

Bałtyk

equinor 

 Polenergia



Bałtyk 2&3

Non-technical summary
- cumulative summary

Table of contents

List of drawings	1
List of tables.....	1
1. Introduction	3
2. Investment	4
2.1 General information about the investment	4
2.2 Location of the investment and technology used	5
2.3 Benefits of Investment.....	9
3. EIA procedure	12
4. Avoiding, preventing and reducing potential adverse environmental impacts.....	14
5. Supply chain	17
6. Environmental and social management	20
7. Reporting to Lenders	21
8. Stakeholder management	22
8.1 Existing stakeholder management	22
8.2 Sectoral agreement for the development of offshore wind energy in Poland	24
8.3 Continued stakeholder management	24
9. Grievance management mechanism.....	26

List of drawings

Figure 1 Project scheme	5
Figure 3 Location of the Projects in the background of protected areas	7
Figure 4 Benefits from the development of offshore wind farms - MFW Bałtyk II and MFW Bałtyk III.....	11
Figure 5 Actions to build the competitiveness of Polish industry - 5 Flagship Programmes.....	17
Figure 6 Diagram of the Project Supply Chain	19
Figure 7 The five flagship programs of the Supply Chain Plan	25
Figure 8 Grievance management flow chart.....	28

List of tables

Table 1 Flagship programmes - objectives.....	18
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List of abbreviations

ECI	Connection infrastructure
ESMMP	Environmental and social management and monitoring plan
EUR	Euro
FNEZ	Foundation for Sustainable Energy
GBVH	Gender-based violence and harassment
HDD	Horizontal directional drilling
IFC	International Finance Corporation
LRF	Livelihood restoration framework for Projects off-shore components
LRP	Livelihood restoration plan for Projects on-shore components
MFW	Offshore wind farm
O&M, O&M Base	Operation and maintenance, Operation and maintenance base in Łeba
ONS	(onshore substation) Onshore substation
EIA	Environmental impact assessment
PLN	Polish zloty
PR	Performance Requirements
PS	Performance Standards
PSE	Polskie Sieci Elektroenergetyczne S.A (Transmission System Operator)
RDEP	Regional Director for Environmental Protection
SEP	Stakeholder engagement plan
EEZ	Exclusive Economic Zone
ECI	Connection infrastructure
ESMMP	Environmental and social management and monitoring plan
EUR	Euro
FNEZ	Foundation for Sustainable Energy
GBVH	Gender-based violence and harassment
HDD	Horizontal directional drilling



1. Introduction

This Cumulative Non-Technical Summary ("CNT") provides background information on the offshore wind farms MFW Bałyk II and MFW Bałyk III (hereafter referred to as the Projects) together with connection infrastructure.

The projects are developed through a Joint Venture between Equinor and Polenergia (both companies hereinafter referred to as 'Shareholders'), each holding a 50% stake. The Shareholders have established separate legal entities for each MFW: the MFW Bałyk II Sp. z o.o. and the MFW Bałyk III Sp. z o.o., respectively. (hereinafter referred to as the "Investors"). The aim of the Projects is to generate electricity using wind energy, from a zero-emission, renewable energy source. Energy transmission will be carried out through the infrastructure connecting the MFW with the substation in Wierzbiczin.

Both MFW Projects and their connection infrastructures have environmental decisions.

However, several of the potential Lenders require that measures in addition to those required by national law are implemented for the Investment as one of the requirements for securing financing. The requirements of the potential Lenders stem from their commitments to comply with the Equator Principles and the relevant Performance Standards of the IFC and the Performance Requirements of the EBRD.

As required by the potential Lenders, the Projects are categorised as Category A, as having the potential significant impact on the environment and local community. In order to verify the environmental and community impacts, potential Lenders have conducted environmental and social due diligence ("ESDD") on the Investment. The Investment is structured to comply with all environmental and social rules of the potential Lenders, EU law and Polish law. The verification of compliance with the requirements of the potential Lenders included, inter alia, the review of the environmental impact reports, the permits obtained, the additional activities undertaken as part of the Investment during the preparatory stage and the implementation of the activities set out in the Environmental and Social Action Plan ("ESAP") to be agreed in the respective loan agreements with the final group of lenders (the "Final Lenders"). The Environmental Impact Assessments ("EIAs") prepared for offshore wind farms and connection infrastructure already include a non-specialist summary in accordance with Polish requirements. At the request of a number of potential Lenders, this document has been prepared to provide general information about the Project on a consolidated basis.



2. Investment

2.1 General information about the investment

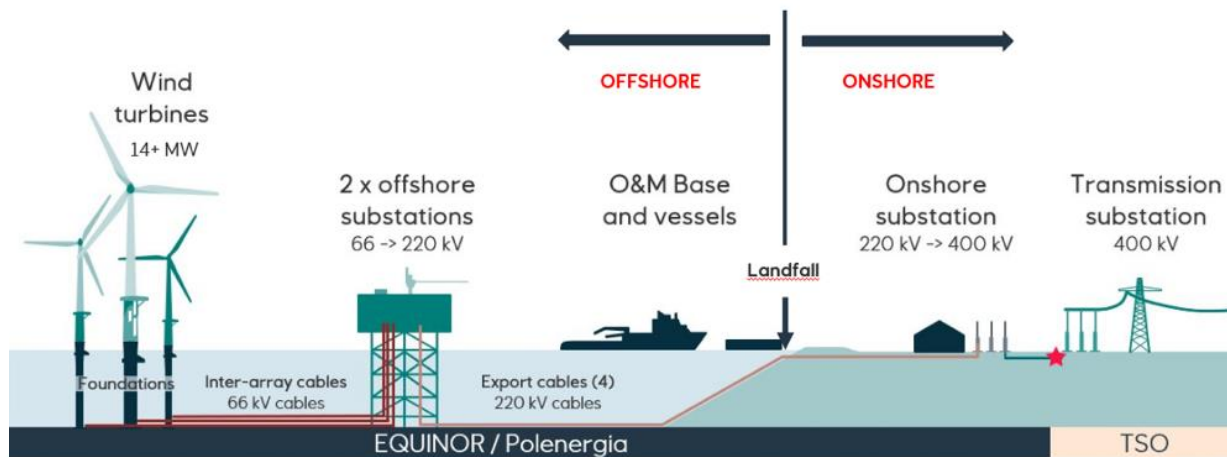
In 2018, Equinor and Polenergia began collaborating on the construction of two offshore wind farms (MFWs) in the Baltic Sea – MFW Bałtyk II and MFW Bałtyk III.

The total generating capacity of the two wind farms is expected to be 1440 MW, which will allow for the supply of electricity to approximately two million households. The first energy from the MFW Bałtyk II and MFW Bałtyk III projects is expected to flow into the grid as early as 2027. The commercial phase of their operation is planned from 2028. The expected lifetime is 30 years.

- Projects include the implementation of:
- two offshore wind farms with an installed capacity of 720 MW each (50 wind turbines each);
- offshore connection infrastructure, including one offshore substation for each MFW and submarine cables;
- one common trenchless crossing of the coastal zone with all cable lines - approximately 3 km west of the port of Ustka;
- onshore connection infrastructure, including one onshore substation for each MFW and underground cables;
- operation and maintenance base in Łeba (O&M base - accompanying facility).

A visualisation of the key elements of the Projects is included in the figure below.

Figure 1 Project scheme



Źródło: SEP, 2024 r.

