



# ENVIRONMENTAL POLICY

Version:	01	Effective date:	1 February 2022
Applicable to:	All employees	Control (C):	yes
Approved by:	Board of Directors	Date of approval:	28 January 2022



## Introduction and Purpose

Elementum Energy Group (“**Elementum**” or “**Company**” or “**we**”) commits to powering a transition to a carbon-free society with affordable, reliable, sustainable and modern energy. We also commit to ensuring that our environmental, societal, economic and governance decisions benefit future generations.

We believe that fulfilling our commitments helps address global challenges and achieve UN Sustainable Development Goals (“**SDGs**”).

Elementum embeds the SDGs in its business strategy with SDG 7 “Affordable and Clean Energy” and SDG 13 “Climate Action” as our key goals.

We founded our business on our belief in the sustainability of renewables, their potential to address critical environmental challenges and promote sustainable economic growth. We see respect for and the protection of the environment as a basic guiding pillar of our operations.

The purpose of this environmental policy (the “**Policy**”) is to set out the core principles that we defined as crucial in day-to-day activity for ensuring that any business decisions consider the effect on the environment, and that any impact is properly addressed and sufficiently mitigated.

## Scope

This Policy applies to all Elementum employees, regardless of their department and the position they hold.

Where Elementum participates in existing joint ventures as a non-controlling shareholder, Elementum will make the other shareholder(s) specifically aware of the significance of this Policy to Elementum and encourage such shareholder(s) to implement this Policy or one of a similar standard in the joint venture.

For new minority joint venture cooperation under consideration, Elementum will strive to commit the other shareholder(s) to adopt this Policy or one of a similar standard for the joint venture.

Under this Policy, Elementum may develop a number of procedures and instructions to implement and enforce the obligations undertaken and bring the Policy in line with the different local laws and regulations applicable to Elementum.

## Policy Statements

### 1. LEADERSHIP

We are dedicated to the idea that clean energy will ultimately cover the energy demand of the vast majority of communities and industries around the world, actively contributing to climate change mitigation and transition towards a low-carbon future.

We are committed to scaling up the clean energy share in the generation mix of the localities in which we operate, as well as minimising the potential direct, indirect and cumulative environmental impact associated with our activities.

### 2. LEGAL OBLIGATIONS AND VOLUNTARY COMMITMENTS

We are committed to strict compliance with the applicable legislation, relevant international standards and the environmental requirements established by national and international initiatives, to which we voluntarily adhere.

### 3. ENVIRONMENTAL MANAGEMENT SYSTEM



Our Integrated Management System (“**IMS**”) provides a structured implementation of the ISO 14001 Environmental Management Systems, fully integrated into our operations, based on the principle of continuous improvement and the adoption of environmental indicators to measure the environmental performance of the organisation.

#### 4. NATURAL RESOURCE MANAGEMENT

We commit to sustainable utilisation of major natural resources, such as land, water, air, minerals, forests, fisheries and wild flora and fauna in a way or at a rate that enables people and communities to provide for their current social, economic, and cultural well-being while sustaining the potential of these resources to meet the reasonably foreseeable needs of future generations.

Elementum incorporates the ecosystem approach into its business strategy at the construction, reconstruction, operation and decommissioning stages for the integrated management of land, water and living resources, which promotes conservation and sustainable use in an equitable way.

We apply a precautionary approach to identify potential adverse risks and impact related to biodiversity, ecosystems and ecosystem services early in project design.

#### 5. ENERGY EFFICIENCY AND ENERGY SAVING

We recognise that energy efficiency is one of the cornerstones of a sustainable global energy system that allows getting more out of the existing resources, supports economic growth, lowers energy costs and reduces greenhouse gas emissions.

The Company is dedicated to reducing energy consumption by implementing energy-efficient technologies and other energy efficiency improvements in our offices and plants.

#### 6. WASTE PREVENTION AND MANAGEMENT

Elementum adheres to the principles of minimising waste generation, recycling and reuse.

We are committed to implementing processes and tools to facilitate the sorting and management of waste generated in our facilities, and to raising awareness among our employees so that waste sorting practices become part of their daily lives.

#### 7. CLIMATE CHANGE AND GREENHOUSE GASES

We are reducing our carbon footprint by producing renewable energy, the most cost-effective way of ensuring the required reduction in energy-related greenhouse gas (“**GHG**”) emissions. We are also measuring our own GHG emissions and taking prevention, reduction and remedial action.

We support science-based commitment of the global community to achieving net zero GHG emissions by 2030, and we are determined to play our part in making that happen.

#### 8. ADVOCACY AND AWARENESS-RAISING

Elementum commits to increasing public appreciation, education and awareness of the value and importance of a healthy environment and establishing clear links between the environment and the well-being of society.

We put every effort to engage employees and other stakeholders in awareness campaigns that promote sustainable utilisation of major natural resources, energy efficiency and energy saving, waste management and other environmental initiatives.

#### 9. REPORTING

We commit to transparently reporting our environmental performance to the public, institutions and other stakeholders in our Annual Report (Sustainability Report).



**This Policy meets the requirements of:**

- International Finance Corporation's Performance Standards (2012);
- Environmental and Social Policy of European Bank for Reconstruction and Development (2019); and
- UN Sustainable Development Goals and national legislation.

**Members of Elementum Energy Group include:**

Elementum Energy Limited; and  
Subsidiaries of Elementum Energy Limited.

**Body/Function/Individuals      Roles and Responsibilities**

Board of Directors	Approves the Policy.
Chief Operating Officer	Policy Owner: owns, endorses and ensures the implementation of the Policy.  Advises on policy content, and ensures relevant and correct communication of policy efforts to internal and external stakeholders.
Management, employees and contract workers of Elementum	Responsible for adhering to this Policy. Comply with the letter and spirit of the Policy. Engage and take responsibility for ensuring that all initiatives are developed in line with the Policy.

**Deviations**

No exemptions from this Policy can be granted unless there are exceptional circumstances or the Policy is obviously not applicable. All requests for exemptions must be made in writing to the Policy owner. The Policy owner must assess and decide on each request individually. Exemptions must be duly logged and documented.

**Policy Revision**

This Policy must be regularly reviewed in order to ensure its continued adequacy and relevance. It may be amended at any time with the approval of the Board of Directors. In the event of any discrepancies between the English version of this policy and a translated version, the English version will prevail.

**Associated Policies and Procedures**

- Sustainability Policy;
- Climate Change Policy;
- Environmental Policy;
- Biodiversity Conservation and Sustainable Management of Living Natural Resources Procedure;
- Policy and Targets Setting Procedure;
- Risk Identification and Assessment Procedure;
- Recourses Procedure;
- Training and competence Procedure;
- IMS Organisational structure Procedure;
- Monitoring Procedure;
- Internal Audits and Non-Conformities Management Procedure;
- Management Review Procedure;
- IMS Continuous Improvement Procedure;
- GHG Control and Monitoring Procedure.



**Contact**

For more information, please contact the Chief Operating Officer.