OPC ENERGY

Leading the Energy Transition

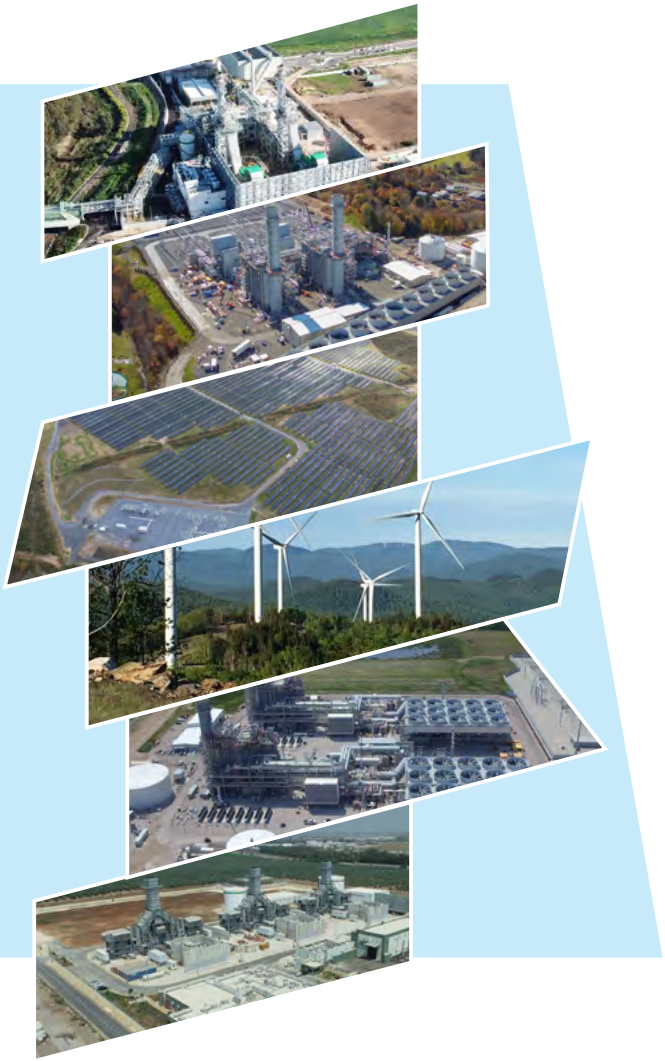
2023 ESG REPORT

Contents

Letter from the CEO 3

Letter from the VP Risk Management & ESG 4

ESG Highlights OPC 2023 5



About OPC Energy 6

Overview 7
History Timeline 8
2023 Business Highlights 9
Leading the Energy Transition 10
Our Holistic Strategy 11
Where We Operate 12
Growing Our Portfiolio 15
Israel 16
US 18

Our ESG Approach 21

Our ESG Approach 22
Our ESG Vision 22
Managing ESG 22
Material Topics 23
ESG Targets 24
SDGs 25

Our Environmental Impact 26

Reducing Our Environmental Impact 27
Managing GHG Emissions 28
Energy Management 30
Air Quality 32
Water Management 33
Waste 35
Environmental Management 36
Adapting to Climate Change 37

Social 38

Our People 39
Diversity, Equity and Inclusiton (DEI) 40
Employees Development & Engagement 42
Benefits & Support 47
Promoting a Healthy Lifestyle 48
Community Relations & Impact 52
Financial Support for Communities 53
Health & Safety in the Workplace 55

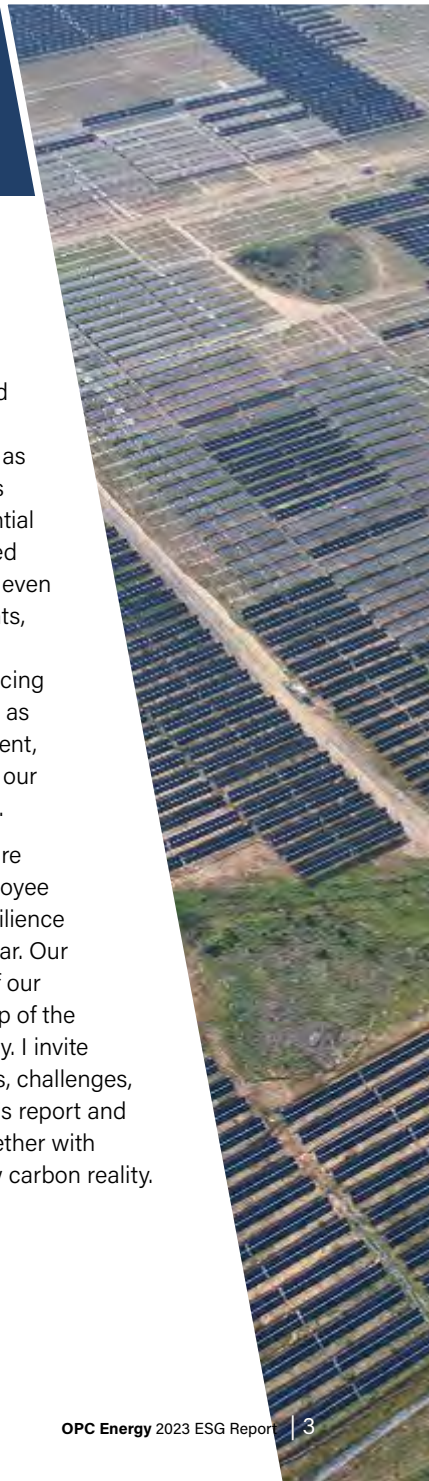
Governance 60

Highest Governance Standards 61
Board of Directors 62
Remuneration 63
Responsible Governance 64
Compliance 66
Risk Management 67
Responsible Supply Chain 68
Stakeholder Engagement 69
Memberships & Associations 70
Cybersecurity & Data Privacy 71
Local Economic Development 72
Tax Policy 73

Appendices 74

About this Report 75
Employee Data Charts 76
GRI Indicator Charts 77
SASB Indicator Chart 80

Letter from the CEO



As the worldwide shift from electricity produced primarily by carbon-based fuels continues to expand, OPC is well positioned to spearhead the historic energy transition and address the increasing need for a varied supply of reliable, clean, and affordable electricity.

In 2023 and into 2024, we have invested significant resources to expand our highly efficient natural gas-powered and renewable generation, which help drive down emissions while providing a reliable supply of electricity to the grid.

The energy sector is experiencing a significant shift as different industries drive a heightened need for electricity. In the tech industry, artificial intelligence is a considerable energy user, and providing consistent, large quantities of power to data centers remains a challenge. OPC understands that the combination of ultra-efficient natural gas power plants with renewable energies is an effective, long-term solution for achieving decarbonization. As industry leaders in newly built facilities, we are well positioned to deliver round-the-clock electricity supplied by both natural gas plants and renewables. Moreover, we are designing our new natural gas plants to include future technologies for carbon capture, making them CCUS-compatible from the start.

2023 was a major year for OPC, as we continued our growth to advance our vision of leading the energy transition. In Israel, as the demand for sustainable energy grows, we are developing Ramat Beka—set to be the largest solar PV and storage site in the country, while working on developing more solar facilities. In the US, CPV acquired Mountain Wind, their first wind project since being acquired by OPC.

Looking forward, we have several projects in the pipeline that represent our next wave of growth, among them developing a new facility in Israel to support Intel's growing activity in Israel. To support our growth we recently raised NIS 800 million of share capital, the largest in the Tel Aviv stock exchange so far this year. This demonstrates investors confidence in our expansion vision, even during difficult times in Israel. We are also working on expanding our ownership share in U.S. facilities, and are bringing in additional partners to enhance our impact. We recently signed a $300 million investment into CPV Renewables and are focused on raising additional funding to support our growth.

As the Israel-Gaza war stretched into 2024, we have continued to support our employees in Israel as well as people and communities affected by the war. As an essential service provider, OPC maintained the supply of electricity in Israel even during the most difficult moments, and we remain committed to conducting business and advancing the local economy. We view this as our responsibility and commitment, and recognize the dedication of our employees throughout this time.

I am extremely proud of our entire company and every single employee who has demonstrated their resilience and dedication over this past year. Our accomplishments are a result of our people, and our team is made up of the best professionals in the industry. I invite you to explore the achievements, challenges, and opportunities outlined in this report and we look forward to working together with stakeholders towards a new low carbon reality.

Giora Almogy
CEO

Letter from the VP Risk Management & ESG

As we continue our growth as a company, we continue to develop and advance our ESG activities and targets.

Over the past year, we've made great strides in our ESG program across the company and continue our day-to-day work to achieve more. We have established a multi-year workplan to address our material ESG topics, including setting targets to improve performance. These targets help us focus our efforts and provide clear guideposts for us to work collaboratively towards fulfilling our ESG vision.

Since our last report we have set several new ESG targets as part of the effort to reduce our environmental impact. Regarding GHG, we now have a combined target for both our Israel and US operations to reduce 20% in our GHG intensity (tCO2e/ KWh) by 2030 compared to the 2022 baseline. For water intensity, that is how much water we use per MWh we produce, in Israel we aim to maintain our current intensity, which is 50% lower that that of IEC, the de facto local benchmark. In US, CPV will continue to maintain a water intensity that is more than 90% lower than that of the average for US energy sector. We have also committed to keeping our air quality intensity (kg NOx/MWh) lower than that of IEC in Israel and more than 90% lower than the US sector average.

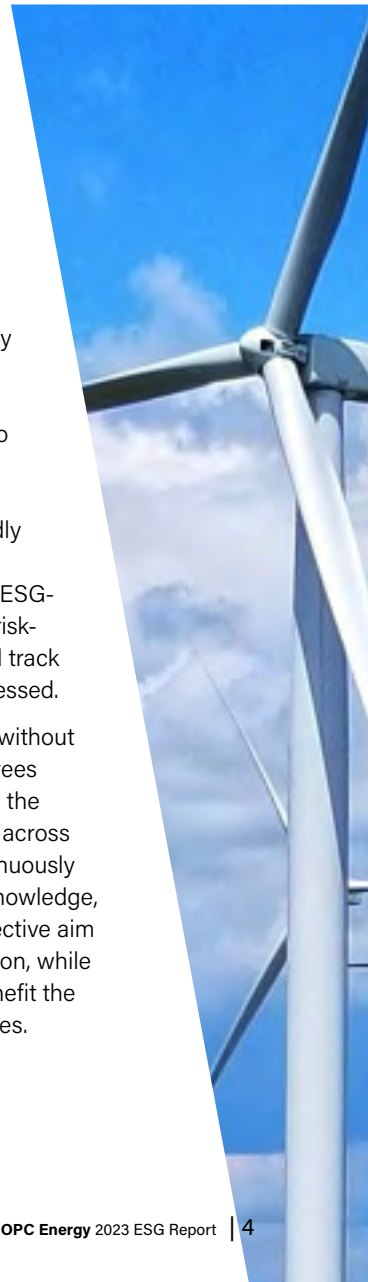
Climate change has been affecting companies' strategic decisions for several years now, and in this report we describe for the first time the relevant climate risks for our operations, and how we addressed and continue to address them – from a project's early planning and development stages through daily operations.

In the social arena, we continue to expand our development and training programs to equip our people with the skills needed to excel at work and achieve their professional growth goals. To that end, we have set a new target of 20 average training hours per HQ employee by 2025 and intend to launch a new management skills training program in Israel in that same year. Additionally, we will implement a comprehensive plan to advance the role of women at OPC by 2025. Notably, women hold 50% of the positions in the C-suite at OPC Energy, and they represent 43% of our headquarters workforce. Our community support program continues to be a highlight for many employees, offering them the opportunity to contribute to local organizations and causes in a meaningful way. In 2023, 82% of our employees in Israel volunteered – a new record at OPC.

In 2023 we met all our governance targets, including zero violations of our Code of Ethics and zero compliance violations, demonstrating our commitment to uphold the highest standards of ethical business practices and responsible governance. To support ethical business throughout our supply chain, we are enhancing the Supplier Code of Conduct to incorporate ESG aspects, set to launch in 2025. We also conducted an updated enterprise risk assessment in 2023 to better reflect our recent growth, as well as the rapidly evolving business environment. This methodical process identified several ESG-related risks, and we have appointed risk-owners for these areas to monitor and track these risks so they are optimally addressed.

All of this could not be accomplished without the dedicated efforts of all our employees across OPC. This past year I have had the opportunity to work with many teams across our sites and departments. I am continuously impressed by their professionalism, knowledge, and dedication in supporting our collective aim of powering the global Energy Transition, while striving to ensure our own actions benefit the planet, our people and our communities.

Keti Simhayev
VP Risk Management & ESG
Keti.Simhayev@opc-energy.com



ESG Highlights OPC 2023

Our Environmental Impact

2.5%
reduction in scope 1 GHG emissions gCO2e/kWh for CPV

416 GWh
of zero-carbon energy produced by CPV in 2023

NIS 100M
invested by OPC in a future renewable energy facility

99%
less water used per MWh by CPV, compared to industry average

$395M
invested by CPV in renewable energy facilities

16%
reduction in total waste generated at OPC Israel

Our Social Impact

100%
of employees participated in training sessions throughout the year

82%
of employees volunteers in 1,800 volunteering hours, a new high

100%
of employees have access to organizational platform, allowing them to stay updated and connected anytime

100%
increase in donations to NIS 3.8 million, with NIS 2 million supporting those affected by the war in Israel

50%
of C-level executives are women

43%
of our HQ employees are women

Our Governance

0
ethical, legal or anti-trust violations

New
Enterprise Risk Assessment carried out

100%
of OPC and CPV employees were trained in the Code of Ethics and on compliance

100%
attendance in board meetings

Newly
revised code of conduct

40
meetings of the board and its committees

ESG Ranking

OPC Israel maintained its top ranking by Ma'ala, Israel's leading ESG index, Platinum +

ABOUT OPC ENERGY

Overview

OPC Energy stands at the forefront of the Energy Transition revolution.

We are headquartered in Tel Aviv, Israel and traded on the Tel Aviv Stock Exchange (TA 35 Index). We operate in Israel and the US through our subsidiary CPV.

We provide integrated energy solutions that meet our customers' needs by delivering reliable, clean, cost-effective electric power in an environmentally responsible and safe manner.

We are committed to replacing older, fossil fuel-based power generation with our new, ultra-efficient natural gas facilities and renewable wind and solar assets. This significantly lowers emissions, ensures grid stability, and facilitates the growth of renewables, contributing to the global Energy Transition.

Our solutions, combined with our world-class development capabilities help customers reduce their carbon footprint through a blend of clean technologies, streamlined central production methods, localized energy distribution, and effective energy management solutions.

We are proud of the role we play in the global Energy Transition and working to create a more sustainable power industry in Israel and the US.

OUR MISSION

To lead the Energy Transition with the development, construction and operation of technologically advanced and environmentally sustainable power generation.

OUR VISION

We strive to be an industry leader by providing a full range of clean energy solutions for electricity grids and our customers that lower carbon emissions and advance the global shift to clean energy. Through our outstanding teams of employees and managers, as well as partnerships with leading manufacturers, financial institutions, governmental utilities, and local communities, we offer clean power generation to increase reliability, reduce costs, and minimize environmental impacts.

OUR VALUES

We embrace the principles of teamwork and collaboration to foster innovation and inspire progress. We operate based on our values of professionalism, trustworthiness, operational excellence, transparency, technological innovation, and a commitment to meet stakeholders' needs.

History Timeline

Powering a better world and a cleaner environment

1999
CPV established to develop energy projects in the US

2005
CPV expands into renewables

2009
CPV starts building wind farms and gas-fired facilities

2010
OPC established as the first private electricity company in Israel

2013
OPC launches Rotem - the first private power plant in Israel with combined cycle technology

2016
CPV begins construction of 6 GW ultra efficient gas power plant assets ('16-'19)

2018
OPC acquires the Zomet power plant

2020
OPC Hadera power plant becomes operational

2021
OPC acquires CPV

2023
- OPC announces Ramat Beka project, its first solar project in Israel which will be one of the largest PV and storage projects in Israel
- Zomet power plant becomes operational
- OPC buys Gat power plant in Israel
- CPV Maple Hill solar project becomes operational
- CPV buys Mountain Wind portfolio

2024
- OPC wins government tender to expand Ramat Beka, set to be Israel's largest PV project
- Infrastructure fund invests $300 million in CPV's renewables activity to enhance future growth
- CPV Stagecoach solar project becomes operational

Saddleback, US

2023 Business Highlights

NIS 4,077M

total adjusted revenues in 2023 (5% increase from 2022 to 2023)[1]

42%

Equity to total assets ratio

NIS 1,109M

adjusted EBITDA in 2023 (36% increase from 2022 to 2023)

ilA- rating and outlook upgraded to stable

S&P credit rating (July 2024)

NIS 177M

net adjusted profit in 2023

NIS 12,618M

total assets

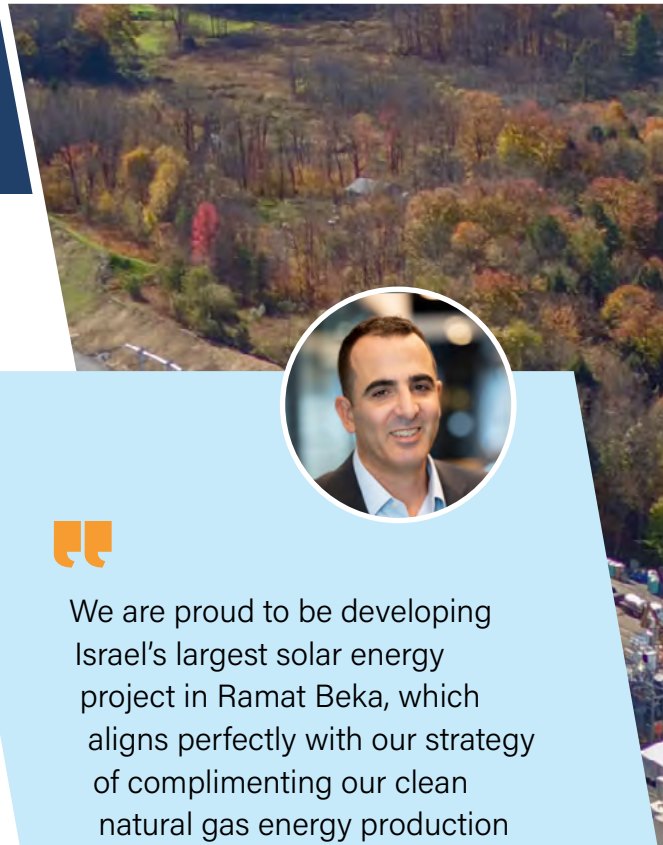
Included in the
TA-35
the flagship index of the Tel Aviv stock exchange

> Our financial strength and resilience form the essential basis that enable us to drive our business growth and decarbonization strategies with a balanced level of risk.