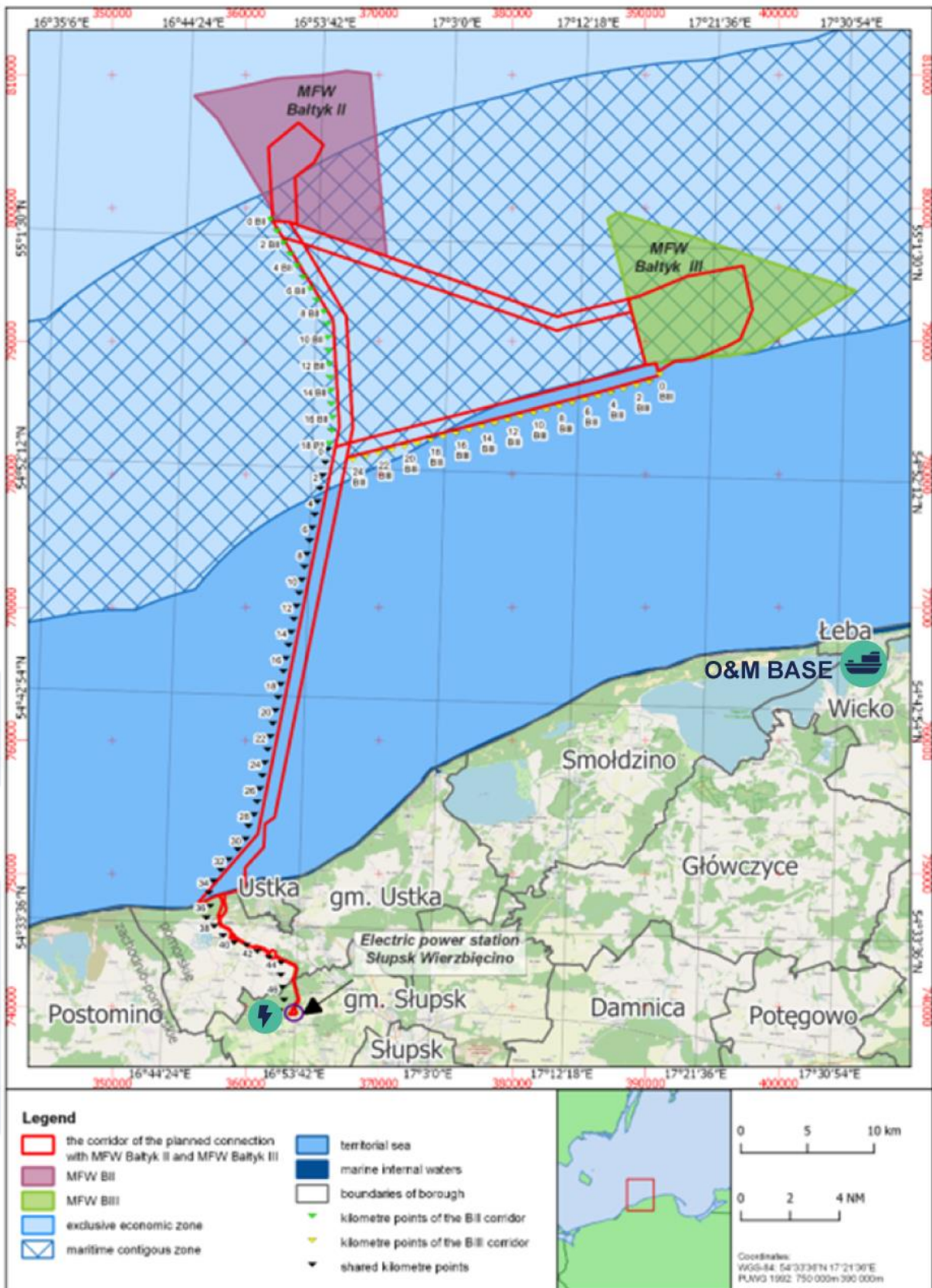
The projects are in line with the spatial development plan for Polish maritime areas (Regulation of the Council of Ministers of 14 April 2021 on the adoption of the spatial development plan for internal sea waters, territorial sea and the exclusive economic zone at a scale of 1:200 000, Journal of Laws item 935). Offshore Wind Farms will be developed entirely in the area indicated in the permit for the erection and use of artificial islands, structures and devices.

2.2 Location of the investment and technology used

The offshore wind farms planned to be developed by Equinor and Polenergia are located in the Baltic Sea, in the Polish exclusive economic zone (EEZ). The offshore wind farm MFW Bałtyk II is located about 37 km and the offshore wind farm MFW Bałtyk III about 22 km from the shore. The connection infrastructure, connecting both wind farms with the substation in Wierzbienin (point of connection to the Transmission System Operator), runs through the Exclusive Economic Zone, Polish territorial waters, and then crosses the coastal zone about 3 km west of the port of Ustka. The onshore components of the Projects are located in the administrative areas of the municipal and rural communes of Ustka, Redzikowo (formerly the municipality of Słupsk) and the municipality of Łeba in the Pomorskie Voivodeship.

The operation and maintenance base, together with a control room remotely controlling the offshore wind farms, will be located in the port of Łeba.

Figure 1 Location of MFW Bałyk II and MFW Bałyk III offshore wind farms and connection infrastructure.

