



# ENVIRONMENTAL MANAGEMENT POLICY

BTS Group Holdings Public Company Limited

---

7 JUNE 2021

REVIEWED AND REVISED ON 22 JUNE 2022

# **Environmental Management Policy**

BTS Group Holdings Public Company Limited

## **Vision**

To serve our community with unique and sustainable solutions that greatly contributes to an improved life

## **Mission**

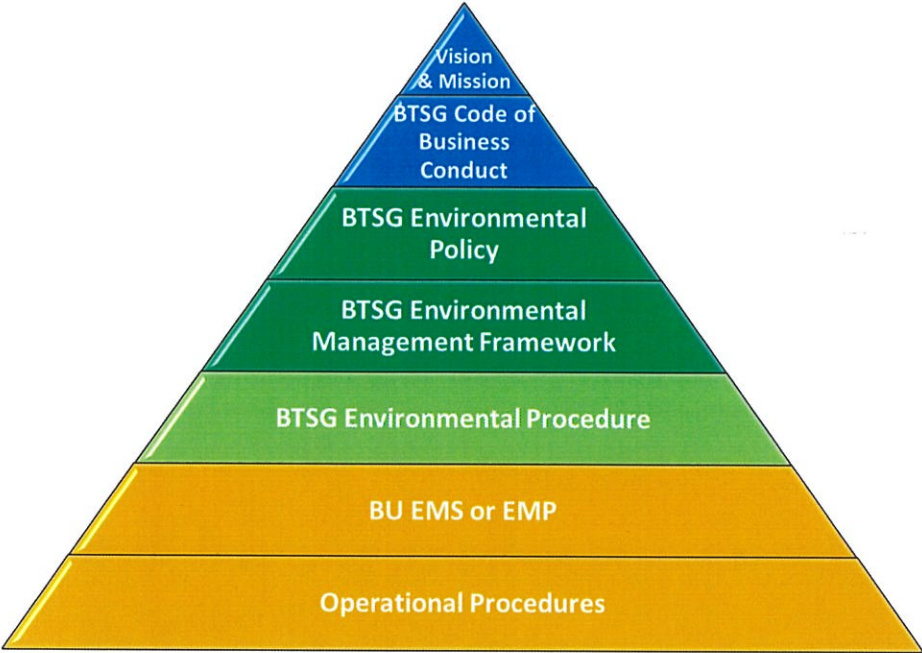
We build inclusive infrastructure, platforms and innovate quality services for our community, using a sustainable approach

## **Environmental Management Policy**

BTS Group strives to balance its economic pursuits with environmental considerations toward its vision to serve our community with unique and sustainable solutions that greatly contributes to an improved life. BTS Group does its businesses by conducting its operations to be environmentally friendly with a culture of individual environmental responsibility within the organisation. BTS Group has established the Environmental Management Policy to be applied and followed by our employees, suppliers and contractors and other key business partners (including joint ventures) comprising the environmental commitments as follows:

- Create a sustainable and environmentally-friendly operations and services
- Comply with environmental legislation, regulations and other requirements relevant to our operations and services
- Conduct business activities in a manner that minimising direct and indirect impacts to the environment through business lifecycle
- Commit to efficient resource use; reducing wastes, emissions, and discharges to water; reducing direct and indirect carbon emissions
- Factor environmental consideration into sourcing providers of external product and service and selecting business partners including distribution and logistics
- Factor environmental consideration in due-diligence, mergers and acquisition processes
- Ensure that environmental performance expectations are established throughout the organisation and are improved continuously
- Set objectives and targets that enhance environmental performances and reduce environmental impacts throughout the value chain
- Promote environmental awareness amongst our employees, internal and external stakeholders through training, sharing and exploring innovative environmental practices
- Establish roles and responsibilities of relevant teams to ensure that the Environmental Management Policy are implemented, monitored and reported consistently to Board of Directors who has oversight of the overall implementation of the policy and decision making to ensure overall improvement of environmental performances

# Hierarchy of Environmental Documents



BTS Group’s vision and mission, Environmental Management Policy and Environmental Management Framework are mandatory to all BTS Group’s business units and operations. Environmental Management Framework is the document providing mandatory requirements with clear responsibilities within BTS Group to follow in order to ensure all operations perform consistently in accordance with BTS Group’s environmental commitments.

