Materiality Analysis
2018

Vattenfall Group sustainability – September 2018

Anne Korthals Altes, Jesse Steele, Annika Ramsköld
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3. Appendix
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Materiality analysis 2018 – overall conclusions

- Between April and June 2018, over 2700 stakeholders from Vattenfall’s main markets* have rated the most material** topics based on both importance to stakeholders as well as the significance of impact on the environment, society, or economy.

- From this feedback, eight material topics emerged:
  - Reduce CO2 and fossil fuel dependency
  - Provide affordable energy
  - Increase renewable production capacity
  - Protect nature and species
  - Develop sustainable energy services and solutions
  - Minimize non CO2 emissions
  - Safely dispose of nuclear waste
  - Provide affordable and stable grid infrastructure

- The priorities vary slightly across geographies and stakeholder groups.

- According to stakeholders, Vattenfall performs between ‘average’ and ‘good’ on these topics, with ‘increase renewable production’ best performing (‘good’).

- Total respondents: >2300 external surveys, ~350 employee surveys, ~40 internal & external interviews.

* Denmark, Finland, Germany, Netherlands, Sweden, UK
** A material topic is a topic that reflects a reporting organization’s significant economic, environmental and social impacts; or that substantively influences the assessments and decisions of stakeholders.
Vattenfall’s strategic direction reflects the topics that stakeholders consider most important and where Vattenfall has a clear impact.

The most material topics to stakeholders are linked to Sustainable Production and Sustainable Consumption.

Topics related to High Performing Operations and Empowered and Engaged People are seen more as enablers and hygiene factors.

- Based on the interviews, we conclude that overall credibility on Vattenfall’s key sustainability topics has increased.

- However, communications about Vattenfall’s sustainability performance, ambitions and proof points could be improved, as many stakeholders are surprised about the ambition and activities Vattenfall has ongoing.
1. Reducing CO2 and fossil dependency
2. Providing affordable energy
3. Increasing renewables
4. Protecting nature and species (biodiversity)
5. Developing new, sustainable heat & electricity services and solutions (incl. digitally)
6. Minimising non-CO2 emissions into air, water and land
7. Safe disposal of nuclear waste
8. Providing affordable and stable grid infrastructure
9. Developing decentral solutions (heat pumps, solar installations, battery storage)
10. Responsible procurement and sourcing of fuels (respecting human rights in the value chain)
11. Providing smart and flexible grid infrastructure for future needs
12. Ensuring efficiency in own operations, including energy/fuel and water use
13. Openness and transparency
14. Ensuring decent work and working conditions, including fair pay and working hours
15. Fair and ethical business practices, including anti-corruption and bribery
16. Ensuring sustainable life-cycle of operations
17. Ensuring occupational safety, health and well-being
18. Sustainability in restructuring, investment decisions
19. Efficient waste management
20. Competence development and retention
21. Employee engagement
22. Promoting diversity and gender equality, including to special groups such as disabled, youth, and immigrant
23. Developing solutions in the field of E-mobility
24. Engaging with local communities (i.e., through dialogue)
25. Supporting good causes, including local sponsorships
26. Transparent tax management

Materiality Matrix

Vattenfall’s four strategic objectives
- Leading towards Sustainable Production
- Leading towards Sustainable Consumption
- High Performing Operations
- Empowered and Engaged People
Comparison to 2016 materiality analysis

From 2016…

‘Providing affordable energy’, ‘Providing affordable and stable grid infrastructure’ and ‘Protect nature & species’ have become more material

‘Reduce CO2 emissions’ and ‘Increase renewables’ remain key material topics

‘Safe disposal of nuclear waste’, ‘Minimizing non-CO2 emissions’ and ‘Developing new services and solutions’ remain important material topics

In 2018 ‘Openness & Transparency’ is no longer considered to be one of the most material topics
Key feedback from interviews

“We must invest wisely to be able to make greatest long term impact”

“Vattenfall’s strategy is good, but need to make clearer decision (especially regarding fossils), and above all should accelerate”

“Vattenfall can’t do it alone, and thus should seek to develop solutions with partners and society”

“Vattenfall should take the lead in the energy transition!”

