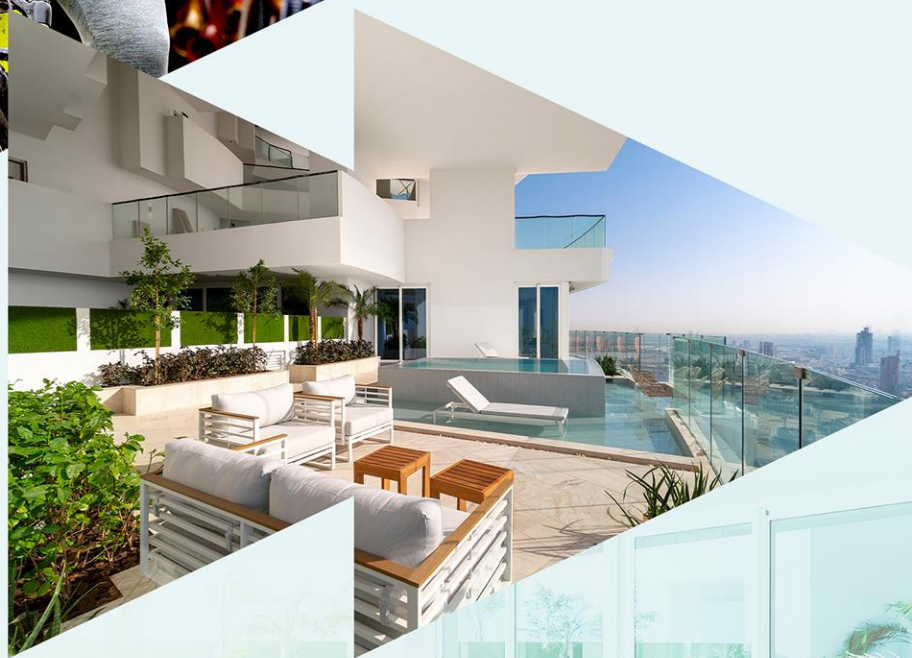


FIVE ▶



Green Financing Framework

June 2023

Table of Contents

Green Financing Framework

Introduction

1. Overview of FIVE
2. FIVE'S Sustainability Strategy, Objectives & Targets
3. FIVE'S Current Sustainability Performance & Initiatives
4. FIVE's Sustainability Governance
5. External Recognitions and Partnerships
6. Supporting the UN Sustainable Development Goals ("SDGs")

Green Financing Framework

Rationale for Establishing a Green Financing Framework

Alignment with the Green Bond and Green Loan Principles

- 1) Use of Proceeds
- 2) Process for Evaluation and Selection
- 3) Management of Proceeds
- 4) Reporting

External Reviews

- a) Second Party Opinion ("SPO")
- b) Post-Issuance External Review on Reporting

DISCLAIMER

Introduction

1. Overview of FIVE

FIVE Group (FIVE) is an international hospitality business developing and operating iconic luxury hotels uniquely underpinned by high-energy entertainment-driven experiences. Within its current portfolio, FIVE owns, operates and manages food and beverage focused luxury hotels, with 3 assets located in Dubai and Zurich and another hotel under development in Dubai.

Balancing premier entertainment and leisure platforms with LEED Platinum and Three Star SPIRE rated development, FIVE follows a distinct approach to pursuing sustainability without compromise on luxury lifestyle. In June 2023, FIVE Holdings achieved an 'A' Corporate ESG Rating through ISS. This score placed FIVE's ESG performance at the top of over 7000 evaluated companies with FIVE being the only to earn an 'A' rating across all sectors within the ISS corporate rating universe as of June 2023¹.

In the face of challenges associated with a changing climate intertwined with other environmental, social and economic risks, hospitality must continue to play a leading role in aligning business strategies with sustainable development goals.

¹ Source: as per ratings published on ISS Corporate Solution Platform

2. FIVE'S Sustainability Strategy, Objectives & Targets



FIVE's Sustainability Policy

The purpose of FIVE's Sustainability Policy (Policy) is to formalize and articulate our commitment to environmental and social objectives, responsible operations, empowered and protected employees, good governance, and community-minded engagement. It outlines how we identify the sustainability objectives which are material to our business and/or stakeholders, as well as builds a foundation from which good practice governance will enable us to manage, monitor and deliver on our objectives.

This Policy formally establishes a common and defined understanding of sustainability across our activities and operations and supports in active engagement and collaboration with our stakeholders.

The Sustainability Committee (a formal committee of the Board), is responsible for implementation of the Policy, and in ensuring that it remains relevant, appropriate and aligned with current local and international laws, guidelines and global good practice.

