by geographical area because SE does not employ more than 50 employees in any geographical area other than the Slovak Republic.

Total number of employees of the Company	
Gender	**Number of employees (head count)**
Male	3 349
Female	613
Other	0
Not reported	0
Total	**3 962**

Countries where at least 50 employees of the Company are employed	
Country	**Number of employ-ees (head count)**
Slovak Republic	**3 962**

Total employee turnover, which includes retirement or early retirement in addition to voluntary turnover, was 13.25% in 2023, while voluntary employee turnover was only 2.45%.

Employee turnover of the Company	
Total number of staff leaving in 2023	525
Rate of employee turnover %	13.25%
Rate of voluntary employee turnover	2.45%

In 2023, the Company employed permanent employees under regular employment contracts and temporary employees working in SE under work agreements (work performance agreement, work activity agreement, student temporary work agreement).

Information on staff by contract type and by gender (by head count)					
	Female	**Male**	**Other (*)**	**Not Disclosed**	**TOTAL**
Number of employees	613	3 349	0	0	3 962
Number of permanent employees	613	3 349	0	0	3 962
Number of temporary employees	105	482	0	0	587
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	606	3 344	0	0	3 950
Number of part-time employees	7	5	0	0	12

(*) Gender as reported by the employees themselves.

Top management of the Company		
The Board of Directors	**Head count**	**%**
Female	1	11.11
Male	8	88.89
Total	**9**	**100**

Age groups of the Company's employees	
Employees	**Head count**
up to 30 years	294
30 - 50 years	2 070
above 50 years	1 598
Total	**3 962**

At the end of the reporting period, persons with disabilities accounted for 3.1% of the Company's employees. Accordingly, the Company does not impose restrictions that adversely affect employees with disabilities. The decisive condition for the employment of a job seeker is the fulfilment of the qualification and professional requirements for the performance of a specific job.

Persons with disabilities		
Disabled persons	**Head count**	**%**
Male	103	2.60
Female	20	0.50
Total	**123**	**3.10**

Non-employees of the Company

For disclosure purposes, the Company has identified as non-employees within its own workforce the employees of contractors who performed work of various types on sites and premises owned by SE. This category of workers constitutes a significant part of the own workforce, especially during general shutdowns of existing nuclear installations as well as during the construction and commissioning of new nuclear installations. Given the complex and demanding job description for which these employees are responsible, they are subject to the same strict requirements as the Company's own employees. In addition to the professional requirements, they are also subject to the requirements of the Code of Ethics, the Zero Corruption Tolerance Plan, and the Occupational Health and Safety. The employment of such employees took place in 2023 through the conclusion of a work performance agreement. Due to the fact that the agreement does not indicated the number of workers it covers, SE does not have sufficient information on the total number and composition of this category of workers in its own workforce for the reporting year.

Collective bargaining agreements

The Company was actively involved in the negotiations of the Master Collective Bargaining Agreement for 2021-2023 ("MCBA"). It is a framework document at national level and, among other things, sets out the baseline points for the negotiation of corporate collective bargaining agreements. Claims arising from the MCBA cannot be reduced in the CCBA. The current MCBA is concluded until 31 December 2026.

The CCBA in SE codifies higher standards than those set out in the MCBA and applies to all employees of the Company and employees on long-term leave to serve in the relevant trade union, but does not apply to employees of SE subsidiaries. The Company has made commitments in the CCBA to, among other things, avoid any discrimination against employees on the grounds of age, adverse health condition or disability, gender, nationality, race, religion, membership and office in a trade union, political party or movement, to respect the right of employees to collective bargaining, the rights of employees arising from employment relationships without any restrictions and direct or indirect discrimination on the basis of gender, sexual orientation, marital and family status, race, colour, language, age, adverse health condition or disability, religion or belief, political or other opinion, trade union activity, national or social origin, membership of a nationality or ethnic group, property, birth or other status, as well as the employer's right of exclusion under Act No. 2/1991 Coll. on collective bargaining, as amended. The current CCBA is effective until 31 December 2026.

The employee representatives are also involved in the negotiations on the Employer's policies concerning a large number of employees, particularly in the areas of wage, labour law, social affairs, systematisation of jobs and occupational health and safety and fire prevention.