“Being state-owned allows you to take greater investment risks and pursue more varied solutions”
### Top 3 important topics among core countries

<table>
<thead>
<tr>
<th>Topic</th>
<th>Sweden</th>
<th>Germany</th>
<th>Denmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing CO2 and fossil dependency</td>
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<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Providing affordable energy</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Protecting nature and species (biodiversity)</td>
<td>3</td>
<td></td>
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<tr>
<td>Increasing renewables</td>
<td>2</td>
<td></td>
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</tbody>
</table>

Note: Responses from Denmark/Finland/UK have been incorporated in group statistics, but are not significant at local level due to limited responses
**Top 3 important topics per stakeholder group**

<table>
<thead>
<tr>
<th>Topic</th>
<th>BtC</th>
<th>BtB</th>
<th>Employees</th>
<th>General public</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing affordable energy</td>
<td>1</td>
<td>1</td>
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<td>1</td>
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<td>Reduce CO2 and fossil dependency</td>
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<tr>
<td>Increase renewables</td>
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<tr>
<td>Developing new, sustainable services and solutions</td>
<td>2</td>
<td>3</td>
<td></td>
<td></td>
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<tr>
<td>Ensuring decent work and working conditions</td>
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</table>

*This ranking is based on the importance of the topic for stakeholders and not on the significance of impact*
Material topics also confirm our prioritized SDGs*

In 2016, we identified the six SDGs to which we make the greatest global contribution.

The eight most material topics identified by stakeholders highlight that these six remain relevant, as each topic impacts a number of the identified goals.

Our core strategy and operations continue to be aligned with the areas in which we can have the greatest impact as a company.

*Sustainable Development Goals, part of UN Agenda 2030. In 2015, the 17 Goals were agreed upon and adopted by over 150 countries.

<table>
<thead>
<tr>
<th>Topic</th>
<th>SDG 7</th>
<th>SDG 9</th>
<th>SDG 11</th>
<th>SDG 12</th>
<th>SDG 13</th>
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<tbody>
<tr>
<td>Reduce CO₂</td>
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<td>Protect nature &amp; species</td>
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<tr>
<td>Develop sustainable solutions</td>
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<td>Minimize non-CO₂ emissions</td>
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<tr>
<td>Safely dispose nuclear waste</td>
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<tr>
<td>Provide affordable &amp; stable grid infrastructure</td>
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</tbody>
</table>
Content

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Respondents to the materiality analysis represent all countries and stakeholder groups

Between April and June 2018, over 2700 people (including almost 350 employees) from all stakeholder groups on Vattenfall’s main markets took part in the dialogues

Channels and countries:
- **Consumer panels** in Sweden, Germany and the Netherlands, >2300 representatives
- **Interviews** with representatives in Sweden, Germany, the Netherlands, Denmark & the UK, ~40 representatives
- **Survey on intranet, corporate websites, and in social media** in Sweden, Finland, Germany, the Netherlands, the UK, Denmark, >380 participants
- **Targeted emails** sent to key stakeholders
Follow up on key takeaways

Integrate findings into Vattenfall strategy and business planning processes

Continue dialogue with stakeholders

Communicate more on our ambitions and proof points

Continue R&D, business and product development towards new innovative and sustainable business models

Secure partnerships to accelerate and drive development, in particular in industry and transport
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1. Breakdown of results & analysis
   1. Analysis per core market
   2. Analysis per stakeholder group
   3. Deep dives on key material topics

2. Process and methodology
## Importance to stakeholder group

<table>
<thead>
<tr>
<th>Topic</th>
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<tr>
<td>Reduce CO2 and fossil dependency</td>
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<td>3</td>
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<tr>
<td>Protecting nature and species</td>
<td>3</td>
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<tr>
<td>Fair and ethical business practices</td>
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<tr>
<td>Competence development and retention</td>
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<tr>
<td>Ensuring decent work and working conditions</td>
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<td>3</td>
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<tr>
<td>Responsible sourcing and purchasing</td>
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Note: Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets.
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<tr>
<td>Developing new, sustainable services and solutions</td>
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Note: Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets.
A number of additional topics* were raised by stakeholders as well

- **Nuclear power** in general continues to be a controversial topic, as respondents in Germany are nearly universally against it, while a large majority of respondents in Sweden believe it should be further supported.

