

EPPE GROUP POLICY

Bio-Diversity Policy

1. DEFINITIONS

For the purposes of this Policy the below mentioned terms are defined as follows:

Biodiversity	means the variety of plant and animal life in the world or in a particular habitat, a high level of which is usually considered to be important and desirable;
EPPE	means EP Power Europe, a.s. and all companies that are directly or indirectly controlled by it;
EPPE Group Company	means any company which forms part of EPPE;
Employees	means all employees, directors and officers of EPPE Group and all persons working on a contract basis, whether on a temporary or a permanent basis, part-time or full-time;
Policy	means this Bio-Diversity Policy;

2. BIO-DIVERSITY

Economic and social development is closely linked to the use of natural resources, affecting not only the availability thereof, but also the integrity of ecosystems and the biological diversity thereof. As the preservation of the ecosystem is an essential condition for global sustainability, it is necessary for this development to be fully compatible with the environment. The scientific community agrees in noting that there is currently a serious decline in biodiversity as well as a degradation of ecosystems. This loss of biodiversity, a direct consequence of the impact of human activities, is occurring more rapidly and generally, which entails serious environmental, economic and social risks. EPPE is fully aware of these risks and aims to adopt measures allowing for the identification and eradication thereof, with a proactive attitude promoting biodiversity that goes beyond strategies of mitigating or containing damages.

During their respective life cycles, the EPPE Group's businesses cause interactions with various ecosystems, landscapes and species. EPPE therefore commits to promoting the biodiversity of the ecosystems, establishing new projects sustainably, allowing balanced co-existence, and conserving, protecting and promoting the development and growth of the natural heritage. EPPE also considers important to promote a social culture focused on promoting awareness-raising among all of its stakeholders regarding the magnitude of this challenge and the benefits associated with meeting it, identifying specific actions that contribute to the preservation and development of the environment and to the sustainable use of natural resources. These commitments are assumed and promoted through this Policy.

3. PURPOSE OF THE POLICY

Encouragement of economic and social development, respect for the environment and promotion of biodiversity are paramount corporate values for the EPPE, informing all of its actions.

In this regard, this Policy confirms EPPE's commitment to sustainable and efficient development, as promoted through other EPPE Policies, such as Master Policy or Environmental Policy, recognising the strategic value represented by the preservation and promotion of biodiversity for all of the companies of the Group and providing a comprehensive and consistent framework of its commitments and underlying principles in the area of biodiversity.

4. SCOPE

The Policy applies to all Employees in all countries and territories that EPPE Group operates in.

5. BASIC PRINCIPLES

EPPE Group strives to prevent and minimise environmental impact, prioritising modernisation of processes and facilities, launching and maintaining the appropriate environmental management system standards and ensuring appropriate awareness among employees and business partners.

Protecting biodiversity in the areas where the EPPE Group operates is among the top goals of the EPPE Group. Potential risks in planning and operations are monitored and evaluated on a regular basis. These activities are complemented by consultations with experts, which leads to a mitigation of potential negative impacts. The EPPE Group aims not only to minimise the negative impact, but also to play an active role in supporting and protecting ecosystems and endangered species.

6. STANDARDS AND COMMITMENTS

To implement its commitment to biodiversity, the EPPE Group shall be guided by the following main principles of conduct, which shall be gradually applied in all its activities and businesses.

6.1. Regulatory Compliance

The EPPE continuous goal is to be compliant with the current environmental regulation and to transparently cooperate with the regulators in each of the countries the EPPE Group operates in.

6.2. Quality standards

EPPE Group Companies ensure implementation and monitoring of the appropriate environmental standards and certifications (if required by law) relevant to their operations in the territories in which they manage their assets.

6.3. Biodiversity as a Strategic Issue

EPPE integrates the preservation of biodiversity into the strategy of the EPPE Group, including consideration thereof in decisions on the construction, operation and decommissioning phases of infrastructure projects.

6.4. Preventive Approach

EPPE applies a preventive approach to minimize the impacts of new infrastructure on biodiversity, bearing in mind the entire life cycle thereof. EPPE also incorporates this preventive approach into the environmental and social impact assessments of new infrastructure projects, particularly in natural areas that are sensitive, biologically diverse or protected. EPPE Group generally strives to avoid operating in areas with the highest biodiversity value.

6.5. Integrating Biodiversity into the Environmental Management Systems (EMS)

EMS requirements are set up to ensure the implementation of procedures to protect the environment, identify risks and to ensure that the environmental performance meets the requirements of the regulation. The EPPE Group aims for maintaining or obtaining its certification standards at minimum meeting the regulatory requirements and if feasible also on par with international levels at major group companies.

6.6. Environmental Impacts of the Product Portfolio

The EPPE Group aims to decrease its products' negative impacts and helps its customers to understand the environmental impacts of the products.

6.7. Resources Efficiency

EPPE is committed to using all energy resources needed for its services' operations economically and efficiently, aiming for the highest sustainability standards in our present operations, reducing the waste generated, monitoring all resources usage and placing appropriate programmes to improve their efficiency.

6.8. Site Closures and Landscape Rehabilitations

EPPE's efforts concerning the preservation of biodiversity do not end upon completion of the facility, but rather continue during the operation and decommissioning phases thereof.

EPPE's objective is to return the land disturbed by its activities to as close to its natural and beneficial state as possible and create viable habitats for native species of the local area. To this end EPPE dutifully fulfills all obligations resulting from relevant national jurisdictions such as creation of reserves, provisions and setting aside sufficient funds to cover site closure and landscape rehabilitation.

6.9. Promoting Biodiversity Through Education

EPPE recognises the importance of providing environmental education and training to its key stakeholders through awareness-raising projects, energy efficiency programmes and by promoting renewable and clean energy solutions where appropriate.

6.10. Supporting Biodiversity Projects

EPPE contributes to a wide array of projects in the area of biodiversity protection and restoration.

6.11. Engagement of Stakeholders

EPPE collaborates with local communities, organisations, regulatory agencies and research institutes of national and/ or international repute in the field of biodiversity.

EPPE is committed to communicate its intentions in the area properly and in advance as well as to consult them with local authorities and general public.

7. IMPLEMENTATION

The Policy is implemented by all EPPE Group Companies into their internal processes and rules of operations.

Approved by the EP Power Europe, a.s. Board of Directors on 9 April 2021