

BIODIVERSITY CONSERVATION AND SUSTAINABLE NATURAL RESOURCES MANAGEMENT POLICY

Version 02: effective; approved by the Board of Directors on 13 Mar 2024

Version 01: outdated; approved by Board of Directors on 28 Jan 2022

INTRODUCTION AND PURPOSE

Elementum believes that conserving biodiversity, maintaining ecosystem services, and sustainably managing natural resources are fundamental to sustainable development and essential for climate change adaptation and disaster risk reduction, reducing vulnerabilities and increasing resilience.

This biodiversity conservation and sustainable natural resources policy (the “**Policy**”) sets out general principles to ensure that all of Elementum’s corporate activities are carried out sustainably. It is focused on avoiding, and if avoidance is impossible, minimising and mitigating potential adverse social and environmental impact on biodiversity, ecosystems and ecosystem services associated with Groups’s project-related activities.

POLICY STATEMENTS

Sustainable approach to natural resources management. Elementum commits to the sustainable management of natural resources. This involves the use, development and protection of these resources 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.

Ecosystem approach. 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.

The Group’s ecosystem approach ensures that ecosystem management is:

- a) considered alongside economic and social considerations;
- b) integrated and works within the natural limits and utilises the natural functioning of ecosystems; and
- c) implemented with the involvement of interest groups and communities via efficient and effective decision-making processes.

Precautionary approach. Elementum applies a precautionary approach to identify potential adverse risks and impact related to biodiversity, ecosystems and ecosystem services early in project design. This approach requires:

- a) taking preventive action in the face of uncertainty;
- b) exploring a wide range of alternatives to possibly harmful actions; and
- c) increasing public participation in decision-making.

All project activities are screened and reviewed for potential direct, indirect and cumulative impact in the project’s area of influence, especially in natural areas that are sensitive, biologically diverse or protected.

Elementum integrates social and environmental considerations into project decision-making so that adverse impacts can be avoided or at least minimized and benefits can be delivered properly. Social and environmental assessment and adoption of appropriate mitigation and management measures are disclosed and discussed with stakeholders prior to implementation of any activities that may have adverse social and environmental impacts.

The Group’s risk reduction measures follow the mitigation hierarchy below:

- a) avoidance;
- b) minimising the duration, intensity and extent of potential impacts;
- c) mitigation; and
- d) residual impact offset or compensation.

Advocacy and awareness-raising. Elementum commits to increasing public appreciation, education and awareness of the value and importance of biodiversity, establishing clear links between biodiversity conservation and community health and welfare. It also promotes the idea that biodiversity is relevant to all people dependent on biological resources to fulfil their basic needs.

The Group makes efforts to engage the public in biodiversity conservation and ecosystem maintenance, sustainable management and use of renewable natural resources.



GENERAL PRINCIPLES FOR INTERNAL POLICIES

These General Principles for Internal Policies (the **"Principles"**) apply to all policies of Elementum Energy Limited unless the relevant policy includes an express derogation from the Principles approved in accordance with the terms of these Principles.

Our commitment. Elementum Energy Limited and its subsidiaries (**"Elementum"**, the **"Group"** or **"we"**) commit to powering a transition to a carbon-free society with affordable, reliable, sustainable and modern energy-production technology and ensuring that our environmental, societal, economic and governance decisions benefit future generations.

SDGs 7 & 13. We believe that fulfilling our commitments helps to address the global challenges and achieve the UN Sustainable Development Goals (SDGs). Elementum embeds the SDGs in its business strategy with SDG 7 'Clean Energy' and SDG 13 'Climate Action' as our key goals.

Purpose. The policy sets out general principles to ensure that all Elementum's corporate activities are carried out in a sustainable way, contributing to the achievement of the SDGs, and rejecting actions that contradict or hinder them.

The general principles and set forth in the Policy are further developed and specified in specific environmental, social and corporate governance procedures and other documents.

Reporting. We are committed to reporting on our sustainable development policies, goals and progress, striving for the prudent practices to continually improve our sustainability performance and contribute to a more sustainable future.

We commit to transparently reporting our ESG performance to the public, institutions and other stakeholders in the Elementum's sustainability reports.

Application. The Principles apply to all employees of Elementum, regardless of their department and the position they hold as well as to outsourced staff.

Where Elementum participates in existing joint ventures as a non-controlling shareholder, the other shareholder(s) must be made specifically aware about the significance to Elementum of the Principles and shall be encouraged to apply the same policy or a similar standard to the joint venture.

Deviations. No exemptions from the policy can be granted unless well documented and there are exceptional circumstances or the policy is obviously not applicable.

Policy Revision. The 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 Board of Directors. In the event of any discrepancies between the English version of the Principles and a translated version, the English version will prevail.