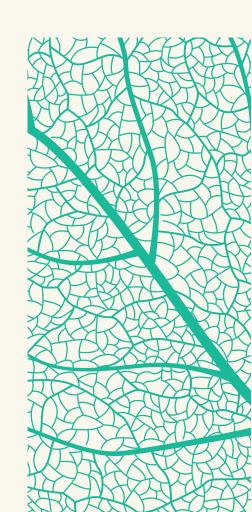# Climate and Environmental Responsibility Policy

URECA PTE LTD

Effective Date:
June 5, 2024

Next Review:
June 2026 (biennially)

1. Overview

URECA is a climate technology company committed to accelerating the global energy transition through scalable, technology-enabled, and community-driven solutions. Founded with the mission of delivering measurable climate impact in one of the world's most climate-vulnerable geographies, URECA operates at the intersection of renewable energy, digital carbon markets, and nature-based solutions.

This Climate and Environmental Responsibility Policy articulates our overarching environmental commitments and the governance structures, systems, and values that guide our operations, project development, and stakeholder engagement. It forms part of URECA's broader Environmental, Social and Governance (ESG) framework and is intended to evolve as our business grows.

2. Climate action and alignment with global frameworks

URECA is fully aligned with the objectives of the Paris Agreement and is committed to contributing to a just transition to a net-zero global economy, consistent with limiting warming to 1.5°C.

We also uphold the:

- UN Global Compact's Ten Principles on human rights, labour, environment, and anti-corruption;

- 17 Sustainable Development Goals (SDGs), particularly those related to climate action (SDG 13), affordable and clean energy (SDG 7), sustainable cities and communities (SDG 11), and life on land (SDG 15);

- IFC Performance Standards and Equator Principles, which guide our approach to project development, particularly in the renewable energy and carbon sectors.

Our climate commitments are operationalized through the following key areas:

- Development and deployment of digital MRV technologies for grassland and forest ecosystems;

- Clean energy generation through utility-scale and distributed renewables, especially in remote, off-grid, and underserved regions;

- Carbon finance mechanisms to support household transitions from coal to solar, including the monetization of verified emissions reductions.

3. Environmental stewardship and resource efficiency

As a technology-enabled organization developing both software tools and on-the-ground infrastructure, URECA is committed to environmental stewardship at all levels of operation. We apply the principles of resource efficiency, circularity, and life-cycle thinking in our decision-making.

Key commitments include:

- **Energy Use:** Prioritize energy-efficient infrastructure in offices and project facilities, with a goal of achieving near-zero operational emissions across our footprint.

- **Sustainable Procurement:** Engage suppliers who comply with environmental standards and provide clear environmental product declarations. Preference is given to vendors who align with our sustainability criteria.

- **Emissions Monitoring:** Maintain and improve systems to track Scope 1, 2, and key Scope 3 emissions, including business travel, equipment transport, and supply chains.

- **Waste Management:** Implement waste sorting, recycling, and reuse protocols across our facilities and ensure responsible disposal of e-waste, solar equipment, and other technical materials.

- **Water Use and Land Impacts:** In our utility-scale project developments, we conduct Environmental and Social Impact Assessments (ESIAs) in line with Mongolian regulations and international standards, and we aim to minimize water usage and land disturbance.

These actions are guided by principles aligned with ISO 14001 environmental management standards.

4. Innovation for nature, energy, and communities

Innovation is core to URECA's climate and sustainability impact. Our solutions are designed not only for emissions reduction but also to create co-benefits for biodiversity, Indigenous and local communities, and regional economies.

- Digital MRV Systems: Our proprietary MRV systems transparently monitor environmental conditions and emissions outcomes in grasslands, forests, and distributed energy systems. These systems are increasingly integrated with geospatial technologies, AI, and blockchain infrastructure to enable trustworthy carbon credit generation and issuance.

- Renewable Energy Development: URECA develops both utility-scale renewable projects and distributed-solar solutions with a long-term sustainability lens. Every project incorporates climate risk assessments, lifecycle emissions evaluations, and local stakeholder input.

- Supporting a Just Energy Transition: We recognize that Mongolia's shift away from coal requires inclusive and equitable solutions. Our programs prioritize low-income households and ensure that vulnerable groups are not left behind. We incorporate social safeguards and engage local communities, particularly women and youth, as active participants in our work.

5. Governance, oversight, and transparency

Sustainability oversight is embedded at the executive level of URECA. The CEO and senior leadership team are responsible for enforcing this policy, supported by a cross-functional ESG working group.

We commit to:

- Biennial reviews of this policy and associated ESG documentation;

- Public disclosure of key performance indicators (KPIs) including emissions, installed renewable capacity, carbon credits issued, and households transitioned to clean energy;

- Stakeholder engagement with regulators, investors, and communities to ensure accountability and continuous improvement.

6. Continuous improvement and future focus

We view sustainability as a dynamic journey, not a fixed standard. As technologies, policies, and global expectations evolve, so too will our practices.

Future commitments include:

- Adoption of science-based targets for emissions reductions;

- Third-party verification of climate impact claims;

- Integration of climate resilience metrics into project planning;

- Pursuit of international certifications (e.g. Gold Standard, Verra, ISO 14001)

We welcome dialogue with all stakeholders—including communities, investors, civil society organizations, and government partners—to strengthen our environmental performance and climate integrity.