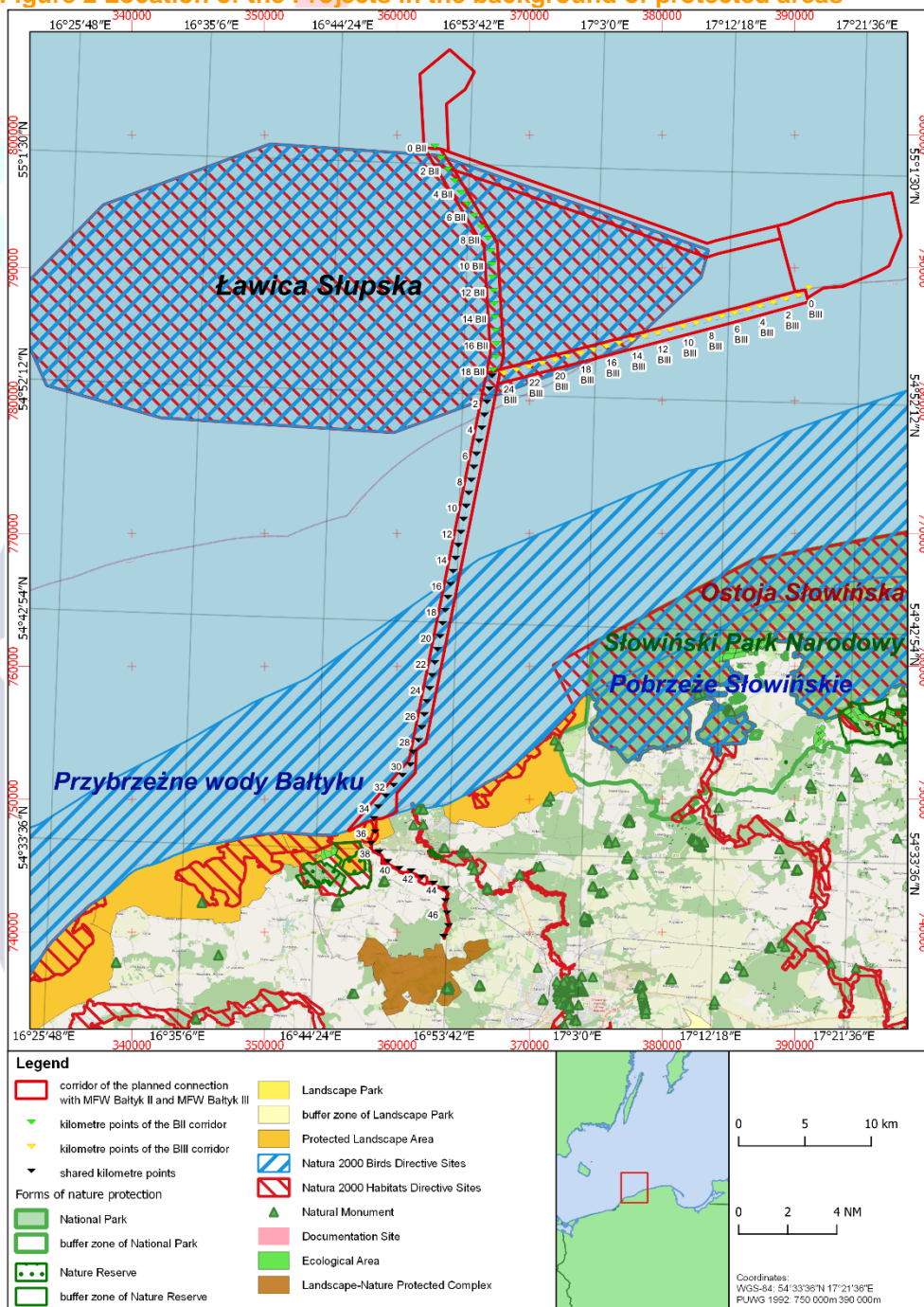


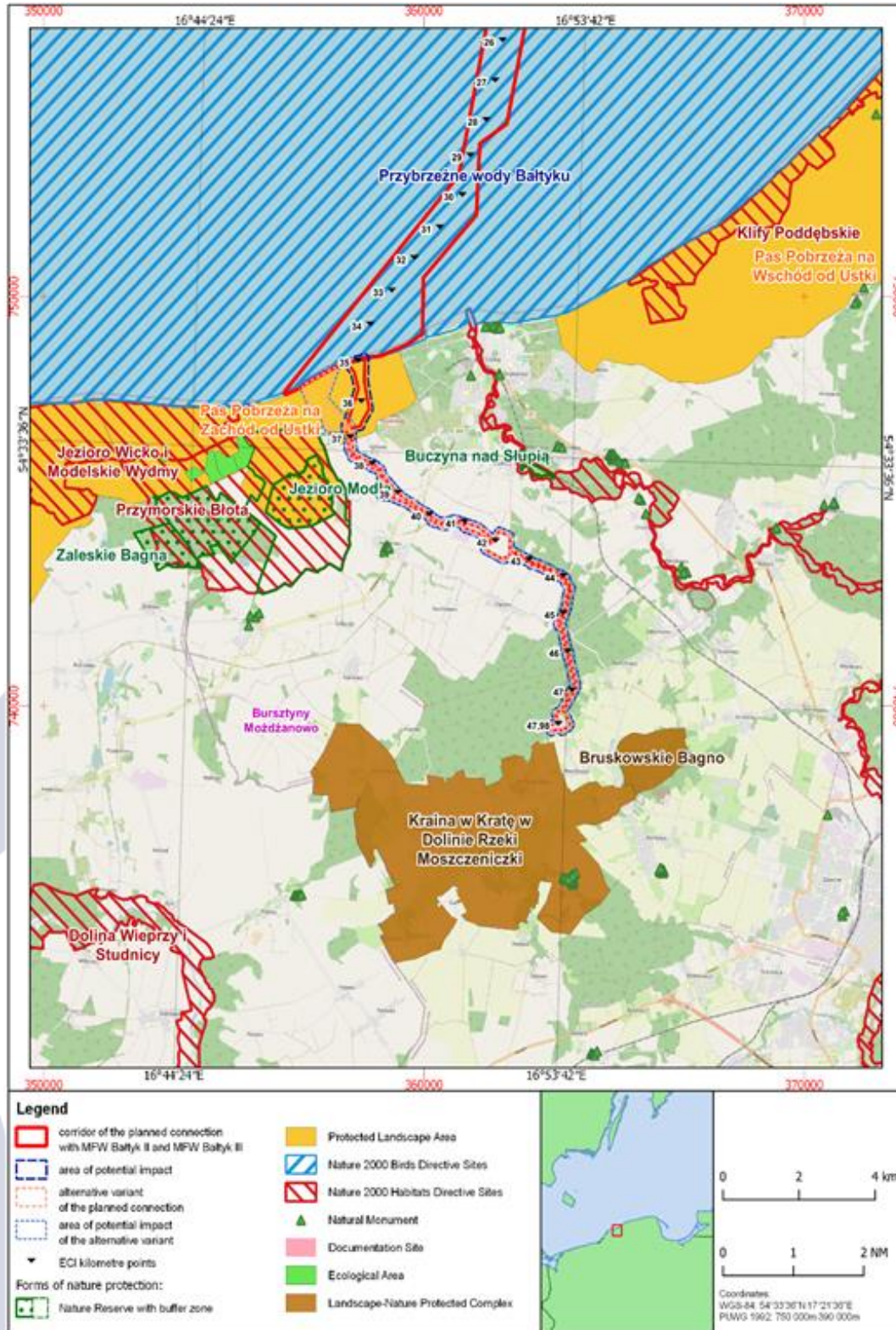
Source: EIA Report, 2023.

Offshore wind farms will be located outside protected areas, including Natura 2000 sites. The marine connection infrastructure of the Projects will cross the following Natura 2000 sites: Ławica Słupska PLC990001 (for a total length of approximately 31.8 km) and Przybrzeżne Wody Bałtyku PLB990002 (for a total length of approximately 19.7 km) (Figure 3).

The onshore connection infrastructure and substations will be located mainly in agricultural and forest areas, outside residential areas, partly in restricted areas (restricted access area defined by the Ministry of National Defence). The course of the planned power cable corridor will cross, for a length of approximately 2 km, the Protected Landscape Area of the Coastal Belt the west of Ustka, where forests dominate - in this part the investment will be carried out partially using the trenchless method to minimise impacts (Figure 3).

Figure 2 Location of the Projects in the background of protected areas





Source: EIA Report, 2023

As part of the MFV Bałtyk II and MFV Bałtyk III, 100 wind turbines of the GTW 14.4 MW type (2x50 SG 14-236 DD turbines) will be built, with a total capacity of 1440 MW (each MFV is to have a capacity of 720 MW). The turbines (weighing 1185 tonnes) will be erected on monopile foundations permanently embedded in the seabed, with a diameter of 9.0 m - 9.5 m. The turbines will have a 236 m diameter rotor and 115 m long blades. The hub in the

selected model will be located at a height of approximately 141 m; the tower will be 122.9 m high, with the total height of the turbine, when the blade is at its highest point, being 260 m.

The connection infrastructure of the Projects includes: internal cables (connecting wind turbines among themselves into cable circuits and groups of wind turbines with the offshore substation), 2 offshore substations (separately for each of the MFW), connection cables (offshore and onshore), and 2 onshore substations (separately for each of the MFW). In addition, an element of the investment will be the infrastructure necessary to service the connection and offshore wind farms: fibre optic lines and an access road to the planned onshore substations.

The energy generated by the wind turbines will be converted and transmitted to land from the offshore substations via 4 high voltage (220kV) AC submarine export cables. From the landfall up to the two onshore substations in the Peplin area, energy will be transmitted via 4 underground high-voltage cables (220kV). Next, via two underground 400 kV high-voltage lines, energy will be transmitted to the designated connection points to the National Power System in the PSE S.A. Słupsk Wierzbiczin substation.

In the offshore area, multi-core submarine cables in alternating current technology (HVAC) will be used, and onshore, earth export cables, consisting of 3 separate single-core cables in alternating current technology (HVAC), will be used.

The technology for burrowing the cables into the seabed will be determined by the geological conditions of the seabed. It is envisaged that the cables will be buried by water jetting or by mechanical cutting and ploughing in more difficult ground conditions. If boulder fields are encountered that cannot be avoided, the cable will be laid on the bottom and protected from damage (not buried).

Crossing of the coastal zone is planned by trenchless HDD (horizontal directional drilling) with all cable lines; anticipated maximum drilling length: approx. 1.5 km, with no less than 120 m in the onshore section.

The onshore cable line will be laid underground using the open excavation method, which will involve, among other things, possible felling of trees and shrubs (within the construction strip), except where the trenchless HDD method will be used (selected watercourses and major roads will be crossed trenchlessly). The depth of excavation may range from 1.3 to 5 m, depending on the topography of the site and the ground and water conditions.

2.3 Benefits of Investment

The MFW Bałytk II and MFW Bałytk III projects are an important part of the energy and economic transformation of Poland and Europe.

The projects are part of the EU's overall climate target for 2030 (Fit for 55 - a 55% reduction in greenhouse gas emissions by 2030 compared to 1990 levels and further carbon neutrality by 2050). They also respond to the implementation of the REPowerEU programme, which aims, among other things, to accelerate the green transition through clean energy production and increased wind power generation capacity.

The realisation of offshore wind energy is one of the strategic projects of the Polish Energy Policy until 2040 (PEP2040). In the perspective to 2030, offshore wind farms will account for 13% and in 2040 for 19% of generated electricity (Programme for the Development of Offshore Wind Farms - Offshore Wind Energy - Gov.pl Portal (www.gov.pl)). Offshore wind energy is therefore a strategic direction for energy transformation strengthening energy security and providing an impetus for Poland's economic development. The realisation of offshore wind energy investments will allow for the development of the national supply chain and will contribute to employment growth, the development of a new industry, the increase of state revenues. It is estimated that the Polish industry has significant potential for development in the direction of providing supplies and services related to the construction and operation of offshore wind farms.

According to PEP2040, the installed capacity of offshore wind farms may reach 5.9 GW by 2030 and about 11 GW in 2040. In this context, the implementation of the Projects makes a significant contribution to zero-emission power

generation - the total generating capacity of the offshore wind farms MFW Bałytk II and MFW Bałytk III is expected to be more than 1.4 GW and allow the supply of electricity to approximately 2 million households. The implementation of the Projects will also reduce 4.1 million tonnes of CO₂ emissions per year, which is in line with environmental and climate goals.

The implementation of the Projects will contribute to the diversification of energy sources, the creation of new jobs, the modernisation of enterprises, the development of innovation and the creation of new competitive advantages for European industry in global markets.

