

Towngas Smart Energy Obtains ESG Ratings from Five Global Rating Agencies Whilst Promotes ESG Through Free Online Platforms

(6 April 2022) Towngas Smart Energy Company Limited (“Towngas Smart Energy”, Stock Code: 1083) participated in the assessment of S&P Global Ratings for the first time this year, and successfully obtained an Environmental, Social and Governance (ESG) rating from it in late March. Together with the ratings obtained from Sustainalytics and FTSE Russell at the end of 2021, as well as MSCI and Hang Seng Corporate Sustainability Index, Towngas Smart Energy has already obtained ratings from five ESG rating agencies. Investors and stakeholders can understand the Group’s operating conditions more clearly, in particular the risks and the opportunities brought by ESG.

The Group published the first ESG report (previously known as the Corporate Social Responsibility Report) in the city-gas industry in 2013, before it became a statutory requirement in Hong Kong. From that onwards, the Stock Exchange of Hong Kong Limited, the regulatory body, has imposed tighter requirements on ESG disclosure for listed companies, including introducing a stricter guideline on 1 January 2022. Towngas Smart Energy wants to utilise free and publicly accessible platforms to promote ESG for all, like sponsoring the Facebook fan page “Energypedia”. This page publishes the latest information on ESG regularly and introduces the new development of renewable energy.

Mr Peter Wong Wai-ye, Executive Director and Chief Executive Officer of Towngas Smart Energy, remarked, “Many countries have been increasing their awareness of ESG, in which more than 130 of them have set up a net-zero emissions target. However, it is not enough if only the governments promote energy-saving and emissions reduction; the support of various businesses and enterprises is also essential. International ESG ratings are great indicators to monitor the performance of enterprises in three key aspects: environmental, social and governance. Many investors and investment funds will take note of the ESG ratings of different enterprises before making their investing decisions. Responding to the requirements of ESG ratings going to be a big trend.”

Mr Wong added, “The Company was renamed Towngas Smart Energy last year and announced that we would focus on investing in the renewable business and developing

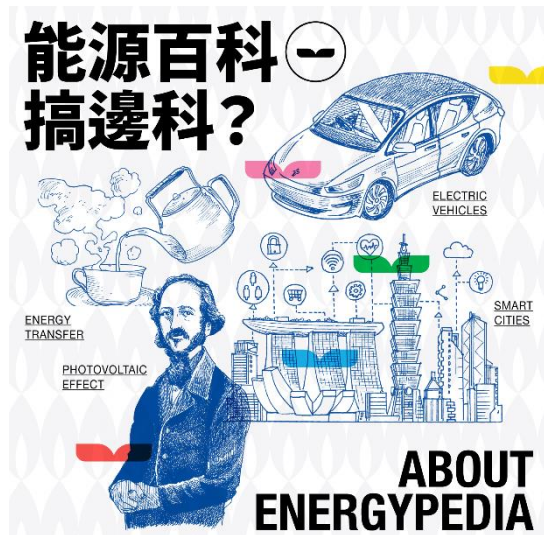
distributed photovoltaics and energy storage systems on the Chinese mainland. It is estimated that we will be able to help 200 industrial parks to achieve zero carbon emissions by 2025. This objective not only echos the “30.60 dual carbon goal” proposed by the Central Government, but also allows the Group to explore new business opportunities beyond its core gas business, benefitting both society and the economy.”

In the future, the Group will keep taking the international ESG rating frameworks as a reference to improve its performance in the respective areas. In the “Environmental, Social and Governance Report 2021” to be published later in April, our works in response to the Task Force on Climate-Related Financial Disclosures (“TCFD”) are also documented. It includes identification and responses to the potential opportunities and impacts of climate change from perspectives like physical and transitional risks, and corresponding adjustments of our business operations. The Group will also enhance our disclosure quality and coverage by adding a disclosure scope of a 3-year trend to all environmental emissions data points, optimising the comparability of greenhouse gas emissions data.

The Towngas Smart Energy “Environmental, Social and Governance Report 2021” will be uploaded to our official website in April: <https://www.towngassmartenergy.com/en/Media-Resources/Publications>

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Photo 1 and 2:



Towngas Smart Energy sponsors Facebook page “Energypedia” to share the latest information on ESG and introduce the new development of renewable energy, so as to promote ESG for all. Scan the QR code to visit the “Energypedia” page.