

AJ Power Corporate Group Sustainability Policy

I. General Provisions

1. The purpose of the Sustainability Policy is to establish a common framework for understanding the sustainability of AJ Power Corporate Group and to promote sustainable development. The purpose is to integrate sustainability into the Group's day-to-day operations, decision-making processes and governance, as well as to effectively manage the risks associated with sustainable activities. The policy aims to create sustainable value for both customers and the society at large, by supporting innovation and facilitating a positive impact on the environment and social well-being.
2. AJ Power Corporate Group (hereinafter – Company) consists of SIA AJ Power Holding and all companies where all the shares or voting rights are held by SIA AJ Power Holding and/or a company where SIA AJ Power Holding has acquired direct or indirect decisive influence by shareholding.
3. The basic principles, fundamental values and norms contained in the Sustainability Policy shall be binding to all employees of the Company in their relations with each other, customers, cooperation partners, as well as with governmental and non-governmental institutions.
4. The basic principles and norms set forth in the Sustainability Policy must be observed, by recognising that the actions of each individual employee form the overall image of the Company in society.
5. The AJ Power Corporate Group Policy shall form the basic framework for developing sustainable business practices and policies, but it shall not prevent Group companies from adapting and supplementing sustainability issues in their internal policies according to their business specificities, as long as the internal policies do not conflict with this AJ Power Corporate Group Policy.

II. Double Materiality

6. **The principle of double materiality** enables the Company to thoroughly assess both its impact on the environment and society, as well as the influence of external factors on its operations. This principle ensures that not only financial risks and opportunities are analysed but also social, environmental, and governance aspects that may affect both the Company's operations and the environment.
7. The concept of double materiality facilitates the evaluation and identification of the Company's most significant sustainability principles.
8. The double materiality assessment considers the perspectives of stakeholders.¹
9. Guided by the principle of double materiality, the Company assesses:
 - **Positive and negative impacts** on the environment and society.
 - **External risks** that may adversely affect the Company's performance results.
 - **Opportunities** that may potentially contribute to the growth and sustainability of the Company.

III. The Key Principles of Sustainability of the Company

10. **Energy efficient and environmentally friendly solutions** – to create and offer affordable solutions reducing the environmental impact, including by supporting the use of renewable energy resources and increase of resource efficiency. Promote participation in the circular economy.
11. **Mitigating climate change** – to reduce carbon dioxide emissions caused by our activities and take measures to help reduce the impact of climate change.
12. **Responsible use of resources** – to manage natural resources efficiently, reduce waste and promote circular economy principles in all Company processes.
13. **Employee well-being and development** – to create a safe, fair and supportive working environment that ensures the professional development, well-being and equal opportunities of employees.
14. **Social responsibility and community partnerships** – to engage in the development of local communities by promoting socially responsible initiatives and supporting education, culture and health projects.
15. **Sustainable business processes and decisions** – to integrate sustainability principles into all decision-making processes, contributing to the creation of economic, social and environmental value in the long run.
16. **Cooperation with partners and suppliers** – to build relationships with suppliers and partners sharing our values and adhering to sustainability principles, thus contributing to the development of a sustainable supply chain.

¹ Stakeholders of the Company shall be the persons or groups who are in a position to directly or indirectly influence the activities, services of the Company and the performance results thereof. Stakeholders may include the Company's employees, customers, investors, suppliers, and cooperation partners. Stakeholders may also include persons who wish to obtain comprehensive information on the Company's activities and performance, such as financial institutions, insurance companies, public authorities, trade unions, associations, procurement specialists, etc.

IV. Indicators of the Company's Sustainability Course

17. The Company shall focus on an internationally recognised frameworks and guidelines:
- **European Union regulation** on sustainability issues, such as the [Corporate Sustainability Reporting Directive](#) (CSRD), the [European Sustainability Reporting Standards](#) (ESRS), the [Taxonomy Regulation](#), etc.
 - **Paris Agreement** on limiting global warming to 1.5 °C.
 - **UN Sustainable Development Goals** (SDGs) with a focus on:
 - **SDG 7** Affordable and clean energy.
 - **SDG 8** Decent work and economic growth.
 - **SDG 12** Responsible consumption and production.
 - **SDG 13** Climate action.
 - **OECD Guidelines for Multinational Enterprises**
 - **The UN Guiding Principles on Business and Human Rights**.

V. Implementing the Sustainability Policy, Sustainability Reporting and Enforcement

18. The Administrative Department shall introduce all employees of the Company to the Sustainability Policy.
19. Compliance with the Sustainability Policy shall be the responsibility of each employee of the Company.
20. Reporting directly to the Head of Business Development, the Sustainability Director shall be responsible for developing the sustainability strategy and shall be responsible for drafting and preparing the consolidated sustainability report.
21. The Company's sustainability strategy shall be implemented in cooperation with all companies of AJ Power Corporate Group.
22. Information on progress in the field of sustainability, targets, the fulfilment thereof and the achieved outcomes shall be compiled in annual sustainability reports.
23. It shall be the responsibility of each employee to perform their job responsibilities in accordance with this Sustainability Policy, as well as other internal regulations and guidelines developed by the Company.
24. In the case of questions and uncertainties, the employees of the company may address their supervisor, Sustainability Director or the Management Board of the Company for support in solving Sustainability issues, as well as receive recommendations and examples of good practice for independent understanding and the resolution of similar situations in the future.
25. Employees can submit proposals and recommendations to the Management Board of the Company on the Sustainability Policy or the opportunities for the improvement thereof.
26. The Management Board of SIA AJ Power Holding shall review the Sustainability Policy and the strategy as necessary, but not less than every three years, and shall propose and introduce changes where necessary.
27. The Sustainability Policy shall be valid for an unspecified period of time until amended or recognised as invalid.
28. The Sustainability Policy shall come into force on the date of its approval by the Management Board of SIA AJ Power Holding.