

TERRAVESTA SUSTAINABILITY POLICY

Energy, naturally.

Introduction

Terravesta aspires to be a leader in the responsible and economic evolution of sustainability grown and processed energy crops.

We aim to be at the forefront of sustainable procurement through a set of principles that are applied across our energy crops business.

Sustainability Principles

Our policy is designed to ensure that we can verify that our biomass and energy products have been produced legally and are environmentally sustainable. We will comply, as a minimum, with the sustainability requirements being introduced by the UK Government, reflected through the needs of our customers.

In addition, our procurement process is aimed at ensuring that the production and delivery of our products will:-

- · Significantly reduce greenhouse gas emissions compared to fossil fuel derived alternatives;
- Not result in a net release of carbon from the vegetation and soil of either forests or agricultural lands;
- Not endanger food supply or communities where the use of biomass is essential for subsistence (for example for heat, medicines, or building materials);
- Not adversely affect protected or vulnerable biodiversity. Where possible we will give preference to biomass production that strengthens biodiversity;
- Deploy good practices to protect and/or improve soil, water (both ground and surface) and air quality;
- Contribute to the prosperity and social wellbeing of employees and the local population in the area of energy crop growing and processing.

Implementation

These principles are based on the developing regulatory and policy initiatives of the UK, European Union and other markets. Over time we will seek to amend or improve them by working with accredited bodies to develop the use of internationally recognised standards and principles which will apply to all of our procurement and production activities. In so doing we hope to foster environmental leadership today and in the future.

Accordingly we will:-

- Use our purchase contracts to ensure our suppliers address these principles and provide Terravesta with the required information to demonstrate that these sustainability principles are being met.
- Participate with applicable regulatory and policy initiatives to share experience, learn and help shape policy that will ensure sustainable biomass fuels throughout the UK and abroad.
- Systematically review these principles and their application to anticipate, meet and lead sustainability policy in the UK and all the countries in which we operate.