

Thrive Renewables' Biodiversity Policy

Introduction

Thrive Renewables (Thrive) invest in projects with high consideration of the best outcome for nature. We recognise that climate change and biodiversity loss are closely linked and that they should be addressed in an integrated manner. It's important to us that whilst delivering carbon emissions reductions, we also have a positive impact on biodiversity at our sites.

Thrive always aims to conserve and enhance the biodiversity at our project sites. This policy outlines how we integrate biodiversity into our strategy in order to support development that is sustainable in the long term and in alignment with the United Nation's Sustainable Development Goal 15 'Life on Land'.

Policy statement

Our policy is to:

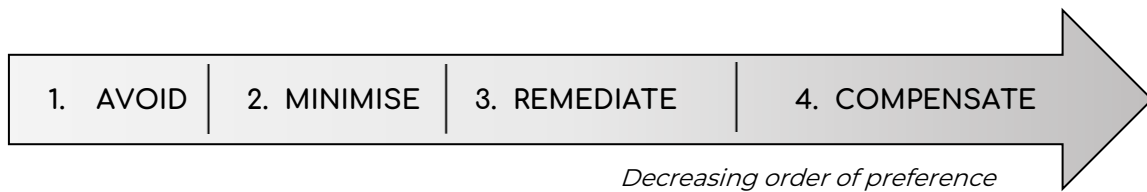
- Understand the existing biodiversity value at each project site and how Thrive's activities may affect this.
- Comply with prevailing regulation and site-specific planning conditions relating to biodiversity and use this as a foundation to build upon further, using good practice principles.
- Set specific biodiversity targets with measurable performance indicators.
- Achieve 10% Biodiversity Net Gain from all projects in England, developed after 2023 with the aim of voluntarily exceeding this target where possible.
- Adopt an equivalent voluntary approach in Scotland and Wales, by implementing 10% Biodiversity Net Gain across all new 100% or majority-owned development projects.
- Devise Biodiversity Management Plans for each Thrive-owned site, detailing specific approaches to minimise impacts, protect, maintain and enhance biodiversity. Encourage a similar approach from the projects that we are lending to.
- Assess environmental and biodiversity matters as part of the due diligence on the new investment opportunities.
- Engage with landowners, communities, and conservation organisations.
- Adapt plans as required in response to measured results and desired outcomes.
- Report progress on biodiversity targets in our annual report.
- Review this policy annually or in response to changed regulation.

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Signed:	
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The mitigation hierarchy

DEFRA's mitigation hierarchy is an important good practice principle and forms the basis of Thrive's approach to biodiversity management in its projects.



Firstly, wherever possible, negative impacts are altogether avoided as part of project design and secondly, unavoidable impacts to biodiversity are minimised. Thereafter, any damages relating to the construction phase are remediated and any further biodiversity loss from operations is offset through compensatory measures. Since negative impacts on biodiversity increase in severity as you progress through the hierarchy, each step further along the hierarchy must be necessary. Suitable mitigation measures can vary widely from project to project and are documented in each site's specific Biodiversity Management Plan.

Considerations pre-acquisition

Thrive's investment criteria require projects to be sustainable and deliver environmental returns. Therefore, biodiversity is an immediate consideration when determining the feasibility of sites for investment. Assessing the risks and opportunities relating to biodiversity is a key part of our due diligence process.

Where we agree to enter shared asset ownership, it is on the basis that the co-owners or partners share Thrive's values on delivering positive outcomes for biodiversity. When negotiating leases, we will consider how land leasing arrangements will affect the ease of delivering biodiversity targets, such as Biodiversity Net Gain.

