



**BIODIVERSITY
POSITION STATEMENT**

Introduction

Biodiversity describes the variety of life on earth, encompassing our species, habitats and ecosystems. It underpins our concept of nature and the goods and services we derive from natural capital. At NextEnergy Capital (NEC), we recognise the urgency for action to be taken to reduce the intensity and drivers of biodiversity loss as part of the [Global Biodiversity Framework](#) (GBF).

Contributing to transformative change and reversing the trend of continued biodiversity loss means we must rethink the way in which we interface with nature. By valuing our biodiversity baseline condition and understanding our nature-dependencies, we can effectively manage our impact and ecological footprint to reduce habitat loss and preserve species. Through our investment and portfolio management of solar assets and associated facilities, we acknowledge there is significant opportunity to achieve nature-positive outcomes alongside the wider environmental and social outcomes achieved. As one of the three pillars of our [Sustainability Framework](#), we believe that biodiversity plays a key role in tackling climate change and addressing human rights, as these are interconnected challenges that must be tackled together.

This Biodiversity Position Statement outlines our overarching biodiversity mission and objectives against which we are committed, to proactively address the worldwide deterioration and decline in biodiversity that is projected to continue or worsen under business-as-usual scenarios.

Objectives

Biodiversity and natural capital are critical to our business and integral to our mission to generate a more sustainable future by leading the transition to clean energy. We will work towards fully integrating biodiversity considerations into business operations and to incorporate nature-related risk and opportunity analysis into the heart of decision-making.

We will develop a set of targets for biodiversity that are focused on [the five key pressures causing declines in the state of nature](#):

1. Land and sea use;
2. Direct exploitation of organisms;
3. Climate change;
4. Pollution; and
5. Invasion of alien species.

Targets will be established through the process of materiality assessment, interpretation and prioritisation as our disclosure framework develops.

Implementation

The implementation of this Statement and achievement of its targets will be supported through the development of a delivery framework, comprising a Biodiversity Strategy that will work towards addressing the [United Nations Sustainable Development Goals](#) (SDG) and the [GBF](#). This delivery

framework will also seek to align with the [Taskforce on Nature-related Financial Disclosure](#) (TNFD) framework, the [Science Based Targets Network](#) (SBTN) for nature, as well as relevant national objectives of the countries in which we operate.

Success or progress against any objective requires the setting of measurable targets. As part of the delivery framework, targets and action plans will be developed, detailing a suite of biodiversity indicators against which performance can be monitored. A key part of the Biodiversity Strategy process will be the identification and development of tangible performance indicators along with establishing the frequency of reporting and disclosure expectations.

Within NEC, we are committed to understanding our interface with nature through aggregating the biodiversity baseline condition across the operational assets. We understand the importance of geo-spatially collating and analysing this data so that we can measure and quantify the change in natural capital value and realise the potential to achieve [Net Positive Impact](#) on biodiversity across our operations. From this, we can build on our understanding of nature-related dependencies and impacts with an aim to bring upstream and downstream value chains into the assessment.

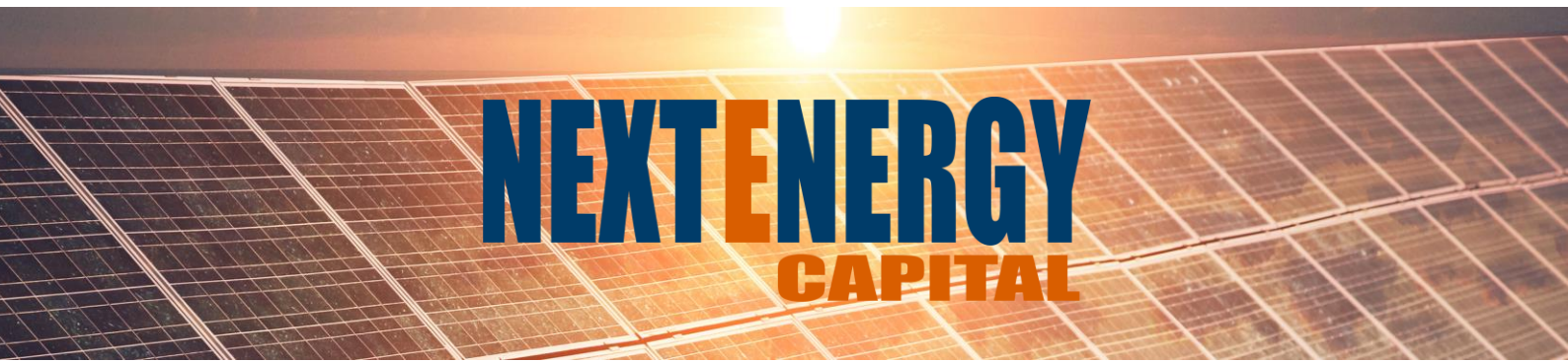
Biodiversity Reporting

Transparency and disclosure are key factors in ensuring that standards are being upheld, and that meaningful and measurable benefits for biodiversity are being delivered alongside the generation of clean energy. It is important that we continue to strengthen our internal systems, policies, and processes, to ensure the reliability of nature-related performance data. Through an approach that is led by science and evidence, we will seek to learn and innovate, making positive interventions to continually improve on our biodiversity performance. The development of Biodiversity Strategy will establish a nature-related delivery and disclosure framework that will align with the following commitments:

- [The Taskforce on Nature-related Financial Disclosures \(TNFD\)](#), where NEC became forum members in 2022 in response to the growing appreciation of the need to factor nature in financial and business decisions. NEC are committed to testing the evolving framework to ensure alignment with risk management and disclosure requirements, moving toward nature-positive outcomes.
- [EU Sustainable Finance Disclosure Regulation \(EU SFDR\)](#) and [Taxonomy](#) reporting requirements, whereby biodiversity is one of the key environmental objectives relevant to the development and management of solar photovoltaic (PV) plants. As NEC's funds classify under SFDR Article 9, NEC is committed to reporting on the biodiversity indicators included in the [Regulatory Technical Standard](#).

Signed:
Michael Bonte-Friedheim
CEO & Founder Partner
NextEnergy Group





Our mission is to generate a more sustainable future
by leading the transition to clean energy

You can contact NextEnergy Capital [here](#)