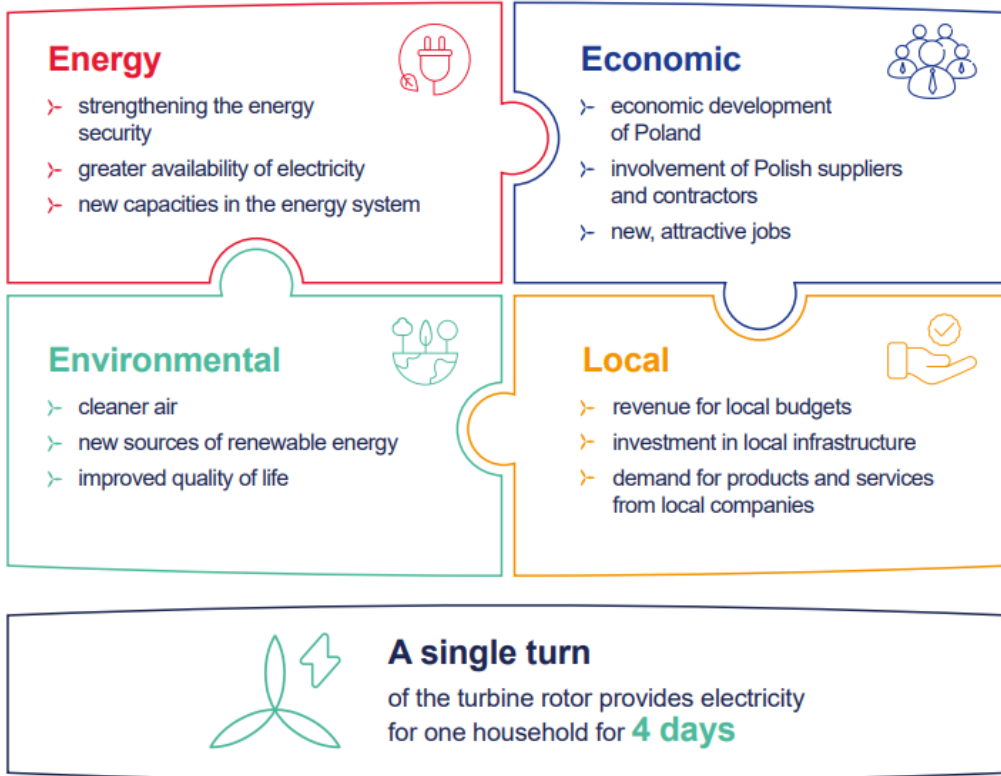
The benefits of the Projects will therefore be identified in several areas, in the near and long term (Figure 4): environmental, socio-economic, energy.

The sectors that will benefit most from the implementation of the Projects are:

- ports (handling equipment transport, construction, servicing),
- warehouses (logistics of equipment deliveries - foundations, tower components, turbines, propellers),
- shipyards (the biggest shortfall in the market is for MFW construction and service vessels),
- engineering, construction, logistics, maintenance, consulting services,
- cable production (up to several hundred km of cable are needed for the construction of one MFW),
- science (environmental pre-implementation analyses and post-implementation monitoring, energy technology, construction technology),
- education (training programmes for construction, service and maintenance staff),
- tourism (the existing wind farms are a tourist attraction with high service potential).

Figure 3 Benefits from the development of offshore wind farms - MFW Bałyk II and MFW Bałyk III

Benefits of offshore wind development



Source: Polenergia&Equinor educational material, 2024



3. EIA procedure

The projects have all the necessary decisions on environmental conditions allowing their implementation, provided that a number of environmental protection requirements issued by the Regional Director for Environmental Protection in Gdansk are met.

In the case of MFW Bałtyk II, the decision on environmental conditions (EIA decision) was issued on 27 March 2017 for the project under the then name 'Construction of Polenergia Bałtyk II offshore wind farm', and was subsequently amended by the decision of 26 October 2021. These EIA proceedings were based on environmental impact reports prepared in 2015 and 2021, respectively.

For the MFW Bałtyk III, the EIA decision was issued on 7 July 2016 for the project entitled 'Construction of the offshore wind farm Bałtyk Środkowy III'. This decision was amended on 8 November 2022. These EIA proceedings were based on the EIA reports prepared in 2015 and 2022, respectively.

The need to update the EIA, after several years from the issuance of the first EIA decisions, resulted, inter alia, from the changed implementation environment of the MFW Bałtyk II and MFW Bałtyk III, updated knowledge on the marine environment and the impacts associated with the construction and operation of offshore wind farms cumulating impacts with the Projects, and the need to include in the decisions the current technical and organisational assumptions of the Projects, which are at a more advanced stage of development.

In each of the above mentioned cases, the EIA proceedings were conducted with public participation before the issuance of the aforementioned EIA decision.

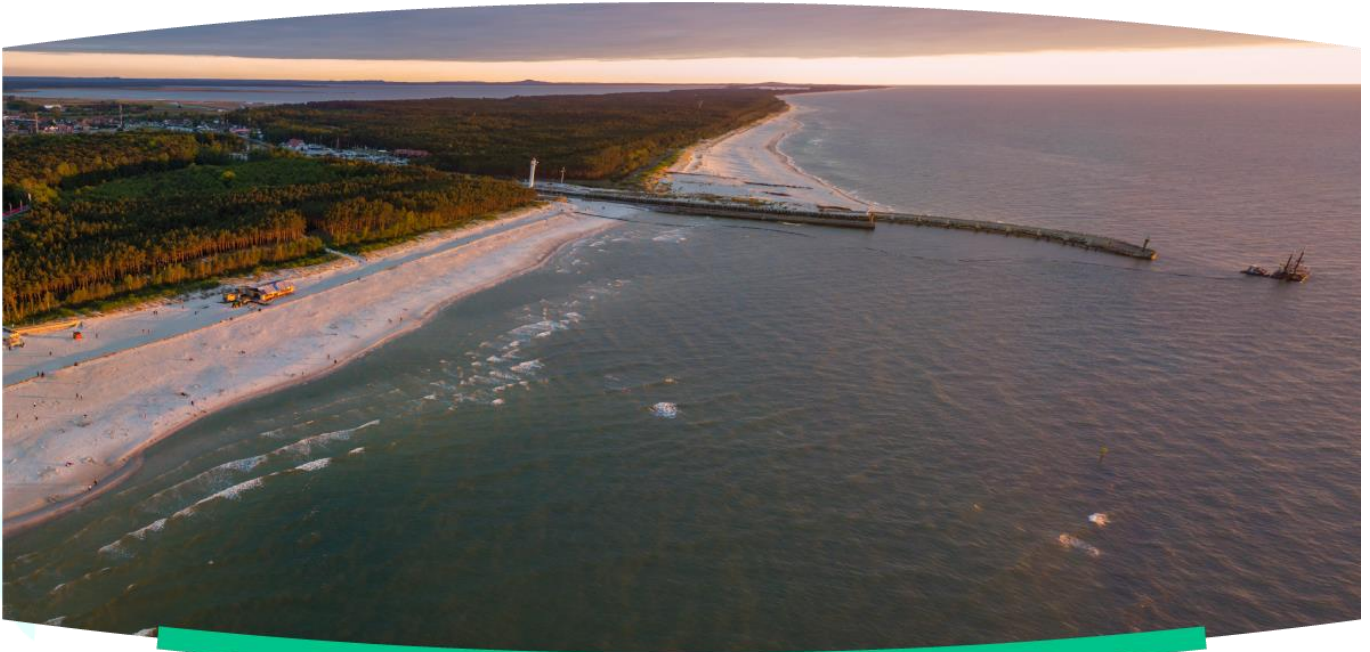
For the project entitled 'Connection infrastructure for offshore wind farms MFW Bałtyk II and MFW Bałtyk III', the decision on environmental conditions was issued on 29 November 2023 and then supplemented by the supplementary provision of the Regional Director for Environmental Protection in Gdańsk of 14 December 2023. This environmental impact assessment procedure was based on the 2023 environmental impact report.

With regard to the O&M base in Łeba (associated facility) - the application for issuing a decision on environmental conditions was submitted on July 15, 2024.

Formal public participation took place during the environmental impact assessment procedures culminating in the environmental decision. The public was informed about the investor's applications for OWF EIA decisions and the progress of the EIA procedure in the usual way (notice boards on RDOŚ and on all municipalities from Hel to Ustka as well as Maritime Office in Gdynia, the Mayors of Gdynia, Sopot and Gdańsk, RDOŚ portal², etc.). As regards ECI, publications of notices, apart from RDOŚ, took place in the Head of Ustka Municipality and the Head of Redzikowo (former gmina Słupsk) Municipality. In the course of these procedures, everyone was able to familiarise themselves with all the documentation gathered. Also everyone could submit their conclusions and comments on the Projects within the 21-day (during first EIA procedures) and within 30-day (during update EIA) public participation periods.

No appeals or complaints were made during the environmental investigation or subsequently. The developer responded to the necessary clarifications in accordance with the procedure.

Obtaining the EIA Decision allows applications for construction permits to be submitted. With regard to the offshore part, all construction permits have already been obtained. With regard to the onshore part of the Projects - all applications for permits for the construction of connection infrastructure have been submitted in March - April 2024.