FIVE's Sustainability Objectives

 <p>Vision</p>	Our vision is to be one of the leading sustainable hospitality groups.
 <p>Mission</p>	Our mission is to align a luxury hospitality experience, with achieving our sustainability objectives, whilst integrating our wider stakeholders' expectations.

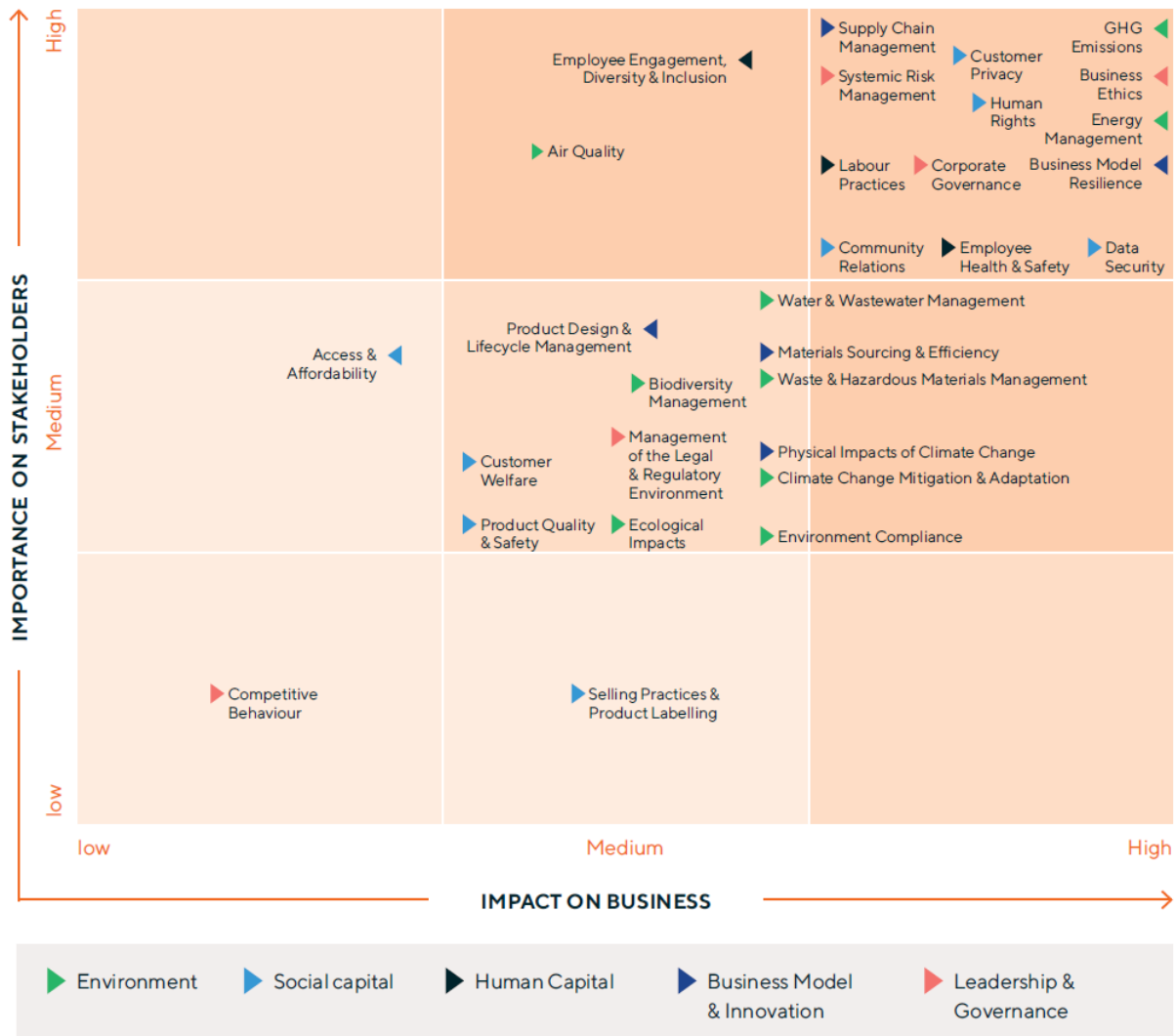
STRATEGIC SUSTAINABILITY OBJECTIVES

From our original pursuit of "Do more with less," we have continually enhanced our sustainability ambition. Our strategy is to align our operations and activities with international sustainability standards and best practice in order to realize enhanced sustainability performance and outcomes over time. To support this strategy, we identify sustainability topics that are material to FIVE and our stakeholders.

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Using established frameworks², potential material topics are identified and rated according to importance to the business and an understanding of stakeholder importance.