Ana Berenstein, CFO

[1] Includes revenue from the Energy Transition segment

Leading the Energy Transition



At OPC, Energy Transition is our business.

As energy market demand has evolved, so has our strategy. We are committed to supplying low-carbon, affordable, and reliable electricity is a key part of the energy revolution and we ensure this through our ultra-high efficiency natural gas facilities and renewable energy assets.

For much of the last two decades, reliably supplying energy has meant building ultra-efficient combined-cycle units using cutting edge turbine technology featuring emissions profiles well below industry average. This has allowed for the safe retirement of many aging coal-fired power plants and led to dramatic emissions reductions from the electric sector, a crucial step in addressing climate change.

To further adjust energy production to the demands to lower emissions to tackle climate change, we've placed added emphasis on significantly expanding our renewable portfolio, including converting retired coal mines into utility-scale solar and wind installations in the US and developing the largest solar project in Israel.

However, the demand for energy is rising globally, due to a range of factors, including the growing demand for electricity by the technology industry for data centers, artificial intelligence, and microchip production, as well as the increased electrification of industries like transportation and construction.

These processes demand a reliable consistent source of energy - 24/7, year round. While renewables are crucial to the energy transition, they are intermittent, and with today's technologies and grid infrastructure, they cannot alone deliver the consistent, reliable electricity demanded by the market. As a result, state-of-the-art natural gas facilities continue to play a critical role in delivering dependable, cleaner electricity to customers globally. We have also begun introducing carbon capture technologies into our designs to maximize future emission reduction potential.

We aim to lead our customers through the energy transformation and facilitate a reduction in their carbon footprints. We accomplish this by implementing a combination of clean technologies, integrating decentralized and efficient means of production, and providing advanced energy management solutions.

> We are proud to be developing Israel's largest solar energy project in Ramat Beka, which aligns perfectly with our strategy of complimenting our clean natural gas energy production with energy from renewable sources.
>
> **Eran Amoyal, CEO of OPC Israel**

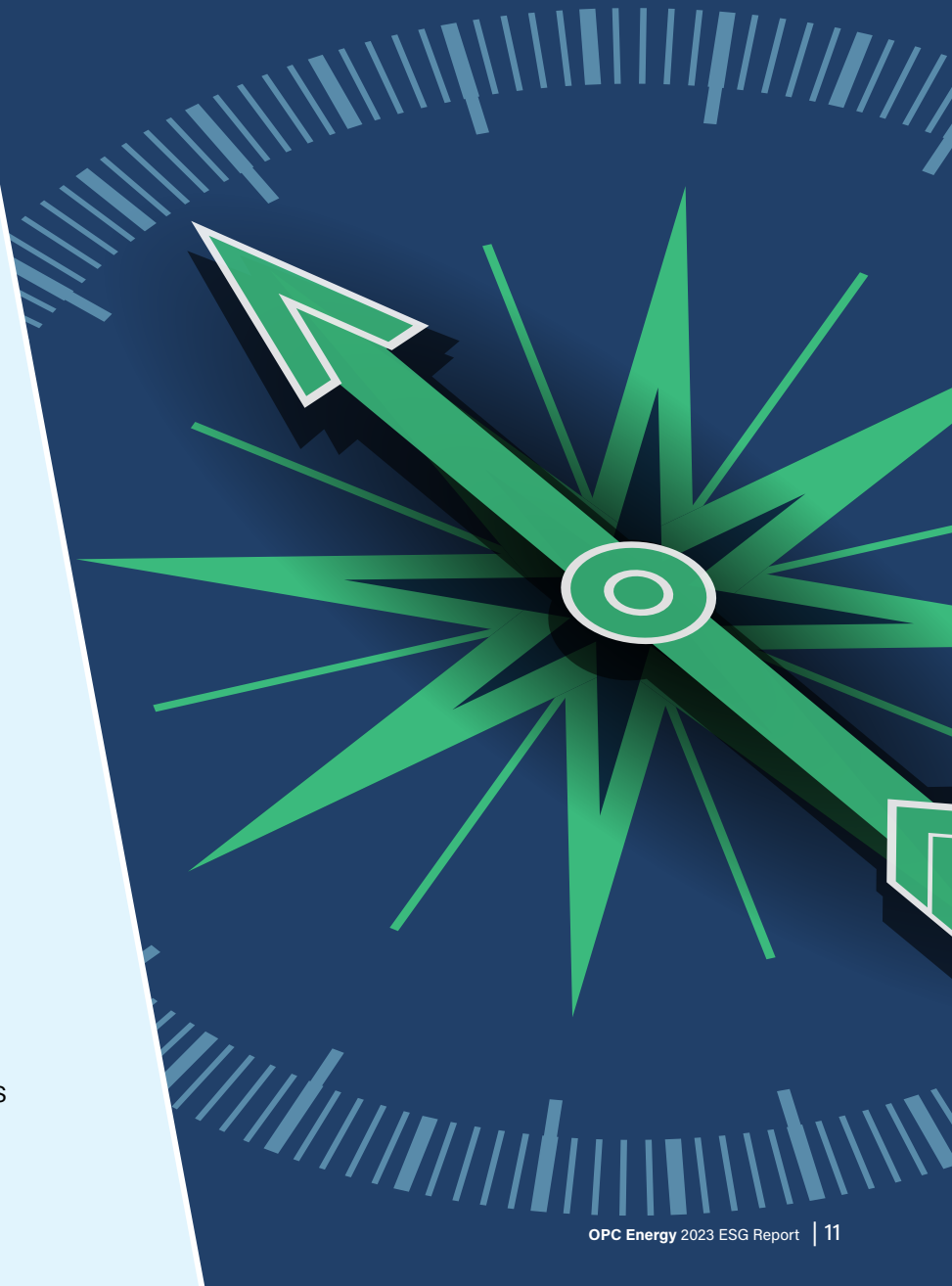
33,717 GWh

total energy generated by OPC Energy in 2023, enough to power nearly 1,833,135 homes for one year.[2]

[2] Calculated according to EPA calculator.

Our Holistic Strategy

We follow a holistic strategy for the production and supply of electricity, based on 3 components.



1.

A commitment to produce reliable, efficient and clean electricity through advanced technologies for natural gas, solar, wind, and energy storage.

2.

Activities in markets with potential growth, including areas with continuous growth in demand, long-term natural gas resources, and government support for decarbonization and renewable energy.

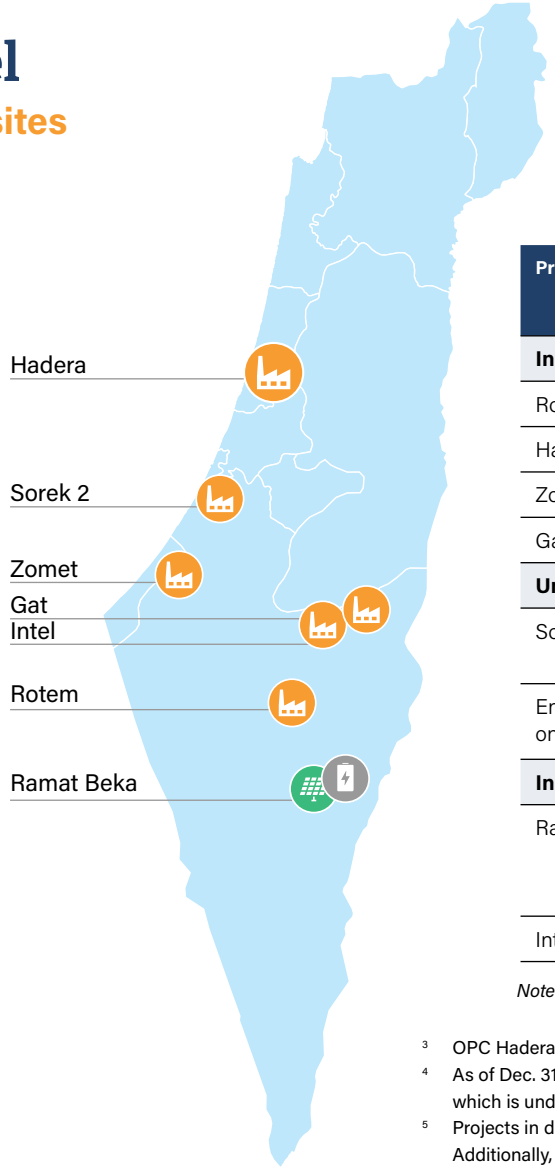
3.

Our presence throughout the value chain, and our integrated capacities to initiate, develop, construct, operate, trade, and supply electricity to end customers and power grids.

Where We Operate

Israel

Major sites



5,169 GWh

generated in our Israel facilities in 2023, 27% more than 2022

NIS 100M

investment in 2023 in Ramat Beka, expected to become the largest PV energy generation and storage facility in Israel

Project name	Energy source	Commercial operation start	Installed capacity (MW)	Electricity generated in 2023 (GWh)
In operation 2023				
Rotem	Natural gas, combined cycle	2013	466	3,514
Hadera[3]	Natural gas, cogeneration	2020	144	939
Zomet	Natural gas, open cycle	Q2 2023	396	433
Gat	Natural gas, combined cycle	2019 (purchased by OPC in Q1 2023)	75	283
Under construction 2023				
Sorek 2	Natural gas, cogeneration	Expected to be operational in Q4/2024	87	
Energy generation facilities on the consumers' premises[4]	Natural gas, solar and storage	Gradually, starting in H2/2023 and through the end of 2025	25	
In development[5]				
Ramat Beka	Solar in combination with storage		505 + 2,760 storage	
Intel	Natural gas, combined cycle		450-650	

Note: Production capacity data presented are net numbers, i.e., gross production minus the energy consumed by the power plant for its own use.

3 OPC Hadera also produced 767,645 tons of steam that it sold to a nearby factory.

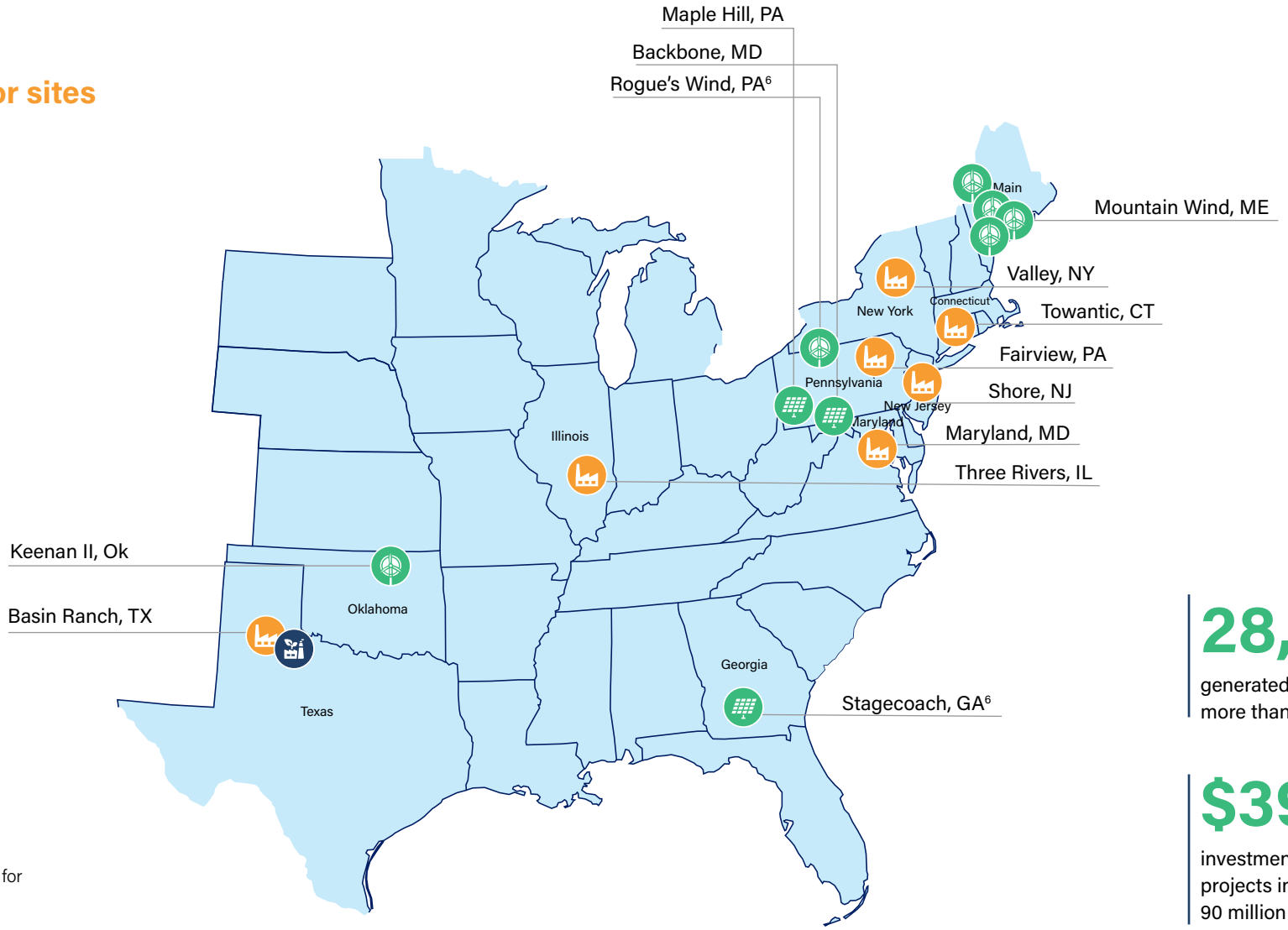
4 As of Dec. 31, 2023. Total capacity of singed contracts is 127 MW, with 20 MW installed, though not operational by Dec. 31, 2023 (except for an immaterial part which is under commercial operation). 25 MW is under construction and 83 MW is in various stages of development.

5 Projects in development do not include the Hadera 2 project with a capacity of approximately 850 MW, due to the government's decision to postpone the plan. Additionally, it does not include the Rotem 2 project, as the company is still evaluating which technology to use.

Where We Operate

US

Major sites



28,548 GWh

generated in our US facilities in 2023, 10% more than 2022

$395M

investments in renewable energy projects in 2023, in addition to 90 million by Q2/2024

[6] Rogue's Wind began construction in 2024
Stagecoach became operational in 2024

Where We Operate

US

CPV ultra-high efficiency natural gas assets

Project name	Commercial operation start	% of CPV ownership	Installed capacity (MW)	Electricity generated in 2023 (GWh)
In operation 2023				
Fairview	2019	25	1,050	7,213
Towantic	2018	26	805	5,551
Maryland (St. Charles)[7]	2017	25	745	4,162
Woodbridge (Shore)[7]	2016	37.5	725	4,000
Valley	2018	50	720	4,392
Three Rivers	2023	10	1,258	2,814

CPV – renewable energy assets (fully owned by CPV)

Project name	Energy source	Installed capacity (MW)	Commercial operation start	Electricity generated in 2023 (GWh)
In operation 2023				
Keenan II	Wind	152	2010	271
Mountain Wind	Wind	82	2008-2017 (4 wind farms purchased by CPV in Q2 2023)	140
Maple Hill	Solar	126	Q4 2023	5
Under construction 2023				
Stagecoach	Solar	102	Q2 2024	
Backbone	Solar	179	Expected to be operational in H2/2025	
In development				
Wind Pipeline	Wind	1,500[8]		
Solar Pipeline	Solar	3,200		

Project name	$M invested in 2023	$M invested in H1 of 2024
Maple Hill	66	
Stagecoach	64	11
Backbone	90	79
Mountain Wind	175	
Total	**395**	**90**

$395M

investments in renewable energy projects in 2023, plus **$90 million** by Q2/2024.

CPV - Carbon Capture Utilization and Storage Potential

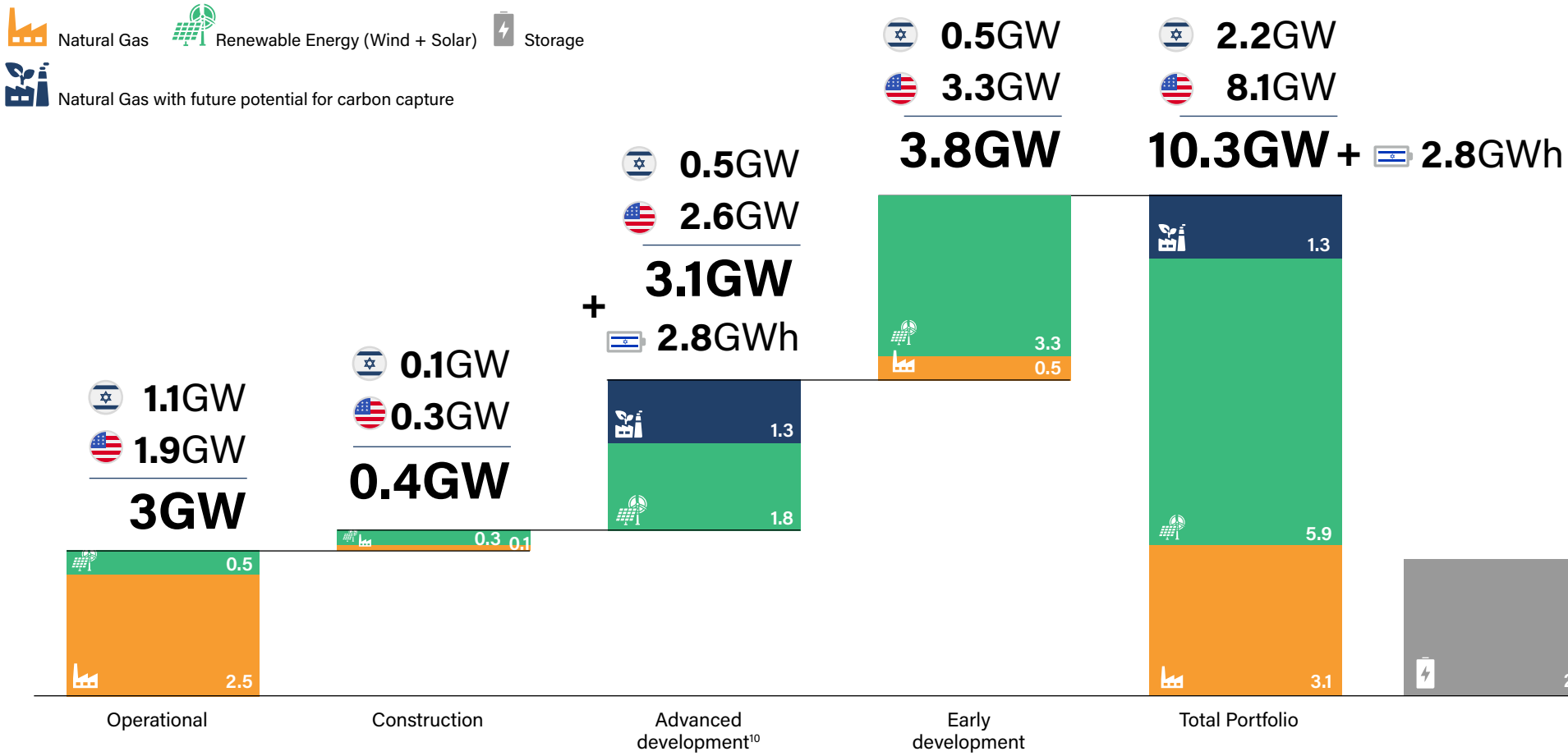
Project name	Energy source	Installed capacity (MW)
In development		
Natural Gas with future potential for CCUS	Combined cycle ready for carbon capture utilization, and storage	6,300

[7] Projects in operation do not include the acquisition of minority interests in Shore (which may result in CPV owning up to approximately 70% of Shore) and Maryland (which may result in CPV owning up to approximately 75% of Maryland), as these transactions had not been completed by the time of this report's publication.

