



RES role in current and post war economy

ELEMENTUM ENERGY

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Elementum Energy at a Glance

Incorporation

Elementum Energy (EE) was established in 2018

Leading international investor

EE operates the biggest RES portfolio among international investors in Ukraine with total share c. 8%

Offices

London, Kyiv and Odesa

Assets

100 MW wind park in Odesa region 536 MW solar power plants across 6 regions

Development plan

210 MW wind pipeline
Sales model change to cPPAs and Merchant risk
Battery Energy Storage System (BESS) to strengthen operating model

Shareholders

VR Capital is an investment fund operating since 2003 with c. \$5.4 bln. in assets under management, focus on emerging markets and strong commitment to RES

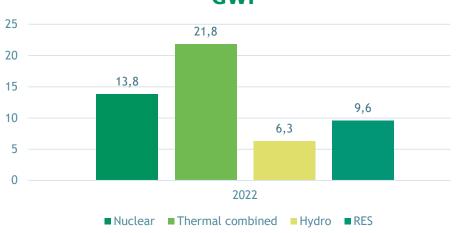


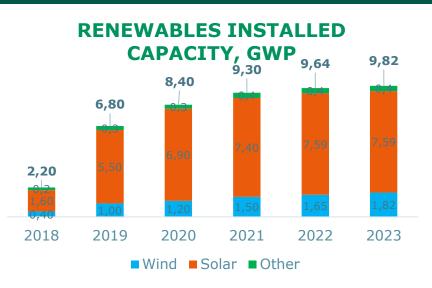


Energy capacity of Ukraine

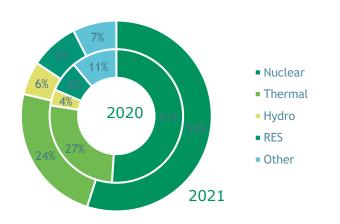








ENERGY MIX



GROSS CONSUMPTION, MLN. KWH



War notes:

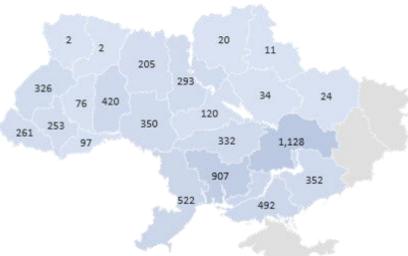
- WPP up to 90% damaged or occupied
- SPP up to 30% damaged or occupied
- NPP up to 50% occupied / shut down
- TPP up to 30% damaged or occupied
- HPP up to 20% damaged
- More than 50% of over headlines and substations damaged
- More than 35% of consumption dropped

Renewable energy market & players



SOLAR INSTALLED CAPACITY, MW

WIND INSTALLED CAPACITY, MW

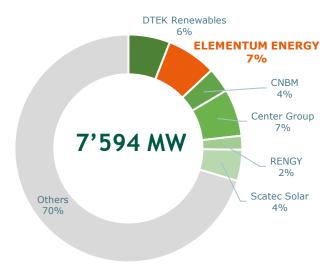




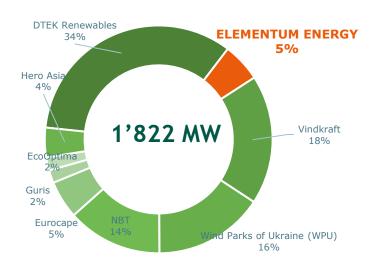
Ukrainian RES support scheme have resulted in the rapid installation of over 8.4 GW of RES capacity by 2021, with the vast majority of investments in 2019

Ukraine targets carbon neutrality as a long-term goal, aiming to phase out coalfired power generation and increase the share of renewables in the energy mix

SOLAR INSTALLED CAPACITY



WIND INSTALLED CAPACITY



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Sustainability at Every Step



Key Highlights

- > 2,259 GWh of green/renewable energy produced since 2019
- > 1.6 million tonnes of CO2e avoided since 2019

Since 2021 Elementum has become a member of the **United Nations Global Compact** initiative and started following ten principles on human rights, labour, environmental and anti-corruption in each business process.

The company is focusing on development and implementation of corporate standards within the Integrated Management System (IMS) according to ISO 14001:2015 and ISO 45001:2018 standards.

Elementum limits environmental impact at all stages of operations through effective resource management, minimizing waste generation, control of air emissions, avoiding and minimising biodiversity loss.

We strongly believe that human life is the most important and safety, health and well-being of our employees and contractors is the top priority for the company.

EEL actively cooperates with local communities around regions of the production facilities presence. Our corporate social responsibility ("CSR") projects are designated to help regions to become more inclusive, safe, resilient and sustainable, as local communities are drivers of economic growth.

Company's ethical and conduct standards are outlined in our policies, which are designed to create a culture in which all employees and counterparties feel valuable, respected, empowered and inspired.

Elementum is striving to implement principles of sustainable development in all business aspects while producing reliable clean energy via sustainable and renewable sources for today and future generations.



RES as a Partner for Business



Energy supply and price hedging

- Physical energy supply at fixed price for fixed term
- Synthetic PPAs (contract for difference) for fixed price, volume and term - no physical supply, only hedging

Savings through investment partnership

- Law 3220 allows business to become energy prosumer and put either own RES generation behind the meter or attract investor to build RES
- Such approach saves on a) energy price (DAM), b) transmission (TSO) and c) distribution (DSO)
- Solar, batteries and different biogas plants are perfect choice for "behind-the-meter" solutions

ESG and carbon taxation

- RES will be able to supply business with green certificates (certificates of origin) - either complimentary to the supply and hedging or as standalone service
- Green certificates could be used for ESG matters (proof of green transition) and carbon emission taxation management

Exploring Ukraine Further



According to risk mitigation strategy Elementum selected certain generating companies to be shifted from FIT to merchant risk and started trading activity. Such action can help to exploit market inefficiency and benefit from price movement.

Commercial sales

Market coupling with EU and green attributes

capacity.

Ukraine is transitioning from FiT to

with 12-year, partially hard currency

based PPAs. Elementum exceptionally

well-positioned to compete for future

auction-based allocation of RES capacity

Corporate PPA

Elementum has two pipeline projects that rely on corporate PPA (cPPA) structure aiming to avoid revenue concentration and diversify sales through number of corporate consumers. projects should become pioneering for domestic market so that contributing to development of a new market niche.

Military aggression of Russia has adversely impacted EU electricity market that resulted in hike of energy prices while Ukrainian electricity prices remained significantly lower. Under such circumstances export of Ukrainian electricity get a huge competitive advantage.

Export of electricity

Battery energy storage systems and green hydrogen

Under the EU 2x40 GW Green Hydrogen Initiative Ukraine was included as a neighboring country for development of green hydrogen with a targeted 10 GW electrolyzer capacity; balancing capacities for solar and wind generation shall play key role in the energy strategy of Ukraine



Thank You for attention!

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