4. Avoiding, preventing and reducing potential adverse environmental impacts

In the period 2015 - 2023, the offshore wind farms MFW Bałtyk II and MFW Bałtyk III, together with their connection infrastructure, were subject to environmental impact assessment several times, for each component and at different stages of investment preparation. Since 2012, a number of comprehensive marine and terrestrial environmental studies, natural inventories and analyses have been performed to avoid, prevent and mitigate potentially adverse environmental impacts of the Projects.

With regard to the MFW Bałtyk II and the MFW Bałtyk III, comprehensive analyses of the impact on the individual elements of the marine ecosystem were carried out. In the case of the connection infrastructure, the studies covered both the offshore and onshore parts.

As a result of these assessments, direct, indirect, secondary, cumulative, short, medium and long-term, permanent and temporary environmental impacts have been identified, resulting from the existence of the Projects, use of environmental resources, emissions.

In the environmental decisions, the Regional Director of Environmental Protection set out the details:

- conditions for the use of the land during the implementation and operation or use phases of the project, with particular regard to the need to protect valuable natural values, natural resources and historical monuments and to limit nuisance to neighbouring areas,
- environmental protection requirements to be included in the construction project,
- the applicant's obligations regarding the monitoring of the environmental impact of the Projects.

Projects will be implemented in accordance with international best environmental practices. In preparing the investments, measures have been taken to minimise the environmental impact of the investments at each stage

and to ensure the protection of unique aquatic and terrestrial ecosystems. The planned schedule of works and planned technologies of conducting the works will effectively limit the impact of the Projects' implementation phase on the natural environment, in particular on its biotic elements. A trenchless method of cable routing in environmentally valuable areas were designed; a bubble curtain technology was designed to reduce underwater noise during installation of the turbine foundations. In the process of preparing the Projects, seabirds and birds flying over the MFW area, including migrating birds, were taken into account; the area allowed for development within the boundaries of areas designated for the execution of the MFW was limited, and the limit technical and design parameters of wind farm elements limiting the impact on birds were determined. . It was determined that areas and corridors (4-5 km wide) would be free from development with wind farm elements due to migratory birds. In addition, the decisions imposed an obligation to implement a system allowing for short-term shutdown of wind turbines in particularly difficult weather conditions, causing limited visibility, during the most intensive bird migration period. Such a system is to ensure constant observation and recording of the stream of migrating birds through the farm area and immediate shutdown of turbines on the route of their expected flight through the farm.

The assessment also included marine mammals. The results of the assessment of the impact on marine mammals indicate that there will be no significant impacts during both the construction and operation stages; the significance of the vast majority of impacts was determined to be negligible (seals) or small (harbour porpoise), and only noise and vibrations were considered moderately negative.

At the stage of implementation of the OWF and the connection infrastructure - the most significant negative impacts on marine mammals are the emission of noise and vibrations and an increase in the concentration of suspended matter in the water. Other potential impacts include: spatial blocking caused by increased ship traffic, difficulties or restrictions in feeding grounds, remobilization of pollutants from sediments. At the operation stage - the impact of the OWF on marine mammals will be related to the creation of an "artificial reef" (positive impact), where mammals can find potentially rich resources of fish constituting their basic food. On the other hand, the marine cables will cause permanent impacts in the form of magnetic field emissions. Periodic inspections of the connection infrastructure will be carried out using seismic methods and this will be a source of short-term noise. Due to the sporadic occurrence of marine mammals in the investment area, the impact was deemed insignificant.

The offshore part of the project (submarine cables) will pass through the Ławica Słupska PLC990001 and Przybrzeżne wody Bałtyku PLB990002 Natura 2000 areas. The assessment of the environmental impact of the planned Projects shows that after implementation of the indicated minimising measures at the construction stage, its implementation will not have a significantly negative impact on the particular subjects of protection of these Natura 2000 areas or deteriorate the integrity of these areas. No impact on the coherence of the Natura 2000 network is foreseen either.

The aforementioned measures to minimise the impact of the connection infrastructure on Natura 2000 areas concern in particular the dates of implementation works (outside the protective periods for migratory fish, outside the migration and wintering periods of birds), preferred methods of burying the submarine cable and leading cables from the sea to land, the maximum width of the technological corridor for laying the cable, methods of securing cables on the seabed within Natura 2000 areas, limiting the source of strong light – especially during periods of bird migration, principles of protection during construction works: Lake Modła (natural habitat 3150), valuable phytobenthos communities and mussel assemblages, application of the "soft-start" procedure before carrying out works generating underwater noise or water turbidity.

A critical habitat assessment was carried out for the Project (CH Assessment). This assessment shows that the residual impacts of the Project with the implemented mitigation measures will be limited to a level that ensures that the Project will not cause a significant net loss to the critical habitats.

Environmental surveillance, including ornithological, chiropterological, herpetological, ichthyological and botanical surveillance, is envisaged during the implementation phase.

The analyses of potential cumulative impacts primarily considered Polish OWF projects that have a chance of implementation in the foreseeable future. These are MFW Bałytk II (or MFW Bałytk III, respectively), OWF Baltica (Baltica 3 and Baltica 2), FEW Baltic II, Baltic Power, together with their connection infrastructure. As a result of the assessments, actions were indicated to minimize these impacts (e.g. maintaining corridors free from development between wind farms).

The Projects will be subject to environmental impact monitoring during the construction, operation and decommissioning phases, in accordance with the detailed scope, schedule and methods specified in the Environmental Decisions and the obligation of cyclic reporting. Monitoring in the offshore part of the Projects will cover, among others: hydrological and hydrochemical conditions, seabed and seabed sediments, acoustic background, benthos, fish, marine mammals (porpoises and seals), seabirds and birds flying over the farm (including migratory ones), bats as well as fisheries and cultural heritage. Monitoring will cover the impact of the Projects on the objectives and objects of protection of Natura 2000 sites and their integrity. Monitoring for the onshore part of the Projects will include noise measurements at the boundary of areas protected from noise (built-up areas).

In order to avoid or reduce risks to society and impacts on society in connection with the implementation of the Projects, measures have been taken in accordance with EBRD's Performance Requirements 5 (PR5) and EIB's Environmental and Social Standard 6. For the MFW Bałytk II and MFW Bałytk III, together with the connection infrastructure, the following have been prepared:

1. Livelihood Restoration Framework for Projects offshore components (LRF).

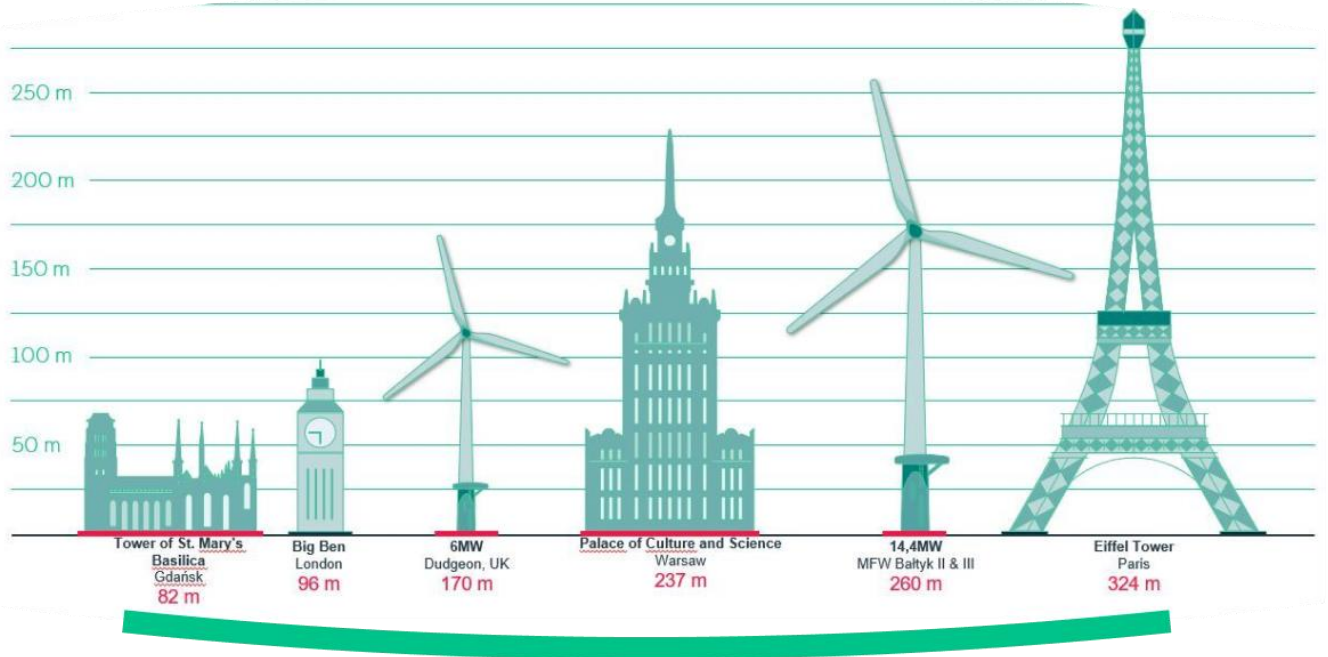
Avoidance and minimisation are prioritised. A key principle is to design, build and operate the Projects in such a manner that impediments to navigation of vessels and to fishing will be kept minimal in both the construction and operations phases. As a general rule, the need for compensation and livelihood restoration should be kept minimal. However, it is possible that certain impacts will not be avoided. Any compensation will follow the eligibility rules set out in the Code of Good Practice. A compensation mechanism is currently being developed at government level.