Safety

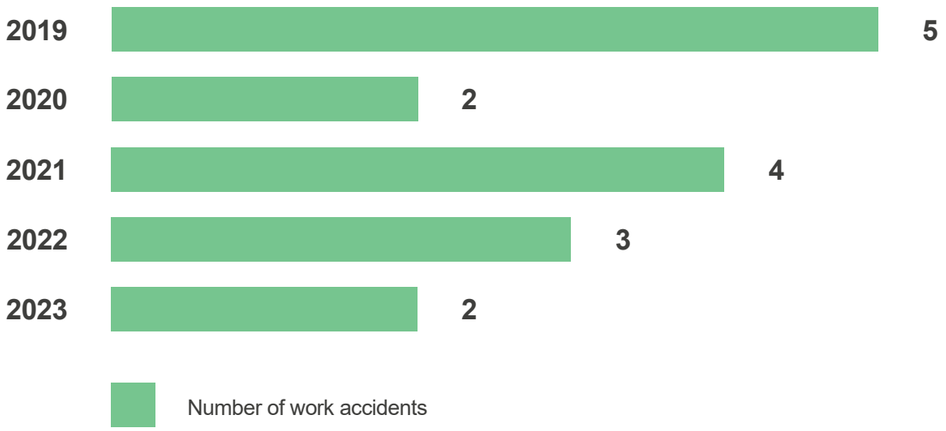
Occupational health and safety ("OHS") is a top priority for the Company. The evaluation of the OSH status and the development of the rate of work-related accidents is carried out in accordance with the principles defined by WANO (World Association of Nuclear Operators), the requirements of Act No. 124/2006 Coll. on occupational health and safety and on the amendment of certain acts, as amended, the requirements of ISO 45001 and in accordance with the Company's internal regulations.

The internal OHS policies apply to every employee of the Company and to all persons present on the Company's premises. Each employee is personally responsible for their own safety and the safety of other employees. Since nuclear technology is unique in its physical nature and the consequences that its incorrect use can cause, nuclear safety has extraordinary priority. For this reason, SE's long-term safety objective is to achieve an accident-free status in the Company. The OHS target for 2023 was defined as an accident frequency index of 0.22 or less (excluding the EMO 34 completion project accident frequency) per million hours worked. As this measure pursues the purpose of strengthening the perception of shared responsibility for meeting the safety target across SE sites, this target has been set not only for the Company as a whole, but also partially for individual sites.

The target set for 2023 was met at 99.13%. The injury frequency index has declined over the last three years from a value of 0.88 in 2021, 0.44 in 2022, to a value of 0.23 in 2023. To support this effort, an incentive criterion taking into account the annual accident frequency index has been integrated into the remuneration of employees who are remunerated through performance bonuses. The remuneration system set in this manner aims to improve the personal engagement of individual employees and to reinforce shared responsibility for safety in the workplace.

As of 31 December 2023, 3 962 Company employees and 8 997 contractor employees were considered for health and safety metrics. In 2023, there were 2 registered work-related accidents resulting in 331 workdays not worked. There were no deaths due to work-related accidents and no cases of demonstrable work-related ill-health.

Registered work accidents of company employees



In 2023, a new tool was implemented to improve OHS under the campaign called ***Zero Injury, Safety without Compromise***. This tool includes a ***Safety Cup*** competition, which is awarded to the site with the best OHS results. As the first winning plant, the EBO plant was awarded the challenge Safety Cup and a plaque. A Weekly Safety Theme was also introduced – communication and discussion of a set mostly OHS-related weekly topic at the beginning of each briefing and a Safety and Environment Action Plan 2023 was also prepared.

The Safety and Environment Action Plan sets out safety visions, plans, projects and objectives in the following areas:

- occupational health and safety;
- fire protection;
- environment.

The action plan in question is a manifestation of the endeavours for continuous improvement in all areas of safety and follows the Company's strategic plan, which is approved by the Company's bodies for a period of five years.

Benefits in SE

The Company has a remuneration system in place that is based on the internal equity principle, according to which all job positions are evaluated according to the difficulty and complexity of the work activities performed.

Based on the assessment, the job positions are classified into individual reference levels – degrees of work difficulty. Evaluation of job positions is based on the same criteria without any discrimination.

For each reference level, a minimum basic wage and a median basic wage are defined. The specific agreed amount of the employee's basic wage may not be less than the defined minimum basic wage for the job position to which the employee is classified. An employee's basic wage also reflects the employee's individual performance. In accordance with the remuneration rules for graduate employees, a basic wage of up to 80% of the median basic wage for the job position to which the graduate employee is classified is agreed, but must not be lower than the minimum wage set by the legislation. There are no employees of the Company who are paid less than the adequate wage for their job position. According to the CCBA, an employee's wage cannot be lower than the minimum wage set by law.

In addition to stable financial remuneration, the Company has also set up a variable remuneration system. This system emphasizes individual employee performance and motivates employees to perform better.

In addition to variable remuneration, employees are provided with a number of benefits, such as discounts on the purchase of goods and services from partners, discounts on summer camps, wellness packages, Multisport card, advantageous operating lease, as well as benefits resulting from the CCBA (e.g. 5 days of leave in excess of the statutory entitlement, 37.5-hour working week, social assistance, contribution to supplementary pension savings).