- **Partnerships with industries** was less controversial, as a number of respondents highlighted the potential of electrification with fossil-free electricity to decarbonize industries.

- **Engaging in public discussions regarding the energy transition** was raised by both internal and external stakeholders as a way to have greater positive impact, indicating a general belief in Vattenfall, our expertise, and our ability to drive positive change.

*When given the opportunity, stakeholders could provide additional comments in the interviews and surveys. These topics appeared the most often (generally more than five separate mentions).
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1. Breakdown of results & analysis
   1. Analysis per core market
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   3. Deep dives on key material topics

2. Process and methodology
Materiality Matrix – External stakeholders

Vattenfall’s four strategic objectives

- Leading towards Sustainable Production
- Leading towards Sustainable Consumption
- High Performing Operations
- Empowered and Engaged People

1. Providing affordable energy
2. Reducing CO2 and fossil dependency
3. Increasing renewables
4. Protecting nature and species (biodiversity)
5. Developing new, sustainable heat & electricity services and solutions (incl. digitally)
6. Minimising non-CO2 emissions into air, water and land
7. Providing affordable and stable grid infrastructure
8. Safe disposal of nuclear waste
9. Developing decentral solutions (heat pumps, solar installations, battery storage)
10. Ensuring efficiency in own operations, including energy/fuel and water use
11. Responsible procurement and sourcing of fuels (respecting human rights in the value chain)
12. Openness and transparency
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19. Ensuring occupational safety, health and well-being
20. Competence development and retention
21. Employee engagement
22. Promoting diversity and gender equality, including to special groups such as disabled, youth, and immigrant
23. Developing solutions in the field of E-mobility
24. Engaging with local communities (i.e., through dialogue)
25. Transparent tax management
26. Supporting good causes, including local sponsorships
## Materiality Matrix – Internal stakeholders

### Vattenfall’s four strategic objectives
- Leading towards Sustainable Production
- High Performing Operations
- Leading towards Sustainable Consumption
- Empowered and Engaged People

### Vattenfall’s four strategic objectives
1. Reducing CO2 and fossil dependency
2. Increasing renewables
3. Developing new, sustainable heat & electricity services and solutions (incl. digitally)
4. Safe disposal of nuclear waste
5. Ensuring sustainable lifecycle of operations
6. Protecting nature and species (biodiversity)
7. Ensuring decent work and working conditions, including fair pay and working hours
8. Providing affordable and stable grid infrastructure
9. Providing smart and flexible grid infrastructure for future needs
10. Minimising non-CO2 emissions into air, water and land
11. Providing affordable energy
12. Responsible procurement and sourcing of fuels (respecting human rights in the value chain)
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<table>
<thead>
<tr>
<th>Significance of impact on society, environment, or economy</th>
<th>Importance to stakeholders</th>
<th>Materiality Matrix – Internal stakeholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>High</td>
<td>High</td>
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</tbody>
</table>
Commentary

- **Employees** rank “reduce CO₂” as **significantly** more important and having a significantly greater impact than any other topic, indicating full **buy-in** to our aim of being **fossil-free** within one generation.

