



vltalia

MISSION DRIVEN
company

DOUBLE MATERIALITY ANALYSIS

METHODOLOGY AND RESULTS



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Editorial

At a time when transparency and corporate responsibility are at the heart of concerns, the European CSRD (Corporate Sustainability Reporting Directive) represents a major step forward. For a Mission-driven Company already strongly committed to sustainability issues, this new regulation is a real opportunity to strengthen its strategy and governance in the long term, demonstrating the sustainability of its business model.

It is with great pride that Voltalia publishes its first double materiality analysis this year. Beyond a regulatory compliance exercise, this analysis was a structuring and cross-cutting approach, allowing Voltalia to better understand how sustainability issues influence the company's activity (financial materiality) and, conversely, how Voltalia's activities affect society and the planet (impact materiality).

The internal and external consultation carried out made it possible to identify the so-called "material" issues, i.e. the most significant impacts, risks and opportunities (IRO) for the company. In accordance with the requirements of the *European Sustainability Reporting Standards* (ESRS), this analysis provides a basis for structuring sustainability reporting, feeding into the company's strategy and guiding operational and non-financial decisions.

This new approach now replaces the simple materiality matrix that was used as the basis for previous non-financial performance statements. Voltalia was supported in this exercise by the consulting firm UTOPIES.

This document presents in detail the methodology used to carry out this double materiality analysis as well as the results in the form of a matrix.



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*Group Sustainability
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Identification of the list of issues and breakdown into Impacts, Risks and Opportunities

Voltalia has identified 24 sustainability issues divided into four categories: environmental, social, sectoral and governance. This selection is the result of an in-depth analysis, based on both an internal and external document review, including European standards (in particular the ESRS), the expectations of stakeholders and the specificities of its activities in the renewable energy sector.

Some issues have been added to reflect issues specific to Voltalia or its sector, which are not covered by the ESRS. Conversely, some topics or sub-topics proposed by the ESRS were discarded because they were deemed irrelevant to the company's activities.

Each issue has been broken down into impacts, risks and opportunities (IROs) specific to Voltalia. The final list of challenges was reviewed and validated by the project's steering committee, ensuring its strategic and operational relevance for the company.

ENVIRONNEMENT	SOCIAL	SECTOR	GOVERNANCE
Emissions from activities	Health, safety and working conditions of employees	Energy accessibility	Supplier and partner relations
Decarbonization of energy	Skills and employee commitment	Safety and reliability of installations	Business Ethics
Customer Energy Efficiency	Diversity and inclusion	Local stakeholder dialogue	Promotion of renewable energies
Adaptation to climate change	Health, safety and working conditions of subcontractors	Local socio-economic development	Due diligence to clients and projects
Pollution generation	Working conditions within the supply chain	Health and safety of local populations	
Water use		Use and protection of data	
Land use change		News Technologies and Innovation	
Biodiversity			
Circular economy (resource extraction and end-of-life management)			



Conducting a prospective quantitative analysis

On certain issues, a more in-depth quantitative analysis of the impacts, risks and opportunities has been carried out in order to provide initial elements of assessment and enrich internal and external consultations.

This analysis focused on specific activities, business relationships, geographies or other factors that give rise to an increased risk of adverse impacts.

Negative impacts analysed	Specific area/sector studied
Weak guarantee of respect for labour and human rights by suppliers, especially in the manufacture of equipment	Geographical areas where the guarantee of workers' rights is weak
Exposure of subcontractors during construction activities, particularly those working on installations transmitting high-voltage electricity	Construction activity
Corruption	Emerging countries



Stakeholder selection and consultations

The stakeholders consulted for the scoring of the issues were selected jointly by Voltalia and the firm UTOPIES. This selection aimed to ensure a balanced representation of the company's main categories of stakeholders, while mobilizing profiles with relevant expertise on the sustainability issues identified.

A total of 18 internal and 22 external stakeholders were mobilized, through group workshops and individual interviews.

