



ORMAT

ORMAT TECHNOLOGIES

WATER MANAGEMENT POLICY

September 2021



1. INTRODUCTION

As a leader in renewable energy with over five decades of experience, preservation of and care for the environment are at the core of what we do at Ormat Technologies Inc. (“Ormat”, “The Company”, “We”). Ormat is committed to the principles of environmental sustainability and actively works to control its impacts on water, including through the management of risks and opportunities. Our Senior Management is responsible for establishing corporate policies in accordance with our mission, as well as for organizing necessary internal control systems. Given this role, Ormat's Senior Management has collaborated in writing this Water Management Policy (the “Policy”) to align with our company's mission and values, and to reflect our commitment to building a sustainable future for all.

The goal of Ormat’s water sustainability vision is to proactively seek to use water resources in the most environmentally responsible and sustainable manner. Across our manufacturing and generation facilities, we have established ambitious objectives to guide our water use and aim to reach maximum water recycling in all locations by 2025.

In locations where ambient temperatures prevent us from using air cooling systems in our geothermal facilities, water must be used for cooling to operate our innovative facilities efficiently. As an example of our commitment to our water sustainability vision, we have developed recirculating water-cooling processes to drastically minimize the amount of water needed to cool our systems. While air-cooling systems, which require no water to operate, are always employed when technologically feasible, we are constantly improving our energy generation technology to reduce the water demands of our systems when water-cooling systems are necessary.

This Policy should be considered together with relevant sections of Ormat’s Environment and Climate Change Policy, which outlines the environmental codes and standards with which we comply as well as relevant principles and objectives for managing risk and ensuring the continuous improvement of the Company’s performance. The policy is available at the link provided below.

2. PURPOSE AND SCOPE

This Water Management Policy applies to the Company and all of its subsidiaries, with the purpose of demonstrating our commitment to and leadership on sound water management. Ormat recognizes the challenges and opportunities that water



management poses for current and future generations, as well as for our business activities and operations.

Through this Policy, Ormat enumerates and commits to its existing practices and future goals while responding to the expectations of its stakeholders for transparent information and strategic commitments regarding water preservation. By analyzing, measuring, and adapting to the various short-, medium-, and long-term risks and opportunities that may arise from water management, Ormat embraces innovation and commits to sound business and environmental practices.

Objectives

- Leading the sector and actively managing our water resources, especially in “water stressed” areas;
- Committing to continue working to control, track, measure and report on relevant data to measure progress and ensure transparency on various water management issues;
- Analyzing water usage to identify opportunities to improve efficiencies and management in our operations;
- Continuing to perform testing and to monitor our projects that have the potential to impact local aquifer and groundwater quality;
- Exceeding local environmental compliance such that we are prepared for water emergencies and are proactively supporting long-term water security in our communities.
- Minimizing the amount of water used in our manufacturing process;
- Encouraging employees to recycle, reuse, repurpose and reinvent water and wastewater by-products;
- Engaging a wide range of stakeholders to address public and customer expectations, including considering the impact of our operations on local water supplies;
- Continuously evaluating and adjusting our practices through goal-setting and implementation plans in order to maximize our water conservation;

3. ADMINISTRATION

Ormat's Water Management Policy is managed in line with the strategic direction, principles, and policy set by our Board of Directors and Senior Management. In accordance with this standard, we expect all employees to commit to our water management principles and support Ormat's water sustainability vision.



This Water Management Policy may be amended periodically by the Company.

Stakeholders are encouraged to submit questions, comments, or grievances regarding this or any of Ormat's other policies to the following:

<https://www.ormat.com/en/company/contact/main/> or sustainability@ormat.com