MATERIALITY MATRIX CHART



In response to these material sustainability topics, we have set the following objectives which guide our strategic response grouped under our F-I-V-E policy framework:

² Including SASB, part of the IFRS Foundation. The IFRS Foundation's International Sustainability Standards Board (ISSB) encourages companies to keep using SASB Standards until ISSB standards are finalized.

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F	Future-Focused	<ul style="list-style-type: none">• Enhancing the energy, water and resource efficiency of our operations• Reducing emissions and managing climate related risk and opportunities• Evolving systems to support digitalization, artificial intelligence and automation
I	Innovation	<ul style="list-style-type: none">• Integration of sustainability into corporate governance• Sustainable procurement and supply chain management
V	Vibrant Communities and Partnerships	<ul style="list-style-type: none">• Positive community impact and relationships• Innovate to address social and environmental challenges• Setting high environmental and social standards in supply chain
E	Equal opportunity and empowered workforce:	<ul style="list-style-type: none">• Inspiring Intrapreneurship by encouraging new ideas and initiatives• Improving employee welfare• Ensuring equality, diversity and inclusion

FIVE's Sustainability Targets

We are committed to ensuring our Strategic Sustainability Objectives are translated into data-driven, measurable, and ambitious targets, upon which we can measure our performance and set a clear roadmap to achieving our ambition.

The following targets represent a subset of all the ESG initiatives that FIVE is conducting which can be found on FIVE's website³.

³ [FIVE's ESG Policies and Initiatives](#)

Strategic Objective	Metric	Target
Enhancing the energy, water and resource efficiency of our operations	LEED Gold or BREEAM Excellent (or equivalent standards) as minimum	Achieve and maintain a minimum of LEED Gold or BREEAM Excellent (or equivalent standards) for all new and existing projects including greenfield developments and acquisitions involving retrofitting and refurbishing
	Renewable Energy Consumed per Capita ⁴ (kWh/cover)	By 2030, increase the renewable energy consumed per capita by 10% from 2022 baseline of 19.8 (kWh/cover)
	Carbon Use Intensity (MtCO ₂ e/AED mn)	By 2025, reduce carbon use intensity across all our portfolio by 85% from 2020 baseline of 43.4 (MtCO ₂ e/AED mn)
	Electricity Consumed Per Capita (kWh/cover)	By 2025, reduce electricity consumed per capita across all our portfolio by 40% from 2020 baseline of 30.6 (kWh/cover)
	Water Consumed Per Capita (litres/cover)	By 2025, reduce water consumed per capita by 45% from 2020 baseline of 479 (litres/cover)
	Waste Generated Per Capita (Kg/cover)	By 2025, reduce waste generated per capita by 25% from 2020 baseline of 5.15 (kg/cover)
	% Amenities Plastic-Free	Eliminate major single-use plastics by 2025
Reducing emissions and managing climate related	Science-Based 1.5 °C Scenario Target	By 2025, set a GHG Emission Reduction Target approved by SBTi
	Scope 3 Categories Measured	By 2025, begin including and measuring limited Scope 3 categories against the GHG Protocol's total 15

⁴ Per Capita is a naming convention to represent a function of 'cover'. Cover is defined as the sum of in-house covers plus food and beverage walk-in covers. A cover represents a guest.

Strategic Objective	Metric	Target
risk and opportunities	Quantified Climate Related Financial Risks	By 2025, start conducting quantified scenario analysis of limited climate related financial risks

3. FIVE’S Current Sustainability Performance & Initiatives

FIVE has achieved a complete LEED Platinum operational portfolio (LEED v4.1, v4), having earned 85 and 84 points for its two operational Dubai hotels and 84 points for FIVE Zurich. To achieve this esteemed recognition from the US Green Building Council’s sustainability assessment, FIVE was assessed on various indicators within and across Sustainable Sites, Water Efficiency, Energy & Atmosphere, Material & Resources, Indoor Environmental Quality, Innovation, and Location & Transportation. FIVE Zurich is the first and only LEED Platinum hotel in Switzerland and the 2nd highest scoring in the world for ID+C⁵ and BD+C⁶ (LEED v4). FIVE Luxe JBR is being constructed according to the requirements of LEED Platinum. Although undertaking recertification is required every three years, FIVE will enter data at least on an annual basis to maintain an active certification, in line with the USGBC LEED best practice standards.

FIVE is also the first hotel group to earn the SPIRE Smart Building Rating, achieving three stars for its two operational hotels in Dubai. The SPIRE rating expands on LEED’s sustainable infrastructure and environmental management emphasis as the first comprehensive and objective smart building assessment. SPIRE assessment indicators span categories including Power and Energy, Health and Wellbeing, Life and Property Safety, Connectivity, Cybersecurity and Sustainability. As part of its sustainability strategy, FIVE plans to maintain its LEED and SPIRE Certifications annually for its assets.

