

Policy on the interaction with biodiversity and ecosystems in the EVN Group

1 Purpose

We are aware that our activities have an impact on ecosystems and biodiversity and also realise that we are dependent on functioning and self-regulating ecosystem services. We therefore take our responsibility for the protection of natural resources very seriously. This policy is intended to serve as a guideline for our efforts to identify, assess and manage the material impacts, risks and opportunities related to biodiversity. It defines the principles and processes that form the basis to monitor, control and mitigate our impacts on biodiversity. Our goal is to not only fulfil but – wherever possible – to exceed legal requirements.

This policy underscores our commitment to continuously improve our practices in support of biodiversity through constant innovation and, in doing so, make a positive contribution to the protection of ecosystems and endangered species. This commitment also reflects the Sustainable Development Goals (SDGs) of the United Nations (UN), which we have supported for many years.

We want to contribute to the preservation and support of biodiversity and integrate the vision of the United Nations (UN) for 2050 “Living in harmony with nature” in our management. Our focus is on the respectful interaction with nature to safeguard the function of ecosystems for future generations. This includes the preservation and sustainable use of nature as well as its restoration in connection with our projects.

2 Scope of application

This policy is valid and applicable to all material sustainable economic activities of the EVN Group in Austria and other countries unless specific national or legal limitations take precedence.

The business areas of the EVN Group affected by this policy include the energy business with the generation of energy, the operation of distribution networks and the supply of electricity, natural gas and heat to our customers. This policy also covers the provision of drinking water suppliers to our customers as part of the environmental services business as well as wastewater disposal and thermal waste and sewage sludge utilisation. As a result of and in connection with these business areas, we are active on international markets. Moreover, our group is an internet- and telecommunication service provider with one subsidiary on the Austrian market.

We also expect our business partners, suppliers and customers to respect and support our efforts to mitigate the impacts of our activities on biodiversity and ecosystems. We cooperate, wherever possible, to minimise the ecological impacts of our joint activities and work to meet our environmental goals.

These principles of conduct and action lines concentrate on the focus topics identified during the annual update of the materiality analysis. Included here are the direct influences of our activities on the loss of biodiversity in connection with climate change and changes in the use of land and freshwater as well as impacts on the state of species.

3 Principles of conduct

The implementation of our measures to preserve and support biodiversity is based on the following principles of conduct:

- Recognition of climate change: We see man-made climate change as a major driver for the loss of biodiversity and have set ambitious goals to reduce our greenhouse gas emissions as part of the EVN Climate Initiative.
- Decision processes: The protection of biodiversity and ecosystems represents an integral part of internal decision-making in all phases of our projects.
- Application of the mitigation hierarchy principle: All our activities follow the mitigation hierarchy principle: We attempt to prevent or mitigate harmful effects on nature and, if this is not possible, use appropriate restoration or compensation measures to offset any remaining negative impacts.
- Responsible construction and operation of plants: To prevent negative effects on the existence of species and the condition of habitats as a result of unavoidable activities, we work closely together with the responsible authorities and plan and carry out necessary construction (duration, intensity and scope) in accordance with regulatory requirements.

- Avoidance of environmental pollution: By complying with legally required thresholds and the principles of conduct and action lines defined in our policy to prevent and mitigate environmental pollution, we ensure that the material impacts of emissions and pollutants on biodiversity are prevented or mitigated as best as possible.
- Avoidance of deforestation: We attempt to prevent deforestation by using biomass from sustainable forestry operations in our supply chain.
- Compliance: In accordance with local requirements, we arrange for environmental impact assessments for our projects or – in the event of a potential negative impact on European nature reserves – nature impact assessments. We work together with public authorities and stakeholders to identify the potential impacts of our projects on nature and implement measures in agreement with the mitigation hierarchy and best available technologies. We meet all nature conservation requirements conscientiously with a focus on results. This applies, in particular, to our locations in or near protected areas. Our goal is to not only fulfil but – wherever possible – to exceed legal requirements.
- Responsibility: Each employee is responsible for minimising the impacts on nature within the scope of his or her activities. The heads of the organisational units are responsible for compliance with legal and internal environmental protection regulations.
- Research: We participate in research, conservation, education and awareness projects carried out by government authorities, NGOs, local communities and other stakeholders on issues concerning the preservation and restoration of ecosystems and biodiversity.

4 Priority action lines

The preservation of and support for biodiversity play an important role in the EVN Group's strategy and are reflected in the definition of the following priority action lines:

- Regular survey of impacts, risks and opportunities: We regularly identify, quantify and assess the impacts, risks, opportunities and dependencies of our activities and locations on natural resources with the help of research projects and under the LEAP approach (Locate, Evaluate, Assess, Prepare) defined by the Taskforce on Nature-related Financial Disclosures (TNFD).
- Biodiversity management: We integrate the management of natural resources and biodiversity together with the definition of goals and metrics for their monitoring, control and auditing throughout the EVN Group.
- Responsible selection of locations: Biodiversity plays an important role in the selection of locations for projects in the field of renewable energies. We integrate the potential impacts on the surrounding habitats and ecosystems at an early stage in our planning. Wherever possible, we select locations and routes that will prevent material impacts on intact habitats, endangered ecosystems and species.
- Sustainable land use: Substantial areas are required for the expansion of renewable generation. The modernisation and revitalisation of existing plants and the dismantling and subsequent use of decommissioned industrial sites helps us to reduce the demand for additional new space. At the same time, we attempt to minimise the influence of new locations on surrounding habitats with appropriate design. Land recycling is given priority over new construction in accordance with our sustainability guideline.
- Monitoring: We regularly monitor our projects to identify the presence of protected or endangered species and the condition of ecosystems. This helps us to determine the reciprocal effects between infrastructure and the environment and to introduce corrective measures at an early stage if necessary. For selected projects, we prepare regular monitoring reports for the responsible authorities.
- Consideration of the entire value chain: We assess the risks for biodiversity along our entire value chain in accordance with the Environmental Performance Index (EPI) together with current studies and reports. This also includes an evaluation of the impacts on society.

- Awareness creation: We support the creation of a greater awareness among our employees for biodiversity by regularly reporting on actions taken by the EVN Group to preserve biodiversity, on locations in protected areas, and on current research projects and awareness raising measures.

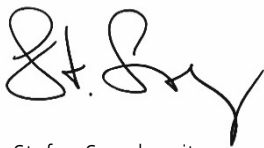
5 We use the following measures to keep interested parties informed:

- Transparent reporting: We report transparently on our metrics for biodiversity to citizens, institutions and other interest groups and provide information on measures related to biodiversity managements and the related success.
- Open communications: We promote a culture of open communications and encourage all employees to submit suggestions for the improvement of our biodiversity management.
- Inclusive stakeholder management: We work together with our stakeholders and incorporate their needs and expectations concerning biodiversity and participate in projects to improve ecosystems and species protection.

6 Responsibility

The Executive Board of the EVN Group represents the highest level of the company's organisation that is responsible for the implementation of this policy.

The Executive Board of EVN AG



Stefan Szyszkowitz
Sprecher des Vorstands



Alexandra Wittmann
Mitglied des Vorstands



Stefan Stallinger
Mitglied des Vorstands