Greenwashing vs. Verifiable Sustainability: What's the Difference?

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Agenda

1. Company Introduction
2. Greenwashing vs. Verifiable Sustainability
3. What’s the Difference?
Why SMA?

Because...

...35 years of experience make SMA a pioneer in innovative PV and storage system technology.

...80 GW of SMA PV inverter power installed in over 190 countries are proof of SMA’s strong market position over many years.

...1 GW of SMA battery inverter power ensures round-the-clock sustainable electricity supply worldwide and makes us the global leader in battery system technology.

...18 countries on 6 continents are part of the global SMA sales and service structure, with access to all customer groups.

SMA is a leading global specialist in PV and storage system technology.

Together with our partners and customers, we work to pave the way for the energy supply of tomorrow, today.
SMA Has a Global Sales and Service Infrastructure with Access to all Customer Groups

AMERICAS
18 GW\(^1\) SMA Cum. Installed Base
12\% SMA Market Share in MW
150+ Sales & Service Experts

EMEA
40 GW SMA Cum. Installed Base
21\% SMA Market Share in MW
310+ Sales & Service Experts

APAC
17 GW SMA Cum. Installed Base
5\% SMA Market Share in MW
140+ Sales & Service Experts

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1. All figures as per 2018/12/31
The SMA Portfolio Covers All PV Segments and All Stages of Energy Integration

1. Energy monitoring
2. Generation of solar power
3. Energy storage
4. Energy management
5. Energy market integration

- SMA internet portal
- SMA PV inverters
- SMA battery inverters
- SMA IoT platform
- SMA direct selling solution
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1. Company Introduction

2. Greenwashing vs. Verifiable Sustainability

3. What’s the Difference?
Sustainability: From “Nice to Have” to “Need to Have”

81% of global consumers expect companies they are buying from to implement environmental programs.¹

90% of asset owners and managers expect ESG centered investment to grow further in the next two years.²

1.4 million people around the globe took to the streets to protest for better climate protection on September 20, 2019.

Companies Are Related to Many Stakeholder Groups – SMA as an Example
Sustainability – More than a Trend

- In response to increased public awareness, companies from many different industries are focusing on sustainability.

- In this respect, most solar companies focus solely on the sustainability impact of their products, e.g. by claiming how much CO₂ is saved by operating these products.

- This is not enough. Real sustainability includes the whole value chain and all aspects of a company and its products.
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Real Sustainability Includes all Areas

Sustainable across the whole value chain

To be really sustainable for a company means to act in balance between economy, ecology and social impacts.

Life Cycle Assessment (LCA)

LCA is an important instrument in order to analyze the complete impact of a product. We use LCA as a base for design for sustainability.
The SMA Sustainability Strategy

Our goal is to combine long-term business success with environmental protection and social responsibility.

That is why sustainability has been firmly anchored in our corporate mission since SMA was founded.

- **50%** of energy has been saved per kW of inverter power produced over the past three years.
- **40%** of our total electricity consumption in Germany is covered by solar power from our own PV systems; the remaining electricity used is also renewable.
- **5,000 tons of CO₂** were saved by company-owned PV systems in 2018. All SMA PV inverters produced to date help to save 52 million tons CO₂ annually.
- **88%** of waste that was generated by SMA in 2018 has been recycled. Our goal for 2020 is 100%.
- **90%** of our suppliers have already been evaluated by EcoVadis regarding sustainability.
Sustainability Has to Be Verifiable, Measurable …

**SMA Company KPI**

- **Increase in:**
  - Profitability
  - Quality
  - Corporate citizenship
  - Sustainable supply chain

- **Reduction in:**
  - Material
  - Waste
  - $CO_2$ emissions
  - Risks of illness

**SMA Product KPI**

- **Increase in:**
  - Renewable energies
  - Design for recycling
  - Quality
  - Preferable materials

- **Reduction in:**
  - Material
  - Waste
  - $CO_2$ footprint
  - Non-preferable materials
... and Comparable to Make Our Industry Credible with all Stakeholders

Sustainability Key Performance Indicators

Companies should report regularly and with high transparency about their significant drivers of sustainability. These should be distributed evenly across the entire value chain.

Comparable and Transparent Reporting Standards

Credibility and comparability come by using international reporting standards such as GRI\(^1\) and SDGs\(^2\). Reports should include achievements and targets, but also weak points.

A Common Approach

In order to prevent being vulnerable as an industry, we should use a common approach. Let`s work together on that!

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1. GRI= Global Reporting Initiative. [https://www.globalreporting.org/standards](https://www.globalreporting.org/standards)
Thank you.