Emirates Central Cooling Systems Corporation PJSC

Environmental Social & Corporate Governance Policy

Document Control	
Version:	
Version 1.0	
Effective Date:	Review Date:
Date of Board Approval	One (1) year following the Effective Date
Document Custodian:	
Chief Business Support Services Officer	

Policy Review and Governance This policy shall undergo formal review annually to ensure alignment with evolving regulatory obligations and internal risk assessments. The Chief Business Support Services Officer shall manage the review cycle. All approved revisions shall be documented and communicated through official channels and the Employee Portal.

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1. List of Abbreviations

- **NR&ESG**: Nomination, Remuneration, Environment, Social and Governance Committee
- **BoD**: Board of Directors
- **CEO**: Chief Executive Officer
- **ESG**: Environment, Social and Governance
- **GHG** : Greenhouse Gas

2. Definitions

The definitions of key terms used in this Policy are given below:

- **Environmental Social and Corporate Governance (ESG):** All topics relevant to the management of Environmental, Social and Corporate Governance (ESG) related topics, under the umbrella of Sustainable Development, at all levels of the Company. It encompasses environmental sustainability, social responsibility, and governance ethics.

- **Greenhouse Gas (GHG):** Gases that trap heat in the atmosphere, contributing to global warming and climate change. Common GHGs include carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O).

3. Purpose

The purpose of this ESG Policy is to define Empower's strategic commitment to environmental stewardship, social responsibility, and governance excellence. This policy establishes a clear framework for embedding ESG considerations into our business operations, decision-making processes, and corporate strategy. By prioritizing ESG principles, Empower aims to:

- Contribute meaningfully to sustainable development.
- Enhance corporate sustainability
- Minimize environmental footprint and impact.
- Promote social equity and inclusivity.

- Uphold high standards of ethical governance and transparency.

Through this policy, we affirm our commitment to being a responsible corporate citizen, creating long-term value for stakeholders, and driving positive change in the communities we serve.

4. Objective

Empower is committed to the following:

4.1. Environmental Stewardship:

We strive to minimize our environmental impact by:

- Optimizing energy efficiency and utilization of renewable energy in Empower's business to reduce Co2 emissions to achieve Net Zero Goal by 2050.
- Improving the water efficiency and reducing the Water Foot Print by implementing best practices in water utilization across all Empower plants to achieve the goal of usage of 100% recycled water by 2030.
- Promoting sustainable resource use and conservation by implementing waste reduction, recycling and responsible disposal practices across all the areas of Empower's business
- Encouraging environmentally responsible behavior among employees and stakeholders.
- Incorporating life cycle management while designing the plant assets to minimize the environmental impact.
- Implementing Environmental Management system in line with international standards of ISO14001.
- Implementing UN Sustainability Goals across Empower's business.

4.2. Social Responsibility:

We are dedicated to making a positive social impact by:

- Ensuring fair labor practices and promoting diversity, equity, and inclusion within our workforce.

- Enhancing employee and contractors / suppliers' well-being through targeted health and safety programs, aiming for zero workplace incidents annually.
- Engaging with and contributing to the communities in which we operate.
- Upholding human rights and ensuring ethical supply chain practices.
- Ensure a culture of growth & belonging.
- Implementing OH&S Management systems in line with International Standards of ISO45001.
- Implementing Business Continuity Management systems in line with International Standards of ISO22301.

4.3. Corporate Governance:

We commit to maintaining high standards of governance by:

- Maintaining a 100% compliance rate with all regulatory and reporting requirements related to ESG
- Adhering to ethical business practices and ensuring transparency and accountability.
- Implementing robust risk management and compliance frameworks.
- Promoting a culture of integrity and ethical behavior throughout the organization.
- Ensuring a diverse and skilled board of directors and leadership team, equipped to oversee ESG initiatives effectively.
- Holistic implementation of Information Security Management systems to comply with International Standards ISO27001 and Government of Dubai requirements of Information Security Regulations Version 3.

In order to implement Transparent Governance Mechanism, Empower is committed to have holistic feedback and grievances of all stakeholders are addressed through Whistle Blowing Programme which is handled by independent team of top management of Empower.

5. Scope

The scope of this document is limited to EMPOWER and related activities. The ESG policy applies to EMPOWER and all aspects of Empower's operation and activities, encompassing its geographical, organizational, and operational boundaries. This includes:

- All departments and divisions, including Sales & Marketing, Customer Care Centers, Project Management, Contracts & Commercial, Technical, Operations, Finance, Information Technology, Human Capital, Business Support Services, and Internal Audit functions.
- Primary facilities, including Empower's head office, district cooling plants (DCPs), and all project locations, customer care centers, and warehouses. This policy is integral to Empower's efforts to address the expectations of diverse stakeholders, including customers, shareholders, employees, contractors, suppliers, service providers and regulators.
- Below are the addresses of EMPOWER primary and alternate locations that comes under the scope of Environmental, social, and governance policy

    - **EMPOWER ENERGY SOLUTIONS Current Head Office- 195, Sheikh Rashid Road, Opposite Dubai Police Club, Al Jadaf, Bur Dubai, P.O. Box 8081, Dubai, United Arab Emirates.**
    - All Empower Locations including DCP, Customer Care Centers and warehouse

6. Interests of Key stakeholders

- **Dubai Government:** EMPOWER complies with all legal and regulatory requirements of the Dubai Government, including DFM, Information Security Regulations Version 3, Dubai Municipality, Dubai Civil defense and other government entities ensuring adherence to all relevant standards and laws.