In SE, gender does not affect the level of remuneration. The pay gap was defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees This difference amounts to 6.64% and is due to the different positions held by men and women in the Company.

Remuneration pay gap			
	Men	Women	Difference (%)
Average hourly pay in EUR	15.2779	14.2634	6.64

Social protection

All employees of the Company are covered by the employer's social policy in accordance with Act No. 311/2001 Coll., the Labour Code, as amended (the "Labour Code"). In addition, SE has selected matters of social policy and social welfare set out in the CCBA.

Work-life balance

Every employee of the Company is entitled to maternity, parental and/or paternity leave. This type of leave is granted to all employees of the Company who request this type of leave and meet the conditions for taking it in accordance with the Labour Code. Given that in the Slovak Republic employees are not obliged to notify their employer of the birth of a child, it is not possible to say with certainty that every eligible employee has taken this type of leave in 2023.

Parental leave				
	Entitlement to family-related leave	Requirement to take family-related leave	Family-related leave actually taken	%
Men	3 349	102	102	100
Women	613	59	59	100
Total	3 962	161	161	100

Employee education and development

Given the economic and safety importance of the installations owned by SE, the education and training of the Company's employees, together with safety and environmental protection, receive the highest possible priority.

Education and training in the Company is broken down into:

- vocational and professional training;
- other non-legislative training;
- development of soft and management skills;
- upskilling and improvement of skills through development programmes; and
- conferences and training seminars.

Vocational and professional training is the most important part of education and training. It ensues from the relevant legislation (including the requirements arising from Act no. 541/2004 Coll. on the peaceful use of nuclear energy (the Atomic Act) and on the amendment of certain acts, as amended amended) and SE internal rules.

Assessment of performance and career development always takes place in the first quarter of the calendar year and is attended by everyone who is an employee of the Company during that period. The results for the previous calendar year are assessed. In 2023, a total of 3 256 employees were assessed, of which 461 were female and 2 795 were male. The number of employees assessed does not correspond to the number of employees at the end of the reporting period. This disparity is due to the fact that employee assessment generally takes place in the first quarter of the calendar year, when the number of employees is different from that at the end of the reporting period. The performance assessment consists of three levels of assessment: 180° (self-assessment of performance and conduct by the employee and their immediate superior), 270° (self-assessment and assessment of the employee from different levels – superior and peers) and 360° (assessment from different levels – superior, subordinates, peers and self-assessment).

The Company does not conduct assessment of contractor employees. Contractor training consists only of training sessions that are necessary for their safe movement and stay at SE installations and sites.

Evaluation of employees	
Employees	**Regular evaluation of performance and career development for 2023**
Men	2 795
Women	461
Total	3 256

Hours of employee training	
The total number of hours of training offered to employees:	512 606.10
The total number of hours of training completed by employees:	344 453.10

The number of hours of training completed per calendar year varies at SE. Such variability is caused by mandatory legislative training and education. Most such education and training activities need to be continuously renewed in two- to five-year cycles, in which case the number of training hours in the years in question is higher than in the current year.

Hours of employee training by gender for 2023			
Employees	**Number of employees**	**Number of hours of train-ing completed**	**Average training in hours**
Men	3 907	318 420.5	81.5
Women	691	26 050.7	37.7
Total	4 598	344 453.1	74.9

Any job position above the level of manager can self-select the additional training needed to perform the job activities responsibly. For junior job positions, the Human Resources Strategy and assessment interviews are used.

The Leaders Academy is an important educational activity. The Leaders Academy is a development programme that is a standard set of information and skills for each new senior employee at the levels of manager, head, team leader, group leader and foreman, depending on whether they came to SE from an external environment or were promoted to a senior position within the Company. The programme comprises three parts:

Internal processes of the Company – expectations and responsibilities of senior employees in the different processes of SE; duration: 2 days;

Soft Skills – strengthening soft and managerial skills of senior employees (e.g. delegation, motivation, management, decision-making, feedback, etc.); duration: 2 x 2 days;

Refresh – builds on the Soft Skills part and is completed by the senior employee five years after completing the Soft Skills part; duration: 2 days.

Development of managerial staff		
Leaders' Academy	**Number of graduates**	**Number of hours**
Internal company processes	60	960
Soft skills	82	1 312
Refresh	11	176
Total	**152**	**2 448**

Early retirements

Due to a legislative change allowing early retirement after forty years of service, as well as after a wave of extraordinary valorisation of retirement pensions, the labour market was hit by a wave of early retirements. In 2023, the number of applications for early retirement in the Slovak Republic more than doubled. SE was not spared by this situation. In 2023, 249 employees left the Company due to early retirement. This figure represents an almost fourfold increase from 2022 and is the main reason for the increased employee turnover for 2023.

