



CK HUTCHISON GROUP TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

# GREENHOUSE GAS EMISSIONS RESTATEMENT 2020

**This restatement sets out the GHG emissions for CK Hutchison Group Telecom Holdings Limited (CKHGT) for the period 1st January 2020 to 31st December 2020.**

CKHGT is a leading global operator and innovator of converged telecommunications and digital services, implementing innovative technologies in international interconnectivity. It operates in eight markets: UK, Ireland, Austria, Denmark, Hong Kong, Macau, Italy, and Sweden. It forms part of CKHH - a multinational conglomerate committed to development, innovation and technology in four core businesses: ports and related services, retail, infrastructure, and telecommunications.

CKHGT recognises the urgency of addressing climate change and in 2022, received approval from the Science-based Targets initiative (SBTi) for its near-term science-based emissions reduction targets.

CKHGT is therefore committed to:

- **Reduce scope 1 and 2 GHG emissions by 50% by 2030, versus a 2020 baseline; and**
- **Reduce scope 3 GHG emissions by 42% by 2030, versus a 2020 baseline.**

These targets align with the sectoral decarbonisation approach for scope 1 and 2 emissions agreed between the Information and Communication Technologies sector and the SBTi, and are consistent with the level of reduction required to keep global temperature rise to no more than 1.5°C.

This document restates the 2020 GHG emissions data for CKHGT that has been previously published in the [CKHGT Sustainability Report 2022](#). The CKHGT Sustainability Report 2023 (due to be published later this year) will identify any other consequential changes as a result of this restated 2020 GHG data. This restatement has been undertaken to adjust certain figures, update for methodological changes and replace certain estimated data with actual data as set out below.

## CKHGT 2020 GHG EMISSIONS DATA

GHG Emissions	Units	2020 (Restated)	2020 (Reported)	Explanation for difference
<b>SCOPE 1 TOTAL</b>	tCO <sub>2</sub> -e	<b>17,487<sup>A</sup></b>	17,245	<ul style="list-style-type: none"> <li>Adjustments to quantities of fuel consumption where estimations have been replaced with actual activity data (20 tCO<sub>2</sub>-e).</li> <li>Adjustments to quantities of refrigerants due to updated assumptions on number of equipment units and size classification (222 tCO<sub>2</sub>-e).</li> </ul>
<b>SCOPE 2 (MARKET-BASED) TOTAL</b>	tCO <sub>2</sub> -e	<b>459,648<sup>A</sup></b>	459,912	<ul style="list-style-type: none"> <li>Adjustments to quantities of electricity consumption where estimations have been replaced with actual activity data (-264 tCO<sub>2</sub>-e).</li> </ul>
<b>SCOPE 2 (LOCATION-BASED) TOTAL</b>	tCO <sub>2</sub> -e	<b>412,099<sup>A</sup></b>	414,953	<ul style="list-style-type: none"> <li>Adjustments to quantities of electricity consumption where estimations have been replaced with actual activity data (-2,854 tCO<sub>2</sub>-e).</li> </ul>
<b>SCOPE 3 TOTAL</b>	tCO <sub>2</sub> -e	<b>1,659,382<sup>A</sup></b>	1,628,807	N/A
<b>CATEGORY 1: PURCHASED GOODS AND SERVICES</b>	tCO <sub>2</sub> -e	<b>845,667</b>	847,714	<ul style="list-style-type: none"> <li>Adjustments to calculations and modelling, specifically in relation to three supplier emissions factors (-4,779 tCO<sub>2</sub>-e), the total spend calculation (3,531 tCO<sub>2</sub>-e), and the treatment of inter-company roaming (-799 tCO<sub>2</sub>-e).</li> </ul>
<b>CATEGORY 2: CAPITAL GOODS</b>	tCO <sub>2</sub> -e	<b>562,756</b>	564,630	<ul style="list-style-type: none"> <li>Adjustments to calculations and modelling, specifically in relation to two supplier emissions factors (-3,050 tCO<sub>2</sub>-e) and the total spend calculation (1,176 tCO<sub>2</sub>-e).</li> </ul>
<b>CATEGORY 3: FUEL- AND ENERGY- RELATED ACTIVITIES</b>	tCO <sub>2</sub> -e	<b>113,114</b>	113,114	N/A
<b>CATEGORY 4: UPSTREAM TRANSPORTATION AND DISTRIBUTION</b>	tCO <sub>2</sub> -e	<b>11,895</b>	11,895	N/A
<b>CATEGORY 5: WASTE GENERATED IN OPERATIONS</b>	tCO <sub>2</sub> -e	<b>346</b>	346	N/A

