

POLICY ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE SUSTAINABILITY

Purpose

This policy highlights our commitment to Environmental, Social, and Governance (ESG) sustainability, aiming to integrate ESG principles into corporate culture and daily operations.

Internal guidelines and processes shall be implemented to align with the provisions of this Policy.

Oversight

PAP's Board Audit Committee (BAC) oversees the ESG framework at Panasian Power PLC.

Implementation

The ESG Steering Committee (ESGSC), comprises of 3 members and is responsible for implementing the ESG policy across PAP.

ESG sustainability practices

This policy details out ESG sustainability practices at PAP, highlighting key elements within each sustainability area for improved understanding and execution.

Environmental Sustainability

- GHG emissions reduction
- Water consumption management
- Waste minimization and disposal
- Environmental stewardship in projects
- Compliance with Environmental Regulations
- EIA / IEE
- Contribute to achieve Carbon net Zero 2050
- Contribute to Achieve Nationally Determined Contributions (NDCs) as per Paris Agreement
- Energy management
- Biodiversity and Land use
- Clean energy and technologies
- Development and assessing Climate related Risk and opportunities (CRROs)

Social Sustainability

- Equal opportunity employer
- Equity, diversity, and inclusion
- Talent strategy, training, and development
- Health & wellbeing
- Freedom of association and collective bargaining Occupational health and safety
- Community commitments and partnerships
- Raise living standards
- Equity, diversity & inclusion
- CSR Activities
- Contribute to achieve national Renewable energy targets

- Product safety
- Public- Private Partnership (PPP)

Governance

- Policies and procedures
- Board level oversight
- Appropriate due diligence processes
- Responsible supply chain management
- Robust ESG reporting
- Transparency and risk management
- Business and tax strategy and governance
- New business and operating models

Applicability

This policy is applicable to all directors and employees.

Effective date

24.09.2024

Review and modifications

The ESGSC shall meet periodically to discuss ESG matters, update the policy as needed, and ensure alignment with all relevant disclosure requirements. The updated policy shall then be reviewed annually by the Board of Directors on the recommendations of the Board Audit Committee.