Several consultation methods have been implemented in order to guarantee the robustness and quality of the double materiality exercise.

- For financial materiality, Voltalia and UTOPIES conducted a workshop with members of top management, supplemented by 16 in-depth individual interviews, to shed light on the ratings with qualitative justifications.
- Similarly, the materiality of impact was assessed through a workshop dedicated to internal expert teams (E&S, Compliance, CSR), 9 individual interviews as well as a documentary analysis conducted by UTOPIES, mobilizing internal and external sources.

Formalization of the rating system – Impact materiality

In order to be consistent with the Group's risk rating scale, Voltalia has chosen a scale of 1 to 4 for the rating of the financial materiality and the materiality of the impact of its issues with the formula: $(\text{Severity} * \text{Probability}) / 4$. The rating is increased when the impact is related to human rights because severity takes precedence over probability.

Rating	Severity			Probability
	Extent	Scope	Irremediability	
1	Low or no impact	Impact on none or very few stakeholders	Easily reversible impact	Impact very unlikely, should occur only exceptionally (subject to a conjunction of very specific conditions).
2	Moderate impact	Impact on a limited scope of stakeholders	Reversible impact within 6 months	Possible impact under conditions that are not met today but are likely to be in the future (once a year).
3	Major impact	Impact on a majority of stakeholders	Reversible impact between 6 and 24 months	The likely impact is that the main conditions for its implementation are now in place for it to manifest itself in the medium term. However, a shorter-term appearance is possible (1 to 4 times a month).
4	Extremely strong impact	Impact on almost all stakeholders	Irreversible impact	A very likely impact, the main conditions for its implementation are now in place for it to occur in the short term (more than 4 times a month).



Formalization of the rating system – Financial materiality

Rating	Severity	Probability
1	Profit & Loss impact (impact on annual EBIT ¹ < €5 million and return to normal < 2 years)	Weak
2	Assets (Impact on the Group's assets, 3<year upgrade, annual impact between €5 million and €10 million)	Moderate
3	Growth	Strong
4	Combination of the 3 (impact on the Group's annual income, assets and growth, with a complex upgrade, and amount > €10 million)	Certain

¹ Operating earnings before interest and taxes

Formalization of the rating system – Consolidation approach and weighting rules

The approach taken to identify, assess, prioritize and monitor the company's actual and potential impacts on people and the environment is applied consistently to all identified impacts, whether they relate to specific projects, supply chains or environmentally or socially sensitive areas, to ensure proactive and consistent risk management and minimise adverse impacts.

The final impact and financial materiality scores were established on the basis of each respondent's importance and likelihood scores on impact or financial materiality for each issue. These importance and likelihood scores were multiplied to obtain the final result.

For each issue, each sub-group and therefore each respondent has the same weight in the calculation of the average of the financial and impact materiality.

Résultats de l'analyse

The materiality threshold has been set at 2.5 out of 4 on impact and financial materiality, so the 14 issues above this threshold have therefore been considered material and appear in the blue area of the matrix above.

The results of the double materiality analysis were presented and approved by the Board of Directors.

The issues identified as material for Voltalia at the end of the double materiality analysis served as the basis for the development of the reporting required by the CSRD directive. The impacts, risks and opportunities associated with these challenges have also been defined.

The results of this analysis helped to determine the relevant ESRS standards, which are addressed in Voltalia's first sustainability report.

- E1 – Climate change
- E4 – Biodiversity
- E5 – Circular economy
- S1 – Own workforce
- S2 – Workers in the value chain
- S3 – Affected communities
- G1 – Business conduct



The materiality threshold is set at 2.5 out of 4 on impact and financial materiality. The 14 issues in the blue zone are therefore regarded as material.

