



# Environmental Policy and Standards



sonnedix



# Introduction

Integrating our corporate sustainability policies and standards into our daily business practices is key to achieving our purpose to power a bright future. It is what allows us to operate sustainably and ethically across all aspects of our business – from development and financing, to construction and long-term operation.

This document outlines Sonnedix's Environmental Policy and supporting topic-specific standards that guide our approach to environmental sustainability.

## Objectives

To provide Sonnedix leadership, management, employees, and Third Parties, working with us or on our behalf, with guidance on the application and administration of Sonnedix' environmental sustainability commitments.

## Responsibilities

This Policy is owned by the General Counsel, with the Head of ESG responsible for ensuring it remains current, relevant, and effectively communicated.

Everyone who works for Sonnedix, either directly or indirectly, is expected to understand and assist in implementing this standard. These standards are the minimum expected and where local legislation provides higher standards then these should be adopted.

## Scope

This Policy and associated standards apply across the Sonnedix Group, including employees and third parties working with us or on our behalf, and are available via the corporate Sonnedix website.

## Review

We review the content of this Policy periodically, and at least every two years, taking into account any developments in legislation, best industry practice or business strategy.



Our Sustainability framework is fundamental to how we work, whether we are striving to protect the environment, empower tomorrow's problem-solvers, be a good neighbour in local communities where we operate or adhere to the high standards of accountability, transparency and diversity.

**Axel Thiemann**

CEO





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# The Environmental Policy

At Sonnedix, we are committed to producing renewable energy responsibly. We recognise our duty to ensure that the generation of clean electricity does not come at the expense of the environments in which we operate. That is why we aim to carefully evaluate and where necessary, mitigate any potential negative impacts, whilst striving to create positive environmental outcomes.

This policy commits Sonnedix to the following:

- **Leadership:** Establish clear, high expectations for environmental management from our Senior Leadership, who lead by example and maintain accountability for the implementation and oversight of the Environmental Policy and Standards
- **Management system:** Adopt the principles of ISO 14001 to guide the development of an environmental management system that supports our global operations across our offices and projects.
- **Compliance:** Conduct our business activities in compliance with the standards contained within this document, as well as all applicable environmental laws, regulations, and industry standards.
- **Risk management:** Proactively identify environmental risks and mitigation, whilst ensuring that environmental impact is considered across our business activities and investment decisions.
- **Positive impact:** Identify and implement initiatives that create a positive environmental impact and promote sustainable practices among suppliers and contractors.
- **Incident management:** Report and resolutely investigate environmental incidents, in line with our incident management procedures, share and lessons learned across the organisation and use them to inform continuous improvement.
- **Awareness and training:** Communicate this policy and its supporting standards both internally and externally, including with third parties working on our behalf. Provide training to employees to ensure they understand our environmental commitments.
- **Transparency and accountability:** Regularly measure and report on our environmental impact and progress towards our environmental commitments.
- **Addressing concerns:** Establish a formal mechanism for receiving, investigating and responding to any environmental concerns raised by internal and external stakeholders. Ensure all concerns are handled respectfully, consistently, and employees and external stakeholders feel safe and supported to report issues, with a clear commitment to non-retaliation for concerns raised in good faith.

This policy is supported by topic-specific standards that further define our approach to key environmental sustainability areas, such as climate, biodiversity, pollution prevention and sustainable resource use.



# Climate

As a global renewable energy company, we play a vital role in driving the energy transition and enabling a decarbonised future. In addition to producing clean electricity, we have set targets to decarbonise our business and achieve net zero emissions by 2040. To achieve this ambition, we have developed and are implementing our Climate Transition Plan, which is central to our decarbonisation journey.

To support our Climate Transition Plan objectives, the following principles shall be upheld across all business activities, guiding our approach to emissions reduction, innovation, and supplier engagement:

- Implement technically and financially feasible options to reduce greenhouse gas (GHG) emissions across our business operations and offices
- Measure and monitor direct and indirect GHG emissions relating to our business, and report on progress against our targets through our annual sustainability reporting
- Build decarbonisation criteria into supplier and contractor selection processes, prioritising those able to demonstrate use of low-carbon solutions and business practices
- Engage with contractors and suppliers to ensure they have clear climate commitments and are actively working to understand and reduce their own GHG emissions, including those across their value chains

- Promote innovation in more efficient and less intensive GHG technologies and approaches
- Establish internal climate governance to ensure effective coordination, collaboration, and implementation of our climate goals

Whilst we continue the above efforts to mitigate climate change, we recognise the need to focus on adapting to the changes that are already here. We assess and monitor our climate-related risk exposure through the lenses of both transition and physical risks and opportunities, in alignment with the recommendations of the Task-Force on Climate Related Financial Disclosures (TCFD).

At the planning and design stage, projects should consider changing weather patterns, climate variability and extreme weather events in the designs and technical specification of projects. Where relevant, such as through environmental impact assessments, this should include an assessment that determines a project's vulnerability to climate change and damage from climatological events, including the health and safety of employees and nearby communities in such an event.





