

Ditrolic Energy Sustainability Policy



DATE
15 April 2024

INTRODUCTION

Ditrolic Energy is committed to being a net-zero company and helping society. We place utmost importance in ensuring that environmental and sustainability is at the forefront of our business consideration. We believe that a business can be financially profitable, socially responsible, and environmentally sustainable, all at the same time.

We are committed to the principles of sustainable development including protecting the environment by adopting environmentally friendly practices throughout our businesses, and to set a good example for our clients while providing consultancy services for our clean energy vision and mission.

This policy is aligned with the Climate Finance Partnership (CFP) Environmental and Social (E&S) Standards, the International Finance Corporation (IFC) Performance Standards (PS), and Ditrolic Energy's Environmental and Social Management System (ESMS).

SCOPE

This policy applies across all Ditrolic Energy entities, encompassing subsidiaries, joint ventures, acquisitions, managed sites, licensees, outsourcing partners, corporate offices, and research facilities. It extends to all individuals associated with Ditrolic Energy, including employees, contractor employees, business partners, suppliers, and other collaborators. Furthermore, this policy spans the entirety of project lifecycles, from planning through evaluation, operation, and closure.

SUSTAINABLE FINANCE DISCLOSURE REGULATIONS (SFDR)

SFDR is a part of the EU's Financing Sustainable Growth Action Plan and was established to reorientate capital flow towards sustainable finance, setting out mandatory ESG disclosures requirements for asset managers to comply with. The aim is to create more transparency into their investment strategies and prevent greenwashing.

Ditrolic Energy is committed to comply with SFDR Article 9 which are products that have sustainable investment as their core objective, requiring product level disclosures on the website, in pre-contractual documents and in periodic reporting.

Screening and performance monitoring of assets is required to determine if the fund labelled as Article 9 has followed a sustainable objective, and additional Do No Significant Harm (DNSH) test to demonstrate how the investment classifies as sustainable through either the EU Taxonomy or Principal Adverse Impact (PAI) Indicators framework.

SUSTAINABILITY POLICY OBJECTIVES AND COMMITMENTS

ENHANCING OUR ENVIRONMENTAL PERFORMANCE

Ditrolic Energy aims to minimise human activities' impact on the environment. Our efforts aim to be environmentally friendly and reduce greenhouse gas emissions. We are committed to complying with all relevant environmental laws and regulations and to continually improving our environmental performance in line with climate science, including:

- Commitment to the Science Based Target Initiative (SBTi) Business Ambition for 1.5°C, to cap global temperature to 1.5°C. We have pledged to be a net zero carbon company by 2030;
- Integrating environmental sustainability considerations into our business and investment decisions;
- Optimising our operations, improving energy efficiency and reducing carbon emissions, water consumption and waste, with clear measurable targets;

- Sourcing our materials, equipment and appliances to be energy efficient and with eco-friendly labels;
- Developing a recovery, recycling and repurposing plan to effectively recover and recycle end-of-life key components such as solar panels, modules mounting systems, solar inverters and batteries to ensure the environment is not harmed;
- Working closely with our supply chain partners in delivering innovative solutions that progress toward a carbon neutral supply chain; and
- Initiating and integrating Green Habits into our company culture and daily operations, including recycling programs in our office (e.g., plastic, paper, and aluminium), switching off electrical appliances when not in use, investing in software for the digitization of record collection and developing software programs to reduce paper volume, and installing solar panels for our own use.

UPHOLDING OUR SOCIAL COMMITMENTS

At Ditrolic Energy, we understand that the quality of a company's relationships and engagement with its stakeholders is critical. We recognise the importance of coexisting with the community and contributing to society's well-being. Furthermore, we recognise the need to look after our employees' physical and mental well-being. Our commitments include:

- Adhering to the various Group policies including Ditrolic Energy Human Rights, and Diversity & Inclusion Policy; Child Labour, Forced Labour Policy; and Human Resource Management Plan;
- Zero-tolerance stance on discriminatory, harassing, disrespectful or degrading behaviour to individual dignity;
- Promoting equal opportunities for our employees regardless of gender and continual empowerment of our female employees in their career development;
- Investing in our employees by regularly providing trainings to build their capacities and competencies;
- Ensuring a safe workplace all employees including contractors, sub-contractors etc.; and
- Contributing to the community through social involvement, philanthropy activities and mobilising high-impact investment, especially in developing countries.

MAINTAINING PROPER GOVERNANCE

Ditrolic Energy is committed to conducting business ethically and honestly. We are committed to acting professionally, fairly and with integrity in all business dealing and relationships in all countries we operate in, including:

- Adhering to Ditrolic Energy's Anti-Bribery and Corruption Policy, developed in compliance with Malaysian anti-corruption laws, including the Malaysian Anti-Corruption Commission Act 2009;
- Zero-tolerance stance on bribery and corruption;
- Providing regular and relevant training to all employees regarding anti-bribery and anti-corruption;
- Conducting regular audits on ethical compliance, especially in business areas with a higher potential risk of facing bribery or corruption during work activities; and
- Actively engaging with various stakeholders and fostering a collaborative dialogue.

IMPLEMENTATION

The Sustainability Policy will be communicated to all employees across our countries of operation and project sites. Employees are expected to submit the acknowledgement slip to the respective HR department.

Suppliers are required to sign and return the supplier declaration which includes a supplier code of conduct and acknowledgement of Ditrolic Energy's Sustainability Policy to endorse the process. Suppliers failing to adhere to the code will be excluded from our approved supplier list.

ROLES AND RESPONSIBILITIES

POLICY OWNER

The owner of this Policy is the Global Chief Executive Office (GCEO). Any amendments or deviations to this Policy must receive approval from the GCEO, except as otherwise expressly provided herein.

POLICY ACCOUNTABILITY

Department managers are accountable for ensuring that all activities and operations within their departments are carried out in accordance with this Policy.

COMPLIANCE

Employees

All employees are required to adhere to the requirements outlined in this Policy.

If you observe behavior by Ditrolic Energy's personnel that you believe may violate this Policy, it should be promptly reported. Internal reporting is crucial to Ditrolic Energy, and it is both expected and valued. Reports should initially be directed to the Human Resources Manager or direct supervisor who will ensure that the information is properly handled and escalated as necessary.


Ditrolic Energy will impose disciplinary actions on individuals found to have violated this Policy in a manner that is fair, consistent, and reflective of the nature and circumstances of the violation. The disciplinary process will be carried out as per outlined in the Human Resource Management Plan (attached as *Appendix N* in the Environmental & Social Management Plan).

Third Parties (e.g., Contractors/ Suppliers)

All third parties engaged by Ditrolic Energy are required to adhere to the requirements outlined in this Policy. In the event Ditrolic Energy becomes aware of any actions or conditions not in compliance with this Policy, Ditrolic Energy reserves the right to demand corrective measures and/or to terminate an agreement with any supplier/ contractor who does not comply. Actions taken by Ditrolic will be based on the evaluation of the severity and/ or frequency of the violation.

RELATED POLICIES AND DOCUMENTS

- Ditrolic Energy Human Rights, and Diversity & Inclusion Policy;
- Anti-Bribery & Anti-Corruption Policy;
- Child Labour, Forced Labour Policy;
- Human Resource Management Plan; and
- Ditrolic Energy Environmental and Social Management System.

Approved by			
Name	Tham Chee Aun	Position	Group CEO
Signature		Date	22 nd April 2024