One of the measures introduced in the CCBA is a special severance payment in excess of the law in the event that an employee terminates their employment only on the grounds of an ordinary old-age retirement and the employment relationship ends no later than in the calendar month in which the employee reaches the age for entitlement to old-age retirement.

Recruitment of qualified workforce

DA sufficiently skilled workforce and its recruitment is key for SE to meet the Company's ultimate objective of safe and environmentally-friendly production and supply of affordable energy to all of the Company's customers.

At the end of the reporting period, nearly 500 new recruitments were recorded, representing the largest number of recruitments in the Company's history. Of the new employees, many were filling key and hard-to-fill positions such as electrician, mechanic, maintenance worker, and engineer. Recruitment was preceded in the first step by the definition of a staffing plan. The staffing plan included the most critical positions, which were successfully filled to 97.62% in the autumn of 2023. In parallel with the staffing plan, a recruitment strategy and the preparation of documentation governing the conditions for improving recruitment conditions were created.

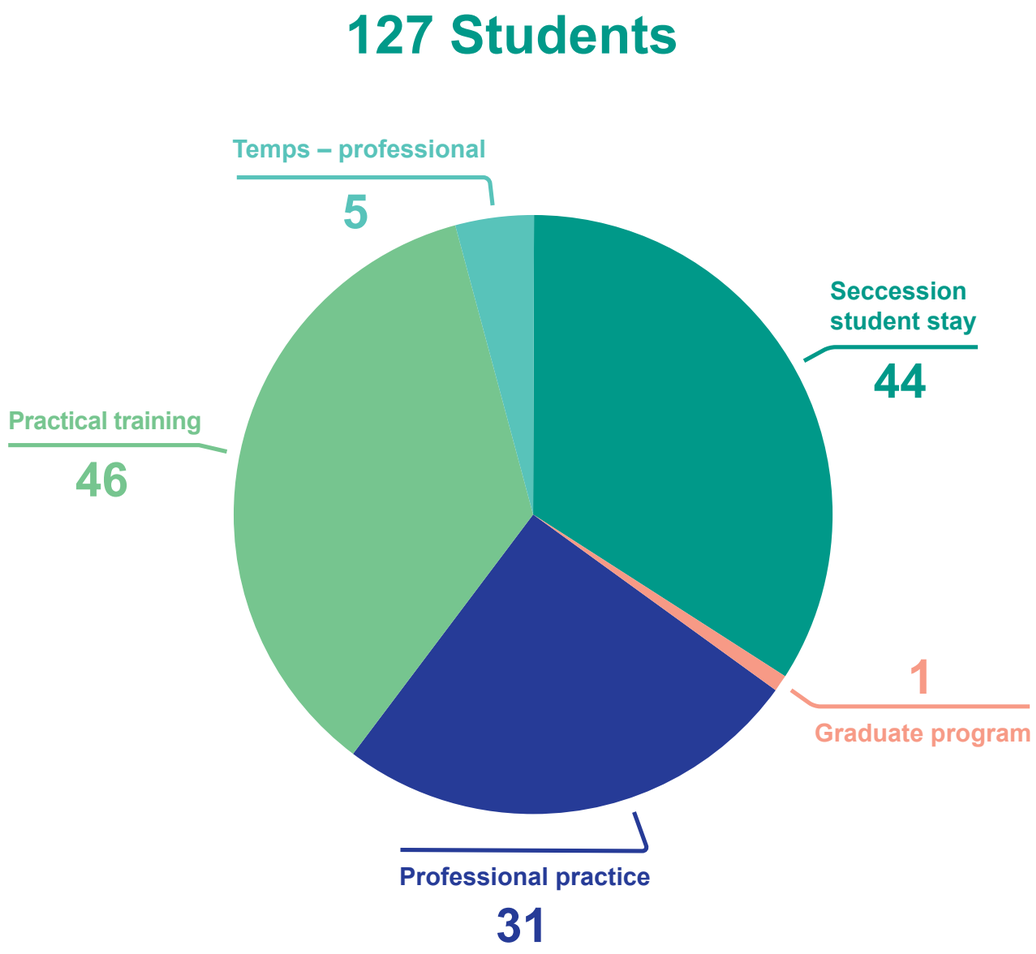
The main recruitment changes and benefits offered include temporary accommodation for up to one year at most for employees residing more than 50 km from the workplace, a referral bonus for SE employees and a joining bonus for a new employee in a shortage position.

