



Environmental, Social and Governance (ESG)

QDP008



Do the
right thing



Be the
difference



Love our
customers



Never
settle



Look
forward

Environmental, Social and Governance (ESG)

1. PURPOSE

To detail the processes used for the management of Environment, Social and Governance (ESG) and working towards and achieving best practice.

2. SCOPE

- 2.1 All activities of Dale Power Solutions and its employees. ESG covers, but is not limited to, operational efficiencies; attracting and retaining talent (reducing recruitment fees); developing brand loyalty and reputation; mitigating operational, regulatory and reputational risks; securing access to high quality, reliable suppliers; generating marketing and new product development opportunities.
- 2.2 This ESG policy is an umbrella policy over other specific QUENSH systems covering environmental management, energy management, sustainability, corporate and social responsibility, business ethics, supply chain management, technology and employee development.
- 2.3 In support of our efforts to create a culture of continual improvement we have successfully attained the international quality standards ISO9001 (Quality), ISO14001 (Environment), ISO45001 (Health and Safety) and ISO50001 (Energy management). In order to specifically monitor progress and identify opportunities of strength and weakness an ESG monitoring tool (QDF002) is used to score ESG metrics relevant to the business.

3. PROCEDURE

3.1 ESG Policy

Operating in a responsible and sustainable manner is important to Dale Power Solutions. We believe that building strong partnerships with all shareholders is good for our business. We actively listen to the concerns of the local communities in which we operate and are committed to a process of continuous engagement with all parties who have an interest in our activities. Whilst we run our business in line with the expectations of our stakeholders, we see this policy as a discipline that helps us to manage risks and maximise the opportunities presented to us in a changing world.

Our ESG policy is guided by six key pillars which help to inform our decision-making processes and provide an ESG framework to ensure we act in a responsible manner:

- Environment – minimising and managing environmental impacts;
- People – investing in and developing employees;
- Ethics – operating to the highest ethical standards;
- Governance – working to the highest standards of corporate governance;
- Community – making a positive contribution to the communities in which they operate; and
- Product Responsibility – Concerning customers, including quality, health and safety and environmental facilities for products and services, as well as ethical marketing.

3.2 Environment

Our environmental management objectives and targets are detailed in QUENSH procedure QDP004 Review and Objectives. These objectives include:

- Legal compliance.

- Controlling and reducing our impact on the environment.
- Managing and reducing our carbon footprint.
- Managing and reducing energy use.
- Waste management and recycling.
- Continuous innovative development of product and service solutions to meet reduce our impact on the environment.

All QUENSH systems relating to environmental and energy management meet the requirements for certification to BS EN ISO 14001 and BS EN ISO 50001.

3.3 People

3.3.1 Our people are our most important asset and the key to our success. That's why we respect one another, and consistently demonstrate honesty and commitment in our words and actions. We believe in creating an environment of trust, and giving people access to learning opportunities and challenging work assignments, so they can realise their true potential as individuals and contribute to the company's progress and in turn provide our clients with world class customer service.

Succession planning provides a focus to ensure our workforce meet the requirements set out in the business strategy. This includes employee development, appraisal, training and promotion.

We shall provide, and strive to maintain, a clean, healthy and safe working environment providing a workplace where our employees feel safe is not only a legal obligation, but a fundamental factor in building their engagement with the company. Through management intervention, awareness campaigns and a culture that encourages employees to raise concerns about the workplace safety, we aim to reduce the frequency of accidents.

Our SHEQS Team promotes and develops co-operation between all employees to ensure health and safety management is embedded into management and business processes by maintaining BS ISO45001 certification and ensuring we have a safe and competent workforce who's impact on the health and safety of those where we operate is zero.

3.3.2 Company Values

We have identified six core values that should underpin all that we do at work. We should all strive to deliver these values in our everyday work. These are as follows:

- **Do The Right Thing:** It's what we do when no one else is looking that defines us. For us, doing the right thing means being accountable for our actions and giving the highest level of attention, respect and consideration to everyone, all of the time.

We want Dale Power Solutions to be good to work both with and for. By always doing what's best for our customers, our colleagues and our company, we will build even greater trust and confidence in the our brand. And it'll make us even better people to do business with. This also means being commercial – we won't over engineer and will strive to deliver the right solutions for the right price.