Within its focus on renewable energy, FIVE is the first hotel in the UAE to obtain I-REC certificates, working in conjunction with DEWA’s Mohammed bin Rashid Al Maktoum Solar Park to provide 100% Renewable Electricity power for its Dubai hotels’ electricity in 2022. This contributed to FIVE’s reduction in its operational emissions of 10,605 MtCO₂e in 2022.

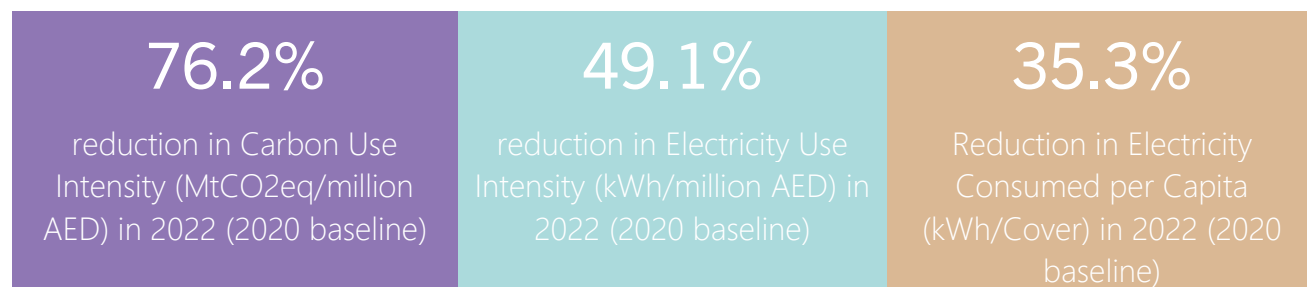
FIVE has also received the highest building rating (4 Star Plus), for the two operating hotels in Dubai, as part of the Dubai Land Department’s (DLD) state-of-the-art Building Classification System (BCS)⁷ for the Real Estate Sector. The 4 Star Plus Rating is a mark certifying inspected buildings “to the highest standards of green sustainability”.

⁵ [LEED Interior Design and Construction](#)

⁶ [LEED Building Design and Construction](#)

⁷ [Dubai Land Department state-of-the-art Building Classification](#)

FIVE’s Existing Sustainability Achievements



Great Place to Work™ Certified

- #4** Best Workplaces in the UAE™ 2021
- #4** Best Workplaces for Women™ 2021 – Medium-Sized Organizations
- #6** Best Workplaces in the UAE™ 2022 – Large Organizations
- #6** Best Workplaces in the Middle East™ 2021 – Medium-Sized Organizations
- #6** Best Workplaces in the Middle East™ 2022 – Large-Sized Organizations
- #6** Best Workplaces for Millennials™ 2021

⁸ Figure is calculated based on 997,780 plastic bottles consumed per year at FIVE Palm Jumeirah and 144,000 at FIVE Jumeirah Village prior to glass bottling plant installation at each hotel property

4. FIVE’s Sustainability Governance

FIVE’s Board of Directors will maintain oversight of core business activities. However, the Board has delegated responsibility for sustainability matters to the Sustainability Committee. The objective and purpose of the Sustainability Committee is to assist the Board in fulfilling its sustainability governance oversight responsibilities. The Sustainability Committee does this by monitoring, reviewing, and reporting to the Board on our overall alignment with the commitments made within the Policy, as set out in the Sustainability Committee’s Terms of Reference.

Further, the Sustainability Committee is to ensure that the Policy continues to be relevant, appropriate, and aligned with current local and international laws, guidelines and global good practice.

The Policy is supported by the Corporate Governance Manual which provides documented operational guidance and processes on identifying, measuring, managing, monitoring, and reporting on sustainability aspects, in alignment with international standards and good practice.

Sustainability Governance Structure

A defined cross-functional governance structure ensures that Sustainability principles are implemented effectively and embedded in the corporate culture.

Oversight	Monitoring	Implementation
<p>Board of Directors Sustainability Oversight Responsibility</p>	<p>Executive Management Committee Sustainability Policy Framework</p> <p>Green Finance Committee Oversight of Green Financing</p> <p>Sustainability Committee Sustainability Strategy</p> <p>Audit and Risk Committee</p>	<p>Risk Management Sustainability Risk Assessment</p> <p>Sustainability Director Enforce and Drive Sustainability Initiatives Across the Group</p> <p>Sustainability Champions Cultural transformation and initiative execution</p>

Roles and Responsibilities

Each of the representative committees and departments within FIVE’s governance structure plays a vital role, with duties ranging from developing, to implementing, to overseeing Sustainability-related plans and actions on a continuous basis.