- **Internal stakeholders** see the **enablers** “Ensuring decent working conditions”, “Occupational health and safety”, and “Competence development and retention” as being generally **equally important** as the **strategic focus areas**, though having slightly less impact.
## Importance to stakeholder group, total*

<table>
<thead>
<tr>
<th>Topic</th>
<th>BtC</th>
<th>BtB</th>
<th>Employees</th>
<th>General public</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing affordable energy</td>
<td>1</td>
<td>1</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Reduce CO2 and fossil dependency</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Increase renewables</td>
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<td>3</td>
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<td>2</td>
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</tbody>
</table>

* This ranking is based on the importance of the topic for stakeholders and not on the significance of impact.
Intuitively, customers’ primary concern was for affordable energy

- **Customers**
  
  Both business and private customers care about **price and affordability first** and foremost, with **reducing CO2 emissions second and increase renewables third**. This reflects our experience:

  - Customers think it’s the **responsibility of energy companies** to become more sustainable (reduce CO2 and increase renewables)
  - Customers want **more renewables** but **don’t want to pay** more for them.
  - The societal debate drives attention to the **distribution of costs** of the **energy transition** and the **disproportional financial burden** on low income households and the affordability of a more sustainable energy system.
Employees, understandably, place greater importance on working conditions

- **Employees**
  - Care most about *reducing dependence* on fossils, indicating *buy-in to our vision* to be fossil-free within one generation
  - Also care about *working conditions* (in particular in Sweden)
  - Are *customer centric* in wanting to develop new solutions, though perhaps there is a disconnect between us and customers on how important this is

- **General Public**
  - The general public’s top three, ‘Reduce CO2 and fossil dependency’, ‘increase Renewables’ and ‘affordability of energy’, reflects our experience that the general public views that the energy transition is the main responsibility of energy companies and government, while the affordability of energy should be secured.
Appendix

1. **Breakdown of results & analysis**
   1. Analysis per core market
   2. Analysis per stakeholder group
   3. Deep dives on key material topics

2. **Process and methodology**
CO2 reduction and fossil dependency

<table>
<thead>
<tr>
<th>Overall ranking 2018:</th>
<th>Country rankings 2018:</th>
<th>Stakeholder rankings 2018:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 3 2</td>
<td>Employees 1 2</td>
</tr>
<tr>
<td></td>
<td>Vattenfall’s performance: Slightly better than “average”</td>
<td>General public 2 2</td>
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<td>B2B customers 2 2</td>
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<td></td>
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<td>B2C customers 2 2</td>
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</tbody>
</table>

**Importance in comparison to 2016 results:** No change

**Vattenfall’s actions:**
We recognize the importance of reducing our contribution to climate change, and have placed it at the center of our business through our vision to be fossil-free within one generation. We are working to accelerate the transition to a fossil-free society, not just internally but for our customers and industrial partners as well.

**Interview comments:**
- “Be bold, speed up coal phaseout”
- “Clearer milestones need, for example with Moorburg and gas phaseout”
- “Make proactive decisions, not simply based on pressure from society (Hemweg)”

Notes: 1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.
Provide affordable energy

<table>
<thead>
<tr>
<th>Overall ranking 2018:</th>
<th>Country rankings 2018:</th>
<th>Stakeholder* rankings 2018:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>2 1 1</td>
<td>Employees 12 General public 1</td>
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<table>
<thead>
<tr>
<th>Importance in comparison to 2016 results:</th>
<th>Vattenfall’s performance:</th>
<th>Interview comments:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Slightly better than “average”</td>
<td>“Take the lead to ensure energy is affordable”</td>
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<tr>
<td></td>
<td></td>
<td>“Challenging to find the balance between driving the transition, keeping costs down, and still making a profit”</td>
</tr>
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</table>

Vattenfall’s actions:
The cost of the energy transition affects everyone, and Vattenfall is taking steps both upstream and downstream to address this. Upstream, we strive for maximum operational efficiency in our power plants and aim to reduce the cost of renewables like wind and solar. Downstream, we have multiple programs to help low-income or at risk customers with their energy bills.

Notes: 1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.
Increase renewables

**Overall ranking 2018:**

3

**Country rankings 2018:**

<table>
<thead>
<tr>
<th>Country</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>4</td>
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<tr>
<td>Germany</td>
<td>2</td>
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<tr>
<td>Netherlands</td>
<td>3</td>
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</table>

**Importance in comparison to 2016 results:**

No change

**Vattenfall’s performance:**

Best among material topics, nearly “good”

**Vattenfall’s actions:**

A 100% fossil-free society will depend heavily on renewable energy. We have set ambitious growth targets for our renewable energy portfolio, while simultaneously striving to be a leader in cost.