- **Love Our Customers:** We recognise that our customers trust their hard-earned budgets in our ability to help protect their business. In return, it is our duty to repay this trust by making their needs our priority. That is why every decision we make – and every outcome we measure – must be grounded in how well we serve our customers.

Keeping customers happy is the key to our success now and in the future – so we must show them how much they matter to us. Put simply, if we love our customers as much as we can, they will love us back.

- **Never Settle:** We are driven by trying to find solutions to what is in front of us. We are passionate and courageous in our decision making and restless in our pursuit of solving our customers problems. That means setting high standards, being sticklers for quality and never settling for “good enough”.
If you need inspiration to go above and beyond, look around you. We work with brilliant people who do exceptional things every day. And that, in itself, is an excellent thing.
- **Be The Difference:** The knowledge, skill and experience our people have make us unique. And we believe that every individual has within them the ability to lead by example, inspire those around them and be the difference between ordinary and excellent.
Whilst we are a collective of exceptional talents, we believe that our potential is greater than the sum of our individual skills. By taking responsibility the quality of our own work and pride in what we deliver as a team, we build not just better products, but a better business for us all.
- **Looking Forward:** We have been around for a long time. We have seen and learned so much, and our experiences give us a unique pedigree. Our rich heritage gives us stability. But the future brings us new opportunities.
As the world strives towards net zero and organisations seek to secure their energy supplies, the curiosity that comes from always asking, “what is possible?”, means we are well placed to support our customers as they seek partners to help in managing their changing energy needs. And that is a challenge we look forward to.

3.3.3 Our Working Environment

Dale Power Solutions respects and highly values its diverse employee population. Accordingly, the Company has an unwavering ethical commitment toward promoting a workplace that is respectful of personal differences and free of discrimination and harassment. This principle applies in our hiring and interviewing process as well as all aspects of our work environment. By providing a respectful, creative, and positive atmosphere where employees can be successful and achieve, Dale Power Solutions is capable of attracting, motivating, and retaining the best people available.

Dale Power Solutions is committed to providing a work environment free of discrimination and harassment based on age, ancestry, colour, marital status, medical condition, mental disability, physical disability, national origin, race, religion, sex or sexual orientation. All employees must ensure that they have the right to work in the jurisdiction that they are working. If in any doubt they should seek advice from their manager or HR representative as soon as possible.

Employing individuals without proper authority not only negatively impacts the individual but also puts the organisation at significant risk. It is the Company's intention to provide an atmosphere free of harassment that creates tension and/or an intimidating, offensive, or hostile work environment. Conduct that causes such conditions violates Dale Power Solutions' code of business conduct. Abusive, insulting, or offensive actions of any kind, including unwelcome requests for sexual favours, sexual advances, and conversation containing sexual comments, are considered harassment that disrupts or interferes with work performance or that creates an intimidating, hostile, or otherwise offensive environment.

Any employee experiencing such harassment is encouraged to report the incident to their manager, next-level manager, without fear of reprisal. All incidents will be investigated and the appropriate action taken.

3.3.4 Conduct and Behaviour Standards

All employees are expected to contribute to the success of Dale Power Solutions by performing

their jobs as required and conducting themselves in a professional manner consistent with the Company's business philosophy, values and standards. Employee honesty and integrity are essential to ethical business practices. Employees are required to prepare all reports, including expense reports, time cards, and sales reports accurately and truthfully. Additionally, it is essential to avoid making misrepresentations or dishonest statements to anyone inside or outside the Company, or behaving corruptly or dishonestly.

The following non-exhaustive list includes types of unacceptable conduct that may result in immediate disciplinary action, up to and including termination of employment:

- Paying or receiving a bribe
- Failure to notify via any of the methods in this policy the payment or receipt of a bribe by another employee or person involved in doing business with the Company
- Violation of the internal corporate approval processes
- Falsification of facts or Company records
- Unethical, immoral, indecent or illegal conduct
- Harassment (which includes, but is not limited to, sexual harassment, physical fighting, or other abusive conduct creating an intimidating, hostile or offensive work environment)
- Discrimination against any employee or applicant due to age, ancestry, colour, marital status, medical condition, mental disability, physical disability, national origin, race, religion, sex or sexual orientation.
- Deliberate destruction of Company or other employee's property
- Deliberate work stoppage or slowdown
- Theft, misappropriation, or unauthorised personal use of Company property or property of others
- Insubordination/refusal to follow legitimate direction from a manager or deliberately undermining a manager's authority
- Bringing weapons, illegal substances or other contraband onto Company property or being in possession, or in the case of illegal substances, under the influence, of same
- Any action which seriously impacts the Company's business or image in a negative or destructive way
- Any conduct posing a threat to the health or safety of employees or Company operations
- Unsatisfactory attendance or abuse of sick leave
- Gambling during work hours or on Company property
- Excessive consumption or being under the influence of alcoholic beverages, drugs or illegal substances on Company premises Misuse of Dale Power Solutions' property, including the Company's equipment, supplies, email, intranet, and computer and voicemail systems can constitute unethical conduct. These tools and resources are intended to assist employees in conducting legitimate Company business, and any other use of such property is discouraged. In addition to the foregoing prohibited acts, any of the following types of conduct by any employee, must be reported immediately to the Company's HR Department. If the HR Department is alleged to be involved in the conduct, then the report shall be conveyed to the Chief Executive, unless the Chief Executive is allegedly implicated in such conduct, in which case the report shall be conveyed to the Chairman.
- Violation of the Company's revenue recognition policies and procedures, or any other Company policies or procedures designed to insure full, fair, accurate, timely and understandable disclosure of Company information as required by the London Stock Exchange, or any other applicable governmental law, rule or regulation.
- Failure to fully, fairly, accurately, understandably and timely disclose to the appropriate

individual(s) within the Company any and all information that relates to the Company's business, operations or financial condition that may need to be reported or disclosed to the London Stock Exchange or pursuant to any other applicable governmental law, rule or regulation.

- Misrepresentation, concealment, falsification or destruction of any documents or other information relating to the Company's business, operations or financial condition that may be required to be reported or disclosed, or used to prepare documents required to be reported or disclosed, to the London Stock Exchange or pursuant to any other applicable governmental law, rule or regulation.

Any other activity or conduct that could cause an individual, the Company or any of its officers or directors to violate any applicable governmental law, rule or regulation relating to full, fair, accurate, timely and understandable disclosure of information required to be disclosed to any third person.

3.4 Ethics - Statement of Values and Business Ethics

This statement not meant to address every instance in which we are called upon to observe and practice sound business ethics. It is intended to remind us that if we each strive to live and abide by basic ethical principles in the day-to-day conduct of our business, we will foster an environment of mutual trust and respect, continue to build on our global reputation for integrity, which is the foundation of the Company.

Dale Power Solutions believes that trusting, long-term relationships are built through honesty, openness and fair play. All aspects of our business must be based on the highest ethical standards. Since our employees are key to our success and we're all part of the corporate team, we all must take responsibility for our own actions and conduct.

In addition, since managers are responsible for directing the actions of others and for setting an example for other employees, they should shall be familiar with how this policy applies to them and to those under their supervision. It should be remembered that no one has authority to require or influence another employee to violate this code of conduct, and any attempt to do so may result in immediate disciplinary action, up to and including termination of employment.

Since good judgment is a fundamental basis of everything Dale Power Solutions does as a Company, understanding our ethical and legal parameters can only strengthen that judgment. Since we are a global Company, we have a responsibility to follow applicable laws and regulations in all locations where we do business. Instances where the law is not explicit require using good judgment, adhering to the spirit of the law, and following the principles of honesty, integrity, and common sense. On the rare occasions where local country law is in conflict with the Dale Power Solutions ESG policy, local country law will take precedence.

3.5 Governance

3.5.1 Business Risk

The Board of Directors is composed of professionals with a wide range of experience including finance, sales, marketing, technical knowledge and governance. Collectively they set high standards for the company and its employees and aim to foster a culture of performance, transparency and accountability. The Company is subject to a variety of risks which could have a negative impact on its performance and financial position. The Board is responsible for the Company's system of internal control and risk management and for reviewing its effectiveness. The Board meets monthly and supports the adherence to the Business Risk Policy. The ESG monitoring tool is included in the annual review to target ESG risks and opportunities.

3.5.2 Marketplace and Customers

We are in business to deliver value to our customers. All that we do is geared to providing world class products and the best possible customer experience. We have a passion for excellence and we take pride in our ability to solve our customers' problems, focusing on delivering innovative solutions in a timely manner. We aim for true customer satisfaction by understanding our clients' needs and building partnerships. We will register and resolve customer complaints in accordance with our published standards of service.