BTS Group Environmental Procedure is mandatory to all business units, operations and control activities. These documents address specific areas where it is important that activities (e.g. environmental performance measurement and reporting) are carried out consistently across BTS Group.

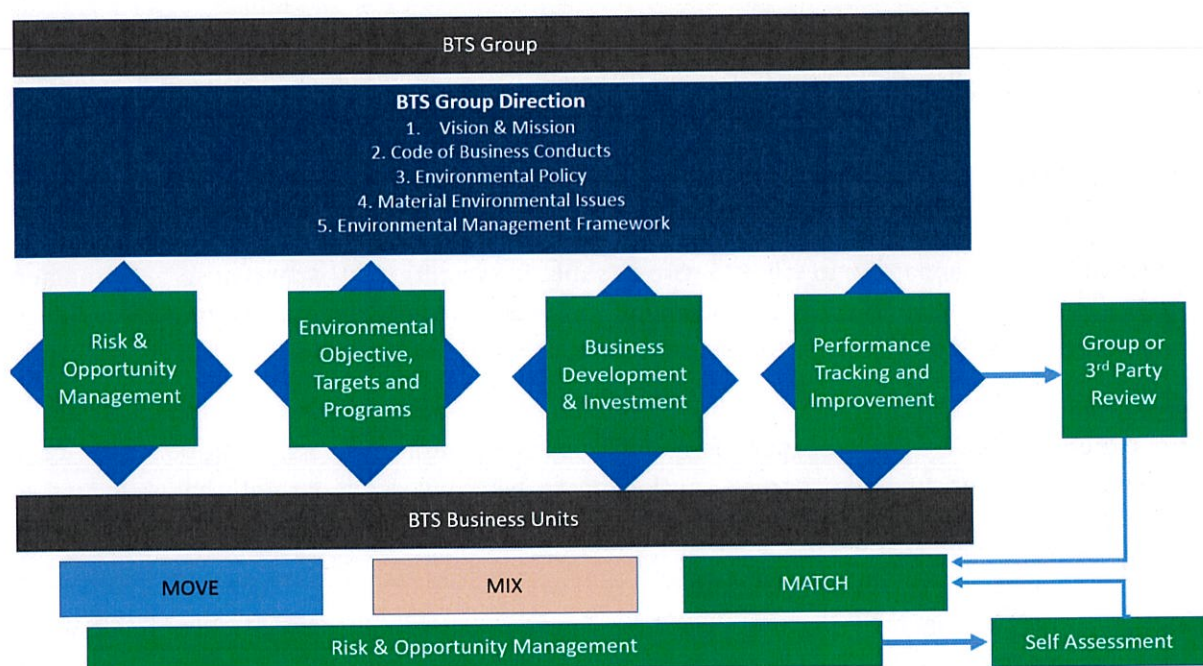
Environmental Management System (EMS) or Environmental Management Plan (EMP) can be developed for the whole Business Unit or for each individual operation. EMS or EMP can be developed as appropriate to the nature of business with advice from Sustainability Department. EMS or EMP is implemented to serve the commitments of BTS Group as specified under Environmental Management Framework.

Operational Procedures apply within the operations or business units where they are issued, and are intended to support EMS or EMP.

# Environmental Management Framework and Governance Process

BTS Group is committed to conducting businesses with environmental responsibility by reducing negative impacts and creating positive impacts to the environment. In order to align with BTS Group’s vision and mission, the Environmental Management Policy has been announced together with the Environmental Management Framework with the purpose to drive implementation of environmental management systems; and to achieve environmental goals through a robust governance and review mechanism.

BTS Group’s Environmental Management Framework has been developed based on the management system concept (Plan-Do-Check-Act) with a process that well fits to the organisation to ensure continuous environmental performance is driven. The Framework focusses heavily on measurement and management of environmental performance outcomes delivered by ISO 14001 implemented at all businesses toward environmental goals committed by the organisation. BTS Group’s Environmental Management Framework is illustrated as below.



## Scope

The scope of framework covers all operational aspects and activities that have the potential to affect environment either positively or negatively.

