



2024 PROFIL-I-SOLAR

SUSTAINABILITY REPORT

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About Profil-I-Solar

Profil-I-Solar Ltd was founded in 2022 as part of the Profil-I Group.

The main activity of the company is production of parts and items from aluminum, which are used in the construction of photovoltaic plants.

The company has modernly equipped workshops for cutting, punching, CNC processing and assembly of aluminum parts.

Profil-I-Solar Ltd is certified according the following standards:

- **ISO 9001:2015**
- **EN 1090-3 EXC 2**
- **ISO 14001:2015**

Declaration by the CEO

At Profil-I-Solar, we believe that sustainability and social responsibility are at the heart of our business model. As a company specializing in the production of aluminum products for the construction of photovoltaic power plants, we are proud to contribute to the development of the renewable energy sector and the creation of a greener future.

Our activity is entirely focused on supporting the production of green energy. Through our products, we contribute to reducing the impact on the environment and preserving natural resources. We are committed to working responsibly, transparently and ethically – both towards our employees and customers, as well as towards society and nature.

Driven by strong values, we aim to minimize our environmental footprint, while building stable and sustainable relationships with all stakeholders – employees, partners, suppliers and local communities.

CEO: Dipl.-Ing. Ivan Batakliiev

Our understanding of responsibility

Responsibility and sustainable development are guiding principles in our business model. Our company invests in causes and policies that leave a positive mark and make our lives better. With these actions, we declare our commitment to our better tomorrow.

We strive to continuously improve quality, efficiency and achieve sustainability in every process, at every level. It is important for us to develop our business in a responsible and sustainable way, with care for employees, the environment and society.

Our areas of responsibility

Our socially responsible policy is focused on five main areas, namely - the quality of our products, employees, business partners, environment and local communities.

1. Product quality

One of our most important priorities is the quality of our products. As part of our responsibility, we approach the quality of the items we produce with extreme care and professionalism. Our products are certified according to internationally recognized standards.

2. Employee care

Our employees contribute greatly to the success of our company. That is why caring for them is one of our leading missions.

The race to attract quality personnel is now global. New generations, their behavior and attitudes are reversing trends and today it is not employers who choose employees, but people who choose their employers. All this is confronting companies with previously unknown challenges.

Other factors continue to have a strong influence, such as the negative demographic trends of aging and migration, as well as the crisis in education and the low qualification of personnel. Recognizing these new realities, we focus our efforts on the following priorities: we do not stop investing in our employees; we offer some of the best working conditions, decent pay in the industry and various opportunities for development and qualification.

2. Employee care

In order to improve the health and safety at work and as additional training for our employees involved in the production process, in 2024 we conducted the following workshops:

- Electrical safety and injuries depending on the voltage to which one is exposed, how to recognize malfunctioning devices and machines**
- Transport activities on the territory of the company, personal safety measures**
- Personal protective equipment - use, replacement and protection**
- Basic rules for first aid**

2. Employee care

In line with our commitment to ensuring the health and safety at work, in 2024 we invested in the construction of a modern filter system in the CNC machining workshop. The system effectively captures coolant vapors and significantly reduces dust and aerosol concentrations in the air.



3. Business partners

The principles of transparency, honesty and professionalism guarantee sustainable cooperation with our business partners. We share knowledge and experience with them and contribute to their development.

4. Local communities

We can drive positive change for the people around us. That is why we initiate and support projects that help people in different regions of the country to lead a better and more fulfilling lifestyle. We are aware that the activities of our company can and should leave a positive mark on society. That is why we traditionally initiate and support socially responsible causes and sustainable projects with one main goal – to support society.

We create long-term partnerships with local organizations and direct our efforts in two main directions: supporting young talents and developing local communities.

4. Local communities

In 2024 we organized various campaigns for the benefit of society:

- **Donation to the National Fund “Sveti Nikola”**
- **Donation for a transplant for a child in need**
- **Donation to the Municipality of Kostievo for organizing a traditional folklore festival**
- **Sponsorship of the Association “Youth Chamber Orchestra Frank Martin”**
- **Main sponsor of the event “Trimontiada” with the participation of the Salzburg Philharmonic**

5. Commitment to environmental protection

Our efforts are aimed at optimizing energy consumption by introducing energy-efficient production technologies, using recyclable materials and increasing the share of green energy in the production process.

1. Environmental contribution from recycling:

1.1 Aluminum waste

The main raw material in our production is aluminum. The company has built a highly efficient system for collecting waste from cutting aluminum profiles.

In 2024, 26 tons of aluminum shavings and scraps were handed over for recycling, which significantly contributed to the environmental protection.

The environmental impact of this is equal to:

- Avoided coal combustion – **123.8** tons
- Avoided carbon emissions – **236.6** tons of CO₂
- Saved **691 m3** of water

5. Commitment to environmental protection

1.2 Packaging materials

In 2024, 12.9 tons of paper and 820 kg of polyethylene were recycled.

The environmental impact of this is equal to:

- Saved **220** trees
- Saved **343 m³** of water
- Avoided coal combustion – **14,13** tons of CO₂

1.3 In 2024 we took a significant step towards sustainability by reducing the use of styrofoam in our product packaging by 50%.