[8] Does not include the Rogue's Wind project with a capacity of 114 MW, construction of which began in Q3/2024.

Growing Our Portfiolio[9]

Significant portfolio, September 2024



[9] The chart includes projects that are operational, under construction, and in development as of the publication date of this report, based on the following assumptions:
1. CPV has additional projects totaling approximately 5 GW in the early stages of development. The data in the chart above for the Basin Ranch project is presented at 100% (including the partner's share).
2. Projects in operation do not include the acquisition of minority interests in two natural gas assets in the US, as these transactions had not been completed by the time of this report's publication.
3. Early-stage development projects do not include the Hadera 2 project or the Rotem 2 project.

[10] Projects whose construction work will commence in 2-3 years or projects that entered into a long-term PPA.

Israel

Expanding our Operating Capacity

In 2023, we doubled our operating capacity in Israel.

We accomplished this through the start of commercial operations of the new Zomet 'peaker' power plant, the acquisition of the Gat power plant, and development of various onsite energy generation facilities at consumers' premises.

The Zomet 'peaker' plant

The Zomet 'peaker' plant began operations in Q2 2023, with a capacity of 396 MW. The plant contributes to overall grid resilience and reliability, and helps to support the increased introduction of renewable energy into the local grid.

Zomet is an open cycle, natural gas 'peaker' station. Peaker stations are called upon by the grid operator to provide electricity at times of high demand on the grid, aka 'peak hours,' or when there is an availability problem in the grid. Zomet is deployed by the local system operator to provide consistent, reliable electricity.

396 MW

The Gat power plant

In March 2023, OPC acquired the Gat power plant, a combined-cycle power plant powered by natural gas with an operating capacity of 75 MW (operational since 2019).

75 MW

Onsite energy generation

We have agreements in place for the development of power generation in facilities located onsite at customers' premises, for a cumulative total of 127 MW. As of 2023, we have installed facilities totaling ~20MW, with the remaining in various stages of development and expected to be complete by 2025. The facilities are a variety of technologies, including natural gas, solar and storage facilities.

127 MW

Realizing our Vision for Growth: Renewable & Clean Energy Projects in Development

We are currently developing several significant projects in Israel that contribute to our growth strategy in the region, emphasizing the expansion of our renewables portfolio. These include a significant foothold in the renewable energy arena with the Ramat Beka PV and storage project, and several projects with leading companies in Israel.

Sorek 2

Sorek 2, the largest desalination plant in Israel and one of the largest in the world, is currently under construction by IDE Technologies. This state-of-the-art facility will optimize energy usage and employ a sustainable approach to desalination.

At the core of the project, OPC is building a natural gas cogeneration power plant with a capacity of 87 MW. This plant will supply electricity and flue gas, to produce steam for desalination facilities, Israel Electricity Corporation (IEC) and Mekorot, Israel's national water company. Sorek 2 is expected to become operational by the end of 2024.

87 MW

Ramat Beka

In May 2023, OPC won the tender by Israel Land Authority (ILA) for the design and land lease rights for the construction of a solar PV facility at Ramat Beka. The facility will have a capacity of 245 MW and an estimated storage capacity of 1,375 MWh. Subsequently, OPC paid almost NIS 100 million to the ILA as an advance for the land rights for this project.

In July 2024, OPC was declared the winning bidder in a second ILA tender for an additional PV project adjacent to previous one, making it the largest PV and storage facility in Israel. The consolidated project of both tenders will have a 505MW production capacity and an aggregated storage capacity of 2,760 MWh.

Energy produced at Ramat Beka will generate zero greenhouse gas emissions and so plays a significant role in helping Israel meet its renewable energy goals and GHG reduction targets. Construction on the project is set to commence in 2026/2027.

505 MW + 2,760 MWh storage

Intel

OPC has signed a non-binding memorandum of understanding with Intel, the world's largest chip manufacturer, for the construction of a new natural gas power plant to supply electricity to the Intel facilities in Kiryat Gat. The power plant is expected to have a capacity of 450-650 MW and will serve Intel's facilities, including the expansion of facilities currently being constructed.

Construction of the power plant is expected to begin in 2026.

450 MW - 650 MW

US

Expanding our Operating Capacity

In 2023, we expanded our portfolio in the US by 334 MW. Through the deployment of a highly advanced natural gas facility and two major renewable energy projects that deliver reliable, consistent electricity to customers in the Midwest and east coast.

Three Rivers

This new combined-cycle facility, which began commercial operation in July 2023, utilizes state-of-the-art turbines with a total installed capacity of 1,258[11]. It is strategically located in Grundy Country, Illinois near Chicago and provides baseload, dispatchable power with a low emissions profile. Compared to the average marginal emissions rate in PJM of 1,009 lbs/MWh, Three Rivers helped avoid over 280,000 tons of CO_2 in 2023.

1,258 MW

Maple Hill Solar PV

Maple Hill went into operation in November 2023 and is CPV's first utility-scale solar project. The 126 MWdc solar facility is located on the site of a former coal mine and includes over 235,000 PV panels. It provides renewable energy to nearby communities and consumers, including an aluminum extrusion facility that is one of the largest of its kind in the world.

126 MWdc

Mountain Wind

This facility, acquired by CPV in April 2023, consists of four operating wind farms in Maine that produce a total of 81.5 MW. It supplies renewable energy to multiple municipal utilities across New England and helps the state's electric sector achieve one of the lowest carbon intensities in the US.

81.5 MW

[11] CPV owns 10% of this plant so it counts 10% of its capacity as CPV capacity

Realizing our Vision for Growth: Renewable & Clean Energy Projects

CPV plays an important role in the development of renewable and clean energy facilities in the US and is currently constructing solar and wind facilities in strategic locations across the country.

Stagecoach Solar

The Stagecoach 102 MWdc solar power generation facility in Macon County, Georgia utilizes 180,000 bi-facial solar panels and single-axis tracking to maximize energy production. The utility scale facility began operation in Q2 2024 and incorporates agrivoltaics practices into its day-to-day operation, including sheep for vegetation management, which respects the rural character of the host community and provides revenue for local shepherds.

102 MWdc

Backbone Solar

Construction of Backbone Solar began in the spring of 2023, and at 179 MWdc is slated to be the largest solar project in Western Maryland. It is being built on the site of an old coal mine in Garrett County, which operated intermittently for over a century, starting in the early 1900s, before being remediated by Maryland's Abandoned Mine Lands Division. The project represents an important investment in an Energy Community, an area negatively impacted from the Energy Transition. Once operational in 2025, the solar facility will produce over 245,000 MWh per year, helping to power Amazon's operations while contributing millions in local tax revenue annually.

179 MWdc

Rogue's Wind

Late-stage development activities were completed in 2023 for CPV Rogues Wind, including the completion of the necessary interconnection studies that will allow the project to connect to the grid. The 114 MW project began construction in the summer of 2024 and is being built in partnership with the Rock Run Recreation Area. The site will continue to incorporate trails for outdoor enthusiasts, while 19 wind turbines will have the capacity to produce 300,000 MWh of zero carbon energy annually.

114 MW

Realizing our Vision for Growth: Natural Gas with Future Potential Carbon Capture Capabilities

We have begun introducing carbon capture technologies into our designs to maximize emission reduction potential.

CPV is developing four combined-cycle facilities in the US with advanced technologies to maximize emission reduction potential. The projects are being designed to potentially incorporate carbon capture, utilization, and storage (CCUS) technology, with the potential to realize ~95% reduction in emissions. The gas turbines will accommodate hydrogen integration, as well.

They are all designed to provide affordable and reliable energy to the surrounding communities, and will be air-cooled with an expected ~90% reduction in water use compared to a wet-cooled facilities.

> With our dedicated teams we are in an optimal position to deliver over 4 GW of renewable projects currently in development or construction and 5 GW of low carbon projects in development, including two of the largest potential carbon capture projects in the world.
>
> **Gary Lambert, CEO of CPV**

Basin Ranch

Texas

1,300 MW

Advanced development

Shay Energy Center

West Virginia

2,100 MW

Early development

Mason Road

Michigan

1,450 MW

Early development

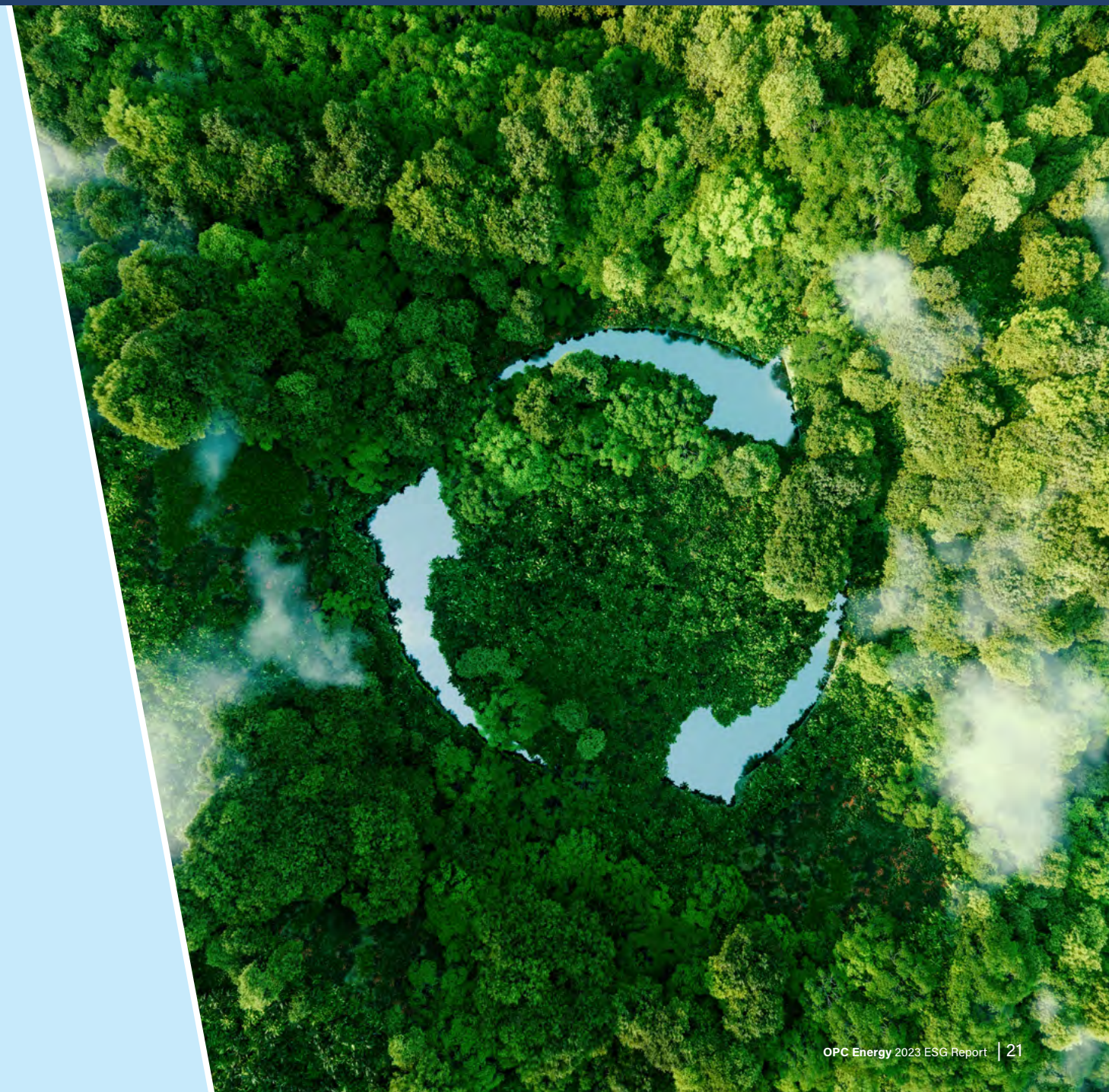
Oregon project

Ohio

1,450 MW

Early development

Our ESG Approach



Our ESG Approach

OPC is uniquely positioned to contribute to the Energy Transition, as our business operations and growth strategy are grounded in the principles of responsible environmental, social, and governance activities.

Our integrated approach to managing ESG, together with our comprehensive policies, allows us to meet the unique needs of each location and various stakeholders. Management drives these initiatives, fostering a strong tone at the top. We are dedicated to continuing our ESG efforts and making a positive impact through our operations.

In recognition of our ESG accomplishments, OPC maintained a Platinum + rating, the highest award in 2023 Maala ESG index. The Maala ranking stands as Israel's premier ESG index which assesses sustainability performance of major companies in Israel.

Our ESG Vision

To be a leader in the Energy Transition revolution to a low-carbon economy and to supply energy security in a reliable, efficient, cost-effective, and environmentally responsible manner.

ESG is at the heart of our business strategy. Our ESG targets are fully aligned with our growth objectives and business goals to expand our clean energy and renewables portfolio.

Managing ESG

We have an ESG Committee at the OPC Board level, which works with senior leadership to determine our ESG strategy and review its implementation, including this report, which it approves. The Board also discusses various ESG topics throughout the year as part of its overall supervision of the company. The Executive Leadership Team, which includes senior leaders from OPC and CPV, oversees the company's ESG strategy and sets the ESG targets.

OPC management is wholly committed to implementing our ESG strategy and programs. Through various company-level ESG committees and working groups it ensures that our ESG targets are integrated into our ongoing business practices. These include the Corporate & Israel ESG Steering Committee, the CPV ESG Steering Committee, and the Joint Carbon Committee, which is led by the CEO of OPC and CEO of CPV, and focuses on the company's transition to low-carbon operations. In addition, there are various ESG Working Groups that focus on specific topic areas and serve as a bridge between senior management and the various business units that implement our daily ESG activities.

The VP ESG coordinates OPC's efforts group wide and is also responsible for ESG educational and awareness efforts within the company and managing our ESG activities with external stakeholders.

Our ESG management structure

Oversight & Accountability

OPC's Board of Directors ESG Committee

Board members, OPC Group CEO, OPC Group CFO, VP ESG

Executive Leadership Team

- OPC Group CEO
- CPV CEO
- CPV President
- OPC Group CFO
- 2 members of the Steering Committee

Corporate & Local implementation

Corporate & IL ESG Steering Committee

Head of Committee: VP ESG

CPV ESG steering Committee

Head of Committee:
- SVP, Sustainability, Regulatory Affairs

ESG Working Groups

Ongoing meetings with heads of operations, HR and Legal

Joint Carbon Committee

Headed by:
- OPC CEO
- CPV CEO

Material Topics

As part of the development of our ESG strategy in 2022-2023, OPC identified the following ESG material topics that guide our ESG strategy and activities:

Environmental

- Reducing GHG emissions
- Air quality
- Climate risk
- Water management

Social

- Health & safety in the workplace
- Diversity, Equity, and Inclusion (DEI)
- Employee development & engagement
- Community relations & impact

Governance

- Ethics
- Compliance with regulations
- Risk management
- Cybersecurity & data privacy

In 2024, these topics underwent an internal review and an updated benchmark and were determined to remain the key topics that guide our ESG strategy.

ESG Targets

Based on the material ESG topics identified, we have developed a multi-year work plan to address these issues, including specific targets to improve performance.

Environment

Target	Progress
GHG Emissions **20%** reduction in our scope 1 GHG emission intensity (tCO_2e/ KWh) by 2030, compared to 2022.	2030 Target **-20%**
Water use intensity **Israel:** maintain **50%** below IEC[12] in M^3 water consumed per MWh produced	NEW TARGET
US: maintain **90%** below installed base[13] (gallon/MWh)	NEW TARGET
Air Quality Intensity **Israel:** currently **11%** below IEC benchmark in kg NOx/MWh - committed to improve by an additional **15%** by 2030	NEW TARGET
US: maintain **90%** below installed base[14] of kg NOx/MWh	NEW TARGET

Social

Target	Progress
People **Israel:** a new managerial skills training program will launch in 2025. The target is **90%** successful completion for eligible managers	NEW TARGET
Israel: **20** average training hours per HQ employee in 2025	NEW TARGET
Israel: maintaining a ratio of at least **40%** women employees at HQ	NEW TARGET
Israel: By 2025 we will implement a comprehensive plan aimed at supporting the advancement of women at OPC.	NEW TARGET
Safety Maintain our TIRR (Total Recordable Incident Rate) level of **1.5**	Target **1.5** 2023 ✓

Governance

Target	Progress
Ethics Maintain **zero** reported violations of our Code of Ethics	Target **0** 2023 ✓
Compliance Maintain **zero** compliance violations	Target **0** 2023 ✓
Cyber Maintain **zero** cyber-attacks that caused a disruption in business activity - target met	Target **0** 2023 ✓
Supplier Code of Conduct with ESG aspects Enhancing the Supplier Code of Conduct to incorporate ESG aspects	NEW TARGET

[12] IEC controls more than 50% of the market in Israel and is the de facto local benchmark

[13] The average water intensity rate of the US energy production sector as published by the EIA

[14] The average air quality intensity of the US energy production sector as published by the EIA

SDGs

OPC is proud to participate in the international efforts to achieve the UN's Sustainable Development Goals (SDGs).

These are the SDGs that we actively promote through our operations:

SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all

At OPC, we provide power and maintain energy security for Israel through the regular supply of electricity to private customers and the national grid. Through our subsidiary CPV, we produce electricity using ultra-high efficiency natural gas technology and renewable energy sources in the US, and work to develop and install the potential for carbon-capture projects. We are expanding our services to include local power plants based on renewable energy sources at various customer sites.

SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

The safety and health of our employees and subcontractors is of the highest value for us and is embedded in our organizational culture. We are working to prevent accidents and to provide significant safety training across our operations. The protection of our employees also includes upholding their human rights.

SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

We operate at the forefront of technology, and our production sites deploy innovative technologies that allow us to produce energy in an efficient manner. We are developing potentially groundbreaking carbon capture projects that support a sustainable energy sector in the long term.

SDG 13: Take urgent action to combat climate change and its impact

Our facilities include power plants that rely on ultra efficient natural gas and renewable energy sources, such as solar and wind. We operate our facilities in an efficient and innovative manner in order to reduce our carbon footprint. We continue to promote green energy production in the company's journey to the low-carbon economy.

Our Environmental Impact

Environment

Target	Progress
GHG Emissions **20%** reduction in our scope 1 GHG emission intensity (tCO_2e/ KWh) by 2030, compared to 2022.	2030 Target **-20%**
Water use intensity **Israel:** maintain **50%** below IEC[15] in M^3 water consumed per MWh produced	**NEW TARGET**
US: maintain **90%** below installed base[16] (gallon/MWh)	**NEW TARGET**
Air Quality Intensity	
Israel: currently **11%** below IEC benchmark in kg NOx/MWh - committed to improve by an additional **15%** by 2030	**NEW TARGET**
US: maintain **90%** below installed base[17] of kg NOx/MWh	**NEW TARGET**

[15] IEC controls more than 50% of the market in Israel and is the de facto local benchmark
[16] The average water intensity rate of the US energy production sector as published by the EIA
[17] The average air quality intensity of the US energy production sector as published by the EIA

Reducing Our Environmental Impact

OPC is committed to minimizing its environmental impact.

This is accomplished through prioritizing operational efficiency, working to reduce our energy consumption and carbon footprint, enhancing air quality, responsibly managing water resources, and minimizing waste.

We take a comprehensive approach to environmental management, with a focus on continuous improvement, utilizing advanced technologies, and embracing new ideas. We view environmental protection and enhanced efficiency as a shared responsibility among all our employees, and we encourage innovative thinking in our daily activities. When a new idea or method is suggested, we evaluate, analyze, and explore its potential positive impact for both the business and the environment.

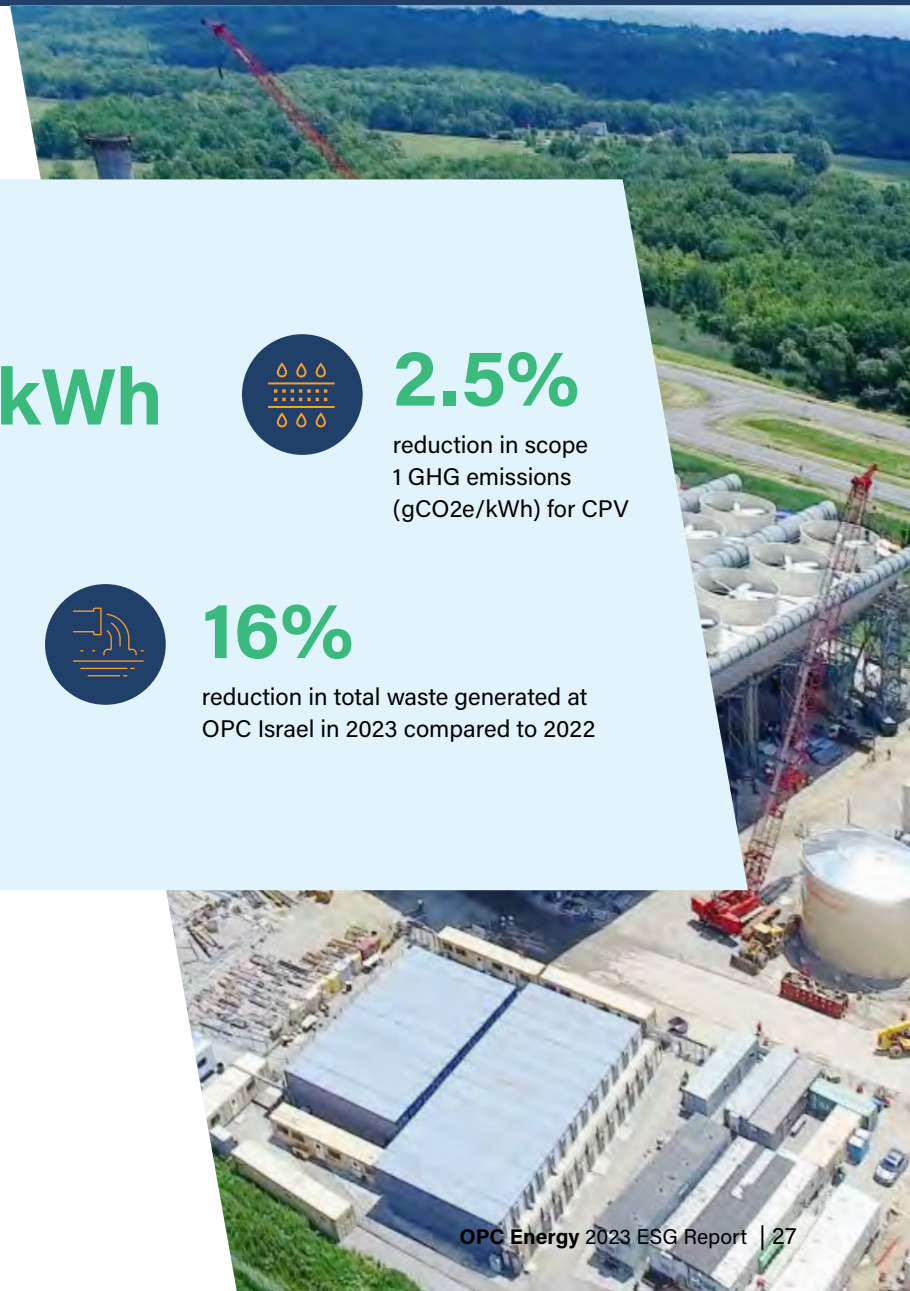
2023 Highlights:

360 gCO_2e/kWh
OPC energy emissions intensity for 2023

2.5%
reduction in scope 1 GHG emissions (gCO2e/kWh) for CPV

99%
less water used per MWh by CPV, compared to industry average.

16%
reduction in total waste generated at OPC Israel in 2023 compared to 2022



Managing GHG Emissions

GHG Emissions

We contribute to lowering global greenhouse gas emissions by producing electricity with natural gas in the most efficient way with the best available technology, and expanding the use of zero GHG renewable sources, instead of other polluting fuels.

However, we still generate GHG emissions and closely monitor and track them, with the objective of managing and further decreasing their levels. We currently track Scope 1 & 2 Emissions.

GHG emissions from OPC operations are calculated according to the GHG Protocol methodology. We employ the 'equity share' method, where a company reports GHG emissions from its operations relative to its equity ownership in those operations. In this report, the equity share applied is the percentage of OPC ownership of power plants as detailed in the OPC 2023 Annual Report.

Scope 1 Emissions

Our direct emissions include fuel used for our operations, mostly natural gas, emissions for our company fleet and emission of ODS (ozone depleting substances) from our operations. In Israel we count our entire operations' emissions and in the US, we count it partially, based on CPV's share of each power plant and on OPC Energy's share of CPV (70%).

To reduce emissions associated with transportation, **we have switched 50% of company vehicles from gasoline vehicles to electric or hybrid vehicles and intend to complete the switch by 2028.** We have installed an EV charging station at every company site in Israel, as well as at the homes of employees who drive company-issued EVs.

Furthermore, we've developed a shuttle program for our power plant employees, used by 95% of them. It prevents the emissions from them arriving to work in their private cars.

Scope 2

Our indirect emissions include those from the generation of purchased energy for our operations.

In Israel we count our entire purchased energy and in the US, we count it partially, based on CPV's share of each power plant and on OPC Energy's share of CPV (70%).

GHG emission calculations for the US take into account OPC's share of CPV's emissions, according to the equity share approach.

GHG emissions Scope 1 & 2: OPC Sites in Israel

	2021	2022	2023
Scope 1	1,798,659	1,493,510	**1,935,886**
Scope 2	4,153	2,726	**8,284**
Total	**1,802,812**	**1,496,236**	**1,944,170**

Our total Scope 1 and 2 emissions from OPC Israel sites has increased by approximately 30% in 2023 compared to 2022, due to the addition of the Zomet and Gat facilities. This rise in emissions is correlated with higher net energy generation at all our sites, which increased by 29% in 2023 compared to 2022. Our emissions intensity, however, remained relatively stable.

GHG Emissions: Scope 1 & 2 Total (OPC and CPV)

	OPC Emissions (Israel sites), tCO_2e	CPV Share of Emissions (US sites), tCO_2e	Total Emissions, tCO_2e
Scope 1	1,935,886	2,101,473	**4,037,359**
Scope 2	8,284	1,008	**9,292**
Total	**1,944,170**	**2,102,482**	**4,046,652**

Out of our total Scope 1 & 2 emissions, 45% of our absolute global emissions come from our Israel sites and 55% came from our share of CPV's sites in the US.

Reducing emissions Intensity

Emissions intensity measures the greenhouse gases emissions from our energy consumption per unit of energy produced (gCO_2e/kWh). Through the utilization of natural gas, as well as solar and wind energy, our emissions intensity in both Israel and the US is below the national average. As We expand the use of renewable energy solutions in our operations, we anticipate a further decrease in our emissions intensity in the coming years.

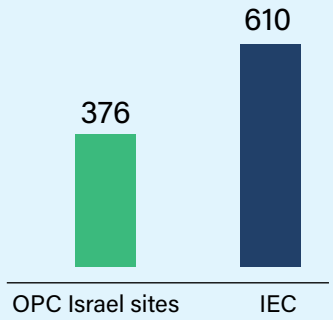
we have set a target of reducing our overall emissions intensity by 20% by 2030, compared to 2022 baseline.

360 gCO_2e/kWh

2023 Total OPC Energy Emissions Intensity

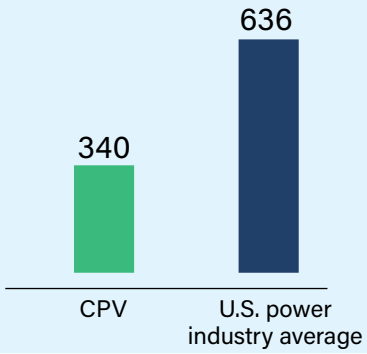
Emissions intensity was calculated according to the equity share approach, i.e., OPC's share of emissions and energy generated at our sites worldwide.

2023 GHG Intensity, Israel
gCO_2e/kWh



The GHG emissions intensity produced at our Israel sites was 38% lower than the emissions intensity produced by the Israel Electricity Corporation (IEC) in 2023.

2023 GHG Intensity, US
gCO_2e/kWh



The GHG emissions intensity produced for CPV sites was 45% lower than the average power industry in the United States.

376 gCO_2e/kWh

2023 Emissions Intensity for OPC Israel operations

This year's number is ~2% higher than our 2022 emissions intensity, primarily due to the addition of the Zomet peaker power plant. Peaker plants play a critical role in stabilizing the electricity grid, provide necessary power to consumers during periods of high (peak) demand. These plants generally have reduced efficiency compared to combined cycle plants, owing to their rapid start-up capability, which is crucial for managing the intermittent availability of renewables a like solar energy.[18]

340 gCO_2e/kWh

Scope 1 emissions intensity for CPV

To achieve our emission goal, CPV has a robust development pipeline with a projected capacity of over 10 GW, which includes more than 4 GW of renewable energy, as well as new gas-fired combined cycle projects with carbon capture potential. This will enable us to increase the MWh production of the US fleet, while lowering the average emission intensity due to the addition of more efficient and zero emissions power generation.

In addition, we are exploring possibilities to improve the emissions profile of our current high-efficiency natural gas power plants through retrofits, hydrogen blending, and the use of certified natural gas.

Energy Management

We use energy to run our power plants, power our offices, and operate our corporate vehicle fleet. While most of the energy consumed at OPC power plants is self-generated, a portion of the energy consumed is purchased from local energy providers.

Energy consumption source	GJ
Fuel use (our operations and company vehicle fleet)	75,827,176
Purchased electricity	60,487
Self-generated energy	768,732

Note: Energy consumption data takes into account OPC's share of CPV's energy consumption in operations.

We adhere to all local and national energy management regulations at our power plants. At each power plant, an operations manager supervises energy performance and conducts energy surveys to analyze site energy efficiency and identifies opportunities for process improvements.

Our energy intensity in 2023 was 5645 (GJ/GWh) calculated as the energy we consumed, mostly in the form of natural gas, divided by the total GWh we produced, taking into account CPV's ownership share of its power plants on both sides of the equation.

Energy Reduction Measures

In 2023, we implemented a lighting upgrade at Rotem to reduce our energy use. In the turbine hall, we replaced 71 lighting fixtures with new LED lights, for a saving of 132 MWh.

Promoting energy efficiency for our customers

We provide smart meters to our industrial customers to monitor and reduce their electricity usage. By providing them with tools to understand their energy usage, they become more effective at controlling and reducing it, thereby lowering their carbon footprint.

[18] Taken from IEC Co_2 calculator.

CPV's Ultra-high Efficiency Gas Turbines

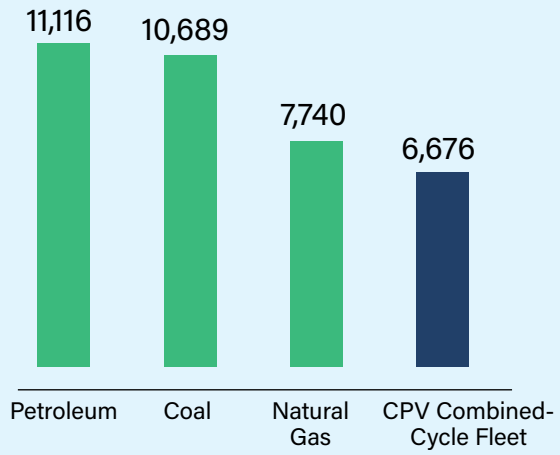
Gas turbine efficiency is generally measured in terms of heat rate, which shows the relationship between the output of electricity compared to the input of fuel.

In 2023, CPV's combined-cycle fleet had an average heat rate of 6,676 Btu, lower than the average heat rate for US power plants powered by oil, coal, and natural gas.

Operating at a much lower heat rate reduces the amount of CO_2 and pollutant emissions per MWh generated.

	CO_2 (lbs./MWh)	SO_2 (lbs./MWh)	NOx (lbs./MWh)
CPV Combined-Cycle Fleet (2023)	774.9	0.037	0.003
US Average (2022)	859.8	0.562	0.642

Average Operating Heat Rate (Btu per Kilowatt hour)



Source: Average Operating Heat Rate for Selected Energy Sources, 2012-2022, US Energy Information Administration (EIA), 2022

Air Quality

We prioritize air quality.

We adhere to all applicable regulations concerning air emissions in our operational locations and strive to exceed compliance whenever feasible. In Israel, we are subject to the Clean Air Law, which sets emissions guidelines for private electricity generators.

To control and reduce air emissions, we invest in cutting-edge technology and continuously monitor and analyze our performance. **There were no violations of regulatory demands regrading air pollutants levels in 2023, for the 3rd years in a row.**

Air Emissions: OPC Israel (tons)

	2021	2022	2023
NOx	970.31	927.28	**1,034**
SOx	7.39	4.14	**3.95**
PM10	27.61	33.25	**0.31**

The increase in NOx emissions stems from the addition of two production sites in 2023- Gat and Zomet Energy.

Air Emissions: CPV US Sites (tons)

	2021	2022	2023
NOx	432.57	444.05	**479.37**
SOx	28.35	27.63	**34.51**

Note: Air emissions values are total emissions at each site, not a portion of emissions according to OPC's share of CPV operations.

In the US, CPV utilizes Continuous Emission Monitoring Systems (CEMS) at all its power generation facilities. Data from the CEMS is constantly sent to a centralized control room where operations is staffed and monitored 24x7 to ensure proper operation and full compliance. CPV has been replacing older energy generation facilities with modern, cleaner-burning, high-efficiency assets fueled by natural gas, leading to decreased emissions at those sites.

Water Management

The management of water resources at natural gas plants is crucial for operational efficiency and environmental stewardship. It includes managing water resources used in cooling systems and production processes to minimize consumption and ensure responsible discharge practices.

At OPC, we strive to reduce water consumption in our operations and minimize the environmental impact of our wastewater. We comply with all regulations related to water use and wastewater generation, and water use at our power facilities is managed by the head of HSE who reports to the EVP of Operations. In 2023, there were zero incidents of non-compliance related to water quality permits, standards, or regulations. Water risks such as potential water leaks, water quality and availability and water prices are discussed monthly by the operations team.

Water Consumption: OPC sites in Israel (cubic meters)

	2021	2022	2023	2022-2023 Change
Rotem	176,237	113,962	102,711	-10%
Hadera	266,290	260,795	249,970	-4%
Zomet			89,792	
Gat			26,962	
Total	**442,527**	**374,757**	**469,435**	

In 2023, total water consumption at OPC Israel sites was 25% higher compared to 2022, due to the addition of the Gat and Zomet sites. In contrast, we achieved a reduction in water consumption at our existing facilities, Rotem and Hadera, compared to 2022. This rise in overall water consumption is correlated with higher net energy generation at all our sites, which increased by 29% in 2023, compared to 2022.

Water Consumption: CPV sites in the US (cubic meters)

	2021	2022	2023
Water consumption	12,646,509	12,899,009	**12,781,049**

Note: water consumption values are the total cubic meters of water consumed at each site, not a portion of water consumption according to OPC's share of CPV operations.

Wastewater: OPC sites Israel (cubic meters)

	2021	2022	2023
Wastewater	67,701	77,963	**89,358**

In 2023, the amount of wastewater from OPC's operations in Israel increased by **15%** compared to 2022 due to an increase of **18%** in power production. Furthermore, In addition, in 2023, a number of process improvements were carried out such as the replacement of chemical substances that required washing, which resulted in increased wastewater generation.

OPC Israel has committed to a 3% reduction of water use by 2026, compared to 2022 baseline.

We are also committed to maintaining our water intensity level in Israel of at least 50% below IEC in M3 water consumed per MWh produced and in the US, to remain at 90% or less below installed base (gallon/MWh).

Water & Wastewater Reduction Measures

To minimize our water use and production of wastewater, we have implemented a number of water reduction initiatives at our facilities.