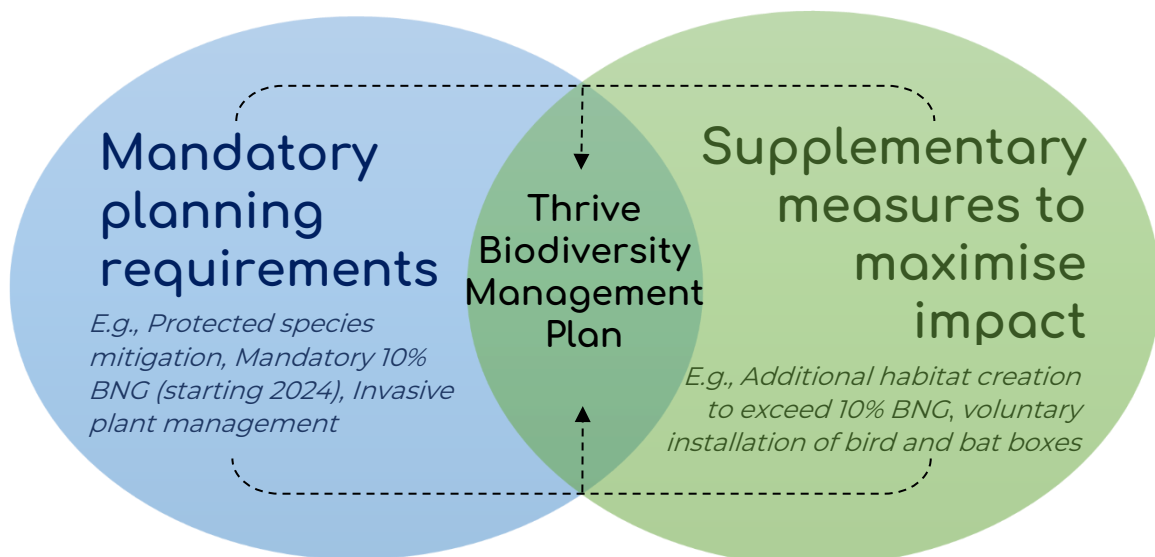
Early-stage site screening is an especially important and cost-effective way of avoiding impacts. In many cases, Thrive invest post planning consent, when a set of mandatory conditions relating to biodiversity have been considered and set by the local planning authority. Planning permission is not typically awarded for sensitive sites, and we undertake further due diligence around site screening before investing in a project. Whether we invest post-consent or pre-consent, any risks and opportunities relating to biodiversity are carefully assessed as part of the

due diligence phase. This way we can have confidence that it is achievable to deliver our intended environmental returns before making investment.

The mandatory biodiversity conditions relating to planning legislation represent a starting point, and our ambition is always to take further voluntary action in line with good practice where possible. Compulsory and supplementary biodiversity enhancements are specified in each site's Biodiversity Management Plan.

Biodiversity Management Plans

The creation of a Biodiversity Management Plan (BMP) for each of Thrive's project sites allows us to tailor our strategy based on each site's specific habitats, the technology involved and land ownership arrangements. It allows us to integrate voluntary measures and targets in addition to mandatory regulations and planning requirements.



Mandatory foundation

The starting point for the Biodiversity Management Plan begins with the compulsory conditions relating to prevailing regulation and planning requirements. At this early stage, the habitats, biodiversity features and protected species have been surveyed and any likely risks from construction and operations evaluated. For example, these early surveys may have informed the siting of technologies to avoid sensitive features such as bat migration routes.

Biodiversity Net Gain (BNG) describes an approach to development that aims to leave the natural environment in a measurably better state than beforehand, with a likely increase in the variety of species inhabiting a site post-development. From 2024 it is mandatory in England to achieve post-development net gains of 10% under the Town and Country Planning Act, although specific planning authorities may set a higher threshold. This forms the basis of a minimum standard for all our post-2023 developments. The mitigation hierarchy still applies as a prerequisite, with a preference for avoiding biodiversity loss where possible even if it can be

later reinstated through enhancement. Biodiversity Net Gain is an additional step and does not replace our existing planning obligations relating to specific protected species.

Supplementary enhancements

Additional habitat enhancements will be required since we aim to exceed minimum BNG targets of 10% where it is reasonable to do so. A site's enhancement features are detailed on a site map which is included in the Biodiversity Management Plan. Where it is not considered possible or ecologically advisable to achieve the BNG objective within the site boundary, then off-site enhancements will be considered. The BNG metric focusses solely on habitat enhancements and does not score species-based features such as hedgehog tunnels and bird boxes. We therefore seek to consider and not overlook these species-based features, which alongside any BNG management can deliver further positive impact.

Engaging stakeholders

Thrive typically leases land from third parties and as such, requires landowners to be on board with biodiversity management. The Biodiversity Management Plan shall include measures to engage landowners such as agreeing on achievable long term management strategies to maintain any habitat enhancements. Furthermore, it is good practice for biodiversity gains to contribute towards local strategic conservation priorities. Therefore, where possible, we will consult with regional nature conservation charities and NGOs to identify and take these priorities into consideration. A summary of each site's Biodiversity Management Plan is made available to the local community where they can provide their comments.

