



Hanseatic
Energy
Hub

LNG TERMINAL PROJECT ENVIRONMENTAL POLICY

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Introduction

Hanseatic Energy Hub (HEH) is committed to protecting the environment and reducing our environmental footprint in all our activities, operations, and value chain. Additionally, HEH seeks to make a positive impact by contributing to energy security in Germany and facilitating the decarbonisation of the German energy sector through establishment of new energy infrastructure that is suitable for and/or adjustable to green/renewable fuels.

As we develop, and later operate, a land-based LNG terminal and connecting infrastructure, we recognise that our business may impact or be impacted by the natural environment. We therefore acknowledge the significance of ensuring that all related aspects of the natural environment are protected and, where necessary, restored.

This Environmental Policy outlines our commitment to operating in accordance with all applicable legislation related to assessing and managing environmental impacts and ensuring that we do not cause significant harm to the environment as well as proactively reduce our environmental footprint.

1. Scope of the Policy

This policy reinforces our commitment to protect the environment and reduce our environmental footprint across the entire project lifecycle. It applies to all aspects of HEH's operations, including planning, development, construction, operation, and maintenance of the land-based LNG terminal and connecting infrastructure. The principles of this Environmental Policy are also embodied in HEH's Code of Conduct, applicable both to HEH employees and business relationships. Further context is provided by the HEH ESG Policy, Model and Plan. The scope of the HEH Environmental Policy comprises the following environmental topics:

- Energy and climate change
- Pollution
- Water
- Biodiversity and ecosystems
- Circular economy: resource use and waste management

2. HEH's commitment

HEH is committed to protecting the natural environment and reducing our environmental footprint in alignment with and beyond the applicable legislation.

Environmental management system

We are committed to operating an environmental management system with the aim of improving our environmental performance and reducing the risk of incurring fines or penalties for non-compliance with environmental legislation. The present HEH ESG Policy, Model & Plan and Environmental Policy represent the foundation of HEH's environmental management system. Accordingly, the governance of the environmental risk management system is aligned with the governance structure in the HEH ESG Policy, Model & Plan and the present Environmental Policy with the Head of ESG being the responsible for effective operation of the environmental management system and the HEH Board having the ultimate accountability. For identification and assessment of relevant environmental impacts, risks and opportunities we are committed to performing environmental due diligence. The due diligence will be performed in the form of environmental impact assessments that are legally required for specific activities as well as additional annual (materiality) assessments of potential environmental impacts, risks and opportunities covering own operations, contractors and business partners, regular engagement with stakeholders, including local communities. The process for materiality assessments is further defined in the HEH ESG Policy, Model and Plan.

Furthermore, we commit to complementing the existing elements of the environmental management system with the following elements:

- Carefully selected set of relevant environmental key performance indicators (KPIs) and related targets
- Structured approach to environmental performance review
- Action plan for improvement of environmental performance and dedicated resources to implement the improvement
- A procedure for the implementation and management of the environmental policy.

This Environmental Policy includes specific commitments across five environmental focus areas as described below:

1. Energy and climate change

Energy

We strive to promote the energy transition by ensuring that our liquefied natural gas (LNG) terminal will be able to process biomethane and synthetic natural gas from the time of commissioning. Depending on the future evolution of demand, the LNG terminal could be converted to import ammonia later on. We also strive for energy efficiency and sustainable energy sources in our operations. As part of our ambition to sourcing sustainable energy the primary heat source for the LNG terminal will be waste heat from a nearby industrial plant.

Climate change

We are committed to achieving an operational setup which generates zero greenhouse gas emissions. We therefore commit to measuring and eliminating our greenhouse gas emissions as well as to managing climate risks.