New generation of employees

Nurturing new talent for SE sites is one of the Company's priorities to ensure the continuity of safe power generation. The Company has created a department focused on cooperation with schools and talent management. For 2023, 18 events in secondary schools and 24 events in universities were carried out, namely various JobFairs, fairs, competitions and popularization lectures. In addition to these events, vocational excursions to nuclear and hydroelectric power plants, to the simulator of the main control room and, in the largest number, to Energoland, which is the largest entertainment and educational centre on energy in the Slovak Republic, were regularly organised for students of primary, secondary schools and universities.

An important and well-established activity in nurturing talent is the annual Aurel Stodola Prize for outstanding bachelor, diploma and dissertation theses in the field of energy, which is part of the broader concept of Energy for Education (the concept of Energy for Education is explained in more detail in the Corporate Culture section). Participants in the Aurel Stodola Prize will get a space for their presentation and an opportunity to meet experts from the energy sector or to gain new knowledge and contacts for further studies and career. The winners of the individual categories receive a financial award in the amount between EUR 500 and EUR 1 500.

Thanks to these activities, SE welcomed 127 secondary and university students to one of its student programmes in 2023.



From the point of view of secondary school students, practical training is an important project. This is a high school apprenticeship project divided into a week of teaching in school and a week of apprenticeship at SE. It is attended by third and fourth year students from selected vocational secondary schools. The project involved six schools in the vicinity of the nuclear power plants during the reporting period and was completed by 46 students. All training costs shall be borne by SE.

With regard to university students, the recruitment student internship project is significant, which is primarily intended for students of technical and natural science disciplines, especially from the relevant faculties of the Slovak University of Technology in Bratislava, the Technical University in Košice and the University of Žilina. It was completed by 44 students during the reporting period. In the recruitment internship, students have flexible working hours that they can adapt to their studies, they can collaborate on their bachelor's or master's theses in SE, and they are assigned mentors who guide them and give them assignments. In 2023, the student remuneration in the recruitment internship was EUR 7 per hour worked.

Information on governance matters of sustainability

6 Information on governance matters of sustainability

Identified impact

- PI: Corporate culture/ Corporate responsibility
- PI: Integrated management system, quality management system and audits
- NI: Political engagement

Identified risks and opportunities

- R: Political engagement

6.1 Corporate culture

How the Company creates, develops, promotes and assesses its corporate culture

The basic pillar of SE's corporate culture is the clearly defined vision and mission of the Company, which is also reflected in the Company's IMS and explicitly expressed in the Company's Integrated Policy. The Company's Integrated Policy expresses the unconditional priority of safety over production requirements and business profit and integrates the areas of safety, quality, environment, staff training and risk management. The policy is publicly available, regularly reviewed and updated.

Another important pillar of corporate culture is the Values and Behaviours Model. It is a set of values, attitudes, standards and patterns of behaviour that determine the way the Company operates. This model influences the organisation of work, defines the system of recognised values, as well as the form of manifestations and communication externally and internally of the Company.

The Values and Behaviours Model represents the key elements of the corporate culture that characterise the Company and make it unique and interesting not only for employees but also for customers. This model is disclosed on the Company's intranet and forms part of the IMS documentation.

Social responsibility is addressed in the Company in three pillars: economic, environmental and social. The continuous improvement process is taken on in the Company from two directions. One of them being maintaining continuity and the other looking for new opportunities.

The Company approaches each project in the field of social responsibility with the view of reaching out to the widest possible societal breadth. The comprehensive nature of the social responsibility scheme Energy for the Country is expressed in its name, with its main objective being to promote community activities and initiatives thematically divided into five areas focusing on culture, science and education, sports, the environment and social assistance. Through the SE Endowment Fund at the Pontis Foundation, the Company announces grant calls and supports philanthropic activities in communities in the regions of Slovenské elektrárne operations. The transparency of the Endowment Fund is declared by a Fund Transparency Certificate, which is granted by the Association of Corporate Foundations and Endowment Funds (ASFIN).

Values and Behaviours Model

Safety and the environment

Human life and the health of the individual are paramount. This is the overriding principle of our company, according to which we undertake all work and every decision. **Each of us is personally responsible for our safety and the safety of others**.

Nuclear technology is unique in its physical nature and the consequences that its incorrect use can cause. Therefore, nuclear safety always takes highest priority. In all activities we take care of environmental protection.

Cooperation

Our goal is to constantly improve the quality of our work, strive for excellence and achieve excellent results. We introduce new knowledge and experience verified in practice. Only in this way will we maintain the steady growth of our company and the credibility of the entire nuclear industry in the changed conditions of the energy market.