# Biodiversity

Minimising the impact of our business activities on biodiversity is essential. Sonnedix is committed to conducting business in harmony with local ecosystems, applying this principle across project development, operational practices, and site management. To achieve this, the following principles shall be upheld:

- Consider impacts on biodiversity and ecosystem services across business activities, including site selection and design, as well as construction, operation, and decommissioning.
- Adhere to the mitigation hierarchy, first seeking to avoid then minimise negative impacts, and to restore where a residual impact is expected.
- Undertake all required environmental impact assessments, and build any proposed mitigation into the project construction and implementation.
- Where applicable, minimise impact on critical habitats and protected areas, and avoid entirely sites with the highest protection status where impact cannot be mitigated.
- Promote native tree planting, hedgerow restoration, and reforestation efforts, especially in areas where natural vegetation has been disturbed or removed. These measures should aim to rebuild natural habitats and their connectivity, whilst contributing to climate change mitigation.
- Support the creation or enhancement of beneficial habitats, such as through the installation of bird and bat boxes, planting of wildflowers or other measures, as well as agricultural co-use, such as sheep grazing and bee keeping.
- Restore sites at end of life to ensure a comparable or enhanced ecosystem state than prior to development.
- Review risks and control measures over the lifetime of a project, and reflect any significant changes which may increase the risks.
- Where suitable, establish partnerships with local communities, ecologists, and wildlife organisations to deepen knowledge and support local habitat and biodiversity enhancement.
- Ensure that third parties, such as contractors and suppliers, working on Sonnedix's behalf to design, build or operate a project are aware of and adheres to the principles within this standard.

Where any significant risk to protected areas and species or presence of critical habitats is identified, the Sonnedix ESG team must be consulted.





# Pollution prevention and control

Preventing pollution is central to protecting the environment and the health of surrounding communities. While applicable to all business activities, this standard focuses on project-related impacts, given their typically higher environmental footprint. It sets out the minimum requirements expected on our projects and in our offices to minimise risks associated with air quality, environmental noise, hazardous materials, pest management, land contamination and visual impact.

## 01 | Air quality

Whilst Sonnedix and its operations do not have a significant impact on air quality, it is important that we take steps to minimise the impacts we do have, particularly during the construction phase.

Before undertaking any activity that may generate dust or other emissions, potential sources must be identified and appropriate control measures defined. Where emissions are expected, Sonnedix and its contractors must make reasonable efforts to minimise them, including but not limited to:

- Dust due to vehicle movements: controls should prioritise low impact measures such as traffic and speed reduction and water suppression over higher impact solutions such as chemical stabilisation, bitumen and adhesives.
- Open material stockpiles: materials must be suitably stored with consideration on the use of covers or wind breaks, water suppression or increasing moisture content.
- Open burning of solid waste: whether hazardous or non-hazardous, should be avoided.

## 02 | Environmental noise

Prior to any noise generating activity starting on site, potential noise receptors should be identified. Where there is any likelihood of project noise impacting on receptors, the contractor should arrange for noise monitoring to be undertaken in accordance with recognised standards. All noise monitoring programs must be designed and carried out by competent professionals.

During the planning and design phase of a project, consideration must be given to the location of permanent noise producing equipment in relation to noise receptors.

During the construction phase of a project, consideration must also be given to the location of construction and temporary noise producing equipment in relation to noise receptors.

Where appropriate, such as for wind projects, operational noise should be assessed as part of the design stage, with monitoring and mitigation tailored to the specific project context.



## 03 Hazardous materials

All projects and contractors should seek to eliminate the use of hazardous materials wherever possible, and commercially reasonable efforts should be made to identify suitable substitutes which are not hazardous.

When no alternative is available, an assessment of the hazards presented by the hazardous material must be undertaken by a competent professional. The assessment should detail the control measures required on the project site which should be implemented accordingly. Control measures must include training and familiarisation for the use, handling of and emergency procedures for the hazardous materials present.

Where waste includes hazardous materials (for example, used transformer oil), containers must be properly labelled to include the identity and quantity of the contents, hazards and contact information. The vehicles carrying the waste should be of a suitable specification, with a competent operator, and may require suitable external signage. Local legislation may require the use of a specialist hazardous waste contractor licensed for the specific type of waste being disposed of and transported.

For Battery Energy Storage Systems (BESS), contractors working on Sonnedix's behalf must have processes in place to identify and contain potential hazards, such as leaks of hazardous substances or mixtures, and to manage the risk of contaminated firewater runoff, minimising water and soil contamination.



## 04 Pest and vegetation management

Where a project or office identifies the need for pest management, such as insects, rodents or other animal or plant species posing health, safety or operational risk, the following should be taken into account:

- The selection of chemical pesticides low in human toxicity and with minimal effects on non-target species
- The selection of pesticides which are safely packaged, clearly labelled with instructions for use and manufactured by a licensed entity

- A regime designed to avoid/ minimise damage to natural enemies of the target pest
- Considers the Food and Agriculture Organisation's International Code of Conduct on the Distribution and Use of Pesticides
- Is in accordance with good international industry practice



Similarly, for vegetation management, mechanical or biological methods should be prioritised over chemical herbicides. Herbicide use should be avoided near water bodies, drainage systems, or sensitive habitats, and vegetation control must be carried out in a way that does not negatively impact biodiversity.