Israel

At the Hedera plant, we upgraded the water and wastewater systems to optimize processes and produce less wastewater: the transfer from the boiler drainage collection tank now flows continuously without filling up and emptying repeatedly. As a result, cooling water consumption was reduced by 2/3.

Also at Hadera plant, we utilize condensed water from an adjacent paper manufacturing facility. The water undergoes a polishing system for purification, which includes a chemical process where it passes through plastic resins to absorb contaminants.

We optimized the system to decrease the frequency of the resin regeneration process, **reducing it from 45 times per year to 14 times per year, a two-thirds reduction**. This results in significant savings of water, chemicals, and electricity used for the pumps and reduces potential safety hazards.

US

Being a good neighbor also means taking responsibility for minimizing our impact on local resources including water reserves. For this reason, water usage and consumption is a key consideration during development, construction and operations for each project.

For CPV, this means making conscious design decisions which will impact how much water our facilities will utilize, where this water will come from and the quality of the water once it it used and returned to the local water system.

Where possible, we use air-cooled designs, which have the potential to dramatically reduce water usage compared to a wet-cooled facility, or, alternatively, utilize recycled wastewater for cooling purposes. When wastewater is used, we prioritize sourcing from municipal wastewater treatment facilites in order to provide an additional revenue stream to our local community.

The wastewater, once utilized, is then treated on site and returned to the system cleaner than when it was recieved.

Through this combination, CPV's facilities use dramatically less water than industry average. In 2023, our facilities used an average of 110 gallons per MWh produced, over 99% less than the most recent industry average of 11,595 gallons per MWh published by the U.S. EIA.

In 2023, we added another air-cooled facility to our operations fleet. CPV Three Rivers utilizes a 30-cell air cooled configuration to reduce water useage by up to 90% and sources the remainder of its water needs from on-site wells drilled to depths that far exceed local aquifers. This design also enables a zero-liquid discharge system, a wastewater management system which does not include any discharge of industrial wasterwater to the surrounding area.

The Shay Energy Center and Basin Ranch natural gas facilities will be air-cooled, with an expected ~90% reduction in water use compared to wet-cooled facilities.

99%

less water per MWh used by CPV, compared to industry average

Waste

We strive to minimize our waste generation and adhere to the strictest environmental standards for managing general and hazardous waste.

We comply with all regulations related to the treatment of hazardous waste and renew our permits for hazardous waste handling as required.

Between 2021 and 2023, the amount of waste generated at OPC sites decreased by about 45% and the decrease was 16% from 2022 to 2023. This is mainly due to the optimization of drainage systems in 2022, which led to an increase in the amount of water treated and put back into the production process, which led to a reduction in the amount of water disposed as waste. This also explains the decrease in the general water consumption at the existing sites.

We plan further reduce the waste in Israel and send zero waste to landfill by 2030.

The various processes of electricity generation in our power plants require water with less minerals and salts than tap water. To achieve the right minerals concentration these minerals are extracted from municipal water and are concentrated in a waste stream of concentrate water, which is richer in salts.

Another stream of collected drainage water is then added to this stream, and the unified stream constitutes the great majority of the waste produced on the company's sites in Israel - 25,567 tons.

In an example of turning waste to a resource, this stream of non-hazardous liquid waste is then transferred directly to another company's nearby factory, and is used there as raw material for their production process.

Thus, 88% of the waste produced at our sites in 2023 was reused, circular economy at its best.There was an increase in 2023 in the amount of hazardous waste we produced due to the activation of the new Zomet facility which produced 175 tons of wastewater that contained oils, classified as hazardous waste. Additional waste is typical during the start-up phase of a power plant, attributed to the cleaning and use of water systems. The wastewater from Zomet was subsequently treated, with the water separated from the oils at a certified facility. Part of the stream of Zomet's concentrate water is diverted to irrigation instead as wastewater, in a measure approved by the Israeli Ministry of Health.

We improve the working environment of managing the chemical warehouses and waste warehouse according to the 5S program methodology. The 5S pillars - Sort, Set in Order, Shine, Standardize, and Sustain, provide a methodology for organizing, cleaning, developing, and sustaining a productive work environment.

88%
of the non hazardous waste at OPC Israel is reused or recycled

46%
reduction in waste at OPC Israel from 2021 to 2023

Waste from OPC Sites in Israel (tons)

Waste Category	2021	2022	2023
Recycled			24
Reused			25,567
Sent to landfill			1,454
Sent to a designated site for liquid waste treatment			**2029**
Total non-hazardous waste	**53,596**	**34,874**	**29,074**
Hazardous waste sent to landfill	0	0	7
Hazardous waste treated	26	20	194
Total hazardous waste	**26**	**20**	**201**

Note: Due to a change in methodology, 2021 and 2022 data has been restated to match the relevant waste categories.

Waste from CPV Sites

CPV does not count non-hazardous waste streams separately. In 2023 its sites produced 782 tons of non-hazardous industrial waste that includes wash water from outage, used oil from maintenance outage, sandblast waste from maintenance outage, oily rags, clarifier effluent and unsorted waste.

Environmental Management

We are committed to taking measures to protect the environment and reduce environmental hazards across all areas of our business activities.

We have an extensive environmental management system in place to ensure our power plants meet all applicable regulations, and we aim to go beyond compliance whenever feasible.

In 2024 we have adopted a new environmental management system and procedures which is in the process of being certified by ISO 50001. This certification will be completed by the end of 2024 and will cover 50% of our operations.

The Environmental, Health and Safety (EHS) Manager is responsible for overseeing our environmental management. Our environmental management method ensures adherence to all applicable regulations and delivers frequent updates on risks and irregularities to enable prompt, appropriate responses and prevent potential environmental harm.

Compliance in Israel

Activities in Israel are subject to laws and permit stipulations concerning environmental protection. Non-compliance with these regulations may lead to regulatory actions and potentially disrupt our operations. Environmental regulation plays a critical role in our sector, and we maintain strict environmental procedures to protect the environment and local ecosystems.

Compliance encompasses diverse regulations concerning clean air, soil and water quality, effluent discharge, hazardous materials, transportation guidelines, noise mitigation, and more. We take a zero-tolerance approach to environmental incidents, and we continuously monitor our ongoing operations and improvements. In Israel, our asset integrity checklist includes over 75 procedures, including monitoring electric motors, gas detection systems, piping, gearboxes, and more.

Operations in Israel comply with environmental regulations set by local authorities and the Ministry of Environmental Protection, which conducts annual reviews of our facilities. We promptly address any irregularities or requests for corrective measures. **In the past four years, there have been no comments by the Ministry of Environmental Protection in their annual review of our operations.**

Compliance in the US

CPV activities in the US are subject to environmental legislation and regulations established by federal, regional, state, and local authorities. These laws and regulations generally address carbon emissions, pollutant filtration, water use and discharge, and waste management.

Plant operations and maintenance service providers are required to implement dedicated compliance plans and procedures to ensure adherence to laws and regulations, and CPV consistently monitors the operations of service providers.

CPV power plants have emergency response service arrangements in place, specifically designed for environmental emergencies. In addition, we comply with the requirements of the Inflation Reduction Act, which grants benefits to renewable energy and CCUS projects, extending Investment Tax Credits and Production Tax Credits.

Internal Audits for Environmental Compliance

To ensure compliance with environmental regulations in our daily operations, we have implemented a comprehensive internal review process and conduct regular internal audits. Internal audits evaluate a range of factors, including air emissions, hazardous materials handling and storage, soil and water contamination, noise, and more.

Tests are performed to measure each of these aspects, with findings reported according to severity, and corrective actions taken as swiftly as possible. Our strategy involves not only fixing anomalies, but also identifying and implementing preventive measures that address the underlying cause. Audit findings are reported to the site plant manager immediately and shared with the EVP of Operations on a monthly basis, and with the Safety Steering Committee, led by the CEO of OPC Israel, on a quarterly basis.

Adapting to Climate Change

Global climate change is driving farsighted companies to address its implications on all aspect of their business. OPC considers climate risks starting from the initial stages of a project's development and on an ongoing basis.

Identified relevant climate risk		
Extreme heat	✓	✓
Extreme cold	✗	✓
Storms	✗	✓
Flooding	✓	✓
Sea level rise	✗	✗

In Israel, we have identified extreme heat and flooding as climate risks. Since none of our sites are close to the coastline, sea level rise does not present a risk to our facilities. Flooding is a risk only at the Hadera plant which is located near a stream that might overflow during extreme weather events. To address it, when planning the site, we elevated it by 12-15 meters above the Hadera stream to reduce flood risk.

Extreme heat events are primarily a concern for the Rotem power plant in the Israeli Negev desert. To address these events, as well as strong winds, we have implemented a monitoring system and a network of Galebreaker industrial fans that cool the hot air and convert it to water.

In the US, changing weather patterns that present a risk for energy projects and grid reliability include severe storms, extreme cold snaps, and heat waves. We address these climate risks from a project's early planning and development stages.

All projects are designed, in consultation with industry experts and local planning agencies, to include robust site-specific stormwater management measures in order to mitigate risks associated with heavy rainstorms. During construction and operations, we also implement weatherization measures on an annual basis to prepare for atypical temperatures. This includes installation and regular audits of heat tracing equipment which prevents critical plant components from freezing, as well as periodic temperature checks to allow for the addition of fans or cooling equipment in sensitive areas of the facilities prone to high temperatures that could impact safety or operations. Our facilities also undergo regular lessons-learned analysis each year to assess areas where seasonal preparedness can be improved.

This critical topic is managed by the business development managers at OPC Israel and CPV, who take these factors into account when planning our new facilities, and by the EVP of Operations in Israel and operation managers at the various CPV facilities.

Social

Social

Target	Progress
People	
Israel: a new managerial skills training program will launch in 2025. The target is **90%** successful completion for eligible managers	NEW TARGET
Israel: **20** average training hours per HQ employee in 2025	NEW TARGET
Israel: maintaining a ratio of at least **40%** women employees at HQ	NEW TARGET
Israel: By 2025 we will implement a comprehensive plan aimed at supporting the advancement of women at OPC.	NEW TARGET
Safety	
Maintain our TIRR (Total Recordable Incident Rate) level of **1.5**	Target **1.5** 2023 ✓

Our People

We put our employees first and recognize them as crucial partners in our success, stability, and ability to meet our strategic goals.

We are proud of our employees and the professionalism and dedication they bring to work each day and recognize that our business excellence is tied to their commitment, teamwork and outstanding performance.

To support our employees' personal and professional development, we foster a culture of learning, exploration, and teamwork and strive to create a work environment that is inclusive and secure. As we operate complex facilities, we are dedicated to upholding the **highest standards of health and safety** to safeguard our employees and contractors across all our sites.

Company goals are integrated throughout OPC on the organizational, team, and individual level. Each employee has personal goals and targets that align with and support the company's objectives, so they know **their success is our success**.

We nurture our relationships with employees and work to secure their employment conditions, wellbeing, safety, and personal dignity. The company supports ongoing personal and professional development, as well as employee retention and advancement, and is committed to these goals.

We are committed to:

- Developing our employees' skills and investing in their safety & wellbeing
- Supporting the communities in which we operate
- Continuously improving our diversity, equity and inclusion

2023 Highlights:

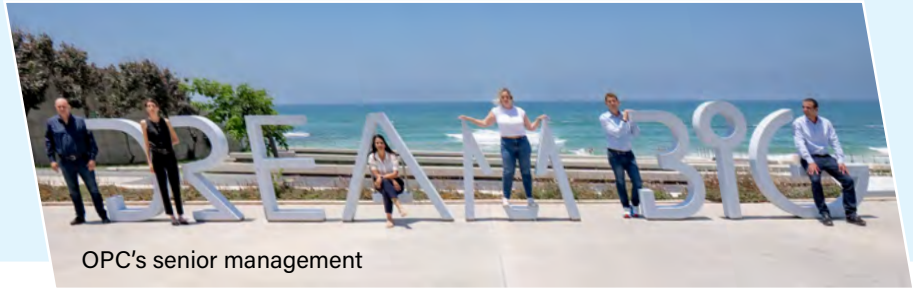
313
Employees in Israel and US

100%
of employees in Israel participated in training sessions throughout the year

100%
of employees in Israel have access to organizational systems, allowing them to stay updated and connected anytime

82%
of employees in Israel volunteered in 2023, over 1800 hours

50%
of C-level executives are women



OPC's senior management

Diversity, Equity and Inclusiton (DEI)

We recognize that a diversity of people, ideas, and experiences is crucial to our culture, as well as our business success. We strive for diverse teams both at our headquarters and power plants.

Historically, power plant operations have been a predominately male field, and we are actively working to promote female representation by recruiting and training women for operational roles. We strive to create an environment where women can fully realize their potential and pursue advancement opportunities. By 2025 we will implement a comprehensive plan aimed at supporting the advancement of women at OPC Israel that will foster both personal and professional growth.

This initiative reflects our commitment to gender equality and ensuring that all women at OPC Israel have the resources, support, and opportunities they need to succeed.

OPC is an equal opportunity employer, and we implement hiring practices based on professional skills, regardless of an individual's gender, race, religion, disability, age, political affinity, sexual orientation, or other factors. In Israel 2% of our employees are people with disabilities and 7% belong to minority groups in Israel. Diversity and inclusion efforts are managed across the entire employment lifecycle.

We monitor remuneration gender gaps at OPC Israel and the information is published each year on our website, as per the Israel Ministry of Labor guidelines. The analysis found no significant differences in wages between men and women.

We support qualified employees to continue working after they reach retirement age if they choose so. In 2023, all eligible employees over retirement age who chose to continue working, did so.

DEI at CPV

While the energy sector has seen an uptick in diversity and inclusion efforts in recent years, there is still work to be done. In 2023, our workforce was 72% male and 28% female, a 3% increase of women from 2022. As CPV continues to grow, we are making a concerted effort to consider diverse candidates in our hiring practices while ensuring each interview team includes a diverse team member.

2023 DEI Highlights

30% of employees at the Hadera power plant are from minority groups

29% of CPV employees are minorities

43% of our HQ employees are women

37% of employees in Israel are from geographically outlying areas

Neta Avraham joined OPC operations 11 years ago, while still a student. Over the years, she has advanced in her roles and responsibilities and she now leads 3 operational domains across all of our power-plants.

"I'm proud to be part of an energy company that offers many opportunities for both personal & professional growth. My work involves close collaboration with our power plants teams. This cross-team working model allows me to apply the knowledge and experience I gained over the years at OPC to standardize procedures and practices among our power plants."

Neta Avraham

Fostering an Inclusive Work Environment

We encourage a multicultural workplace and highlight the value of an inclusive environment through internal communications and company events. A diversity officer has been appointed in the human resources team and we mark various holidays throughout the year, including holidays of significance for diverse populations. We incorporate messages of a multicultural accepting work environment in the company's internal publications and discuss this commitment in our external publications.

All of our locations, including our headquarters and facilities, are accessible to individuals with disabilities. To ensure comprehensive accessibility, we have appointed an accessibility coordinator who oversees that our facilities comply with local requirements. Accessibility information at our sites is available in multiple languages and provides details about the accommodations offered. Additionally, we ensure that our website, as well as new technological services or internal software, are accessible to both employees and customers with disabilities.

Fostering A Workplace Free from Discrimination or Harassment

OPC is committed to creating a workplace environment that is free from discrimination or harassment. We have an anti-sexual harassment policy in place and conduct training for all employees, including new ones, on the policy and the company's expectations for behavior. As part of the training, we emphasize the role that each individual has, in particular managers, in taking an active part in preventing sexual harassment at work. In 2023, 100% of employees received training on the prevention of sexual harassment.

There is a hotline in place for employees and contractors to report any incidents of discrimination or harassment, and we have appointed a sexual harassment prevention officer who has undergone specialized training to deal with any incidents. In 2023, there were zero complaints made related to harassment or discrimination.

Employee Human Rights

We follow local laws and abide by principles ensuring proper labor standards, including no child or compulsory labor, non-discrimination, and workplace safety, as well as freedom of association. We take measures to prevent corruption and unethical behavior and safeguard employee privacy as detailed in our public Code of Ethics, which every new employee receives and signs.

International Women's Rights Day activity for OPC Israel

CPV summer event

Employee Development & Engagement

Our professional training and development programs are designed to provide employees with the skills and training they need to thrive at work. We strive to create a culture of continuous learning and development, and many employees have advanced to management positions at OPC over the course of their employment.

Employee Learning & Training

Our learning and development program is designed to meet the unique needs of each professional domain. It is built upon four learning pillars that encompass the learning needs of all employees across the company:

29 training hours

Average number of training hours per employee at OPC Israel in 2023 (not including Sorek 2 employees who received extensive training before the plant's operation).

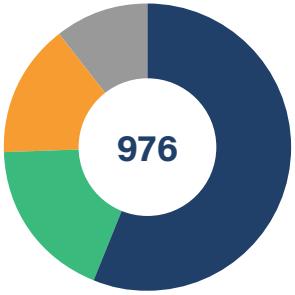
Employee Learning & Training

Additionally, employees are encouraged to express their training needs, both technical and professional, during the annual evaluation and feedback process, and we address these needs subject to the approval of their manager and the HR team.

Most of our training is dedicated to operations staff, and since that is historically a sector with more men, on average men receive more hours of training (45) than women (16).

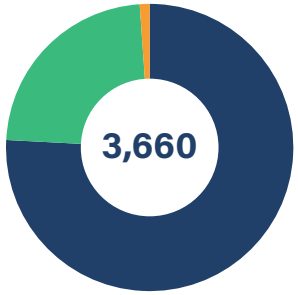
We offer a range of training programs to improve employee skills and support employee retention. These include new skills training, mentoring managers at power plants, digital training, and safety training to raise awareness of our proactive safety culture.

OPC Israel HQ Employee Training Hours 2023



Non-Managers	549
Middle	180
Senior	145
Executive	102

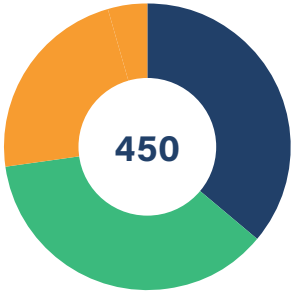
OPC Israel Power Plants Employee Training Hours 2023



Non-Managers	2,768
Middle	846
Senior	46

Note: This figure does not include the extensive training provided to the teams at the new Sorek 2 power plant, which is set to begin operations in Q4 2024.