Based on the LRF and additional investigations, an LRP will be prepared for the offshore part of the Projects, which will set out, inter alia: the final livelihood restoration measures based on the tentative Entitlement Matrix presented in the LRF; implementation roles and responsibilities; budget and implementation schedule; monitoring and evaluation provisions; reporting provisions.

2. Livelihood Restoration Plan for Projects onshore components (LRP).

The Projects do not involve physical displacement: none of the elements of the Projects have an impact on housing. Potential impacts of the Projects on livelihoods were assessed as negligible. A survey of landowners affected by the Projects confirms this. However, the Projects undertake to monitor such impacts in accordance with the principles set out in the LRP.

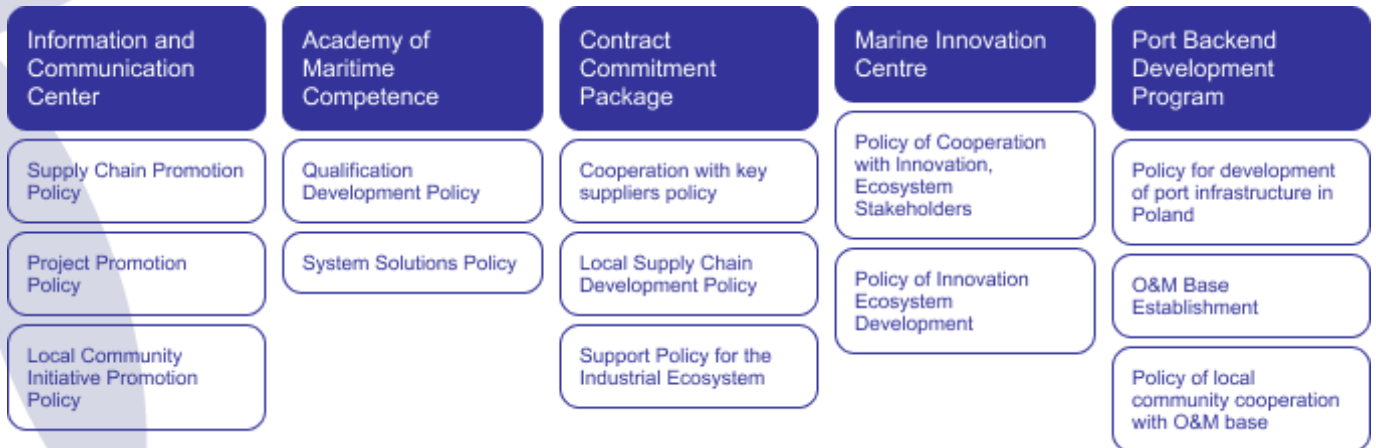
A key livelihood restoration measure is related to the appropriate restoration of the land affected by construction. Restoration of the land after construction by appropriate contractors will be managed as part of the ESMMP for the Projects. Any complaints from landowners or users regarding restoration will be investigated and, if warranted, actions will be adjusted.



5. Supply chain

In accordance with the requirements of the Act on the Promotion of Electricity Generation in Offshore Wind Farms, a Supply Chain Plan was prepared for MFW Bałyk II and MFW Bałyk III. Subsequently, five open-ended Flagship Programmes were developed to develop the Polish supply chain throughout the life of the MFW projects (Figure 5).

Figure 4 Actions to build the competitiveness of Polish industry - 5 Flagship Programmes



Source: Equinor&Polenergia materials, 2024

Tabela 1 Programy Flagowe - cele

<p>Programme 1. Information and Communication Center (CPI)</p>	<p>The aim of the programme is to provide transparent and full access to project information necessary to prepare for participation in the supply chain, conduct dialogue with suppliers, promote principles and good practices, promote Polish companies and initiate actions to increase the participation of local suppliers and sub-suppliers in the MFW supply chain.</p>
<p>Programme 2. Academy of Maritime Competences (AKM)</p>	<p>The aim of the programme is to improve the skills of the national offshore energy industry, including initiating and supporting training and teaching programs at various levels, organising internships and apprenticeships, initiating cooperation in this field with experienced companies and foreign institutions.</p>
<p>Programme 3. Contract Commitment Package (CRP)</p>	<p>The aim of the programme is to directly involve Tier 1 suppliers from the Projects' supply chain in the development of the Polish offshore energy industry, its competitiveness and its promotion.</p> <p>Foreign suppliers to the Projects are obliged to present the results of their dialogue with Polish subcontractors, set up offices in Poland, employ Polish-speaking staff, as well as engage in other programmes implemented by the Investors.</p>
<p>Programme 4. Marine Innovation Center (CIM)</p>	<p>The aim of the programme is to support the development of national innovations, technologies and services by reviewing projects, promoting the results and launching an implementation path for the selected best innovations in the Projects.</p>
<p>Programme 5. Port Backend Development Program (PRZP)</p>	<p>The aim of the programme is to support the sustainable development of facilities, logistics and services around the ports used to serve the Projects.</p> <p>A dialogue will be undertaken to establish offshore wind farm construction facilities in a Polish port. Intensive efforts will also be made to support local entrepreneurship related to the construction and operation of the Project Service Base and the Projects themselves.</p>

Source: Supply Chain Plan for MFW Bałtyk II and MFW Bałtyk III, 2021

"The Materials and Services Supply Chain Plan describes the Investors' approach to preparing the supply of the components of the planned investment and the services required to implement and operate it. The Plan also sets out a broad, long-term strategy for working with local companies to increase their participation in the supply chain and expand their national competence and competitiveness in domestic and external markets. The main objective of the Plan is to create a supply chain that guarantees timely and secure implementation of the Project at prices that guarantee a positive financial result of the investment, while avoiding excessive, unjustified costs for energy consumers" (Supply Chain Plan for MFW Bałtyk II and MFW Bałtyk III, 2021). It is estimated that the share of national suppliers and sub-suppliers in the entire supply chain of the MFW Bałtyk II and MFW Bałtyk III (over the entire life cycle of the Projects) may reach between 23% and 38%. In the construction phase, the national contribution can reach between 9% and 20% and in the operation phase (operation and maintenance) it can be between 60% and 80%.

The supply chain model adopted is based on a multi-contracting with around 20 major contracts; each of the selected suppliers will be responsible for different elements of the Projects, ensuring their delivery, installation and commissioning. Key suppliers have already been selected and contracts are already signed or in the process of being signed (Figure 6). Extensive collaboration with the local supply chain is planned.

An important part of the development phase of an offshore wind farm is securing the use of seaports for the construction and operation process:

- in the port of Łeba the construction of service facilities for the MFW Bałtyk II and the MFW Bałtyk III (O&M base) will be carried out; the construction office for the offshore part of the projects and the coordination centre for offshore operations during construction will also be located in the same port;

- currently none of the domestic ports meet all the requirements for installation ports, mainly in terms of component storage space and load capacity; the port of Gdańsk is being considered by maritime contractors as a potential port supporting the construction process; the installation port in Świnoujście, which is currently under construction, and the planned installation port in Gdańsk will not be available in the schedule of the MFW Bałtyk II and III projects.
- Of the nearest foreign ports meeting the requirements for key components (turbines and foundations) are the ports of Rønne (Denmark) and Sassnitz-Mukran (Germany, with restrictions).