Our contracts will clearly set out the agreed terms, conditions and the basis of our relationship. We will operate in a way that safeguard against unfair business practices.

Dale Power Solutions technologies support numerous applications for alternative energy.

We will work with our customers to develop these products to help to reduce environmental impact.

3.5.3 Supply Chain

Dale Power Solutions is committed to maintaining an ethically responsible multi-channel supply chain where we:

- Consider customers and Supply Chain as equal partners in achieving sustainability objectives.
- Support Sustainable communities where practical by ensuring our supply chain invests in local proficiency and capabilities which encourages positive outcomes for the environment, energy use, economy and society from our activities.
- Look at what we buy and the associated cost, evaluate that our suppliers are also organisations with an ethical CSR policy. When procuring energy using products, equipment and services that have or can have an impact on Significant Energy Use (SEUs) inform our suppliers that energy performance is one of the evaluation criteria for procurement.
- Effectively monitor performance and audit our suppliers to support our evidence.
- New and current Suppliers receive the Vendor Assessment Questionnaire.
- We design product that is assembled from pre-manufactured components, majority of which are manufactured to mechanical and electrical standards. We do not purchase any raw materials through our supply chain.
- The UK government encourages British companies trading in natural resources from the DRC (Congo) to do so in a way which is socially, economically and environmentally responsible. DPS support the OECD guidance and guidelines. (Organisation for Economic Cooperation and Development.) and the United-States Dodd-Frank Wall Street Reform and Consumer Protection Act.

3.5.4 Compliance with the UK Bribery Act

Dale Power Solutions does business in many different countries around the world. In almost all circumstances in each of these countries it is illegal to pay or accept bribes, which may be defined as: a financial or other advantage offered or made to another person (including a business or company) to bring about or reward the improper performance by the recipient of a relevant function or activity. As a Company domiciled in the UK, Dale Power Solutions' activities are ultimately governed by UK law. The UK's legal standards relating to bribery are among the most stringent in the world and are set out in the Bribery Act 2010, which prohibits bribery between commercial businesses as well as of government officials. Dale Power Solutions expects and requires its employees worldwide to adhere to and comply with the following principles:

- No employee will offer, promise or give a bribe to another person, business or company in the course of conducting business for Dale Power Solutions or purportedly for or on behalf of Dale Power Solutions.
- No employee will request, agree to receive or accept a bribe from another person, business or

company in the course of conducting business for Dale Power Solutions or purportedly for or on behalf of Dale Power Solutions.

- No employee will offer, promise or give a bribe to a foreign public official with the intention of influencing the recipient in the performance of any official functions.
- Dale Power Solutions requires its employees, business partners, agents and service providers to comply with this legislation. All employees are required to report suspected violations by other employees or business partners of Dale Power Solutions (e.g. agents used by Dale Power Solutions, service providers, suppliers or customers) to a superior. Failure to do so may expose Dale Power Solutions to risks of legal liability for failing to prevent bribery by a person associated with Dale Power Solutions. The principles listed above are the minimum required standards for all employees. Failure to observe any of these will result in disciplinary action, including possible immediate termination of employment for gross misconduct, and may result in Dale Power Solutions referring the conduct in question to the authorities.

3.5.5 Hospitality and Entertainment

Dale Power solutions has in force an expenses and entertainment policy – you are required to comply with this policy. Generally speaking, modest entertainment and hospitality expenses in compliance with your expenses policy and which are not intended to influence the behaviour of any recipient of hospitality should not under normal circumstances constitute prohibited activity under the Bribery Act. Similarly, the giving or receiving of modest, culturally appropriate business gifts (never cash) or promotional items of nominal value should not under normal circumstances constitute prohibited activity. You must exercise extreme caution if you are proposing to entertain or offer any gift to a foreign public official and should first consult the policy.

If you have any remaining concerns, you should raise these with your Divisional Director. Wherever possible, you should always be accompanied by another employee at any business-related occasion involving entertainment, hospitality or gift giving with third parties, especially any foreign public official. The Bribery Act 2010 is complicated so Dale Power Solutions has prepared FQ33 UK Bribery Act Compliance Form, a more detailed guide to its provisions. If you have any specific questions or concerns, please discuss with your Divisional Director.