**Stakeholder* rankings 2018:**

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
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</thead>
<tbody>
<tr>
<td>Employees</td>
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</table>

**Interview comments:**

- “Take leading role in making the energy system more sustainable”
- “Keep investing despite decreasing returns”
- “Renewables key to enable fossil free society, need to keep going strong”
- “Vattenfall plays an important role in lowering the cost curve of wind; and recycling of capital”

Notes: 1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.
Protect nature and species

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<td>Employees 7  General public 4  B2B customers 4  B2C customers 9</td>
</tr>
</tbody>
</table>

Importance in comparison to 2016 results: 

Vattenfall’s performance:
Slightly better than “average”

Vattenfall’s actions:
Protecting nature and species is of fundamental importance to Vattenfall’s business and a key consideration in asset and project decision-making processes. As part of Vattenfall’s long term biodiversity strategy, we conduct many related R&D activities, both internally and with industry, academic, or civil society partners.

Interview comments:
“Vattenfall needs to responsibly manage its impacts at hydropower plants”

“Make wind power more sustainable by reducing alterations of landscapes around wind power plants”

Notes: 1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.
# Develop sustainable services & solutions

## Overall ranking 2018:
5

## Country rankings 2018:
- Employees: 3 7 5 4
- B2B customers: 2
- B2C customers: 7

## Stakeholder* rankings 2018:
- Employees: 3
- General public: 5
- B2B customers: 2
- B2C customers: 7

## Importance in comparison to 2016 results:
No change

## Vattenfall’s performance:
Between “average” and “good”

## Interview comments:
- “Speed-up and take advantage of business opportunities”
- “Lead the way: help customers and society with the energy transition and be more focused”
- “Develop new contracts and business models that make solar easier to adopt for customers”

## Vattenfall’s actions:
The energy transition will create opportunities for new, sustainable business models built to meet evolving customer needs. To truly drive the energy transition, Vattenfall is working with our customers and partners to develop attractive, sustainable services and solutions.

Notes: 1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.
# Minimising non-CO$_2$ emissions

## Overall ranking 2018:

6

## Country rankings 2018:

<table>
<thead>
<tr>
<th>Country</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>6</td>
</tr>
<tr>
<td>Germany</td>
<td>8</td>
</tr>
<tr>
<td>Netherlands</td>
<td>9</td>
</tr>
</tbody>
</table>

## Stakeholder* rankings 2018:

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>Employees</th>
<th>General Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2B customers</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>B2C customers</td>
<td>5</td>
<td>8</td>
</tr>
</tbody>
</table>

## Importance in comparison to 2016 results:

No change

## Vattenfall’s performance:

Between “average” and “good”

## Vattenfall’s actions:

Minimising non-CO$_2$ emissions like NOx, SOx, VOCs, and particulates is a regulated part of Vattenfall’s business. Vattenfall strives to remain below legal limits, and to achieve this, nearly 100% of our electricity and heat production comes from sites with certified environmental management systems.

## Interview comments:

No comments

---

Notes: 1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.
# Safe disposal of nuclear waste

<table>
<thead>
<tr>
<th>Overall ranking 2018:</th>
<th>Country rankings 2018:</th>
<th>Stakeholder* rankings 2018:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Importance in comparison to 2016 results:</th>
<th>Vattenfall’s performance:</th>
<th>Interview comments:</th>
</tr>
</thead>
<tbody>
<tr>
<td>No change</td>
<td>Slightly above “average”</td>
<td>“Continue to be active partner in dialogue with the state”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Continue to focus on R&amp;D for storage and reuse of current waste”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Recognize that nuclear is considered problematic in Germany”</td>
</tr>
</tbody>
</table>

**Vattenfall’s actions:**

The operation of nuclear reactors produces hazardous by-products, the handling of which is governed by individual countries. Vattenfall conducts significant R&D activities on nuclear waste storage, and is an active dialogue partner with both Swedish and German governments to find adequate solutions for the storage of waste.