The framework covers the entire lifecycle business from investment, development, construction, operation and maintenance.

The objectives of this framework are to:

- Support the implementation of BTS Group’s Environmental Management Policy
- Provide a guide to ensure that all operations and activities within the scope are consistent with international standards e.g. ISO 14001
- Set out and formalise the expectations for progressive development and implementation of environmental management system at all business units of BTS Group

- Establish a mechanism to ensure achievement of BTS Group’s measurable environmental goals
- Drive continual improvement towards leading industry practice

Environmental Management Framework comprises 7 main processes in accordance with management system concept. Those processes include;

- 1) Risk & Opportunity Management (Group Level)
- 2) Environmental Objectives, Targets and Programmes
- 3) Business Development and Investment
- 4) Performance Tracking and Improvement
- 5) Group or Third Party Review
- 6) Risk & Opportunity Management (BU Level)
- 7) Self-Assessment.

Details of each process are described as below.

### **1. Risk & Opportunity Management (Group Level)**

Risk Management working team is in charge of identification, assessment and routinely update the environmental risks associated with BTS Group. Environmental risk identification is undertaken by understanding all activities performed by BTS Group and its business partners e.g. vendors, suppliers and service providers. Ability to influence in risk mitigation and reduction shall also be taken into account especially those risks associated with activities performed by the business partners. Those identified environmental risks shall be evaluated and prioritised to come up with significant risks that need to be addressed by BTS Group and its businesses. At BTS Group, the significant risks are managed through deployment of Group targets and programmes. The significant environmental risks defined at BTS Group include:

- Energy consumption from development and operation of mass transit system – direct impact to natural resources
- Water consumption from development and operations of mass transit system – direct impact to natural resources
- Carbon emissions from fuel use of all business units – direct impact to atmosphere
- Carbon emissions from electricity use of all business units – indirect impact to atmosphere
- Waste disposal from development and operations of mass transit system – direct impact to environment from landfilling

### **2. Environmental Objectives, Targets and Programmes**

Sustainability Department together with Sustainability Committee define improvement targets for all significant environmental risks with consideration of past performance to ensure that the set targets are measurable and achievable and at the same time challenging to demonstrate solid commitments of BTS Group. Programmes and plans to achieve the defined targets are developed by the functions contributing to each risk with guidance from Sustainability Committee. The defined programmes and plans comprise clear and detailed actions, timeline for completion and responsible persons to ensure implementation. Environmental Programme and Indicator of BTS Group are defined in accordance with Environmental Management Policy as below table.

Environmental Management Policy	Programme	Example KPI
Create a sustainable and environmentally-friendly operations and services	Extend the scope of ISO14001 certification to construction, operation and service and maintenance of mass transit system	% coverage of ISO14001 certification
		% of construction contractors with ISO14001 certification
Comply with environmental legislation, regulations and other requirements relevant to our operations and services	Develop process to identify and comply with all environmental-related requirements including EIA	Number of environmental non-compliance
Conduct business activities in a manner that minimising direct and indirect impacts to the environment through business lifecycle	Extend the scope of ISO14001 certification to construction, operation and service and maintenance of mass transit system	% coverage of ISO14001 certification
		% of construction contractors with ISO14001 certification
		% of ESDD conducted for significant investment during the reporting period ("significant" to be defined)
Commit to efficient resource use; reducing wastes, emissions, and discharges to water; reducing direct and indirect carbon emissions	Establish target and programme to reduce construction waste disposal	% waste managed by recycling
	Establish target and programme to reduce dust dispersion during construction	% ambient dust exceed the standards
	Establish target and programme to increase efficiency of energy consumption	Total electricity purchased (MWh)
		Electricity consumption per distance car-km (kWh/ car km)
	Establish initiatives toward reduction of direct and indirect carbon emissions	Total GHG emissions (tCO <sub>2</sub> e)
		Scope 1 GHG emissions (tCO <sub>2</sub> e)
		Scope 2 GHG emissions (tCO <sub>2</sub> e)
	Establish target and programme to reduce water consumption	Water consumption from mass transit operation (m <sup>3</sup> )
Establish waste segregation and recycling programme at stations and depots	% waste managed by recycling	
Factor environmental consideration into sourcing providers of external product and	Establish a systematic process to manage environmental risks and performance of contractors and suppliers	% of key contractors and suppliers with ISO14001 certification

