

CLIMATE & ENVIRONMENTAL POLICY

Regarding operations covering both direct and indirect environmental impacts

New Sources Energy N.V.

Adopted by the Board on 18 March 2025

CLIMATE & ENVIRONMENTAL POLICY

New Sources Energy N.V.'s (the **Company**) goal is to comply with its corporate governance obligations and to conduct all business activities in a transparent and prudent way, and with integrity towards all of its stakeholders. These values are also found in the Company's other policies.

The purpose of the Company's Climate & Environmental Policy is to protect the environment while responsibly utilising natural resources and minimise the potential impact of the Company's activities on the environment. The policy aligns with the goals of the Paris Agreement, aiming to limit global warming to below 1,5° C above pre-industrial levels.

The Board of Directors approves the Climate & Environmental Policy upon the CEO's proposal. The Company fulfils its obligations and complies with expectations. The Company is committed to continuous improvement.

1. SCOPE

The Climate and Environmental Policy applies to all the Company's operations and covers both direct and indirect environmental impacts.

2. DEFINITIONS

Direct impact:	The environmental impact of operations controlled by the Company's employees, for which the Company is financially responsible.
Biodiversity:	Variability among living organisms in variable environment, inter alia, terrestrial, marine and other aquatic ecosystems and the diversity within species, between species and of ecosystems.
Indirect impact:	Environmental impact from the Company's value chain, controlled by suppliers, contractors, and customers, for which they are financially responsible.
Effort sharing regulation:	Binding annual greenhouse gas emission targets concerning emissions from most sectors not included in the EU Emissions Trading System (EU ETS) or within Land-use, Land-use changes and forestry (LULUCF).
Environmental incident:	An unplanned event caused by company operations that impacts the environment. The impact can be anything from a minor, reversible impact near the source to a significant irreversible impact on the environment.
Environmental impact:	The impact of energy generation on the environment.
Environmentally sustainable:	Business activities that make a substantial contribution to one or more environmental objectives and do not significantly harm other environmental objectives, in accordance with EU Regulation 2020/852 on the establishment of a framework to facilitate sustainable investment (EU Taxonomy Regulation).
Ecosystem approach:	Integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way.

3. POLICY

The Company's contributes to a sustainable world through environmentally sustainable energy generation, aligned with global goals to limit the temperature increase to 1.5°C.

We respect the Icelandic landscape and natural environment and continually strive to optimise the use of resources and prevent waste. We safeguard biodiversity guided by an ecosystem-based approach. Emphasis is placed on understanding and minimising the environmental impact of our operations and preventing environmental incidents.

We actively participate in the global response to climate change. We systematically work towards reducing our carbon emissions, supporting the EU's commitment to the Paris Agreement, and responding to climate change-induced challenges and opportunities.

4. PERFORMANCE INDICATORS

- Proportion of energy generation considered environmentally sustainable (%). (target 100%)
- Deviation of energy generation from contract capacity (%)
- Number of environmental incidents. (target 0)
- Net carbon emissions. (tonnes CO₂ eq/year)
- Generation-related emission intensity (gCO₂ eq/kWh). (target <1 in the year 2050)

5. IMPLEMENTATION

The CEO is responsible to the Board of Directors for implementing the Climate & Environmental Policy.

The implementation of the Policy is in accordance with CSRD pertaining to the Company's ERP system. We are committed to consulting and cooperating with our employees and stakeholders and following international priorities in environmental matters.

6. REPORTING

Numerical information about environmental matters is available from the Company's ERP system. Results are reviewed at annual management review meetings and published via i.e. annual reports (e.g., financial statements and climate account) and the company website.

7. REVIEW

The Board of Directors reviews the Climate & Environmental Policy at least every three years.

8. RATIFICATION

This Policy becomes effective once approved by the Board of Directors.
