

# RWE

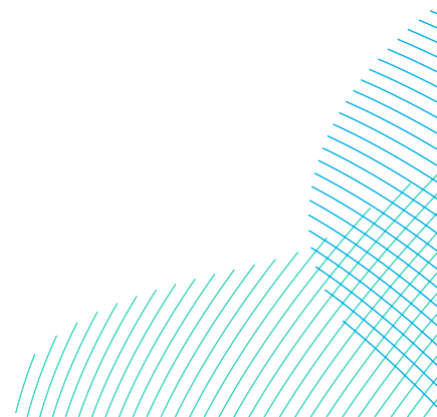
## Biodiversity Policy

December, 2022

A decorative graphic in the bottom right corner consisting of numerous thin, light blue lines that curve and intersect to form a grid-like pattern, resembling a stylized fingerprint or a complex network.

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## Foreword

 **The worldwide loss of biodiversity and damage to ecosystems is seen as a serious global risk for the planet. Accelerated by climate change it is becoming increasingly important to address.**<sup>1</sup> 

Biodiversity means the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part: this includes diversity within species, between species and of ecosystems<sup>2</sup>.

Climate change is one of the largest threats to biodiversity. The IPCC Report warns, that near-term warming and increased frequency, severity and duration of extreme events will place many terrestrial, freshwater, coastal and marine ecosystems at high or very high risks of biodiversity loss. Near-term actions that limit global warming to close to 1.5°C would substantially reduce projected losses and damages related to climate change in ecosystem services.

Today, RWE is one of the largest renewable energy companies in the world, leading the energy transition by investing EUR50 bn gross by 2030 in renewable and low carbon technologies. We also committed to become climate neutral by 2040 and our ambition is to reduce our emissions in line with a 1.5°C compliant pathway. We commit to grow our asset fleet sustainably and to operate in a way that creates progress towards the UN Sustainable Development Goals (SDGs). We take responsibility to ensure that our business activities make as little impact on wildlife and ecosystems as possible and have made biodiversity one of our priorities within our growth strategy.

## 1 Purpose

This Policy is intended to establish a reference framework for integrating the protection and promotion of biodiversity within the scope of our business activities.

Developing and operating wind and solar farms, coal and gas fired power plants, lignite mines and battery and gas storage, requires special flora and fauna considerations – with a unique natural environment for each project and asset. The infrastructure required for every form of electricity generation has some localised impact on the surrounding environment. We are aware of the importance of biodiversity and our impact on nature through our business activities and recognised that business as usual is not enough to reverse biodiversity-

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<sup>1</sup> IPCC Assessment Report on “Impacts, Adaptation and Vulnerability”

<sup>2</sup> This refers to the definition of the UN Convention on Biological Diversity  
<https://www.cbd.int/doc/legal/cbd-en.pdf>, p.3

loss. Therefore, we do not only comply with all regulatory requirements but want to go beyond. We aim for a net-positive impact on biodiversity for all our new assets by 2030. In accordance with responsible corporate management, local legislation and the demands of stakeholders, the RWE Group has drawn up this policy to address our impact on biodiversity and our net-positive goal in a group-wide consistent way. RWE, all of its business units and employees are committed to the following principles.

## **Our Principles for protecting and enhancing biodiversity**

- For new assets we aim to achieve a net-positive impact on biodiversity by 2030 if local legislation doesn't request this earlier.
- We adhere to the mitigation hierarchy principles of avoid, minimise, regenerate/restore and if necessary compensate for potential biodiversity impacts.
- We build knowledge on impacts on biodiversity and wildlife coming from the energy sector and promote collective learning and knowledge transfer.
- We follow best practice guidance in science-based target setting like from Science-Based Targets for Nature (SBTN).
- We contribute to the UN Sustainable Development Goals 14 and 15 on 'Life below water' and 'Life on land'.

## **2 Taking action**

Taking necessary precautions to protect biodiversity where possible and suitable is an integral part of the way we work. From early project development, through the construction, operational and de-commissioning phases. The next paragraphs will describe our principles in action along the different Lifecycle phases of our business activities.

### **Choosing the asset location**

During the development phase, which can take up to 10 years, the choice of location is crucial for protection of the viability of ecosystems and their ecological functions. In some cases, the decision of where to locate a power plant i.e. a wind farm is taken by public authorities. However, in most cases, RWE, as the developer, is very much involved in selecting the location for our new assets. For all new assets, detailed environmental studies to understand the environmental impacts of a new site are undertaken either by us or the regulator.