The other issues analysed and considered as non-material are as follows:

Environment

- ① Water use
- ② Pollution generation
- ③ Energy efficiency of customers

Social

- ① Diversity and inclusion

Governance

- ① Customer and project due diligence
- ② Relations with suppliers and service providers
- ③ Promotion of renewable energy

Sector

- ① Health - Safety of local populations
- ② Safety and reliability of facilities
- ③ Data use and protection
- ④ New technologies and innovation

Breaking down material issues into Impacts, Risks and Opportunities – Environment Component – ESRS E1 Climate Change

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia’s activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Energy decarbonisation	Positive impact (Potential)	Renewable energies are one of the key technologies needed to decarbonise the electricity mix and limit global warming to 1.5°C, by avoiding the emission of greenhouse gases into the atmosphere. Voltalia’s activities also help to improve the environmental impact of businesses, local authorities and private individuals by reducing scope 2 emissions.	Short term
	Opportunity	Developing renewable energies in line with the decarbonisation trajectories of countries and companies is at the heart of Voltalia’s business model: production of green electricity, sale of long-term Corporate Power Purchase Agreements (CPPA) and provision of services for the development, construction and maintenance of renewable energy projects (Voltalia, Greensolver) and rooftop solar installations for self-consumption (Equipment, Trading, Distribution (EDT), Helexia).	Short term
Access to energy	Positive impact (Potential)	The competitiveness of renewable energies is a key element in accelerating the energy transition and contributes to local human development.	Long term
	Opportunity	Voltalia produces competitive green electricity and long-term power purchase agreements (CPPAs) for businesses.	Short term

Breaking down material issues into Impacts, Risks and Opportunities – Environment Component – ESRS E1 Climate Change

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia's activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Emissions from activities	Positive/negative impact (Potential)	Voltalia's operations, particularly equipment purchases (scope 3), generate greenhouse gas emissions. It is implementing a decarbonisation strategy to reduce the carbon intensity of power plants and maximise avoided emissions.	Long term
	Risk	Changes in environmental regulations on carbon impact could increase equipment costs.	Medium term
	Opportunity	In supporting suppliers and partners in reducing their emissions, Voltalia is strengthening the sustainability of its supply chain.	Long term
Climate change adaptation	Positive impact (Potential)	It is implementing a decarbonisation strategy to reduce the carbon intensity of power plants and maximise avoided emissions.	Long term
	Risk	Extreme and/or chronic climatic events can lead to deterioration or loss of assets or production capacity.	Long term

Breaking down material issues into Impacts, Risks and Opportunities – Environment Component – ESRS E4 Biodiversity and ecosystems

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia's activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Biodiversity	Negative impact (Current)	The construction or operation of renewable energy plants may result in the loss of habitats or usable soil and/or impact on local flora and fauna, including sensitive species. Mitigation and conservation measures are implemented to preserve local biodiversity.	Short term
	Risk	Tighter environmental regulations on biodiversity management may mean that permits are harder to obtain.	Long term
Land change	Positive/negative impact (Current)	The issue of the land footprint and changes in land use caused by solar power plants is a sectoral issue (land clearance, soil drought, etc.). Voltalia is developing solar projects on roofs and canopies and in support of local agriculture (agrivoltaics, eco-pasture) in order to encourage the co-use and reclamation of unused land or land with no agricultural or economic potential (deserts, quarries, industrial wasteland, etc.).	Medium term

Breaking down material issues into Impacts, Risks and Opportunities – Environment Component – ESRS E5 Circular economy

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia’s activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Circular economy	Positive impact (Potential)	Effective management of the end-of-life of equipment enables the gradual adoption of a circular economy approach in the sector and strengthens the sustainability of the supply chain by limiting the extraction of materials.	Long term
	Risk	The recyclability and local recovery of end-of-life equipment is critical in order to comply with existing regulations, limit the increase in raw material costs, as well as reputational risk and ensure long-term supply security.	Short term

Breaking down material issues into Impacts, Risks and Opportunities – Social Component – ESRS S1 Own workforce