- **Shareholders:** The Company's shares are held by Dubai Electricity and Water Authority PJSC (DEWA) as controlling shareholder, together with public shareholders holding the Company's shares listed on the Dubai Financial Market (DFM). The identity of the Company's shareholders and their respective shareholding percentages may change from time to time in accordance with applicable laws, regulations and the Company's Articles of Association. The Company engages with all shareholders and addresses their

interests and requirements in line with its governance framework and applicable policies. All the shareholders' requirements are addressed in compliance with polices.

- **Employees:** Employee deliverables are defined through objectives and targets, measured via a performance appraisal system. Performance is rewarded and annual training programs address their training needs.

- **Customers:** EMPOWER provides uninterrupted cooling solutions 24x7 to Master Developers, building owners, apartment owners, and tenants, meeting their specific requirements through signed agreements.

- **Service Providers:** EMPOWER ensures clear communication of deliverables through legal contracts and purchase orders, processes payments based on these agreements, and monitors performance across multiple departments to ensure compliance.

- **Communities**: Invest in community well-being through social programs, outreach initiatives, and partnerships with local organizations.

7. Legal and Regulatory Obligations of EMPOWER

Empower commits to adhering to all applicable laws and regulations while exceeding mandatory requirements wherever feasible. Key aspects include:

- Full compliance with Dubai Municipality and DFM guidelines for sustainability.
- Alignment with the UAE's Net Zero by 2050 strategic initiative.
- Active participation in international ESG ratings and frameworks, to meet the requirements of investors and ESG rating agencies
- Incorporating SDGs into operational and strategic goals, with a focus on climate action, equality, and sustainable energy.

8. Policy Statement

Empower recognizes the critical importance of ESG principles in shaping the future of our business and the communities we serve.
This policy reaffirms our dedication to :

- Incorporating ESG considerations into every facet of our operations.
- Upholding the highest standards of ethical governance, transparency, and accountability.
- Acting as a leader in sustainability, with a commitment to continuous improvement and innovation. By embedding these principles into our business, we strive to exceed stakeholder expectations, foster environmental resilience, and contribute positively to society. Each employee and stakeholder is encouraged to actively support and champion the goals outlined in this policy.

EMPOWER considers the significance of ESG topics when performing all its business activities pertaining to District Cooling & related services to our stakeholders per all applicable Local, Federal laws and Decrees and International standards. This policy is based on the firm conviction that our ESG objectives and goals have equal status with our other primary business objectives.
We commit to integrating ESG considerations into our business operations and decision-making processes. This policy outlines our ESG approach and commitment to sustainability, social responsibility, and robust and ethical corporate governance. This is critical for us to ensure we continue to not only meet but also exceed our customers', and stakeholders' expectations and requirements.

EMPOWER is dedicated to being a responsible corporate citizen. By embedding ESG principles into our operations, we aim to contribute to a sustainable future while creating long-term value for all our stakeholders and EMPOWER alike. All Empower employees must acknowledge their responsibility in these aspects and provide support and positive contributions to the sustainability of the organization in line with this policy.

9. Policy Program

Empower will achieve its ESG objectives through the implementation of structured program modules:

9.1. ESG Program Initiation, Planning and Support

- Define and document ESG objectives, policy and framework documents ensuring alignment with Empower's business strategy.
- Establish a governance structure for ESG oversight, assigning roles and responsibilities across departments.

9.2. ESG Performance Evaluation

Empower will ensure the effective evaluation of ESG performance to ensure management expectations, DFM, regulatory requirements and international standards, through the following measures:

9.2.1. Data Monitoring and Reporting

- Establish and track ESG Key Performance Indicators (KPIs) aligned with organizational goals and international standards.
- Publish an annual Sustainability/ESG data report detailing progress, challenges, and future strategies.

9.2.2. Audits and Reviews

- Conduct internal and external ESG audits annually to ensure compliance with policies and regulatory frameworks.
- Regularly review GHG emissions and energy usage, publishing findings in accordance with global benchmarks.

9.2.3. Stakeholder Feedback

- Actively solicit input from employees, shareholders, customers, and communities through surveys and forums.
- Incorporate stakeholder insights into ESG strategies to enhance relevance and impact.

9.2.4. Leadership Accountability

- Ensure senior leadership involvement in regular ESG performance reviews.
- Providing directions to achieve ESG goals and providing resources to achieve the ESG goals.

10. Continual Improvement

We recognize that ESG is an evolving field and are committed to continuous improvement. The context of an ESG policy focuses on the ongoing efforts to enhance the effectiveness of ESG initiatives, adapt to new challenges, and ensure that EMPOWER remains at the forefront of sustainability, social responsibility, and ethical governance advancements.

This module defines actions to be taken to improve the ESG over time and ensure that corrective actions arising from audits, reviews, ESG Label, ESG Rating agencies exercises are addressed.

- Establish a culture of continuous learning and adaptation to emerging ESG trends and challenges. Ensure Employee and Stakeholder engagement
- Benchmark performance against industry leaders to identify areas for innovation and growth, take corrective actions and adopt best practices.
- Leverage technology to drive improvements and integrate innovation.
- Integrate ESG rating agencies requirements to our strategy

11. Stakeholder Collaboration

- Strengthen relationships with stakeholders through open dialogue and active participation in sustainability initiatives.
- Developing partnership with local and international organizations to share best practices and drive collaborative ESG projects.

12. Ownership and Maintenance

ESG policy documents are owned by the Chief Business Support Services and maintained by the ESG team.

The policy is to be reviewed annually or whenever any significant changes in the organization happen that could have an impact on the management and performance of ESG related topics. Revisions will ensure alignment with evolving best practices, regulatory changes, and stakeholder expectations. Any changes to the policy and subsequent documents should be reviewed and approved