1. Carbon footprint: We commit to measuring our greenhouse gas emissions (scope 1, 2 and 3) following the GHG Protocol standard and ISO14064. The results will be expressed in tonnes of CO₂-equivalents.
2. Net-zero commitment: We will define a credible corporate net-zero commitment with the target year being no later than 2045. This entails that we will:
 - a. Reduce scope 1, 2, and 3 emissions to zero or to a level that is consistent with reaching net-zero emissions at the global or sector level in eligible 1.5 °C-aligned pathways.
To keep regular scope 1 and 2 emissions close to zero the primary source of regular heat supply under normal operations will be waste heat from a nearby industrial plant.
 - b. Set targets that may be considered 'science-based' by taking the criteria of the Science Based Targets-initiative (SBTi) as input.
 - c. Identify and plan emission reduction measures and estimate the associated emission reductions.
 - d. Compensate for any remaining greenhouse gas emissions that could not be eliminated by the target year (e.g. through carbon credits) in order to fulfil the net-zero target.
3. Climate risk assessment: We have established a systematic process for climate risk assessment to evaluate potential climate risks that may impact the assets under construction and the construction activities. A climate risk assessment has been undertaken for the HEH's sites under construction and we will review the assessment on a regular basis.

2. Pollution

Air pollution

In addition to pursuing climate neutrality and eliminating or compensating for greenhouse gas emissions we are committed to reducing other forms of air pollution that are of relevance in the context of our operations, particularly related to gas emissions such as NO_x.

Noise pollution

We are committed to protecting humans and animals from noise pollution. We therefore commit to staying within the applicable regulatory limits for noise that results from our activities.

3. Water

We are committed to reducing water consumption and promoting water reuse. This commitment is implemented by sourcing residual process water from a nearby industrial site to vaporise the LNG during normal operation. Any wastewater discharges will be managed responsibly according to applicable legislation and requirements from local authorities.

4. Biodiversity and ecosystems

We are committed to protecting biodiversity and ecosystems. Therefore, we commit to applying the mitigation hierarchy (avoid, minimize, restore and offset) to any adverse biodiversity-related impacts and engage with external partners to fulfil this commitment. We conduct periodic assessments of the sites used for operational activities in accordance with applicable legislation to determine the exposure to critical biodiversity. In case of exposure, HEH will implement biodiversity management plans to protect and restore habitats as well as the company's activity and to provide compensation areas.

5. Circular economy: Resource use and waste management

We are committed to contributing to a circular economy in our resource use and waste management.

Resource use

Regarding resource use we are committed to the hierarchy of reducing, reusing and recycling. As mentioned above we are committed to procuring secondary heat and process water from a nearby industrial plant for ongoing site

operations. Additionally, we are committed to contribute to the circular economy by re-using the scrapped materials or soils to (re-build) the landscape.

Waste management

When resources are no longer of use to HEH (i.e. they have become waste) we are committed to managing the waste in a responsible way in accordance with applicable legislation. HEH is committed to minimizing waste. Once, waste is generated we are committed to the waste hierarchy which means that our preferred waste treatment will be recycling followed by incineration. We also require our contractors to implement adequate waste management plans as described in the HEH Health, Safety and Environment Plan for the construction phase.

3. Grievance and Remediation

HEH is committed to addressing any adverse environmental impacts that may arise from our operations. Internal and external stakeholders can raise grievances through an accessible and effective whistleblower system; the HEH Integrity Line: <https://hanseaticenergyhub.integrityline.com>.

HEH will ensure that appropriate remedies are provided promptly, in a timely, effective, and transparent manner. In this regard, the grievance mechanism will also serve as a course of identifying environmental impacts and risks. We will work collaboratively with stakeholders to resolve issues, communicate the actions we are taking, learn from challenges, and continuously improve our practices to prevent any similar impacts from occurring in the future.

4. Governance

To ensure the effective implementation of this policy, and in alignment with the overall HEH ESG Policy, Model & Plan HEH has appointed a Head of ESG, who is part of the Management Team, and who reports directly to the Board. The Head of ESG will be responsible for overseeing environmental assessments, managing risks, monitoring compliance, collecting any necessary information and recommending necessary actions. The Board approves all policies, including this Environmental Policy, and is ultimately responsible for ensuring that environmental commitments are respected and implemented across operations and value chain. HEH will regularly assess and review the effectiveness of this policy and its associated measures, making adjustments as needed to align with evolving practices and standards.