

CARBON FOOTPRINT MANAGEMENT PLAN

for 2025

The carbon footprint measures the amount of greenhouse gases emitted into the atmosphere. EGE spol. s r.o. has actively joined thousands of companies around the world that are reducing their carbon footprint.

EGE spol. s r.o. CARBON FOOTPRINT MANAGEMENT PLAN sets out our commitment to measuring, monitoring and reducing carbon footprint. Through this plan, our company aims to reduce its environmental impact over the long term.

The plan includes a procedure for managing the company's carbon footprint, as well as targets for reducing CO₂ emissions and an action plan for achieving this reduction over a set period of time. In addition, the plan evaluates the quality of the data processed, the methods of data collection and presents specific points that can be progressively improved in this area.

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Content

1. Company Description	3
2. Carbon Footprint Management Plan.....	4
3. Carbon footprint results	6
3.1 Carbon footprint base year (2023).....	6
3.1.1 Company carbon footprint	6
3.1.2 Product carbon footprint	6
3.2 Subsequent carbon footprint	6
4. Reduction targets	7
4.1 Measures taken by authorities in 2024	8
4.2 Measures planned for 2025	9
5. Offsetting carbon footprint	9
5.1 Offset targets.....	9
5.2 Carbon neutrality	9
6. Data quality assessment	10
6.1 Data quality assessment	10
Data collection is based on company accounting, energy management, waste management, and other sources.	10
6.2 Improving data quality over time	10
6.3 Sources of emission factors	10
7. Carbon Footprint Communication	11
7.1 Public communication in relation to climate	11

1. Company Description

EGE and its subsidiaries form a holding company whose activities are mainly focused on supplying equipment for the needs of the energy industry at home and abroad. The holding has exclusively Czech capital, in-house know-how and production base and a turnover of more than CZK 1.5 billion. It employs approximately 450 employees, including professional design teams and experienced assembly crews.

The parent company EGE, spol. s r.o. deals mainly with the production and sale of special equipment for the energy industry. The entire activity of the production base can be divided into three areas: heavy current electrical engineering, power plant generator outlets (bus ducts) and steel structures.

We mainly produce arc suppression coils for compensation of capacitive currents in HV and VHV networks, equipment for automation of arc suppression coils, earthing resistors for neutral point earthing of HV transformers, bus ducts – power plant generator outlets, tower structures for transmission and distribution lines of all voltage levels from 22 kV to 400 kV, steel structures of substations, steel structures of cable cars and industrial halls. Our company also provides specialized services focused on distribution network analysis.

We provide in-house development, design, engineering, installation and service for all our products.

EGE assumes the responsibility for CO₂ emissions resulting from the company's business and manufacturing operations and activities. This responsibility is based on the following principles:

- EGE shall make efforts to mitigate climate change.
 - EGE shall work to reduce annual greenhouse gas emissions and maintain climate responsibility through its actions. In doing so, it will contribute to improving the company carbon footprint.
 - EGE shall ensure that company activities such as material purchasing or transportation activities are in line with the intentions set out in this document.
 - EGE shall seek solutions leading to meaningful investments that result in the reduction of greenhouse gas emissions.
 - EGE shall maintain a system for annual monitoring and reporting of GHG emissions. This system shall be permanent, accurate, transparent and in accordance with the chosen standard ČSN EN ISO 14064-1.
 - EGE shall clearly communicate its corporate policy, emission reduction targets and the reductions achieved.
 - EGE shall demonstrate a commitment to inspire a positive attitude towards the environment in its business partners, customers, suppliers and employees.
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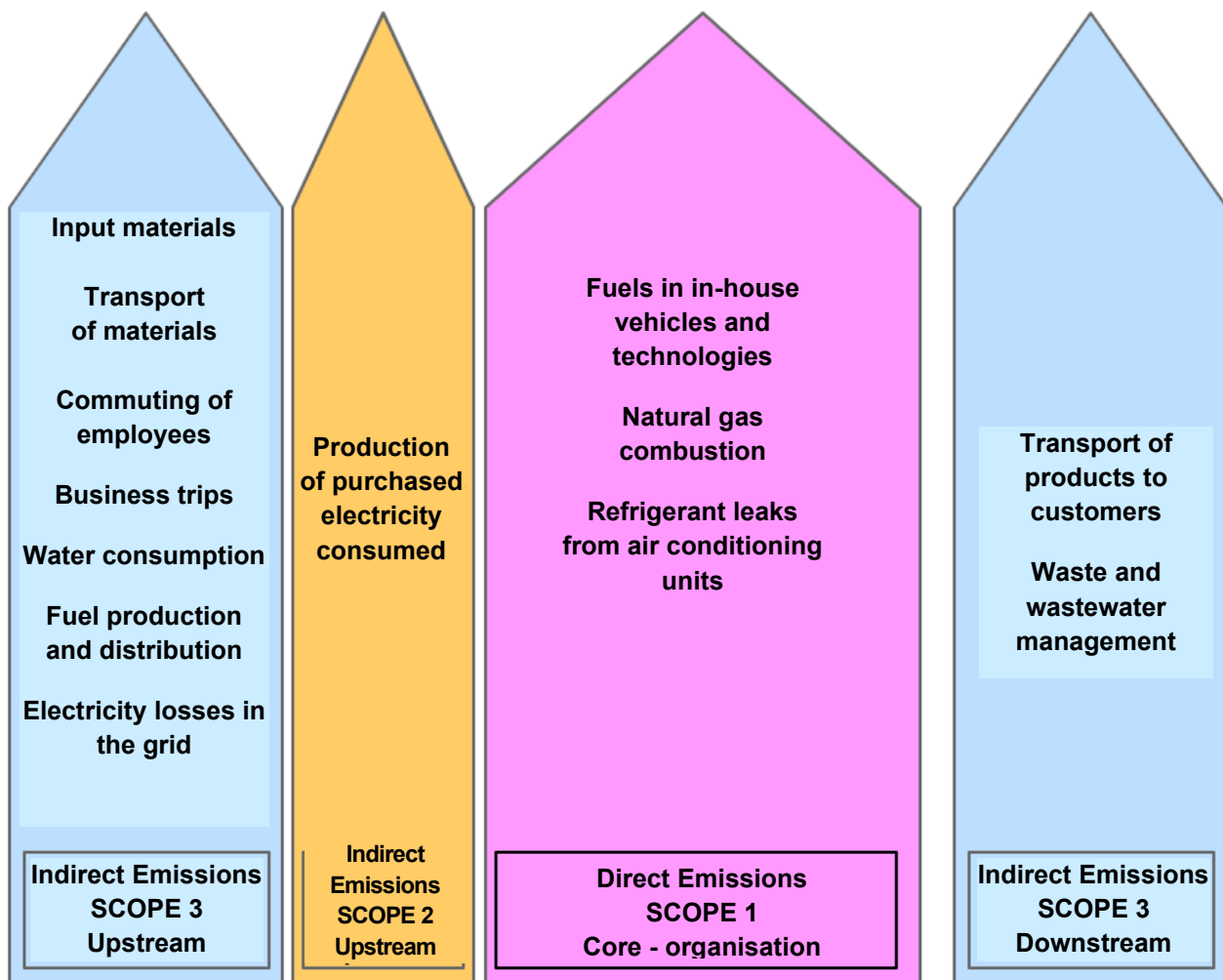
2. Carbon Footprint Management Plan

Our Carbon Footprint Management (CFM) system is explained in the following sections:

- a) **Subject of analysis:** Carbon footprint of the organization
 - b) **Baseline year for measuring carbon footprint:** 2023
 - c) **Greenhouse gases:** The most important anthropogenic greenhouse gas that our society produces is carbon dioxide (CO₂). We include other greenhouse gases in the calculation using carbon dioxide equivalent (CO₂ equivalent). We use the following to determine the potential global warming effect due to greenhouse effect of specific gases: <https://www.ipcc.ch/reports/>.
 - d) **Employees responsible for the accuracy of data:**
 - Ing. Blanka Klimešová – responsibility for coordination of the whole system,
 - Radek Trnka – responsible for energy consumption data and energy management
 - Zdeněk Hála - responsible for data on air conditioning units
 - Iveta Voksová – responsible for waste management data
 - Jaroslav Emmer – responsible for data on company vehicles and transport of products to customers
 - Silvie Vojtová/ Jana Hauerová - responsible for data on the purchase of materials and transport of materials from suppliers
 - e) **Employee training:** New employees are familiarized with the environmental management system policy during their initial OHS training, particularly with regard to EGE's goal of continuously striving to reduce its carbon footprint.
 - f) **Retention of documentation:** CFM documentation is kept in paper or electronic form and is available to both internal (employees) and external (auditors, public) interested parties. It is regularly reviewed once a year as part of an internal audit and retained for 5 years. A list of individual CFM documents is included in the CFM documentation.
 - g) **Data collection:** Data collection is based on corporate accounting, energy management, etc. In addition, the authorised company records (waste management), data from material suppliers and internal employee records are used.
 - h) **Calculation:** An excel spreadsheet was used to calculate the carbon footprint, developed in collaboration between the responsible representatives of the organisation and an external consulting company. Specific data (data on energy and material consumption, transport, etc.) and relevant emission factors are added to the form annually.
 - i) **Unaccounted emissions:** Emissions from business trips were not included in the calculation due to lack of information. All other direct and indirect emissions were included in the calculation of the corporate carbon footprint.
 - j) **Calculated emissions:** Emissions from transporting employees to work and emissions from transporting products to customers were calculated on a sample basis, and based on that, total emissions were calculated.
 - k) **"Intensity unit":** The declared unit of the product system output – used in the calculation, which refers to the unit of the organization's average annual production. The unit was set at the value of **CZK 1,000 turnover** of the organisation in a given year.
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- l) **Assessment system** An internal audit is conducted annually to check data input, carbon footprint calculation, data quality, data collection and knowledge of the employees.
- m) **Offsetting:** Offsetting can be used to achieve carbon neutrality. Offsetting is not currently intended. If it is intended to be used, rules shall be established for the recording and use of only credible offsetting methods.
- n) **Carbon footprint boundaries:** Production Plant - EGE Sources from fuel in company vehicles, emissions from natural gas combustion and air conditioner leaks were recorded under direct emissions (Scope 1). Indirect emissions in Scope 2 are represented by the generation of electricity consumed by the organization. Upstream indirect emissions (Scope 3) are from the production and transport of input materials, employee commuting and business trips, production of potable water consumed, well-to-tank (WTT) fuel production and distribution, and transmission and distribution (T&D) losses of electricity in the grid. Downstream indirect emissions (Scope 3) arise from the transport of products to customers and the management of waste and wastewater.

The boundaries of the company's carbon footprint calculation can be seen in the following figure:



3. Carbon footprint results

3.1 Carbon footprint base year (2023)

The base year for our carbon footprint management evaluation is 2023.

3.1.1 Company carbon footprint

Total emissions year 2024: **82 280 t CO₂e**

Total emissions year 2024 inc. 3 % buffer for scope 3: **84 660 t CO₂e**

Scope 1:	Scope 2:	Scope 3:
647,3 t CO₂e	2 300,4 t CO₂e	79 332,3 t CO₂e

3.1.2 Product carbon footprint

The carbon footprint of specific product types is not yet calculated. The following table shows the conversion of the total carbon footprint of the organisation assigned to all product divisions.

division	Turnover [thous. Kc]	production [t]	Carbon footprint [t CO ₂ e]	inputs (t)	kg CO ₂ e/t
Electrical Engineering	795 499	2 689	13 966,5	5 193	18
Busduct	401 127	1 175	7 536,5	6 415	19
EGE Steel Construction	692 098	8 696	60 777	6 986	88

In the case of the Busduct div. and EGE steel construction production, a significant similarity of the calculation for average production with specific products can be expected, as the materials used and the production processes are homogeneous. Thus, the carbon footprint of specific products can also be calculated on the basis of weight (e.g. according to the weight of 1 piece of a given product type or the total weight of a specific order). In the case of products from ELA operations, a similar assumption needs to be verified.

3.2 Subsequent carbon footprint

We monitor our carbon footprint annually. In 2024, the carbon footprint is compared with the carbon footprint of the base year, i.e., 2023. Our goal is to reduce our carbon footprint each year compared to the previous year's values.

SCOPE	Carbon footprint base year, 2023	2024	Difference %
	tCO ₂ e		
Scope 1	677,9	647,3	in 2024, a decrease of 4.5%
Scope 2	1 430,8	2 300,4	in 2024, an increase of 60.77%
Scope 3	42 45	79 332,3	in 2024, an increase of 86.9%
Total (+3% for Scope 3)	44 561	82 280	in 2024, an increase of 84.6%
Per CZK 1,000 of annual turnover	45 835	84 660	in 2024, an increase of 84.6%

The previous table showing comprehensive greenhouse gas emissions for the entire company EGE spol. s r.o. reveals a diametric difference in values, particularly for SCOPE 3. Different methodological approaches were used for the 2023 data base, which were subsequently refined.

