



ESG Policy
Circon Energy LLC
Rev. 05/15/24

CIRCON ENERGY LLC ESG POLICY

Circon Energy LLC, along with its subsidiaries and affiliates (collectively referred to as "Circon" or the "Company"), is dedicated to operating its business sustainably and ethically, committing to high standards of environmental care, social responsibility, and governance. This Environmental, Social, and Governance (ESG) policy delineates our foundational principles and strategies concerning ESG issues which are influenced by The Equator Principles and in harmony with the UN Sustainable Development Goals (SDGs).

This policy framework is designed to serve as a solid foundation for Circon to thoroughly incorporate ESG factors into its corporate strategy and daily operations to guarantee compliance with local and international sustainability and responsibility standards.

- **Purpose:** Outline the commitment of Circon to sustainable development, responsible financing, and ethical practices.
- **Scope:** Applicable to all employees, subsidiaries, and affiliates.

Environmental Stewardship. Circon is committed to minimizing its environmental impact. Our approach focuses on efficient resource utilization aimed at reducing our environmental footprint and benefiting global society. We strive to lower our energy consumption and increase our use of renewable energy sources. Additionally, we are dedicated to conserving water resources and reducing waste generation. To further our commitment, we support the development and implementation of environmentally friendly technologies, processes, and solutions for our clients to promote sustainability in all aspects of our operations.

Environmental Commitments

1. Sustainable Resource Use:

- Implement practices that ensure efficient use of resources, focusing on renewable sources and reducing carbon footprint.

2. Pollution Prevention:

- Adopt technologies, processes and practices that minimize pollution and waste throughout operations.

3. Climate Action:

- Commit to actions that support climate change mitigation and adaptation strategies, aligned with the Paris Agreement.

Social Responsibility. Circon is dedicated to fostering a diverse, equitable, and inclusive workplace that respects the rights of all employees. We are committed to providing a safe and healthy work environment for our employees, upholding fair labor practices, and complying with all applicable labor laws and regulations. Additionally, we strive to be a positive influence in the communities where we operate by actively engaging in community initiatives and investing in social programs that benefit these areas.

Social Responsibilities

1. Community Engagement:

- Engage with local communities to ensure that development projects support local needs and priorities.

2. Labor Practices:

- Uphold high standards for worker safety and rights, ensuring fair labor practices and fostering a diverse and inclusive workplace.

3. Human Rights:

- Adhere strictly to international human rights standards, ensuring that all business activities respect the rights of individuals and communities.

Corporate Governance. Circon maintains a strong governance framework that underscores our commitment to transparency, accountability, and ethical conduct. We are committed to full compliance with all applicable laws and regulations and adhere to a zero-tolerance policy for corruption and bribery. Additionally, we uphold a robust risk management framework designed to identify, assess, and mitigate ESG risks, ensuring that our operations meet the highest standards of integrity and responsibility.

Governance Standards

1. Transparency and Reporting:

- Maintain high standards of transparency in reporting environmental, social, and governance issues.

2. Ethical Conduct:

- Uphold a zero-tolerance policy towards corruption, implementing rigorous compliance and ethical standards across all operations.

3. Stakeholder Engagement:

- Regularly engage with stakeholders to ensure accountability and continuous improvement in ESG practices.

Alignment with the Equator Principles

- **Risk Management:** Implement the Equator Principles to ensure that the projects are socially responsible and reflect environmental due diligence.
- **Assessment and Review:** Conduct regular assessments to ensure compliance with the Equator Principles, particularly for projects with potential, identified environmental and social risks.

Support for UN Sustainable Development Goals

Goal Alignment and Impact Classification. Circon has assessed the relevance and impact of specific UN Sustainable Development Goals (SDGs) in relation to our core business operations and broader community and environmental impacts: The following is our current SDG goal alignment.

Core Business Impact (Direct Impact):

- **SDG 3 (Good Health and Well-being):** Enhance health and well-being through our operations and community outreach initiatives.
- **SDG 7 (Affordable and Clean Energy):** Increase the utilization of renewable energy sources in our operations.
- **SDG 8 (Decent Work and Economic Growth):** Promote inclusive and sustainable economic growth and full and productive employment.
- **SDG 9 (Industry, Innovation, and Infrastructure):** Innovate and build resilient infrastructure to advance industrialization.
- **SDG 10 (Reduced Inequality):** Commit to reducing inequalities within and among countries affected by our operations.
- **SDG 11 (Sustainable Cities and Communities):** Support sustainable urban development through responsible business practices.
- **SDG 12 (Responsible Consumption and Production):** Implement sustainable practices in production and consumption.
- **SDG 13 (Climate Action):** Develop strategies to mitigate climate change impacts and integrate climate resilience.
- **SDG 17 (Partnerships for the Goals):** Collaborate with various stakeholders to enhance sustainable development efforts.

Non-Core Business Impact (Direct Impact):

- **SDG 1 (No Poverty):** Engage in initiatives that aim to eradicate extreme poverty.
- **SDG 2 (Zero Hunger):** Support programs that strive to eliminate hunger and promote food security.
- **SDG 4 (Quality Education):** Contribute to educational programs and partnerships that enhance learning opportunities.
- **SDG 5 (Gender Equality):** Promote gender equality and empower all women and girls.
- **SDG 6 (Clean Water and Sanitation):** Support initiatives to ensure access to clean water and sanitation for all.

Indirect Impact:

- **SDG 14 (Life Below Water):** Support efforts to conserve and sustainably use the oceans, seas, and marine resources.
- **SDG 15 (Life on Land):** Engage in practices that protect, restore, and promote sustainable use of terrestrial ecosystems.
- **SDG 16 (Peace, Justice, and Strong Institutions):** Uphold ethical business practices and support lawful and equitable societies.

Circon recognizes that ESG is an integral part of our long-term sustainability and success. We are committed to continuous improvement in our ESG performance and to being a leader in sustainable business practices.