Figure 5 Diagram of the Project Supply Chain

● Name of selected supplier ● Date of supplier selection

Procurement package	TIER 1 SUPPLIER			
	DESIGN	PREFABRICATION	TRANSPORT & INSTALATION	INSTALLATION UNIT
Wind turbines	Siemens-Gamesa			2024
Foundations	Rambøll	Sif Group	Smulders /Sif	Heerema
Inter-array cables	Seaway7			
Export cables	Jan De Nul + Hellenic Cables			
Electric system infrastructure	Hitachi Energy			
Offshore Substations	Rambøll	Iemants (Smulders)	Heerema	
Onshore cables	Enprom	Telefonika	Enprom	
Landfall	Janicki	VSH		

Source: Equinor&Polenergia materials, 2024



6. Environmental and social management

In order to meet the requirements of potential Lenders, actions will be taken on environmental and social issues in addition to the requirements imposed by national permits.

An Environmental and Social Management System (ESMS) will be implemented for both Projects, which is based on policies and procedures and plans for managing environmental and social aspects.

An Environmental and Social Action Plan (ESAP) has also been prepared, which is a comprehensive implementation plan for key environmental and social measures relating to the Projects.

An Environmental and Social Management and Monitoring Plan (ESMMP) is also being prepared for the Projects. The ESMMP, which applies to the offshore and onshore components of the MFW Bałtyk II and MFW Bałtyk III offshore wind farm projects, consolidates the requirements under the Polish permits and those under the E&S policies and standards of the international lenders. The ESMMP indicates the E&S management and monitoring measures and a description of the future plans to be developed by both the Investor and the respective construction contractors.



7. Reporting to Lenders

Projects will be required to submit relevant reports at the appropriate frequency.

Environmental and social performance of the Projects, stakeholder engagement activities and complaints management - will be presented in annual reports provided to the Lenders. Evidence of external reporting will be provided by Investors, including photographic evidence, examples of publications via the website.

With regard to the monitoring of the land acquisition and resettlement process identified in the LRP - one year after the completion of all compensation activities (i.e. tentatively in mid-2025), one survey will be conducted among all impacted households. The objective will be to check that livelihoods have not been affected and that no induced vulnerability has arisen. A specific questionnaire will be developed addressing these broad themes and the indicators identified in the LRP. The survey will be conducted internally by the Projects and their results will be summarised in a report that will be communicated to the Projects lenders.

In addition, each time an updated ESMMP document will be submitted to the Lender's E&S Advisor.



8. Stakeholder management

8.1 Existing stakeholder management

Stakeholder management activities have been consistently conducted since 2014; some of the activities already undertaken will be continued in the future. Equinor&Polenergia were very active from the early stages of the Projects, informing very widely about the Projects and engaging the local community in the green transformation.

Stakeholder engagement activities in the Projects can be divided into several periods:

1. Engagement related to the education and communication campaign in 2014-2015.

The first education and communication campaign on the construction of the offshore wind farm MFW Bałtyk III and the connection infrastructure was conducted by the Foundation for Sustainable Energy (FNEZ) in cooperation with Polenergia. The campaign ran from November 2014 to November 2015 and included preparatory activities, an information and education campaign, consultations with the fishing community, maritime administration, local authorities and residents.

2. Engagement with local communities adjacent to the cable route corridor in 2018-2020.

In November and December 2018, the first meetings were held with local communities neighbouring the cable route corridor. The purpose of the meetings was to present the cable route for the onshore infrastructure of MFW Bałtyk II and MFW Bałtyk III and to answer questions from stakeholders.

During 2019-2020, due to the constraints of the Covid-19 pandemic, the public awareness campaign took place online through the virtual Bałtyk II and Bałtyk III MFW websites. Information about the Projects was also disseminated to all coastal offices, and complaint forms were distributed to allow stakeholders to send in their concerns.

3. Involvement related to obtaining environmental permits for the two Projects and the connection infrastructure, between 2021 and 2023, when the Investors applied for environmental decisions and environmental impact assessment proceedings were conducted, in which public participation took place in accordance with the relevant regulations.
4. Other stakeholder engagement activities conducted for the Projects from 2021.

From 2021, as part of public engagement, a number of activities have been undertaken to disseminate information about the Projects and familiarise the public with it. These activities can be divided into the following thematic areas:

- Presentation of information about the Projects and potential benefits for local communities;
- Presentation of the Projects' progress to the authorities/ establishment of contact and communication channels with the authorities;
- Employment/local cooperation;
- Education;
- Contact and communication with identified stakeholders whose land was to be secured for the Projects - securing access to land.

The compensation policy for securing land for Projects has also changed between 2022 and 2023, due to a change in legislation. In June 2022, an information campaign on the subject was conducted among local communities. This included meetings with local authorities, group meetings with landowners, including in Duninowo, individual meetings with private landowners. The aim of this campaign was to provide stakeholders with comprehensive and transparent information on the new land acquisition policy; to present a timetable for action; to obtain initial feedback and thus minimise the risk of further complaints.

Information about the Projects is communicated through the various communication channels available, including social media and the Projects' websites: bałytk2.pl and bałytk3.pl. Since April 2024, a new, expanded website has been operational: bałytk123.pl. The Projects are widely recognised through press releases in national media. Press releases are sent to the media on a regular basis, resulting in a large number of publications on the MFW Bałytk II and MFW Bałytk III. This provides access to current information on the Projects. Information about the Projects is also available on Equinor and Polenergia's LinkedIn. Information materials on the Projects have been prepared in Polish, English and Kashubian.



In June 2023, the Local Information Point in Łeba was opened, allowing all interested parties to contact the Projects and access up-to-date information. It is Poland's first year-round information and education point on offshore wind energy. It is a place of education for children and young people, where activities and knowledge competitions on offshore wind energy will be organised for them. It is also a place to build long-term, neighbourly relations with the local community - constant contact with Project stakeholders and building relationships based on ongoing dialogue.

CLO Community Liaison Officer - has not yet been appointed; it is planned to appoint one Officer for the MFW Bałytk projects.

More information can be found in the 2024 updated Stakeholder Engagement Plan (SEP).

8.2 Sectoral agreement for the development of offshore wind energy in Poland

At the initiative of the Deputy Minister for Climate and Environment, representatives of the government administration and key representatives of the offshore wind energy sector signed on 15 September 2021. "Polish Offshore Wind Sector Deal".

The overarching goal of this agreement is to support the development of the offshore wind energy sector in Poland and to maximise 'local content', i.e. the participation of Polish entrepreneurs in the supply chain for offshore wind farms built in the Polish exclusive economic zone. The Sector Deal is to enable the start of cooperation between entities interested in the construction and development of the offshore wind energy sector. The parties to the Sector Deal are representatives of the government administration and representatives of investors and the industry.

The agreement is intended to provide a permanent platform for co-operation between governmental and local government authorities, current and future investors and operators of offshore wind farms in Poland, as well as representatives of the supply and service chain, scientific and research units and financial and insurance institutions - in order to achieve the objective of the Agreement, by ensuring coordinated action for the dynamic development of the offshore wind energy sector in Poland, with a focus on enhancing national energy, environmental, economic and social benefits.

Equinor and Polenergia representatives actively participate in all groups and most subgroups of the Agreement.

One of the 6 working groups set up under the Sector Deal is tasked with developing principles that will enable offshore fisheries and offshore wind farms to coexist safely (the so-called Code of Good Practice). This includes, among others:

- Developing principles for verifying possible losses and possible and adequate methods and scale of compensation for documented lost fishing opportunities for owners and operators of fishing vessels;
- the development and submission to the Ministry of Agriculture and Rural Development of detailed proposals for the conditions for carrying out sea fishing in the area of the MFW and within the export infrastructure.

The main elements of the outline of the Code have been developed taking into account comments from fishing communities. Fishing communities will be involved in its final form when the Code is presented to the relevant Sector Deal Group.

A draft Code of Good Practice is not currently available. It is expected that this document should be produced before the construction phase of the Projects begins.

8.3 Continued stakeholder management

Further stakeholder management activities are detailed in the Stakeholder Engagement Plan (SEP, 2024). These are built on the following three pillars and relate to the pre-construction phase, as well as the construction and operation phases:

- Engagement with directly affected stakeholders and their representatives to share updates about the Projects, including potential impacts of the Projects, community concerns and how they will be managed.
- Engagement with the broader public related to offshore wind energy, the Projects and the Investors to build awareness and support.
- Monitoring and cooperation with the media.
- Engagement in educational activities aimed at raising awareness of offshore wind energy.

In addition, active participation in all groups and most subgroups of the Polish Offshore Wind Sector Deal will continue. One of the most important and urgent activities under the Agreement is the development of a Code of Good Practice for coexistence with fisheries. According to the assumptions, a draft of the Code is to be presented and discussed with all interested parties in order to give fisheries organisations an opportunity to comment on and influence the final shape of the document and express an optimal compromise between the parties involved.