CPV HQ Employee Training Hours 2023



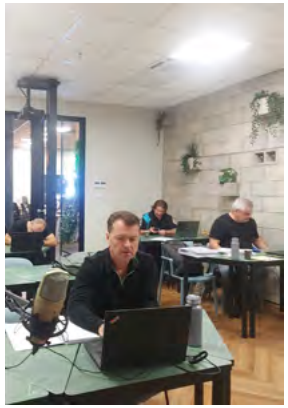
Non-Managers	162
Middle	165
Senior	123

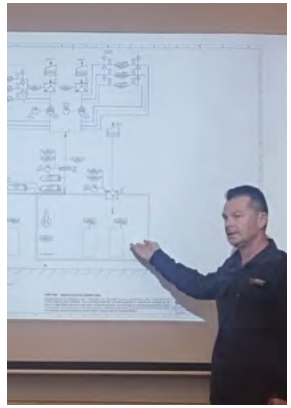
Note: in power companies, operations employees receive the most training. At CPV facilities, most operation teams are not CPV employees and so their training is not counted in this tally.

Hiring & Training for the new Sorek 2 Power Plant

We established a dedicated hiring and training program in preparation for the commencement of operations of the new Sorek 2 power plant, expected by Q4 of 2024.

To ensure a diverse talent pipeline, we worked with local placement agencies, employment bureaus, and associations that work with the local population in the geographic periphery, as well as underrepresented populations. Every position at the new power plant has an individualized training program for the new employees to follow, with courses led by OPC topic experts and external training institutions, including equipment suppliers. During the training period, new hires are considered full-time employees and receive all applicable employee benefits. Upon completing the training, employees obtain relevant certifications that enhance their professional development and career advancement.





1,381 hours

of training received by Sorek 2 employees

Strategy and plan for talent development

We have developed a comprehensive process aimed at ensuring continuity and stability in key positions at our power plants in Israel by mapping internal talents and creating a management reserve. The process includes identifying employees with managerial potential, analyzing their professional and personal abilities, and training them to meet the future requirements of the required positions.

As part of the program, we provide employees with professional training, external mentoring and practical experience, to ensure their readiness for promotion to leadership positions. This process begins at the recruitment stage, in which we consider the candidate's suitability and potential for both current position as well as future management positions.

Measuring training results & effectiveness

OPC Israel operates structured training processes for our power plant positions, which are designed to ensure the highest professional competence of the employees. The training program includes mandatory midway and final certification tests. To improve learning the company makes available comprehensive knowledge sources, including textbooks, filmed lessons and other digital resources during the training period. These tools provide full support throughout the entire training process, with the aim of ensuring compliance with the job requirements and optimal preparedness for future professional challenges.

Technion students' internships

Students from Israel's world renowned Technion, Israel's Institute of Technology, were employed as at 2 of our power plants over several months as interns. As part of the internship they turned their academic knowledge into practical experience at the power plant, guided by instructors from the Technion and energy industry

Leadership & Internal mobility

With significant growth at the company's headquarters this year, we created a leadership development task-force. The task-force members received guidance and mentorship from two senior management members throughout the year, and the task force presented recommendations to the senior management forum on how to promote leadership development throughout the organization. Some of their ideas have been implemented, such as quarterly updates, and employee training and management development programs set to begin in 2024-2025.

At our power plants we encourage internal promotions and have implemented succession plans to train and prepare employees to fill positions of outgoing staff. This creates opportunities for individual advancement and reflects our growth as a company supported by experienced teams.

Effective Recruitment

Our employee recruitment process is conducted through full collaboration between hiring managers and the HR team to ensure an effective and fair procedure, while creating a positive candidate experience and showing respect to each candidate.

As part of our outreach to recruit students and future graduates we took part in several university job fairs in Israel where we showcased OPC and our open positions. We are also in touch with several universities in Israel alumni associations.

"I'm incredibly proud of how we've fostered a culture of continuous growth, empowering our employees to develop their careers within OPC. Their achievements reflect our commitment to nurturing talent from within."

Oshrit Suissa Kadosh, EVP HR

24%

of new positions were filled by existing OPC employees in 2023.

73%

of new managers were promoted internally in 2023

Strengthening Engagement & a Sense of Belonging

We believe open communication play a critical role in our employees' sense of belonging. We are committed to cultivating an organizational culture that encourages nurtures positive relationships and collaborations among employees, as well as between employees and managers.

As part of our organizational culture, we conduct joint activities at multiple levels—team, site, and company-wide—to enhance collaboration and engagement.

We also invest resources in various internal communication channels:

- Operations **roundtables** are conducted on a quarterly basis with the EVP of Operations to share company updates and listen to employee feedback and proposals. In 2023, **50% of employees** participated in roundtables. Topics covered include employee transportation, business development goals, the impact of the electricity sector in Israel, and optimization suggestions related to safety.
- In 2023, we introduced the **'Nice to Meet You'** initiative at our headquarters, with the goal of improving the connections and communication among employees from different teams as we continue growing. Managers met with groups employees for several "ask me anything" open conversations. During 2023 80% of HQ employees participated in this. Feedback surveys showed very positive results – our goal was achieved. Participants noted that they appreciated the opportunity to meet employees from other teams and to learn about diverse areas of activity within the company through these meetings.
- **Performance reviews** are conducted twice a year, and employees have the opportunity to meet with their managers to discuss their performance, set individual goals for the year, and share feedback.

  To better monitor our performance review process, we introduced a new software platform in 2023 that enables the HR team & all managers to oversee and track employee progress.

  Additionally, we hold budget meetings where senior management and all middle managers at the headquarter come together to review work plans and track performance, ensuring alignment and effective execution across the organization.
- During 2023 all power plant employees had 1:1 conversations with the plant manage.
- **Quarterly HQ meeting**- in which senior management presents company business updates, and one HQ department each time showcases its work.

100%

In 2023, 100% of employees participated in the annual review process.

We are committed to holding round table meetings at all Israel company sites, with at least 70% of the employees participating in 2025.

Enhancing Cross-company Communications

In 2023, we established an **Internal Communications** taskforce which focuses on enhancing our communication with employees. The taskforce launched and continues to produce a monthly internal newsletter that highlights business news, social responsibility initiatives, health and sports activities, employee celebrations and HR updates. Feedback we received confirms that effective employee communication channels are key to keeping employees connected and ensure greater transparency in our business activities.

Benefits & Support

An integral aspect of acknowledging employees' contributions and hard work is ensuring fair and competitive compensation and benefits. That is why we ensure our remuneration packages are equitable and aligned with the market standards.

Our entry level wages are significantly higher than the minimum wages both in Israel and the US. We provide all employees with additional benefits that go beyond compliance, including subsidized health insurance, gradual return to work after parental leave, flexible work hours for HQ employees, increased sick leave to support parents of children with special needs, support for major life events, and more. In addition, we encourage financial literacy by offering consulting sessions on savings and retirement planning.

It is important for us to be there for employees during significant moments in their personal lives, such as weddings, births, or the first day of grade school for their children. To mark these important family milestones, employees are provided with extra vacation and a monetary gift.

Freedom of Association & Collective agreements

In Israel, we recognize our employees' freedom of association right and respect their right to join trade unions and engage in collective agreements. Approximately 31% of employees in Israel are represented in collective agreements, and there were no exceptional events relating to collective labor relations in 2023. In the US, CPV has a longstanding and successful relationship with organized labor, having developed all our low-carbon assets in collaboration with trade groups.

Supporting Safe, Sustainable Transportation

To assist employees in their commute and encourage sustainable transportation, we have in place a comprehensive employee shuttle program. To plan it, we mapped our employees' transportation needs to create routes that are suitable and useful for them. We are proud that the shuttles we provide are used by 95% of our power plant employees, who avoid the commute hassle and pollution from their cars.

Promoting a Healthy Lifestyle

We offer a variety of healthy lunch options subsidized by the company, at all our sites. We also promote an active lifestyle by providing various wellness activities.

In Israel we have an active OPC online running group coached by a trainer and another highlight of our wellness program is the opportunity for employees to participate in different races throughout the year. This provides them with a chance not only to challenge themselves physically, but also strengthen connections with colleagues outside of work. We offer activities outside of work and encourage all company employees to participate, including races that support nonprofit organizations and a relay race. 30% of employees participated in OPC running activities in 2023.

We take a proactive approach to employee health by providing comprehensive medical tests at our power plants annually, as required by regulations. Additionally, every two years, all employees are entitled to undergo comprehensive medical surveys at the company's expense, regardless of the employee's age or risk group. All employee medical information is kept confidential and provided only to the individual employee.

OPC Rotem Running Group

Kibbutz Nachshonim relay race with youth through the 'Running for Giving' nonprofit organization.

Mountain2Valley Race 2023

Community Relations & Impact

We have a long history of working together with communities in areas in which we operate to support community development. We strive to create long term partnerships that advance social goals, and our community support program is built upon on:

Volunteering

OPC considers volunteering a core organizational value and aims to continuously expand its volunteering initiatives by actively encouraging employees to participate in them, including during work hours, through two main channels:

- Companywide volunteer days for employees to participate in a range of activities in coordination with local community organizations, including for national Volunteering Day and before holidays.
- Various business units have worked with specific non-profit volunteer centers over several years, organizing dedicated volunteer events for their team members throughout the year. For many of these business units, these activities have developed into a tradition within the team.

82%

of employees volunteered in 2023 - a new record at OPC.

1,800

volunteer hours in Israelvolunteer hours in Israel

2023 Volunteer Highlights

Zomet employees renovate a computer classroom at a local school

In May 2023, employees at the Zomet power plant volunteered to help renovate a computer classroom at a local elementary school in Kiryat Gat. The activity was done in partnership with the organization **A Password for Every Student**, which promotes technological skills for students. In addition to the renovation, OPC donated computers for use by students at the school.

OPC management and Zomet employees participated in the opening ceremony for the classroom, along with representatives from A Password for Every Student and the mayor of Kiryat Gat.

Local 4th graders visit the Hadera power plant

Through the Technoda educational center in Hadera, a group of 4th graders who take part in a technology excellence program visited the Hadera power plant in June. They met with Hadera employees to learn how a power plant operates, how an engine works, what a turbine does, and how the facility provides energy to the grid. In preparation for their visit, students learned about energy generation and created an electrical circuit to power a light bulb and fan.

2023 Volunteer Highlights

Visiting patients at a local hospital

In the summer, management members visited patients at the pediatric oncology unit at a local hospital. The visit was done in cooperation with Rachashei Lev, a nonprofit organization that supports children with cancer. They participated in the '**Night Angels**' program, where volunteers visit with patients and their families in the evening hours to provide comfort, support, and entertainment.

Distributing food packages to families for the holidays

In honor of the Jewish New Year, employees volunteered with SAHI, a nonprofit organization that works with youth at risk to perform community service activities in local neighborhoods. Before the holidays, employees & their families came together with local youth to package and distribute food deliveries to families in need, participating in a multi-generational volunteer activity.

Renovating and painting a community center in Hadera

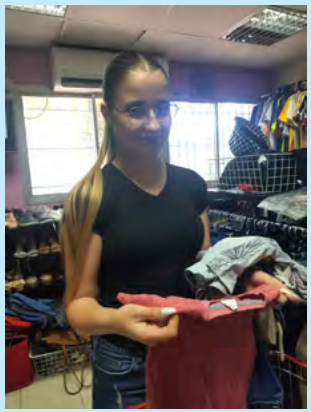
Employees from the Hadera power plant participated in a volunteer activity to paint a WIZO center in Hadera, as part of the nation wide "Good Deeds Day". WIZO is a volunteer organization dedicated to social welfare in all sectors of Israeli society, with a focus on women's advancement.

Encouraging Youth Volunteering

While some organizations offer summer employment in the office for employees' children, we decided to integrate summer employment with contributing to the community. We launched a summer initiative for employees' children aged 15-18 to volunteer at local nonprofit organizations, with stipends provided by OPC. In 2023, 15 teenagers volunteered through the program, working at a variety of community organizations, including social welfare organizations, Magen David Adom – Israel's national emergency organization, and retirement communities.

> I had a lot of fun and learned a lot from their life stories. I also saw how much they appreciated young people coming to spend time with them. On the last day, one of the participants told me that it's important to take everything in life as an experience, and not to get stressed about things, and to enjoy every minute when we're young.

Rom, volunteer at a senior citizen center in Yeruham



> Every day, we worked for 5 hours to help others and support the local community. The experience was enjoyable and meaningful, and I recommend others to volunteer!

Karen and Jasmin, volunteer at the WIZO nonprofit clothing shop in Beersheva

Financial Support for Communities

Israel

Since October 2023 Israel has been involved in a war on its southern and northern borders. During the year, we doubled the amount of donations from the previous year to **NIS 3.8 million**, NIS 2 million of which went to support people impacted by the war. We have established procedures for how donations are allocated, with a Donations Committee that oversees contributions, with approval by the Board of Directors. Our community efforts focus on a range of areas, including education, health, youth at risk, and social services.

NIS 3.8M

Amount of donations in 2023, of which 2 million NIS to support those affected by the war

US

CPV supports a range of community development programs, with a focus on science, technology, engineering, and math **(STEM) education, public safety, and projects that support local sustainable development.**

With project locations spread out through the U.S., our community donations are highly focused on the needs of our local host communities. For instance, in 2023, CPV acquired the Mountain Wind portfolio which is comprised of four operating wind projects in Maine. Our team worked with prior owners and local officials to understand the needs of each of the communities where are operations are located. Through these discussions, we identified two areas where CPV could have a positive impact on our neighbors – heating assistance to combat bitter cold Maine winters and food pantry donations to help local families in need. Our team identified programs in each of these communities to help in these areas and committed to annual support for both causes in ways that would have the greatest impact. In one such community, for example, our annual commitment to the local food pantry covered months of expenses allowing organizers to purchase and distribute nutritious foods to provide meals for nearly 150 community members.

Separately, our CPV Backbone Solar project, which is located near the Deep Creek Watershed in Garrett County, MD, consulted with local leaders to identify an opportunity to partner with the Deep Creek Watershed Foundation (DCWF), an organization which shares our shares our commitment to environmental stewardship and economic development. Through this partnership, CPV made a four-year commitment, beginning in 2023, to help fund the efforts of DCWF to preserve and protect the watershed, while helping to maintain its value as a recreational destination and key driver for the local economy.

Contributions are made in compliance with CPV's *Charitable Contributions, Sponsorship Payments, and Membership Dues Policy and Procedures*, which outlines the company's value guidelines and donation procedures. In certain instances, CPV receives comprehensive reports from the organizations about the supported programs, including details such as the number of participating students, demographics, and survey feedback on the program's impact.

OPC energy does not give out political contributions as a policy.

$160,000

In 2023, CPV donated over $160,000 to various local nonprofit organizations working in the communities in which it operates.

Supporting Employees and Local Communities During the War in Israel

Following the outbreak of the war in Israel in October 2023, we quickly organized efforts to support OPC employees and local affected communities. We established a designated donations fund of NIS 2 million to assist those impacted by the war.

Employees

- We established an **organizational resilience program** that offered a range of activities for employees and their families.
- We sent **care packages** to the homes of all OPC employees and organized online activities for their children.
- We provided **a range of support services** to OPC employees called up for reserve duty, as well as for their families.

At the Zomet power plant, we organized a 'Day of Good Energy ' for employees and their families. The children participated in activities led by employees, including educational activities to learn about energy production

Local Communities

We organized a range of **volunteer activities for OPC employees** to help people and communities impacted by the war. Employees from Rotem and the headquarters harvested crops to assist local farmers during the crucial harvest time, and several employees delivered household equipment to families in need. Over the course of several weeks, OPC headquarters' employees volunteered every evening at a local hostel that housed evacuated families, where they helped with meal preparation and organized recreational activities for children and families.

Helping farmers pick crops

Serving food to families evacuated from the war area

Packing food to support communities affected by the war

Health & Safety in the Workplace

At OPC, we prioritize the health and safety of our employees.

OPC complies with all local and national safety requirements, and acts in full accordance with relevant regulations regarding environment, health, and safety (EHS) issues.

We take a proactive approach towards safety and place great emphasis on fostering a sense of responsibility for safety by all employees. We have an extensive safety program in place that focuses on **safety training, compliance, and avoiding risk**. We take a behavior-based approach towards safety, designed to empower employees to take responsibility for their own welfare and the welfare of their colleagues.

Safety Infrastructure & Management

Procedures, regulations, and management approach related to safety are outlines in the **OPC EHS & Safety Policy**. It describes our commitment to creating a culture of zero tolerance for safety hazards, and was created in collaboration with an external safety expert and senior OPC safety and management leaders. We are committed to Addressing 100% of significant safety hazards.

We monitor and measure safety performance at our facilities, and take an approach of continual improvement towards safety that includes preventative and corrective actions when necessary. In addition, the company has an asset management program in place based on the highest industry standards and our years of experience, with specific asset management objectives and targets.

To ensure compliance with internal procedures and safety regulations, we continuously monitor performance at each site. We conduct regular internal and external safety and maintenance audits, such as an annual environmental & occupational health survey and noise level tests that include risk identification and mitigation disclosures.

Our safety program is overseen be the **EHS Manager**, who reports to the COO, with periodic meetings to discuss safety matters. There is a **Safety Steering Committee** that meets quarterly to review safety updates and issues, and includes the CEO, COO, EHS Manager, station managers, and employee representatives. Every power plant has a **Safety Officer** who reports to the station manager, and oversees day-to-day safety compliance and implementation at the facility.

Implementing a Culture of Safety

Detailed and extensive safety procedures are established for every power plant, customized to meet the facility's unique needs and adhere to all relevant regulations and laws. Each power plant sets yearly goals for safety procedures, monitored throughout the year.

To encourage safety on the roads, all employees in Israel receive guidance on safe driving, including a lecture on road safety.

Safety at OPC Israel

Safety procedures at our power plants in Israel include:

- Daily '5 minutes of safety'
- Internal checks
- Emergency drills
- Observations by a Safety Officer
- Handling hazardous materials
- Pre-task risk surveys
- Safety rounds with employees and managers
- Peer observations

Safety at CPV

CPV's facilities are operated by top tier operational services companies all of which have significant experience overseeing large scale energy infrastructure projects. During operations, each company implements their own established safety procedures and practices which, at CPV's direction, focus on the use of leading indicators to incentivize preventative measures to avoid future injuries. One of the primary methods for doing so is through the use of regular "safety observations", in which a safety manager observes the work of an employee while utilizing a safety checklist to ensure all procedures and best practices are followed, allowing for the identification of safety concerns and opportunities for corrective action to be taken. The second method utilized is through regular "safety walkthroughs" in which employees conduct a tour of the facility, with an emphasis on the most vulnerable areas, to identify any safety concerns which require immediate attention.

Additionally, to ensure continued cooperation and emergency preparedness, CPV's facilities also conduct regular joint drills with local first responders to practice coordinated responses to potential emergency situations.

> At OPC, safety is everyone's responsibility.
>
> Everyone is empowered to act as a safety leader, never stop investigating and never stop learning.