We behave professionally, we communicate among ourselves effectively, we receive and provide feedback, we openly express our opinion. We consistently fulfil our tasks, and, through team cooperation, we find better and more efficient solutions.

Responsibility

An intrinsic value of the company consists in its qualified staff able to take responsibility.

Our approach to work and our actions are in accordance with the company values and goals, while respecting ethical principles.

Knowledge and experience

Our knowledge and skills are specific, gained over many years' experience. We share our knowledge and experience. Knowledge of the power plant, knowledge of the principles of how its systems function, thorough care of its equipment and efficient processes are all key to safe and reliable operation.

Prevention of corruption

In accordance with the tenth principle of the UN Global Compact, according to which “businesses and firms shall strive to prevent corruption in any form, including extortion and bribery", the Company is engaged in fighting corruption in accordance with the Partnering Against Corruption Initiative and the application of the transparency criteria recommended by Transparency International. This commitment is expressed in the following general principles:

- **SE rejects corruption in all its forms, both direct and indirect; and**
- **SE implement the Zero Corruption Tolerance Plan in the fight against corruption.**

The Company adopted the Zero Corruption Tolerance Plan, and communication channels were established for reporting, recording and screening. These mechanisms are similarly addressed in the Report, in the section on Whistleblowing and Rights Protection Mechanisms.
As part of its corruption prevention efforts, the Company makes its staff familiar with the Code of Ethics, the Zero Corruption Tolerance Plan and the whistleblowing programme. Each contract or order concluded includes General Terms and Conditions (GTC), which suppliers and customers accept by signing the contract and which bind them to comply with the Company's Code of Ethics and Zero Corruption Tolerance Plan.

Employees who are responsible for reviewing corruption-related whistleblowing reporting are independent of direction from the Company’s management in this area. Responsibility for this area lies with the Risk Management and Internal Audit.
As in the case of harassment, regular updates are made to the Company’s management on the whistleblowing notification and the results of their review. There were no convictions or fines for violations of anti-corruption and anti-bribery laws during the reporting period.

Integrated management system, quality management system and audits

Quality, environmental protection and safety form the main pillars of the Company’s Integrated Policy.

In order to achieve the highest level of safety (specifically nuclear safety and radiation protection), product quality, process performance, increase the overall efficiency of the Company and the satisfaction of its customers and stakeholders, the SE management system is used, which integrates the requirements of:

- quality according to the international standard ISO 9001;
- environmental protection according to the international standard ISO 14001;
- occupational health and safety according to the international standard ISO 45001.

As an operator of nuclear installations, SE also applies other requirements and recommendations of international and regulatory authorities, including in particular:

- requirements arising from the document of the International Atomic Energy Agency in Vienna (IAEA), in particular General Safety Requirements – GSR, Part 2 (Leadership and Management for Safety);
- World Association of Nuclear Operators (WANO);
- Operational Safety Review Team (OSART);
- Institute of Nuclear Power Operations (INPO) - recommendations from international missions, adopting the world’s best practices from nuclear power plants;
- Nuclear Regulatory Authority of the Slovak Republic;
- Office of Public Health of the Slovak Republic.

The SE Integrated Management System is based on a process approach and customer orientation in accordance with the requirements of the relevant legislation of the Slovak Republic and the European Union, international standards ISO 9001, ISO 14001, ISO 45001, as well as with the requirements of stakeholders.

The effectiveness and efficiency of the IMS was verified in 2023 through six integrated process audits of the integrated management system conducted at the SE headquarters and at selected plants and operations of the Company. The findings are used on an ongoing basis for the continuous improvement of the IMS through action plans and defined actions. Sections of the IMS are reviewed annually by the Company’s senior management.

SE is aware of the full responsibility resulting from the subject-matter of its activity, and the fact that the responsibility cannot be passed on to its contractors. Therefore, in 2023, 33 external (customer) audits were carried out at the selected contractors having a potential impact on nuclear safety. Audits were performed by qualified auditors, with the participation of technical experts from SE. The results from audits at contractors serve for overall improvements in contractors’ performance, streamlining the procurement process and raising the safety and reliability of the nuclear installations.