# RWE

RWE strives to take into account stakeholder views and concerns, sensitivities and local information of potential locations. Therefore we start stakeholder dialogue very early in the development process and, latest once permits are received, we undertake appropriate field investigations. Based on this input, we explore how we can mitigate potential environmental impacts in the best possible way. In particular, we:

- **establish voluntary exclusion zones.** We recognise the Universal Value of UNESCO World Heritage sites and we acknowledge that some areas need to be left untouched to protect outstanding biodiversity features. We will not undertake any industrial activity in (i) UNESCO World Heritage sites or (ii) areas classified under the International Union for Conservation of Nature (IUCN) Ia “Strict Nature Reserve” or Ib “Wilderness Area” categories as listed on 1st January 2021.
- **ensure that our assets are appropriately and responsibly sited.** Our global team of environmental specialists supported by external experts perform analyses, such as environmental impact assessments (EIAs) for all projects. We take the required steps to ensure that all concerns identified are considered before initiating construction. Through detailed planning and in collaboration with authorities, we determine the best location for our assets and associated infrastructure in terms of likely significant impacts on the viability of ecosystems and their ecological functions, including considering rare species or habitats.
- **minimise impacts on the viability of ecosystems and their ecological functions.** Some of our business activities can result in permanent or temporary impacts on the viability of ecosystems and their ecological functions. We survey to ensure strong consideration of natural habitats before and after installation. We appropriately manage, monitor and mitigate unavoidable impacts to levels acceptable according to local conditions and ongoing liaison with authorities. We continuously reduce our impacts through the usage of new technology and innovations.
- **identify opportunities to enhance biodiversity to reach a net-positive impact.** Through our net-positive commitment we make clear we do not only minimise and compensate our negative impacts but we want to go beyond also in regions where this isn't a regulatory requirement. We restore and regenerate ecosystems and habitats where RWE's projects are developed and operate where reasonably practicable. We foster collaboration with local stakeholders and natural protection organisations e.g. by supporting their efforts in land and species protections.

## Minimising impacts during construction

Despite careful planning, the construction of a new asset will impact and potentially harm local ecosystems. In planning and carrying out construction, we continue to engage with our

stakeholders. Our dialogue enables us to be responsive to stakeholder concerns to reduce impacts on habitats and species.

## **Monitoring of impacts during operation**

The operational life time of our assets reaches from 25 up to 40 years. Our assets are serviced with inspections, revisions and occasional replacement of components. In this phase, we also monitor habitats, flora and fauna in accordance with the authorities' requirements, for example for sensitive species identified in the environmental assessments. The monitoring during operation is often multi-purpose. It serves to validate the assessment in terms of potential impacts identified in the development phase, it reveals potential long-term effects on biodiversity, it helps to guide monitoring scope for future projects, and it helps de-risk future projects.

## **After operation / End-of-Life**

It is common for power generation sites to be redeveloped with new capacity as the sites retain advantages such as grid connections, availability of fuel supplies and cooling water. Reusing or up-scaling previous industrial sites avoids the need to build on undeveloped land and therefore minimises the environmental impact.

Even though many of our first generation renewable sites are still years away from their end-of-life, we already search for the best end-of-life solution. This can in some cases be repowering to increase the capacity like often done in onshore. An increase in the renewable share in the electricity mix protects biodiversity indirectly by supporting the 1.5°C target. Also in other new business areas like hydrogen we try to use existing infrastructure and industry locations where possible to minimise the impact on nature.

For decommissioned sites that are not being retained for future power generation or offered to 3<sup>rd</sup> party developers, we commit to the highest standards in restoration. Our exemplary recultivation creates varied, ecologically valuable areas that provide a habitat for many species. In this way, recultivation contributes to sustainably increasing species diversity. Sometimes it can have the greatest impact on nature to decommission only parts of the assets and let nature take over. This is particularly the case when the degree of biodiversity has increased through the newly created habitats.

## **3 Building Knowledge**

Despite the ongoing and increasing body of knowledge on impacts on biodiversity and wildlife coming from the energy sector, the area is still facing knowledge gaps and scientific

uncertainties in particular in offshore. Therefore, we need to continue to build knowledge to support decision-making with evidence helping to ensure that the energy sector can coexist with wildlife, biodiversity and ecosystems.

We commit to continuing to collaborate with authorities, our suppliers, industry peers and societal stakeholders, such as regulators and key environmental NGOs, universities, nature conservation groups and charities, to expand the available body of knowledge. In order to promote collective learning and knowledge transfer we offer access to sites and we share monitoring data with science and the general public where possible.

Beyond knowledge obtained through environmental assessments and monitoring, we voluntarily finance several R&D activities within the areas of highest concern among our stakeholders. These include but aren't limited to studies of mammals bird and bat behavior around wind farms.

## 4 Responsibilities

Biodiversity is an integrated part of the annual internal auditing process based on the environmental governance of RWE. In addition, biodiversity will be integrated in internal strategic decision-making processes of the group, as well as in the analysis, management and reporting of long-term risks. For example through biodiversity strategies covering specific targets and KPIs.

This policy applies to RWE AG and its subsidiaries. This policy shall also apply, to the extent relevant, to new joint ventures formed, temporary joint ventures and other equivalent associations, if RWE assumes the management thereof. As every site has its own unique natural environment, the principles are implemented in accordance with local environmental conditions and in compliance with local regulations.

We communicate about our biodiversity activities on our website and in our annual sustainability reporting.

This Policy was initially approved by the Board of Directors on 3 January 2023.



**Dr. Markus Krebber**

CEO, RWE AG



**Dr. Michael Müller**

CFO, RWE AG



**Zvezdana Seeger**

CHR, RWE AG

**RWE Aktiengesellschaft**

RWE Platz 1  
45141 Essen  
Germany  
[www.rwe.com](http://www.rwe.com)