Yoav Goraly, EVP Operations, Israel

Emergency Preparedness

We conduct several emergency drills throughout the year to ensure readiness for various scenarios, including earthquakes, fires, missile attacks, diesel fuel leaks, ammonia leaks, rescuing trapped employees, emergency evacuations, and more. In 2023, we conducted 12 emergency drills at Hadera, 18 at Rotem, and 4 at Zomet.

For select drills, we partner with external emergency response teams, including the fire department, Magen David Adom – Israel's National Emergency Service, the Home Front Command, and Israel Ministry of Energy. Additionally, to ensure continued cooperation and emergency preparedness, CPV's facilities also conduct regular joint drills with local first responders to practice coordinated responses to potential emergency situations.

OPC Israel target

conduct at least 8 emergency preparedness drills per site annually

Safety Training

All power plant employees in Israel receive regular, mandatory training on safety procedures and regulations, with additional retraining for specific tasks as needed. Each facility has a comprehensive safety training plan that covers key topics, including adherence to OPC procedures, use of personal protective equipment, equipment safety, and handling hazardous materials. At CPV sites, all employees undergo annual safety training, which includes guidance on best practices and instruction on identifying and addressing safety concerns.

As we operate in complex industrial settings, certain jobs are identified as 'high risk' –such as working in enclosed spaces, at elevated heights, or with electricity or natural gas, and employees receive specialized training in these areas. In some cases, a work scope with a safety appendix is issued for specific activities. At new construction projects, safety issues are identified at the start of the project, and safety is overseen by the building contractor.

There were no cases of work related illness among our employees or contractors in 2023, and our fatality rate has remained 0.

Compliance & Reporting

We have established safety KPIs that address a range of risk levels, from unsafe conditions to near misses, as well as incidents that require medical treatment or sick leave. In addition, we track emergency drills, safety enforcement checks, emergency preparedness, the handling of hazardous materials, and more. KPIs are tracked on a facility level and across the company.

Compliance checks include:

- Task risk analysis
- Employee certifications
- Equipment operating according to regulatory standards
- Work-related medical exams
- Safety orientation for new employees
- Near misses
- Facility certifications - fire safety, hazardous materials, emissions, radiation, noise, etc.

Safety Performance - OPC Israel

	2022	2023
Total Recordable injuries	3	**3**
Rate	1.66	**1.43**

Safety Performance - CPV

	2022	2023
Total Recordable injuries	2	**2**
Rate	1.55	**1.55**

We take a proactive approach towards compliance, and monthly safety inspections are carried out to identify safety hazards, near misses, and more, as well as any remediation or corrective actions taken. Incident reports are distributed to relevant employees and station managers, and are shared across sites to foster transparency and knowledge exchange. If necessary, supplementary investigations are conducted.

In sharing safety incidents, our focus is on learning lessons and preventing future occurrences. At OPC, we avoid blaming individuals or taking punitive actions against employees for safety incidents. This approach acknowledges our collective responsibility for safety and promotes reporting of potential violations or incidents by employees, with the primary objective of protecting all employees and preventing future incidents.

Safety roundtables are conducted on a quarterly basis, where employees are encouraged to raise any safety issues or concerns. Methods and channels for reporting safety incidents are detailed in the Safety Policy, and the company prohibits the harassment of any employee or manager who reports a safety incident or near miss.

To enhance tracking and reporting of potential safety risks, we introduced a mobile safety application in 2023 for all employees and managers to identify and report hazards. Additionally, we conducted a safety risk analysis of work areas, mapping all zones in each power station to identify possible safety hazards. Changes to work areas and practices were implemented as necessary.

Contractor Safety

It is essential for us that all contractors at our facilities adhere to our internal safety standards. Safety expectations are shared with contractors prior to engagement, and all relevant contractors undergo safety briefings and a pre-mission risk survey. Contractors must provide official safety documentation when working at our sites and must adhere to local regulations and OPC's culture of safety and safety standards.

Governance

Governance

Target	Progress
Ethics Maintain **zero** reported violations of our Code of Ethics	Target 0 2023 ✓
Compliance Maintain **zero** compliance violations	Target 0 2023 ✓
Cyber Maintain **zero** cyber-attacks that caused a disruption in business activity - target met	Target 0 2023 ✓
Supplier Code of Conduct with ESG aspects Enhancing the Supplier Code of Conduct to incorporate ESG aspects	**NEW TARGET**

Highest Governance Standards

As a public company operating in the energy sector, a market that is continuously evolving, we are committed to upholding the highest standards of ethical business practices and responsible governance.

We strive to conduct our business activities with integrity and in a fair, transparent manner. We are guided by our Code of Ethics, comply with all relevant laws and regulations, and believe that the highest standards of corporate governance are essential to our business integrity and performance. We assume responsibility for all our actions and business practices and hold ourselves responsible to all our stakeholders.

OPC is traded on the Tel Aviv Stock Exchange (TASE), and we strictly adhere to TASE rules and regulations, as well as the provisions of the Israel Securities Law.

> We are committed to maintaining the highest level of ethical and responsible conduct through compliance with relevant regulatory requirements and by building robust organizational culture of transparency and accountability.

Nurit Traurik, EVP General Counsel

Board of Directors

The OPC Board of Directors guides the company in its strategy and implementation, overseeing its accountability and risk management.

The Board meets regularly and works closely with OPC senior management to establish the company's long-term goals and objectives and provides oversight and guidance on the strategic direction of the company. It is highly involved in all major decisions of the company, in addition there is a detailed approval matrix for ongoing decision making. There were 40 meetings of the board and its committees in 2023, with 100% attendance.

The board is comprised of 10 members, with 4 independent directors. All members comply with the requirement that they are not subordinate to the company's CEO. In 2023, we were happy to welcome two new board members: Ms. Shirley Mashkif and Mr. Harel Givon, both of whom have accounting and financial skills.

This raised the number of directors on our board from 9 to 10.

Two of our board members are women.

Board members undergo professional training throughout the year, including topics on corporate governance and compliance. New board members undergo an onboarding process to learn about the company's processes and practices, guided by the CEO and all senior management members. The Board has formulated a policy regarding risk management, and risk management is discussed in the Board's conversations at least once a year.

Board Committees:

- Audit & Compensation
- Financial Statements
- Financing
- ESG
- Donations

For more information on the OPC Board of Directors, including its policies, committees, and responsibilities, see the OPC 2023 Annual Report.

Board 2023 highlights:

40
meetings of the board and its committees

100%
Meeting attendance rate

4
Independent directors (40%)

8
board members with financial and accounting expertise (80%)

Remuneration

The Board along with the independent remuneration committee sets the remuneration policy for company officers based on a variety of factors, including achievements in promoting company goals over the long-term and incentives that consider the company's risk management policy. The policy is approved according to the Israeli Public Companies Law and is available to the public.

Compensation for senior management and other employees is based on personalized performance and individual KPIs, and annual bonuses are dependent on the performance evaluation process. In recent years, we have added ESG-related performance KPIs for the senior management team, including implementation of renewable energy and low-carbon generation assets.

As part of the company's compensation policy, we offer stock options to senior office holders. Moreover, we view this as a means of showing the company's appreciation and motivating additional employees. Accordingly, stock options are offered to some employees who are not office holders, based on defined criteria that include the nature of their position, seniority in the organization and a recommendation from the direct manager. This approach reflects OPC's commitment to retaining and developing talent over time, by recognizing their strategic contribution to our success and providing long-term incentives.

Responsible Governance

Ethics

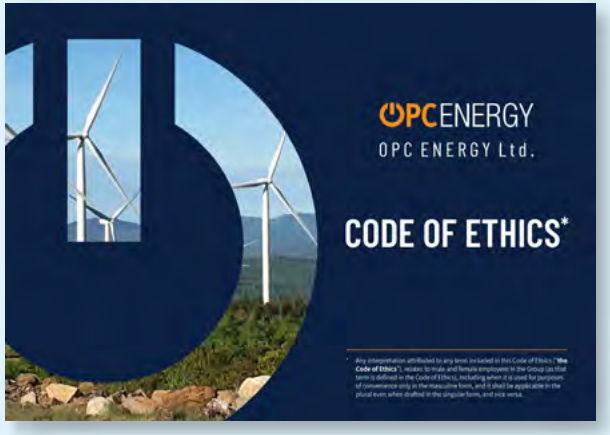
The OPC Code of Ethics outlines the principles and values of the company and provides employees and managers with a guide to appropriate conduct across business activities. The Code is an integral part of the company's culture, and employees are expected to uphold its principles, in addition to complying with all legal requirements.

Code of Ethics

In 2023, OPC introduced an updated Code of Ethics to ensure alignment with our expanding operations and growth.

The Code of Ethics highlights our fundamental principles and core values, covering a variety of topics, including:

- **Compliance with the law** – employees must always comply with the requirements of the law or relevant regulations.
- **Preventing conflicts of interest** – employees shall perform their jobs to ensure the company's good and are prohibited from receiving benefits from third parties in matters related to their work or position.
- **Integrity, trust, and fairness in business** – the company makes sure to conduct its enterprises fairly and honestly and expects employees to behave appropriately with their colleagues and to treat customers, suppliers, and partners with respect, honesty, integrity, and fairness.
- **Respecting others** – the company advocates inclusion, trust, respect, and honest behavior, and is committed to protecting and respecting the rights of its employees wherever it operates.
- **Responsibility, excellence, and continuous improvement** – the company's success is dependent on the skills and dedication of our employees, and we regard them as our most important assets.
- **Safety, health, community, governance, and environmental protection** - we endeavor to manage our enterprises while safeguarding the health and safety of our employees and the communities in which we operate.



Employees receive training on the code on an annual basis, and **in 2023 100% of OPC and CPV employees were trained in the Code of Ethics.**

The Code is available on the company's website, and the company's General Counsel is responsible for implementing and supervising its provisions.

Compliance

We conduct our business in full compliance with relevant laws and regulations and have established a variety of mechanisms to support compliance throughout the organization. All employees must comply with the high standards of conduct set by the law and OPC policies, as reflected in our company values.

As part of our commitment to transparency and financial integrity, we have fully implemented the Sarbanes-Oxley Act (SOX) across our organization. This framework has enhanced our internal controls, ensuring the accuracy and reliability of our financial reporting. By adhering to SOX requirements, we have strengthened our audit processes and mitigated risks associated with financial misstatements. Our dedication to SOX compliance reflects our broader ESG goals of responsible management and sustainable growth, providing confidence to our stakeholders in our financial practices and disclosures.

Policies to support proper corporate governance

In addition to the company's Code of Ethics, we have a range of policies in place to support responsible governance. They provide detailed information regarding expected behavior by employees when conducting OPC business activities and we have embedded compliance practices into our daily operations to ensure compliance with provisions of the law, including training, reporting, supervision, and controls.

Our compliance programs cover a range of topics, including:

- Anti-bribery and corruption prevention
- Securities Law compliance policy
- Environmental responsibility
- Safety
- Fraud and embezzlement
- Fair competition
- Cyber security and data privacy

Violations of these policies or any laws and regulations may result in disciplinary action.

Each compliance program is overseen by a dedicated compliance professional who is responsible for overseeing that area. With a robust plan encompassing policy, training, monitoring, and a strong leadership stance on compliance, we not only meet but exceed compliance standards, fostering a culture of integrity across our organization.

In 2023, there were no allegations of non-competitive behavior against the company, and no fines for non-compliance were paid by the company.

Anti-Bribery and Anti-Corruption

At OPC, we take pride in conducting our business with integrity and fair operations and consider corruption a threat to our business and values. We have a **zero-tolerance policy towards bribery and corruption.**

The Anti-Bribery and corruption prevention policy provides details and guidelines for proper business behavior, and every employee is required to acknowledge and comply with the policy.

We recognize our reputation for integrity is one of our most important assets.

In 2023, there were no events related to bribery or corruption. There were also no significant instances of non-compliance with laws and regulations at OPC and CPV in 2023, no legal actions for anti-competitive behavior or anti-trust, and no incidents of discrimination or corrective actions taken.

Compliance Training

Employees receive training on proper governance and compliance throughout the year, and new employees undergo training on relevant policies in their onboarding process. Training is provided on various policies and topics, including the Code of Ethics, anti-bribery and anti-corruption, securities and trading compliance, anti-fraud, sexual harassment prevention, and cybersecurity.

100%
of OPC and CPV employees received compliance training in 2023

Zero
Confirmed incidents of corruption

Zero
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

Zero
Incidents of discrimination and corrective actions taken

Zero
Significant instances of non-compliance with laws and regulations

Whistleblower Hotline

OPC is committed to creating an environment in which open and honest communication exists, and employees are encouraged to report any violations of the Code of Ethics or other policies.

We have a policy that outlines how reported complaints are handled within the company and prohibits retaliation and guarantees protection for anyone who, in good faith, reports a concern or participates in an investigation. There is a company hotline, both for OPC and CPV, where employees and other stakeholders can anonymously report a violation, and various channels of communication are outlined in the Code for making a report, including by email, phone, mail, in person, or online.

The hotline is operated by an independent third party, and reports are sent to the Chairman of the Audit Committee and the company's General Counsel.

Internal Audits

The internal auditor's report is submitted to the Board and its Audit Committee, which reviews its findings and any remediation measures taken. In 2023, we conducted several audits, including on compliance programs for anti-bribery and corruption, as well as compliance with securities regulation. The findings from these audits were communicated to senior management.

Risk Management

We adopt a comprehensive perspective on risks to foster a culture of smart, informed risk-taking. We have an Enterprise Risk Management (ERM) framework in place, overseen by the CFO and the VP Risk Management and ESG.

The ERM framework enables us to monitor and report risks, define roles and responsibilities across the company, and helps ensure effective risk management is integrated throughout our activities. Furthermore, it enhances our understanding of risk exposure by delivering increased transparency for senior management on the evolution of major threats and opportunities throughout the year, and how to address them.

Updated Enterprise Risk Assessment

Risk management is a strategic tool for harnessing potential growth drivers. As part of effective risk management, the risk landscape should be periodically revised in alignment with objectives and the evolving landscape.

Since OPC's last enterprise risk assessment in 2021, the company has expanded its operations and updated its business strategy, which has impacted its risk landscape. Furthermore, the business environment has become more dynamic, characterized by greater uncertainty and evolving trends that require adaptation. Risks are now emerging more rapidly and with greater impact, necessitating a reevaluation of the company's risk management approach.

To effectively manage current risks and meet its business objectives, in 2023 OPC conducted an updated enterprise risk assessment. The methodical process involved a sector benchmark and information gathered from the company's senior management. A similar risk assessment process was carried out at CPV in 2022. The risk assessment was discussed in the Audit Committee and approved by the Board.

2023 assessment updates include:

- Level of risk appetite compared to 2021
- Risk evaluations matrices -specific risk-rating criteria (impact; likelihood)
- Effectiveness of management actions.

Many of the newly identified risks arise from the expansion of OPC's business activities and the shift in strategic focus. Unlike previous risk assessments, each growth initiative now represents a distinct domain with its own set of opportunities and risks. Alongside these new domains, it remains crucial to uphold financial liquidity, attract suitable talents, and enhance the organization's information systems.

ESG-Related Risks

As part of our updated risk assessment conducted in 2023, we have identified several ESG-related risks, including:

- Human capital management – recruiting, retaining, and development of human capital
- Cybersecurity
- Compliance with regulation and reporting related to ESG
- Environmental Health & Safety

Risk owners have been appointed for the assessed risks, and the company monitors and tracks the risks, with updates provided to the Board of Directors, Audit Committee, and Compliance Forum.

Responsible Supply Chain

We are committed to ethical procurement practices and to encouraging a responsible supply chain in our industry. Our procurement team verifies that our suppliers comply with all regulations and meet our high standards for products and services.

We use a third-party due diligence system to screen our new business partners against restricted parties or sanction lists in both Israel and the U.S.

The company's largest procurement expense is the natural gas we purchase for our power plants. Our other suppliers provide services and goods, that enable our business activity. More than 90% of procurement in Israel is local.

The OPC **procurement policy** governs our purchasing practices and includes provisions concerning employee rights and protections, non-discrimination policies, possession of all requisite business licenses and permits, management of conflicts of interest, an anti-bribery policy, and the enforcement of safety and health standards.

As part of our new contracts with suppliers, they are required to confirm compliance with anti-bribery and corruption policies. To ensure adherence to regulations and ethical business practices, suppliers have access to the OPC whistleblower hotline. Moreover, We use a a third-party due diligence system to screen our new business partners against restricted parties or sanction lists in both Israel and the U.S.

In the US, all suppliers are provided with our Code of Conduct in their onboarding process. CPV's Chief Compliance Officer monitors vendor compliance on a regular basis, and vendors are required to complete a Preliminary Risk Assessment questionnaire every two years.

We maintain ongoing communication with suppliers regarding our ethical expectations and conduct sample tests to verify compliance with these requirements. For example, to validate committed salaries, we review select contractors' pay slips and accompanying social benefits. In 2023, this prompted us to discover that salaries for certain contractor security personnel were inadequate. We adjusted the supplier's contract to enable them to subsequently increase their employees' wages. Moreover, we ensure timely payment to our suppliers, thereby promoting fair payment practices within our industry. None of our contractor employees are paid minimum wage.

To support the professional development of contractors, we deliver professional training to selected staff, electricians, and mechanics at our power plants, and first aid training to security teams. To promote local economic development in Israel, we aim to purchase from small and medium-sized businesses and suppliers near the plants, whenever possible, for example in technical supplies. Many of these businesses are located in the outlying areas of Israel.

Stakeholder Engagement

We understand the importance of proactive, frequent, and transparent communication with stakeholders and conduct a variety of stakeholder engagement initiatives throughout the year.

Financial Partners and Investors

We provide detailed financial information on our Investor Relations website, including TASE reports, quarterly presentations, and other financial disclosures. Our Investor Relations Manager ensures regular communication with investors, conducts quarterly conference calls with our CEO and CFO, as well as an annual investor conference. We actively seek feedback from lenders, insurers and other financial partners, on company performance, ethical issues, and other topics.

The Environment

We are affected by the natural environment and affect it with all our operations. We work continuously to reduce our environmental impact on air, water and the waste we produce.

Communities

Our approach to the communities in which we operate emphasizes meaningful involvement through various volunteer initiatives and financial support. CPV also hosts community meetings and events, and maintains open communication channels with local communities via emails and a local hotline.

Key Industry Suppliers

We cultivate strong partnerships with global leaders in energy technology to remain at the forefront of technological developments.

Clients

Our clients are industrial and commercial companies with whom we maintain ongoing communication to optimize their consumption. Financial Partners and Investors Our billing team is always available to assist with any inquiries or support our clients may need.