6.2 Political engagement

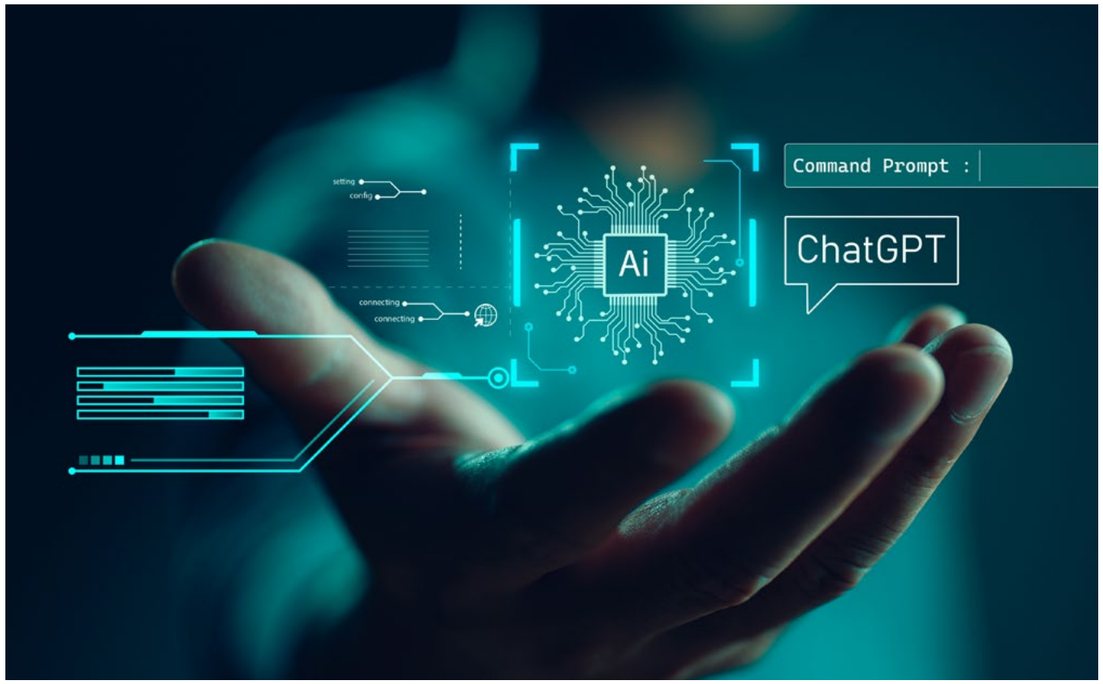
In accordance with the Zero Corruption Tolerance Plan and the Code of Ethics, SE does not under any circumstances finance political parties, their candidates or their representatives, whether in the Slovak Republic or abroad, nor sponsor conventions or rallies whose sole or main purpose is political promotion. At the same time, SE refrains from exerting any direct or indirect pressure on politicians (e.g. through benefits provided by the Company, acceptance of recommendations for employment, consultancy contracts).

In terms of the national legislative process, SE’s were involved in commenting on 7 national and 3 European pieces of legislation in 2023. The most significant was the reform of construction legislation, including changes to environment-related regulations and permitting processes, in which the Company pursued the objective of ensuring appropriate conditions for construction permitting, streamlining and speeding up the construction process.

SE is registered in the EU Transparency Register under the registration number 648546927951-39.

One of the members of the SE’s Board of Directors and one of the members of the SE’s Supervisory Board held a comparable position in the public administration (including regulatory authorities) in the two years prior to their appointment in the current reporting period. When assessing comparable functions in the public administration, the Company used the list of functions listed in Article 2 of Constitutional Act No. 357/2004 Coll. on the protection of public interest in the exercise of functions of public officials, as amended.

Information on specific topics



7 Information on specific topics

7.1 Digitalisation, artificial intelligence and innovation

Identified risks and opportunities

- O: Innovation
- O: Digitalisation and artificial intelligence

The cornerstone of data science in SE is the Data Science Development Strategy. The ultimate goal of this strategy is to deliver support using advanced data analytics methods. SE recognize the importance of keeping up with the most advanced technologies and implementing them into internal processes.

The main benefits arising from this strategy can be broken down into five groups:

1. **Transparency** – Better insight and objective information gained from different areas and situations.
2. **Knowledge sharing** – Accessible and uniform information for all, data as a common language.
3. **Company performance** – Efficiency of the organisation and processes, identification of reserves, benchmarking.
4. **Asset Efficiency** – Predictive maintenance, diagnostics and analysis, efficiency and self-consumption.
5. **Value creation** – Leveraging machine learning and artificial intelligence, supporting digitalisation.

In 2023, a separate Data Science department was established in the Society. The most important tasks the department has been involved in are the following projects:

Vertical pump blade rotation model – analysis of BQDV pump blade rotation as a function of weather and circulating water temperature to ensure highest efficiency with minimum consumption.

Heat exchanger efficiency model – identification of the predicted outlet temperature of high pressure heat exchangers in turbines. By comparing the actual and expected temperature, the need for maintenance can be indicated.

Operation preparation and weather – based on the weather forecast, it is possible to predict the maximum clamp power output that can be achieved. The models for both nuclear power plants are accurate to within +/- 1.5 MWh.

