

BIODIVERSITY POLICY OF PJSC EL5-ENERGO



Biological diversity preservation and protection are key sustainability principles and, according to the Environmental Policy of PJSC EL5-Energo, are the Company's priority tasks. The strategic goal of Biodiversity Policy of PJSC EL5-Energo is preservation and protection of Critical Habitats and Biodiversity Priority Features in the regions where the Company operates, including construction of new facilities of traditional and alternative generation, modernization of the existing facilities, heat and electricity generation, decommissioning and dismantling of the generating assets by taking appropriate measures.

The Company expresses its intention to maintain and improve the results of the Company's activities related to the biological diversity conservation and protection, based on the following principles:

- commitment to compliance with the legislative requirements – the Company confirms its dedication and readiness to comply with the legislative requirements and fulfill voluntary obligations to promote the best practices in the environmental management;
- presumptions of danger of the planned business and other activities to flora, fauna, other organisms and their habitats;
- obligations to assess the impact on flora, fauna, other organisms and their habitats when deciding on performing business and other activities;
- the Mitigation Hierarchy Principle at all stages of the life cycle, together with the commitment to achieve the goal of "no net loss" and "positive balance" at a stage of a new development;
- priority to excluding industrial operations in critical habitat areas;
- priority of in-kind compensation for the harm caused to the animal and plant world, other organisms and their habitats, in relation to compensation for the harm caused in monetary terms.

Following the above principles, the tasks stipulated below are aimed at achieving the goal set:

1. Responsible attitude to the biodiversity issues

PJSC EL5-Energo undertakes full responsibility for taking appropriate measures to preserve and protect the Critical Habitats and Biodiversity Priority Features and the environment.

At the analysis stage, PJSC EL5-Energo evaluates all potential changes in its production activities at all stages of the life cycle of production facilities and makes technical decisions in accordance with the mitigation hierarchy principle.

At all stages of the life cycle of its facilities the Company complies with all the legislative requirements regarding the implementation of measures aimed at preserving and protecting the Critical Habitats and Biodiversity Priority Features. When implementing these measures, the Company carries out the relevant performance monitoring.

2. Cooperation and information disclosure

PJSC EL5-Energo supports cooperation, it is open to dialogue and interaction with the government bodies, local governments, public associations and non-profit organizations, including expert, scientific, academic organizations and communities, with environmental non-governmental organizations, as well as local communities and other stakeholders on the preservation and protection of Critical Habitats and Biodiversity Priority Features, including through participation in joint research projects.

The Company intends to maintain an ongoing dialogue to timely identify and respond to the expectations of the stakeholders related to biodiversity. The Company undertakes to consider them and, if possible, take them into account at the stage of making business decisions.

The Company regularly participates in the programs related to preservation and protection of Critical Habitats and Biodiversity Priority Features, such as measures for the cleaning and improvement of public spaces, measures for the protection of water bodies and water protection zones, measures for landscaping areas.

PJSC EL5-Energo discloses information on the activities and results of work in the field of preservation and protection of Critical Habitats and Biodiversity Priority Features in the annual reports of the Company, through its official communication channels, as well as in the relevant state reports provided by the Company in compliance with the applicable legal requirements.

3. Recognition of the importance of specially protected natural areas

PJSC EL5-Energo recognizes the important role of the specially protected natural areas in the preservation and protection of Critical Habitats and Biodiversity Priority Features.

At all stages of the life cycle PJSC EL5-Energo assesses the presence, creation and planning for the creation of specially protected natural areas of federal, regional and local significance to ensure compliance with the regime of their special protection and to take additional measures aimed at preserving the Critical Habitats and Biodiversity Priority Features.

The Critical Habitat existence in the Company's project area is one of the priorities for considering the issue of a possible refusal to implement this project.

4. Recognition of the importance of the Red Book of the Russian Federation and the Red Books of the constituent entities of the Russian Federation as well as the IUCN Red List

PJSC EL5-Energo recognizes the importance of the Red Book of the Russian Federation and the Red Books of the constituent entities of the Russian Federation as well as the IUCN Red List - special documents established for the purpose of protecting and accounting for rare and endangered species of the animal world and flora.

The Company is taking all measures aimed at raising its awareness of the presence of the species included in the Red Books, which are or can be located in the relevant areas of the Company's activities, and takes additional measures to preserve and protect them in accordance with the applicable requirements.

5. Commitment to Preserve Aquatic Biological Resources

PJSC EL5-Energo, being a user of water resources, recognizes the importance of aquatic biological resources as the basis of human life and activities, as well as it recognizes the particular importance of the issues of conservation of aquatic biological resources.

At all stages of the life cycle of its facilities the Company undertakes to implement the relevant measures to preserve aquatic biological resources and their habitat, including ensuring the installation of effective fish protection structures to prevent the ingress of biological resources into the water intake facilities; as well as ensuring compliance with the conditions and restrictions on the activities required to prevent or reduce the negative impact on biological resources and their habitats based on the biological characteristics of biological resources.

6. Bird Preservation Commitment

In the context of the global environmental challenges associated with climate change and the need to take measures to adapt thereto and the depletion of natural energy resources, one of the Company's activities shall be aimed at striving to decarbonization and the development of renewable energy sources, which in turn entails new challenges related to impact on the Critical Habitats and Biodiversity Priority Features.

When creating, developing and operating its wind farms the Company shall pay the special attention to preservation and protection of wildlife, primarily birds, considering their importance for maintaining the balance of ecosystems and vulnerability during the operation of the Company's wind farms.

At all stages of the life cycle of wind farms, the Company shall assess the impact on Critical Habitats and Biodiversity Priority Features, implement the priority measures to prevent negative impact on birds, in accordance with the mitigation hierarchy principle while striving for achieving the goal of "no net losses".

7. Responsibility of the Company's management

Being one of the largest companies in the energy sector PJSC EL5-Energo fully undertakes the risks and responsibility for the biological diversity conservation.

The Company shall apply a proactive approach that allows timely identification, response and prevention of risks.

Responsibility for achieving the strategic goal and tasks related to biodiversity conservation and protection, as well as for compliance with the requirements for the preservation and protection of Critical Habitats and Biodiversity Priority Features, shall rest with the top management of the Company.

The main tool for implementating this Policy is the Company's integrated management system.

The leaders at all levels in the Company shall personally demonstrate their commitment to continuous improvement in the preservation and protection of Critical Habitats and Biodiversity Priority Features:

- The Company's top management shall be responsible for strategic and current planning, for the activities and performance of the Company in the field of preservation and protection of Critical Habitats and Biodiversity Priority Features, for the coordination of its policies, as well as for evaluating the work of the internal control system in accordance with the mission and values of the Company.
- Functional managers shall be responsible for compliance and full implementation of the requirements of the Company's local regulatory acts in the field of Critical Habitats and Biodiversity Priority Features. They shall be responsible for measuring, reporting periodically and sharing biodiversity best practices within the Company and outside it.

In addition to meeting the mandatory requirements the Company shall take voluntary measures to preserve and protect the Critical Habitats and Biodiversity Priority Features, as well as to promote the importance thereof, which go beyond the general measures to minimize the impact or to minimize potential damage to Critical Habitats and Biodiversity Priority Features in the course of the Company's business and other activities.



Tnalin Alibek
General Director