



GROUP ENVIRONMENTAL POLICY



Revisions

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Policy properties

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Contents

1	Policy provisions	4
1.1	Objective.	4
1.2	Legislative framework.	4
1.3	Scope.	4
1.4	Definitions and Abbreviations	5
2	Key Principles.	6
2.1	Climate change.	6
2.2	Biodiversity protection and nature conservation.	7
2.3	Resource efficiency and waste management.	7
2.3.1	Waste.	7
2.3.2	Water.	8
2.3.3	Energy	8
2.4	GHG emissions	8
3	Implementation.	9
3.1	Responsibilities.	9
3.2	Indications for further tasks and activities.	10
	Approval Authority Signature and Date	11





1. Policy provisions

1.1 Objective

As an independent provider of renewable solar energy, SOLEK Group contributes positively to environment protection through its core business. Since we take into account diminishing world resources as well as climate change and its impacts, we decided to play an active role in the energy transformation. We want to provide affordable, reliable, and carbon-free energy services supported by research and modern technology and ensure the stability of the power supply. We aspire for more and try to look beyond the horizons of our role as a producer of clean renewable energy. Despite SOLEK Group's positive contribution, our business operations bring some negative impact on the environment as a consequence of the trade-off principle. Our ambition is to reduce any potential negative impact of our operations to its absolute achievable minimum. We believe that this can be reached by respecting nature, sustainable resource management, and protection and conservation of biodiversity. This Policy document summarizes the key targets, principles, and measures we have set to reach our goal.

1.2 Legislative framework

Sustainability is not merely a catchphrase for us. To clearly demonstrate our motivation, we joined the [United Nations Global Compact](#) in summer 2022. The principles we are committed to are introduced in further detail in chapter 2: Key Principles.

In the framework of the [Sustainable Development Goals](#), we identified 4 targets within the Sustainability Strategy which we pursue:

- SDG 7 [Affordable and clean energy](#)
- SDG 12 [Responsible consumption and production](#)
- SDG 13 [Climate action](#)
- SDG 15 [Life on land](#)

This policy is also in compliance with the [EU Taxonomy Regulation](#) and principles named in the [Paris Agreement](#).

1.3 Scope

This Group Environmental Policy mirrors SOLEK Group's Sustainability Strategy. The Policy is applicable to all SOLEK employees and projects and serves as an ethical guide. The Policy should be communicated to all business partners and stakeholders.

This Policy describes the principles and activities for reaching the aims and goals set in the Sustainability strategy.

1.4 Definitions and Abbreviations

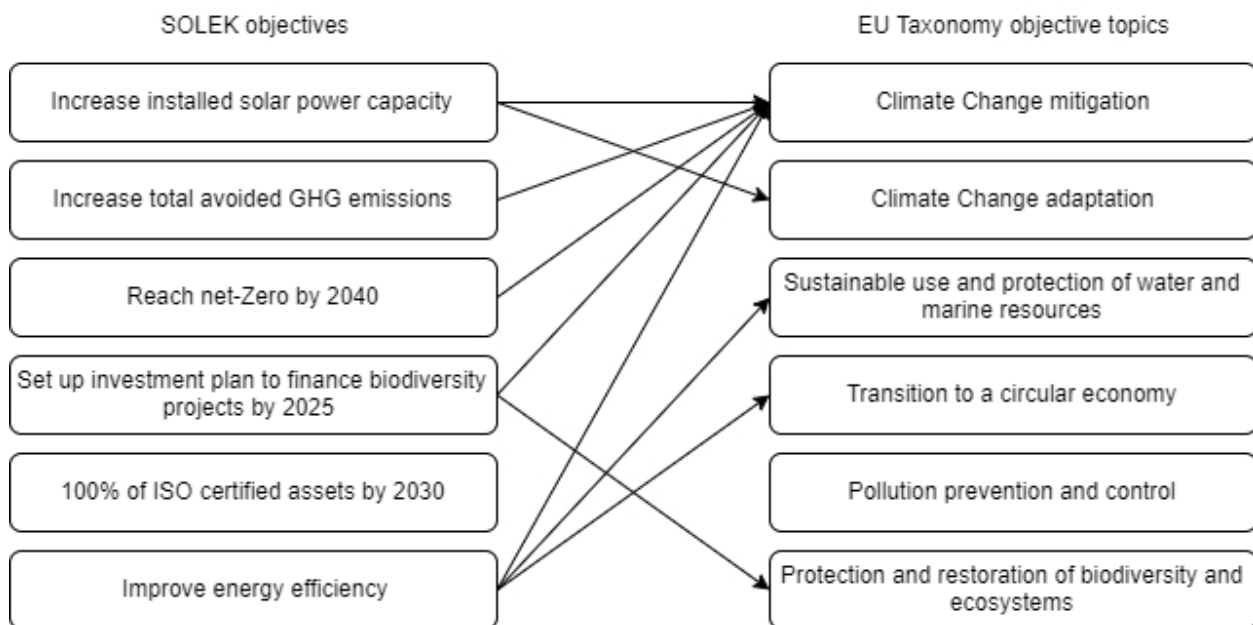
Policy	The Group Environmental Policy
Company	SOLEK HOLDING SE, ID No.: 29202701, with registered seat at Voctářova 2497/18, Libeň, 180 00 Prague 8, registered Commercial Register kept by Municipal Court in Prague, file No. H218
SOLEK Group	The Company and its subsidiaries
Group Company	All companies that are part of the Group
Employee	All employees, officers, contractors, directors, or members of statutory bodies of all Group Companies
UN	United Nations
GHG emissions	Greenhouse gas emissions
R&D	Research and development
tCO ₂ e/yr	Tons of carbon dioxide equivalent per year
net zero emissions	A balance between greenhouse gas emissions produced and greenhouse gas emissions taken out of the atmosphere
EU Taxonomy	European Union Taxonomy; a classification system establishing a list of environmentally sustainable economic activities
Circularity	Circular economy principle of using materials, products, and other resources in a circular instead of linear way to prevent waste generation
KPI	Key performance indicator
KPIs	Key performance indicators
F-gases	Fluorinated gases
Sustainability Strategy	SOLEK Sustainability Strategy issued in 2022