Corporate ChatBot – implementation of front-end and back-end solution for communication with corporate LLM-based chatbot (Large Language Model). This model contains, among other things, comprehensive corporate process documentation, in which it can search for required tasks with proven time savings on the user's side.

On the basis of the approved digitisation strategy, the following projects were prepared and/or implemented:

Virtual Reality – In order to streamline training sessions when preparing new employees.

Mobile application for SE employees – It will transfer all the most important functionalities from the intranet (corporate portal) to employees' mobile phones for better corporate communication.

Contract management software – A software tool for a comprehensive contract lifecycle solution, including contract storage.

Digitalisation at nuclear power plants – In cooperation with a team of students from the Faculty of Informatics and Information Technologies of the Slovak University of Technology in Bratislava, it was possible to develop software that can design hedging on operational schemes using artificial intelligence.

The Company is further involved in various mobile applications on top of SAP or IOT sensors for predictive maintenance option.

More than 100 digitisation projects in various areas are registered within the SE and are gradually being implemented with the aim of cutting red tape and increasing efficiency.

At the same time, the data centres in EBO and EMO were renovated in 2023. The EBO data centre is currently the primary data centre for SE and is Tier III compliant according to The Uptime Institute.

In addition, new backup technologies were implemented in the Company.

7.2 Cybersecurity

Identified risks and opportunities

- R: Cybersecurity

Geopolitical developments in recent years have shown that cyberattacks pose a material threat to SE. As the Company owns and operates critical infrastructure elements, it is critical to protect this infrastructure and systems from such attacks. For this reason, the issue of cybersecurity has been given due attention within SE and a Cybersecurity Strategy has been adopted. The objective of cybersecurity management is to ensure an adequate level of protection of the Company's information, networks and information systems with the intent to:

a. prevent cybersecurity incidents;
b. address cybersecurity incidents;
c. minimise their impact on the continuity of the Company's activities.

The employees of the expert departments follow developments in this area and assess new solutions in terms of compatibility and compliance with the required level of cybersecurity. In 2023, preparedness was tested with simulated cyberattacks. Employee preparedness was continuously checked by "phishing" campaigns. The 2023/2024 cybersecurity audit confirmed the compliance of the adopted and planned actions with the requirements arising from the applicable legislation in the field of cybersecurity. The Company continues to set up security policies, tools to monitor the security of its network and information systems environment, to create procedures for dealing with security incidents and accident recovery plans, and in activities aimed at raising the security awareness of employees.

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List of abbreviations

ASFIN	Association of Corporate Foundations and Endowments
ASM	Ash-slag mixture
BAT	Best Available Techniques
BAT-AEL	Best Available Technique-Associated Emission Level
BREF	Best Available Techniques Reference Documents
CCBA	Company Collective Bargaining Agreement
CH_4	Methane
CO_2	Carbon oxide
CO_2eq	Carbon dioxide equivalent
COD	Chemical Oxygen Demand
Company	Slovenské elektrárne, a. s.
CSRD	Directive (EU) 2022/2464 of the European Parliament and of the Council amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting
EBO	Jaslovské Bohunice Nuclear Power Plant
EIA	Environmental Impact Assessment
EMO	Mochovce Nuclear Power Plant
EMO 34	Units 3 and 4, Mochovce Nuclear Power Plant
EMO3	Units 3 of Mochovce Nuclear Power
ENO	Nováky Thermal Power Plant
EPH	Energetický a průmyslový holding, a. s.
ESRS	Commission Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standard
EU	European Union
EU ETS	European Union Emissions Trading System
EU Taxonomy	Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088
EVO	Vojany Thermal Power Plant
HFCs	Hydrofluorocarbons
IAEA	International Atomic Energy Agency
IMS	Integrated Management System
ISO	International Organization for Standardization
KPIs	Key performance indicators
MCBA	Master Collective Bargaining Agreement
MWe	Megawatt electric
MWh	Megawatt-hour
NI	Negative impact
N_2O	Nitrous oxide
NF_3	Nitrogen trifluoride
NO_x	Nitrogen oxides
O	Opportunity
OA	Own activity
OHS	Occupational Health & Safety
PCR	Physical climate risks
PFCs	Perfluorocarbons
PI	Positive impact
PM	Particulate matter
R	Risk
RAW	Radioactive waste
RES	Renewable energy sources
SE	Slovenské elektrárne, a. s.
SE-HQ	Headquarters of Slovenské elektrárne, a.s.
SF_6	Sulphur hexafluoride
SMR	Small Modular Reactor
SO_x	Sulphur oxides
SPH	Slovak Power Holding B. V.
TR	Climate-related transformation risk
WANO	World Association of Nuclear Operators