



Power Assets Holdings Ltd.  
電能實業有限公司

---

# Environmental Policy

---

February 2021



## Table of Contents

1.	Policy Statement	P. 3
2.	Approach	P. 3
2.1	Managing Direct Impact	P. 4
2.1.1	Climate Change Management	P. 4
2.1.2	Energy Reduction	P. 5
2.1.3	Waste Management	P. 5
2.1.4	Water Risk Management	P. 5
2.1.5	Biodiversity	P. 6
2.2	Managing Indirect Impact	P. 6



## 1. Policy Statement

Power Assets Holdings Limited (together with its subsidiaries, the “Group”) is conscious of the environmental impact associated with its operations. It is committed to protecting the environment and supporting sustainable development by managing its environmental footprint across its operating markets and conducting its business in an environmental responsible manner.

This Policy applies across the Group’s operations and represents a key part of the Group’s ongoing efforts to achieve efficient processes across its operations and manage its environmental impact. For joint venture and associates, the Group will exercise its influence to promote their adoption of environmental policies consistent with these approaches. The Group also encourages its suppliers, contractors, business partners, and where applicable, its customers, to respect the practices outlined in this Policy, with a goal of furthering their own efforts at environmental stewardship.

The Board is accountable for overseeing the management’s implementation of the Group’s environmental efforts.

This Policy will be reviewed regularly or as required to ensure its relevance and effectiveness.

## 2. Approach

To reduce any adverse environmental impact arising from day to day operations, the Group strives to adopt behavioural change as well as the use of efficient technology, processes and systems to drive and monitor reduction initiatives. Central to these efforts are:

- Supporting local government policies and efforts to combat global climate change and achieve the goals set by the United Nations Framework Convention on Climate Change.
- Complying with relevant environmental legislations and regulations in all markets where the Group operates.
- Embracing innovation, and developing and adopting, where possible, environmentally-friendly energy source and technologies to meet the changing needs in an evolving energy world.
- Implementing an environmental management system to monitor and manage the environmental impact arising from its operations.
- Promoting and stimulating behavioural change amongst employees through internal communication, training and other means. Cultivating a greater internal awareness on environmental issues to spearhead the reduction of



energy consumption.

- Handling environmental complaints and responding to environmental inquiries, as well as preparing for and responding to environmental emergencies in a timely manner, taking necessary actions to resolve any problems or concerns as soon as possible, and adopting preventive measures to avoid the recurrence of similar incidents.
- Reporting on the Group's environmental impact and performance through platforms such as the corporate website and its annual Sustainability Report.
- Continuing to engage with and consult the Group's stakeholders to improve its environmental performance and mitigate any adverse environmental impact from its operations.

## 2.1 Managing Direct Impact

The Group strives to further strengthen its resilience to climate change by identifying and addressing the challenges presented by climate change and the opportunities to resolve those challenges, as well as by developing strategies in line with global best practices with a view to adapting to and mitigating the impact of climate change on its operations. It assesses climate change and associated physical and transition risks and opportunities from time to time in order to ensure appropriate strategies and responsible actions are taken to address the causes and impact of climate change on its operations.

The Group also endeavours to reduce hazardous and non-hazardous waste, manage effluent and facilitate ways to encourage more reuse and recycling in the day-to-day operations. It encourages the use of sustainable materials and the adoption of technologies to streamline production and operation processes and enable better management of environmental impact of its operations.

The following outlines the Group's global position on managing the direct impact arising from climate change, energy consumption, waste, water and biodiversity:

### 2.1.1 Climate Change Management

- Address climate change risks as part of the Group's risk management process.
- Embrace innovations and adopt latest technologies where possible by digitizing the electricity network to enhance flexibility to cope with distributed renewable resources and decarbonizing of gas network with the blending of hydrogen into the existing network.
- Progressively replace coal with natural gas and increase renewable energy in its generation portfolio.



- Set up long-term targets to reduce carbon emissions as appropriate, while enacting processes and systems to monitor the Group's carbon footprint.
- Incorporate climate change considerations into its business strategies.
- Establish appropriate procedures and processes to prevent or minimise the damage that climate change may cause and make use of the opportunities that may arise.
- Reduce, where feasible, the production of greenhouse gases, ozone depleting emissions and other air pollutants within the Group's operations.

### **2.1.2 Energy Reduction**

- Increase the usage of innovative and energy efficient technology in the Group's operations to reduce energy consumption arising from day-to-day operations.
- Track and monitor the use of energy across the Group's operations.

### **2.1.3 Waste Management**

- Streamline procedures and processes to increase efficiency and reduce consumption of day-to-day operational inputs such as paper, electronic equipment and the like.
- Reinforce "4R" Policy - reduce, reuse, recover and recycle materials and resources.
- Minimise the Group's waste footprint by recycling and reusing materials where possible, and set waste reduction and/or recycling targets where viable.
- Decrease the operational use of existing products while also source from recycled or sustainable forest sources.

### **2.1.4 Water Risk Management**

- Provide water stewardship and security through responsible management and the identification of risks posed by water scarcity.

### **2.1.5 Biodiversity**

- Conduct operations with a life-cycle approach to land and habitat stewardship.



- Minimise disturbance and mitigate impact in natural landscapes by avoiding operating in areas with high biodiversity value.

## 2.2 Managing Indirect Impact

The Group is also aware of the indirect impact arising from its ability to influence environmental performance within its value chain and in its investments. The Group endeavours to embed sustainable considerations and account for climate change impact in its business activities. These include:

- Influencing its suppliers by raising awareness on environmental issues, eco-friendly practices and professional environmental considerations as outlined in the Group's Supplier Code of Conduct.
- Continuing to raise awareness of environmental issues and promote eco-friendly practices among the communities the Group operates in by partnering with industry groups and environmental organisations as appropriate.
- Ensuring commitment from our employees, management, and our operating companies to protect the environment and biodiversity, and supporting sustainable development by conducting its business in an environmentally responsible manner.
- Maintaining a close dialogue with its stakeholders, and report and disclose its environmental performance and related information on a regular basis.

- E N D -