Regulators and Government Authorities

We engage in open, direct, and transparent dialogue with relevant regulators through our Regulation Manager. We view this ongoing interaction as vital and participate in regular hearings and roundtable discussions, either directly or through energy sector organizations. CPV maintains an active voice in such industry organizations to help drive positive advocacy in market design, policy, and regulatory evolutions. OPC Israel is dedicated to sharing its extensive international knowledge on free market parameters with Israeli regulators.

Employees

We foster ongoing and open dialogue between employees and managers throughout their journey with the company. This includes a yearly review for all employees, periodic round-table meeting, a monthly newsletter, and continuous updates on company activities from senior management.

Memberships & Associations

We are affiliated with multiple organizations to advance responsible business practices.

OPC

Private Electricity Producers Forum in Israel

The primary objectives of the forum include collaborating with governmental authorities and diverse regulatory entities to advance the natural gas electricity production sector through private sector engagement. This endeavor aims to establish a competitive market for electricity generation in Israel.

Green Energy Association of Israel

Promotes the implementation of renewable energy electricity production in Israel.

EnergyCom

Israel's Energy Community was established by the Israeli Ministry of Economy in partnership with the Ministry of Energy and the Innovation Authority to create a dynamic community to together create an innovation environment in the various energy sectors in Israel.

Ma'ala

A non profit corporate membership organization that serves as a hub for the promoting of ESG in Israel. We participate in the Ma'ala Index, which rates over 150 companies in Israel on their ESG performance and are proud of retaining the Platinum+ rating for our 2023 activities

CPV

Electric Power Supply Association

This trade association representing competitive power suppliers in the U.S.

American Clean Power Association

A leading organization for the clean power sector in the U.S. which represents a diverse group of companies involved in generating, transmitting, and using clean energy.

Solar Energy Industries Association

The national trade association for the solar energy industry in the U.S. that works to promote solar energy through advocacy, market research, and public outreach, to expand the adoption of solar power and drive the industry's growth.

PJM Power Provider Group

A coalition of competitive power suppliers operating in the PJM Interconnection region, which covers parts of the eastern U.S. The group focuses on promoting fair competition and effective market structures in the PJM region.

New England Power Generators Association

The association includes companies that own and operate power plants and other energy facilities in New England

Independent Power Producers of New York

A trade association representing independent power producers and energy companies in New York State including companies that operate a range of power generation facilities.

Cybersecurity & Data Privacy

We deploy extensive monitoring and control systems to safeguard the hardware, software, and operating systems utilized in our business operations. Our policies and procedures are designed to uphold data privacy, and we continuously enhance our safeguards and systems in line with the latest technological developments.

Zero

incidents of cyber security non-compliance and no breaches of customer privacy and losses of customer data in 2023.

Israel

OPC implements various safeguards to protect its IT systems and production facilities against cyberattacks. Cybersecurity is overseen by the company's CISO, who reports to the CIO, and there is a cyber steering committee that includes plant representatives, which meets regularly to assess risks, review reporting mechanisms, and authorize necessary tools and actions. In 2023, we engaged an Incident Response firm to assist in handling potential cyberattacks, and we regularly update safeguards according to developments in available technology.

At our power plants, we take a multidimensional approach to defense, including protection against external or internal attackers and developing the capacity to monitor and identify cyber incidents in real time. Cybersecurity drills are carried out across our power plants, with management undergoing practical cybersecurity training every two years. These exercises are designed to simulate actual cyber-attacks, allowing management to sharpen their skills and preparedness in handling potential threats and making informed, strategic decisions.

We continuously work to improve data protection and prevent cyberattacks. In 2022, we performed a cyber risk assessment, and based on the findings we devised a strategy to mitigate risks and developed an annual work plan to tackle cyber threats. In 2023, activities included mapping and reviewing databases, preparation of an annual cyber compliance program, execution of drills, implementation of a system that simulated hacking and an attack, and employee training tutorials in cyber and privacy protection. In addition, we developed internal control procedures as part of the company's ongoing assessment of its compliance with relevant laws and provisions.

US

At CPV, in 2023, cybersecurity measures continued to be implemented, throughout digital systems' lifecycle, from system design to active monitoring and testing and, eventually, the retirement and replacement of systems. CPV team works diligently to design and implement new networks and IT infrastructure, using indsutry best practice, to ensure our systems are as secure as possible.

Once a system is online, CPV cybersecurity team leads the effort in providing 24/7 monitoring to enhance visibility and promptly respond to any potential threats. Routine risk assessments are conducted regularly to identify vulnerabilities.

Any critical, high, or medium risk identified during these assessments are remediated quickly to address potential weaknesses.

Training is a crucial focus area in our efforts to prevent cyberattacks. CPV recognizes that phishing, spear-phishing, and other forms of social engineering are common avenues for bad actors to exploit. Thus, awareness and vigilance among all employees and contractors is critical. Additionally, mandatory training is rolled out to all personnel to reinforce the appropriate security mindset from within. While we strive to remain vigilant and implement proactive threat response mechanisms, we acknowledge that incidents may still occur. To prepare for a post-attack response, we have established tailored site-level incident response plans to enable swift and effective action in the event of a cyberattack. This ensures a comprehensive and coordinated response should such an unfortunate event occur.

Local Economic Development

We recognize the important role our facilities can play in fostering economic development in local communities.

In Israel, OPC power plants are located strategically to serve our customers' needs, including in geographically outlying areas. This creates job opportunities for local communities, including at the Rotem power plant, our largest facility located in the Negev desert, and at the Zomet and Gat power plants, all located in an outlying area of Israel. It bolsters the local economy by employing workers and subcontractors in the region, supporting local businesses and paying local taxes. Additionally, we procure natural gas from local suppliers, which contributes to national economic growth.

In the US, CPV plays a significant role in supporting the transition of 'energy communities' to cleaner energy. Historically, many energy communities in the US depended on fossil fuel industries, such as coal power plants, for jobs and economic development. As these facilities are decommissioned and shut down, many of these communities experience significant job losses and economic downturns.

CPV is helping many of these economically challenged communities to be leaders in the Energy Transition and benefit economically, as well. We have committed to the development of over 400 MW of renewable energy capacity at three former coal mine sites: Maple Hill Solar, Backbone Solar, and Rogues Wind. These projects, located in Pennsylvania and Maryland, repurpose sites with limited alternative use and utilize them for productive purposes, generating renewable energy while fostering economic growth in the local communities. These projects, as well as others in designated Environmental Justice zones, contribute to local economic development and also provide affordable, reliable, low-emissions power to residents of these communities.

For major capital investment projects in the US (over $200M), an economic impact analysis is prepared during the development stage that includes information on payroll details, expenditures during outages, charitable giving, community benefit agreements, and more.

Incorporating Agrivoltaics into Solar Projects

At CPV, our development team is tasked with identifying ways to preserve the deep-rooted culture of our host communities and implement plans to leave the land in a similar or better condition at the end of a project's lifecycle. As a result, CPV began to implement agrivoltaics - the dual-use of land for solar energy production and agricultural practices -into several of our solar development projects.

In Georgia, CPV Stagecoach Solar partnered with a nearby landowner to incorporate sheep grazing for vegetation management, providing upkeep services onsite while supporting local businesses. In Virginia, our CPV County Line Solar development project focused on implementing measures that meet Virginia's Pollinator Program including the integration of native vegetation, apiaries to encourage pollinator growth, and grasses to help refortify the land currently not suited for crop cultivation which will result in the enrichment of soil for future farm uses. In Kentucky, our CPV Stonecrop Solar project will include dedicated crop production, apiaries and sheep grazing as part of its design.

Tax Policy

We ensure strict compliance with all country-specific tax regulations through internal company procedures.

Our VP of accounting and tax forms the company's tax strategy and reports to the group CFO. As part of this strategy we engage with tax authorities in a transparent manner to ensure compliance with all tax requirements.

The company's tax risks were evaluated as part of the company's overall risk management process and as part of this management, tax aspects are evaluated for each major deal or business activity. Reports or input regarding our tax compliance can be submitted via our public whistleblower hotline.

As an energy producer, our activity in Israel and the US are eligible for tax benefits. In the US, in alignment with our sustainability objectives, we have strategically leveraged Investment Tax Credit (ITC) and Production Tax Credit (PTC) incentives to support our renewable energy projects. These federal incentives have been instrumental in accelerating our transition to cleaner energy sources, reducing our carbon footprint, and enhancing the financial viability of our sustainability initiatives. By optimizing the benefits of ITC and PTC, we are not only contributing to the global effort to combat climate change but also delivering long-term value to our stakeholders through responsible and forward-thinking energy investments.

Appendices

OPC Hadera, Israel

About this Report

This report reviews the activities of OPC Energy in Israel and its subsidiary in the US CPV in the calendar year 2023 and includes information on some major company developments that occurred in 2024. Our previous report covered 2022 and OPC intends to continue reporting on its ESG performance annually. The report is written in accordance with the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB) guidelines for electric utilities and power generators.

Regarding operational or financial aspects, in case of a discrepancy, the information in our financial statements supersedes any information herein.

For any comments or questions about his report please write to the VP ESG at OPC, **Ms. Keti Simhayev** at esg@opc-energy.com

Employee Data Charts

OPC Employees

		2022			2023		
		Women	Men	Total	Women	Men	Total
Senior Managers (VP & C suite)	Under 30	0	0		0	0	
	30-50	3	2		4	10	
	Over 50	0	2		1	4	
Managers	Under 30	0	0		0	0	
	30-50	9	27		7	21	
	Over 50	0	12		0	9	
Non-managers	Under 30	5	5		2	11	
	30-50	17	54		16	56	
	Over 50	3	11		7	15	
Total		**37**	**113**	**150**	**37**	**126**	**163**

CPV Employees

		2022			2023		
		Women	Men	Total	Women	Men	Total
Senior Managers (VP & C suite)	Under 30	0	1		0	0	
	30-50	2	17		2	12	
	Over 50	1	21		2	25	
Managers	Under 30	0	2		0	2	
	30-50	10	28		10	26	
	Over 50	4	8		4	13	
Non-managers	Under 30	0	16		5	16	
	30-50	9	10		12	15	
	Over 50	4	0		5	1	
Total		**30**	**103**	**133**	**40**	**110**	**150**

* OPC does not have workers who are not employees.

Employee Turnover

2023

	Age Group	New Hires		Attrition(Voluntary, Retirement, Termination)		Turnover rate	
		Israel	CPV	Israel	CPV	Israel	CPV
Women	Under Age 30	1	5	2	0	4%	2%
	Ages 30-50	6	5	5	2		
	Over Age 50	1	3	0	1		
	Total (Women)	**8**	**13**	**7**	**3**		
Men	Under Age 30	7	6	2	3	12%	11%
	Ages 30-50	21	9	13	11		
	Over Age 50	4	7	5	1		
	Total (Men)	**32**	**22**	**20**	**15**		
Total	Under Age 30	8	11	4	3	3%	2%
	Ages 30-50	27	14	18	13	11%	9%
	Over Age 50	5	10	5	2	3%	1%
	Total (All ages)	**40**	**35**	**27**	**18**	**17%**	**13%**

2023

	Women	Men	Total
Total number of employees that were eligible for parental leave in this reporting period	3	7	10
Total number of employees that took parental leave in this reporting period	3	7	10
Total number of employees that were due to return to work this year after parental leave ended	4	N/A	4
Number of employees that actually returned from parental leave	4	N/A	4
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	3	N/A	3
Parental leave usgae rate	100%	100%	100%
Return to work rate	100%	N/A	100%

GRI Content Index

GRI Standard	Disclosure	Source/ page
GRI 2: General Disclosures 2021		
2-1	Organizational details	75
2-2	Entities included in the organization's sustainability reporting	75
2-3	Reporting period, frequency and contact point	75
2-4	Restatements of information	35
2-6	Activities, value chain and other business relationships	7,8, 20F for 2023
2-7	Employees	78
2-8	Workers who are not employees	78
2-9	Governance structure and composition	62
2-10	Nomination and selection of the highest governance body	62, 20F for 2023
2-11	Chair of the highest governance body	20F for 2023
2-12	Role of the highest governance body in overseeing the management of impacts	22
2-13	Delegation of responsibility for managing impacts	22
2-14	Role of the highest governance body in sustainability reporting	22
2-15	Conflicts of interest	62
2-16	Communication of critical concerns	63, 20F for 2023
2-20	Process to determine remuneration	63
2-22	Statement on sustainable development strategy	10
2-23	Policy commitments	24, 41
2-25	Processes to remediate negative impacts	41, 69

GRI Standard	Disclosure	Source/ page
2-26	Mechanisms for seeking advice and raising concerns	41, 69
2-27	Compliance with laws and regulations	65, 60
2-28	Membership associations	70
2-30	Collective bargaining agreements	69
2-30	Collective bargaining agreements	47
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	20F for 2023
201-2	Financial implications and other risks and opportunities due to climate change	7, 10, 37
201-4	Financial assistance received from government	73
GRI 201: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	47
202-2	Proportion of senior management hired from the local community	100%
GRI 203: Indirect economic impacts		
203-1	Infrastructure investments and services supported	72
GRI 204: Procurement practices		
204-1	Proportion of spending on local suppliers	68
GRI 205: Anti-competitive 2016		
205-2	Communication and training about anti-corruption policies and procedures	64
205-3	Confirmed incidents of corruption and actions taken	65

GRI Content Index

GRI Standard	Disclosure	Source/ page
GRI 205: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	65
GRI 207: Tax 2019		
207-1	Approach to tax	73
207-2	Tax governance, control, and risk management	20F for 2023
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	30
302-3	Energy intensity	30
302-4	Reduction of energy consumption	30
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	33
303-2	Management of water discharge-related impacts	33
303-4	Water discharge	33,34
303-5	Water consumption	33
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	29
305-2	Energy indirect (Scope 2) GHG emissions	29
305-4	GHG emissions intensity	29,30
305-5	Reduction of GHG emissions	29,30
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	24,32

GRI Standard	Disclosure	Source/ page
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	34-35
306-2	Management of significant waste-related impacts	34-35
306-3	Waste generated	34-35
306-4	Waste diverted from disposal	34-35
306-5	Waste directed to disposal	34-35
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	76
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	none
401-3	Parental leave	76
GRI 403: Occupational Health and Safety 2018		
403-2	Hazard identification, risk assessment, and incident investigation	56-59
403-3	Occupational health services	55
403-5	Worker training on occupational health and safety	58
403-6	Promotion of worker health	55
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	68
403-9	Work-related injuries	58
403-10	Work-related ill health	58

GRI Content Index

GRI Standard	Disclosure	Source/ page
GRI 404: Training and Education 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	42-44
404-3	Percentage of employees receiving regular performance and career development reviews	46
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	62
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	65
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	No such operations
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No such operations
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	49-54
GRI 415: Public Policy 2016		
415-1	Political contributions	53
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	71

SASB Indicators Disclosures

Topic	METRIC	CATEGORY	UNIT OF MEASURE	2023
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO_2e	4,037,359
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	p. 10,29,30
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N.O), (2) SOx., (3) particulate matter (PM_{10})	Quantitative	Metric tons (t)	p. 32
Water	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m^3), Percentage (%)	p. 33
	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Quantitative		0
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Discussion and Analysis	n/a	p. 33, 34
Workforce Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	1-1.5 2-0
Grid Resiliency	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Quantitative	Number	0

DISCLAIMER

This Report is provided voluntarily and solely for the purpose of presenting a general overview of the matters and certain activities as presented herein, including highlights of the ESG performance and initiatives for the calendar year 2023 (the "Purpose") of OPC Energy Ltd. ("OPC") and its subsidiaries (the "Group").

In respect of information concerning the Group's operations or financial results, readers are hereby referred to the full immediate and periodic reports filed by OPC with the Israel Securities Authority and the Tel Aviv Stock Exchange Ltd., including information regarding OPC's activities and the risks entailed thereby, and warnings regarding forward-looking information. In any case of discrepancy, information detailed in the Public Reports shall prevail.

This report contains certain forward-looking statements and forward looking information as defined in the Securities Law, 5728-1968 (the "Securities Law") with respect to the Group's sustainability goals and its plans, intentions, expectations, assumptions, goals and beliefs regarding its business. These statements and information include all matters that are not historical fact and may be identified by the use of words such as "believes", "expects", "will", "targets," "goals," "KPI" or similar expressions, including variations and the negatives thereof or comparable terminology.

These forward-looking information include, among other things, statements about expectations in connection with the Group's environmental, social and governance ("ESG") initiatives and in connection with the Group's business and activities, including the plans, targets and goals set forth in this report in connection therewith. In addition, information regarding projects under construction or development, including in relation to the expected commercial structure and the commercial operation date and the expected MW and storage capacity, including projects under development, which are based on a carbon emission reduction strategy or a carbon capturing strategy, these project's capacity, the extent to which emissions will be reduced, the integration of advanced technologies and the technological characteristics (capacity, carbon capturing and storage capabilities), the estimated construction costs, the eligibility to benefits, expected construction and/or commercial operation dates.

Such forward-looking information are based on the current assumptions, intentions and plans of the Group and there is no certainty that it will materialize or how it will materialize (in whole or in part), including due to factors beyond the Group's control, including due to the factors referred to under "Risk Factors" in sections 8.21 and 19 in Part A of the OPC's annual report for 2023. As of the date of this report, the projects under development or construction, the promotion thereof and the pace of their progress are subject to the fulfillment of various conditions (including obtaining approvals, licensing processes, completion of the development of the project and technological capabilities, securing funding, etc.), including conditions that are outside of the Group's control, and which have not yet been fulfilled as of the date of this report. Therefore, as of the date of this report, there is no certainty that some or all of the projects will be executed.

In light of these and other risks, uncertainties and assumptions, the forward-looking events described in this report may not occur. The forward-looking statements and information speak only as of the date of this report. OPC undertakes no obligation to update or revise any forward-looking statement or information, whether as a result of new information, future events or otherwise.

This Report includes number of issues deemed relevant by the Group for the Purpose, yet the inclusion or exclusion of any detail in this Report does not indicate whether such detail is material or immaterial for the Group. Except where noted, the information covered in this report highlights the OPC's ESG performance and initiatives for the calendar year 2023. The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. Moreover, this report may use certain terms, including those that GRI or others may refer to as "material," to reflect the issues or priorities of OPC, its subsidiaries and its stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with securities, or other, laws or as used in the context of financial statements and reporting. This report may contain information sourced from external public publications of various entities or regulators, which was not independently examined by the Group. Neither the Group nor any of its employees or representatives shall be liable for any loss resulting from reliance on this Report or its contents.

Design:PortnovMishan

OPC ENERGY