

OUR MATERIALITY APPROACH

Following the best practice, in 2021, DMCC redefined its material topics and updated its methodology in alignment with Global Reporting Initiative Universal Standards. Due to the evolution of the stakeholder engagement process, there was a reduction in material topics. In previous years, a quantitative survey was distributed to relevant stakeholders, and a subset of interviews was conducted to reinforce the quantitative data gathered.

In 2021, DMCC's approach was first to identify key business relationships within its value chain that it influences and impacts and then conduct in-depth feedback consultations with stakeholders to identify actual and potential negative and positive impacts.

These changes resulted in a new set of material topics for DMCC.

IDENTIFICATION

DMCC's value chain is complex, with stakeholders intersecting multiple business activities. DMCC's main activities in the UAE include trade infrastructure (developing ecosystems for gold, diamond, tea and coffee industries along with new areas and financial services), free zone (company registration, supporting ecosystem), and community (property development, management, and engagement). Within each main activity, DMCC classified each stakeholder into tiers 1-3 based DMCC's proximity of impact on the stakeholders.

DMCC interviewed its internal directors and managers within each business activity to ensure a robust and accurate list of appropriate stakeholders. The interviews included a breakdown of their business operations and recommendations for external stakeholder engagement exercises.

This process resulted in a thorough list of 30+ relevant stakeholders and experts with whom to engage to gather feedback on material topics for DMCC. A second review of the final list took place by DMCC's management team to gather contact information and verify stakeholder accuracy.

ENGAGEMENT

Sustainability team conducted in-depth discussions with stakeholders, including customers, employees, suppliers, policymakers, industry peers, NGOs, and community organisations to gain perspective on how they perceive us impacting them. After contacting all external stakeholders for consultations, 30 individuals and organisations participated in a 1-2-hour dialogue to assess DMCC's impact.

Given DMCC's complex value chain and business activities, some stakeholders were classified under one business activity but during the interview provided their feedback on more due to the their broad scale of operations. Within DMCC's trade infrastructure services, 8 stakeholders were engaged across all four verticals. In the community business activities, 18 stakeholders were consulted, of which 13 were the residents living in Jumeirah Lake

Towers. The free zone activities are the most intersectional given that many stakeholders operating within trade and community are licensed member companies. For the free zone pillar, we specifically engaged 4 additional stakeholders. However, many more stakeholders we engaged on community and trade provided us with their observations on the free zone ecosystem.

DMCC created educational resources before consulting stakeholders on the organisation's impact on them. DMCC provided context to each stakeholder before each interaction to ensure an

ANALYSIS

The conversations with each stakeholder were transcribed and analysed on the actual, potential, negative, and positive impacts on the economy, environment and people. The analysis took into consideration all DMCC activities and business relationships mentioned during the meetings. The sustainability team considered all aspects of the DMCC's complex value chain to guarantee that stakeholders' feedback was analysed according to the organisational context.

Once the classification of all actual, potential, negative, and positive impacts

understanding of the intended outcome of the consultation and to inform them of the GRI Standards update. Examples include a presentation deck describing what "positive and negative impact" could mean to a stakeholder, why their feedback matters to DMCC and open-ended questions to guide the conversation towards points of potential issues and improvements. DMCC then prompted stakeholders to ask questions for further clarification if necessary.

was completed, a cross-reference to a constructed universe of ESG (environmental, social, and governance) topics sourced from GRI Standards 2021 and SASB (Sustainability Accounting Standards Board) was consolidated to reflect a list of relevant material topics for DMCC based on its business activities and stakeholder feedback.

Material topics were then identified and selected so they would cover each impact identified earlier. Once all appropriate material topics were ascertained, a prioritisation process began.

PRIORITISATION

The sustainability team conducted a prioritisation exercise by scoring each material topic identified in line with the stakeholders' feedback. We re-examined all consolidated transcribed consultations and considered the importance and the severity of the impacts highlighted by stakeholders, which allowed us to rank the material topics internally.

In the result of the exercise, we were able to prioritise the material topics successfully, however the final decision was made to keep all topics in the final list to eliminate any risk of non-compliance with the GRI Universal Standards and ensure that all impacts identified in the course of the stakeholder engagement exercise are covered in this report.

MATERIAL TOPICS

A total of 12 topics were identified, each having 3-5 underlining sub-topics directly aligned with GRI 2021 disclosures. The final topics reflected the most significant values across all three rankings once averaged based on prioritisation. DMCC's leadership reviewed each topic to ensure understanding and appropriateness. Below is the list of topics identified as material.

- **Climate Change and Energy**
- **Community and Giving**
- **Customer Satisfaction and Engagement**
- **Economic Performance**
- **Ethical Business Conduct**
- **Governance and Leadership**
- **Labour Practices**
- **Occupational Health and Safety**
- **Supply Chain Sustainability and Responsible Sourcing**
- **Talent attraction, Development and Retention**
- **Waste Management**
- **Water Effluents**