We have committed to completely eliminating styrofoam from our packaging solutions in 2025. Our long-term goal is for all packaging materials used to be 100% recyclable.

2. Environmental contribution from using renewable energy.

In 2023, Profil-I (which together with Profil-I-Solar is part of Profil-I Group) invested in and put into operation a photovoltaic power plant with a capacity of 700kWh.



5. Commitment to environmental protection

Following our commitment to reducing our environmental impact, Profil-I has an investment program for the period 2024-2025, which includes the design and commissioning of a new photovoltaic power plant with a capacity of 750kWh.

For the past year 2024, the share of energy used from renewable sources in our production is 60%, the environmental effect of this is equal to:

- Avoided coal combustion – **97.2** tons
- Avoided carbon emissions – **155.6** tons of CO₂
- Saved **493 m3** of water

5. Commitment to environmental protection

In conclusion, our contribution to environmental protection in 2024 is as follows:

**Avoided coal
combustion**



221 tons

**Avoided CO₂
emissions**



406.5 tons

Saved



1 527 m³ of water

Saved



220 trees

We remain committed to sustainable development, combining efficient resource management with long-term care for nature, society and future generations.

Responsible corporate management

Profil-I-Solar is committed to its corporate responsibility to exercise due care and continuously improve social and environmental standards.

For several years, our company has been committed to various measures in the areas of environmental and social standards, human rights and anti-corruption – for example, we guarantee living wages and incomes, protect the environment in our global supply chains, and offer our employees fair working conditions and equal career opportunities.

Profil-I-Solar's support for the UN Global Compact (UNGC) – the world's largest and most important initiative for responsible corporate governance – is an additional direction and framework against which we orient ourselves for our already developed and applied activities and standards of our long-term sustainable development strategy. For us, responsibility and sustainability are not only a promise, but also the binding basis of our practical actions and the key to the future success and growth of the company.

The UN Global Compact

The UN Global Compact consists of ten principles for responsible corporate governance in the areas of human rights, labor standards, the environment and anti-corruption.



The 10 Principles of the UN Global Compact

Human Rights

- 1. Support and respect the protection of internationally proclaimed human rights*
- 2. Guarantee not being complicit in human rights abuses*

Profil-I-Solar stands together with our business partners behind the commitment to respect human rights at all stages of our product creation chain. Respecting and protecting these fundamental rights is part of our corporate responsibility. In these endeavors, we are guided by the principles set out in internationally valid frameworks such as the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. As we believe that our corporate success is based on treating each other fairly, responsibility towards people and society is a strong component of our company's corporate principles.

The 10 Principles of the UN Global Compact

Labor

- 3. Uphold the freedom of association and the effective recognition of the right to collective bargaining*
- 4. Elimination of all forms of forced and compulsory labor*
- 5. Effective abolition of child labor*
- 6. Elimination of discrimination in respect of employment and occupation*

Fair employment relationships are the foundation of the trust we build with our employees. At Profil-I-Solar, we offer transparent and fair conditions and our employees are confident that they can rely on them in the long term. Any forms of forced or compulsory labor in our company are unacceptable. To this end, working hours are recorded electronically and every minute worked is paid correctly. The electronic reporting system ensures full transparency of the working hours reported by employees and guarantees that all legal requirements are complied with in the interest of the health and working capacity of employees.

Our employees receive food vouchers monthly.

The 10 Principles of the UN Global Compact

Environment

- 7. Support a precautionary approach to environmental challenges*
- 8. Undertake initiatives that stimulate greater environmental responsibility*
- 9. Encourage the development and diffusion of environmentally friendly technologies*

In order to protect the environment, we strive to reduce the consumption of virgin raw materials and use a greater amount of recycled materials. To mitigate our environmental impact, our company continues to implement energy efficiency measures in its production facilities by installing photovoltaic systems.

For our promotional materials and packaging, as well as in our offices, we use recycled paper, which saves resources.

The 10 Principles of the UN Global Compact

Anti-corruption

10. Support for anti-corruption initiatives and transparency policies

Profil-I-Solar is a company committed to conducting business in accordance with all applicable laws, rules and regulations in Bulgaria and the highest ethical standards. The company requires the same behavior from its staff, suppliers, business partners and state or municipal authorities, as well as from everyone with whom it has business relationships.

Future ambitions and goals

In the coming year, we will continue to consistently implement the goals set out in our corporate sustainability policy. The main focus will be on the following areas:

1. Employee care

- **Conducting regular training to increase employee awareness and skills regarding health and safety at work**
- **Realization of investments in the work environment in order to improve conditions and increase ergonomics and safety at work**
- **Conducting free preventive medical examinations and check-ups**
- **Providing free lunch**

Future ambitions and goals

2. Environmental protection

- As part of our 2025 program, we plan to build and commission a new photovoltaic power plant with an installed capacity of 750kWh, with the aim of increasing the share of green energy used.
- Continuing our policy of separate waste collection and recycling, with a focus on aluminum, plastic and paper materials.
- Purchasing electric vehicles and building charging stations for both company cars and public use.