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OVERSIGHT:

Board of Directors

FIVE's Board of Directors exercises active oversight on all core business activities. The Board is responsible for reviewing and approving the corporation's Sustainability strategy, framework, policies, and initiatives. Additionally, the Board maintains the ultimate oversight responsibility over Sustainability-related risks and approving appropriate mitigation measures.

MONITORING:

Executive Management Committee (Composed of FIVE's Executive Management Team)

- Formulates and implements the Sustainability strategy, framework, policies and initiatives; sets and achieves Sustainability commitments and targets; and monitors and reports on execution and adherence;
- Reviewing the Sustainability performance in the light of the Company's culture, strategy, objectives, business plans and budgets, and ensuring that any necessary corrective action is taken.

Audit and Risk Committee (Composed of Non-Executive Directors)

- Set the tone at the top to foster Sustainability risk awareness culture and guide, authorize and empower the Risk & Compliance Director in designing, developing, and implementing robust Sustainability risk management framework;
- Keep under review the effectiveness of the Company's internal control policies and procedures for effective management of identified Sustainability risks.

Nomination and Remuneration Committee (Composed of Executive and Non-Executive Directors)

- The Policy will cover performance based variable rewards (cash and share incentives, annual bonus plans and long-term incentive plans) linked with Sustainability goals;
- Making recommendations to the Board in relation to metrics for the Sustainability/Sustainability component of the incentive plans for the executive team.

Sustainability Committee (Composed of Independent Director and CFO)

- Develop and recommend to the Board, Corporate Sustainability targets and key performance indicators and receive and review reports on progress towards the achievement of such targets and indicators;
- Consider matters linked to the Group's Corporate Sustainability Strategy and reputational matters linked to policies, pledges and commitments made;

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- Reviewing the implementation of the Sustainability Strategy and reporting to the Board on this implementation;
- Ensuring that the Committee and the Board are kept up to date of any regulatory changes in relation to sustainability that impact the business of the Group and its Sustainability Strategy and implementation of this strategy;
- Reviewing the Company's TCFD report and public sustainability reporting prior to its release.

IMPLEMENTATION:

Director of Sustainability

- Responsible for executing the Sustainability Committee's Strategy by developing programs and managing the implementation of initiatives across the group;
- Facilitate the promotion of socially responsible values and standards that relate to the social and economic community in which the Company operates.

Sustainability Champions

- Under the monitoring of the Director of Sustainability, Sustainability Champions will be identified and will work across departments to drive the implementation of Sustainability Policies and Initiatives to a grassroots level.

Risk Management

Sustainability risks are collated within a risk register to support the prioritisation, management and mitigation of risks that pose the highest threat to our operations or our stakeholders. This risk register allows FIVE to establish response plans to these risks and ensure minimal losses on a dynamic basis. The Sustainability Committee is responsible for ensuring that sustainability risks are considered, and that adequate controls are in place for such risks, while the Audit and Risk Committee are responsible for monitoring and reviewing the effectiveness of our overall risk management system and internal controls.

Reporting and Monitoring

Periodic review of action plans initiated by the Director of Sustainability and collaboratively driven by Sustainability Champions will be conducted and a report on targets achieved and pending would be prepared and presented to the Sustainability Committee. The Sustainability Committee will assess the performance of the achieved goals and status of pending action plans in managing the company's Sustainability Strategy.

FIVE commits to annual Sustainability Reporting in line with the Integrated Reporting Framework and SASB Standards.





5. External Recognitions and Partnerships

FIVE's charitable contributions and partnerships include the following:


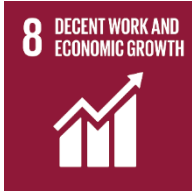
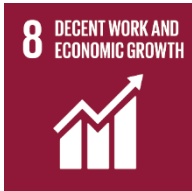

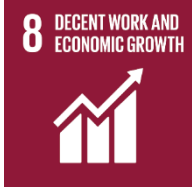
- Sir Ganga Ram Hospital Medical Charities
- Diya India Foundation
- The Children's Medical Centre
- New Face Charitable Trust
- Room to Read Foundation
- UNICEF
- World Wildlife Federation (WWF)
- UN Human Rights (UNHR)
- UN Global Compact (UNGC)
- Global Sustainable Tourism Council (GSTC)

6. Supporting the UN Sustainable Development Goals (“SDGs”)

FIVE supports the UN Sustainable Development Goals and global actions to realize its ambitions. FIVE acknowledges that its material topics align with limited aspects of and the broader pursuit of certain UN SDGs in striving towards a sustainable future and has therefore mapped the FIVE objectives to the SDGs.

