

## **Issues related to climate change**

### **Risk management procedures for climate change issues:**

The Far Eastone Telecom (FET) Settlement Environment and Energy Management Committee is the company's climate change risk control executive unit which reports to the Risk Management Committee on a regular basis in response to climate change related impact assessment and countermeasures every year. The company's climate change risk management and countermeasures were reported in the first risk management committee on April 26,2019.

### **Identification of climate change risks:**

FET uses TCFD (Task Force on Climate-related Financial Disclosures), an approved methodology to complete the company's risk identification based on risk vulnerability, impact degree and possibility of occurrence. It presents FET's climate risk matrix that uses to analyze the risks, formulate management methods, and responses.

### **Response measures to climate change and related actions for the year:**

In order to effectively managing climate change risk, FET not only regularly implements the climate change situation analysis and stress testing, but also scientifically tests the environmental toughness of infrastructure in severe climate and change scenarios.

We, therefore, set five key indicators for climate change including:

- (1) operating standards for extreme climate in major data centers,
- (2) greenhouse gas reduction targets,
- (3) energy performance improvement indicators,
- (4) renewable energy implementation,
- (5) compliance, etc.,

To track continuous improvement and to increase effectiveness in risk control and capability of response, as FET are the pioneer in the climate change related industries.