2. Key Principles

The SOLEK Group aims to be aligned with globally acknowledged standards and initiatives. We follow the key principles of United Nations Global Compact –for environmental activities in particular, these are:

- Supporting a precautionary approach to environmental challenges.
- Undertaking initiatives to promote greater environmental responsibility.
- Encouraging the development and diffusion of environmentally friendly technologies.

The SOLEK Group will reflect the principles in its daily operations and projects. We will regularly educate our employees in matters of environment and appropriate principles in practice. We also aim to apply the same principles to our suppliers and regularly inform stakeholders about the SOLEK Group's commitments and key principles to reach our goals. Furthermore, the SOLEK Group's objectives established within the Sustainability Strategy contribute to 5 out of 6 EU Taxonomy objectives as shown in the scheme below.



Along with our objectives, we have established a set of measurable KPIs which serve as a monitoring tool to evaluate our progress in the scope of every material topic.

2.1 Climate change

The SOLEK Group understands the complexity behind the term “climate change.” For us, it means taking into account mitigation, adaptation, impact reduction, and early warning, as well as education and awareness-raising. It is also about preventing climate-related hazards in operations and communities. Hence, every step which improves either our GHG emission reduction process, biodiversity preservation, resource efficiency enhancement, or sustainable waste management/disposal is a step closer to slowing down anthropogenic climate change. Therefore, we will implement a comprehensive risk management approach which supports a regenerative planet.

Principles to respect and follow:

- SOLEK Group will systematically seek to reduce and eliminate its direct greenhouse gas emissions through operational and technological means.
- We will work with suppliers who operate within the Suppliers Declaration to ensure that they are working to reduce their greenhouse gas emissions.
- We will monitor our climate risk exposure, carry out regular scenario analysis and mitigate identified risks.
- We will prefer local suppliers in the given country.



Our way to reach set goals:

- SOLEK Group will reach net zero emissions by 2040.
- SOLEK Group will implement both Environmental and Risk Management Systems in its operations.

2.2 Biodiversity protection and nature conservation

Biodiversity protection and conservation mean taking care of surrounding ecosystems, ensuring their conservation, and preventing land degradation, biodiversity loss, and extinction of threatened species. It is also important to invest in the protection of biodiversity and ecosystems.

Principles to respect and follow:

- We will respect areas of biodiversity importance.
- We will work with local communities and administrative units to enhance the fitness of our projects and project locations.
- We will adapt our organizational and logistical operations and property management to local conditions.
- We will approach the environments in which we operate in the most environmentally friendly way.
- We will respect local biodiversity richness, the natural occurrence of endangered flora/fauna species, the natural occurrence of bio corridors, and the character of natural wildness.
- We will preserve natural landscape permeability and we will avoid creating spatial barriers.
- We will further invest in R&D on Agrivoltaics – the sustainable and efficient combination of generating renewable energy while preserving biodiversity and ecosystems.

Our way to reach set goals:

- We will regularly invest in biodiversity protection and ecosystem conservation.
- We will measure our progress through annual investments in biodiversity and ecosystem protection.

2.3 Resource efficiency and waste management

Through efficient use of resources – especially water and energy consumption and use of raw materials – companies can significantly reduce their environmental footprints. Life cycle and circularity as well as waste production and management are also included in this material topic, along with the education of employees and communities on topics including the Reduce, Reuse, and Recycle pyramid.