FIVE Strategic Objective	SDG	Relevant SDG Targets
<p>Enhancing the energy, water and resource efficiency of our operations</p>	  	<ul style="list-style-type: none"> • By 2030, increase substantially the share of renewable energy in the global energy mix • By 2030, double the global rate of improvement in energy efficiency • By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support • By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity • By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse • Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle • Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production
<p>Reducing emissions and managing climate related risk and opportunities</p>		<ul style="list-style-type: none"> • Integrate climate change measures into national policies, strategies and planning

FIVE Strategic Objective	SDG	Relevant SDG Targets
Evolving systems to support digitalization, artificial Intelligence, and automation		<ul style="list-style-type: none"> • By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Integration of sustainability into corporate governance		<ul style="list-style-type: none"> • By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
Sustainable procurement and supply chain management		<ul style="list-style-type: none"> • Promote public procurement practices that are sustainable, in accordance with national policies and priorities • Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle • By 2030, achieve the sustainable management and efficient use of natural resources
A positive community impact and relationships		<ul style="list-style-type: none"> • Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection • Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships
Innovate to address social and environmental challenges		<ul style="list-style-type: none"> • Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

FIVE Strategic Objective	SDG	Relevant SDG Targets
<p>Setting high environmental and social standards in supply chain</p>		<ul style="list-style-type: none"> • Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle • By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse • Promote public procurement practices that are sustainable, in accordance with national policies and priorities
<p>Inspiring Intrapreneurship by encouraging new ideas and initiatives</p>		<ul style="list-style-type: none"> • Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors
<p>Improving employee welfare</p>		<ul style="list-style-type: none"> • By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value • Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
<p>Ensuring equality, diversity and inclusion</p>	 	<ul style="list-style-type: none"> • By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value • Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life • Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels • End all forms of discrimination against all women and girls everywhere

Green Financing Framework

Rationale for Establishing a Green Financing Framework

At FIVE, we are strongly committed to enhancing sustainability in our entire operations and value chain. This Green Financing Framework (the “Framework”) is an important step in aligning our financing strategy with our sustainability commitments. We consider the alignment of our funding strategy with our sustainability ambitions to be core, given its fundamental importance within our corporate strategy. The Framework provides an opportunity to further communicate with market participants on our vision to be one of the leading sustainable hospitality groups.

Alignment with the Green Bond and Green Loan Principles

By setting up this Framework in alignment with the Green Bond Principles⁹ (GBP), administered by the International Capital Market Association’s (“ICMA”), published in June 2021 (with June 2022 Appendix 1), FIVE offers market participants further insights into its Sustainability strategy and commitments.

⁹ [ICMA Green Bond Principles \(GBP\) 2021](#) (with June 2022 Appendix 1). The possible types of Green Bonds to be issued against the framework are as defined in Appendix 1 of the GBP, with the associated disclosure requirements for covered bonds to be followed if relevant.

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In the case of Green Loans, FIVE will ensure alignment with the recommendations of the Green Loan Principles¹⁰ (GLP), administered by Loan Market Association's ("LMA"), published in February 2023.

The Framework details the four core components of the ICMA GBP and LMA GLP principles, which are as follows:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The Framework also follows the recommendation of the ICMA principles with regards to external review.

This Framework may be updated from time to time to ensure continued alignment with voluntary market practices, emerging standards and classification systems. Any updated version of this Framework will either maintain or improve the current levels of transparency and reporting disclosures, including the corresponding External Review.

1) Use of Proceeds

Under this Framework, FIVE can structure Green Financing Instruments, including bonds and loans, proceeds of which will be exclusively allocated to Green Projects as described further in this Use of Proceeds section.

An amount equivalent to the net proceeds from the issuance of Green Financing Instruments will be used to finance or refinance, in part or in full, Eligible Green Projects that meet the Eligibility Criteria set out in this Framework. Eligible Green Projects may include assets, capital expenditures (capex) and operational expenditures (opex) including research & development expenses.





Eligible green building assets will not have a look back period and will be accounted for at their fair market value at the time of allocation reporting.

Other Eligible Green Project types (capex, opex and equity investments) are limited to a maximum look-back period of 3 calendar years prior to issuance.

FIVE will follow the process described in the Framework along with its professional judgement, discretion and sustainability expertise when identifying the Eligible Projects that meet at least one of the eligibility criteria outlined in the following section.

