



**AUSTRIAN GEORGIAN DEVELOPMENT LLC
(AGD LLC)**

BOARD DIVERSITY POLICY

This Board Diversity Policy is Approved by the Supervisory Board

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2025

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AGD LLC BOARD DIVERSITY POLICY

Introduction

Austrian Georgian Development LLC (AGD) was established in June 2013 and owns and operates hydropower projects in Georgia. The company developed the Lakhami HPP Cascade, consisting of Lakhami 1 and Lakhami 2 Hydropower Plants, located on the Lakhami River in Mestia Municipality. These run-of-the-river plants have a combined installed capacity of 16 MW and generate an average of 80 million kWh annually. The Lakhami HPPs are connected to the national grid via a 35/6 kV power transmission line.

Austrian Georgian Development LLC is co-owned by CCEH Hydro III LLC – Part of Caucasus Clean Energy Holding (CCEH), an international investment holding company founded in 2015, with investors from Western Europe and the United States, actively engaged in the Georgian energy sector. Geo Hydro Capital Group LLC – Founded in 2013, specializing in the development of small and medium-sized hydropower plants in Georgia. Energy Solutions LLC – Established in 2014, focusing on the construction and development of small and medium-sized hydropower plants, as well as providing consultancy services in the hydro energy sector.

At Austrian Georgian Development LLC (the Company) - Lakhami Hydro Power Plant (“HPP”), we are committed to conducting our operations with the utmost consideration for environmental sustainability. Producing renewable energy, and doing so responsibly, is the core of what we accomplish.

At Austrian Georgian Development (“AGD”) LLC, we recognize the importance of diversity in our boardroom. Diversity not only enriches our decision-making processes but also reflects our commitment to inclusivity and equal opportunities. This Board Diversity Policy outlines our firm dedication to fostering a diverse and inclusive board composition, ensuring that our board reflects a broad spectrum of backgrounds, perspectives, and experiences.

Definitions of Key Terms

Supervisory Board (SB): The governing body responsible for overseeing the strategic direction, corporate governance, and major decision-making processes of AGD LLC. The Supervisory Board is elected by the Partners at a General Meeting and ensures compliance with corporate governance principles while supporting the long-term success of the Company.

Management: The executive team responsible for the day-to-day operations of AGD LLC, including the implementation of board-approved policies, execution of business strategies, and overall operational performance. Management ensures effective decision-making and adherence to the Company's strategic objectives.

Partners: Entities or individuals holding ownership stakes in AGD LLC who participate in high-level strategic decision-making. Partners have the authority to nominate and appoint Supervisory Board members and influence key corporate governance matters, ensuring alignment with the Company's long-term goals.

Shareholders: The individuals or entities that hold shares in AGD LLC and have specific rights and responsibilities within the Company's governance framework. Shareholders may include institutional investors, private equity firms, or other financial stakeholders who contribute to the Company's strategic direction and financial stability.

Purpose

The purpose of this policy is to establish clear guidelines and requirements for promoting diversity within the composition of our Supervisory Board. We aim to create a board that encompasses a variety of perspectives, skills, and attributes to enhance the effectiveness and governance of our company.

Supervisory Board ("SB")

Election and Term Length of Supervisory Board Members:

Supervisory board members are elected by the Partners at a General Meeting for the term of one (1) year. Upon expiration of this term, the Board member's tenure is automatically extended until the election of a new member at the next General Meeting, ensuring continuity in governance. Upon expiration of this term, the Board member's tenure is automatically extended until the election of a new member at the next General Meeting, ensuring continuity in governance. In the event of the resignation, retirement, or vacation of office of the Nominee, the relevant Partner(s) shall be entitled to nominate another person in place of such Nominee and the Partners shall ensure that such nominee is promptly appointed and ratified as a Supervisory Board Member.

The nomination process for board candidates shall adhere to the following principles and diversity factors:

Transparency

All board nominations will be conducted transparently, with clear criteria and qualifications communicated to potential candidates.

Merit-Based Selection

Candidates will be evaluated based on their qualifications, experience, and alignment with the strategic objectives of the company, with diversity factors being integral to the selection process.

Inclusive Search

The board shall actively seek out candidates from diverse backgrounds through a comprehensive and inclusive search process, including outreach to diverse professional networks and organizations.

Evaluation and Reporting

The board's nominating committee shall regularly assess the effectiveness of this policy in promoting diversity within the boardroom and provide reports to shareholders outlining the progress made and areas for improvement.

Diversity Factors

In selecting candidates for the Supervisory Board, the following diversity factors shall be taken into consideration:

Professional Background and Expertise:

- Diversity of professional backgrounds, including but not limited to finance, legal, technology, ESG, marketing, operations, and human resources.
- Expertise in various industries relevant to company's operations.

Gender Diversity:

- Ensuring a balanced representation of genders to eliminate gender bias and promote gender equality within the boardroom.

Ethnicity and Cultural Diversity:

- Encouraging representation from diverse ethnic and cultural backgrounds to reflect the global nature of our business and customer base.

Geographic Diversity:

- Striving for geographic diversity to capture regional perspectives and insights that align with our diverse markets and stakeholders.

Conclusion

At AGD LLC, we are committed to fostering a Supervisory Board that reflects the diversity of the communities we serve and the stakeholders we represent. By embracing diversity in all its forms, we strengthen our ability to navigate challenges, seize opportunities, and drive sustainable long-term value for our shareholders and society as a whole.

Board Diversity Policy Annual Revision Process

Aligned with internationally recognized corporate governance practices, the Board undertakes an annual review of the Board Diversity policy to ensure its continued alignment with the Company's values, strategic priorities, and regulatory requirements. This review process allows for assessing current diversity metrics, inclusion strategies, and governance frameworks. If any modifications are proposed during the review, the Board carefully evaluates and discusses them. Changes are then subject to formal approval by the majority of Board members, reinforcing our commitment to transparency, inclusivity, and best governance practices.

Once approved, the updated version of the Board Diversity Document is made publicly available on the Company's website¹, while the previous version remains accessible in the archive for reference.

¹ www.agd.ge