3.5.6 Conflicts of Interest

A conflict of interest is generally any activity that is, or appears to be, in conflict with the business interests of Dale Power Solutions. Any actual or perceived conflict of interest in violation of this policy and must be reported, including that which involves or implicates the Chief Executive, Finance Director or other Board Director shall be reported immediately to the Chairman.

Employees shall not directly or indirectly work or consult for a competitor or engage in activity that competes with Dale Power Solutions business interests (including working for a customer or supplier). It is never acceptable for an employee to utilise Dale Power Solutions' customer lists or contacts to market their own or third-party goods and services, even if they are not competing with Dale Power Solutions products or services.

- Employees shall avoid having a material financial interest in any Company where that interest might conflict with Dale Power Solutions' business concerns.
- Employees are permitted to give or accept gifts and/or hospitality only within the parameters of the expenses policy applicable to them and in compliance with the Worldwide Anti-Corruption and Bribery Policy.
- Employees shall always avoid conducting Dale Power Solutions business with family members or other significant relationships, or taking any business action that benefits a family member or

significant relationship. For example, if a Dale Power Solutions employee has purchasing responsibility for Dale Power Solutions, they must not deal with any vendor that employs an immediate family member or significant relationship. Similarly, employees should also be sensitive to the potential compromise of Dale Power Solutions' confidential information and the appearance of divided loyalty that can occur when family members, or others who are close to the employee, work for Dale Power Solutions' competitors.

- Dale Power Solutions expects employees to devote their full attention to their work, and therefore discourages other employment outside Dale Power Solutions – many employees will be contractually prohibited from taking on additional paid work. No Dale Power Solutions employee, whether full time or part time, may engage in outside work or services for an actual or potential customer, competitor or vendor under any circumstances.
- While Dale Power Solutions is concerned with maintaining its competitive edge in the markets it serves, only authorised Dale Power Solutions employees may conduct market intelligence with respect to other companies, and only by straightforward and transparent legal means. The reputation of Dale Power Solutions' products and services is built on merit, not on the disparagement of competitors or their products, or by a failure to respect the intellectual property rights of others.

3.5.7 Communicating with the Financial Community and/or Media

Employees who are contacted by a member of the financial community or media are not authorised to provide information regarding Dale Power Solutions or its business without prior approval.

- Financial calls should be referred to the Finance Director.
- Calls from industry analysts and the media should be referred to the Chief Executive.

3.5.8 Protecting Company Information

Trade secrets, technology, ideas, customer lists, unannounced financial data, marketing and pricing strategies, and business plans are, among others, Dale Power Solutions' most valuable business assets and protecting their confidential and proprietary nature is the legal obligation of every Dale Power Solutions employee. Employees must consider whether information they handle or share might give Dale Power Solutions a competitive advantage or could damage Dale Power Solutions if its disclosure were out of the Company's control. If so, it would be considered confidential and proprietary to Dale Power Solutions. When in doubt, contact your Divisional Director. In addition, no employee must ever unlawfully or in violation of any applicable agreement attempt to obtain or use another Company's proprietary intellectual property or information for Dale Power Solutions' benefit.

3.5.9 Information Security

Information is vital to Dale Power Solutions' continuing success. Inadequate protection or misuse of Dale Power Solutions' information assets could give the Company's competition an unfair advantage, diminish the quality of our products and services, increase the risk of litigation, or otherwise harm the Company. All Dale Power Solutions' employees share a responsibility to our customers, shareholders, and each other to protect Dale Power Solutions, customer, and vendor information assets from unauthorized access, use, modification, destruction, theft, or disclosure and must treat such assets in accordance with any information handling policies issued by Dale Power Solutions.

3.5.10 Competition Law and Trade Restrictions

Trade laws and regulations in the U.K and elsewhere around the world are intended to foster ethical competition in the marketplace and to limit activities that restrain trade. Accordingly,

employees must never discuss or enter into any arrangement or understanding with a competitor regarding the pricing of products, favouring or withholding business from particular customers or vendors, or any other activity that may have an antitrust or anti-competition implications. Any specific questions regarding trade or competition laws or how they might affect the way employees or the Company conduct business should be referred to your Divisional Director.