¹⁰ [LMA Green Loan Principles 2023](#)

a) Eligible Green Projects

Eligible Green Category	Eligibility Criteria	Contribution to UN SDGs
<p>Green Buildings</p> <p>Environmental Objective: Climate Change Mitigation; Climate Change Adaptation</p>	<p>Financing related to the acquisition, construction or refurbishment of energy-efficient, low carbon buildings which have achieved or are targeting¹¹ to achieve:</p> <ul style="list-style-type: none"> • LEED¹² certification level “Gold” or better; or • BREEAM¹³ certification level “Excellent” or better. 	 
<p>Renewable Energy</p> <p>Environmental Objective: Climate Change Mitigation</p>	<p>Financing related to the development, installation and operation of renewable energy, including:</p> <ul style="list-style-type: none"> • Solar photovoltaic and solar thermal energy systems on FIVE owned hotel and resort sites; • Power Purchase Agreements (“PPAs”), Virtual Power Purchase Agreements (“VPPAs”), and any other investments that provides for the procurement of renewable energy through a long-term contract (at least ten years) aligned with the GHG Protocol.¹⁴ 	 

¹¹ Projects in development will be registered with the certification body. Design, construction and commissioning criteria are developed in accordance with the targeted certification level. This is monitored during development and assessed on completion.

¹² LEED (Leadership in Energy and Environmental Design) certification provides a framework for healthy, highly efficient, and cost-saving green buildings, which offer environmental, social and governance benefits. Established by the US Green Building Council, LEED certification is a globally recognized symbol of sustainability achievement and leadership. To achieve LEED certification, a project earns points by adhering to prerequisites and credits that address carbon, energy, water, waste, transportation, materials, health and indoor environmental quality. A ‘Gold’ rating is the second highest rating out of four levels. Source: <https://www.usgbc.org/leed>

¹³ BREEAM provides a holistic sustainability assessment framework, measuring sustainable value in a series of categories and validating this performance with third-party certification by a BRE global Ltd. Each of these categories addresses influential factors, including low impact design and carbon emissions reduction; design durability and resilience; adaption to climate change; and ecological value and biodiversity protection. An ‘Excellent’ rating is the second highest of five levels. Source: <https://bregroup.com/products/breeam/>

¹⁴ Amounts for qualifying renewable energy agreements will be considered allocated upon commercial operation and will represent estimates of future outlays. The allocated amounts will be calculated as the net present value of the projected contractual costs of the renewable energy over the life of a Green Financing based on estimated electricity generated or delivered and the scheduled price under the contract. For existing contracts, allocated amounts will be determined on a similar basis using actual costs to-date and projected future costs. Since the determination of the allocated amount to PPA and vPPA involves estimates, actual results could differ from those estimates. In case of any differences, accounting would be done as per IFRS standards.

2) Process for Evaluation and Selection

FIVE has taken their overarching objectives, strategy and policy (outlined in section 1) into account when selecting Eligible Projects

Specifically, FIVE's overarching, long-term sustainability goal is to 1) ensure all its assets achieve at a minimum, LEED Gold certification (or equivalent) and 2) minimize non-renewable energy consumption through purchase of RECs and development of on-site renewable energy generation, which are core to the criteria for the use of proceeds.

In order to facilitate Eligible Project selection and evaluation, FIVE have set up a Green Finance Committee ("Committee") chaired by the Group CFO. The Committee is supported by members from the Sustainability, Engineering and Finance teams, in addition to any other teams/individuals, as appropriate. The Committee will meet at least annually, and as required for specific issuances.

Role of the Green Finance Committee

The Committee is the oversight mechanism for:

- Designing formal evaluation parameters for screening and selection of each project aligned with the company's sustainability strategy and goals, in addition to the Use of Proceeds criteria;
- Reviewing, selecting and validating the Eligible Projects:
 - The Committee will screen and assess that the Eligible Projects meet the eligibility criteria laid out in the Use of Proceeds section of this Framework, as well as FIVE's Sustainability Policies and Procedures;
 - Based on individual project need and complexities, *if required*, external consultants will be engaged to conduct a Sustainability impact study and provide technical assistance to inform the project evaluation by the Green Finance Committee:
 - The output of each study for each project subject to review and discussion within the Green Finance Committee will then be presented to the Sustainability Committee for approval;
 - Projects found to yield material adverse environmental, social and climate impacts will not be selected;
- Annually reviewing the list of Eligible Projects against the eligibility criteria. If a project no longer meets the eligibility criteria set forth in this Framework, the Eligible Project will be removed from the register and replaced as soon as a substitute has been identified;
- Providing annual reporting on allocation and impact of the net proceeds raised through the Green Financing Instrument, and;
- Monitoring the on-going market evolution, particularly in relation to disclosure and reporting, to ensure FIVE is in-line with market practices.