Sonnedix, or contractors working on its behalf, are not permitted to purchase, store, use or trade in any product which falls within WHO Hazard Class Ia (extremely hazardous) or Ib (highly hazardous). Furthermore, Sonnedix, or contractors working on its behalf, will not purchase, store, use or trade in any product in WHO Hazard Class II (moderately hazardous) without ensuring they have the appropriate controls and storage facilities.

## 05 | Land contamination

Prior to any acquisition or project work commencing, formal enquiries should be made to ascertain if the project site has a history of pollution or exhibits any indication of contamination. These enquiries should include responsibilities and liabilities for any pre-existing contamination which may be identified either during the project construction phase or over the project's operational lifetime.

All materials or liquids which have the potential to pollute the project site or adjacent environment should be stored and used in such a way that accidental spillage or overflow is contained. This may include the use of bunded storage containers and the provision of emergency spill kits. Local legislation may require certification of storage once specified thresholds are reached.

During the lifetime of a project, all persons and contractors working on site are responsible for helping to avoid and minimise the release of pollutants on the project. All activities should be assessed in terms of their potential for causing pollution, in accordance with the hierarchy of control.





## 06 | Visual impact

All sites and offices should provide a positive and professional image of the organisation, and should consider the following:

- General screening and landscaping of the project site
- Screening of any waste storage area
- Use of visual simulations during planning, where appropriate
- Clearly defined entry/exit gates with appropriate signage to site offices and parking etc

- Project signage which includes emergency contact details and details of any grievance procedure
- Ensuring the project is clear of litter or any accumulation of rubbish

For wind energy projects, the potential for shadow flicker should be assessed during the design stage, and, where applicable, monitored throughout operations to ensure minimal impact on potential receptors.





# Sustainable resource use

Sonnedix is committed to minimising the environmental footprint of its operations by improving efficiency in the use of energy, water, managing waste responsibly and promoting sustainable practices in our supply chains. This standard outlines the minimum requirements to be applied across all business activities to support sustainable resource use and management.

All Sonnedix projects and offices should monitor and provide regular, monthly reporting on their resource usage and measures implemented to reduce, reuse or recycle resources.

Specific requirements relating to individual resources are outlined below.

## 01 | Energy

Energy efficiency should be promoted across all business activities, from design and construction of our projects to the day-to-day management of our operations and office

environments. Where equipment is required and utilises energy to run, energy efficient solutions and those with greener energy sources should be prioritised, where feasible.

## 02 | Water

On all of our projects and offices, water should be used rationally and sustainably, applying a hierarchy of use to prioritise reduction of use and the reuse of water, being considerate and managing risks relating to water scarcity. This is particularly important for high-consumption activities such as construction,

repowering, irrigation, panel cleaning and other site maintenance activities. Dry cleaning methods should be prioritised, where feasible, as an alternative to water-based cleaning, and water reuse systems should be considered to minimise freshwater consumption.





## 03 | Waste

The waste hierarchy should be followed across all business activities. Where waste is unavoidable, the simple approach of “Reduce, Reuse, Recycle” should be adopted with disposal only as the last resort. When waste is temporarily retained, it should be suitably stored to prevent contamination or pollution of the site and the local environment.

The storage, collection, transport and treatment (recycling) or reuse of the waste arising from electronic and electrical equipment must be undertaken in accordance with applicable national regulation, using approved off-takers or following any manufacturer recycling schemes. All broken or replaced panels, inverters, and batteries (including BESS) should be diverted from landfill through the use of the approved recycling schemes. In addition, wind turbine blades should be recycled at end of life unless demonstrably unavailable in the market. Where recycling is proving

difficult, alternative disposal methods need to be reviewed and approved by Sonnedix’s ESG Team.

While plastic waste is not a significant waste stream for Sonnedix, it should still be actively minimised across our offices and projects given its negative impact on ecosystems and human health. Single-use plastics should be avoided wherever possible, and sustainable alternatives, such as biodegradable or reusable materials, should be prioritised. All plastic waste must be properly segregated and disposed of in accordance with local regulations, with efforts made to divert it from landfill through reuse or recycling.





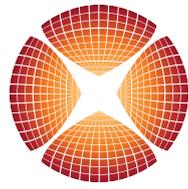
## 04 | Raw materials

While Sonnedix does not directly extract or manufacture raw materials, we recognise the environmental and social risks associated with their extraction and strive to influence sustainable practices across our supply chain by:

- Prioritising responsibly sourced materials in procurement decisions, particularly for high risk components
- Conducting supplier due diligence to assess sourcing practices and ensure alignment with ethical and sustainable standards

- Encouraging design for material efficiency, circularity, enabling reuse or recycling of equipment at end-of-life
- Maximising recycling of components through approved manufacturer schemes, in alignment with our waste standard above

<b>Person Responsible / Policy Owner:</b>	The General Counsel / Legal
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