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia's activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Skill development and employee engagement	Positive (Current)	Voltalia supports the internal mobility and training of its teams, which are essential to their development and the company's growth.	Long term
	Risk	High staff turnover, loss of talent and insufficient upgrading of skills to meet business needs can have a significant impact on the development of Voltalia's business.	Long term
Employee working conditions	Positive/ negative impact (Potential)	Some employees are exposed to the risk of accidents during the construction and maintenance of high-voltage installations. Implementing measures that improve working conditions for employees reduces their exposure to the risk of accidents, and strengthens social dialogue, productivity and team loyalty.	Short term

Breaking down material issues into Impacts, Risks and Opportunities – Social Component – ESRS S2 Workers in the value chain

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia's activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Subcontractor working conditions, health and safety	Positive/ negative impact (Potential)	Implementing measures that improve working conditions for subcontractors reduces their exposure to the risk of accidents in terms of health and safety.	Short term
	Risk	Worker health and safety risks can lead to stoppages and delays in plant construction and loss of performance due to lower productivity.	Short term
Working conditions on the supply chain	Negative impact	In geographical areas where workers' rights are not sufficiently guaranteed, allegations of forced labour, particularly in the manufacture of equipment, are an issue for the entire industry.	Medium term

Breaking down material issues into Impacts, Risks and Opportunities – Social Component – ESRS S3 Affected communities

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia's activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Dialogue with local stakeholders	Negative impact (Current)	The development of renewable energy projects requires the acquisition of land, which can on very rare occasions lead to the resettlement of local populations. Public consultation and engagement with local populations right from the prospecting phase ensures that their needs are taken into account when developing the project.	Short term
	Positive impact (Current)		Medium term
	Risk	Failure to consult stakeholders and take account of the specific needs of indigenous communities can lead to conflict and growing mistrust of renewable energy companies.	Medium term
	Opportunity	Open and transparent dialogue with local communities means that projects can be better integrated into their local environment and are more socially acceptable in the long term.	Medium term Long term
Local socio-economic development	Positive impact (Current)	Voltalia supports local human development through training and the creation of local jobs and the development of social and infrastructure projects (roads, access to water, etc.).	Short term
	Opportunity	Contributing to local human development means that projects are better integrated into the local area and strengthen their long-term social acceptability.	Long term
Dialogue with local stakeholders	Negative impact (Current)	The development of renewable energy projects requires the acquisition of land, which can on very rare occasions lead to the resettlement of local populations. Public consultation and engagement with local populations right from the prospecting phase ensures that their needs are taken into account when developing the project.	Short term
	Positive impact (Current)		Medium term



Breaking down material issues into Impacts, Risks and Opportunities – Governance Component – ESRS G1 Business conduct

The material issues identified are accompanied by impacts, risks and opportunities specific to Voltalia’s activities, defined in consultation with internal and external stakeholders as part of this exercise.

Material issue	Material IROs	Description	Timeframe
Business ethics	Risk	Breach of business ethics to influence decisions affecting operations, contractual relationships or obtaining public funding and permits, particularly in emerging markets, presents a corruption, reputational and legal risk to Voltalia.	Short term



Interpretation and next steps

The ESRS standards adopted by Voltalia following its double materiality analysis reflect the very nature of its activities and the sustainability issues that are closely linked to them.

As an integrated player in renewable energies, Voltalia actively contributes to the fight against climate change (E1) while being attentive to the preservation of biodiversity (E4) in the areas where its projects are located. The company is also committed to a circular economy (E5) approach in order to optimize the use of resources, particularly during the construction and dismantling of infrastructure.

On the social front, Voltalia pays particular attention to its workforce (S1), ensures that fundamental rights are respected in its value chain (S2) and acts responsibly towards the local communities (S3) affected by its operations.

Finally, the G1 standard on business conduct was selected to reflect the company's commitments to ethics, compliance and responsible governance.

In addition to ensuring regulatory compliance, Voltalia integrates the impacts, risks and material opportunities identified in the Group's risk management and in the company's Mission roadmap.

An update of the double-materiality analysis will be carried out in 2026.



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For more information on Voltaia's management of risks and opportunities in the conduct of its business, please consult our Sustainability Report 2024.