Notes: 1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.
Provide affordable and stable grid infrastructure

<table>
<thead>
<tr>
<th>Overall ranking 2018:</th>
<th>Country rankings 2018:</th>
<th>Stakeholder* rankings 2018:</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>(Flag icons: Sweden, Germany, Netherlands)</td>
<td>Employees 16 General public 7 B2B customers 6 B2C customers 5</td>
</tr>
</tbody>
</table>

Importance in comparison to 2016 results:
- Increased

Vattenfall’s performance:
- Between “average” and “good”

Vattenfall’s actions:
- Grids are a regulated part of the energy system. Vattenfall works within the boundaries set by the regulators, striving for the greatest balance between cost efficiency and efficacy of investments in order to improve grid quality, reliability, and adaptability to future conditions.

Notes:
1) Aggregated scores for impact and importance; 2) Based solely on importance; 3) Displayed stakeholder groups are those with the highest number of respondents and at aggregate level across all markets. Ranking across stakeholder groups can vary at country level.

Interview comments:
“Need to invest wisely to get greatest benefits from customer’s money and our investments”
Appendix

1. Breakdown of results & analysis
   1. Analysis per core market
   2. Analysis per stakeholder group
   3. Deep dives on key material topics

2. Process and methodology
The materiality analysis consists of four key steps:

<table>
<thead>
<tr>
<th>Identification</th>
<th>Data collection</th>
<th>Analysis</th>
<th>Validation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Identifying potential topics</strong></td>
<td><strong>Stakeholder dialogues</strong></td>
<td><strong>Analysis</strong></td>
<td><strong>Validation of results</strong></td>
</tr>
<tr>
<td>- Initial context review</td>
<td>- Both internal and external</td>
<td>- Group level, per stakeholder group, and per country</td>
<td>- Workshop with sustainability team</td>
</tr>
<tr>
<td>- Group Strategic Direction</td>
<td>- Surveys</td>
<td>- Key topics, as well as performance</td>
<td>- Discussion with Executive Group Management</td>
</tr>
<tr>
<td>- Annual report &amp; GRI</td>
<td>- Standardized (closed) questions</td>
<td>- Limited responses were consolidated at group level to avoid drawing conclusions on a sample size of ex. 5</td>
<td></td>
</tr>
<tr>
<td>- SDGs</td>
<td>- Quantitative outputs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Vattenfall Reputation Monitor</td>
<td>- Conducted via</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Sustainability trends</td>
<td>- Panels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- List of relevant topics for stakeholder dialogues</td>
<td>- LinkedIn &amp; Twitter</td>
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<tr>
<td></td>
<td>- Intranet</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Targeted emails</td>
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</tbody>
</table>

- **Interviews**
  - Open questions
  - Qualitative outputs

**Materiality matrix**
- First presentation of matrix
Process of defining stakeholder groups and interviewees

- **Stakeholder groups were identified by:**
  - Reviewing the 2016 groups
  - Performing a cross-Business Areas/Staff Functions workshop to identify stakeholder groups and how Vattenfall impacts them and how they impact Vattenfall

- **Interviewees were identified by:**
  Internal consultations regarding key or relevant contacts, primarily with:
  - Group Sustainability team
  - Public and Regulatory Affairs
  - Business Area Customers & Solutions
  - Business Area Heat
  - Investor relations
Process of selecting topics and interview questions

- Topics and interview questions were identified through:
  - Reviews:
    - 2016 materiality analysis
    - GRI Index in 2017 Vattenfall Annual & Sustainability Report
    - Competitors materiality analyses and GRI Indices
    - Most recent Vattenfall Group Strategic Direction
  - Consultations (internal Vattenfall)
    - Group Sustainability team
    - Business Area Customer & Solutions
    - Staff Function Communications (Vattenfall Reputation Monitor)