4. Reduction targets

EGE assumes responsibility for CO₂ emissions resulting from the company's business and manufacturing activities. This responsibility is based on the following principles:

- EGE will make efforts to mitigate climate change.
- EGE will work to reduce its annual greenhouse gas emissions and maintain climate responsibility through its actions. In doing so, it will contribute to improving the company's carbon footprint.
- EGE will seek solutions that lead to meaningful investments that result in reduced greenhouse gas emissions.
- EGE will maintain a system for annual monitoring and reporting of greenhouse gas emissions. This system must be consistent, accurate, transparent, and in accordance with the selected ČSN EN ISO 14064-1 standard.
- EGE will clearly communicate its corporate policy, emission reduction targets, and the reductions achieved.
- EGE will demonstrate its efforts to encourage a positive attitude towards the environment among its business partners, customers, suppliers, and employees.

EGE is committed to reducing its impact on the climate by setting ambitious but realistic emission reduction targets. These targets are a planning tool for managing carbon emission reductions across the organization. In addition to mitigating climate change, these targets help reduce the business and reputational risks associated with climate challenges, achieve cost savings, stimulate organizational innovation, and prepare the organization for any future mandatory requirements and emissions reporting regulations.

4.1 Measures taken by authorities in 2024

INSTALLATION OF HEAT PUMPS	
PLACE/ DIVISION	EGE STEEL CONSTRUCTION/ Vrátó
SAVINGS IN kWh/ YEAR	95 695
SAVINGS IN t CO2/ YEAR	50,74
ESTIMATED REDUCTION IN CO2 EMISSIONS	0,12 %

INSTALLATION OF CARPORTS + FVE	
PLACE/ DIVISION	EGE STEEL CONSTRUCTION/ Vrátó
SAVINGS IN kWh/ YEAR	29 600
SAVINGS IN t CO2/ YEAR	not relevant
ESTIMATED REDUCTION IN CO2 EMISSIONS	not relevant

COMPRESSOR INSTALLATION



PLACE/ DIVISION	NOVOHRADSKÁ/ Busduct div./ Electrical engineering div.
SAVINGS IN kWh/ YEAR	140
SAVINGS IN t CO2/ YEAR	3,2
ESTIMATED REDUCTION IN CO2 EMISSIONS	not relevant

NO.	TARGET
1	Reduction in purchased electricity consumption
2	Reduction in purchased natural gas consumption for heat production

4.2 Measures planned for 2025

In 2025, the company plans to install a photovoltaic power plant at its Vrátó facility, install carports with photovoltaic power plants at its Novohradská facility, and purchase a Škoda Elroq electric car.

5. Offsetting carbon footprint

5.1 Offset targets

EGE does not currently intend to offset its carbon footprint.

5.2 Carbon neutrality

EGE does not currently intend to achieve carbon neutrality.

6. Data quality assessment

In order to monitor and improve data quality over time EGE, provides qualitative/quantitative data quality assessments across our CFM system, including our activity data, data allocation, conversion estimates and assumptions, and emission factors used. Data quality is assessed based on completeness, timeliness, geographic and technological representativeness.

6.1 Data quality assessment

EGE tries to use mainly up-to-date and accurate input data. This includes providing primary data on all activities under the control of the organisation, at least for all sources of direct emissions in Scope 1 and indirect emissions in Scope 2. This includes data obtained from accounts, kilometrage/fuel consumption records and annual or monthly measured data. The data in Scope 3 can be expertly estimated or calculated if necessary.

Data collection is based on company accounting, energy management, waste management, and other sources.

6.2 Improving data quality over time

The overall quality of the data used is good. The company will strive to refine the data:

- Actively seeking the most appropriate and up-to-date emission factors.
Emission factors will be updated annually and suppliers of key materials for production will be approached to supply their carbon footprint values (e.g. for transformer sheets etc.).
- In the area of employee commuting – the calculation is based on the assumption of employees transporting by private cars only without carpooling.
The possibility of refining the data can be explored. However, given the low significance of this emission source and the pessimistic scenario of the calculation, this is not necessary.
- Business trips and accommodation – not included in the calculation due to lack of information.
It is possible to investigate the possibility of obtaining data or performing a trial calculation to determine the potential significance of this emission source.

6.3 Sources of emission factors

The majority of emission factors used are from the DEFRA 2023 emission factor set (<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>)

For electricity, the emission factor published by the Czech Ministry of Industry and Trade (location-based) and AiB (residual market-based) were used.

In the case of material inputs, the characterisation (using the IPCC GWP100a method) of unit processes from the LCI database Ecoinvent 3 obtained from an external consulting company.

7. Carbon Footprint Communication

Information about obtaining the “Carbon Footprint” Certificate will be provided to customers and partners via e-mail communication and in face-to-face meetings.

7.1 Public communication in relation to climate

The company carbon footprint certificate will be presented on the website of the company.