Environmental Management Policy	Programme	Example KPI
service and selecting business partners	Establish Green Procurement process for purchasing of product and service	Volume of expenditure for product and service that conform to Green Procurement criteria
Ensure that environmental performance expectations are established throughout the organisation and are improved continuously	Define environmental targets for each operation	-
	Establish process to routinely report and track environmental performance against the target	-
Promote environmental awareness amongst our employees through training, sharing and exploring innovative environmental practices	Establish environmental awareness raising programme to employees, contractors, suppliers and customers	Communication materials promoting environmental awareness distributed and communicated to internal and external stakeholders
	Establish environmental training programme to employee	% employee receives environmental training
	Establish campaign to encourage employees to propose environmental initiatives	Number of environmental initiatives implemented

### 3. Business Development and Investment

Business Development Department is accountable to ensure that any investment or commercial transactions; through merging, acquiring or entering into joint venture where BTS Group or Business Units under BTS Group holds more than 51% of share; are conducted in a manner that environmental risks are addressed to minimise liabilities. Environmental considerations are factored into the processes for prospect screening and risk assessment, due diligence, transaction execution and post-merger/ acquisition. Environmental considerations are based on environmental risks and regulations associated with the activities and assets of the prospect as well as BTS Group's environmental standards and expectations.

### 4. Performance Tracking and Improvement

Sustainability Department ensures that indicators and data defined to demonstrate environmental performance are in accordance with standards and requirements that BTS Group adheres i.e. GRI Standards (Global Reporting Initiatives). Sustainability Department establishes the performance measurement and data collection and reporting process that are standardised across BTS Group to ensure consistency and accuracy with clear scope and boundary.

Each business unit is responsible for collection of associated data to support performance indicators to be reported in accordance with BTS Group's environmental performance data reporting procedure. Each business unit is required to review environmental performance against targets defined by BTS Group at least on a semi-quarterly basis to identify any opportunities to improve the program to ensure target achievement.

Sustainability Department consolidates environmental performance data reported by each business unit on a semi-quarterly basis. Analysis is performed to identify the trend, any potential errors, progress and gap against the defined targets, progress of environmental

programs, any opportunities to improve the environmental programs, and any assistance required to ensure target achievement. Formal or informal discussion with data owner can be performed on an as needed basis to clarify any unclear issues or concerns.

Sustainability Department reports environmental performance including any findings and recommendations as a result of the analysis to Sustainability Committee. Sustainability Committee conducts a management review meeting twice a year to review performance, progress against targets and programmes, and findings and recommendations. Discussion shall be made during the meeting to come up and agree with the opportunities to improve environmental management processes and performance; and solutions and financial and non-financial supports required from senior management to address such opportunities. BTS Group's Environmental Management Policy and Environmental Management Framework are also revisited during this meeting as appropriate in accordance with any changes influencing the environmental directions of the organisation.

#### **5. Group or Third Party Review**

BTS Group conducts or assigns a third party to conduct a review at Business Unit level on an annually basis to ensure compliance against the Environmental Management Framework as well as to verify environmental performance data are collected and reported in accordance with the BTS Group's environmental performance data reporting procedure.

#### **6. Risk & Opportunity Management (BU Level)**

Each business unit is required to establish an EMS or EMP as appropriate to the nature of business. For the business unit that implement an EMS, the EMS is to be certified with international standard i.e. ISO14001. For the business unit that implement an EMP, the EMP is to reflect and address environmental risks that are relevant to nature, activities and context of the business; and to cover the environmental programmes deployed by BTS Group.

#### **7. Self-Assessment**

Each business unit conducts a review at each of its operations at least every year to ensure compliance against the Environmental Management Framework as well as to verify environmental performance data are collected and reported in accordance with the BTS Group's environmental performance data reporting procedure.



Mr. Keeree Kanjanapas  
Chairman of the Board of Directors  
Chairman of the Executive Committee  
Chairman of the Sustainability Committee  
BTS Group Holdings Public Company Limited