Environmental, Social and Governance (ESG) Policy

12-Nov-21
With the ambition of unlocking the potential for renewables, Nel is at the forefront of enabling green hydrogen to reach fossil parity, representing one of the most significant achievements for zero-emission solutions and a carbon neutral planet.

Sustainability is an integral part of our identity, and this is reflected in our vision which is to "empower generations with clean energy forever". Nel is a company which is founded on a strong commitment to our stakeholders.

Sustainability is an integrated part of our business model and decision-making. The Board of Directors (BoD) is the ultimate responsible for sustainability at Nel and is the owner of the ESG policy. The CEO has delegated the authority and responsibility to the Chief Financial Officer (CFO) for implementation and execution of the key principles as outlined in this policy. General follow-up and execution of daily operations is conducted by a dedicated ESG committee, consisting of members from group management and the business line.

The key principles to which Nel will adhere include, but are not limited to:

- We will report our ESG efforts through an annual sustainability report in accordance with principles set out in the Global reporting Initiative (GRI), Task Force on Climate Related Disclosure (TCFD), the Norwegian Accounting Act and the Transparency Act
- We will operate within the guidelines of the EU Taxonomy to ensure that Nel substantially contributes to climate change mitigation. We will strive towards full alignment with the principle of "do no significant harm" and comply with the minimum safeguards as set out in the classification system
- We will develop a strategy to reduce relative CO2 emissions and continue to develop reporting procedures and data quality for scope 1, 2 and 3 emissions
- We aim to develop Science Based Targets (SBTs) for 50% emission reductions by 2030 and net zero by 2050
- We will follow the common principles, practices and procedures as set out in the Nel Business System (NBS), the standard operating system for sustaining and improving safety, quality, and productivity within Nel
- We will conduct business activities according to the precautionary principle as set out by the European Parliament to minimize any negative impacts on the environment, minister social interests of the company and ensure sound governance
- We will increasingly work on targeted actions that embed diversity in our people and development processes, management training, and activities shaping inclusive organizational behaviour in management and in general
- We adhere to the guidelines stated in the Nel Code of Conduct and we have made available a procedure for reporting on potential misconduct through the Nel Ethics Hotline