2.3.1 Waste

Principles to respect and follow:

- We follow the waste hierarchy for waste management.
- We work to first prevent the generation of waste, then minimize, reuse, recycle, recover energy, and then dispose of waste responsibly, working to avoid landfills as much as practically possible.
- We avoid using hazardous or dangerous substances as much as possible.
- We develop plans for hazardous substance and waste management for construction and operations.
- We follow a circular, cradle to cradle and/or recycling approach for used products and materials.
- Materials specific for generating solar energy will be reused or recycled.
- At end of life, we will make sure that all major components such as solar panels or turbine blades are reused or recycled.
- We invest in R&D on waste management and disposal.
- We educate our employees and inform stakeholders about promoted actions.



Our way to reach set goals:

- We will reduce the total production of hazardous and non-hazardous waste (%/m³) per year.
- We will increase resource efficiency through annual reduction of waste production.

2.3.2 Water

Principles to respect and follow:

- We will primarily reduce our water consumption to preserve water in its natural water cycle.
- We will aim to implement a grey water concept to use alternative water resources.
- We will aim to retain water in its natural water cycle by means of landscape retention elements.
- In this way, we will mitigate the inverse impacts of water-soil erosion phenomena and preserve soil quality.
- We will also conserve the landscape water cycle system and landscape biodiversity.
- We will support and invest in smart technologies and integrate them in our water management.

Our way to reach set goals:

- We reduce our water consumption (%/m³) in all SOLEK Group facilities (rented and owned) per year.
- We will increase resource efficiency through annual savings of water consumption.

2.3.3 Energy

Principles to respect and follow as defined by the World Resources Institute:

- We will continuously reduce our energy consumption through efficiency enhancements.
- We will regularly monitor the progress of our reduction actions.
- We will strive to enhance the efficiency of our owned buildings by implementing smart building management systems and installing efficient energy-saving elements.
- We will aim to minimize energy waste.
- We will further invest in R&D on battery storage to enable optimal energy conservation and flexible usage.

Our way to reach set goals:

- We will annually measure the proportion of owned assets certified with ISO 14001.
- We will increase resource efficiency through annual savings of energy consumption.

2.4 GHG emissions

The topic of greenhouse gas emissions includes measuring, reporting, and reducing direct and indirect emissions ([GHG Protocol](#) Scope 1, Scope 2, and Scope 3 emissions) to be in line with the [Paris Agreement](#) and the European Green Deal. It is important to focus on not only carbon dioxide but also methane, F-gases, and nitrous oxide. This topic includes the education of employees and communities about the impact of GHG emissions.

Production of clean and affordable energy is the target goal of the current energy transition and our core business. This topic focuses on the development of clean energy power plants using renewable carbon-free or low-carbon sources.

Principles to respect and follow:

- By increasing the installed capacity of the solar power plants in our global portfolio we will increase total avoided GHG emissions due to the production of clean energy.
- We will calculate and report transparently all GHG emissions we produce on a yearly basis.
- We will develop, implement, and follow a Group Decarbonization Strategy.

- We will educate our employees about GHG measurement and reporting and their impact on the environment and climate change.
- We will avoid unnecessary GHG emissions by supporting energy efficient solutions, operations, and/or new technologies.
- We will further invest in R&D on Floating Photovoltaics and Hydrogen Wind to increase our knowledge of renewable energies.

Our way to reach set goals:

- We will measure the installed capacity of the solar power plants.
- We will measure Total Avoided GHG emissions (tCO₂e/yr).
- We will measure the Company's Carbon Footprint (tCO₂e/yr).

3. Implementation

3.1 Responsibilities

SOLEK Group's top management is responsible for the management of monitoring and reporting KPIs set in the SOLEK Group Sustainability Strategy. Top management is responsible for internal procedures and communication to address the regular education of and/or information for its employees.

Top management as a decision-making power subject will develop action plans to meet the goals and implementation of KPI data monitoring and reporting. Top management will provide sufficient financial and personnel capacity to establish a robust environmental and risk management system.

We review annually and update the policy when necessary to reflect our current approach and industry best practices.

All employees, business partners, or third parties can raise concerns or report any situation they witness that conflicts with this Environmental Policy. The reporting can be addressed through our whistleblowing mechanism in accordance with the Group Whistleblowing & Investigating Policy and the Code of Business Conduct and Ethics.

3.2 Indications for further tasks and activities

- By 2024, and in line with the SOLEK Group Sustainability Strategy, we will create action plans with policies to successfully manage the agendas of material topics.
- By the end of 2025, and in line with the SOLEK Group Sustainability Strategy, we will create an investment plan that includes investments in biodiversity protection and ecosystem conservation.
- By 2030, and in line with the SOLEK Group Sustainability Strategy, we want 100 % of our assets certified with ISO 14001.
- By 2025, and in line with the SOLEK Group Sustainability Strategy, we will establish and document a robust risk management process.

Approval Authority Signature and Date

In Prague on 11. 1. 2023

Zdeněk Sobotka, the Group CEO