3.6 Community

Dale Power Solutions is committed to making a sustainable positive impact on the communities in which we operate. We aim to make a distinctive contribution to equality and social development through the establishment of effective partnerships and programs that make best use of the energies and skills of our employees. These include:

- Employment – Dale Power Solutions is a local employer where ever possible. Our head office is based in Scarborough where 70% of our operations is located. Service Engineers are regionally based in order to maintain customer requirements.
- Apprenticeships - Essential to our future and provide opportunities for members of our local community to gain and establish themselves a career in Dale Power Solutions.
- STEM Ambassador Program - Dale encourages our employees, including Apprentices, to become nationally recognised STEM Ambassadors who can engage with our local community to promote STEM subjects (science, technology, engineering and mathematics) and apprenticeships.
- Volunteering and donating resources - Dale engages with all of our local schools and colleges to assist with a variety of events including Interview skills, CV writing, one-to-one student mentoring, and work experience placements, etc. Dale proactively encourages our employees to participate in fundraising activities for charities and has a nominated charity itself the Company supports. Community engagement is also achieved by participating in community projects and allow employees time off from work to participate.
- Yorkshire Coast Employability Charter - Dale have signed up to the Charter to help our local community engage with industry and help to increase employability skills.
- Apprenticemakers Community and Apprenticeship Ambassador Network - Dale are members of both the Apprenticemaker Community and the Apprenticeship Ambassador Network. The Apprenticemaker Community key focus is to encourage peer to peer support and experience sharing between businesses. The aim of the Apprenticeship Ambassador Network is to deliver the national targets for apprenticeships such as the ambition to double the number of workplaces who employ apprentices from 10% to 20%. Dale play an active role in support and promotion within these forums.
- 5% Club - On a wider scope Dale are members of the 5% Club who's membership aim is to work towards, achieve and maintain 5% of the workforce in an apprenticeship or sponsored graduate education. Dale play an active role in support and promotion within this forum.

Concerning customers, including quality, health and safety and environmental facilities for products and services, as well as ethical marketing

3.7 Product Responsibility

DPS consider product responsibility is the requirement to supply high-quality as well as safe products and solutions. Our customers should be given the best possible protection against potential risks and also benefit from the latest technology.

CE/UKCA marking is a visible sign that the product complies with all relevant product supply law, and its presence together with the Declaration of Conformity gives the product to which it is affixed presumption of conformity with relevant product safety and performance Directives.

Product Quality is the collection of all the features and characteristics of a product that contribute to its ability to meet the customer needs and requirements. It's the ability of the product to fulfil what the end user wants and perceives as value.

As part of the manufacturing process DPS ensures as part of the manufacturing cycle that optimised processes minimize negative environmental impacts; conserve energy and natural resources and are thus supplied in the most sustainable way. This also enhances employee, community, and product safety.

DPS regularly reviews production methods and operations by continuously improving performance such as fewer production steps or incorporating more energy efficient components. During the design for manufacturing stage the BS EN ISO and IEC standards are referred and incorporated into the manufacturing process.

DPS promote product, service, and brand in a way that aligns with our values and morals as well as practicing full transparency and openness in that the product can do what it claims with certainty and repeatability.

4. **RESPONSIBILITY**

- 4.1 The Chief Executive is responsible for the implementation and maintenance of this policy.
- 4.2 All employees have a responsibility to understand how this policy and its principles affect them or if they observe what they believe to be inappropriate, unethical, or unlawful actions or conditions at any time, they should report it to their Divisional Director, HR Manager or the Chief Executive, unless otherwise noted. All genuine reports of possible breaches of this code will be treated in the strictest confidence and individuals will be protected under the same conditions as our whistleblowing policy.

5. **DOCUMENTS**

- 5.1 QDF002-ESG Monitoring Tool
- 5.2 QHP029-Environmental Effects
- 5.3 QHW007-Environmental Awareness
- 5.4 QDP001-Company Policy
- 5.5 QAP018-Anti Slavery and Human Trafficking Policy

Version control

Creator	Authorised by	QA Authorised by	Issued/Revision
P. Hall	G. Hepburn	S. Oxtoby	2/08-02-2023
M. Carter	G. Hepburn	P. Hall	1/01-07-2022
M. Carter	D. Lee	P. Hall	0/02-10-2019