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Identification and mitigation of environmental and social risks

FIVE has put in place a strong project evaluation and selection process, that leverages its expanding corporate sustainability and risk management framework, to ensure the mitigation of potential environmental and social risks associated with the Eligible Projects. This is in addition to ensuring that Projects meet applicable national and international environmental & social standards and regulations.

With regards to its issuance of Green Financial Instruments, in addition to the criteria in the framework, FIVE intends to subject all new projects to screening against stringent Sustainability parameters to evaluate whether such projects align with FIVE's overall sustainability strategy and goals. Key focus areas to evaluate alignment for each of the projects will include parameters such as impact on energy and water consumption, CO2 emissions, waste management, ecosystems and climate.

3) Management of Proceeds

FIVE's Finance team will manage the allocation of an amount equivalent to the net proceeds of its Green Financing Instruments on an aggregated basis for multiple Green Financing Instruments (portfolio approach). To manage this process, FIVE will establish a Green Financing Register which will be reviewed quarterly by the Finance team and Green Finance Committee and also contain relevant information on all Green Financial Instruments issued, including issuance size, ISIN, pricing date, and maturity date.

FIVE will strive to achieve a level of allocation to the Eligible Green Project Portfolio that matches or exceeds the balance of net proceeds of its outstanding Green Financing Instruments. If Eligible Green Projects are removed from the Green Project Portfolio, bringing the portfolio below the value of the outstanding Green Financing Instruments, FIVE will strive to replace these with Eligible Green Projects. Replacement of the Eligible Green Project(s) will be done on a best effort basis, as soon as possible and within a reasonable period of time of 24 months.

Pending full allocation of an amount equal to the net proceeds of outstanding Green Financing Instruments, the unallocated proceeds will be held in temporary investments such as cash and cash equivalents as per FIVE's Treasury & Investment Policy.

FIVE will disclose and make investors aware of the temporary investments for the balance of unallocated proceeds. Temporary investments will not be made in any financial instruments which do not align with FIVE's sustainability objectives. All such investments will be subjected to review and approval by the Green Finance Committee.

4) Reporting

FIVE commits to publish on its website an allocation and impact report annually, starting one year after the issuance of its inaugural Green Financing Instrument until its maturity.

a) Allocation Reporting

The allocation report will contain at least the following details:

- Net proceeds of outstanding Green Financing Instruments;
- Amount of net proceeds allocated to Eligible Green Projects as defined in the Use of Proceeds section of this Framework;
- Subject to confidentiality considerations, a list of the Eligible Green Projects financed through FIVE's Green Financing Instruments including a description of the projects and allocated amounts;
- The proportional allocation of proceeds between existing projects (refinancing) and new projects, and;
- The remaining balance of unallocated proceeds, if any, and their placement in temporary investments such as cash and cash equivalents as per FIVE's Treasury & Investment Policy.

b) Impact Reporting

FIVE intends to align, on a best effort basis, with the reporting recommendations as outlined in ICMA's "Handbook – Harmonized Framework for Impact Reporting (June 2022)"¹⁵.

¹⁵ [ICMA, Handbook – Harmonized Framework for Impact Reporting \(June 2022\)](#)

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FIVE will provide impact reporting at the level of each Eligible Green Category and which may include the following estimated Impact Indicators:

Eligible Green Category	Potential Impact Indicators
Green Buildings	<ul style="list-style-type: none">• Certification Standards<ul style="list-style-type: none">▪ Type of scheme, certification level• Annual GHG emissions reduced/avoided in tonnes of CO₂ equiv/a• Annual GHG emission intensity (Scope 1 & 2) in tonnes CO₂e / million AED• Electricity Use Intensity (kWh/million AED) and Electricity Consumed per Capita (kWh/Cover)• Water Consumed per Capita (Litres / Cover)
Renewable Energy	<ul style="list-style-type: none">• Annual CO₂ emissions reduced/avoided (in MtCO₂ eq./year)• Annual connection of renewable energy generation in MWh/GWh (electricity)

External Reviews

FIVE's Green Financing Framework is supported by the following external reviews:

a) Second Party Opinion (“SPO”)

FIVE has appointed ISS Corporate Services (ICS) to provide a Second Party opinion on the Green Financing Framework, to confirm alignment with the ICMA 2021 Green Bond Principles and LMA 2023 Green Loan Principles. The Second Party Opinion is available on FIVE's website.

b) Post-Issuance External Review on Reporting

FIVE will request on an annual basis, starting one year after issuance and for the life of the bonds, an external review on the allocation of Green Financing Instrument proceeds to Eligible Green Projects.

DISCLAIMER

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