GHG Emissions	Units	2020 (Restated)	2020 (Reported)	Explanation for difference
<b>CATEGORY 6: BUSINESS TRAVEL</b>	tCO <sub>2</sub> -e	<b>920</b>	920	N/A
<b>CATEGORY 7: EMPLOYEE COMMUTING</b>	tCO <sub>2</sub> -e	<b>8,481</b>	8,481	N/A
<b>CATEGORY 8: UPSTREAM LEASED ASSETS</b>	tCO <sub>2</sub> -e	<b>34,496</b>	0	• Inclusion of the emissions associated with the 'unbundled local loop' in Italy i.e. electricity consumption related to the 'last mile' fixed line network, owned by another operator (34,496 tCO <sub>2</sub> -e).
<b>CATEGORY 9: DOWNSTREAM TRANSPORTATION AND DISTRIBUTION</b>	tCO <sub>2</sub> -e	<b>0</b>	0	N/A
<b>CATEGORY 10: PROCESSING OF SOLD PRODUCTS</b>	tCO <sub>2</sub> -e	<b>0</b>	0	N/A
<b>CATEGORY 11: USE OF SOLD PRODUCTS</b>	tCO <sub>2</sub> -e	<b>55,169</b>	55,169	N/A
<b>CATEGORY 12: END-OF- LIFE TREATMENT OF SOLD PRODUCTS</b>	tCO <sub>2</sub> -e	<b>2,074</b>	2,074	N/A
<b>CATEGORY 13: DOWNSTREAM LEASED ASSETS</b>	tCO <sub>2</sub> -e	<b>0</b>	0	N/A
<b>CATEGORY 14: FRANCHISES</b>	tCO <sub>2</sub> -e	<b>6,812</b>	6,812	N/A
<b>CATEGORY 15: INVESTMENTS</b>	tCO <sub>2</sub> -e	<b>17,652</b>	17,652	N/A
<b>TOTAL GHG EMISSIONS (SCOPE 1, 2 AND 3)<sup>+</sup></b>	tCO <sub>2</sub> -e	<b>2,136,517</b>	2,105,964	
<b>TOTAL GHG EMISSIONS INTENSITY (SCOPE 1, 2 AND 3)<sup>+</sup></b>	tCO <sub>2</sub> -e / revenue HK\$'000	<b>0.024</b>	0.023	
<b>TOTAL GHG EMISSIONS INTENSITY (SCOPE 1 AND 2)<sup>+</sup></b>	tCO <sub>2</sub> -e / revenue HK\$'000	<b>0.005</b>	0.005	

<sup>+</sup>using scope 2 market-based emissions

This emissions data has been prepared in accordance with the GHG Protocol.

CKHGT engaged KPMG LLP to undertake independent limited assurance, reporting to CKHGT, using the assurance standards ISAE (U.K.) 3000 and ISAE 3410, for the selected GHG emissions that have been highlighted above with a  $\Delta$ . KPMG LLP's full statement is available in Appendix A of this restatement.

Detailed information on the reporting methodology can be found in the CKHGT Reporting Criteria published on the CKHGT website.

# **APPENDIX A: KPMG ASSURANCE STATEMENT**



## **Independent Limited Assurance Report of KPMG LLP to CK Hutchison Group Telecom Holdings Limited**

KPMG LLP (“KPMG” or “we”) were engaged by CK Hutchison Group Telecom Holdings Limited (“CKHGTH”) to provide limited assurance over the Selected Information described below for the year ended 31 December 2020.

### **Our conclusion**

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of the remainder of this report, in particular the inherent limitations explained below and this report’s intended use.