Setting targets and measuring progress

Setting achievable targets will vary on a site-to-site basis. In addition to achieving minimum Biodiversity Net Gains of 10% (or as prescribed by the local planning authority) from all post 2023 developments, we aim to exceed these minimum targets and achieve greater net gains from these projects. We also set targets relating to any such enhancements that are not included in the BNG metric, such as bird boxes and hedgehog domes.

Measuring Biodiversity Net Gain is based on the statutory Biodiversity Metric accounting standard from Natural England. In first instance, we will consider delivering BNG on site. However, in instances where it is not possible or not ecologically advisable, we will deliver BNG locally and offsite, either at a nearby Thrive project site or in partnership with an organisation or individual that owns land nearby. Where appropriate, we commission support from external ecologists with expertise in monitoring and delivering Biodiversity Net Gain.

It is possible that when monitoring our efforts for a particular site, our results may not align with our targets, or the actual, observed impacts are not as expected or forecasted. In these cases, we will review and revise the specific Biodiversity

Management Plan to adjust for this. For example, further mitigation or enhancements may be required than was initially expected.

Management regime

A key component of mandatory Biodiversity Net Gain is that the habitat is secured for 30 years. This timeframe broadly aligns with the expected lifespan of solar and wind projects, and by undertaking management, is achievable. Positive impact is greater if the long-term success of biodiversity enhancements can be guaranteed. However, habitat management can be a considerable undertaking.

Considering this challenge, our preference is always to make habitats that are sustainable and suitable for the surrounding environment. This way the required upkeep is kept to an achievable level and the chances of long-term success are increased. This supports rewilding principles of identifying and creating a landscapes' naturally occurring habitats and establishing cost effective management techniques to maintain them. The appropriate habitats and their associated management will vary widely from location to location and are detailed in each project's Biodiversity Management Plan.

Considering existing Thrive project sites

We will make use of existing data, for example from historic Phase 1 reports, as well as collecting new data, to understand both past impacts and new opportunities relating to biodiversity on existing (pre-2023) sites. This will help inform the Biodiversity Management Plans for our older projects that we still currently operate.

Biodiversity impact reporting

We set biodiversity targets on a site-by-site basis as laid out in each site's Biodiversity Management Plan and measure progress against performance indicators such as net gain targets and regional conservation priorities. We use our Annual Report and website to present project case studies and share progress with our stakeholders.

Project decommissioning

We commit to carefully considering how the later stages of our projects can impact biodiversity. In the event of decommissioning a project, Thrive will follow any mandatory requirements relating to planning. As an alternative to decommissioning, we consider the implications of extending the life of projects. Depending on structural considerations, this can make use of existing grid connections and landowners that are on board with our biodiversity goals. Reusing infrastructure where appropriate may minimise subsequent construction related risks to biodiversity as this does not need to be rebuilt.

Where projects are decommissioned, we carefully consider how any biodiversity gains on site could be maintained under new land use. If the project did not

reach 30 years since development, then the habitats must be secured for this remaining duration under Biodiversity Net Gain requirements. Subsequently when management requirements expire, engagement with landowners or new developers could help encourage an extended biodiversity legacy. By Thrive maintaining a good record of each site's biodiversity gains, it is possible to identify where future development can build upon any previously secured gains.

Where projects are sold as operational assets before their end of life, the purchasing organisation should have a biodiversity approach broadly in line with that of Thrive Renewables and continuation of existing BNG strategies will be considered as a condition of the transaction.

Rooftop projects

Rooftop projects (e.g., rooftop solar) are given their own consideration, separate from the above processes. Since these projects lack groundworks and make use of pre-existing structures, the pre-development baseline value for biodiversity is usually very low. Therefore, it is typical to expect that any negative biodiversity impacts are minimal. This is reflected by the fact that most rooftop solar projects are considered 'permitted developments' without the formal planning requirements of ground-mounted projects. Whilst not Thrive's default position, we will consider where there could be practical opportunities to combine rooftop technology with biodiversity improvements (e.g., biosolar roofs).

Reviewing and revising the policy

We recognise that biodiversity mitigation and enhancement are rapidly growing areas of knowledge, particularly as they relate to renewable energy technologies. Therefore, we commit to staying up to date with developments in best practice and review and revise this policy as necessary to maintain our intended standards. We will review the policy on an annual basis or as appropriate in response to changed regulations.