In accordance with the requirements of the Act on the Promotion of Electricity Generation in Offshore Wind Farms, a Supply Chain Plan was prepared for MFW Bałyk II and MFW Bałyk III, followed by the development of five flagship programmes of the Supply Chain Plan ([Our Mission | Wind Farms on the Baltic \(bałyk123.pl\)](https://www.bałyk123.pl)) - open umbrella programmes initiating and integrating activities for the development of the Polish offshore wind energy industry and services (Figure 7).

Figure 6 The five flagship programs of the Supply Chain Plan



Source: Equinor&Polenergia materials, 2024

Further stakeholder engagement activities during the implementation of the Projects will be carried out under these Flagship Programmes, including through:

- Cyclical meetings with residents
- Workshop with local administration
- Education and meetings on local participation, workshops, capacity building
- Participation in local events
- Cooperation with local institutions
- Cooperation with local entrepreneurs
- Communication activities

The Local Information Point in Łeba, located at ul. Kościuszki 88, will continue its year-round operations. At the local information point, interested parties can learn about the Projects, planned activities, results of previous social campaigns, and file a complaint or comment on the Projects. In addition, interested parties can learn more about the Projects from the website: www.bałyk123.pl or by sending an email with a question to the dedicated email address: info@bałyk123.pl. A description of all forms of contact can also be found on the Projects website: <https://bałyk123.pl/en/about-us/contact-us/>. A leaflet about the Projects can be downloaded: <https://bałyk123.pl/en/about-the-project/documents-to-download/>.



9. Grievance management mechanism

The Projects' Community Grievance Management (CGM) process was initiated when the first Stakeholder Engagement Plan (SEP) was developed for the Projects in 2022, and updated in 2024.

The key principles of complaint management are in line with those of international standards (prompt, culturally appropriate, efficient, accessible, transparent, confidential, free of charge and free of retaliation).

The Projects CGM applies to all activities and components, including those for which Projects investors, their staff in contact with communities, contractors and subcontractors are responsible. It also applies to all phases of the Projects, including construction and operation. It will be updated regularly to ensure it is current and relevant to the scale and stage of the Projects.

The SEP document contains detailed information on the purpose of the mechanism, its principles, the governance process, administration and publication of the CGM, management of contractor complaints, training, monitoring and reporting, etc. The SEP also provides detailed guidance on GBVH complaints.

Any stakeholder can submit a complaint at any time and at no financial cost, with the option to remain anonymous if they prefer. Complaints can be submitted in Polish and English through various communication channels.

Grievances may take the form of specific complaints for damages/injury, concerns about routine Projects activities, or perceived incidents or impacts. Grievances may also be related to a commitment of the Investors' or their subcontractors that has not been honoured.

The Investors recognize that unforeseen impacts may occur in connection with the implementation and operation of the MFW Bałtyk II and MFW Bałtyk. Therefore, the maintenance of an open line of communication with the communities and/or those potentially affected by the Projects is important to maintain transparent relations and build trust. To this end, the following tasks, among others, have been carried out recently:

- June 2023 - opening of the Local Information Point in Leba, which enables all interested parties to contact the Projects and access up-to-date information;

- April 2024 - launch of the web portal Bałyk123.pl, which applies to all Bałyk offshore wind farm Projects (I, II and III), to provide a unique platform for stakeholder communication. The new web portal includes an interactive complaints and grievance mechanism;
- preparation of a Grievance Form in Polish and English;
- preparation of a Project Information Leaflet in Polish, English and Kashubian;
- Conducting periodic (quarterly) information meetings aimed at all stakeholders

An internal grievance mechanism is under development; it will not be published/open to the public. This mechanism will be developed, among others, based on existing mechanisms at Polenergia and Equinor (SEP, 2024).

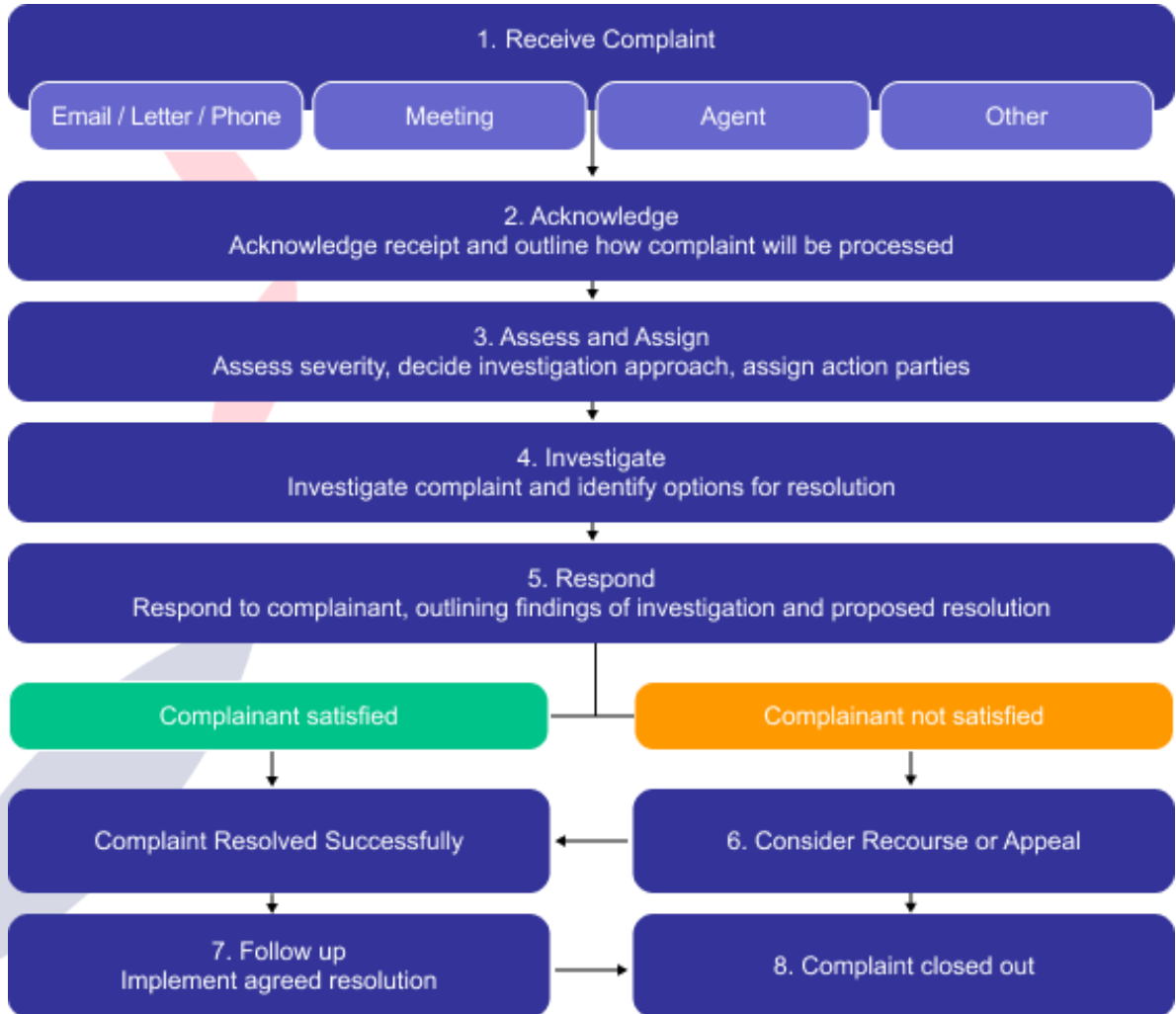
According to the SEP, any stakeholder may file a complaint at any time and without any financial costs, having the option to remain anonymous if they prefer. Complaints can be submitted in Polish and English through the following channels:

- Using the main reception number available at +48 22 522 39 00, available for the Bałyk projects;
- In writing via e-mail using the form sent to the indicated e-mail address: or through the contact tab available on the Projects website: bałyk123.pl;
- in person by leaving the complaint form in the complaints box available at the Local Information Point at the address: Tadeusza Kościuszki Street 88, 84-360 Łeba. At a later stage of the project it will be available in the O&M database located at the Port of Łeba, address: Jachtowa Street 8, 84-360 Łeba;
- in person by leaving a complaint form in each construction office for each stage of the investment (during the construction of ECI);
- in writing by traditional mail to the following address: MFW Bałyk II Sp. z o.o. and MFW Bałyk III Sp. z o.o., ul. Krucza 24/26, 00-526 Warsaw;
- by sending an email to the following address: info@bałyk123.pl

Electronic grievance mechanism form can be found on the website: <https://bałyk123.pl/en/about-us/grievance-mechanism/submit-a-grievance/>

Figure 8 shows the process of managing the complaints mechanism.

Figure 7 Grievance management flow chart



Source: SEP, 2024