### **Selected Information**

The scope of our work includes only the information included within the document titled ‘Greenhouse Gas Emissions restatement 2020’ (“the Report”) for the year ended 31 December 2020 marked with the symbol  $\Delta$  (“the Selected Information”) (and also listed in Appendix 1).

We have not performed any work, and do not express any conclusion, over any other information that may be included in the Report or displayed on CKHGTH’s website for the current year or for previous periods unless otherwise indicated.

### **Reporting Criteria**

The Reporting Criteria we used to form our judgements are CKHGTH’s Greenhouse Gas Reporting Criteria (2020) as set out at <https://www.ckhutchison telecom.com/en/sustainability/sustainabilityreports.php> (“the Reporting Criteria”). The Selected Information needs to be read together with the Reporting Criteria.

### **Inherent limitations**

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time. The Reporting Criteria has been developed to assist CKHGTH in reporting Sustainability information selected by CKHGTH as key metrics to measure the success of its Sustainability strategy. As a result, the Selected Information may not be suitable for another purpose.

### **Directors’ responsibilities**

The Directors of CKHGTH are responsible for:

- designing, operating and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

## **Our responsibilities**

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been properly prepared, in all material respects, in accordance with the Reporting Criteria and to report to CKHGTH in the form of an independent limited assurance conclusion based on the work performed and the evidence obtained.

## **Assurance standards applied**

We conducted our work in accordance with International Standard on Assurance Engagements (UK) 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* ("ISAE (UK) 3000") issued by the Financial Reporting Council and in accordance with International Standard on Assurance Engagements 3410 *Assurance Engagements on Greenhouse Gas Statements* ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board. Those standards require that we obtain sufficient, appropriate evidence on which to base our conclusion.

## **Independence, professional standards and quality management**

We comply with the Institute of Chartered Accountants in England and Wales ("ICAEW") Code of Ethics, which includes independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the IESBA Code of Ethics. The firm applies International Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Summary of work performed**

A limited assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to obtain a meaningful level of assurance over the Selected Information as a basis for our limited assurance conclusion. Planning the engagement involves assessing whether the Reporting Criteria are suitable for the purposes of our limited assurance engagement. The procedures selected depend on our judgement, on our understanding of the Selected Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

The procedures performed included:

- conducting interviews with CKHGHT's management to obtain an understanding of the key processes, systems and controls in place over the preparation of the Selected Information;
- carrying out selected testing remotely over location-level Selected Information for four locations;
- selected limited substantive testing at the head office and in relation to the above locations, including agreeing a selection of the Selected Information to corresponding supporting information including invoices, certificates, consumption reports and the calculation of estimates in accordance with the basis set out in the Reporting Criteria;
- considering the appropriateness of the carbon conversion factor calculations and other unit conversion factor calculations used by reference to widely recognised and established conversion factors;
- reperforming a selection of the carbon conversion factor calculations and other unit conversion factor calculations;



- performing analytical procedures over the aggregated Selected Information, including a comparison to the subsequent periods' amounts having due regard to changes in business volume and the business portfolio; and
- reading the narrative within the Report with regard to the Reporting Criteria, and for consistency with our findings.

The work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### **This report's intended use**

Our report has been prepared for CKHGTH solely in accordance with the terms of our engagement. We have consented to the publication of our report for the purpose of CKHGTH showing that it has obtained an independent assurance report in connection with the Selected Information.

Our report was designed to meet the agreed requirements of CKHGTH determined by CKHGTH's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than CKHGTH for any purpose or in any context. Any party other than CKHGTH who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

KPMG LLP

#### **KPMG LLP**

*Chartered Accountants*

15 Canada Square,

London E14 5GL

06 March 2024

The maintenance and integrity of CKHGTH's website is the responsibility of the Directors of CKHGTH; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information, Reporting Criteria or Report presented on CKHGTH's website since the date of our report.

## Appendix 1 – Selected Information

<b>KPI</b>	<b>Assured Value</b>
Scope 1 CO2e emissions (tonnes)	17,487
Scope 2 CO2e emissions (tonnes) location-based	412,099
Scope 2 CO2e emissions (tonnes) market-based	459,648
Scope 3 CO2e emissions (tonnes)	1,659,382