

Towngas Smart Energy MSCI ESG Rating upgraded to “A”

(29 August 2022) Towngas Smart Energy Company Limited (“Towngas Smart Energy”, Stock Code: 1083.HK) was awarded an “A” rating in environmental, social and governance (“ESG”) by the international rating agency MSCI, primarily reflecting the Group’s outstanding performance in health and safety practices. Recently, Sustainalytics has also upgraded the Group’s rating to “medium risk”, making Towngas Smart Energy the first gas company on the Chinese mainland to receive such a rating. This year so far, Towngas Smart Energy has received upgrades in ratings and scores from the four major international rating agencies, showing the full recognition of the Group’s outstanding ESG performance.

MSCI’s rating report noted that the health and safety initiatives and performance of Towngas Smart Energy were outstanding, and the linking of the remuneration of the management to its corporate safety performance was the best practice. The upgrade reflects the Group’s commitment to safety awareness through a series of initiatives such as standardised engineering installations and innovative technology applications, placing the Group at the forefront of the industry in terms of safety indicators. The Group also promotes the diversification of the Board, with the appointment of Dr Christine Loh Kung-wai as an Independent Non-executive Director recently as an example. On carbon emissions, the report mentioned that Towngas Smart Energy is committed to achieving carbon neutrality through energy transformation and innovation by 2050, ten years earlier than the mainland’s target of achieving carbon neutrality by 2060, demonstrating the Group’s determination to promote development of renewable energy.

Mr Isaac Yeung Chung-kwan, the Head of Corporate ESG / Head of Corporate Affairs of The Hong Kong and China Gas Company Limited, said, “The Group has always attached great importance to the management of its ESG activities and has been committed to aligning its day-to-day operations with the United Nations Sustainable Development Goals (SDGs) in an effort to enhance its ability to achieve sustainable development. The Group’s commitment to achieving a carbon-neutral roadmap and creating long-term corporate and social value is the reason why Towngas Smart Energy has now obtained ESG ratings from the five major global ESG rating agencies and achieved such encouraging results.”

Looking ahead, the Group will continue to keep pace with the development of international ESG standards and keep enhancing its performance and related risk management, with reference to the frameworks of international ESG reports, so as to strengthen investors' and stakeholders' confidence in the Group's performance and governance in this area.

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